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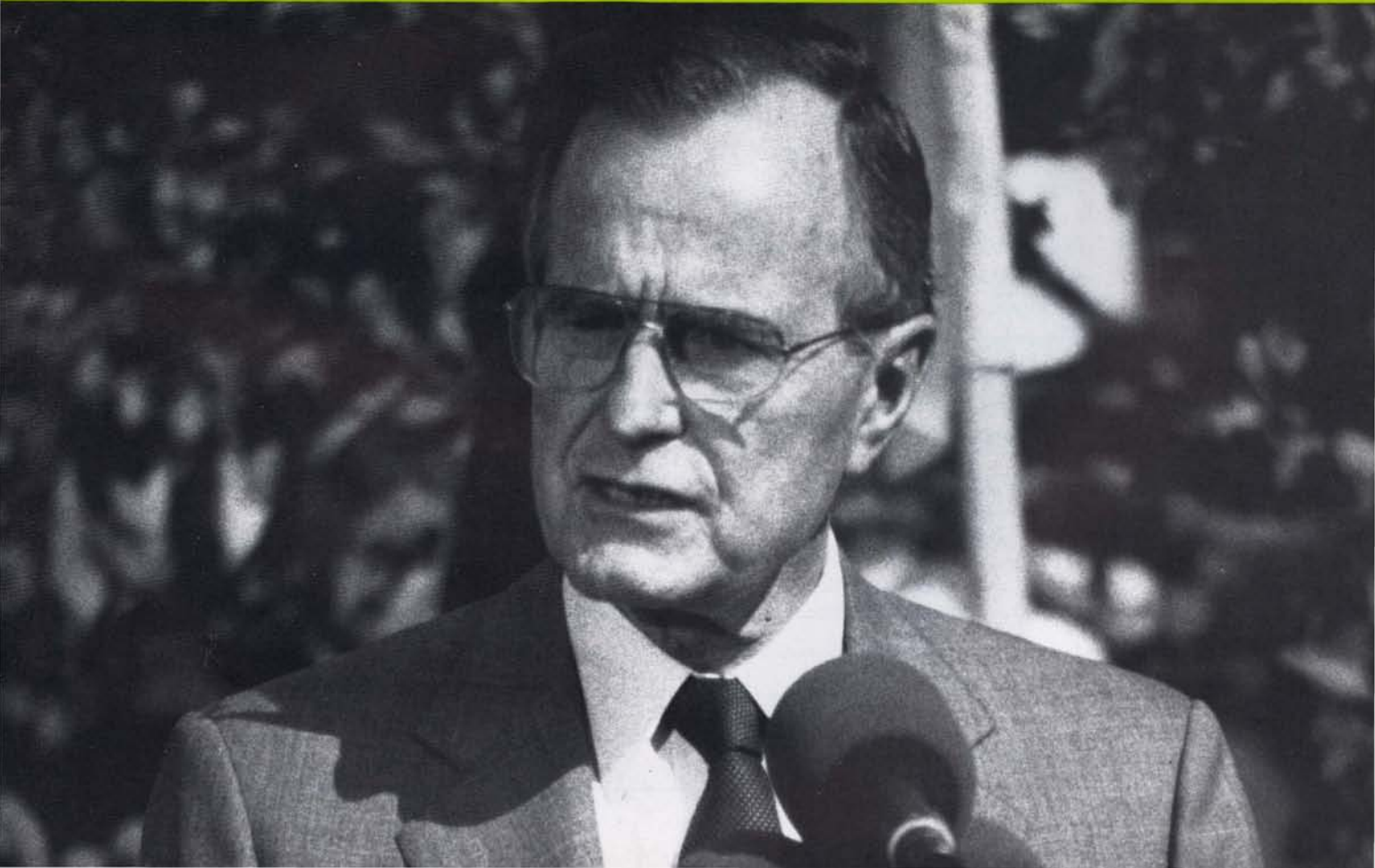
Executive Intelligence Review

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Japan-Soviet relations: slow thaw at last  
José Goldemberg, Brazil's 'Trojan Horse'

**How Bush is getting ready  
for rule by decree**



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## From the Editor

**T**here is a growing anti-war resistance movement both in the United States, and internationally. One facet has to do with a split in the ruling elites. Some political and financial leaders, who do not disagree with the malthusian intentions of Thatcher and Bush, are shrewd enough to recognize that their childish rage could blow up the Gulf at precisely the moment when the economic chaos in the Soviet bloc and the economic depression in the West are menacing our way of life.

The other facet has to do with a morally based, grassroots revolt. For instance, we publish on p. 30 a small section of a big dossier which was turned over to Congress and to the press on Nov. 15 with the demand for an investigation into the amply documented charges that Saudi Arabia, Kuwait, and other Gulf Arab states, which American soldiers are being told to go to war to defend, are practicing chattel slavery. Sam Evans, the head of the National Commission of Public Auditors, gave a press conference in Philadelphia Nov. 15, where he demanded that Colin Powell resign as chairman of the Joint Chiefs of Staff in protest against Bush's racist-religious Third World colonial wars.

From Germany, Helga Zepp-LaRouche, the top candidate of Patriots for Germany in the December federal elections, issued a statement also on Nov. 15, praising the mission of former Chancellor Willy Brandt to Iraq. Brandt, that day, presented his report to the Bonn parliament, supporting the initiative of Moroccan King Hassan for an Arab solution to the Persian Gulf conflict.

The anti-war resistance must get organized quickly (see the call on page 61). As our *Feature* explains, the U.S. government has already in place the mechanisms to suppress democracy through the Federal Emergency Management Agency. The war Bush seems to want so badly, or the depression he is getting anyway, could be the pretext for unleashing the full force of the police state which has so far been "test-driven" against selected opponents, such as Lyndon LaRouche.

*Nora Hamerman*

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**Correction:** In the Nov. 16 issue, in the article "New government in Pakistan," the second sentence on page 47, should have read, "A survey two weeks earlier had projected the PPP to win 82 seats as against 71 of the IJI." The words "two weeks earlier" were accidentally deleted; the paragraph was intended to show the rapid loss of popularity of the PPP as the electoral campaign heated up.

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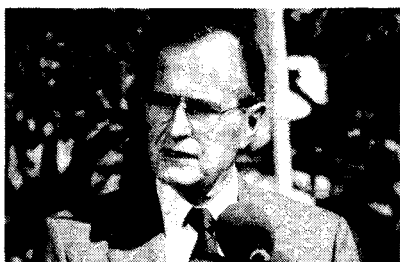
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# George Bush goes for showdown with Europe

by Chris White

It seems now that the search for a scapegoat for the deepening economic depression in which especially the Anglo-Saxon world is enmired, is about to focus in on its real target, namely continental Western Europe. This is one of the conclusions which ought to be drawn from the way in which U.S. Secretary of Agriculture Clayton Yeutter and U.S. Special Trade Representative Carla Hills, the responsible officials, have handled the final phases of the present Uruguay Round of international negotiations under the rubric of the General Agreement on Trade and Tariffs (GATT).

On Nov. 10, the U.S. delegation walked out of the negotiations in Geneva, breaking off talks on the grounds that a European compromise solution on the so-called farm subsidy matter was not acceptable. Since then, Yeutter has emphasized in successive speeches that there will be no agreement on the basis of the European proposals, and that no one should think the United States is bluffing and will back down at the last moment, because it is not.

The now-erupting GATT dispute set the stage for an acrimonious series of meetings in Europe the week of Nov. 19, culminating in the long-scheduled summit of the Conference on Security and Cooperation in Europe (CSCE), which brings together the nations of Europe, East and West, with the United States and Canada. Bush was slated to attend. Already soured by the insanity of Thatcher and Bush's commitment to war in the Persian Gulf, economic and financial conflict is now being pushed for the summit too.

Apparently, the Bush administration is set to reject a European draft declaration intended for the CSCE summit. The draft, prepared by European Community foreign ministers in their latest meeting in Rome Nov. 12, contains statements of commitment to "international financial stability" and "high employment." And these features, it is now report-

ed, are what the Bush crowd rejects.

This won't come as any surprise to U.S. mayors, who gathered in their annual conference to put together a new "compact" for the cities, and to denounce, in the words of Mayor Norman Rice of Seattle, the "trickle-down" theory of economics. "We are fed up with being trickled on," he said. Nor will it come as any surprise to the roughly 20 million Americans who are unemployed, despite the government's lying 5.7% unemployment rate, and the millions more who face unemployment over coming weeks.

## Widening rift in economic policy

The administration's rejection of the European draft is but one feature of a widening international rift in economic policy. This rift is pitting continental Europe and Japan against the Anglo-Saxon powers, led by Thatcher's basket case of Britain, and Bush's United States. The international opposition is complemented by calls originating in the United States for the ouster of Bush's economic team, namely, White House Chief of Staff John Sununu, Budget chief Richard Darman, and the tier of secondary Treasury officials under Bush confidant and tennis partner Nicholas Brady. The *Wall Street Journal* and *New Republic* both raised such demands after last month's budget debacle.

Meanwhile, it is the Bush administration, and Thatcher's team in Britain, which are forcing the pace of the coming showdown. The instruments, apart from the related war deployment in the Gulf, have been the GATT talks and the resurrection of Jimmy Carter's "benign neglect policy" toward the U.S. dollar. Both are part of the same Anglo-Saxon commitment to the so-called "free trade," "magic of the market place" cult doctrines of 18th-century Scottish weirdo Adam Smith.

Since the beginning of the year, the dollar has been devalued by around 20% against the currencies of all its major trading partners, including Japan and Germany. These are the same trading partners which have, up to now, been expected to invest their surpluses in financing the U.S. trade and budget deficits.

The showdown looming might be expected, Smoot-Hawley style, to provide the setting in which the depression collapse is blamed on the allies in Europe who refused to accept U.S. demands for so-called liberalization of trade, and to provide a cover for the new round of austerity and looting which is to be unleashed in the United States.

During the final weeks of the election campaign, it is now reported, while Bush and officials of his administration were ludicrously retailing the lie that economic growth in the United States is continuing, weekend seminars were being organized at the President's Camp David, Maryland retreat, under the direction of the chief of the Council of Economic Advisers, Michael Boskin, to prepare an agenda to deal with the "recession," which the seminars assumed began in October. Now that the campaign is finished, Bush and company have begun meetings at the White House with officials from the Federal Reserve and the Treasury, and from banks and industry, to discuss what they are going to do. The campaign against Europe on the GATT matter is related to this.

### **Attack on food production**

At the same time, the United States and Great Britain, supported by a coalition called the Cairns Group, made up of other food exporters, have insisted that Europe and Japan end their policies for fostering agricultural production, by eliminating what are misnamed "subsidies" to farmers. Ninety percent reductions over 10 years have been the standing demand at GATT. On Nov. 10, the talks broke down when the U.S. delegation declared a European 30% compromise cut unacceptable.

The demand to eliminate the credit and pricing policies which permit agricultural production to occur is obviously no different from demanding the elimination of food production overall. It is put forward with the intent of establishing Anglo-Saxon control over world food production as part of a policy of deliberate starvation of peoples of brown, black, and yellow skins in especially the Third World. It is an economic warfare complement of the military deployment in the Persian Gulf.

The U.S. demands are also intended to begin the process of cracking the European Monetary System apart. In demanding the elimination of so-called subsidies, the United States leaves out of account the effects of political manipulation of exchange rates. Europe's response takes fixed exchange rates as its starting point, calculating from there the effects of currency devaluation on its internal pricing arrangements. Effects of currency devaluations are offset then with compensatory payments to farmers and others. This is

an attack on the way the United States and the co-members of the Cairns group have looted both farmers and their customers alike, through driving down internal prices and currency manipulations. It also puts the European Monetary System, the means by which continental Europe has been relatively isolated from the depression in the Anglo-American world, smack in the middle of the fight.

With the U.S. walkout Nov. 10, U.S.-European relations entered a countdown. The Cairns Group, which includes Canada, Australia, Argentina, and Fiji, has set Nov. 15 as the deadline for European submission.

Similar developments are afoot with Japan. That country has refused to renew the so-called Sematech agreement on electronic components, on the grounds that the United States is now in violation of the Strategic Impediment Initiative, under which Japan agreed to accept various U.S. free trade-related demands, on condition that the U.S. acted to eliminate its budget deficit, and make other internal changes. The Japanese charge that the recently concluded U.S. budget agreement, under which the deficit is to rise from a targeted \$60 billion to over \$240 billion, is a violation of the Tokyo-Washington agreement.

### **Showdown, or LaRouche's alternative**

Both developments set the stage for the rapid development of a showdown between Britain and the U.S. against continental Europe, on the one hand, and Britain and the U.S. against Japan, on the other. What is slated to emerge, and was prefigured in the budget agreement which voted up a war chest to finance dumping of agricultural production in the event the GATT talks break down, is a turn toward policies of open economic warfare against especially continental Europe and Japan. This would be the thrust advocated by CIA Director William Webster, who insists that the Cold War over, and so the U.S. must find new enemies to target among its allies and trading partners. It can be presumed that the calls for a shakeup in the Bush economic team would be designed to serve that same goal.

However, that may not be what eventuates. There is another alternative—that associated with Lyndon LaRouche's proposal for the organization of a productive triangle, Paris-Berlin-Vienna, for the intensive development of Europe, East and West. A commission of presidents of seven French industrial associations echoed aspects of this on Nov. 12, in announcing a campaign to revitalize industry. They attacked the ideologies of the post-industrial society and environmentalism, which, they said, have undermined industry over the last 25 years. They counter-posed such a necessary revival to the state of affairs in the countries where the post-industrial decline has gone the furthest: the U.S. and Britain.

This may indicate that Bush and his economic team would have had some other surprises awaiting them as they traveled to Europe for the policy summits, which began Nov. 16 and were to continue into the next week.



# California's once 'impregnable' real estate market goes bust

by Steve Parsons

Over the last two decades, California has come to symbolize the so-called surge in America's prosperity. In particular, the California real estate market has been the hallmark of not just the great "Reagan recovery" of the 1980s, but of the tremendous rise in real estate "value" since 1970.

California is the largest real estate market in the United States, having been buoyed by an enormous influx of people drawn to plentiful, high-paying jobs in what seemed to be the Golden West. Land and building prices have skyrocketed, from a median sales price of \$24,500 for a single-family home in 1970, to a high of more than \$200,000 at one point last year.

But now this vaunted market—supposedly immune from the depression that has collapsed the housing markets in Texas and the Northeast—is nosediving. And the huge increase in property "value" is being shown for exactly what it has been all along: the biggest and most hyperinflated speculative real estate bubble in this country.

Recent figures on home sales, prices, and market turnover show a dramatic collapse in process.

## From boom to bust

The median price of existing, single-family home sales has been sliding downward since February, from a level of \$197,184 to \$190,350 in September (**Figure 1**). Except for a two-month rebound last January and February, the median price has tumbled nearly 6%, down almost continuously since the July 1989 peak of \$202,650.

This contrasts with the almost uninterrupted burst in prices from 1984 to mid-1989, when the median sales figure nearly doubled from about \$114,510 to the \$202,650 peak in July 1989. From May 1988 to July 1989, the median price rocketed upward from \$163,639—nearly \$40,000 in one year.

Sales of existing, single-family homes have plummeted since March, from an annualized rate of 560,663, to only 381,080 in September—a drop of 32% (**Figure 2**). Sales have fallen nearly 40% since the peak of the recent period, March 1989, when sales hit 624,168.

Sales in September 1990 were down 26.5% from the

level of September 1989, and down 10.7% from a month earlier, August 1990. This was the biggest month-to-month drop since a 22.4% decline back in January 1987, which was triggered by changes in the tax law. The sales plunge was led by the Los Angeles regional market, which dropped 41.3% in September from August levels.

Also shown in **Figure 2** is the so-called unsold inventory index—the number of months it would take to deplete the supply of resale homes on the market at the current sales pace—which skyrocketed to 13.4 in September. The index has been zigging and zagging upward for two years, from a low of 3.8 in August 1988. Put another way, in September 1990 it took 3.5 times longer to sell 35% fewer homes in California than it did two years ago. Furthermore, the turnover period increased, *despite a decrease* in listings.

The collapse in home sales has ricocheted back into construction. In 1988 and 1989, the number of residential permits issued for building single-family homes averaged around 13,500. From January through June of this year, that average had slipped to under 11,000. Since then, the decline has been precipitous—9,346 in July; 8,145 in August; and then only 6,167 in September, a drop of more than 50%. The valuations of this construction have concomitantly fallen, from a level approaching \$2 billion per month, to only \$784,573 in September.

Similar figures pertain to commercial construction. Hardest hit has been industrial construction. Through the first six months of this year, the valuation of industrial building construction was approximately \$150 million per month. By September, that had dwindled to \$87 million.

## Blame Iraq?

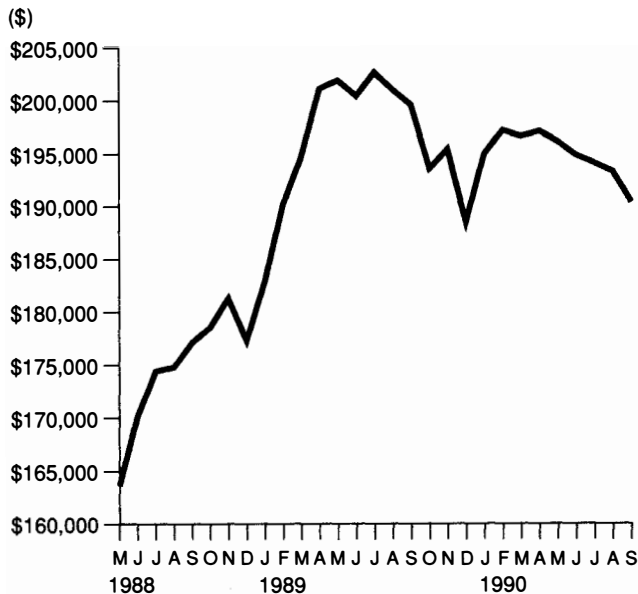
California bankers and real estate speculators are shells-hocked in the face of reality's sledgehammer. On Oct. 28, the *San Francisco Examiner's* business section ran a feature entitled "Golden age over?" mooting what these august "entrepreneurs" haven't dared to think about the "once unassailable California market" and "invincible growth machine."

"The state's bankers and economists bristle at the idea that things may have changed," says the *Examiner*. "They



FIGURE 1

**Median sale price of existing single-family homes in California peaked in mid-1989**



Source: California Association of Realtors

have seen California and its banks weather far worse economic storms. . . . ‘Historically, home prices have risen even during housing downturns, including the 1982 period,’ wrote Wells Fargo Bank chief economist Joseph Wahed. . . . ‘This time around, prices have dropped more precipitously and over a shorter period.’ ”

James Antt, Jr., president of the California Association of Realtors (CAR), put forth the laughable thesis that the September “intensification” of the housing slowdown was due to “consumer uncertainty resulting from the Persian Gulf crisis.” Of course, for professional perception-mongers like Antt, this has to be merely temporary. We are assured by his vice president of research and economics, Leslie Appleton-Young, that “the Persian Gulf crisis has caused a one-time jolt to the entire U. S. economy, but the ripple effect of that shock likely will dissipate during the next few months.”

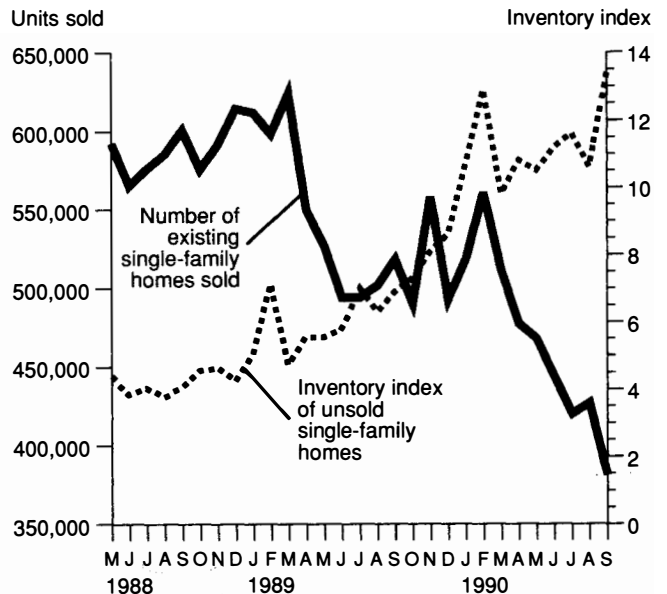
**What’s really behind the bust?**

Although the *Examiner* doesn’t quite go along with blaming California’s real estate bust on Saddam Hussein, the paper nevertheless admits that it can’t fathom the reason for it. “What is incredible about this housing slump is that there is seemingly no outside cause. Interest rates haven’t jolted the economy, there’s no serious economic downturn, the work force is growing—albeit at a slower rate—and housing inventories are not excessive.”

But in the very next sentence, the *Examiner* puts its finger on it: “This time California’s housing prices simply rose

FIGURE 2

**Sales of existing California single-family homes plummet, as inventory climbs**



Source: California Association of Realtors

higher than most people can pay. Only 18% of California’s households could afford the state’s median-priced home in June,” versus 46% for the nationwide average. “In the last two decades, median home prices in California have increased 700%, almost twice the national rate. But California incomes—constrained by a change in the composition of the work force from high-paying manufacturing to low-paying services—have risen on average only 230%.

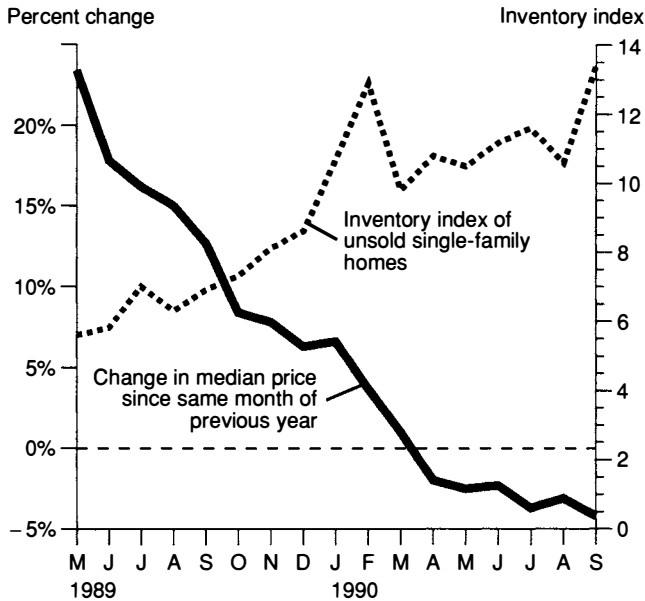
“To cope, more Californians entered the labor force: Some 56% were working in 1989 compared with only 44% in 1970,” in addition to the big population influx from the east into California’s rising job market.

That’s all over now, precisely because the “outside cause” that the *Examiner* can’t see, is the same as the “inside” cause: the deflation of the speculative balloon, both nationally and in California. The overblown real estate market, and related debt bubbles from junk bonds to public budget deficits, are crashing the economy, with a concomitant surge in real unemployment.

The business moguls in California should have seen it coming. When one looks at the *rate of change* of prices and sales of homes, as well as the inventory index of unsold homes, the negative trend shows the inevitability of today’s disaster. Even while the median price was zooming in 1988 and the first half of 1989, and “recovering” in the beginning of this year, if monthly prices since May 1989 are compared with prices for the same month in the previous year, the *rate of increase has been steadily falling* (see **Figure 3**).

FIGURE 3

**Price increases of California homes slow and become negative**



Source: California Association of Realtors

In May 1989, the median price was 23.4% higher than in May 1988—\$201,930 versus \$163,639. By December 1989, it was only 6.3% higher—\$188,477 versus \$177,307. By April 1990, the change in the median price had become *negative*; the price actually fell below last year's level for the first time in many years. The negative pace has *accelerated* nearly every month since then; September's price was 4.2% below that of September 1989.

Even more indicative are comparisons of the year-to-year changes in monthly single-family home sales (Figure 4). For every month from May 1989 through September 1990, sales have been *lower* than for the same month in the previous year. Since June, the negative rate has accelerated, with September sales plunging 26.5% from the level of September 1989. This, of course, dovetails with the steady increase in the inventory of unsold homes, from 5.6 in May 1989 to 13.4 last September.

It won't be long before the downturn in home prices—not to mention those for commercial buildings—approaches the rate of collapse of sales.

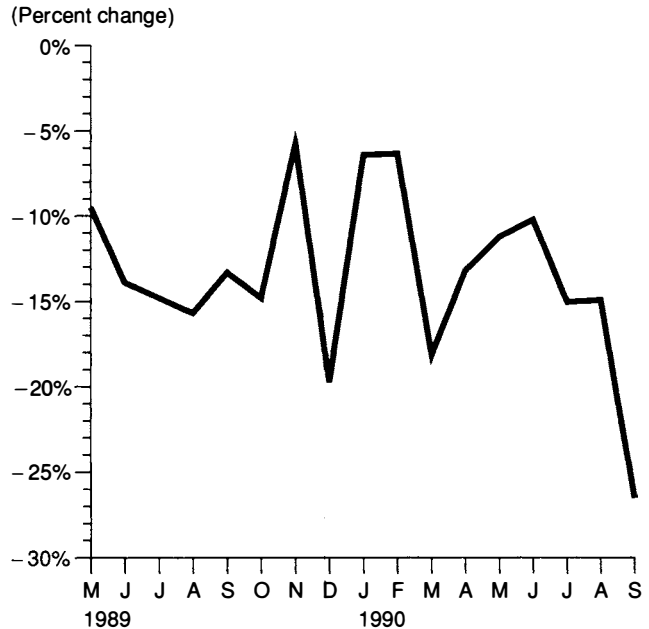
**Rose-colored glasses . . . and knocking knees**

None of the players in the huge California real estate market want to see this reality. While everyone now is forecasting a "downturn" into next year, they are all saying the slide will moderate from the sharp drop this year.

Even more deluded are the bankers, insurance compa-

FIGURE 4

**Change from previous year's single-family homes sold shows accelerating decline**



Source: California Association of Realtors

nies, and financiers holding the mortgages and building loans—the enormous debt paper that is now bleeding red ink. Even if prices continue to plummet, they insist, and even if homeowners, whose property values fall below the cost of their mortgage, walk away from their homes, the banks will ride out the storm. This is because of their supposedly huge "equity cushions." That is, the sum of the downpayments plus the rise over the years in home values (i.e., prices) far exceed the losses they would take on the unpaid portions of mortgages. Wells Fargo and Bank of America, for example, boast that they can withstand a 45% decrease in prices.

This is sheer bravado. First, as pointed out by bank analyst George Salem of Prudential-Bache, 60%-plus, in dollar terms, of these banks' mortgages and loans were made in the heady speculation of the last two years. Therefore banks simply do not have the equity cushion they are bragging about. But even more to the point, which Salem and other "experts" do not mention, is that such widespread property assumptions and foreclosures will completely destroy the market value of these properties, as banks either dump them willy-nilly on a market already saturated with unsold homes of plummeting worth, or wind up holding them indefinitely—just like the Resolution Trust Corp., which is now stuck with increasingly worthless real estate from the savings and loan debacle. And no bank these days can withstand that.

# José Goldemberg, a Trojan Horse

*Brazil's secretary of science and technology is an agent of the neo-colonialist policies of the superpower condominium. Lorenzo Carrasco Bazúa reports.*

In 1992, when the United Nations World Summit on the Environment is held in Rio de Janeiro, Brazil will be the stage on which the world ecologist movement will seek to play out its scenario of imposing the concept of "limited sovereignty" within the framework of the superpower condominium. That movement has already launched its pressure campaign, specifically directed at limiting Brazil's sovereignty over its immense Amazon wealth, by alleging that Brazil is incompetent to preserve and protect the area.

In much the same way that the Anglo-American side of the condominium is preparing a military assault against Iraq, through which it hopes to impose a system of limited sovereignty throughout the Middle East, it would come as no surprise were an invasion against Brazil and the Amazon attempted sometime in the coming years, in the name of "defending the environment."

From now until the 1992 meeting, the imposition of the condominium's design requires the gradual erosion of national power in Brazil, especially of the Armed Forces, with the intention of undermining any capability to mount a real defense of national sovereignty. And the individual who best represents this strategy is Science and Technology Secretary José Goldemberg.

Goldemberg's first act in office was to try to wrest control of the nation's nuclear energy programs from the Armed Forces. Although Goldemberg works in partnership with the equally evil José Lutzemberger, Brazil's secretary of the environment, we shall limit this report to documenting Goldemberg's treason.

## **A neo-malthusian primitivist**

Goldemberg, a physicist by profession, is known for his neo-malthusian obsessions, for his primitivist concepts concerning science and technology, and above all, for his strange habit of selling the one-worldist ideas of the superpowers as his own. For example, Goldemberg shamelessly defends swapping foreign debt for environmental conservation projects in the Amazon—i.e., handing over chunks of national territory to international oversight—which is one of the demands of the Anglo-American ecology groups. In a *Folha*

*de São Paulo* column dated Jan. 29, 1989, Goldemberg declared, "If it were possible to convert part of the foreign debt into support for such measures, why not use this instrument? . . . Preliminary calculations show that nearly 30% of the Amazon could be turned into parks or protected areas at a cost of \$3 billion. . . . Three billion dollars is less than 3% of our foreign debt. It doesn't seem that accepting those dollars would imply any loss of sovereignty."

Goldemberg has naturally been enthusiastically embraced by the U.S. Establishment, which seeks to smash Brazil's scientific and technological capability. This can be seen in an interview he granted to the *New York Times* during a recent visit to the United States. Published Oct. 10 without prior knowledge of the Brazilian Congress, the interview reveals to the U.S. public the alleged existence of a mysterious "50-page confidential report given to President [Fernando] Collor [de Mello] on the Brazilian atomic bomb project." The international malthusian lobby has always used the claim that Brazil is building an atomic bomb as justification for its assaults against all scientific and technological development in the country. In this case, military participation in the nuclear sector is especially targeted. The *Times* crowed that Goldemberg has always been a "leading critic of the program's secrecy and military control."

In the same article, the *Times* carried anti-nuclear statements of "green" Congressman Fabio Feldmann, a Brazilian agent of the genocidal Club of Rome. The *Times* praised the fact that Feldman has been working on a constitutional amendment to force the Executive branch's Department of Strategic Affairs to relinquish control over Brazil's National Nuclear Energy Commission (CNEN). Instead, the CNEN would be placed under Goldemberg's jurisdiction.

Also in the interview, Goldemberg goes to the extreme of blaming two of Brazil's best scientists—true patriots who were responsible for the country's independent technological development—for the alleged atomic bomb project. "The two principal officials who carried out the project were Rex Nazareth Alves, who was president of the National Nuclear Energy Commission until Mr. Collor replaced him earlier this year, and Hugo Oliveira Piva, now a retired Brazilian

Air Force Brigadier.”

Why were these two scientists singled out?

Nazareth was the director of Brazil's independent nuclear program, and the man who created the conditions for Brazil achieving a complete nuclear fuel cycle, including uranium enrichment by ultracentrifugation, a process which had been systematically denied to Brazil since the 1940s and which was the basis for furious international campaigns against the father of nuclear energy in Brazil, Adm. Alvaro Alberto.

Hugo Piva was the father of the Brazilian space program, and was considered “the Wernher von Braun of Brazil.” Piva had practically no links to the nuclear sector, which makes the seriousness of the slanders directed against him by Goldemberg that much worse, since Goldemberg has never hidden his personal hatred of the Armed Forces—and especially of the Air Force—ever since his son was expelled from the Aerospace Technical Center in the 1970s under the accusation of organizing a subversive cell.

### **Pugwash and Greenpeace**

Goldemberg's cynical hostility to the Brazilian nuclear program was demonstrated by his description of it to the *New York Times* as “a mix of Irangate and *A Midsummer Night's Dream*.” Goldemberg's “revelations” are extremely harmful to the national interest, as confirmed by Gary Milhollin, director of the Wisconsin Project on Nuclear Arms Control. “This is new. I have never heard any official in Brazil confirm that there was an intention to make a bomb,” he said. According to the *Times*, Milhollin's is “a private group that investigates the spread of nuclear weapons.” In truth, Milhollin and his group belong to a group of “non-governmental” institutes that work together informally to spy on scientific and technological research centers which the U.S. government—within its new superpower arrangement—considers damaging to the interests of the Anglo-American Establishment.

Collaboration between certain Brazilians and the neo-colonial Anglo-American circles is nothing new. Since the end of World War II, when the Yalta agreement was first signed and the concept of nuclear nonproliferation launched, there have always existed servile Brazilians like Goldemberg to lend themselves to such campaigns as that against nuclear energy pioneer Admiral Alberto, in the first half of the 1950s.

The primary forums for collaboration were the infamous “Pugwash Conferences on Science and World Affairs,” begun in 1957 and continued to this day. The leading figures behind the Pugwash movement were the British genocide advocate Bertrand Russell and American physicist Leo Szilard, the latter a participant in the Manhattan Project. From this movement emerged a series of parallel organizations, among them the Federation of American Scientists (FAS) and the magazine *Bulletin of the Atomic Scientists*, which currently play a key role in repressing technology transfers to the Third World.

In May 1989, evidence emerged of close coordination between FAS and the Brazilian Physical Society (SBF) headed by physicist Luis Pinguelli Rosa, when *Bulletin of the Atomic Scientists* published a series of articles jointly written by Pinguelli and the FAS's David Albright, elaborating a new strategy for controlling Brazil's nuclear program. Albright's career as an “atomic bomb hunter” was developed in close collaboration with the green terrorist organization Greenpeace. (See *EIR*, March 16, 1990.)

During a Rio de Janeiro seminar in January 1990, David Albright's collaboration with the SBF became consolidated into a plan of action, which included creating a non-governmental group to take charge of pressuring the Brazilian Congress into placing its nuclear research under “civilian control”—a euphemism in Brazil for outright sabotage. Shortly thereafter, Congressman Feldmann presented Congress with a proposal to create an investigatory commission for the pur-

## **Apostle of a New Dark Age of environmentalism**

The perverse influence of José Goldemberg in the Brazilian government has made itself felt primarily in the areas of energy and the environment. His malthusian theses are contributing to the destruction of every Brazilian conquest—in the expansion of its electrical energy generating program, in its oil exploitation capacity, etc.—over the past 20 years. His thesis concerning such “appropriate” (read: primitive) technologies as “biomass,” logs, sugar-cane husks, exactly coincides with the eco-fascist ideas promoted by the Club of Rome in the late 1960s, and more recently revived by the Brundtland Commission, which put out the neo-malthusian study *Our Common Future*.

After his installation as science and technology secretary in March of this year, Goldemberg jointly authored an article with the Indian N.K. Reddy, published in the September 1990 *Scientific American*. Under the title “Energy for a developing world,” Goldemberg proposed an energy model based on technologies from the last century. These are presented as “efficient end-use technologies” which, according to Reddy and Goldemberg, could enable developing nations to achieve “modest increases in generating capac-

pose of stripping away all secrecy surrounding the Brazilian nuclear program. Feldmann's proposal was, in fact, elaborated by Luis Pinguelli Rosa of the SBF.

### The Moscow connection

Goldemberg's connections with the forces of the global condominium are not limited to the Anglo-American side. Perhaps even more significant are the ties he has maintained for some time with the Soviet *Nomenklatura*. The reasons for such ties lie in the fact that the Pugwash conferences also generated a Soviet version of technological nonproliferation, as represented by the faction of Yevgeni Velikhov within the Soviet Academy of Sciences, which in turn gave rise to the International Foundation for the Survival and Development of Humanity, the so-called Club of Moscow, and similar bodies.

On April 12, 1989, *Folha de São Paulo* reported on the

invitation of Aleksei Makarov, director of the Soviet Atomic Energy Institute, to Goldemberg to join the recently formed International Energy Club headquartered in Moscow. Goldemberg wrote an article for *Estado de São Paulo* on April 20, explaining that the Club of Moscow got its "suggestive" name "because of its similarity to the Club of Rome, which played an important role nearly 20 years ago." According to Goldemberg, the role of the new "non-governmental association" is, "on the one hand, that of alerting governments and public opinion to the problems generated by energy production and, on the other, to serve as humanity's conscience in transcending local political concerns."

On Feb. 2, all Brazilian papers revealed that Goldemberg's nomination to the post of science and technology secretary was a direct result of the recommendation made to President Collor by Yevgeni Velikhov, who is vice president of the Soviet Academy of Sciences. Goldemberg's relation-

ity to affordably obtain the energy they need without ruining the environment."

It is highly significant that the co-authors of this genocidal piece are a Brazilian and an Indian, and therefore come from two of the most technologically and scientifically advanced countries of the Third World, which the environmentalists are desperate to turn back. The reason for the article can be seen in the following passage: "to the poor . . . survival is a problem of such urgency that, if necessary, they will survive at the expense of the environment. . . . Clearly, both the improvement of the environment and the reduction—if not eradication—of poverty are important and deserve simultaneous attention insofar as it is possible. If putting national priorities ahead of an international obligation to preserve the atmosphere seems wrong, it is only because conventional development plans based on energy consumption compel a trade-off between these priorities. . . . Fortunately, such a head-on collision between industrialized and developing countries is unnecessary."

The message of the authors is that the argument which prevails in the advanced sector—that between development and the environment, one must choose the latter—won't work in the South. The developing countries, they argue, require at least a verbal guarantee that they can continue to develop and protect the environment at the same time. The article bases itself on the false theory that one can "unlink" economic growth from energy growth—that is, that the first can be achieved without the second. The authors complain that there has been "an almost linear rise in energy consumption in the developing world for

two decades. . . . Such increases are unsustainable, and the new view of the energy problem is essential."

Brazil is a country whose electrical energy consumption is nearly 1,450 kilowatt-hours per capita, which places it below the world average and only 40% of that of South Africa, 17% that of Australia, 11% that of the United States, and less than 10% that of Sweden, Canada, or Norway. With his argument, Goldemberg seeks to prevent Brazil from achieving more dignified living conditions for its nearly 30 million citizens who have no electricity in their homes.

Goldemberg would deny to developing nations not only the energy options coming on line for the 21st century, but those which have been traditionally available throughout the present century: "The cost and energy contributions of various technologies for conserving and generating energy are plotted to calculate the least expensive means of reaching . . . energy goals for the year 2000. The goal could be met without introducing controversial technologies such as nuclear power and large hydroelectric dams."

According to Goldemberg, "Fossil fuel burning . . . contributes to the buildup of atmospheric carbon. . . . Development plans that would expand the share of carbon emissions from these [developing] nations poses a threat to the atmosphere and possibly to global climate." With this, Goldemberg reveals his true colors, sharing the same genocidal World Bank recipes revealed in last July's secret report by the institution which has contributed extensively to the depopulation of vast regions of the Third World, especially in black Africa.

ship to the Soviet "cosmopolitan" faction, to which Velikhov and Soviet Foreign Minister Eduard Shevardnadze belong, is a longstanding one.

As early as August 1986, Velikhov had invited Goldemberg to become a member of the board of directors of the International Foundation for the Survival and Development of Humanity (IFSDH). Velikhov was personally responsible for Greenpeace's setting up shop in the Soviet Union: In late 1989, the Berlin newspaper *Tageszeitung* reported that Greenpeace had close ties to the IFSDH. The paper reported that "the bridge to the apparatus for Greenpeace is the Academy of Sciences. Discussions with the environmentalists are carried on by the director for nuclear affairs, Yevgeni P. Velikhov." The London *Sunday Times* reported on March 5, 1990 that Greenpeace and the IFSDH had split \$12 million in contributions. Greenpeace recently published a book on energy and the environment, whose co-author is none other than Brazil's Science and Technology Secretary José Goldemberg.

In January 1990, the IFSDH sponsored in Moscow the Global Forum of Spiritual and Parliamentary Leaders on Human Survival. Goldemberg, this time accompanied by Sen. Roberto Campos, attended.

Members of the IFSDH include David Hamburg, president of the Carnegie Foundation whose 1989 report, "Nuclear Exports: The Challenge of Their Control," accused Argentina, Brazil, India, Iraq, and Pakistan of engaging in contraband of nuclear components for military purposes.

Yevgeni Velikhov is also chairman of the Committee of Soviet Scientists for Peace and Against the Nuclear Threat. In the March 1987 issue of the *Journal of the Federation of American Scientists*, an article entitled "FAS and Velikhov Committee plan joint study" reveals the close collaboration of the U.S.-U.S.S.R. condominium "to undertake a joint scientific study of the feasibility of implementing and maintaining disarmament."

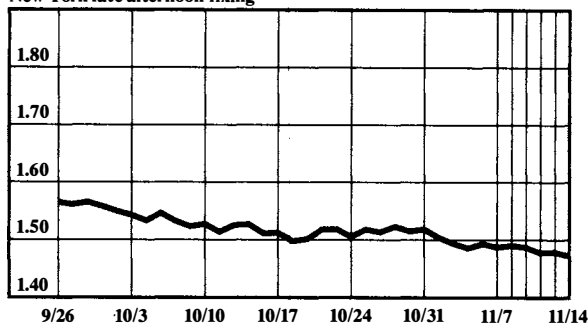
Thus we see that the containment of Brazil's nuclear development, through the networks of Pinguelli Rosa, David Albright, FAS-Greenpeace, and Yevgeni Velikhov, comes back full circle to José Goldemberg. This is an incontestable fact—not mere coincidence. It is a pincers operation: Goldemberg operates for the government on the one hand; on the other are the series of "non-governmental" organizations, pressuring and backing up his actions from the outside.

Goldemberg's treachery is quite evident, but the big problem for Brazil is that he enjoys the absolute confidence of President Collor de Mello, and therefore wields great power within the current government. His presence in all important strategic decisions constitutes the gravest threat to Brazilian national sovereignty, and undoubtedly represents Brazil's greatest vulnerability in its efforts to stave off the violent pressures of the superpowers, who want to subject the country to a technological dictatorship and punish any and all autonomous economic development.

## Currency Rates

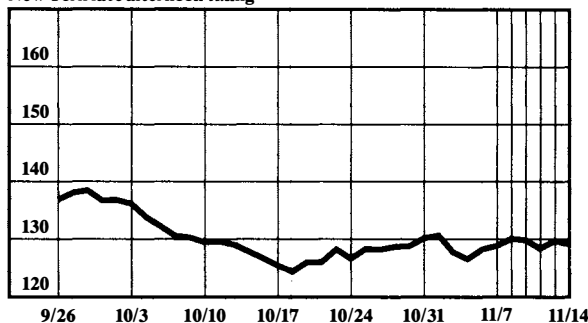
### The dollar in deutschemarks

New York late afternoon fixing



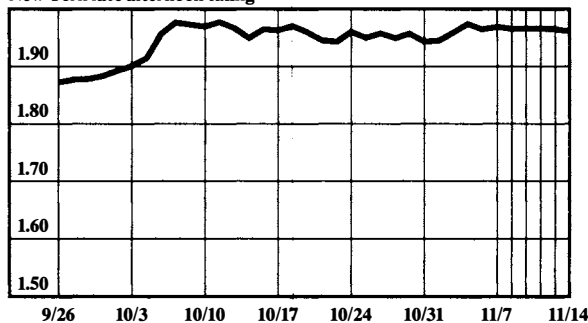
### The dollar in yen

New York late afternoon fixing



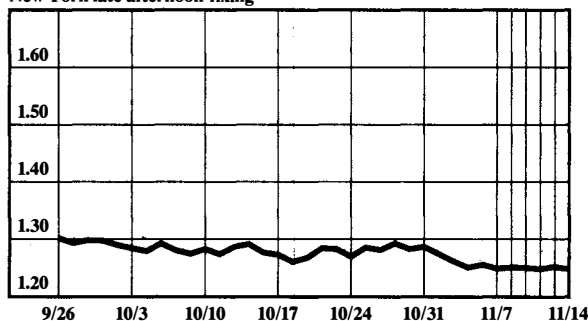
### The British pound in dollars

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing



# The future of Scottish money

*The following article was written for EIR by R. Craig Campbell, chief economist of the Scottish Council Development and Industry. It is written in a personal capacity and does not necessarily represent the views of the Council, which is an independent, non-governmental body, concerned with furthering economic development. The council is financed by voluntary contributions from industry, commerce, trade unions, and local authorities.*

Scotland has been in economic and monetary union (EMU) with its neighbor England since 1707. Yet it remains a distinct nation. Why, then, is there so much fuss over the United Kingdom entering economic and monetary union with our European neighbors? Scotland has retained several tangible aspects of nationhood—its own education system and a separate legal system. Less tangible but nonetheless real are a sense of fellow-feeling and cultural artifacts that are distinctly Scottish. Aiding and abetting the intangible qualities of identity is our money: We still have Scottish bank notes.

Three Scottish clearing banks issue notes under their own name. They have direct sterling equivalence and bear the imprint: "Promise to pay the bearer on demand—pounds sterling." Notes are in denominations from £1 to £100. Indeed only Scotland has £1 notes. In England it has been wholly replaced by coinage.

Because Scottish notes have only sterling denomination, the debate over EMU in Europe has special significance. If there is no sterling, our existing note issue must disappear. Therefore, its retention must be sought through a note issue denominated in another currency. The best candidate is the deutschemark. That is, Scottish banks should negotiate a new note issue which promises to "pay on demand" deutschemarks, not pounds.

This is not an idea without precedent. Prior to entering the United Kingdom's EMU, Scotland used a variety of currency. Like all small nations in earlier times, the currency of Scotland was made up in large part by the coinage of the countries with which it traded. For all practical purposes, the currency was the gold and silver content of coins, regardless of their country of origin.

Merks (surely from the same linguistic root as marks) appeared in 1579, having been authorized a year earlier.

They were a replacement of an earlier set of coins called nobles. Because nobles were too easily forged, being made of base metal, merks were seen as a "hard currency" replacement probably inspired by the thaler (or dollar) of Bavaria, which was in circulation throughout Europe. Indeed, the two-merk piece was often called a "Thistle Dollar."

Merks were a hard currency. Between the original date of issue and 1705, the merk's value relative to sterling did not waver. By coincidence, the exchange rate was 3 merks=£1 sterling, i.e., not very different from the current deutschemark-sterling rate.

How could a new note issue be introduced? Without it, Scottish bank notes will wither away, along with sterling. A Scottish D-merk could come about if the Bundesbank was prepared to allow its existing copyright to be extended to the Scottish banks. The actual mechanism would be by Scottish banks making commercial deposits with German banks to the full value of the notes issued. Following this method requires no regulatory action: Money supply in both countries would be unaffected. While the Scottish banks' right to issue notes may require some extension to liberate it from sterling, there is no difference in principle from the existing note issue.

What are the prospects for EMU and the United Kingdom's participation? Mr. John Major's two proposals look like an attempt at avoiding full monetary union. Firstly he proposed competing currencies. Secondly he proposed a dual system of national currencies plus a "hard" ECU [European Currency Unit]. The latter proposal involved a super-ecu which would be constructed so as to never depreciate against the strongest national currency. On past performance such a super-ECU would be indistinguishable from the deutschemark. Indeed there seems little point in reinventing it.

The number of likely scenarios has been reduced by Mr. Karl Otto Pöhl's rejection of Mr. Major's formula in his London School of Economics speech of Nov. 9. Now that the dual currencies idea has been laid to rest, the United Kingdom has to face the decision of whether to be part of the "inner-core" of European Community member states who will operate a single currency, or whether to remain "semi-detached." It appears to have been Mrs. Margaret Thatcher's determination to stay in the latter group that precipitated the resignation of her deputy prime minister, Sir Geoffrey Howe.



Not being in the mainstream of monetary arrangements in Europe would be particularly dangerous for Scotland. Financial services are our biggest industry in employment terms, and there is special expertise in insurance products and investment management that should, under the right conditions, find ready markets throughout Europe. In those markets customers will want their financial services products to be dominated in a familiar currency in which they have confidence. In other trade too, a common currency has obvious advantages. About 60% of Scotland's manufactured exports are destined for other EC countries and the biggest single market for Scottish goods, after England, is Germany.

The note issue is part of the whole, but the use of the

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*Scottish banks should negotiate a new note issue which promises to "pay on demand" deutschemarks, not pounds.*

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major European currency in Scotland (if necessary in addition to sterling) would help demonstrate our European credentials.

Of course, EMU may not come about anyway. The widening of the Community by including more member states may distract attention and delay the process indefinitely. But the concern for money would still remain. The reason is the deepening of the Community by the Single Market measures. Ironically, it was Mrs. Thatcher's nominee, Lord Cockfield, who has been the principal architect of a situation in which changes of money cannot be avoided.

The Single Market is not just giving us the prospect of free movement of people, goods, and services. Money will move freely also. And for those services whose end product is measured in money terms (savings, investments, life assurance, pensions), there will be increasing attention to their deutschemark value.

The deutschemark is bound to be the standard because people or companies who are obliged to hold cash, even for quite short periods, will want to hold the cash that is least likely to deteriorate in value. Given free movement of money, avoidance of risk will be achieved by trading in deutschemarks whenever possible.

The lesson for Scotland is clear. Our future is European because the consequences of not participating fully outweigh the difficulties of adjustment. Experience of the United Kingdom's EMU has shown that European EMU will not necessarily diminish Scotland's identity. To keep one component of that identity, our money, the Scottish banks should be allowed to issue deutschemark-denominated notes.

## A neglected economy: V.P. Singh's legacy

by Susan Maitra and Ramtanu Maitra

The 11-month-old V.P. Singh government of India went out in a puff of smoke on Nov. 7. But it left behind a host of socio-political issues which may take years to resolve. In addition, the government's abject disregard of basic economic matters coupled with expensive populist measures, has helped to further set back the debt-ridden Indian economy.

When former Prime Minister V.P. Singh came to power last December, few were aware of his missionary zeal for social reforms. He had promised the Indian population that he would do his best to arrest the fast price rise of essential commodities, and many had been impressed by his handling of the finance portfolio during 1985-87 under the Rajiv Gandhi administration. At that time, he had worked to loosen the Gordian knot of controls and regulations which have made the Indian economy a high-priced one, suffering from low productivity, poor utilization of available technologies, massive waste, and over-bureaucratization.

Eleven months later, following an ignominious exit, V.P. Singh has little to show as his economic achievement. On the contrary, confusion and paralysis in making policy decisions heightened during this period. With the Eighth Five-Year Plan (1990-95) on the anvil, fights broke out between cabinet ministers and the Planning Commission, who saw in it an opportunity to chart out an alternative development path. Their conceptual outline of a decentralized plan with no firmly defined targets met the wrath of one and all, including that of the prime minister.

After months of being disgruntled and generating plenty of news leaks, the planners came up with a \$180 billion five-year outlay with little notion where the money would come from. Being strong advocates of rural development and employment generation, they allotted 50% of outlays to the rural and agricultural sector and cut back on such crucial infrastructural sectors as power, coal, and railways. Now the planners are concerned that with little infrastructure available, the rural and agricultural sectors cannot absorb the 50% outlay.

While it is obvious that money is tight, and the government wasted no opportunity to tell people so, the V.P. Singh

government announced an agricultural and rural debt relief scheme to the tune of \$4.5 billion—half of which is to be accounted for in this fiscal year. It gave a major boost to the burgeoning budget deficit. Now, the agricultural cooperatives are pointing out that the government's "generosity" will help them to lose another \$2 billion this year because the loan repayment has fallen off significantly.

Despite repeated statements issued from various ministries, India's public sector enterprises, with a few exceptions, continued to show losses. The much talked-about improvement of productivity remained words, and the output of core sectors—power, steel, coal, railways, crude oil, cement, and fertilizers—showed a distinct slippage from the targets. The worst shortfalls were suffered by the coal and crude oil sectors—down 11% and 17.5% respectively—in the month of September, giving little comfort to the growing energy crisis exacerbated by the Gulf situation.

The industrial sector, which had performed remarkably well in the April-September 1989 period with 17.4% growth, has slowed down to about 10%. That slippage is more concrete but probably less far-reaching than the damage caused by the V.P. Singh industrial policy fiasco. Former Industry Minister Ajit Singh's inability to get action from the prime minister's office or the cabinet on the "New Industrial Policy," announced early on with great fanfare, confirmed the worst fears of potential economic aid donors and investors in the Far East and West. A potentially groundbreaking visit to Japan by Ajit Singh and a business delegation was sabotaged on this account, and the industry minister was subsequently forced to back out of a long-planned, high-level forum in Davos, Switzerland, devoted to investment opportunities in India.

### **Foreign exchange crisis**

The politicization of every economic move and continuous shuffling of feet without going anywhere took perhaps the heaviest toll in the financial areas. According to latest estimates, India's budget deficit may go up to \$7.2 billion in the present fiscal year—almost 80% more than the government had promised. This is despite the government's decision to raise petroleum prices by 15% to earn more revenues.

The Gulf crisis hit an already weak balance of payments position. India's imports of 20 million tons of crude oil and 9 million tons of petroleum products will cost at least \$7 billion (assuming the crude cost remains \$25 a barrel for the remaining months of this fiscal year which ends on March 31). The direct additional cost of oil and petroleum products import will amount to about \$2.4 billion. In addition, India will lose some \$200 million worth of exports; another \$200 million foreign exchange loss has been incurred due to the evacuation of Indian migrant workers from Iraq and Kuwait.

India's foreign exchange crisis is now chronic. While foreign exchange reserves have gone down to \$2.5 billion, the lowest in 18 months, export growth, which was estimated

to reach 38% over last year's, has slowed down to register only 23% growth at the end of the first quarter. Although some curb on imports has been imposed, the trade deficit this year is estimated to increase by about \$3 billion.

Such performance has already created ripples among foreign bankers. India already has a foreign debt of about \$60 billion, and the Reserve Bank of India points out that the debt-to-export ratio rose sharply from 131% in 1980 to 218% in March 1989, and it is still going up. Equally disturbing is the news from the finance ministry that the debt-service ratio—overseas debt as a percentage of export earnings—which was 26% in March 1987, is now 30%.

The growing debt, the increasing gap between export and import earnings, and the yawning budget deficits have lowered India's credit rating in the American market. Moody's and Standard and Poor's rating revisions indicate that confidence in the Indian economy abroad is diminishing. Both these services place India within "investment grade"—but just one step above "speculative" or "non-investment" grade.

As a result of these developments, it is now almost a certainty that India will approach the International Monetary Fund (IMF) for a Structural Adjustment Facility (SAF) loan to the tune of \$2.5-3 billion. The decision to approach the IMF is a turnabout: former Finance Minister Masdhu Dandavate had claimed on many occasions that the government will not seek any loan from the IMF. Recent reports indicate that the Indian executive director at the IMF is now negotiating with the IMF on the size of the loan and the issue of conditionalities, which the government feels are politically unpalatable.

### **Price rises will hurt the most**

But the factor which is going to hurt V.P. Singh and his Janata Dal party in future electoral pursuits is the continuous rise of prices. The wholesale price index, which showed a decline in the last two months of the Congress (I) government last year, rose quickly beginning in December 1989, the month the V.P. Singh government took over. With 1981-82 as a base, it has gone up from 166 in December 1989 to 181.7 in October 1990. Similarly, the consumer price index has been rising steadily, throughout V.P. Singh's tenure. As a result, estimates indicate that inflation this year may hit the double-digit barrier, and even cross it.

The government admitted that its policy of steep hikes in the tax on petroleum prices and railway rates have added to the inflation. Also added to the inflationary price rise is the steep rise in foodgrain procurement prices, namely minimum prices of sugar cane, cotton, edible oil, cement, etc. The inflation will not only eat into the purses of the poor, but will have an impact on the export competitiveness of Indian products, which will lead to the further increase of balance of payments problems and depletion of foreign exchange reserves.

# Fascist economics returns to New York

by Steve Parsons

New York City Mayor David Dinkins announced on Nov. 8 the second in what is to become a series of huge budget cuts, expressly to placate the Wall Street-controlled State Financial Control Board and Municipal Assistance Corp., which are threatening to run the city's budget directly if Dinkins doesn't do what they say. The latest cuts, after slashing \$92 million earlier, are designed to close a projected \$388 million budget gap this fiscal year. They include the attrition of 5,000 city jobs and an indeterminate number of layoffs. Particularly targeted are the teachers' union and education generally.

Dinkins, who has dedicated his administration to children, plans to lay off 117 teachers and 1,072 non-instructional employees, with another 1,060 jobs terminated through attrition. And that's just for starters. There is little doubt that, under orders from the Financial Control Board, he is trying to make the teachers' union give back most of the meager 5.5% wage increase they recently won, under the threat of more layoffs.

In addition, the city's first black mayor cynically said he would close all 33 of the city's minipools, which are the only places where inner-city children can escape the summer's heat.

And, following in the footsteps of banker Mayor John Lindsay 25 years ago, who shut down firehouses precisely in those ghetto areas with the highest incidence of fires, Dinkins will close two fire engine companies, both located in black and Hispanic areas.

## Budget cuts, tax hikes can't work

Dinkins termed this only "a downpayment," because the city is facing a budget gap for fiscal year 1992 of \$1.6 billion. But even this is a rosy estimate that doesn't take account of plummeting city revenue, caused by the cascading collapse of Wall Street business and the bursting of the enormous real estate bubble.

Just one month ago, on Oct. 4, Dinkins estimated the budget shortfall at \$150 million this year and \$1.4 billion in fiscal year 1992. He announced then that he was considering laying off 15,000 city workers, the largest number since the 27,000 cut during the famous 1975 budget crisis. In less than one month, the projected gaps have risen \$200 million, to

\$388 million this year, and \$1.6 billion next. And he has now pegged the work force cuts at 20,000—10,000 more layoffs and 10,000 more attrited.

But even this is grossly understated. Last month, the city comptroller projected deficits nearly *twice* the size: \$700 million and \$2.6 billion, respectively, with revenue falling at an ever-faster pace. And cutting 20,000 jobs—nearly 10% of the approximately 225,000 work force financed entirely by city money—will "save" only about \$500 million annually. This means that many more meat-axe cuts are in the offing.

As for tax hikes? Even the experts surveyed by the *New York Times* conclude that raising taxes will only make things worse, by further contracting business activity and retail sales, and driving companies and residents out. Already this year, the state has raised taxes by \$1.3 billion and the city by a record \$817 million. This is on top of federal government's tax increases.

## 'Cut, cut, cut'

Nevertheless, the Financial Control Board and Municipal Assistance Corp. chaired by Lazard Frères' Felix Rohatyn—which took over the city finances for years after the city's near-bankruptcy in 1975—have told Dinkins "to take decisive action," in the words of the *New York Times*, to cut the burgeoning budget deficit.

The city, say the *Times*'s experts, has no choice but to raise taxes. Dick Netzer of New York University, recommends that the property tax is the best one to raise if it specifically targets homeowners rather than business. Netzer also proposes an absurd "congestion tax": a tax on vehicles driving into midtown and downtown Manhattan.

Rohatyn is demanding that Dinkins bash the unions; either they accept virtually no wage and benefit increases in the coming contract negotiations, or they get hit with huge layoffs. Obviously, Rohatyn intends to lay off thousands anyway. In the Sept. 11 *Times*, he proclaims that "the city will have to make fundamental changes in the way it goes about its business" by developing "an economic and management philosophy in setting wage and personnel policies." For Rohatyn, the "solution" is a freeze on total labor costs, attrition, and layoffs, which, he insists, "need not mean fewer services."

The Financial Control Board is virtually running the city budget already. With Rohatyn as his "adviser," Wall Street awarded Dinkins the mayor's job, undoubtedly with the stipulation that Rohatyn control key financial appointments. Rohatyn and his cronies immediately installed Philip Michael, the executive director of the Financial Control Board in 1989, as the director of New York City's Office of Management and Budget. Michael is a career specialist in dismantling city agencies and government by targeting city workers and patronage. After all, he says, "When you are in a terrible budget crisis all you can do is say 'cut, cut, cut.'"

## Soviet herds being slaughtered

*Government attempts to maintain centralized control prompts food rationing cards; shortages are affecting entire food chain.*

**T**he fall news reports of the state of food supplies and farming in the Soviet Union show how the crisis is worsening throughout the food chain.

The most graphic example is the kill-off of livestock because feed has not been arranged for wintering over. A front-page *Izvestia* article on Oct. 28 by V. Gavrichkin reports that beef and poultry production is 105-116% higher than a year ago in the Republic of Moldova (formerly Moldavia), according to the latest data from Goskomstat (State Committee for Statistics). However, this does not reflect expanded meat output potential. Just the opposite. The author states that "due to unreliable fodder reserves, the cattle herd is being hastily reduced on the eve of wintering over."

This is going on nationwide. Compared to last year, the entire Soviet Union has 2.8 million head fewer big-horned cattle, 6.3 million fewer sheep and goats, and millions fewer birds. The cattle kill-off, an estimated 2%, had already sustained damage, since the big-horned cattle herd in Soviet Kazakhstan has been ravaged by bovine brucellosis.

Despite the slaughter, Moscow has only four days' supply of meat. Debate still rages about who is responsible for the most recent jump in meat prices. Gavrichkin holds that the price hikes, announced and then canceled by the U. S. S. R. Council of Ministers earlier this year, set the stage for chaos on the meat markets, holding back of livestock in anticipation of higher prices, etc. But "if production remains at today's level . . . no matter how much we play with prices, the food shelves

will not get any richer," he wrote.

Food supplies are only at a level of three-fourths of the population's demand. "If we have a crisis with the provision of food, we must confess we are at a dead end as far as food production goes. . . . Farms are without fodder, while the overwhelming part of pastureland is under grain crops, and the harvest—even our current 'unprecedented' one—in comparison with world standards is no harvest. And we can't even bring it in properly."

On Nov. 1, *Izvestia* carried the text of the Supreme Soviet Resolution, "On the Readiness of the Country's Economy for Work in Winter Conditions." It noted that, "The work of bringing in the harvest and procuring potatoes, vegetables, and feed crops and the preparation of livestock premises and other agricultural facilities are considerably behind schedule." Reporting that ploughing and sowing of winter crops was behind schedule, it posed the question, "What will have to be done in order to prevent a shortfall in the amount of grain and other crops next year?"

One of the consequences of the breakdown between the central government of the Soviet Union and the republics has been the creation of a system of rationing or coupons within the republics. When Gorbachov announced on Nov. 2 his plans for continued centralized control over many aspects of the economy, including hard currency, resources like oil, gold, diamonds, and natural gas, and food production, the reaction in the food-producing regions, like

Ukraine, was to announce a coupon system. Coupons would only be available to residents of Ukraine. The result was a run on food stores, and complaints that the attempt to keep food products within the region was back-firing. It was alleged that the pro-independence Ukrainian government hadn't printed enough coupons, and that many residents had not received their coupons as of Nov. 1.

One of the most drastic results of the decentralization will be continuing food shortages in Moscow. Officials are claiming that the food supply situation will be no worse than last year, meaning more chronic food shortages. A Soviet reporter in Iraq underscored the cruel reality of Soviet food shortages, when he compared Moscow with the sanctions against Baghdad, with the comment: "If only we in the Soviet Union had food sanctions like that!"

Special shopper identification cards have already been issued in Moscow to prevent some 2 million daily visitors from emptying food shelves. However, this has not made food reappear on the shelves. Sugar has been rationed through monthly coupons for over a year.

In the Urals, soldiers of the Strategic Rocket Forces reportedly went hungry for over a week in October at their camp.

In Chelyabinsk, a large city in the Russian Federated Republic, food products are to be available only for those who hold a passport and ration cards. Each resident is to be guaranteed 1.5 kilograms of meat, 12 eggs, 100 grams of vegetable oil, 380 grams of groats, 600 grams of flour, and some spirits and tobacco goods per month.

Czechoslovakia, particularly the Slovak republic, is forecasting a run on its food supplies by "tourists" from the Soviet Union during the winter.

# Business Briefs

## Transport

### Airlines can't keep up maintenance

The U.S. airline industry does not have enough capacity to meet new inspection and repair requirements for aging airliners, a new study by the General Accounting Office has found.

Recent safety regulations call for vastly upgrading the inspections and repairs performed on older airframes, and could affect 1,400 aircraft of the 4,100 planes in the U.S. fleet.

Increased costs for the new regulations are expected to total \$2 billion over the next four years. By comparison, about \$2 billion is spent each year repairing airframes, and the total of all maintenance and repair performed on U.S. airliners is about \$5.7 billion.

## Environmentalism

### Clean Air Act's cost seen as high

The cost of "clean air" could be catastrophic, according to a number of recent studies. The U.S. Department of Energy's Clean Air Working Group, headed by William Fay, recently issued its analysis of the economic impact of the recently passed amendments to the 1970 Clean Air Act. The group's estimate is that the new law will add \$50 billion per year to the \$32 billion they estimate the nation is already spending to meet existing federal and state laws. The hardest hit will be small enterprises such as bakeries and dry cleaners, which are in no position to meet the regulations.

During a press conference in Washington Nov. 8, Fay said that the costs of the Clean Air bill "will be passed on to consumers in the form of higher prices of almost all consumer products."

Smokestack emission control equipment to control acid rain-forming emissions from 111 electric power generating plants may not be available in time to meet the 1993 dead-

line, which means the utilities might have to shut down the most polluting capacity and pay fines on the rest. The same is the case with most petroleum refineries which will not be able to retool fast enough to meet the reformulated gasoline standards.

According to a study done at the Center for Study of American Business at Washington University in St. Louis, the costs of the Clean Air Act will far outweigh the benefits. Using estimates of health benefits to be derived by the new ozone standards from a Resources for the Future report, the study says that the cost of reducing ozone levels "requires expenditures that are from two-and-a-half to five times greater than the value of the health benefits derived."

President Bush is expected to sign the bill, despite objections from within the administration, especially from Council on Economic Advisers head Michael Boskin.

## Economic Theory

### Hamilton's method called model for today

A *Wall Street Journal* commentary by New York lawyer Robert A. Hendrickson, author of *The Rise and Fall of Alexander Hamilton*, says that Hamilton's handling of the young republic's debt and use of the national bank could serve as an example for formerly communist regimes, and, if still in force in the United States, might have spared the country the savings and loan crisis.

"When Hamilton left office in 1795, the U.S. had a higher credit rating than any country in Europe. Its bonds, some issued at 4½ and 5% interest, were selling at 10% over par. Talleyrand opined, 'They have been funded in such a sound manner and the prosperity of the country is growing so rapidly that there can be no doubt of their solvency.'"

Hamilton's method, which became known in the 19th century as the "American System" of political economy, is embodied in three reports he wrote for the Congress—"Report on the Subject of Manufacturers," "Report on Public Credit," and "Report on a National Bank"—none of which, nor such related

works as Henry Carey's 1837 *Principles of Political Economy*, are taught in American university economics courses today.

## Research

### Government cuts undermine R&D base

Cuts in government-supported R&D are forcing scientists to spend all their time trying to raise money for their research, according to a *Wall Street Journal* report. This includes constantly churning out grant proposals and wooing wealthy citizens for private support.

According to the American Association for the Advancement of Science, the federal government is spending 18% less for all research today than it was in 1967 in real dollars. The *Journal* points out that the Reagan-Bush "private sector will pick up the tab" philosophy has not materialized into increased R&D funding.

Recently retired head of the National Science Foundation Erich Bloch told the *Journal*, "We're losing the research base which we have been painstakingly building over the last 40 years." The NSF received from Congress only \$100 million of the \$216 million increase it requested for this fiscal year. The *Journal* points out the well-known fact that non-defense R&D for the U.S. is only 2% of GNP, compared to 2.9% for Japan, and 2.6% for what was formerly West Germany.

## Technology

### Pentagon pursues projects with Japan

The 1991 Defense Authorization Act includes \$10 million to pursue dual-use technology development with the Japanese, plus another \$10 million to establish university-based Japanese language and management centers, according to the Nov. 11 issue of *Washington Technology*. These centers will teach Japanese to U.S. scientists and engineers, and place them in re-

search and management positions in Japan.

In addition, the Pentagon plans to open a research office in Tokyo to monitor technology development, identify potential cooperative ventures, and facilitate new agreements.

## Infrastructure

### Taiwan to spend \$71 bn over six years

The government of the Republic of China (Taiwan) will invest \$71 billion in industrial, energy, and other projects with the goal of making Taiwan rank with the developed world within six years, government officials are quoted by Bangkok's *The Nation*.

Under the six-year plan to begin in July, the economic ministry will earmark \$40.29 billion for 135 development projects. The projects on behalf of 10 state enterprises involve energy exploration and development of the steel, chemicals, and heavy machinery industries. The energy plan is designed to ease the island's heavy reliance on energy imports.

The ministry will allocate an additional \$30.77 billion to build more industrial parks and develop water resources. Annual economic growth for Taiwan for the six years has been set at 7% and the planned government investment would contribute about 2% to such growth, government officials say.

The overall budget for the 6-year plan, under final discussion at the Council for Economic Planning and Development, is around \$183 billion. The Finance Ministry has said it would float government bonds to raise funds for the projects.

## Biological Holocaust

### AIDS up 300% in Ivory Coast

The incidence of AIDS in Ivory Coast, as measured by HIV positive testing, has skyrocketed from 3.3% of pregnant women in 1986 to 10% today, according to the most recent report from

Abidjan, the capital of the African nation.

Dr. Kevin De Cock, who runs the U.S. Centers for Disease Control laboratory in Abidjan, reported that AIDS is the leading cause of death among adult males in the capital, and the second leading cause of death, after child-birth and abortion, among females.

"There are few outward signs that Abidjan is a city under siege," De Cock said. "But if a national disaster had killed this many people, it would have made headlines throughout the world." De Cock also reported that cases of tuberculosis were 35% higher than would ordinarily be expected.

Meanwhile, the AIDS death toll in Kenya has reached 9,000, according to a statement released in early November by the nation's director of medical services. District level health officers report the continued spread of the disease.

## Energy

### DoE predicts U.S. electricity shortages

The Office of Energy Emergencies at the U.S. Department of Energy (DoE) released a study in early November which reports that the one-third of the nation east of the Mississippi could face "shortages of electricity this winter because available generating capacity may be insufficient to meet peak demand."

The well-known problem areas of Florida and New York are included, but so are the seven-state TVA region and most of the industrial Midwest. The DoE states that the seven regions in danger of power shortages have reserve margins "that are below or nearly below the 5% level considered necessary for minimal security of operation." In reality, the industry standard is a 17% reserve margin, i.e., capacity available above peak demand, so the situation is worse than the DoE acknowledges.

The DoE offers no remedy, except to counsel that consumers in these regions should cut demand by doing their laundry at night, and turning off lights that are not needed.

A forecast of such shortages, and a review of the destruction of the electric power industry appeared in the *EIR* on Oct. 5 and 12.

● **INDIA** has recorded a bumper grain crop and is now preparing to enter world export markets. Total production is expected to be 178-85 million tons in 1990-91.

● **SOUTH KOREA** Science and Technology Minister Chong Kun-mo proposed an expansion of cooperation in science and technology among 18 Pacific Rim countries, at a meeting of their science ministers the first week of November.

● **A HIGH-SPEED RAIL** conference is planned for Leningrad, U.S.S.R. Nov. 18-21, with over 50 representatives of major companies and railways of the United States, Germany, France, Italy, Japan, and others expected to attend.

● **VIETNAM** has been blocked by the United States from buying two European Airbus A310 aircraft it needs to upgrade its national carrier system, a Vietnamese official is quoted by the Bangkok press.

● **EAST BLOC** industrial output has fallen about 10% in Hungary, 28% in Romania, 30% in Bulgaria, and 25% in Poland this year, due to the cutoff of subsidized oil from the Soviet Union, the rise in the world price of oil, and economic troubles in the West.

● **MOODY'S** Investors Services cut the long-term bond ratings of four Japanese banks—Sumitomo, the world's second-largest; Mitsubishi, number four; Topai, number ten; and the Long Term Credit Bank—because of weak earnings and growing real estate problems.

● **HARLEM'S** Freedom Bank, the fourth largest black-owned bank in the U.S., has been seized by the FDIC. The bank has 22,000 depositors and 97 employees. The *Amsterdam News* called the collapse "a profound tragedy and a stunning defeat for the people of Harlem, especially in view of the coming depression."

## FEMA's activation sets the stage for rule by decree

by Kathleen Klenetsky

“In the developed countries there will be a bitter struggle for the control of their diminished resources. This struggle will merely worsen a bad situation; it will somehow have to be stopped. If left unchecked, it would lead to anarchy and to a drastic reduction of the size of the population by civil war, famine and pestilence, the historic reducers of populations that have outgrown their means of subsistence. Consequently in all developed countries, a new way of life—a severely regimented way—will have to be imposed by a ruthless authoritarian government.”

—Arnold Toynbee, *“After the Age of Affluence,”*  
*Skeptic, July/August 1974*

Of all the signs during early November that the Bush administration was lunging toward a cataclysmic conflict in the Persian Gulf, one of the most ominous was the five-day, closed-door meeting which the Federal Emergency Management Agency (FEMA) convened in Atlanta during the week of Nov. 5.

Despite its innocuous-sounding name, FEMA serves as the framework for the anti-constitutional, authoritarian regime envisioned by British strategic gamemaster Arnold Toynbee in the article quoted above. It is now mobilizing for precisely that purpose.

Since Bush launched his “Operation Desert Shield” in August, preparations for a FEMA dictatorship, under the guise of a national security crisis induced either by an oil shortage or war, have dominated behind-the-scenes planning at the National Security Council, which controls FEMA and its activation.

The process has been shrouded in secrecy. FEMA spokesmen adamantly refused to provide any information about the agency’s Atlanta meeting, other than to confirm it was taking place. However, enough information has leaked out to fuel speculation that Bush will soon utilize the vast array of stand-by emergency powers available to him.

Over the last few weeks, FEMA has drafted new legislation that would expand





Brian Lantz

*The Federal Emergency Management Agency is known for its bungling role in "disaster relief" during the San Francisco earthquake in 1989. It was set up to provide the bureaucratic structure and legal framework for unconstitutional "emergency rule," in the event of a national emergency. Shown here is the Marina district of San Francisco, Oct. 25, 1989.*

its already formidable powers, allowing it, for example, to set up operations within any state or locality, without the prior permission of local or state authorities, as is currently required.

### **'Emergency' fascism?**

We are not arguing in this report that emergency preparedness or emergency measures are unnecessary and inappropriate under any and all circumstances. What we are saying is that the Bush administration is dead-set on using the pretext of a national security crisis to carry out a set of policies which violate the U.S. Constitution, and are inimical to the interests of the vast majority of the U.S. population.

Bush is being impelled toward exercising emergency powers by the same circumstances that are behind his drive for war: the economic collapse of the Anglo-American financial superstructure. The principal reason why Bush wants a war with Iraq, is to set a precedent for reviving the savage colonialist policy of looting Third World countries of their raw materials.

This is deemed necessary by the Anglo-American elite, because their failed policies of "post-industrialism" and speculation have made it impossible to pay Third World countries a just and fair price for their oil, minerals, and other commodities. Rather than change their own economic policies, Bush, Thatcher, and their elite controllers have opted for misery on

a global scale.

By the same token, Bush needs an excuse to wield emergency powers because of the economic depression in the United States. As exemplified in the budget wranglings of the past six months, the administration has decided to deal with the nation's economic woes not by stimulating investment in agriculture, manufacturing, and high-tech industries, but by looting the living standard of the middle and working class.

But the depths of the depression the United States has entered will require austerity on a scale that cannot be accomplished within the framework of constitutional government—at least not without risking a popular upsurge that could overturn the administration and its policies.

Thus, the Iraq conflict—which, as *EIR* has documented, was deliberately set up by the United States and Great Britain—has provided Bush with the long-sought-for chance to ram austerity down the throats of Americans, while establishing a genocidal U.S. policy toward the nations of the Third World.

### **FEMA's police state**

Should the American people resist, FEMA is prepared to step in with police-state measures. In its July 5, 1987 issue, the *Miami Herald* published a revealing exposé on FEMA's plans to rip up the Constitution in the event of a

national crisis.

Written by Alfonso Chardy, the article reported that between 1982 and 1984, FEMA revised its contingency plans for dealing with “nuclear war, insurrection or a massive mobilization.”

Chardy reported that National Security Council staffer Lt. Col. Oliver North assisted FEMA in drawing up “a controversial plan to suspend the Constitution in the event of a national crisis, such as nuclear war, violent and widespread internal dissent, or *national opposition to a U.S. military invasion abroad*” (emphasis added). The last eventuality is of special significance under the present circumstances of growing domestic opposition to Bush’s war plans in the Gulf.

The plan “also advocated the roundup and transfer to ‘assembly centers or relocation camps’ of at least 21 million” black Americans.

In 1984, FEMA ran its “Rex 84” exercise (one of many such exercises, almost all of them classified, which FEMA regularly carries out in conjunction with the Defense Department), to test its upgraded capabilities and powers. The “Rex 84” scenario was based on a superpower confrontation over Central America which would lead to a nuclear war. Included in the scenario was a roundup of Central American refugees who had poured over the borders into the United States, and who were placed in detention camps located on U.S. military bases. The scenario also called for the imposition of martial law in the United States, to quell an anti-war movement.

Substitute Middle East for Central America, and war with Iraq for superpower confrontation, and you’ve got the Bush administration-FEMA script for suppressing any opposition to U.S. participation in a Gulf conflict. A still-secret National Security Directive Decision (No. 52), issued by President Reagan in August 1982, pertains to the “Use of National Guard Troops to Quell Disturbances.”

### **Bush: the American Mussolini**

Bush is the perfect candidate to be the American Mussolini. His patrician background and intimate ties to the U.S. intelligence community (he served as director of the CIA in the mid-1970s), have inculcated in him a contempt for constitutional and representational government. That has been nowhere more evident than in his recent response to pleadings from Capitol Hill that he consult with Congress on the Gulf conflict. In defiance of the Constitution’s provision that only Congress has the right to declare war, Bush has refused.

During the Reagan years, Bush insinuated himself into the heart of the administration’s vast crisis-planning apparatus, getting himself appointed head of the Special Situations Group, which effectively placed him in charge of all crisis management.

Bush signaled his intention to use crisis management as the means of imposing emergency police-state rule just a

week after the election. One of his first acts after winning the presidency was to persuade Ronald Reagan to issue Executive Order 12656, which we excerpt at length in the *Documentation* section—a chilling blueprint for an emergency dictatorship, with FEMA at the helm.

### **Blank check for crisis management**

If Bush does decide to use the Gulf crisis as an excuse to declare a national emergency, he has a virtual blank check to do what he pleases. “The President has a broad range of emergency powers available to him in a crisis,” a White House spokesman confirmed. According to Harold Relyea, a specialist at the Congressional Research Service, the powers available to the President under conditions of a national security crisis are “wide open . . . there is probably not a whole lot circumscribing the President’s authority to use certain statutes, some of which require a declaration of national emergency, some of which don’t.”

These powers are based on a huge body of executive orders, national security directives, and legislation that has evolved since World War II. In addition to the various executive orders and national security directives described elsewhere in the report, some of the most important of these include:

- the National Security Act of 1947, under which FEMA draws its authority, among other things, to effect the strategic relocation of industries, services, government, and other essential economic activities, and to rationalize the requirements for manpower, resources, and productive facilities.
- the 1950 Defense Production Act, which gives the President sweeping powers over all aspects of the economy;
- the Act of Aug. 29, 1916, which authorizes the Secretary of the Army, in time of war, to take possession of any transportation system for transportation of troops, matériel, or any other purpose related to the emergency;
- the International Emergency Economic Powers Act, which enables the President to seize the property of a foreign country or national.

In addition, numerous measures exist that are specifically designed to be invoked in the event of a cutoff in U.S. energy supplies, which would likely occur should fighting break out in the Gulf.

These include: the Energy Policy and Conservation Act, which establishes the Strategic Petroleum Reserve and establishes separate energy priorities and allocation authority, to be coordinated with the national defense priorities and allocations system set up by the Defense Production Act; the Energy Security Act of 1980; the Naval Petroleum Reserve Act, which establishes the naval petroleum and oil shale reserve and authorizes the Navy to seize or acquire transportation pipelines to transport the petroleum; the Export Administration Act and the Trade Expansion Act, which authorize the President to control exports and imports; and the Energy Emergency Preparedness Act of 1982.

# FEMA's structure for fascist rule

by Kathleen Klenetsky and Herbert Quinde

"You have an authoritarian structure . . . with FEMA."  
—Harold Relyea, chief specialist on presidential directives at the Congressional Research Service, in an interview with EIR

The Federal Emergency Management Agency was founded during the presidency of one Trilateral Commission member, Jimmy Carter, and it seems increasingly likely that its fundamental purpose—to seize control of the reins of government through emergency fiat—will be realized under the presidency of another, George Bush.

The Trilateral link is no accident. Together with the other leading Eastern Establishment think tank, the New York Council on Foreign Relations (CFR), the Trilateral Commission effectively brought FEMA into existence.

The leading theoreticians behind the creation of FEMA were Samuel Huntington, a National Security Council consultant under Carter, and Zbigniew Brzezinski, who served as Carter's national security adviser. Before that, Brzezinski was executive director at the Trilateral Commission, a "New



Zbigniew Brzezinski

Ager" who envisioned a "technetronic society" in the United States. Nominally a Democrat, Brzezinski nevertheless became a leading adviser on strategic policy to George Bush's 1988 presidential campaign, and continues to serve as an informal consultant to the Bush administration. Huntington is currently a member of the FEMA Advisory Board. Both Huntington and Brzezinski belong to the CFR.

FEMA was established in March 1979 by Presidential Review Memorandum 32, with the mandate to maintain "the continuity of government" (COG) during a national security emergency. PRM 32 bypassed the U.S. Constitution, and awarded power to the *unelected* officials at the National Security Council to direct U.S. government operations by emer-

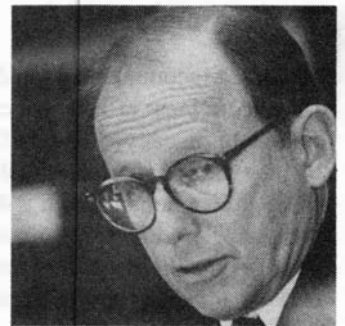
gency decree. By placing FEMA under the NSC's control, Huntington, Brzezinski, et al. turned the NSC into a shadow technocratic dictatorship, waiting for a real or manufactured crisis to seize control of the country.

Although FEMA was sold to Congress and the public as the vehicle through which the United States could mount an adequate, centralized response to natural and other disasters, the agency has consistently failed to fulfill that purpose. In its last major interventions, in 1989's San Francisco earthquake and Hurricane Hugo, FEMA's ineptness and bungling enraged disaster victims and local officials. FEMA was more interested in psychologically profiling the population's response to the disasters, than it was in assisting their physical survival. That was typical of FEMA's 10-year record, which began with its panic-mongering handling of the Three Mile Island nuclear accident in 1979.

## Burying the Constitution

FEMA has proven by its own actions that it is not a disaster preparedness agency. Its true purpose is found in the 1970s policy decisions of the CFR and the Trilateral Commission, decisions which ushered in the "post-industrial society" and "limits to growth" era which brought the United States into the current depression.

It is clear from reviewing these policy decisions, that the Establishment had made a conscious decision to deal with economic contraction and concomitant social unrest by resorting to fascist emergency rule and other forms of "fascism with a democratic face."



Samuel Huntington

In one of the earliest Trilateral Commission reports, "The Crisis of Democracy," published in 1975, Huntington demanded that democratic government be curbed in times of economic crisis. "We have come to recognize that there are potentially desirable limits to economic growth," he stated. "There are also potentially desirable *limits to the indefinite extension of political democracy*. . . . A government which lacks authority . . . will have little ability, short of cataclysmic crisis to *impose on its people the sacrifice which may be necessary*" (emphasis added).

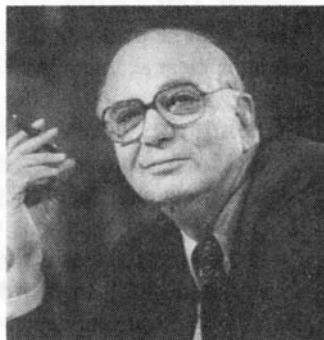
In 1973, the Council on Foreign Relations launched its "1980s Project," which it called the "largest single effort in our 55-year history." By its own account, the 1980s Project was aimed at "describing how world trends might be steered toward a particular desirable future outcome." Zbigniew Brzezinski belonged to the 1980s Project's governing body, and Samuel Huntington served on its coordinating group.

Among the most important products of the project was

*Alternatives to Monetary Disorder*, by the late Fred Hirsch, senior adviser to the International Monetary Fund. Hirsch wrote: "A degree of controlled disintegration in the world economy is a legitimate objective for the 1980s and may be the most realistic one for a moderate international economic order. A central normative problem for the international economic order in the years ahead is how to ensure that the disintegration indeed occurs in a controlled way and does not rather spiral into damaging restrictionism."

"Controlled disintegration" became the policy of Jimmy Carter's Federal Reserve Chairman Paul Volcker, whose high interest rates wrecked the U.S. industrial and farm base during the Carter and Reagan years.

Another key 1980s Project document was *International Disaster Relief*, by Stephen Green. It predicted that the future will bring about "megadisasters" that will "create conditions of political instability and, in all likelihood, of conflict, which will further erode the capacity of societies to cope with natural disasters."



Paul Volcker

Green recommended rapid implementation of new disaster preparedness efforts. He called for the creation of a central, global agency, under the United Nations, with a mandate to intervene in disaster situations, despite opposition from local governments. "Such a shift," he wrote, "would reflect increasingly widespread *dissatisfaction with the constraints posed by the recognition of sovereign national jurisdictions* and the *abstract notion of national sovereignty*" (emphasis added).

"Disaster relief" thus became an excuse for tossing out existing forms of government which stand in the way of the fascist economic policies (for which "sacrifice" and "controlled disintegration" are merely euphemisms) which the Eastern Establishment has decided must be imposed.

## Oliver North and FEMA

FEMA's powers have been enhanced during the Reagan and Bush administrations to the point that the agency is now positioned to take over the country in the event of a national security crisis, such as a war with Iraq or an interruption of oil imports.

A preview of a FEMA dictatorship can be found in the Iran-Contra affair. One of the key components of the FEMA apparatus is a group of 100 persons it has positioned throughout the government bureaucracy. Known as the "continuity of government" (COG) structure, these 100 individuals are charged with running government departments in times of crisis. One member of this group was none other than Oliver

North—whom President Bush called a "national hero."

Bush was at the center of both the Iran-Contra fiasco, and the broader FEMA-linked crisis management apparatus set up during the Reagan years. In early 1982, Reagan created the Special Situations Group (SSG), designating Vice President Bush as its chairman.

In May 1982, the Reagan administration issued a memorandum which announced that the SSG "is charged, *inter alia*, with formulating plans in anticipation of crisis. In order to facilitate this crisis pre-planning responsibility, a Standing Crisis Pre-Planning Group (CPPG) is hereby established."



Oliver North

North was assigned to the CPPG—and later helped to write the 1984 FEMA "Rex" exercise for police-state rule in the United States.

Through an outgrowth of this structure, the Iran-Contra controllers wielded extraordinary power and ran various foreign and domestic initiatives, including the overthrow of President Ferdinand Marcos of the Philippines through what became the Project Democracy apparatus, the Iran-Contra affair, and the government's effort to jail Lyndon LaRouche, who was rightly seen as a major threat to the FEMA network's "government by fiat" scheme. (As *EIR* has previously reported, Buster Horton, the foreman of the jury which found LaRouche guilty on trumped-up charges in December 1988, belonged to the same 100-man COG structure as North.)

On July 22, 1982, President Reagan issued his National Security Decision Directive 47 to complement the operations of the SSG and CPPG. Titled "Emergency Mobilization Preparedness," NSDD 47 defined the responsibilities of federal departments and branches of the U.S. government to respond to a national security crisis or domestic emergency. The President charged the Emergency Mobilization Preparedness Board with implementing the programs detailed in the directive, which included a restriction of civil rights, bordering on explicit police-state measures (see accompanying article).

As one of his first acts in office, Bush issued National Security Directive 1, which boosted the powers of the National Security Council, the body that runs FEMA.

Bush also stacked the FEMA leadership with "old boys" from the intelligence and covert operations networks, among them Jerry Jennings, who was confirmed as FEMA deputy director in May. Jennings's background includes nearly a decade of White House service as an adviser to the President's national security adviser under four administrations, beginning in 1973. Before that, he worked for the CIA in the Far East during the gearup of the Vietnam War (1965-68), and for the FBI, where he specialized in drugs.

# FEMA's blueprint for action: NSDD 47

by Herbert Quinde

In 1989, President Bush issued National Security Directive 10 (NSD 10), creating several Policy Coordinating Committees, including one for Emergency Preparedness/Mobilization Planning under the National Security Council (NSC). The chairman of the committee was designated to be the director of FEMA. With that move, Bush put under his personal direction a proto-military "command and control" structure which can suspend or alter the letter of the law and intent of the Constitution during a real or manufactured crisis.

As one of his first acts in office, Bush issued his NSD 1, which reorganized the NSC and gave enormous power to two standing committees headed by National Security Adviser Brent Scowcroft, a former executive of Kissinger Associates, and Scowcroft's deputy, former deputy director of the CIA Robert Gates. This restructuring dispensed with more than 90 senior interagency groups set up during the Reagan administration. Their work is now handled solely by the NSC.

Bush's NSD 10 reaffirms FEMA's authorities. The core mandate of FEMA's responsibilities and prerogatives is found in Reagan's National Security Decision Directive 47 (NSDD 47), issued July 22, 1982 under the title "Emergency Mobilization Preparedness." Presidential national security directives remain in effect from one administration to the next, unless rescinded.

NSDD 47 defined a "common ground upon which mobilization programs can be developed and used at the discretion of the President to prevent avoidable emergencies, to combat and reduce the effects of those that are unavoidable, and to mitigate the effects of those that do occur."

If the domestic economy spins out of control, NSDD 47 states, "Authorities for direct economic controls (wage and price controls and consumer rationing) in national security emergencies need to be provided to give responsible policy-makers flexibility to deal with circumstances that can be judged only as they arise. . . ."

"Preparedness measures that involve the waiving or modification of socioeconomic regulations that delay emergency responses should receive priority attention" to be eliminated.

"Preparedness programs should also be designed to increase capabilities to cope with resource shortages arising from disruptions of essential supplies from foreign sources

[such as oil—ed.] . . .

"Resource management and economic stabilization programs should include standby plans and procedures for governmental intervention, as necessary, into the market place to ensure the enhancement of supply allocation of resources to military and essential civilian needs. *These mechanisms should provide for both gradual and abrupt replacement of market forces by governmental regulations* [emphasis added]."

If the banks are in trouble, NSDD 47 provides for programs that will "preserve and facilitate operations of public and private financial institution systems, and provide for any necessary restoration of their functioning after a major emergency."

It also provides "fiscal authorities with adequate *revenue-raising powers* to stabilize the economy in the face of any additional resource requirements needed to deal with or recover from an emergency."

The "general principles" of NSDD 47 stipulate that: "Plans and procedures should be designed to retain maximum flexibility for the President and other senior officials in the implementation of emergency actions *both above and below the threshold of declared national emergencies and wars*. Plans should avoid rigid 'either/or' choices that limit presidential options."

If the U.S. Constitution, or federal and state laws seem to get in the way of dealing with a "national emergency," NSDD 47 calls for "preparedness measures" that identify "legal constraints" which need to be removed so as not to impede response to an emergency.

## Bringing in the Marines

If the FEMA apparatus does not feel that it can cope with an emergency solely employing civilian personnel, agencies, and domestic law enforcement, it can "call in the Marines." Department of Defense Directive 3025.1, titled "Use of Military Resources During Peacetime Civil Emergencies within the United States, its Territories, and Possessions" establishes Department of Defense policies and "assigns responsibilities, and furnishes guidance for DoD support to civil authorities under peacetime civil emergency conditions."

If there is a direct threat to law and order, the governor of a state can request assistance from the President, who instructs the Attorney General to permit military personnel to augment or replace local law enforcement or the National Guard. The action is authorized through Department of Defense Directive 3025.12, titled "Employment of Military Resources in the Event of Civil Disturbances." For example, a few years ago this directive was activated in preparation for riots in an Atlanta prison. Advanced intelligence assessed that there would be riots, which led to the DoD "pre-positioning military resources" in preparation for an assault on the prison, according to a Pentagon spokesman. The situation was defused and the "DoD components" were not deployed.



# Executive Order 12656 allows rule by decree

*Titled "Assignment of Emergency Preparedness Responsibilities," Executive Order 12656 was signed by President Reagan on Nov. 18, 1988, just days after George Bush won the presidential election. It has been cited by various sources as a crucial component of the Bush administration's government-by-fiat which will be put into effect under the pretext of a national security crisis.*

*EO 12656's stated purpose is to define "the responsibilities of the Federal departments and agencies in national security emergencies." We excerpt portions of the document here.*

### **Section 101.** National Security Emergency Preparedness Policy.

a) The policy of the United States is to have sufficient capabilities at all levels of government to meet essential defense and civilian needs during any national security emergency. A national security emergency is any occurrence, including natural disaster, military attack, technological emergency, or other emergency, that seriously degrades or seriously threatens the national security of the United States. Policy for national security emergency preparedness shall be established by the President. Pursuant to the President's direction, the National Security Council shall be responsible for developing and administering such policy. All national security emergency preparedness activities shall be consistent with the Constitution and laws of the United States and with preservation of the constitutional government of the United States. . . .

### **Section 102.** Purpose.

a) The purpose of this Order is to assign national security emergency preparedness responsibilities to Federal departments and agencies. These assignments are based, whenever possible, on extensions of the regular missions of the departments and agencies. . . .

### **Section 104.** Management of National Security Emergency Preparedness.

a) The National Security Council is the principal forum for consideration of national security emergency preparedness policy.

b) The National Security Council shall arrange for Executive branch liaison with, and assistance to, the Congress and

the Federal judiciary on national security-emergency preparedness matters.

c) The Director of the Federal Emergency Management Agency shall serve as an advisor to the National Security Council on issues of national security emergency preparedness, including mobilization preparedness, civil defense, continuity of government, technological disasters, and other issues, as appropriate. . . . The Director [of FEMA] also shall assist in the implementation and management of the National Security Council process. . . . [and] also shall assist in the implementation of national security emergency preparedness policy by coordinating with the other Federal departments and agencies and with State and local governments, and by providing periodic reports to the National Security Council on implementation of national security emergency preparedness policy.

e) There shall be a national security emergency exercise program that shall be supported by the heads of all appropriate Federal departments and agencies.

**Section 201. General.** The head of each Federal department and agency, as appropriate, shall:

1) Be prepared to respond to all national security emergencies, including those that are international in scope, and those that may occur within any region of the Nation. . . .

3) Appoint a senior policy official as Emergency Coordinator, responsible for developing and maintaining a multi-year, national security emergency preparedness plan for the department or agency to include objectives, programs, and budgetary requirements.

4) Design preparedness measures to permit a rapid and effective transition from routine to emergency operations, and to make effective use of the period following initial indication of a probably national security emergency. This will include:

a) Development of a system of emergency actions that defines alternatives, processes, and issues to be considered during various stages of national security emergencies;

b) Identification of actions that could be taken in the early stages of a national security emergency or pending national security emergency to mitigate the impact of or reduce significantly the lead times associated with full emergency action implementation;

6) Identify areas where additional legal authorities may be needed to assist management and, consistent with applicable Executive Orders, take appropriate measures toward acquiring those authorities.

*The following is a sampling of the responsibilities which EO 12656 appropriates to the various departments:*

### **Department of Commerce**

The Secretary of Commerce shall:

1) Develop control systems for priorities, allocation, production, and distribution of materials and other resources

that will be available to support both national defense and essential civilian programs in a national security emergency; . . .

6) In cooperation with the Secretaries of State, Defense, Transportation, and the Treasury, prepare plans to regulate and control exports and imports in national security emergencies.

#### **Department of Defense**

The Secretary of Defense shall:

7) Develop national plans for assisting State and local governments in rehabilitation of persons injured or disabled during national security emergencies; . . .

12) Develop, in coordination with the Attorney General of the United States, specific procedures by which military assistance to civilian law enforcement authorities may be requested, considered, and provided.

#### **Department of Justice**

The Attorney General of the United States shall:

3) Coordinate contingency planning for national security emergency law enforcement activities that are beyond the capabilities of State and local agencies;

4) Develop national security emergency plans for regulation of immigration, regulation of nationals of enemy countries, and plans to implement laws for the control of persons entering or leaving the United States; . . .

8) Develop intergovernmental and interagency law enforcement plans to respond to civil disturbances that may result in a national security emergency or that occur during such an emergency; . . .

*Support responsibilities.* The Attorney General shall:

3) Support the Secretary of the Treasury in developing plans to control the movement of property entering and leaving the United States.

#### **Department of the Treasury**

*Support responsibilities.* The Secretary of the Treasury shall:

3) Develop plans, in coordination with the Secretary of State, for the formulation and execution of economic measures with respect to other nations in national security emergencies.

Part 17—Federal Emergency Management Agency Sec. 1701. *Lead Responsibilities.* In addition to the applicable responsibilities covered in Parts 1 and 23, the Director of the Federal Emergency Management Agency shall:

1) Coordinate and support the initiation, development, and implementation of national security emergency preparedness programs and plans among Federal departments and agencies;

2) Coordinate the development and implementation of plans for the operation and continuity of essential domestic

emergency functions of the Federal Government during national security emergencies;

3) Coordinate the development of plans, in cooperation with the Secretary of Defense, for mutual civil-military support during national security emergencies;

4) Guide and assist State and local governments and private sector organizations in achieving preparedness for national security emergencies, including development of plans and procedures for assuring continuity of government, and support planning for prompt and coordinated Federal assistance to States and localities in responding to national security emergencies;

5) Provide the President a periodic assessment of Federal, State, and local capabilities to respond to national security emergencies;

6) Coordinate the implementation of policies and programs for efficient mobilization of Federal, State, local and private sector resources in response to national security emergencies;

7) Develop and coordinate with all appropriate agencies civil defense programs to enhance Federal, State, local, and private sector capabilities for national security emergency crisis management, population protection, and recovery in the event of an attack on the United States;

8) Develop and support public information, education and training programs to assist Federal, State, and local government and private sector entities in planning for and implementing national security emergency preparedness programs;

9) Coordinate among the heads of Federal, State, and local agencies the planning, conduct, and evaluation of national security emergency exercises;

10) With the assistance of the heads of other appropriate Federal departments and agencies, develop and maintain capabilities to assess actual attack damage and residual recovery capabilities as well as capabilities to estimate the effects of potential attacks on the Nation;

11) Provide guidance to the heads of Federal departments and agencies on the appropriate use of defense production authorities, including resource claimancy, in order to improve the capability of industry and infrastructure systems to meet national security needs;

12) Assist the Secretary of State in coordinating the formulation and implementation of United States policy for NATO and other allied civil emergency planning, including the provision of:

a) advice and assistance to the departments and agencies in alliance civil emergency planning matters;

b) support to the United States Mission to NATO in the conduct of day-to-day civil emergency planning activities; and

c) support facilities for NATO Civil Wartime Agencies in cooperation with the Departments of Agriculture, Commerce, Energy, State, and Transportation.



# National Security Directives: secret powers of the President

by Herbert Quinde

National Security Directives are probably the most powerful instrument of governance available to President Bush. Even though they are central to the formulation and execution of national policy, domestic and foreign, NSDs are cloaked in almost total secrecy. They give the President the option to do an "end run" around any constitutional checks and balances.

Since President Bush moved into the White House, only half a dozen NSDs, in partial form or in their entirety, have seen the light of day. During the span of the Reagan administration, some 300 National Security Decision Directives (NSDDs), as they were titled then, were issued. But *fewer than 50* NSDDs have been released publicly, and many with only partial text.

It was NSDDs that gave us Iranamok, the worst foreign policy fiasco of the Reagan-Bush years:

- NSDD 17, titled "Deterring Cuban Models/Covert Action in Nicaragua" (TOP SECRET), dated Nov. 23, 1983, gave the CIA the green light to create the Contras and "work with foreign governments as appropriate" to topple the Sandinista government of Nicaragua.

- NSDD 100, titled "Enhanced U.S. Military Activity and Assistance for the Central American Region" (TOP SECRET), dated July 28, 1983, upped the ante through military pressure on Nicaragua and pre-positioned U.S. forces in the Caribbean to be used three months later in the invasion of Grenada. It also required the secretaries of Defense and State to lobby Congress and the public to support the administration's action, without revealing the secret policy commitment. NSDD 100 specifies, "The Secretary of State and the Secretary of Defense will prepare a coordinated legislative, diplomatic, and public affairs strategy that supports these initiatives."

## The runaround: NSDD 159

But there was no popular support for the Contra policy, and Congress eventually passed the Boland Amendment to constrain the White House and the CIA's ability to act. On Jan. 18, 1985, NSDD 159, titled "Covert Action Policy Approval and Coordination Procedures," was issued. Since the CIA's hands were tied, NSDD 159 authorized the NSC to carry out covert operations, even though only the CIA was permitted by law to carry out such activities. Also, a broad

range of covert activities by agencies other than the CIA were exempted from the "covert action" definition, thereby eliminating the requirement for reporting to Congress.

Concretely, NSDD 159 gave Oliver North and his Project Democracy friends a blank check for Contra operations. It read in part, "The provision of routine support in the form of personnel, funds, equipment, supplies, transportation, training, logistics, and facilities by Government components other than the CIA to support a covert action shall not in itself be considered a separate covert action by the supplying agency." Therefore, the NSC, now "operational," was not required to alert Congress to its activities.

NSDD 159 was crucial to implementing the arms-for-hostages deals with Iran, authorizing the NSC to mount a covert operation and directing that it *not* be reported to Congress.

Initially, Congress had been cooperative with the anti-Sandinista policy. Congress was not blind to the Contra operation. A former CIA official told *EIR* that he personally briefed the appropriate congressional committees in anticipation of the 1984 mining of Nicaragua's harbors. But the Iran side of the operation was a radical departure from publicly stated White House policy. There was an arms embargo against Ayatollah Khomeini's Iran, and it was U.S. public policy not to negotiate with terrorists. Both Secretary of Defense Caspar Weinberger and Secretary of State George Shultz, sensing the risks involved, stopped a June 1985 attempt to issue another NSDD authorizing the transfer of arms to Iran, according to Adm. John Poindexter's testimony before the congressional committees investigating the Iran-Contra affair. Nonetheless, thousands of TOW anti-tank missiles started to flow to Iran, violating the Arms Export Act. And to this day, all of the hostages held by Iranian and Syrian puppets have yet to be freed.

## Secret propaganda: NSDD 77

When popular opposition to the policy was manifest, NSDD 77, titled "Management of Public Diplomacy Relative to National Security" (SECRET), dated Jan. 14, 1983, was invoked. NSDD 77 ordered the strengthening of "organization, planning, and coordination of the various aspects of public diplomacy of the United States Government relative

to national security. Public diplomacy is comprised of those actions of the U.S. Government designed to generate support for our national security objectives.”

In other words, a *secret* presidential decree was issued ordering the creation of a *secret* public relations initiative, in effect a propaganda ministry, not only aimed at foreign governments, but also at Congress, the media, and the American public. Allied foreign governments fearful of Washington’s further destabilizing Central America were put under pressure and accused of being pro-communist. Congressmen, journalists, and political activists were harassed and intimidated for their opposition, in a manner reminiscent of the Cointelpro operation which targeted anti-war dissidents in the late 1960s. Articles were planted in the media by government agents.

The General Accounting Office subsequently established that these activities violated the law prohibiting “covert propaganda” inside the United States.

During the televised congressional hearings that probed Irangate, Oliver North steadfastly maintained that there were no restrictions on the NSC’s being “operational.” During the hearing, Sen. George Mitchell (D-Me.) asked North, “Since the law requires that before any covert action could be conducted, the President must specifically authorize it, since you’ve testified that you conducted a covert operation, and since you’ve further testified that the President neither designated the National Security Council to conduct covert operations nor did he make a Finding authorizing this covert operation, what was the legal basis for your activities with respect to this covert operation?”

North responded, “The National Security Council staff is not included with constraints that are depicted in either the Executive Order [on covert operations—EO 12333] or the NSDD [159] as an intelligence agency. And thus, in neither case does the law provide that the President had to do what you are saying he had to do.”

### **Pattern of government abuse**

In retrospect, it is clear that Oliver North and company did not carry out a “rogue” operation. There was no “secret government” distinct from the Reagan-Bush administration. Through secret presidential national security directives, the NSC was authorized to go “underground” to carry out a policy unilaterally, *because* of massive popular opposition. The method used, should send shivers down the spine of any patriot who believes in the constitutional principles that founded this nation. The National Security Directive, if abused, ensures that there is no accountability by the Executive branch of government.

Unlike the conventional system of presidential proclamations and executive orders which are issued through a numerical accounting system and by law must be published in the Federal Register and the Code of Federal Regulations, there is no such requirement for NSDs. Confidential and even

classified executive orders have been issued and not published, but they are accounted for in the numbering system.

In an attempt to gain statutory accountability, Rep. John Conyers (D-Mich.) and Rep. Jack Brooks (D-Tex.) have cosponsored H.R. 5438, the “Presidential Directives and Records Accountability Act,” which did not make it to the floor for a vote in the recently concluded Congress. The bill essentially requires the White House to provide a copy of any NSD to the Speaker of the House and the President *pro tem* of the Senate after it is issued. It provides for full confidentiality through the secrecy classification process, and in no way impinges on the Executive branch’s right to formulate or implement policy.

The White House says that NSDs are internal “administrative” communications between the President and his staff, and therefore no one else, including Congress, has a right to see them, according to Susan Fitzgerald, a former research analyst for the Fund for Constitutional Government. A source in the House Government Operations Committee reports that they are in a “constitutional dispute” with the Bush White House over NSDs, and that NSC counsel Nicholas Rostow has refused to reveal even the number of NSDs issued since President Bush took office.

A review of six NSDs issued by President Bush and obtained by the Congressional Research Service clearly exposes the lie that NSDs are just internal “administrative” communications. On Nov. 16, 1989, a “Fact Sheet” on U.S. Space Policy was made available with a White House press release, although the number of the NSD was not revealed. NSD 1 is titled “National Security Council Organization.” NSD 10 established additional NSC Policy Coordinating Committees (PCCs) on Counter-terrorism, Special Activities, Nonproliferation Policy, and Refugees, as well as the PCC directed by FEMA, among others. On Oct. 5, 1989, the “National Security Sealift Policy” was declassified, but no NSD number was released. NSD 27, titled “Soviet Emigration Policy,” was issued Oct. 2, 1989. Finally, a summary of “National Policy for the Security of National Security Telecommunications and Information Systems” was released, but again, there is no identifying NSD number or date.

As of October 1989, at least 27 NSDs are known to have been issued under Bush. Congressional sources say that at least two more were issued in 1990—one on U.S. policy toward Iraq, and the other on narcotics policy. What does that NSD say about U.S. plans in the Persian Gulf? That is still secret.

A source with the Office of Counsel to the House of Representatives says, “The problem is that the White House puts out a secret policy and Congress doesn’t know if a change has been made. How is the Legislative branch supposed to function without knowledge of what the other branch of government is doing? . . . So it really becomes a renegade policy-setting device.”

## Does chattel slavery exist in Kuwait or Saudi Arabia?

Call for an Emergency Investigation  
by the U.S. Congress

*What follows is most of the introductory part of a lengthy documentary dossier presented to the U.S. Congress for investigation. It was introduced to the press by Webster Tarpley at a conference called by EIR in Washington, D.C. on Nov. 15, 1990:*

According to the United Nations Supplementary Convention on the Abolition of Slavery, the Slave Trade and Institutions and Practices Similar to Slavery (promulgated in 1956), a chattel slave is defined as a person "over whom any or all of the rights of ownership are exercised." A slave may also be thought of as a person who is owned and who thus has neither freedom nor human rights, or one who, when working for another person, is not free to withhold his or her labor. Chattel slavery may thus be distinguished in current usage from such related forms of servitude as debt bondage, serfdom, the exploitation of women and children, and servile forms of marriage.

As a result of the current international attention centering on Kuwait, Saudi Arabia, Qatar, Bahrain, the United Arab Emirates, Oman, and other countries situated in the region of the Persian Gulf, the question of the existence in these countries of chattel slavery involving persons of black, brown, yellow, and white skin has arisen. This report is a first attempt to assemble excerpts from relevant documentation that may help U.S. public opinion, and in particular elected representatives of the United States Congress, to build an increasing awareness of the slavery issue as it regards Kuwait, Saudi Arabia, and the Gulf. Our findings indicate that the institution of chattel slavery, preying especially al-

though by no means exclusively on black African victim populations, was an undeniable fact of life in Kuwait, Saudi Arabia, and the other Gulf states through the 1960s and into the 1970s. We have also unearthed tangible evidence that points to the existence of chattel slavery, especially in the form of slaves held by the families of the royal houses and the ruling elite, down to the present day.

### **Congress must get the truth**

We feel that the evidence we have been able to assemble makes it impossible to ignore the question of chattel slavery on the part of Jaber el Sabah, the deposed Emir of Kuwait, since the Bush administration has announced that the restoration of Emir Jaber to his throne is one of the non-negotiable goals of United States foreign policy in this region, for which the Bush administration has repeatedly announced its willingness to risk war. American citizens of all races and colors who are thus being asked to fight and perhaps die for the restoration of the Emir of Kuwait and for the rest of the Kuwaiti royal family have an undeniable right to a clear answer on the question of whether or not the Emir is a slaveholder. The same applies to the Saudi royal family, which United States forces are now deployed to defend. Since the Congress may shortly be called upon to declare war against Iraq over the issue of Kuwait, it is the duty of the Congress to get the truth on these questions, proceeding on an emergency basis. This report accordingly certainly does not contain the last word on the slavery issue as regards the Gulf. But it does, in our view, provide sufficient material to motivate the investigation we are calling for, in which the subpoena power

of Congress can be employed to compel testimony on the salient facts involved.

Since administration spokesmen have stated that U.S. forces in the Gulf have a mission of protecting freedom, and since President Bush has welcomed the Emir of Kuwait to the White House, the oversight role of Congress in the conduct of foreign policy must include the verification of these statements in the light of relevant facts, including the facts on slavery. If this country were to commit itself to fighting a war for the restoration of a form of government in Kuwait which were later found to include the restoration or continuation of chattel slavery, the moral integrity of this nation would suffer damage from which it would be difficult ever to recover. In addition, institutions that support slavery that exist in an area in which United States forces are operating poses a quantifiable danger to members of our Armed Forces who may, especially under the strained conditions of warfare or acute international tensions, become the victims of such slave institutions. It is the duty of Congress to determine the magnitude of this threat and recommend appropriate counter-measures in a timely fashion.

Before proceeding with the substance of our argument, a prefatory note may facilitate comprehension. Published sources indicate that during most of this century, a slave trade has existed with its center in the Arabian peninsula, where such countries as Kuwait and Saudi Arabia are situated. Slaves were drawn from West Africa, from North Africa, from East Africa, from the horn of Africa, from such Indian Ocean islands as Madagascar and Zanzibar, from Iran, Pakistan, India, Bangladesh, Thailand, the Philippines, and other regions, to be sold to end users located in the Arabian peninsula. In this sense, the Arabian peninsula may be said to be the center of the trade in chattel slaves during the 20th century, and the principal destination for slaves in international smuggling. Published sources, including the relevant United Nations reports cited below and in the appendix, make it clear that this trade was flourishing until quite recently. It is also clear that although proclamations purporting to terminate the importation and holding of chattel slaves have been promulgated at various times by Kuwait, Saudi Arabia, and the other governments involved, the efficacy of these measures in reducing or eliminating the slave trade and above all the persistence of slave-holding is open to very serious question.

### Recent history

While the evidence of the past 20 years is not systematic, and relies heavily on reports from journalists, travelers, and other eyewitnesses, there are enough well-documented reports to strongly suggest that slavery persists and may in fact be in resurgence, especially in the upper strata of society. As for the persistence of the institution, we must recall that it is deeply rooted in centuries of history, and that we are dealing with a part of the world which has proven strongly resistant

to basic social change.

As for the possible resurgence of slavery, we will do well to pay careful attention to the authors cited below who point out that one of the reasons that slavery has been able to survive is because of the great and desperate poverty of the areas from which the slaves are traditionally drawn, compared with the relatively greater wealth of the potentates of Arabia who are the end users of the slaves. Over the past 20 years, we must recall that the chronic famines of the Sahel region, the Sudan, Ethiopia, and other parts of Africa have generated perhaps the most acute poverty and starvation that these regions have ever known. In addition, civil wars have been going on for all or part of this time in countries like the Sudan, Ethiopia, and others which are high on the list of traditional sources of slaves destined for Arabia and the Gulf.

By contrast, during the 1970s and 1980s, the relative wealth, especially the wealth concentrated in the hands of the ruling elites of countries like Kuwait and Saudi Arabia, has increased astronomically. Famine and starvation where the slaves originate, plus unprecedented monetary wealth on the part of prospective slave-owners in Arabia, are a combination that bodes ill for any serious attempt to abolish slavery, even assuming that sincere attempts in this direction were ongoing.

### The Greer report

Germaine Greer, the well-known author, contributed the article excerpted here to the London *Independent* magazine of Oct. 13, 1990. The article is entitled: "Germaine Greer on the Slave-Owners of Kuwait." This provides an introduction to present-day indications of slavery and slave-like practices on the part of the Kuwaiti and Gulf elite:

"Who are our new friends, the Kuwaitis, for whose national sovereignty we are prepared to die? Who is the beaming Emir who has been given a standing ovation at the United Nations despite the fact that since 1986, when he dissolved the Kuwaiti National Assembly, he has ruled by personal decree? For one thing he is the kinsman of Sheika Faria el Sabah and Sheika Samiya, who stole their servant's passport and her two gold teeth, kept her a prisoner in their Bayswater apartment for four years, and gave her no bed but the floor outside the locked kitchen door, and very little sleep in any case, very little food and no wages but daily whippings that have left her scarred for life. The High Court awarded the Kuwaiti princesses' slave £300,000 damages last December, but who remembers?"

"It is only because Laximi Swami's spirit was unbroken after years of brutalization that her case ever came to light. The Home Office makes it easy for Gulf Arabs to import slavery by issuing their servants visitors' visas and denying them the right to work for any other employer. Officially nobody knows how many Laximis are prisoners in the houses of Hampstead and Kensington, and nobody except the Anti-Slavery Society cares.

"For all the necessities of everyday life the Gulf Arabs rely on foreign labour. In all the great airports between Manila and the Gulf you can see gangs of men and women, many with numbers on the breasts, lying or sitting on their cardboard suitcases, gazing about them with anxious, uncomprehending eyes or sleeping the sleep of exhaustion. Many of them have sold their land or incurred debts to pay for their passage to the Gulf. When they arrive, their passports are taken away; they sign documents in Arabic, which they neither speak nor read, and find themselves bound to hard labor for years. Those who refuse to sign on are told that they must leave at once and pay their own fares home. Some who think that they are going to exercise the professions for which they are qualified find themselves scrubbing floors for half the pay they were promised.

"Foreign workers in the Gulf have no rights and no representation. Their fate is entirely in the hands of the employer and his family. Children are taught to discipline—that is, to insult, pinch, slap, and pull the hair of—servants who displease them. Many servants have to carry buzzers so that they are on call at all hours of the 24. They are not allowed to do their own shopping or cooking, and eat only what is left after their employers and their guests have been fed. There is often no time off even for religious observance.

"Now and then the *Kuwait Times* reported spectacular cases of servants thrown from roof-tops, burnt, or blinded or battered to death; the systematic abuse they endured every day was unworthy of remark. Occasionally, desperate servants ran away, but with no money, no documents and no command of Arabic they had nowhere to go except to the police, and the police would promptly return them to their employers. . . ."

### Sawyer's evidence

The case which Germaine Greer is referring to is one that has attracted some attention in London over the past few years. It is also mentioned in Roger Sawyer's recent study, *Slavery in the Twentieth Century* (London: Routledge and Kegan Paul, 1986), pp. 13-14. Sawyer writes as follows in his chapter on Chattel Slavery:

"That slavery continues to exist in households within and without the Arabian peninsula is periodically observed by Western visitors and, more dramatically, is demonstrated by evidence of slaves brought with diplomatic missions to London, Geneva, and elsewhere. Occasionally it may even be found in England in non-diplomatic households which lack the protection of the Vienna Convention in Diplomatic Relations:

"On 16 April 1984 in Marylebone Magistrates Court I heard the evidence for the prosecution in a case in which two Kuwaiti sheikhas were accused by their Indian and Sri Lankan servants of having taken their passports, forbidden them to leave the house, fed them irregularly and insufficiently, worked them very long hours, paid them nothing and

beaten them both almost daily with a whip or with a length of electric flex.

"Perhaps the most objectionable aspect of this abuse, apart from the fate of ex-slaves in general, is the vulnerability of women in slavery-oriented society and the plight of the most defenseless section of the community, the children of the slave class."

### Does Kuwait's ambassador have slaves?

These citations suggest that slavery or at least slave-like practices may be present among the current Kuwaiti elite to the degree that Kuwaiti diplomats, using the cover of their privileged status, journey to other countries or even live there with servants who are in fact chattel slaves. The Congress has a right to know if the Emir of Kuwait, in his current exile in Saudi Arabia, is accompanied by slaves, and if it is intended that these slaves should accompany the Emir back to Kuwait if he is restored. There is also the question of whether the Kuwaiti ambassador to the United States also retains slaves in his personal entourage, what is the national origin and citizenship of such slaves, whether the U.S. Department of State is aware of whether or not he does, and if the keeping of slaves in this way would be covered by international conventions governing the rights and privileges of diplomatic personnel. Have any slaves requested asylum in the United States, and have they been granted or denied such asylum? The Congress, in short, must determine if Kuwaiti representatives have in effect imported chattel slavery back into this country.

The related issue of so-called "white slavery," properly defined as international trafficking in women captives for purpose of sexual exploitation as this regards Kuwait, is pointed out by a study recently issued by the American Israel Public Affairs Committee, written by Sara M. Averick, and entitled *A Human Rights Comparison: Israel versus the Arab States* (Washington, D.C.: AIPAC, 1988), p. 12. Averick cites a 1974 Interpol report on traffic in women, which states that "There is a European regional 'market,' mainly in French women who 'work' in neighboring countries, mostly in Luxembourg and the Federal Republic of Germany (in 'Eros Centers'), but women from South America and other countries are sometimes involved. There are links between this 'market' and other regions, notably the Middle East. . . . The situation would appear to be the same in Kuwait."

According to unconfirmed reports in certain Arab press organs, the Emir of Kuwait is rumored to have married a number of women numbering in the hundreds, and to have divorced a large proportion of these wives. It is not impossible that the white slavery trafficking referred to may have involved the Emir's palace itself. The possibility that American citizens may have been drawn into the kind of trafficking described by Interpol must put this issue high on the agenda of the required congressional investigations.

Current evidence also points to the continued phenome-

non of chattel slavery in Saudi Arabia and the other Gulf states, as well as Kuwait. The following is a dispatch from EIR News Service:

“WASHINGTON, D.C., Oct. 28 (EIRNS)—According to a highly reliable Middle East source, black chattel slaves are held today at the palaces of the ruling families of Saudi Arabia, Kuwait, Qatar, Bahrain, the United Arab Emirates, Oman, and other Gulf states. The black slaves are kept as servants, waiters, butlers, maids, footmen, and above all as concubines and odalisques for the Gulf rulers, and are usually quartered in special slave compounds attached to palaces and luxury villas in the region.

“These black slaves often have a very limited knowledge of Arabic, but instead speak the languages of Ethiopia and other African countries from which they or their ancestors were kidnaped or bought and imported in a slave trade that went on openly until some 30-40 years ago. Now the slave import trade has declined, but the offspring born to slaves in the slave quarters are themselves slaves and continue to serve their Gulf masters, according to the source, who was personally served coffee by a black slave of Ethiopian origin at a reception held in the Emir of Bahrain’s divan or court hall.

“The existence of these slaves is an open secret in the region, even though such slavery is officially denied by the area’s regimes. It is quite common, for example, for groups of black slaves to visit merchants, souks, and bazaars to do the shopping for the households they serve. Merchants give them priority service as a sign of respect for the prince or potentate who owns the slaves. Although the Koran allows orthodox Muslims a maximum of four wives, the Saudi Wahabite royal family and their counterparts in the rest of the Gulf interpret another clause of the Koran as meaning that unlimited numbers of women who are ‘owned,’ that is to say slaves, can also be exploited as concubines. This allows the existence of large black slave harems controlled by the wealthy rulers. White slavery, or trafficking in white female chattel concubines, which was commonly practiced in the Gulf until recent decades, has declined in favor of the importation of non-chattel prostitutes from Europe and the West, since this is simpler to administer. The Arabic word ‘abd’ signifies both ‘slave’ and ‘black.’

“Large towns in every Gulf state have public squares that were used as slave markets until about the time of World War II, although many of these have been renamed. Oblique references to the continued existence of black slavery in the Gulf are to be found in even the most recent United Nations human rights reports on labor conditions and bondage. . . .”

### **Eyewitness account**

This general view appears to be borne out by the eyewitness account from an American doctor who had been a resident of Saudi Arabia in 1983-85. Because of pervasive censorship and secret police surveillance in Saudi Arabia, it is typical that much of the investigation of the problem of slav-

ery must rely on reports from returning travelers from the area, and that many of these sources must decline to be identified because of the fear of retaliation of some sort by the Saudi government.

Relevant parts of this interview are as follows:

**Q.** When you were in Saudi Arabia did you see any sign of the existence of slavery?

**A.** This exists in many Middle Eastern countries. This is their way of life. Families sell their children quite regularly. I have treated patients who were slaves. Many Sudanese and Filipinos.

**Q.** Where were you working?

**A.** At the King Faisal Hospital in Riyadh. It was one of the most modern in the whole country. We treated the royal family and the Saudi elite. If you were from Yemen or some other Arab country, you couldn’t get in there. But occasionally I would be brought Filipinos or Sudanese, who were obviously slaves of some elite family. I remember one occasion flying back to Saudi Arabia on Saudia airlines. A Saudi princess came with a child and four or five Sudanese care-takers. They are owned by Saudi families.

**Q.** Are the Sudanese commonly used as slaves?

**A.** The Sudanese are definitely used as slaves. They may be treated well. They are probably not whipped or mistreated. But they are not allowed to speak to you. They will deliver coffee and when you thank them they will give you no sign of recognition. At first I thought that was because they didn’t understand what I was saying, but soon I understood that they were not permitted to speak or communicate in any way. They had special quarters in their own villas. It was like the old South. All this is still happening.

**Q.** Do you have any indication how the slave trade operates now?

**A.** Many of these people were sold into slavery 20 years ago by their parents. I had a Filipino patient, who couldn’t have been more than 27-28. She had not seen her parents in 20 years. She had obviously been sold by her parents to the Saudis. The trade is more obscure than open. Much of it is conducted through Jeddah on the Red Sea. Slaves are owned by members of the royal family.

**Q.** Is this true also for countries like Kuwait?

**A.** It is undoubtedly true for all the monarchies in the Arabian peninsula. Sometimes people come to the country and are not allowed enough money to go home. Children are sold by their parents to foreign owners for profit. The Sudanese were the most characteristic. They were like cats. They wouldn’t say a word. They would just crawl into a corner and not say a word when they had performed their assigned tasks.

**Q.** Does anyone talk openly about this?

**A.** It wasn’t too wise to ask too many questions. But other people will tell you about this. The Pakistanis living there will talk about it. And Jeddah seems to be the main trading point for this quiet trade in human lives.

## German-Russian deal signed, in hope of averting chaos

by Nora Hamerman

The far-reaching economic accord signed between Soviet President Mikhail Gorbachov and Chancellor Helmut Kohl of Germany just one year since the opening of the Berlin Wall, provides the only hope on the horizon that the Soviet Union won't collapse into chaos.

The 20-year cooperation treaty the two leaders signed during Gorbachov's Nov. 9-11 visit to Bonn provides for \$10 billion in credits for the Russians, and includes specific arrangements for decommissioning Russian troops now stationed in the former East Germany, and providing for their housing back in the Soviet Union.

In their public exchange of greetings on Nov. 9, Kohl and Gorbachov emphasized the importance of food supplies. Kohl wished the Soviet Union success with this year's harvest; Gorbachov said he hopes the Germans have a good harvest as well.

This was more than a diplomatic nicety: On Nov. 15, Kohl declared that Germany will deliver more food to the Soviet Union in case of emergency this coming winter, in an address to the German Parliament. He also stated the government's firm commitment for new diplomatic efforts to have other Western countries join concerted aid programs for the East European and Soviet economies.

The food commitment is one of the many that have been worked out over the past few months of negotiations. On Sept. 10, after negotiations with a Soviet government delegation in East Berlin, then-West German Minister of Agriculture, Ignaz Kiechle, announced the delivery of DM2.5 billion of surplus food products to the Soviet Union over the next weeks and months, extending into the spring of 1991. These will mainly be surpluses from East Germany, where citizens are more and more supplied with higher-quality food products from the West now. The promised emergency food deliveries included 120,000 tons of beef and 20,000 tons of

lamb, 100,000 tons of pork, 10,000 tons of poultry, 60,000 tons of butter, 3,000 tons of full-fat milk powder, 5,000 tons of fish, 60,000 tons of flour, and 100 million eggs.

### Has Kohl read LaRouche's proposal?

On Oct. 12, 1988, before anyone imagined that German reunification and the fall of the Wall were at hand, American presidential candidate Lyndon LaRouche journeyed to Berlin and proposed, in a historic speech at the Kempinski Bristol Hotel, that Western help in solving the increasingly critical food situation in the Soviet Union and East bloc would provide the basis for liberating East Germany in the near future. LaRouche, who had just catalyzed the founding of the worldwide "Food for Peace" organization the previous summer, starting with an intervention at the July 1988 U.S. Democratic Party's National Convention in Atlanta, Georgia laid out a "food for peace" perspective centered on the economic rescue of Poland. He said that Western food aid and technical aid for development should be exchanged for the freeing of those captive nations.

The key to the elaborated LaRouche plan, called the Productive Triangle, is the rapid upgrading of European-wide infrastructure—especially railroads and nuclear energy sources. This was considerably discussed during Gorbachov's trip to Germany.

Talks between Kohl and Gorbachov, Bonn Economics Minister Helmut Haussmann and Soviet Deputy Premier Sitaryan, as well as various meetings between representatives of the Eastern Trade Department of Federation of German Industry Associations and Soviet experts, focused for two days on the vital role of infrastructure. Interviewed on German television about the talks, Edzard Reuter, chairman of the Daimler-Benz Corp., said: "Infrastructure is the key question in our relations to the Soviet Union."



Another leading German industry spokesman said that the "process of defining priority infrastructure projects in the transport, energy, or food sectors must be accelerated."

Indeed, German delivery of food shipments to the Soviet Union is already being held up by serious infrastructural bottlenecks. This includes the line-up of thousands of railroad cars at the central transport cross-point at the Polish-Soviet border at Brest. This has forced the Polish authorities to call off all scheduled rail transports designated to Brest, for the time being. Similar reports are coming in from the Soviet border to Czechoslovakia.

On Nov. 9, a spokesman for the German State Railways told *EIR* that besides the chronic problem at Brest—the changing of gauges and the lack of efficient administration or will on the Soviet side—there have been severe problems with Soviet coordination of food emergency transports from eastern Germany and of regular rail transports coming in. The Soviets simply blocked, unannounced, all cargo except food deliveries. Draft proposals to solve this chronic Brest problem, which has come to a peak with the increased food transports from eastern Germany, have been presented to the transport ministries in Bonn and Moscow, as well as to the German-Soviet economic commission. The response has been, however, almost zero.

Some reports also hit the press about future German investments, which would be directed specifically to long-term projects in the energy, food, and transport sectors of the Soviet Union. In the energy sector, Germany is proposing priority investments in clearly defined projects for increased production of crude oil and natural gas, which could be supplied to Western Europe.

### **Strategic impact**

Chancellor Kohl is proceeding with his diplomacy vis-à-vis the East with one overriding objective in mind: creating strategic stability by preventing the eruption of chaos in the East. It is truly a race against time, and the criminally destructive activities of the International Monetary Fund, which is now wreaking havoc in Hungary, Czechoslovakia, and Poland.

Kohl made his concerns explicit during his meetings with Polish Minister President Tadeusz Mazowiecki on Nov. 8, a few days before Germany and Poland on Nov. 14 signed the treaty making permanent the current border between the two countries, running along the rivers Oder and Neisse. The Chancellor said that Western assistance in the consolidation of the Eastern European economies was as important as stabilizing production in eastern Germany itself. Germany cannot be stable and safe if its closest neighbors are undergoing convulsions, Kohl said.

The same principle clearly holds true for the Soviet Union itself, which is currently facing dramatic breakdowns in supplies of foodstuffs and fuel, augmented by nationalist upsurges. It is not sure that President Gorbachov is going

to be able to make it through the winter under current conditions.

On Nov. 15, on the eve of an emergency "state of the nation" address by President Mikhail Gorbachov, numbers of deputies in the Supreme Soviet issued dire warnings about the economic and social crisis in the U.S.S.R. A deputy from the Moscow region, Valentina Gudilina, told her parliamentary colleagues, "I've been to my constituency and there will be a famine there soon, comrades, a real famine." A deputy from the Urals exclaimed that with rations of one-half kilo of meat and flour per month already in effect, "my region is already at famine conditions. What do you want to discuss more? Our people will not tolerate us, or others, for long." And Lt. Col. Viktor Aksnis, from Latvia, said, "If we fail to take some sort of measures, people will go into the streets to defend their children. People will take up arms." In this context, Aksnis scoffed at rumors of a military coup, saying that if the soldiers moved onto the streets under present circumstances, it would be to defend their own families.

The day before, 22 Soviet influentials wrote an open letter to Gorbachov in the *Moscow News*, urging him to take "firm and urgent measures" to "avert civil war." They asked him to use his extra powers of decree to prevent an economic and political collapse, noting that those powers could either be used as "an instrument for a dictatorship or to defend democratic perestroika," and that a dictatorship would be a disaster.

Upheaval in the Soviet Union would represent a danger internationally as well as internally. It is likely that this fact was in the signers' minds when Kohl and Gorbachov signed the overall treaty, which included a special consultation clause. The clause calls for consultations at least once a year, and includes the following language: "In case a situation emerges that in the view of either side poses a threat to peace or a violation of peace or can provoke dangerous international tensions, both sides will be committed to contact each other without delay, to coordinate their positions and reach agreement on steps that are appropriate for an improvement of the situation or [crisis] solution."

Even in Britain, there are some circles which are recognizing the danger. Now is the absolute worst time to be thinking of a major confrontation in the Gulf, advised the London *Guardian* on Nov. 15. The paper reported the latest dire warnings about the Soviet internal situation made by Mikhail Gorbachov himself and by Marshal Akhromyev, and noted reports from Washington of "a wide-ranging intelligence review to begin to examine the consequences for the U.S. of a breakup of the Soviet Union." It has even gotten to the point, that Pentagon officials speak of the wisdom of learning the telephone numbers of "Soviet missile commanders in Siberia." The *Guardian* warned in conclusion that the West "could make things much worse by heightening tension elsewhere. It is not only in the Middle East where our expectations could go off the map."

# 'Operation Gladio' reveals that Kissinger ordered Moro murder

by Umberto Pascali

After the first confirmation of the existence of "Operation Gladio"—the supersecret NATO structure created to fight communism, but which turned out to be the center of destabilization in Italy—three other countries have already denounced the secret network: Belgium, Greece, France. The names of the top controllers of Gladio are coming out now. At the top of the list is Henry Kissinger.

The first to officially describe "Gladio" was Italian Prime Minister Giulio Andreotti. On Oct. 17 he delivered a dossier on the matter to the Italian Parliament, and after four days of red-hot polemics announced the decision of the government to demand its dismantling.

On the same day, from Brussels, Belgian Defense Minister Guy Côme declared, in a dramatic interview to the state radio, "I have ordered the General Staff of the Defense to do an investigation in order to ascertain whether this organization is connected to the wave of gangsterism and terrorism that have hit Belgium in the 1980s." Côme confirmed that Gladio does exist and is operative in Belgium. Not only does it turn out that Brussels is currently controlling the chairmanship of the secret organization, whose leadership meets regularly, but its most recent meeting was held there just this past October.

One week before, Iannis Haralambopoulos, the former deputy prime minister and defense minister of Greece, denounced the Greek counterpart of Gladio, "Operation Red Sheepskin." It was "a strong arm for illegal activities against democracy and our national independence."

Finally, on Nov. 13, France took its turn. Defense Minister Jean-Pierre Chevènement declared that the "French portion" of the secret network had been dismantled. Chevènement did not say when, but a source quoted by Agence France Presse said that President François Mitterrand had dissolved the organization "quite recently." There is speculation in Italy that the next country will be Germany.

In the meantime, the "war of the revelations" is escalating in Italy. Behind the superficial mystique of complicated byzantine maneuvering as perceived by most foreign observers, is a dramatic and bloody game to decide where Europe will

go. Two diametrically opposite tendencies have emerged: On one side there is an attempt by Anglo-American assets to totally destabilize Italy with partial revelations, targeting the present leadership (such as Prime Minister Andreotti or President Francesco Cossiga), labeling them as "traitors" because they knew about Gladio. This would come exactly at the moment when, for the first time, these leaders seem to be resisting some of the diktats coming from London and Washington.

On the other side, the public is beginning to get the truth on the real scandal, the controllers of Gladio. Although some are attempting to portray the story as a petty fight among local mafioso politicians, in fact it opens up a possibility of understanding how the country has been controlled by foreign forces ever since the 1945 Yalta agreement.

## LaRouche was right

"In Moro's opinion, Henry Kissinger was the expression, perhaps not voluntarily, of American hegemonism, which tended not to leave to his allies more freedom than Soviet hegemonism left to its own allies." The statement is from Ambassador Roberto Ducci, former head of the political affairs section of the Foreign Ministry and a onetime close collaborator of the Christian Democratic leader Aldo Moro. In 1978, Moro was kidnaped and killed by the Red Brigades terrorists after having been threatened by Kissinger on more than one occasion because the U.S. secretary of state was angered at Moro's efforts to create a stable government coalition, one able to resist destabilization and capable of pursuing an independent economic, energy, and foreign policy, especially regarding the development of North Africa and the Middle East.

Shortly after the assassination, U.S. statesman Lyndon LaRouche and his Italian associates not only denounced Kissinger's role in the affair, but later presented a legal brief to the Italian courts urgently requesting an investigation into Kissinger's sinister activities against Italy.

The courageous stand taken by LaRouche 12 years ago was vindicated at the end of October 1990, when two Roman magistrates, Franco Jonta and Francesco Nitto Palma, finally

opened a preliminary investigation into the role of Operation Gladio in the Moro case. The prime focus of that inquiry, according to the numerous sources, is the witchhunt organized by Kissinger against the Italian statesman.

The idea that the Red Brigades terrorists were an instrument of the Anglo-American policy decided by Kissinger and company and implemented through the mediation of Gladio, is considered, at this point, by leading Italian political circles, to be the strongest hypothesis.

### **Gladio and the Propaganda-2 lodge**

On July 2, the prime-time Italian news station TG1 broadcast an interview with former CIA agent Richard Brenneke, who explained, from his personal knowledge, how the Central Intelligence Agency had destabilized Italy through the secret Propaganda-2 Freemasonic lodge, led by its "Venerable Master" Licio Gelli. Now it is known that P-2 is just another name for Gladio. It was that program which opened up, step by step, the explosive revelations on Gladio. It had been put together by Ennio Remondino, a young journalist who was able to follow the leads up to the end, thanks to the editor of TG1, Nuccio Fava. Fava soon paid for his honesty by losing his job (his head was reportedly demanded by the U.S. embassy), but before leaving he issued a public statement reminding everybody about the event that changed his life and gave him the determination to fight, as a journalist, for the truth: the murder of Moro.

Recently, Remondino was asked to appear as a guest on a "Sammarcanda" television show exclusively dedicated to Operation Gladio. He declined, because of the opposition of his new editor, but Nuccio Fava took his place. "Let's not forget, when talking about Gladio, the hate which Kissinger felt against Moro," Fava stressed.

Indeed, the evidence is beginning to pile up. Documents written by Aldo Moro during his captivity in the hands of the Red Brigades refer not only to Operation Gladio, but to Kissinger personally.

*Panorama* magazine published a few passages that are being carefully studied by magistrates Jonta and Nitto Palma. "The serious conflicting point with the Americans and Henry Kissinger, was the linkage of the [political] crisis with the political-military line of NATO. They [Kissinger and the "Americans"] believe that I wanted an indiscriminate agreement with the Communist Party, whereas I favor a carefully considered and measured political evaluation."

Kissinger had spent many years in trying to break Moro, who was doubtless the most prestigious political leader of his time. Moro held the post of prime minister and foreign minister several times, and enjoyed the personal support and friendship of Pope Paul VI; he was considered impossible to corrupt, and was most surely going to be elected President. But Kissinger had his own men spread the "leak" that Moro was involved in the Lockheed scandal, and caused CIA reports to be written which characterized the Italian statesman

as a "communist, corruptor, aimed at weakening his own Christian Democratic party, and opening the way to the Communists."

It was in reaction to this testimony that Kissinger exploded in front of reporters in Milan on April 17, 1983: "I have nothing to do with Moro's kidnaping. It is LaRouche who is behind this story, LaRouche is persecuting me!" Moro's widow Eleonora and his private secretary Corrado Guerzoni were the most direct in denouncing Kissinger. "I am not Catholic. I do not believe in dogmas," Kissinger had told Moro, according to Guerzoni. "I do not accept your political line."

### **Kissinger delivers the threat**

Ambassador Ducci himself remembered a toast in Villa Madama in Rome in which Kissinger, in the form of a cynical joke, threatened a coup d'état. "The situation has worsened notably since my last visit. I am sure Signor Moro and the other ministers want to commit themselves totally to improve things. . . . Or should the day come when I will have to say to the ambassador, 'The time has come to send a general in your place?'"

But why did Kissinger push the "Moro is a communist" line so hard? Today the reason is clear: That was the way to activate the Gladio network. The threat of communist takeover was the key trigger condition under which the secret organization could be unleashed without any possibility of calling it back.

As for Gladio's implementation, attacking a man like Moro was not out of reach for a structure like Gladio, which in 1964, under the then-chief of the secret services, Gen. Giovanni De Lorenzo, had collected more than 150,000 personal dossiers on politicians, trade unionists, intellectuals, bishops, cardinals, and had even placed microphones in the private rooms of the Pope and the President.

On Nov. 9, *La Repubblica* published a memorandum prepared in 1983 by the Italian secret services for a magistrate, Carlo Palermo, who was investigating a CIA-KGB connection trading weapons and drugs via the Balkan nations—the so-called "Bulgarian connection." The memo talks about Kissinger, Gelli, Alexander Haig, and Theodore G. Shackley, an associate of George Bush from the CIA. Shackley was CIA deputy station chief in Rome in the 1960s, and was CIA director for covert operations in the 1970s. The document reads in part: "It was Ted Shackley who introduced the head of the Masonic lodge, Licio Gelli, to Alexander Haig. It was with the imprimatur of Haig and Kissinger [Haig was Kissinger's deputy as national security adviser] that in the fall of 1969 Gelli recruited 400 top Italian and NATO officers to his lodge." The pretext? To stop the growth of the Communist Party. Needless to say, the party's growth was not slowed down, but that very autumn, Italy was plunged into the "strategy of tension," a continuous escalation of right-wing and left-wing terrorism.

# Thatcher attacked: Now Howe, 'dumb cow'

by Mark Burdman

"It was more than a resignation speech. It was a bill of impeachment." So wrote Peter Jenkins, one of Britain's most senior political writers, in a front-page commentary in the Nov. 14 London *Independent* on Sir Geoffrey Howe's speech before the House of Commons in which Howe explained his reasons for resigning as British deputy prime minister on Nov. 1. According to Jenkins, nothing like Howe's speech had been heard in the British Parliament since parliamentarian Leo Amery invoked Oliver Cromwell in May 1940 to tell then-Prime Minister Neville Chamberlain, "In the name of God, go!" Wrote Jenkins: "Obituaries of Mrs. Thatcher have a habit of proving premature, but she is a mortal politician like any other." Jenkins wrote that on Thatcher's "grave-stone" the words would be inscribed, "She Went Too Far."

Thatcher is facing the most decisive confrontation since she came to power in 1979. In his speech, Howe made an obvious appeal for someone to challenge her when he concluded by speaking of his "conflict of loyalty" between "loyalty to the prime minister and the loyalty to what I perceive to be the true interests of the nation. That conflict of loyalty has become all too great. . . . The time has come for others to consider their response to the tragic conflict of loyalty with which I have myself wrestled for perhaps too long."

## Heseltine will challenge Thatcher

On Nov. 14, Defense Secretary Michael Heseltine announced that he will challenge Thatcher as leader of the Conservative Party, in balloting scheduled for Nov. 20. Heseltine cited differences over policy toward Europe as the main reason for his move, and added that his decision could "not be disassociated from" the resignations of Howe and the 1989 resignation of Chancellor of the Exchequer Nigel Lawson.

Thatcher's authority and credibility have been massively undermined in Britain, Europe, and throughout the world. The Howe speech was widely characterized as "devastating." Members of Parliament and ministers were heard coming out of the House of Commons after Howe's speech with comments like, "he hasn't just plunged the knife in, he's broken the blade in her back."

Howe's understated savagery, sarcasm, and irony that only a British Establishment figure could conjure up, was interspersed with blunt warnings about the damage Thatcher is doing to Britain. "The prime minister's perceived attitude towards Europe is running increasingly serious risks for the

future of the nation," he said, implicitly accusing her of "subversion" of the process of cabinet government.

Howe invoked former British Prime Ministers Harold Macmillan and Winston Churchill as having had preferable policies. He revealed publicly for the first time that Thatcher had made concessions on aspects of British relations with Europe only after he and Lawson threatened to resign. Howe warned that the risk posed by Thatcher was not imposition of European policies on Britain, but "isolation" of Britain from Europe, thereby undermining "our financiers who seek to make London the money's capital of Europe," and threatening to "leave ourselves with no say in the monetary arrangements that the rest of Europe chooses for itself." He stressed that her policy on Europe had worsened Britain's economic plight—now suffering from double-digit inflation and interest rates.

In one sly moment, Howe recounted having received a letter from a British businessman in Europe, who said that Europeans were tired of Thatcher's nay-saying toward the continent, but believed that most Britons agreed with her. If not, the businessman reported his European friends asking, why did Britons always vote to keep her in power? Howe's message: Thatcher must go!

The effect on Thatcher is more devastating in view of the mid-term elections. On Nov. 8, the Tories lost to the Labour Party in the district of Bootle, receiving slightly over 9%, to 78%-plus for the Labourites. In Bradford North, the Tories received 16.2%—down from nearly 40% three years ago—finishing behind Labour and the usually insignificant Liberal Democrats.

The psychological warfare against Thatcher is mounting. The Nov. 11 *Sunday Times* of London reported that British Undersecretary of Northern Ireland Richard Needham had to apologize to Thatcher when the transcript of a private telephone discussion he had had with his wife was released. In that discussion, he said, "I wish that cow would resign." His wife agreed. The next day, the continental European press was filled with comments about "Thatcher the dumb cow."

Thatcher is responding in her usual "Iron Lady" mode. During her Lord Mayor's Banquet speech, she used a liberal dose of imagery from the game of cricket, to suggest that she was prepared to bash any challenger. Her main card is the war in the Persian Gulf. On Nov. 12, the London *Times* headlined its story about the visit of Defense Secretary Tom King to the Gulf, "King plays Gulf card to boost Thatcher." Three former chiefs of the British Defense Staff, Lords Lewin, Bramall, and Fieldhouse, all made highly unusual political interventions on Nov. 13, warning that Britain must not have a change in leadership at this time because of the danger of imminent war in the Gulf. Also on Nov. 13, Thatcher made an alarmist statement in the House of Commons that Saddam Hussein's Iraq was on the verge of acquiring nuclear weaponry.

# New ruling coalition emerges in India

by Susan Maitra and Ramtanu Maitra

Leading the 56-member rump of the India's ruling Janata Dal, Chandra Shekhar has formed a "workable arrangement" with the Congress (I) Party and has assumed the post of prime minister. The Congress (I), the single largest party in the Indian Parliament, and its allies have lent their 212 members of Parliament to the breakaway faction, now called the Janata Dal (Socialist), as outside support to help it prove its majority in Parliament on Nov. 16.

Chandra Shekhar's appointment came almost 60 hours after the government of Prime Minister V. P. Singh had failed to prove its majority in a vote of confidence in Parliament on Nov. 7. President Venkataraman, the ultimate arbiter under the Indian Constitution, was left with two options: dissolve Parliament and call for elections, or seek a "workable arrangement" among the parliamentary parties to put together a new government. Faced with nationwide violence and widespread popular dissension, President Venkataraman opted for the second.

But the question remains whether the new government can hold up for the next four years until the next election is due.

## Who is Chandra Shekhar?

Although V.P. Singh's removal came not a moment too soon, given the upheavals he had created in his mere 11 months in power, and although the Congress Party is definitely calling the shots, Chandra Shekhar's political background does not boost confidence that the situation will now improve. An avowed socialist, Chandra Shekhar had left the Congress Party in 1975 during Mrs. Indira Gandhi's emergency rule, and became a bitter critic of the "Nehru dynasty." Earlier, in 1969, when the Congress Party was split and the majority faction rallied behind Mrs. Gandhi, Chandra Shekhar had been a star performer. Subsequently, his crusading zeal on behalf of Mrs. Gandhi, in support of the bank nationalization and abolition of privy purses, earned him a reputation as a "young Turk."

However, he soon fell out with Mrs. Gandhi by becoming an outspoken critic of her "authoritarian tendencies," and was sent to jail during the emergency. When the Janata Party took power in 1977 following the emergency, ousting Mrs. Gandhi's Congress Party, Chandra Shekhar became Janata's kingmaker and president. Although the Janata Party fell apart within two years after assuming power, Chandra Shekhar

remained president of the truncated Janata Party for another decade.

Despite the fact that he merged his Janata Party with the Janata Dal to form a combined opposition against the Congress (I) before the 1989 poll, Chandra Shekhar had always been critical of V.P. Singh, and called the latter's election as the leader of the Janata Dal a "conspiracy." During Singh's rule, Chandra Shekhar did little to smooth relations with the prime minister, and later, when the fall of the V.P. Singh government became a certainty, Chandra Shekhar brought about a vertical split within the party. He won 55 other Janata Dal members to his side and sought Congress (I) support to form the government.

Since he has been named prime minister, Chandra Shekhar has, however, taken a conciliatory tone. He told the *Times of India* in a recent interview: "Anybody who is an Indian, who belongs to the nation, howsoever wrong his policy, we should try and persuade him to come into the mainstream." It is to be seen in the coming days whether he actually adopts this policy, or continues with his old style of campaigning.

Chandra Shekhar has listed as his government's priorities: provision of safe and clean drinking water, health, food, education, and ending discrimination based on caste and religion. On major issues facing the nation now, such as secessionist movements in Punjab and Kashmir, the hot situation at Ayodhya where a group of Hindus is hell-bent on building a temple on the site where a mosque exists, and on India's relations with its immediate neighbors, he has little new to add. On the controversial affirmative action policy implemented by the V.P. Singh government, which was ostensibly to raise the status of the backward castes, and which caused a backlash that included about 100 people attempting self-immolation in protest, Chandra Shekhar has asserted that caste can not be the sole criterion to determine job reservations, and that allowance should also be made for economic criteria.

## Economic course is still a question mark

However, it is Chandra Shekhar's avowed socialism, which would otherwise mean less and less these days, that raises the question of what the new prime minister's economic policies will be. So far, he has played it with caution and has tried to sound pragmatic. He has made it clear that while he is critical of multinational corporations, "We should take all the help, whether technical or monetary," but "we cannot squander resources in producing things which are not essential." He has also indicated that he would like to give "more powers to the states" in "dealing with matters of development and day-to-day situations."

Chandra Shekhar will now have to keep his dominant partner, the Congress (I), satisfied. Congressmen will be reluctant to share the blame for the failure of the new government, and if things get unwieldy, will have little hesitation in walking out of the "workable arrangement."

# Japan-Soviet relations: Is there 'yukidoke'—slow thaw—at last?

by Uwe Parpart

When Soviet President Mikhail Gorbachov visits Japan in mid-April next year, he will be the first Soviet leader ever to do so. And it will have been a most difficult delivery: At a time when U.S. President George Bush and Soviet President Mikhail Gorbachov will meet at a drop of a hat, it took over two years of low-, middle-, and high-level preparatory meetings of Soviet and Japanese officials until the visit was finally confirmed during Soviet Foreign Minister Eduard Shevardnadze's three-day Tokyo sojourn in early September. From the Japanese government's standpoint, even after the dramatic changes in Eastern Europe and the Soviet Union in 1989-90, there was no point in rushing into a Japan-Soviet summit meeting in Tokyo as long as there was no Soviet motion on the thorny and longstanding Northern Territories issue.

In 1960, Moscow abrogated a draft agreement, drawn up between the two countries in 1956 at the time they reestablished diplomatic relations, covering the eventual return to Japan of the four southern Kurile Islands (*chishmia-retto*) of Etorofu, Kunashiri, Shikotan, and Habomai, occupied by the Soviet Union at the end of the Second World War in the Pacific. Since then, Japan has kept relations frozen on all other fronts. This hardline *junctim* between the Northern Territories issue and other aspects of Japan-Soviet relations, often branded unreasonable by non-Japanese observers, has been a principle of Japanese foreign policy for the past 30 years. The reason is the outstanding strategic significance of the four small islands for the security of the four major Japanese home islands.

Control by the Soviets of the southern Kuriles puts Hokkaido, the northernmost of the large home islands, into a pincer-hold between the Kuriles in the northeast and southern Sakhalin in the northwest. Since 1978-79, some 75,000 of the best-trained, best-equipped Soviet Far East forces are forward deployed on Sakhalin Island and the Kuriles chain, including ground troops, approximately of division strength and equipped with 130 mm cannon, on Etorofu, Kunashiri, and Shikotan, and Air Force units with about 40 aircraft at

Tennei Air Base on Etorofu. These deployments directly threaten Hokkaido across the narrow Soya (La Perouse) Strait and the even narrower Nemuro Strait, and admit of no possible defensive interpretation of Soviet intentions.

In anticipation of the Gorbachov visit to Tokyo next spring, former Japanese Prime Minister Yasuhiro Nakasone, in July of this year, thus called upon the Soviet Union to institute a unilateral arms reduction plan in the Far East as a confidence-building measure and as a first move toward reduction of East-West tensions in Asia. Such confidence-building measures are necessary in light of the dramatic—and as-yet-unreversed—offensive post-1975 Soviet Far East military buildup, as well as in light of the historical record.

But no significant reduction of Soviet Far East forces threatening Japan has occurred to date. In a goodwill gesture, and after much discussion, Japan's Defense Agency in its 1990 "Defense of Japan" White Paper dropped the term "Soviet threat," but defense officials at the same time cautioned against a "defense vacuum" in Northeast Asia and said that planned equipment purchases would not be influenced by this change of terminology.

## Pre-summit developments and outlook

Expectations that a peace treaty will be signed during Gorbachov's April 1991 Tokyo visit are premature, and their realization will uniquely depend on Soviet willingness to return the Northern Territories to Japan. No Japanese prime minister will be able to accept a compromise of the type "two islands returned first and then we shall see," as was obliquely suggested by Soviet Foreign Minister Shevardnadze in Tokyo in September.

And no Japanese politician from the ruling Liberal Democratic Party (LDP) could have been unduly impressed, when Mr. Gorbachov received the leader of a Buddhist sect, Toynebee aficionado Daisaku Ikeda of Soka-ga-kai on July 28, to state that "the broadest cooperation and even friendship are possible" between Japan and the Soviet Union, and that he is "prepared to take big steps to meet Japan." What they

will remembered instead is Gorbachov's subsequent remark regarding the southern Kuriles, that "the Soviet Union has no land to spare." A Japanese Foreign Ministry official has also ridiculed the Soviet notion, as expressed at a Singapore conference by Soviet Foreign Ministry spokesman Gennadi Gerasimov, that Japan risked being cut out of lucrative investments in Siberia by its hard-line attitude on the Kuriles. Japan is not exactly in need of economic assistance from the Soviet Union.

The basic Japanese strategic attitude, which governs Japan-Soviet relations, was recently explained at length in an article "The U.S.-Japan Alliance in Historical Perspective" by Japan's ambassador to Thailand, Hisahiko Okazaki, a former planning chief of the Japanese Foreign Ministry:

The Soviet Union may somewhat reduce the [military] force level in Siberia in the coming years. We can assume, however, that reduction will be made mainly in the forces directed towards China, which have been unrealistically large because of the past Russian paranoia towards the Chinese threat.

In the course of time there may be a moment in which Russia could be quite friendly and less dangerous, and appear to be a profitable partner to deal with. It is very likely that the Soviet Union will appear to be markedly so in the coming few years. And in itself it is not a bad thing at all. But the basic international structure remains the same.

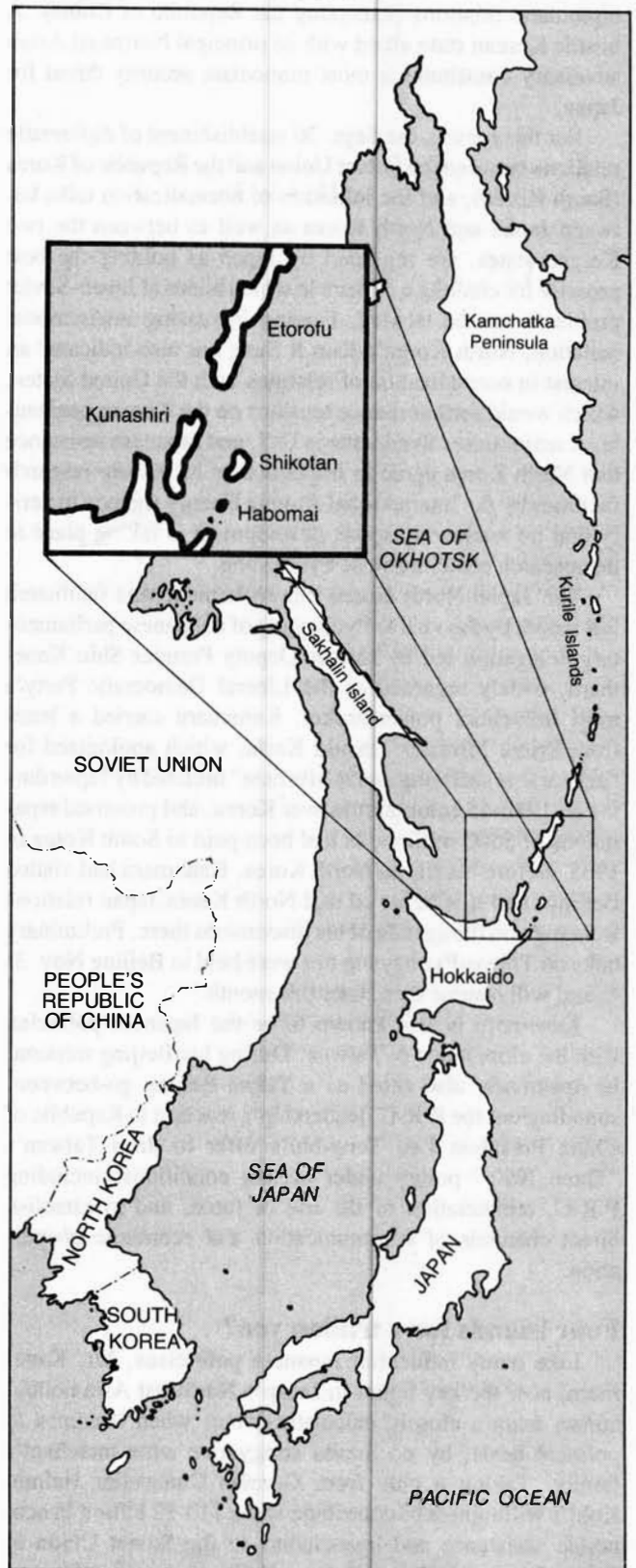
We should never lose sight of the real threat. Japan once lost sight in the temporary disappearance of Russian power in East Asia during the period of the First World War and the Russian Revolution. America also lost sight of the Russian problem by its fascination with moralistic diplomacy in Asia. . . . [But] as long as Russia is a massive empire, whether Czarist or communist, it is the central problem. . . . and as long as Russia has an interest in the eastward opening to the Pacific Ocean, it will always remain a potential threat to Japan.

In the same article, and again in a recent interview with *The Nation* of Bangkok on Oct. 22, Ambassador Okazaki also warned about the danger, inherent in growing U.S.-Japanese tensions, of a lapse in the U.S.-Japan security alliance: "Once that tie is cut, Japan will feel insecure [vis-à-vis the Soviet Union], and that's when I think Japan will be compelled to resort to a unilateral military buildup." The unspoken Japanese security concern, of course, is not just with the Soviet Union, but with a "Greater China" after 1997, when the People's Republic of China will incorporate Hong Kong, and, as the Japanese expect, soon thereafter Taiwan.

### The Korea factor

Throughout the last century, Russo-Japanese relations have been to a significant extent determined by the state of

### The Southern Kurile Islands





affairs on the Korean peninsula. North Korea today is the only country on the globe with which Japan does not maintain diplomatic relations (excepting the Republic of China). A hostile Korean state allied with its principal Northeast Asian adversary constitutes a most immediate security threat for Japan.

For this reason, the Sept. 30 establishment of diplomatic relations between the Soviet Union and the Republic of Korea (South Korea), and the initiation of normalization talks between Japan and North Korea as well as between the two Korean states, are regarded by Japan as holding the best promise for creating a climate in which bilateral Japan-Soviet problems can be tackled. Fearing increasing international isolation, North Korea's Kim Il Sung has also indicated an interest in normalization of relations with the United States, which would further reduce tensions on the Korean peninsula. A major unresolved issue is U.S. and Japanese insistence that North Korea agree to inspection of its nuclear research facilities by the International Atomic Energy Agency to verify that no nuclear weapons development is taking place at the research center north of Pyongyang.

The Japan-North Korea rapprochement was facilitated last month by the visit to Pyongyang of a Japanese parliamentary delegation led by former Deputy Premier Shin Kanemaru, widely regarded as the Liberal Democratic Party's most influential power-broker. Kanemaru carried a letter from Prime Minister Toshiki Kaifu, which apologized for "unbearable suffering and misfortune" inflicted by Japan during its 1910-45 colonial rule over Korea, and promised reparations of \$500 million, as had been paid to South Korea in 1965. Before his trip to North Korea, Kanemaru had visited Beijing, and it is believed that North Korea-Japan relations were high on the agenda of his discussions there. Preliminary talks on Tokyo-Pyongyang ties were held in Beijing Nov. 3-4, and will resume there later this month.

Kanemaru is also known to be the Japanese politician with the closest ties to Taiwan. During his Beijing mission, he apparently also acted as a Taipei-Beijing go-between, sounding out the P.R.C. leadership's reaction to Republic of China President Lee Teng-hui's offer to drop Taiwan's "Three No's" policy under certain conditions, including P.R.C. renunciation of the use of force, and to establish direct channels of communication and economic cooperation.

### **Four islands for a trillion yen?**

Like many influential Japanese politicians, Mr. Kanemaru, now the key figure in Japan's Northeast Asia policy, comes from a closely calculating, but, when it comes to political deals, by no means stingy rice wine merchant's family. Taking a clue from German Chancellor Helmut Kohl's willingness to contribute some \$10-12 billion in economic assistance and investments to the Soviet Union in return for a smoother path toward German unification and

early repatriation of Soviet soldiers stationed in Germany, Mr. Kanemaru is credited with the calculation that a comparable sum—exceedingly cheap taking into account current Japanese land prices—might just be what is required to break the ice on the Northern Territories issue. Such notions run counter to Japan's policy stance at this year's Houston Group of Seven economic summit, where Prime Minister Kaifu sided with Mr. Bush and Mrs. Thatcher in rejecting large-scale economic assistance to the Soviet Union, but, as some of Mr. Kanemaru's factional allies have pointed out, "We are able to pay. They are not."

For similar reasons, considering Japan's long-term interests vis-à-vis China and the Koreans and those countries' explicitly stated concerns, Kanemaru has strongly objected to the Kaifu government plan of sending troops to the Persian Gulf, and helped scuttle it in the lower house of Parliament.

What we are witnessing in the case of Kanemaru's diplomatic and political moves, which are just barely coordinated with the Prime Minister's Office and the Foreign Ministry, and designed to nudge them into new policy directions, is a growing factional position in the LDP, determined to chart a Japanese foreign (and economic) policy course more independent of the United States.

This still rather loosely defined LDP grouping's policy stance, cutting across the party's traditional factional alignments and even reaching into opposition parties' layers, is not to be confused with the Socialist Party-dominated pacifist and "small Japan-ism" (*shonihonshugi*) orientation. Rather, it has its original in the (failed) early-1970 Tanaka government attempts to loosen exclusive Japanese reliance internationally on U.S. policy leads. This policy orientation was in part carried forward by Prime Minister Nakasone, and now has become the creed—albeit still ill defined—of many members of the former Tanaka faction, who were first elected to Parliament in the late 1960s and early 1970s.

They regard the upcoming Gorbachov visit as a unique opportunity for changing Japan's image of an economically overgrown, but politically impotent player in the international arena, being dragged about hither and yon by the almighty United States. Taking the lead in changing the political constellation on the Korean peninsula and in Northeast Asia, leading to early cross-recognition of the two Koreas by the Soviet Union, China, Japan, and the United States, would clear the way for more far-reaching Japanese initiatives regarding the Soviet Union, China, and also the Indochinese countries.

Kanemaru and his factional allies see a de facto re-purchase by Japan of the southern Kuriles as something the Soviets might agree to in the context of a broader overall regional development package, though, as this writer was told, "such a deal would obviously have to be painted with a pretty color." In the meantime, cross-factional consensus in the LDP, and even largely cross-party consensus in Parliament conforms with the position stated in the Foreign Minis-



try's just-issued *Diplomatic Bluebook 1990*:

While acknowledging that there has been an easing of East-West tensions and that Soviet President Gorbachov has been a "major initiator of these changes," the report cautions: "The Soviet Union maintains a huge military capability, and the uncertainty surrounding the situation within the Soviet Union (including Gorbachov's own position) is a cause of uncertainty in the outlook of the future of international relations." The Soviet Union, the report adds, has shown no change in principle in its position regarding the Northern Territories, though "this issue has recently been debated in the Soviet Union with a flexibility that would have been inconceivable before, and it appears that the Soviet understanding of this . . . problem, while still inadequate, is slowly advancing."

The message is clear: Japan is willing and able to assist the Soviet Union in "developing a better understanding of the Kuriles issue." Mr. Shevardnadze was told as much in Tokyo in early September. His proposal in a Vladivostok speech a few days earlier, that Asian security issues be collectively dealt with in an Asian and Pacific foreign ministers meeting in 1993, however, received only polite, but cool attention. The Northern Territories issue is a bilateral Japan-Soviet problem and must be gotten out of the way before other matters are put on the agenda.

## Japan and Russia's stormy relationship

by Uwe Parpart

In the late 18th and early 19th century, Czarist Russia became the first of the Western powers attempting to "open up" Japan. In 1792, a Russian envoy, Adam Laxman, landed at Nemuro in northeast Hokkaido (Ezo) and requested trade relations, only to be rebuffed by the *bakufu*—the government of the shogun—which in response drew up plans for a coastal defense system. A second Russian envoy, N.P. Rezanov, arrived in Nagasaki in 1804 with the same request, and upon being refused, ordered his men to attack the island of Etorofu. Again in 1811, Russian Navy Lt. V.M. Golovnin landed on Kunashiri Island and was arrested by the Japanese; all these incidents occurred some 40 years before other foreign nations' attempts to force their way into Japan, and all targeted Hokkaido and the Northern Territories.

After the 1900 Boxer Rebellion in China, during which Japanese troops participated in the allied expedition to rescue foreign nationals in Peking, Russia moved into southern

Manchuria and began to encroach upon Korea, a country Japan had traditionally regarded as a buffer state between itself and China. With China weakened internally and battered by the Western powers' "open door" policy, Meiji Japan consequently came to regard Russian Far East expansionism as the major external security threat. In 1904, Japanese ships attacked the Russian Fleet at Port Arthur to stem further Russian advances. In the ensuing Russo-Japanese War, the Japanese Fleet under Adm. Togo Heihachiro destroyed the Russian Baltic Fleet in the Tsushima Strait between Korea and southern Japan, and as a result of the Sept. 5, 1905 peace treaty signed at Portsmouth, New Hampshire, Russia was pushed back out of southern Manchuria, surrendered its economic interests there to Japan, ceded the southern half of Sakhalin Island, and recognized Japanese primacy in Korea.

From this point onward, Japanese influence in Korea and Manchuria continually increased at Chinese and Russian expense, leading to the formal annexation of Korea in 1910, and culminating in 1932, subsequent to the "Manchurian Incident," in the establishment of the Japanese puppet state of Manchuko, formally ruled—since 1934—by the last emperor of the Ch'ing dynasty, but in reality fully controlled by Japan's Kwantung Army.

In line with a League of Nations committee report of October 1932, the early 1930s de facto annexation of Manchuria by Japan has generally been classified in the West as the initial move of Japanese aggression against China. However, in reality, as a consequence of China's weakness, and as understood by Japan, the alternative to Japanese power in Manchuria—and in Korea—until after World War II was never Chinese power—or Korean sovereignty—but domination of the region by the Soviet Union. This finally became clear to all no later than June 25, 1950, with the Soviet-backed and -inspired North Korean attack on South Korea, which had as its strategic aim not only the incorporation of all Korea into the communist realm, but also the subsequent subversion of Japan.

Had American war and immediate postwar policy and policy aims, as enshrined in the Yalta agreements, not been governed by astonishing delusions about the good-natured "Uncle Joe" Stalin, various and sundry world-federalist schemes, etc., such Soviet intentions in Northeast Asia as laid bare by the North Korean attack could readily have been inferred from the circumstances of Soviet entry into the war in the Pacific less than a week before it ended: In April 1941, at a time when the Hitler-Stalin Pact was in force, and after Soviet and Japanese armies had tested each other in two full-scale battles in 1938-39 along the Manchurian border, the Soviet Union signed a neutrality pact with Japan. In spite of urgent American and British appeals for the Soviet Union to enter the war against Japan, for months after Germany's unconditional surrender in May 1945, Stalin, claiming logistical difficulties, did nothing. These difficulties were sud-

denly overcome on Aug. 9, 1945. Three days after Hiroshima, on the day the atomic bomb was dropped on Nagasaki, the Soviet Union declared war on Japan and marched into Manchuria. Hundreds of thousands of members of the Kwantung Army were transferred into Siberian labor concentration camps and close to 50,000 of them died there. Soviet troops occupied the southern Kurile Islands and forcibly expelled 17,000 Japanese residents.

### **Soviets encouraged by Harriman**

Encouraged by U.S. special envoy Averell Harriman, Moscow further demanded to have a say and share in the occupation of the Japanese main islands. Only Gen. Douglas MacArthur's steadfast opposition blocked this Soviet objective, and his practice of ignoring and forestalling directives issued by the Far East commission, set up by the foreign ministers of the Soviet Union, Great Britain, and the United States to formulate and oversee execution of occupation policy, prevented the Soviets from exercising the desired influence over the occupation and Japan's future international role.

In September 1951, impressed by the obvious implications of the Korean War for the security of Northeast Asia, the United States arranged for the convening of a peace conference with Japan in San Francisco. At the conference, the U.S. government, mindful of promises made to the Soviet Union at Yalta and Potsdam, insisted that Japan not only recognize the independence of Korea and renounce all rights to Taiwan, the Pescadores, and southern Sakhalin, but also to the southern Kuriles. The Soviet Union attended the San Francisco conference, but did not co-sign the peace treaty. Nonetheless, Soviet claims on the southern Kuriles are based on the proceedings of the San Francisco conference and on the previous Yalta and Potsdam agreements, to which Japan, of course, was not a party. Japan, in turn, insists that Soviet failure to sign the peace treaty leaves the Northern Territories question open and its historical rights to the four islands, which it did not seize in war, unabridged.

The U.S.-Japan Peace Treaty and the simultaneously negotiated U.S.-Japan Security Pact went into effect in April 1952, restoring Japanese sovereignty in most respects. Japanese security, however, has remained dependent on the United States, and the U.S.-Japan Security Treaty, blocking expansion of Soviet influence in the Asia-Pacific region, has been a target of Soviet subversion ever since it was signed. In 1975, with the final defeat of U.S. efforts in Vietnam and major reductions of U.S. Asia-Pacific military strength, the Soviet Union saw the golden opportunity of moving into the breach and making good its claim of being a major Asian power. Massive military reinforcements, prompted by no defensive requirement, were moved to the Far East, culminating in the reactivation in March 1979 of the High Command Far East, and, most ominously for Japan, the militarization of the southern Kuriles.

## **Japanese-Soviet trade inches forward**

by Lydia Cherry

When Japan and the Soviet Union held inter-governmental consultations at the end of October, the top item on the agenda was when the Soviets would repay the \$470 million owed to Japanese firms. During three days of talks, from Oct. 31 to Nov. 2, the issue apparently was not settled, and the Japanese Foreign Ministry on Nov. 9 issued a statement saying it was dissatisfied with the Soviet response. Japan has refused to give credits to the U.S.S.R. until Moscow returns the disputed Kurile islands, and is clearly holding out on numerous forms of economic cooperation hoped for by the Soviets. But in spite of this, some economic deals are moving forward.

Soviet officials have appealed to Japan for emergency shipments of food, medical supplies, and consumer goods. "At a meeting with the Foreign Ministry in October, we mentioned how severely we are suffering economically, especially shortages of consumer goods such as food and medical supplies," a Soviet diplomat in Tokyo was quoted by the *Washington Times* on Nov. 2. The diplomat said Japan has "not yet responded."

Moscow wants Japan's involvement in the full-scale development of Siberia, but Japan has refused. In the areas of steel, aluminum, and oil, however, collaboration is increasing between the Soviets and Japanese private companies that are closely aligned with the ruling party.

### **Steel**

Nippon Steel Corp. announced Oct. 26 that four Japanese steelmakers, including itself, have received an order from the Soviet Union for 105,000 tons of seamless steel pipe, to be shipped between next January and March. This reverses a downturn due to Moscow's shortage of foreign exchange; during the first half of 1990, sales of steel dropped by 58%. A Nippon Steel official added that the export of steel pipe to Moscow had been suspended, pending payment for steel already delivered.

### **Aluminum**

The Soviet Union's external trade agency concluded contracts with several Japanese trading houses, including Mitsui, to sell an additional 8,000 tons of raw aluminum between July and December 1990. If delivered on time, Japanese imports of raw aluminum from the U.S.S.R. this year will amount to 111,000 tons, or about five times the total for

1989. The emergence of the Soviet Union as a promising supplier is good news for the Japanese aluminum industry, which anticipates rapid increases in aluminum demand in the near term. The Japanese Ministry for International Trade and Industry (MITI) estimates that demand for aluminum-related products will increase by nearly 40% in 1995, to 4.7 million tons. Ensuring stable supplies of raw aluminum has become a serious problem for Japan, which depends almost entirely on imports.

### Oil and natural gas

In September, Prime Minister Toshiki Kaifu approved a proposal made by a mission from the ruling Liberal Democratic Party to provide the Soviet Union with up to 5 billion yen in loans to help expand oil and natural gas production there. Kaifu gave his approval to the commitment when he met former Chief Cabinet Secretary Keizo Obuchi, who returned home from a week-long visit to Moscow.

Japanese investment is being sought for a natural gas development project in the Soviet Far East, and Vladimir Golanov, vice president of the Soviet Chamber of Commerce and Industry, said on Sept. 10 that Soviet businesses also expect Japanese investment in such fields as lumber, marine products, and iron ore development.

# Narcos now in dual with government of

by Andrea Olivieri

With less than one month to go before the Dec. 9 election of delegates to the Constituent Assembly that will rewrite Colombia's Constitution, the César Gaviria government has entered into a virtual dual power arrangement with the very narco-terrorists it had once vowed to destroy. At the same time, the cocaine cartels that finance those terrorists have escalated their assault on the government, kidnaping another two journalists—this time relatives of the murdered presidential candidate Luis Carlos Galán—and demanding a government pardon in exchange for the hostages.

What the drug cartels seek is nothing more than what their narco-terrorist partners have already received. The same M-19 guerrillas who, exactly five years ago, on behalf of the cocaine cartels, turned the Colombian Justice Palace into a holocaust that claimed over 100 lives, including half the Supreme Court magistrates, and destroyed the nation's legal archives, today hold a cabinet post, constitute a bonafide political party under exceptional government protection, and are electioneering nationwide for Assembly seats.

Boosting the M-19's electoral bid is the Colombian Attorney General's office, which has just issued the conclusions of a five-year "investigation" of the Justice Palace holocaust, which incredibly blames the Armed Forces—*not* the M-19—for the loss of life and "excess force" used in ending the terrorist siege. Attorney General Alfonso Gómez Méndez, who is married to leading M-19 propagandist and "journalist" Patricia Lara, has called on the Defense Ministry to dishonorably discharge the general who led the counter-assault against the M-19.

This attack on Gen. Jesús Armando Arias Cabrales, whose 36 years of service—first as commander of the 8th Army Brigade and later as Commander of the Army—have earned him widespread respect and intense loyalty both within and outside the Armed Services, stunned many Colombians. Even the Colombian Congress, notoriously corrupt and cowardly, held an impromptu 76-5 vote in favor of granting the general a third star, to protest the Attorney General's action.

The call for General Arias's dismissal is viewed by some

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as part of a deliberate anti-military campaign, timed to promote the M-19 at the polls. Gen. José Luis Vargas, the Bogotá police commander at the time of the Justice Palace siege, charged Nov. 3 that the demand for Arias's dismissal "is the product of state persecution against those who have risked their lives in the line of duty."

On Nov. 5, the president of the Andean Studies Center told the press that his organization would pay homage to General Arias Cabrales, to protest the government's witch-hunt. Gerney Ríos González charged that Arias "is a victim of official anti-militarism. . . . General Arias's 36 years of service to democracy and the institutions should merit his retirement from the Army as defense minister. Not so. Instead, after two months as a 'democrat,' [M-19 leader Antonio] Navarro Wolf was made health minister, presidential candidate, and now reformer of the Constitution."

The daily *El Tiempo* on Nov. 3 editorially observed, "It is curious that the decision of the Attorney General's office was released just as the electoral debate was launched, in which the issue of the Justice Palace is undoubtedly going to be on the agenda."

Indeed, the M-19 is exploiting the incident for all it's worth. During one electoral sally by Navarro Wolf, he was asked by the press to comment on the solicited sanction of General Arias, to which the "former" narco-terrorist replied, "It is necessary to pardon the guerrillas and the counter-guerrillas." Navarro's replacement in the Health Ministry, M-19 member Camilo González Possom, was even more outrageous, calling on the Attorney General's office to be benevolent, and "to give the military which received and executed orders during the siege of the Justice Palace the same treatment offered the guerrillas who occupied the Supreme Court—that is, absolution."

Not accidentally, polls in Colombia are now reporting that the M-19 will get a majority of the delegate seats on Dec. 9.

The anti-drug daily *El Espectador* immediately editorialized about the sorry state of affairs in Colombia, where the Gaviria government has turned those responsible for the Jus-

tice Palace massacre "into a tribunal which dispenses juridical absolution or pardon" for others. Former Interior Minister Carlos Lemos Simmonds, who was forced out of the previous Barco government for warning against dealing with narco-terrorists, admonished on Nov. 5 that values had become so inverted in Colombia, that "the hand is held out to those beyond the law, while those who throughout their military career have always acted in defense of the law and the institutions are treated as anti-socials. . . . A strong response is necessary so that this state of affairs is corrected as quickly as possible."

## The killing continues

The true nature of the beast which President Gaviria has invited in the front door was revealed by those colleagues of the M-19 who have chosen, for now, to remain "outside the system." The FARC and ELN guerrillas, both as notorious as the M-19 for their involvement in the drug trade, had exchanged offers and counter-offers with the Gaviria government, designed less to win an M-19-styled amnesty for themselves than to weaken the resolve of the Armed Forces in fighting narco-terrorism.

Less than two days after those groups had once again offered to initiate peace talks—even releasing 22 police hostages as an erstwhile "goodwill gesture"—a 1,000-man combined force of the FARC and ELN simultaneously hit two adjacent towns in northern Colombia on Nov. 10, considered their biggest offensive of the year. In Taraza, 250 miles north of the capital of Bogotá, an Army post held off the terrorists for five hours, with nearly a dozen soldier casualties and at least 40 guerrillas killed. Base commander Lt. Col. Jaime Fajardo was killed in the assault, the most senior officer to die in combat in several years.

Another FARC attack on a police patrol in the province of Huila on Nov. 11 resulted in the deaths of one police officer and five children who were being transported to a police-sponsored bicycle race. The next day, the ELN dynamited a police post on the outskirts of Bucaramanga.

President Gaviria commented that the possibility of talks with the rebels was "growing distant," and on Nov. 11, he temporarily suspended contact with the two groups.

Despite the polls pointing to increased public acceptance of the M-19, there are signs that Colombians are growing tired of the government's narco-tolerance. The widespread defense of General Arias Cabrales in the face of the Attorney General's obvious witchhunt tactics suggests that joint government/M-19 efforts to dismantle the country's defense capability will not go unchallenged. The anti-drug daily *El Espectador* urged Nov. 11 that President Gaviria abandon his fantasy of peace through dialogue and take up the cudgels against the narco-terrorist enemy once again. "President Gaviria and his government now more than ever have the opportunity to exercise their authority," the paper's editorial urged.

# Battle erupts over celebration of 500th anniversary of 1492 voyage

by Cynthia R. Rush

A brawl has broken out around the 500th anniversary of the discovery of America, two years before its scheduled 1992 celebration. The Catholic Church plans to celebrate the anniversary as the introduction of Christianity to the New World. Pope John Paul II will tour Ibero-America in 1992, with stops in Argentina, Peru, Venezuela, Cuba, Mexico, and the Dominican Republic to celebrate, retracing the route of the first Spanish missionaries. The Church is also using the 1992 anniversary as an opportunity to address Ibero-America's social and economic injustices, caused by the policies of the Anglo-American banking elite, which is intent on destroying Western Christian culture. The anniversary, and the celebration of the Fourth General Meeting of the Latin American Bishops Conference (CELAM) in Santo Domingo will be the kicking-off point for what the Church calls "a new evangelization," one capable of realizing the Pope's characterization of Ibero-America as "the continent of hope."

Catholic culture predominates in Ibero-America, and remains an obstacle to malthusianism and the free-market lunacy pushed by the Bush administration and the international banking community. The Anglo-Americans have determined that this culture must therefore be destroyed, leaving in its place the paganism, ecologism, and terror exemplified by Peru's Pol Pot-like Shining Path group, which has declared war on everything "Western." Bankers intend to subject Ibero-America's populations to a beast-like existence, devoid of modern science and technology, forcing people to fight among themselves for dwindling supplies of food and other resources.

The attacks on the discovery of America and the 1992 celebration, which have suddenly begun to emerge from a variety of sources, are an integral part of Anglo-American strategy. If the banking elite is to reduce the continent to the level of cultural and economic bestiality represented by the Aztec and Incan cultures which existed in the Western Hemisphere of the 15th century, it must succeed not only in implementing its retrograde economic policies, but also in distorting the Christian evangelization of the Americas.

## Black Legend revived

*EIR* founder Lyndon LaRouche points out (see below) that the introduction of Christian civilization into the Western Hemisphere was a "great good in and of itself." As "the highest form of civilization ever to exist," it liberated man-

kind from the bestiality and degeneracy typified by the Aztecs, for example, "who were cutting out tens of thousands of living hearts for their religious celebrations." Christianity can offer freedom, LaRouche asserts, because unlike what he terms "puke cultures," it has the image of "this particular sacredness, of the sovereign, creative individual personality." It is this very trait of Christian civilization which the propaganda organs tied to the Anglo-American establishment attack, as they revive the "Black Legend." This is the lie that the Indian inhabitants of the New World were really better off before the arrival of the Spanish, and that the conquest of America and introduction of Christianity constituted only wanton genocide and ravaging of indigenous lifestyles, carried out in order to impose Euro-centric culture.

The governing board of the National Council of Churches (NCC), whose sympathy for the "human rights" of Ibero-American terrorists is well known, has passed a resolution condemning Christopher Columbus for importing "racism and moral decadence" into the Western Hemisphere. It claims that his landing in America led to the enslavement and murder of the hemisphere's populations.

Similarly, Kirkpatrick Sale, author of the recently published *The Conquest of Paradise: Christopher Columbus and the Columbian Legacy*, asserts that the New World was paradise until Columbus and the Spanish arrived. American Indians lived in "ecological harmony," he claims, and their technology, religion, and ethics were superior to their European counterparts. He asserts that the "Columbian legacy" was one of environmental pollution. Almost all reviews of the book published thus far are like the one in the Nov. 5 edition of *Newsweek*, which states that while Sale exaggerates, he's not necessarily wrong. "He's got 500 years of environmental degradation on his side of the argument," writes Malcolm Jones, Jr. In the Oct. 8 edition of *U.S. News and World Report*, Alvin P. Sanoff ends a review of Sale's book with the bald statement that "it is not really so important whether Columbus was a good man. What matters is that he brought over a culture centered on its own superiority. The failings of the man were and remain the failings of the culture—a fact that is worth reflecting on as the quinticentennial of Columbus's landfall approaches."

Not everyone is swallowing this drivel. Mario Paredes, director of the Northeast Hispanic Catholic Center in New York, issued a statement last July criticizing the National

Council of Churches' resolution on Columbus, calling it a "global distortion of reality . . . sheer arrogance" which "promotes a racist depreciation of the heritages of most of today's American peoples, especially Hispanics." Paredes said that "the majority of men and women in this hemisphere share tremendous pride in their Hispanic—and *mestizo*—heritages and in their Spanish language . . . [and] in their Christian faith and belongings." Paredes added that "millions of other men and women of every race and many languages in other of the Americas' island and continental nations join Hispanic people in pride . . . they recognize that the voyages of Christopher Columbus were a key point in their coming into existence."

### The ecology angle

It is not accidental that many of the attacks on the 1992 celebration contain an environmental focus. Aside from being the date of the celebration of the discovery of America, 1992 is also the year in which the United Nations will sponsor a mammoth, 12-day-long Conference on Environment and Development in Rio de Janeiro, Brazil. The international ecology movement has already begun mobilizing for this conference, whose intent is to set the stage for imposing limited sovereignty on Brazil under the guise of "defending the Amazon" and the indigenous cultures allegedly being preyed upon by advocates of economic development. Inside Brazil, in preparation for this conference, allies of the Anglo-American establishment have begun the debate, questioning the "development model" which sought to transform Brazil into an industrialized nation during the 1960s and 1970s.

As part of this campaign, the defrocked Dominican priest Frei Betto, a spokesman for the Brazilian Church's Theology of Liberation faction and chief ideologue of the Marxist Workers' Party, has recently fully embraced ecologism, and denounced the injunction of Verse 28 of Genesis that man must "replenish the earth and subdue it." Betto's colleague, leftist theologian Leonardo Boff, has just authored a tract attacking the evangelization of America, titled *New Evangelization: From the Perspective of the Oppressed*.

The policy document written by CELAM in preparation for its Fourth General Meeting in 1992, responds to this leftist, ecologist nonsense. The document states that in the face of a leadership crisis, the failure of political parties, and the growing pauperization of the continent's peoples, the Church has a responsibility to create greater political consciousness to help create a society "placed at the service of the human being and the community." CELAM echoes the remarks made by the Pope in Mexico last May, implying that a "third way—free of Marxist collectivism or neo-liberalism—is required to preserve the dignity of the human being." That call for a "third way," also associated with the economic proposals put forward by Lyndon H. LaRouche, has been reproduced in publications of Brazil's Armed Forces and by other nationalist currents in Ibero-America.

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## Documentation

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### Evangelization is only real meaning of Columbus

*On Oct. 14, Lyndon LaRouche made the following remarks on Christopher Columbus and the evangelization of the Americas. He refers to various historical research projects carried out in the past by the philosophical organization he founded, the International Caucus of Labor Committees.*

There was a massive commerce, over the millennia, between Europe, the Mediterranean generally, and the Americas, particularly North America and the Caribbean, so that the mere fact of the voyage and so-called discovery by Columbus is not particularly unique, and the issues usually posed on the priority of the act of discovery, that is, planting the flag on some piece of dirt someplace, in the name of some king, is not what is crucial. What is crucial about Columbus, what caused the Columbus voyage to differ from all earlier discoveries of America, all other contenders, is that the Columbus discovery led directly, in chain reaction, to the evangelization of the Americas.

The evangelization of the Americas can be understood in several respects. One, that Christian civilization, which is the highest form of civilization ever to exist, although it is a secretion of European development, is not a property of Europe, but belongs to all mankind. It is held by Europe only in trust for the benefit of all mankind. I.e., the right of developing nations to technological progress, to access to science, to nuclear energy, for example.

The flip side of the same point is that typified by the Aztecs, who were cutting out tens of thousands of living hearts for their religious celebrations. The cultures which were Christianized were bestial, degenerate, and therefore, Christianity lifted mankind in the Western Hemisphere out of barbaric degeneracy, moral degeneracy, degradation—puke, puke, puke. That applied to Afro-centrism, Aztec centralism, and all these other puke cultures.

We can say that there were puke cultures in Europe. Yes, we're talking about British imperialism, for example. We're talking about the Scottish Rite of Freemasonry, at least its higher strata. We're talking about Anglo-American banking, Lombard banking. These are puke, puke, puke, puke cultures. These are diseases which Europe suffers. This is an aspect of Europe which reflects *pagan, heathen* Babylon,

*pagan, heathen* Rome. Puke, puke, puke.

So, the evangelization of the Americas, like the attempted evangelization of Africa, is the attempt to bring *freedom*, the freedom which exists only in Christian civilization. No other culture is capable of sustaining freedom, because it doesn't offer freedom, because it has no image of this particular sacredness, of the sovereign, creative individual personality. Other cultures may be better or worse; people may be better or worse, but this specific thing is absolutely essential for mankind.

The further proliferation of this Christian civilization is a great good in and of itself. It also liberates mankind, in this case, from bestiality, as typified by the degenerate, immoral, puke, puke, puke Aztecs in the Western Hemisphere.

That's the significance of Columbus, and Columbus has very marginal significance otherwise.

### **Council of Florence had the idea**

However, the marginal significances are subsumed by this same Christian civilization. The *idea* of the colonization of the Americas was set forth in the work of the Council of Florence, and that you need to have access to—the assembly of maps and so forth, but more than the assembly of maps. We have this all over the place; I've discussed this many times, in connection with the colonization projects of Greece, which led, for example, to the emergence of Magna Graecia, which was a colonization project. The reference to this by Plato was transmitted to Europe, and we find that right after Columbus, for example, in the case of the Dudleys and others, the colonization project—Thomas More's circle had this, for example—the colonization of the Americas, the evangelization of the Americas, was a common theme, and was referenced to Plato's views on colonization.

So that's another part. Not only was the colonization, the discovery and evangelization itself a great good, which flowed from Christian civilization, but the initiative behind this came from Christian civilization per se, that is, as a direct secretion of Christian civilization, and nothing else.

Now, let's look for comparison at the other voyages. We had settlements in Newfoundland, which means the Norman Irish were all over the place, 500 years at least before Columbus, and probably much earlier. They were up the Great Lakes and down the Mississippi—the Norman Irish settlements in the Mississippi. We have Indians who are not Indians. Then, we have the Portuguese fishermen. We don't know how early they were doing that, but they were doing it much earlier than Columbus. For example, when the Pilgrims landed in 1620, in Massachusetts, the first place they stopped was at a Portuguese fishing settlement, in what is called Provincetown now, where they had directions to the so-called Indians, with whom the Portuguese had extensively intermarried, and since the Portuguese had intermarried with these Indians, of course the Europeans were able to discuss with these Indians, who were actually Portuguese.

### **Scientific approach to the problem**

It's obvious from sources we've discussed before, that there was much regular contact. This was noted by the Humboldt brothers, who noted certain philological connections between the languages of Central America and the pre-Celtic languages or pre-Indo-European languages of the Iberian Peninsula, and things like that. We've had discussions of this back in 1978-79 extensively, into 1980. All this is known. So, for thousands of years, with ebbs and flows, this communication was going on.

As to winds and things of that sort: Maritime culture is based on *fish*. And whence go the fish, goes the maritime culture, chasing the fish. Very obvious business! And the Portuguese fishermen were the basis for the Portuguese colonization, so to speak, of the New England area, long before the Pilgrims arrived. They were out for the fish, not for the colonization. The colonies were established, of course to package that fish, and salt it down, and put them into casks, and take the cod back to Portugal.

In the era of sailing ships, conditions of sailing, such as winds, and, obviously, magnetic compasses of various kinds, had a part. From various Vedic sources, we know that the compass isn't much older than China—the lodestone, or something equivalent, something that had the function of a compass—in a ship, and was used as an aid to navigation.

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*The evangelization of the Americas, like the attempted evangelization of Africa, is the attempt to bring freedom, the freedom which exists only in Christian civilization.*

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But all that aside, the locomotion depends upon the design of the ship, and the prevailing currents, including water currents and wind currents. We know, generally, some of the history of these wind currents. We know, also, something of the cycle of the magnetic North Pole and its effects. We know something about the ships, for example, the existence of copper-bottomed ships, very much like Viking ships, into the second millennium B.C. So, by the second millennium B.C., a civilization which existed, say, at the Straits of Gibraltar, could have made regular trips westward, to the Caribbean, and would have done well to get back by taking a more northerly course backward. That sort of thing, we went through.

You take an oared ship with sail—40 oars, something like that, with sail, and we can estimate pretty clearly how long it would take to get from the Straits of Gibraltar to the Caribbean. And we look at Columbus's three vessels, which weren't much bigger than that, though relying upon sail rather than oar—and it's all fairly obvious.

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## Book Review

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# On the centennial of de Gaulle's birth and on the 'American de Gaulle'

by Katherine Kanter

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### **Avec de Gaulle: 25 ans avec le Général de Gaulle**

by Pierre Lefranc

Editions Presses Pocket, Paris, 1990

405 page, paperbound, 30 French francs

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"De Gaulle was an incurable pessimist, some people say. . . . On the contrary, de Gaulle bore within him the most powerful optimism. . . . He took the course of history head-on; facing her down, he managed to force her to change her course. And yet, that history had already been written, or very nearly; he erased the page, and traced out a new path."—*Pierre Lefranc*

Pierre Lefranc's memoirs of his quarter century with de Gaulle have just been reissued in paperback, this being the 100th anniversary of de Gaulle's birth, the 50th of the "Appel du 18 juin" which launched the Resistance, and, this Nov. 9, the 20th of his death. Lefranc was one of the Free French under the War, and became a close associate of de Gaulle from the Liberation to de Gaulle's death. His memoirs give some insights into what has gone wrong in France since de Gaulle was thrown out in 1969.

Hours after General Aoun capitulated to Syria last month, Jacques Toubon, the spokesman for the RPR, which is the successor to the Gaullist Party, spoke on French national radio: "It is a big step forward. Now France, which has interests in the region, can get down to negotiating with Syria and the United States, a real independence for Lebanon." Does such betrayal mean de Gaulle's life was a failure?

If these people are "Gaullists," then Gaullism appears to be deader than a doorknob in France. But without de Gaulle, would there have been Enrico Mattei or Indira Gandhi? Was not Gamel Abdul Nasser, in his own strange way, a Gaullist?

Let us look at Lefranc's lines, referring to the incident in 1941 when "the English realized that the circumstances under which they were to enter Syria and Lebanon alongside the Free French, was the chance to finally succeed in gaining

supremacy over the region." Then de Gaulle, to the absolute horror of almost all his associates, gave the English a deadline, beyond which the agreement between the Free French and their cumbersome allies would be broken, should England not leave her claims. From Beirut de Gaulle wrote (Aug. 13, 1941) "Our greatness and our strength lie only in compromising nothing where France's rights are concerned, and there will be no compromise, before we reach the Rhine."

Then, as now! In reply to questions put to him by a French journalist on France's inaction before the fall of Lebanon, Lyndon LaRouche, from his prison, commented: "It's capitulation, that's all it is. Everybody in France who has any sense knows that, that this is worse than 1956. . . . In the present crisis, had de Gaulle been alive, the English would have tried to shoot him first because de Gaulle would have been de Gaulle. . . . France would have told the Anglo-Americans to get out of the Middle East, he would have done everything to wreck the British economy and wreck the British. He would have looked at the policy that Paris has played in this thing, and he would have said, this is Suez 1956."

Of all the great protagonists of World War II, only de Gaulle acted, not as a spokesman for a social class or imperial cliques, but in the interests of mankind. The elite of the Anglo-Saxon world, from the abdicated English King to the Duke of Westminster on down, were shareholders in Hitler's enterprise, not just politically or financially, but philosophically. So much so, that when the Anglo-Saxons belatedly decided their home turf was at risk, England hastily set up against all eventualities a bicephalic monarchy—the one, George VI, as the anti-Hitler, the other, pro-Hitler, Edward the Abdicant, in the Bahamas, an excellent outpost from which to review supply routes from South America to the Nazi war effort. In the early 1930s, as Churchill made pro-Hitler speeches to the English Parliament, as John Maynard Keynes wrote in praise of Hjalmar Schacht, as Roosevelt's social set were financing eugenics programs and backing Hitler to the hilt, de Gaulle risked his military career by speaking out against the Nazi Party and warning of the war to come.



This is well-documented in Lefranc's pages on de Gaulle's struggle, before war was even mooted, to change the path upon which the French elite was so disastrously engaged. Lefranc points to this bourgeoisie as utterly self-righteous, elegantly anti-Semitic, and xenophobic except where the Anglo-Saxons are concerned. They suffered little under the War, and smoothly made the transition to the Liberation, losing nothing of their wealth and privilege. He writes: "The ruling bourgeoisie failed the nation. [It] rejected those who transgress its fundamental conventions, which is what De Gaulle did. . . . When a Maréchal tells you we're beaten, we're beaten. . . . To blame the high Civil Service for dealing with the enemy is 'unfair.' De Gaulle's action was the jarring note in the concert of 'My boy, finish your studies first, then we can talk about the fate of France.' "

The greatest strength of Lefranc's memoirs, is his lucidity about the motives and aims of those forces which struck such an uneasy alliance with France during the War, but yet threaten her existence in the most fundamental way, as now with the Gulf war: "De Gaulle never forgot what hardship it had meant for France, after 1918, to wrongly put the interest of her allies before her own. He had thought over the work of destruction wrought by England's moral sway over our politics; he kept ever in mind the disastrous authority which the Foreign Office enjoyed, the only aim of which had been, over centuries, to make sure no organized force independent of England ever emerged in Europe; that he saw as the origin of most of the evils which had befallen France. . . . And there is a Foreign Party in France; there are masses of businessmen, journalists, politicians, who put their trust only in what comes from abroad. . . . Thanks to its power, its seeming liberalism, the United States has sucked into its wake a teeming clientele, fascinated by how tall the skyscrapers are, or by IBM's year-end results, and which ends up by thinking that Wall Street, and the street of Liberty are one and the same." And further: "This de Gaulle could not abide in the Americans: while their words spoke of magnificent democratic principles, their deeds rested on the formula: Might makes Right."

In the interview quoted above, Mr. LaRouche refers to that selfsame problem: "If the Gulf operation succeeds, the British and the Americans will destroy Western continental Europe, reduce Eurasia to a mess, and destroy Japan. They know they can only do this in a window of opportunity. In the Middle East, that's one year or so. The policy has been on the books for a long time—for example, the war with Argentina. . . . This is a long-range policy drift of the Anglo-Americans, the out-of-area deployment, the North-South wars. Once the U.S.S.R. began to crumble, they decided they were going to do this if they could."

Lefranc was ever a follower, not a great leader, and he tends to cut his subject down to size. When things get complex, after 1958, his mind tends to go into "systems overload," but on the War and the years preceding it, few can

read his account without trembling before the depth of de Gaulle's thought, his lucidity and courage. In Lefranc's words:

"Military men are judged by their courage under fire. Error. They should really be judged by their courage in confronting their superiors and with accepted ideas. De Gaulle had that kind of courage. Furthermore, his impudence, his insistence on putting his ideas down in articles and lectures, made him the black sheep of the army. . . . Everything possible was done to stop him from being promoted. . . . De Gaulle never lost that feeling of revolt when faced with passive acceptance. Until his last day, his last thought, he knew he was attacked and insulted because, unlike others, he never bowed to events by calling them 'fate.' "

On Anglo-American designs to rule the postwar world, I would tend to think that Mr. Lefranc's treatment, though perceptive, fails to get across the evil of what was on the cards. "The American President had little respect for old Europe, the reign of which, in his view, was done. He thought little of France. . . . [which] after her defeat, he wanted contrite, repentant like a decadent nation which has been taught a good lesson. . . . Furthermore, Roosevelt was under pressure from American public opinion, especially the Protestant majority in his country. The Federal Council of the Protestant elites was especially concerned about colonized peoples. These champions of independence, very well informed by their missionaries in Africa, energetically called for an international organization to exercise control over those Third World nations, should control be necessary. As though by accident, the head of that Federal Council was Mr. John Foster Dulles, who happened to be Roosevelt's Secretary of State [sic]. Shall one wonder then that these idealists seize upon the chance presented by the War and our reverses, to question France's rights to her empire? How could one lonely general in London even think of standing up against a design so grandiose, so humanitarian? At that time, which fairly dripped with morality, the American leaders had not yet discovered the system of colonization by the dollar."

What was this evil? In the late 1970s, this reviewer was able for some weeks to examine documents drawn from the minutes of the wartime Council of Ministers of England, relative to the postwar order which England and the United States planned to impose on Western Europe. These documents are held in the headquarters of UNESCO in Paris, because UNESCO, an Orwellian project if there ever was one, grew directly out of those plans. I could scarcely believe what I was reading: As war raged in Europe, England and the United States, in 1941-42, were already planning to use the destruction of war to put all schools in Europe under Anglo-Saxon command; all schoolbooks would be centrally dictated and written. Cinema, radio, theater, would be centrally controlled. France would be occupied, the name of France would be changed to an acronym which I cannot at

present recall. The French would be reeducated, as would be the Italians, and so on. Now, you may say that through people like Rupert Murdoch and Robert Maxwell, this has actually taken place, and the populations of Western Europe have, to some extent, been sucked out from under the feet of their political leadership by Anglo-Saxon control of the mass media. But the last page has not been written, and France still exists.

Was de Gaulle a French imperialist, as English historians, the latest being Antony Verrier, never cease to claim? Lefranc only skims the surface of de Gaulle's relations to the Third World, his generosity toward downcast Spain, the nobility and love he showed toward Germany after the war. In his zeal to avoid making personal attacks on powerful figures in French colonial circles, some of whom may perhaps finance today's "Gaullist" party, Lefranc opens his flank to those who would cry: "Yes, a dirty imperialist." Lefranc never once refers to the Synarchy, nor to the big names in banking untouched from Vichy down to our day, though he does hint at General Weygand's Hapsburg allegiances. Why not be clear? De Gaulle never sold a molecule of France for some specious advantage, but neither did he see his job on this earth as the defender of French territorial claims, and Lefranc himself says as much, in his chapter on the Algerian War. There he proves, contrary to received opinion, that de Gaulle had decided from the outset that such a war could never be won and that France had to let go. Again, Lefranc lets us down on the Algerian War: He attacks de Gaulle's former cabinet member Jacques Soustelle, for cowardice because of his support of the terrorist Secret Army Organization; but he fails to explain how Soustelle got his money and international backing. Nor is there anything enlightening here on the massive Anglo-American interference in both the Algerian War and the riots of 1968 which led to de Gaulle's overthrow. Our memorialist refers only in the vaguest of terms to the real imperial French cliques, fattened on Indochina and who now agitate for the Syrian alliance—though then, as now, their actions were nothing if not treason. Lefranc's silences on such things in fact speak loudly about the pitiful state of "Gaullism" today.

Before Mr. LaRouche was thrown into jail, he went often to France. In the early 1970s, the old Gaullist elite was not merely alive, but still pretty frisky. I have myself heard these men say to him: "You are the American de Gaulle." And once someone said: "You are like de Gaulle, only better, because you are more universal." I remember the Resistance fighter, then a Deputy, who dropped his cigar and knocked over a bottle of whisky when he said that. If all the old Resistance fighters who know Mr. LaRouche had kept their word, and had spoken out against his jailing, perhaps he might be free now.

Like LaRouche, de Gaulle was not a politician, but above all, a scientist. He trained for the military career at St. Cyr in the days when history, geometry, and engineering formed

the core of the curriculum, not computer war games and covert operations manuals. His mind was completely free. The beauty of soul, the moral power in the "Appel du 18 juin" can only be compared to the greatest poetry. The essence of Christianity, its incredible power, is summed up in the "Appel," when he writes: "Toutes les fautes, tous les retards, toutes les souffrances, n'empêchent pas qu'il y a, dans l'univers, tous les moyens pour écraser un jour nos ennemis. . . . Le destin du monde est là." ("All our sins, all our hesitation, all our suffering, do not change the fact that there exist, in the universe, the means to one day crush our enemies. . . . There lies the fate of the world.")

De Gaulle also had a delightful sense of humor. I cannot resist repeating one of Lefranc's funniest true stories. At a state dinner, a puffed-up fellow is telling the assembled company how much he knows about poetry. De Gaulle recites a little poem, and says, Guess who wrote it! The fellow hems and haws, "Ah yes, a charming writer from the turn of the century, his name escapes me." "How right you are!" says de Gaulle. "I was born in 1890."

## Books Received

**Politics by Other Means: The Declining Importance of Elections in America**, by Benjamin Ginsberg and Martin Shefter, Basic Books, New York, 1990, 226 pages, hardbound, \$19.95.

**Multiple Exposures, Chronicles of the Radiation Age**, by Catherine Caufield, University of Chicago Press, Chicago, 1990, 304 pages, paperbound, \$13.95.

**Painted Black**, by Carl Raschke, Harper and Row, New York, 1990, 276 pages, hardbound, \$22.95.

**The New Money Makers**, by John Train, Harper and Row, New York, 1990, 385 pages, hardbound, \$22.50.

**The Best of Russell Baker, There's a Country in My Cellar**, by Russell Baker, William Morrow, New York, 1990, 432 pages, \$20.95.

**Patenting the Sun, Polio and the Salk Vaccine**, by Jane S. Smith, William Morrow, New York, 1990, 413 pages, hardbound, \$22.95.

**Every Spy a Prince, The Complete History of Israel's Intelligence Community**, by Dan Raviv and Yossi Melman, Houghton Mifflin, Boston, 1990, 466 pages, \$24.95.

### Germany launches anti-war initiatives

*Across Germany's entire political party spectrum, people are leaving no stone unturned in order to break the Anglo-American war drive.*

**O**ld international law as well as Christian tradition knew the term of *bellum justum*, a war that is just and therefore morally justified. This does not apply to the war plan of the United States. . . . For Bush, Syria is an ally against Iraq, and to achieve that, he sacrifices Lebanon to the Syrian dictator Assad. But in so doing, Bush has lost the moral claim to launch a just war for the liberation of Kuwait."

This was a passage in an article published Nov. 13 by the *Deutsche Tagespost*, the leading conservative Catholic newspaper in Germany. Author Harald Vocke continued his attack on the Bush policy, writing: "There is no duty to have solidarity with an America that is preparing an aggressive war on Iraq with increasing commitment . . . nor even—if it comes to that—with belligerent resolutions of the United Nations. . . . The term *solidarity*, so important in Christian ethics, is misused for the preparation of war."

Coming from the arch-conservative spectrum of politics, this article marks a growing anti-war mood in Germany, with numerous articles, statements, and initiatives coming from the left against a Gulf war.

Leftists, peaceniks, and anti-war groups from the churches that overslept during the first three months after the outbreak of the Gulf crisis, have finally launched a campaign building for big protest rallies in Stuttgart (Nov. 17) and Bonn (Nov. 24) that would be run under the slogan, "Stop the war in the Gulf! No blood for oil!"

At the parliamentary level, the op-

position Social Democrats (SPD) have launched a motion for an emergency session of the Parliament on the Gulf crisis, on Nov. 15. It was initiated by two senior members of the left-wing current in the SPD, Heidemarie Wiczorek-Zeul and Herrmann Scheer. In a Nov. 11 radio interview, Scheer harshly attacked the "servile loyalty" of the Bonn government vis-à-vis the Bush administration, demanding that German logistical support for the U.S. Gulf expedition force be halted.

Scheer also authored a declaration warning that the military buildup of Western countries at the Gulf had reached a level that "increasingly makes the sand burn beneath their feet and is driving them toward a military solution."

Scheer recommended that the United Nations take "full or partial control" of the U.S. intervention force, thereby establishing a peacekeeping force run by the U.N. Military Council. This, he said, would help to "contain the danger that the factor of a national loss of face, or domestic policy considerations could determine considerations for or against a war."

As for the Social Democratic side of the campaign, the trip of former SPD party chairman and former chancellor Willy Brandt to Baghdad on Nov. 8 was a catalyst. After initial resistance from the Bonn government, it stiffened somewhat against U.S. pressure, Brandt was able to conduct his peace-probing mission with the open consent and tacit support of the Foreign Ministry, which covered the

cost of his trip.

One may not agree with Brandt for many justified reasons, but what he had to say on Iraq and the potential of war-avoidance deserves attention—the more so, since he had discussed it with critics of Bush during his U.S. tour the first week of November. The "Brandt Plan" was discussed with Saddam Hussein and other Iraqi leaders, but also with PLO leader Yasser Arafat in Baghdad. Calling for the unconditional release of all foreign hostages in Iraq and Kuwait, the plan involves:

- a timetable for the withdrawal of Iraqi troops from Kuwait;
- an internationally controlled status for Kuwait—not a simple return to the situation before the Iraqi invasion ("the Emir shall stay somewhere else," Brandt said), but a combination of Kuwaiti sovereignty with an Iraqi share, guaranteed by a "third authority" such as the United Nations;
- a plebiscite of the Kuwaiti population on the form of government and state they want to have;
- settling territorial claims of Iraq on Bubiyan and other islands off the coast that would broaden Iraqi access to the Gulf sealanes; and
- settling compensation claims for losses Iraq suffered by the illegal Kuwaiti exploitation of the Rumaila oil fields, before the August intervention.

The "Brandt Plan" is certainly not a worked-out scheme for building a structure for lasting peace in the Middle East region; rather it aims at immediate avoidance of war; the last point of the plan, however, does introduce an aspect that goes beyond war-avoidance initiatives, namely, establishing a new type of oil consortium to avoid oil price dictates that have been imposed before, by the small oil-producing states over the big oil producer Iraq.

### CIA and KGB agree on Peru 'drug war'

*Supposedly anti-drug policies are actually promoting dope, while destroying the sovereignty of nations.*

General Edgardo Mercado Jarrín (ret.), Peru's former foreign minister, asserted that Peru's Shining Path narco-terrorists have amassed a \$100 million war chest from drug-running activities, and are using it to buy sophisticated weaponry for a major offensive. Peru's leading geopolitician gave this report at a Nov. 6 conference in Lima. He reminded his audience that \$100 million is more than the Peruvian Army's entire weapons budget.

General Mercado Jarrín reiterated his view that the narco-terrorist menace could only be defeated through civic-military brigades, which would build the economic infrastructure of the rural areas where the guerrillas are winning ascendancy.

He caused jaws to drop by stating that Shining Path is being promoted by "foreign services." That contradicts the line of the U.S. State Department and the media that it is an "indigenous" movement of "Peruvian Indians." Peruvian President Alberto Fujimori asserted on Nov. 12 that "the terrorist movements do not come from abroad."

General Mercado Jarrín is on the right track in the war on drugs and terrorism, while the Bush administration is heading full steam in the opposite direction. Lyndon LaRouche has repeatedly warned Bush that his "narco-contra" policy of deploying U.S. Special Forces and CIA-backed mercenaries into the jungles of Ibero-America will only help promote the drug trade.

In an Aug. 23, 1989 statement, LaRouche pointed out that since 1985

he has stressed that "it is impossible to separate terrorism, in all its various forms, from the drug traffic. . . . It is counterproductive to put U.S. troops as combatants inside any nation of Central and South America for dealing with a problem such as this one.

"It is very important that the job against the drugs, particularly in combatant roles, be done by nationalists as a sovereign act of a sovereign nation. . . . What the United States must do, is provide logistical and technical support, including, if necessary, a special kind of weapons, that sort of thing, to assist these sovereign forces in doing their job."

But the State Department is plunging madly ahead, contrary to LaRouche's warnings. At the same conference where General Mercado Jarrín spoke, State Department Latin American specialist Luigi Einaudi demanded that Peru stop holding back on signing a \$36 million U.S. "military aid" package, which would place Peru's war on drugs under the command and control of U.S. Special Forces deployed into that country's jungle areas. Einaudi broadly hinted to his Peruvian hosts that Washington's policy had Moscow's approval, noting that the entire world must now adapt to the new U.S.-Soviet understandings. His pressure tactics in Lima have been seconded by Assistant Secretary of State Melvyn Levitsky.

The *Philadelphia Inquirer* on May 30 exposed the fact that there is a group of U.S. soldiers of fortune already operating under contract to the Drug Enforcement Administration in

the cocaine-filled Upper Huallaga Valley of Peru. The *Inquirer* reported that they were recruited by Richard J. Meadows, who also "directs security at a 19,000-acre palm oil plantation adjacent to the U.S.-Peruvian counter-narcotics base at Santa Lucia in the Upper Huallaga Valley. . . . A guard force of 150, most former Peruvian marines, is based at the plantation."

The plantation belongs to the Romero family, owners of the powerful Banco de Crédito, which shamelessly acts as a drug-money launderer. As far back as a decade ago, mafioso Arturo "Bufalo" Pacheco was caught running 500 kilograms of basic cocaine paste in cans marked "palm oil" from the same plantation. It is well known to Peruvian authorities that the Romero plantation's *unpoliced* modern private airport, which is quite near a *policed* public airport, is often used with impunity for cocaine transport.

Levitsky and Einaudi's strong-arm tactics, and their warning that the Soviets support this Bush policy, are credible. William Colby, Ray Cline, and other former CIA chiefs got together with their KGB counterparts at Luigi Einaudi's old haunts at the RAND Corp. on Sept. 25-30, 1989, to merge strategies on narco-terrorism, with special emphasis on the Andes region.

Levitsky has a particular background in this area of CIA-KGB coordination "against drugs." As ambassador to Bulgaria (1984-87), he covered up its communist government's key role in international drug trafficking and terrorism. And he was the midwife for the January 1989 groundbreaking accord on joint anti-narcotics operations signed by U.S. Secretary of State James Baker and his Soviet counterpart, Eduard Shevardnadze. That job won Levitsky a promotion to head the Bureau of Narcotics Matters in June 1989.

## **Government taped Noriega's calls**

*As George Bush gets ready for this year's Christmas invasion, last year's Christmas package for Panama is unraveling.*

**O**n Nov. 10, Cable News Network (CNN) broadcast taped conversations between former Panamanian leader Gen. Manuel Noriega and members of his legal defense team. Those conversations had been illegally recorded by the U.S. government. CNN broadcast the tapes in violation of a temporary restraining order by federal Judge William Hoeweler, who said that the pre-trial publicity could prejudice Noriega's right to a fair trial.

CNN argued that it could not obey the court order, since it constituted prior restraint and violated its constitutional First Amendment rights. Instead of merely punishing CNN for its alleged contempt of court, the court and attorneys for General Noriega and the network agreed on Nov. 12 to allow the U.S. Supreme Court to settle the weighty constitutional issues of CNN's free press rights versus Noriega's rights not to have private telephone conversations with his lawyers broadcast to the whole world.

But so far, the main issue has not been dealt with: Noriega's right to attorney-client confidentiality. Pending before Judge Hoeweler is a motion by Noriega's lawyers to dismiss the drug conspiracy case against the former leader of Panama, on the grounds that the tapings were a gross violation of Noriega's rights to a fair trial, as guaranteed by the Sixth Amendment of the U.S. Constitution.

The controversy clearly brings into question whether Bush's desired military intervention in the Persian Gulf will be any different than last year's fiasco against Panama. Then as

now, the military was deployed in pursuit of highly questionable foreign policy objectives. This Christmas, the attack is against Saddam Hussein, whom George Bush claims is "worse than Adolf Hitler." Last Christmas, 4,000 Panamanians were killed in order to get Noriega "the drug trafficker." Yet since the U.S. invasion, drug trafficking has increased in Panama, and the regime Bush installed there is up to its nose in drug-money laundering.

Now, the entire justification for the invasion—getting Noriega—is blowing up in the government's face, as it resorts to gross constitutional violations in order to try to obtain a conviction by any means. Legal experts believe that the whole tape fiasco could end up being a replay of the "Pentagon Papers" caper of the Watergate scandal.

Some in Washington have even suggested that the government itself leaked the tapes, in order to force the judge to dismiss the case and get it off the hook. Sources in Washington told *EIR* that copies of the tape were circulating in the departments of Justice, Defense, and the White House, and that many journalists outside of CNN had access to the tapes.

Noriega's lawyer Frank Rubino said the tapes had been provided to CNN by an official of the U.S.-installed Panamanian government of Guillermo "Porky" Endara, who got them from the State Department. The State Department has refused to comment.

Of one thing, there is no question:

The taped conversations reveal defense strategy. One of the aired conversations was with a paralegal employed by Frank Rubino. The paralegal informs Noriega that two men have been arrested in Panama, and says that his lawyer "suggests that you review these two names in your mind; think about what you know about them and whatever they can know about you, whatever they could say." Noriega replies: "I do not know Sanchez." He adds that the arrest of the two "is very interesting because it shows their strategy. It says they are trying to induce one of the two of them to testify before the court against me."

In another taped telephone conversation, Noriega says, "Our legal strategy is to put the ball in the court of Bush and the CIA." Some media commented that Noriega was using some type of "crude code" when he said this.

Incredibly, prosecutors are claiming that Noriega's rights were not violated, since no one on the government's legal team listened to the taped conversations! But prosecutors refused to comment when asked if they knew the taping was taking place. The Justice Department also refused to comment, but it announced that the FBI is "investigating" the matter.

There is absolutely no chance that officials did not know they were recording privileged communications between Noriega and his attorneys: The telephone he uses is outside his cell; he cannot dial it. One of his guards must dial the number, and the guard then listens until the call is answered.

In an earlier move to stop Noriega from having a fair trial, at the end of October, the United States instigated its puppet government in Panama to sue Noriega for \$6.5 billion, a move that froze his personal accounts, denying him funds for legal costs.

## Mexican vote fraud breaks new ground

*The order is out: Stop the nationalist opposition to Salinas, with everything from vote fraud to automobile crashes.*

Even seasoned journalists and political observers in Mexico, who have witnessed every brand of sophisticated vote fraud over the years, were stunned by the ruling PRI party's performance during the Nov. 11 local and state elections. The elections had been widely billed in the national and international media as a "laboratory of democracy" for the regime of Carlos Salinas de Gortari, Bush's favorite in all Ibero-America.

Referring to the brazen vote fraud, a columnist for the daily *La Jornada* reported: We saw it, but we still can't believe it. In the populous State of Mexico, for example, the PRI claimed 119 of 121 municipalities and all 34 seats in the state legislature. Pre-election polls had shown the opposition PRD party to have a strong majority in that state.

The PRI's strategy boiled down, in most cases, to making sure people did *not* vote, since they rightly feared that the opposition PRD and PAN candidates would sweep them from office.

The operation began in late October, in the local elections in the state of Coahuila, where "Operation Mad Rat" was put in place. This consisted of altering the order of the polling stations where citizens were to cast their ballots. Internal PRI documents referred to the operation as "Induce Abstentionism." The resulting chaos was such that not even the state's governor himself, Eliseo Mendoza Berrueto, was able to find his polling station, and he scurried around like a "Mad Rat" looking for it in a 25-block radius.

In the Nov. 11 elections in the states of Mexico and Hidalgo, "Operation Induce Abstentionism" was so successful that only 10% of the registered voters cast ballots.

In the State of Mexico it was called "Operation Carrousel," whereby the computerized voter lists were padded with phony names. Cuauhtémoc Cárdenas, who was robbed of the presidency in late 1988, and the PRD obtained the program codes of the State Electoral Commission 48 hours before the election, and called for the postponement of the elections on the grounds of planned "cybernetic fraud." They had discovered that almost 16,000 names, perfect homonyms, were multiply listed on the lists of registered voters. They also discovered 60,000 voting credentials for nonexistent voters, which had been distributed among PRI loyalists who could be identified by a small emblem which they wore on their lapels. The "carrousel" consisted of these squads being transported from polling station to polling station, voting at each one in turn.

All of this is preparatory to the federal elections scheduled for August 1991, in which the entire lower house of Congress will be reelected, along with half of the Senate. It is clear that, were there to be clean elections, the PRI would lose its majority in the lower house, which would virtually guarantee a full congressional review of the validity of the 1988 presidential elections, in which it is widely believed that Salinas actually lost the popular vote to Cárdenas.

One of the darker ironies of the

PRI's electoral fraud was that it had the blessing of the usually oh-so-democratic Bush administration. It was the U.S. ambassador to the Organization of American States, Luigi Einaudi, who reportedly insisted that that body *not* send observers from the Inter-American Human Rights Commission to observe the Mexican elections—contrary to their practice in almost every other Ibero-American country. And the Establishment media, such as the *Wall Street Journal* and the *Journal of Commerce*, have lectured Salinas de Gortari that his praiseworthy "economic revolution" of International Monetary Fund austerity must now be complemented by a "political revolution," consisting of eliminating all opposition from the political landscape by whatever means necessary.

In the course of the campaign in Hidalgo, a plot to assassinate Cárdenas was discovered and defused, according to the state leadership of the PRD.

More recently, there was a strange automobile accident involving Sen. Porfirio Muñoz Ledo, the PRD's candidate for governor of Guanajuato. Late one night on the highway, a car with its lights off jumped into Muñoz Ledo's lane and hit his car. Muñoz Ledo and members of his family and entourage sustained serious, but not fatal injuries.

Federal Congressman Vicente Fox, the PAN's candidate for the governorship of Guanajuato, also had an auto accident. In the middle of the city of León, a pickup truck ran a red light and crashed into his car. An unidentified pedestrian was killed in the incident.

Manuel J. Clouthier, the PAN presidential candidate in the 1988 elections, died in 1989 in a suspicious car crash on one of the country's highways.

## Month-long Synod closes in Rome

*African prelates voice the reasons for keeping priests celibate, in the "dehumanized sexuality" of today's culture.*

The work of the worldwide Synod of Bishops, which met in Rome from Sept. 30 to Oct. 28 to discuss the figure of the priest in today's world, has ended. The Pope, in a Latin speech, concluded the Synod by announcing a scientific study on the problem of vocations. He also reiterated the Church's commitment to priestly celibacy, a position reaffirmed by nearly all of the bishops. Widespread rumors feeding speculation that the celibacy requirement might be abolished were thus laid to rest, at least for the time being.

At a press conference during the Synod, the African Cardinal Christian Wiygan Tumi, speaking in his position as delegate chairman of the Synod, read a statement saying that celibacy of priests must be considered "law without exception" in the Church. In the few cases in which married men have been allowed to be ordained, the cardinal said, the conditions imposed—acceptance of celibate life, written consent of the family members, separation from the wife—"confirm that the law of celibacy prevails and must be observed even in these cases."

Another question, the cardinal added, is that of some pastors who are already members of other Christian churches, and are admitted into the Catholic Church. In their regard, a directive issued by the Congregation for the Doctrine of the Faith is observed.

The energetic African cardinal had stood up to the insistent questions of reporters who accused the Church of considering the sacrament of mar-

riage as inferior to that of priestly ordination. "A priest who lives in fidelity to his celibacy is an encouragement also to laymen that they should live in fidelity to their marriage," answered Cardinal Tumi, because "fidelity is a universal value."

We asked Msgr. Laurent Monsengwo Pasinya, archbishop of Kisangani in Zaire, to comment on the surfeit of media interest in the celibacy question. Because sexuality is being dehumanized and turned into a consumer product, he said, a certain public opinion tends to view the priest mainly from the sexual angle and hence focuses on celibacy. In fact, the celibacy of priests, monks, and nuns, disturbs today's pansexual culture and puts it ill at ease. So every weakness of the priest, in terms of chastity, is brought out, because they want the celibacy option to be taken away, so that priests will be like all other men.

I am convinced, he said, that the less our contemporary culture shows itself able to grasp the prophetic value of celibacy as an evangelical novelty, the more we need priestly celibacy.

The African monsignor added that if we want to talk about lapses and infidelities of some priests, these are persons we all have to treat with understanding and fraternal charity, recalling above all the words of Jesus: "Let him who is without sin cast the first stone." The fact that someone falls does not make the ideal futile, nor the fall normal, but opens to the sinner the way of conversion, which by virtue of baptism is the normal itinerary of every Christian path.

Pasinya went on to say that there is a more serious aspect in the relation between priesthood and marriage which must be considered: that of witness. The priest who is true to his vow, his promise to God, recalls to men their true, transcendental destination. In the economy of salvation, restored by Jesus Christ, some people must give up matrimony in order to remind wedded folk that marriage is a sacrament, a privileged place of encounter with God, a healthy way which must lead married people into the Kingdom where there will be no more marriages.

The collapse of Eastern Europe's communist regimes made possible the participation in the World Synod of Bishops representing the persecuted Churches of those countries. But the bishops of Communist Asia, China, Laos, Cambodia, and Vietnam, countries where the brutal repression of believers continues, were absent.

In China, since the anti-Catholic "Document No. 3" of February 1989, which became fully operative after the Tiananmen massacre, a new wave of arrests and harassment has descended on the Catholic Church. Many clandestine churches, priests, and laymen who want to remain united with the Pope and the universal Church have been arrested and vanished. The situation in Vietnam differs. The government has shown a certain opening toward the Church, by allowing an official mission of Cardinal Etchegaray to visit the country in 1989. This year, Vietnam was about to give the green light to an *ad limina* visit by Vietnam's bishops to Rome, but it was blocked at the last minute for "internal security" reasons. Better news came in the last phase of the Synod's work when two delegates from the Bishops Conference of Vietnam, Bishops Nguyen Van Hoa and Le Phong Thuan, arrived in Rome.

# International Intelligence

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## **Japanese oppose war in Persian Gulf**

The Japanese population strongly opposes intervention in the Gulf, according to a poll conducted early in November by the *Asahi Shimbun* newspaper. Seventy-eight percent of those polled opposed sending troops outside the country, when asked about Prime Minister Toshiki Kaifu's now-abandoned attempt to send 2,000 lightly armed soldiers to the Gulf. Most people thought that the proposed legislation to send the troops, who would only be armed with pistols and engage in "peacekeeping" activities, breached Japan's Constitution.

The Japanese government has not even been able to find civilian volunteers to go to the Gulf, much less soldiers, because of popular opposition. British press accounts of a recent mid-term election in Japan, which was seen as a referendum on the ruling Liberal Democratic Party's plan to send troops, say the LDP win was "embarrassingly narrow," with less than a 5% margin.

Finance Minister Hashimoto announced that he has no plans to increase the \$4 billion Tokyo has already pledged to support the U.S. deployment in the Gulf.

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## **French high school students protest**

Three hundred thousand high school students demonstrated in Paris on Nov. 12, and tens of thousands more in other parts of France, to demand better conditions in the schools, including the prevention of violence and drug use.

Although the media are focused on the violent disruption of the Paris march by a couple of hundred hooligans, the overwhelming majority of the students is seriously concerned about their future. Student federations of different political stripes participated in the demonstrations, and there was a meeting of student leaders with French President François Mitterrand.

The students' grievances are very real. In many French schools, there is extreme

overcrowding, decaying infrastructure, lack of heating, as well as continual threats to students by drug dealers.

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## **Guatemalan military is target in elections**

Jorge Serrano Elías, who was a top government official during the rule of Guatemalan President Efraín Ríos Montt in the early 1980s, pulled into second place, almost even with the top vote-getter, Jorge Carpio Nicolle, in the first round of Guatemala's presidential election on Nov. 11. Serrano, whose sudden surge in the polls reflects the strength of support for Ríos Montt, actively promoted peace talks with guerrillas in Guatemala.

Ríos Montt, a fundamentalist Protestant, is backed by the U.S. State Department and Israel.

Were Serrano to win, he would act to weaken and eventually destroy the Guatemalan military, on the model of neighboring El Salvador. The *Washington Post* put out the orders targeting the Guatemalan military, in an editorial on Nov. 13: "The 'dirty war' is blazing again in Guatemala. . . . The security services have made Guatemala the worst human rights offender in all of Latin America."

Predictions are now that Serrano will win, based on the strength of Guatemala's Protestants, now one-third of the population. "Serrano's stunning showing has turned the political landscape of the country on its head," wrote a local paper.

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## **Buthelezi attacks ANC, but defends Mandela**

In a Nov. 12 interview with the Canadian Broadcasting Corporation, Mangosuthu Buthelezi, the head of South Africa's Inkatha movement, condemned violence "from whichever side it comes," and said that neither he nor African National Congress leader Nelson Mandela have control over the fighting between Inkatha and the ANC.

When asked whether a joint statement

by himself and Mandela calling for an end to the violence would be followed by ANC and Inkatha members, he said, "I am not naive," but added that such a statement would help. Noting that he was still a close friend of Mandela's, he stated, "He has said that he is a captive of certain members of the ANC who don't want him to meet with me."

Chief Buthelezi accused the ANC of having started the violence against Inkatha. The root cause of the violence is not tribal, he said, but economic; for example, many blacks have lost their jobs because of the foreign economic sanctions against South Africa. Buthelezi attacked the media for bias toward the ANC and against the Inkatha movement. For example, he attacked the idea that Inkatha was a "Zulu movement." "Inkatha has never been a Zulu movement," he said, and many of its members are Indians, whites, and members of other racial groups.

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## **Growing role for KGB in the Soviet Union**

If Soviet President Mikhail Gorbachov resorts to rule by emergency decree in order to deal with the crisis in the U.S.S.R., he will become increasingly dependent upon the KGB and the Interior Ministry, the German daily *Frankfurter Allgemeine Zeitung* wrote on Nov. 8.

Once Gorbachov were to declare a state of emergency or martial law over parts of the Soviet Union, stability would be largely based on the KGB's 1.5 million civilian personnel and soldiers (border troops, signal-corps, and spetsnaz units), and another 1.2 million men of the militia, crack forces, and regular troops of the Interior Ministry.

Most noteworthy in this case, the article says, would be the role of elite units such as the KGB spetsnaz, the size of which is not known, and the Interior Ministry crack anti-riot force of roughly 30,000 members, mostly "Afghantsi," the veterans of the Afghanisthan war.

A new development, the article reports, is the reinforcement of the Interior Minis-



## Briefly

try's 300,000 regular forces by another 65,000 men who have been recruited from the Soviet military pulled out from Eastern Europe in the past months. The role of the KGB and Interior Ministry would be far more important under conditions of emergency than the Soviet military, the article states, thus corroborating earlier analyses by *EIR*.

### **North Korea seen as continuing threat**

North Korea may be able to make nuclear weapons by 1995, the South Korean Defense Ministry stated in a Defense White Paper released on Nov. 8. The White Paper also stated that Pyongyang is "actively proceeding with plans to produce chemical and biological weapons, and its military adventurism is a threat to South Korea."

North Korea has already completed nuclear reprocessing facilities at a large-scale nuclear research complex in Yongbyon, north of Pyongyang. The White Paper estimated North Korea's armed forces at 990,000, up 10,000 from 1989, and compared to 655,000 in South Korea. Pyongyang has "overwhelming" air, tank, and artillery superiority. North Korean military strength is not expected to be in balance before the early 2000s, Seoul warned.

### **African refugee crisis looms out of control**

Kingsley Amaning, a Ghanaian representative of the U.N. High Commissioner on Refugees (UNHCR), has warned that his agency is vastly overstretched in its ability to meet Africa's refugee needs.

According to the *Los Angeles Times*, he said that whereas previously the UNHCR was responsible for overseeing 5 million refugees worldwide, now there are that many officially living in refugee camps in Africa alone. The same \$400 million budget that was allocated for 5 million people, must now be applied to the needs of 15 million.

The *Los Angeles Times* on Sept. 11 had

reported on the crisis in Ethiopia, where refugees are fleeing warfare in southern Sudan. "Hundreds of thousands of refugees have ranged over the land cutting down trees for fuel, denuding the dales and hillocks so thoroughly that Itang (in southern Ethiopia) has suffered something no one can remember ever happening before—extensive flooding during the rainy season," the article stated.

### **Gorbachov agrees to new 'unity' government**

Soviet President Mikhail Gorbachov has agreed to create a new government of national unity, to be jointly named by him and the Russian Federation, declared Russian President Boris Yeltsin on Nov. 13, speaking before the Russian Federation Parliament.

Commenting on his five-hour meeting with Gorbachov at Gorbachov's dacha outside of Moscow, Yeltsin said, "As a principle, the building of a coalition government of national unity was supported." A compromise was reached, he said, on "dividing up the functions and the property" of the central government and the Russian Federation.

The agreement was struck in the first two hours of the meeting, attended only by Gorbachov and Yeltsin, after which Soviet Prime Minister Nikolai Ryzhkov and Russian Prime Minister Ivan Silayev were brought in.

Special Soviet-Russian Federation Commissions were set up to work out the details of what Yeltsin called "a completely new system of state power." The agreement paves the way for Russia to sign the new "Union Treaty," creating a "Union of Sovereign States," as the successor to the Soviet Union, he said.

Yeltsin added that "Russia was never against the Union and never against the new Union Treaty." His statements underscore that his own policy is and has been to use his Russian position and popularity to assist Gorbachov in the primary task of preserving at all cost the Slavic core of the Soviet Union, through containing and limiting the process of disintegration.

● **SIKH ACTIVISTS** from Punjab have set up a French-registered association called the Embassy of Khalistan, and described it as the "first diplomatic representation of the government in exile in Khalistan." The French Foreign Ministry had told the Indian Embassy in Paris in October that an "error" had been committed by the local council in Paris in registering the association.

● **NELSON MANDELA** accused the West of racism in targeting Iraq, in a speech in Paris at the close of a three-week tour of Europe and Asia. Mandela said that no objections were made when the U.S. invaded Grenada and Panama, "But now, the whole of the West is screaming and sending armies." Iraq is being singled out, he said, because its people are "brown-skinned."

● **THREE-QUARTERS** of a million Palestinians have been thrown out of the Gulf region since the Iraq-Kuwait crisis began, a senior British source opposed to Thatcher's policy in the Middle East reports. He said that certain Gulf countries, like Bahrain, have simply ejected Palestinians, while Saudi Arabia has "made life impossible" for them.

● **THE PHILIPPINES** plans to lease the firing range at Clark Air Base to Thailand, Singapore, and other countries, as part of an agreement with Washington on the future of the U.S. military bases, Bangkok's *The Nation* reported on Nov. 6.

● **SOUTH AFRICA'S** President Willem de Klerk won a vote of approval in elections in a Johannesburg white suburb. The vote is seen as an endorsement of his negotiated approach to black majority rule. The race was between the pro-apartheid Conservative Party and de Klerk's National Party.

## Bush's drive for Gulf war meets stiff resistance

by Kathleen Klenetsky

A groundswell of opposition to George Bush's war drive in the Middle East is spreading throughout the United States, galvanized by his declaration at a Nov. 8 press conference that the U.S. has gone on the offensive in the Gulf. Now that all pretenses that Operation Desert Shield was merely a defensive maneuver have been dropped, significant new forces are mobilizing against the imminent threat of a military conflict.

A broad spectrum of the American population—liberals, conservatives, church groups, congressmen and senators, Vietnam vets, former military officials—are vocally protesting Bush's inexorable move toward what Margaret Thatcher euphemistically calls the "military option."

Leading spokesmen for the Establishment who share the same overall imperialist orientation as Bush, have begun to voice public opposition to his actions in the Mideast. Fear is mounting in these layers that Bush may be turning into a Frankenstein, impelled by personal considerations to undertake an initiative with the potential for unleashing an uncontrollable global holocaust, one that could ultimately bring down the Establishment, along with the rest of the world.

Arthur Schlesinger, Zbigniew Brzezinski, Cyrus Vance, and others have weighed in with criticisms of the administration's handling of the crisis. The thrust of their arguments was summed up by James Reston, a leading Establishment spokesman, in the Nov. 13 *New York Times*. "My President right or wrong' in such circumstances is a little like saying, 'my driver, drunk or sober,'" Reston commented. "President Bush keeps saying he is 'running out of patience' with Hussein but history hasn't been very kind to impatient warriors. . . . Bush's comparison of Hussein to Hitler . . . is ridiculous, and the growing assumption of inevitable war is at best premature and at worst dangerous."

Unfortunately, Bush seems unfazed by the protests against his lunatic adventurism, providing further evidence of his dangerous, flight-forward state of mind.

In part, Bush is drawing strength from the Nov. 6 U.S. elections, where, although the Republicans stumbled, the electorate failed to deliver Bush a message strong enough that it could not be ignored. While resistance to U.S. policy in the Gulf is rising by the day in Europe, official circles there fear war is inevitable unless the American people mount an extraordinary effort to convince Bush that he will be finished politically if he orders U.S. troops into battle.

Anti-war sentiment among the populace is definitely on the rise. A poll cited in the Nov. 13 *USA Today* shows that the approval rating of Bush's handling of the Gulf conflict has plummeted from 82 to 51%. Some congressmen report that letters from constituents initially supported the U.S. deployment, but now are running from 5-1 to as high as 10-1 against. According to House Foreign Affairs Committee chairman Rep. Lee Hamilton (D-Ind.), Americans are "very, very uneasy about the prospect for war in the Gulf."

The shift in the population's attitude has contributed to the new upsurge in criticism of Bush coming from Congress. Twenty-two members of Congress, led by Rep. Ronald Dellums (D-Calif.), announced Nov. 13 that they will sue the President in federal court to prevent the United States from going to war without a congressional declaration of war.

Bush's decision to send massive reinforcements to the Gulf has triggered a mini-rebellion on Capitol Hill. "There are a lot of members who aren't necessarily opposed to war," said one observer, "but they are uneasy about the lack of support for war out in middle America. They don't want the U.S. to use force, unless there is a consensus. They don't want another Vietnam."

Congressional criticism of the President has become increasingly pointed and personal. "If George Bush wants his presidency to die in the Arabian desert, he's going at it very steadily and as if it were a plan," Sen. Daniel P. Moynihan (D-N.Y.) warned Nov. 12. "He will wreck our military, he will wreck his administration, and he'll spoil a chance to get

## Call for teach-in to stop war in the Gulf

*The Schiller Institute and the Food for Peace organization issued the following call Nov. 11 for a national anti-war teach-in to be held in Chicago, Illinois on Dec. 15-16.*

The United States is heading into a war in the Gulf which could break out at any moment. Such a war will obliterate whole nations causing mass deaths and destruction. The promise of the freedom movements in Eastern Europe would be smashed through a war which will destroy the economies of Europe. Worse, as it spreads throughout the region and spills into the southern republics of the Soviet Union, it could lead to World War III. This is insane.

Behind the threatened outbreak of war is a decades-long policy commitment of a degenerate Anglo-American financial elite which has corrupted our institutions of government. It has nothing to do with the Iraqi invasion of Kuwait. Anglo-American policymakers have created an economic depression by diverting resources out of production for the last 25 years to benefit private speculative financial interests. Today, the U.S. is left with the ruins of an economy which is daily creating masses of homeless, unemployed, and desperate people. . . . This degenerate elite has determined since at least the 1982 war over the Malvinas Islands to create a "new world order." They mean to use the military might of the United States to grab the world's raw materials, oil, and strategic minerals, and to gain control over food supplies. To accomplish this, NATO is to be deployed in military operations to seize control of the raw materials and strategic minerals in the

developing sector. An added feature of this policy commitment is to start wars which will kill off darker-skinned peoples for "population control." . . .

In the name of free trade, these imperialists are attempting to eliminate national sovereignty over food through the U.N.-sponsored GATT talks now ongoing in Geneva. What is being discussed at these talks is nothing less than the destruction of the world's food supplies by forcing governments to stop supporting the family farmer.

Since the last Food for Peace conference one year ago, mankind has taken a major step forward. On Nov. 9, 1989, the Berlin Wall came down. This brought the world new hope. As foreseen by the economist and imprisoned political leader Lyndon LaRouche, the economic breakdown in the communist economies unleashed revolutionary processes throughout the world. A similar breakdown is now occurring in North America, which means that "freedom movements" will break out here and other parts of the globe. The hopes of these freedom movements must be realized through economic reconstruction. This means we must mobilize for an economic recovery in the United States so that we can not only help the newly freed nations of the East, but alleviate the poverty here in the United States, in the Gulf, and other parts of the developing sector. The alternative is mass starvation and war.

Come to the Anti-War Conference. . . . An anti-war strategy will be discussed based on the principles of peace through development. A new political alliance must be forged drawing upon the lessons of the Eastern Europe freedom movements and the American civil rights struggle. The conference will be held in the form of teach-ins on the causes and solutions to the present crises: the path to war in the Middle East; who's to blame; the GATT talks and the worldwide collapse of agriculture; and perspectives for economic development through great infrastructure projects throughout the world.

a collective security system working. It breaks the heart."

The day before, Sen. Sam Nunn (D-Ga.), chairman of the Senate Armed Services Committee, told CBS's "Face the Nation": "The last thing we need is to have a war over there, a bloody war, and have American boys being brought back in body bags and yet not have the American people behind them. . . . The President has a real obligation to explain why liberating Kuwait is in our vital interests."

Amidst demands from some quarters that Congress reconvene to debate U.S. policy in the Gulf, the leaders of Congress's Foreign Affairs and Armed Services Committees have announced that they will hold hearings in the near future. How seriously they will attempt to deter war in the Mideast remains to be seen.

America's Roman Catholic Bishops have added a new element to the burgeoning anti-war movement in the churches. At their annual convention in Washington the week of Nov. 12, the bishops voted overwhelmingly to endorse a letter which Archbishop Roger Mahony of Los Angeles sent to Secretary of State James Baker urging diplomatic means to solve the Gulf crisis.

Mahony's letter, which posed the question of whether a Gulf conflict would fit the Augustinian definition of a "just war," was similar to one which Archbishop Basil Hume wrote to the Nov. 8 London *Times*, arguing that, "It would be wrong . . . to abort any constructive, internationally supported initiative by embarking prematurely on a military strike."

Many bishops said that Mahony's letter wasn't strong

enough. New York's John Cardinal O'Connor said he had "anxieties even apart from the dangers of war," such as the high financial cost of such a venture at a time when the U.S. is in such bad economic shape.

At a peace meeting at Catholic University in Washington, D.C. Nov. 13, several bishops expressed even stronger views. Bishop Thomas Gumbleton of Detroit held up a copy of a report issued by the Pentagon in early 1988 ("Discriminate Deterrence"), which laid out a new military policy for North-South wars. "This is the outline of government policy," said Gumbleton. "They feel they have to wage war in the Third World in order to capture the valuable natural resources there. This presents the specter of bloody war confronting us now."

Bishop James Sullivan of Virginia told the meeting, "The Persian Gulf has become Bush's personal war," adding that he has learned that "the U.S. government has sent over 40,000 body bags to the Gulf."

Protestant and Jewish organizations are also organizing anti-war efforts. The American Baptist Churches, U.S.A., the Church of the Brethren, the Union of American Hebrew Congregations, and several other religious groups placed an ad in the Nov. 8 *Washington Post* addressed to Bush, stating: "We emphatically oppose the United States taking any offensive military action in the current crisis," since "war in the Middle East would be a human, political, and economic catastrophe" which would result in a "a massive loss of lives."

Christian church officials convened a meeting with representatives of Jewish organizations on Nov. 4, to tell them that many churches were preparing to mount strong opposition to the war, and to try to avoid that opposition from becoming a Christian versus Jewish affair because of Israel's demands that the U.S. attack Iraq.

One participant, Rev. John Pawlikoski of the National Conference of Catholic Bishops, believes that Christian denominations may come out against the Bush policy "more strongly than they opposed Vietnam."

Former Navy Secretary James Webb leveled a harsh warning at Bush during a Veterans' Day observance at the Quantico National Cemetery. "If the President wishes for war, he should heed the lessons of Korea and Vietnam, and ask the Congress to declare one. The alternative has no place in a democracy. No man should have the power, on his own prerogative, to send thousands of young men and women to their potential deaths against an enemy that has not attacked them, on behalf of a non-democratic nation with which we have no formal alliance."

Former U.S. Attorney General Ramsey Clark, who formed an anti-war coalition last August, was in Baghdad, Iraq. He told the Iraqi newspaper *Al-Jumhuriyah* Nov. 12 that the U.S. should "stop being the world's policeman," and described the international blockade of Iraq as a "flagrant violation of international law."

## LaRouche associates begin Roanoke trial

The opening arguments in the trial of three associates of Lyndon LaRouche began in Roanoke, Virginia Nov. 13, with defense attorneys telling the jury that the defendants were innocent of all charges and were instead the victims of the "Get LaRouche" task force. They called the task force a powerful and frightening group of government, private, and media interests which wants to silence a political voice. This task force was so committed to silence these defendants, the jury was told, that one of the prosecution's key players, the Anti-Defamation League of B'nai B'rith (ADL), went so far as to try and bribe the very judge sitting on this case.

Paul Gallagher, his wife Anita Gallagher, and Laurence Hecht are charged with violations of the Virginia securities laws. They are among 16 individuals who were indicted by the Virginia branch of the federal-state task force which has run the frame-up of LaRouche and his associates. The case is being heard before Roanoke County Circuit Court Judge Clifford R. Weckstein, who has refused to disqualify himself even though he has close ties to the ADL.

In his opening statement, defense attorney Don Randolph told the jury that LaRouche and his associates were the target of a conspiracy comprised of government prosecutors, the ADL, the secret "Iran-Contra" network of Oliver North, the media, and prominent figures in the Anglo-American Establishment such as New York investment banker John Train and former Secretary of State Henry Kissinger.

Randolph had told jurors during jury selection that the case would be about LaRouche, and that since many jurors said they had a negative impression of LaRouche, but could not recall what he stands for, therefore his ideas should be known to them. He described how LaRouche had correctly forecast major political and economic developments since 1971, and spoke about LaRouche's warnings of a Middle East war, the savings and loan crisis, the 1987 stock market crash, the development of the AIDS crisis, and the collapse of electric power production. He also told jurors they would hear evidence about LaRouche's role in the development of the Strategic Defense Initiative and his role in the War on Drugs.

Randolph told the jury about how the "Get LaRouche" task force adopted the theory that the ends justifies the means; that they would do anything to stop this movement, including bringing an illegal involuntary bankruptcy action, intimidating witnesses, destroying evidence, and conducting financial warfare. He told jurors that two federal judges have since ruled that the government's actions were in bad faith.



A courtroom sketch of Judge Clifford Weckstein and the jury as the Roanoke, Virginia trial of Anita Gallagher and Paul Gallagher (foreground below), and Laurence Hecht (right) opened Nov. 13.



### Judge Weckstein's bias

In a dramatic moment, Randolph pointed at Judge Weckstein who was sitting behind the jury, and said that the task force even tried to bribe the judge presiding over this trial. Randolph told the jury how Ira Gissen, the Virginia regional director of the ADL, sent Weckstein a letter trying to indoctrinate him with their hate literature about LaRouche and how Gissen's letter was accompanied by an ADL resolution pledging support for the appointment of a Jewish judge to the Virginia Supreme Court, in a blatant attempt to improperly influence the outcome of this trial.

Randolph told the jury they will hear evidence about a series of secret meetings at the home of John Train, where a strategy was developed to combat the growing influence of the LaRouche movement. Attending these meetings were Mira Lansky Boland of the ADL, Roy Godson, a consultant to the National Security Council, and journalists including Pat Lynch of NBC-TV. The strategy planned at these meetings was to discredit the LaRouche movement until it was neutralized as a political force.

Randolph said evidence would also be presented showing that, despite all the efforts of the "Get LaRouche" task force, these defendants wouldn't give up their political efforts.

After Randolph's statement, defense attorneys Jeffrey Hoffman and Gerald Zerkin spoke on behalf of their respective clients, Anita Gallagher and Laurence Hecht.

The jury in the trial was seated over the objections of the defense. Throughout the jury selection process, which began on Nov. 5, Judge Weckstein allowed jurors with admitted bias to be seated, including one who said he believed LaRouche is a fascist and his organization a cult. Many prospective jurors, however, were excused because they had already formed an opinion as a result of the slanders in the

media about the LaRouche movement. Out of 58 prospective jurors questioned, 27 had expressed actual bias or negative opinions. The trial had been moved to Roanoke from Loudoun County, Virginia because the jury pool in Loudoun was biased.

Defense attorneys, in arguing against the seating of the jury, blamed the prosecution for inflaming prejudices against the LaRouche movement, thereby producing a biased jury pool.

The three defendants are all long-time collaborators of LaRouche. Paul Gallagher is the former director of the Fusion Energy Foundation, the non-profit scientific foundation which was shut down by the federal government through an illegal involuntary bankruptcy proceeding. Gallagher's work with the FEF made him a national spokesman on the SDI and the development of nuclear fusion energy. After President Reagan adopted the SDI policy in March 1983, Gallagher was interviewed by national news media as an expert on the SDI.

Anita Gallagher was the political director of the National Democratic Policy Committee, a multi-candidate political action committee formed by LaRouche and other anti-Carter Democrats after the 1980 Democratic national convention. The NDPC backed thousands of candidates for public office and was targeted by the ADL, and also the federal government, because of its successful efforts on behalf of LaRouche Democrats.

Hecht is a former editor of *New Solidarity*, the national newspaper which, like FEF, was shut down in April 1987 by the federal bankruptcy operation. Hecht was a collaborator of the late Dr. Robert Moon, the nuclear physicist, in developing a new theory of the geometrical structure of the atomic nucleus. The validity of Moon's theory has been confirmed by some of the recent developments in cold fusion.

# Voters reject 'Big Green' eco-fascism

by James Duree, Jr.

The Nov. 6 election was certainly not a banner day for environmentalists in California: Citizens "voted their pocket-books" by rejecting both key environmental initiative measures, Propositions 128 and 130. Proposition 128, the so-called "Big Green" initiative co-sponsored by Assemblyman Tom Hayden (D-Santa Monica), was defeated by a nearly 2-1 margin; Proposition 130, dubbed "Forests Forever" by its supporters, the timber lock-up swindle first proposed by the eco-terrorist Earth First! group and bankrolled by Rockefeller-connected investor Harold Arbit, was defeated by a smaller margin. The two industry-backed alternative initiatives, Propositions 135 and 138, put on the ballot by agriculture and timber interests to counter 128 and 130 but advertised as "environmental" measures, were defeated by even larger margins.

Proposition 128, the "Environmental Protection Act of 1990," touted by supporters as the "most comprehensive package of environmental legislation ever presented to voters," was conceived as part of outgoing California Attorney General John Van de Kamp's unsuccessful bid for the Democratic gubernatorial nomination. Big Green (now known as "Big Loser") brought together the entire environmentalist movement.

In its 39 pages and 16,000 words of fine print, Proposition 128 proposed, among other things, to 1) ban as many as 200 pesticides; 2) cut carbon dioxide emissions by 40% by the year 2010; 3) phase out all refrigerants and other chemicals using chlorofluorocarbons (CFCs); 4) float \$300 million in state bonds to buy up certain stands of old-growth coastal redwoods on private timberland; 5) prohibit all oil and natural gas production in state waters; 6) set up an ecology führer (the act called it the "Environmental Advocate") to enforce the proposition, and create environmentalist attorney bounty-hunters to intervene on their own to help carry out the enforcement.

The pro-128 campaign, bankrolled primarily by entertainment industry types like Ted Turner and Jane Fonda, used a "hit parade" of actors such as Michael Landon and

Bruce Willis in TV ads with an emotional, anti-scientific appeal on pollution, pesticides, and cancer in children.

The opposition to 128 and 130 spanned the political spectrum, from the loggers, foresters, and family farmers whose jobs and livelihood were threatened by the measures, to pesticide manufacturers, oil companies, and agricultural cartel firms. The business-backed opposition committee, known as "No on 128, the Hayden Initiative," spent over \$10 million, much of it on dull-as-dishwater radio and TV ads, with lines like: "Everyone is for protecting the environment, but the Hayden Initiative costs too much, tries to do too much, and may cause more problems than it solves." Toward the end of the campaign, the industry committee began airing a one-minute spot featuring former U.S. Surgeon General C. Everett Koop, correctly arguing that Proposition 128 would do nothing to protect the health of Californians.

### Effective opposition: LaRouche's associates

Having recognized early on the inadequacy of the campaign planned by the industry-sponsored committee against 128, political associates of then U.S. congressional candidate and political prisoner Lyndon LaRouche set up a statewide political committee, known as "Stop Eco-Fascism—No on 128 and 130," to expose the malthusian, anti-growth, anti-population policy behind both ballot measures. The "Stop Eco-Fascism" committee produced its own half-hour television documentary on Big Green, which exposed the austerity program the measure would implement, demolished the scientific frauds underlying every key section of the measure, documented the neo-pagan, anti-Judeo-Christian outlook of the "Green" movements in the West, and laid out the positive alternative—the economic recovery program of LaRouche, modeled on the successful programs of President Franklin Roosevelt in the 1940s and President John Kennedy in the early 1960s.

When the committee unveiled the documentary at a press conference by committee vice president Dave Kilber in Sacramento, the media mobbed the event and reported on it statewide. The Hayden crowd was so worried that they deployed two people to the press conference to monitor the program.

The committee then circulated the television program throughout the state, first through press tours in timber and agricultural areas, and later on cable TV in all the major metropolitan areas. Several hundred copies of the program were also produced on VHS videocassette and circulated to political supporters in timber, farming, labor, industry, and religious and community groups. The cable TV broadcasts, which made the show accessible to 2 million households, included the cities of San Francisco, Oakland, San Jose, Los Angeles, Long Beach and many nearby cities, and part of San Diego.

There is no question that the "Stop Eco-Fascism" committee played a critical, catalytic role in mobilizing opposi-

tion to 128 among the public and key policymakers, since only the committee made clear that Propositions 128 and 130 were, in fact, *eco-fascism*—fascism with an ecological face—that would “shut down our farms and factories, and cut your family’s standard of living.”

The critical role of LaRouche’s associates in communicating this message was underlined perhaps best by Tom Hayden himself. When confronted by a “Stop Eco-Fascism” representative at a debate on the initiative and asked if he weren’t in fact trying to set up “an eco-fascist police state, with you [Hayden] as the eco-Führer,” Hayden could only blurt out: “At least it won’t be with Lyndon LaRouche!”

### **Vote against taxes, depression**

Virtually every California ballot proposition which had a substantial price tag attached to it went down to defeat, including bond measures for prison construction, public schools, and the “war on drugs.” Despite the shallowness of the campaign waged by the industry-sponsored “No on 128, the Hayden Initiative,” their campaign did stress that there would be massive costs associated with Proposition 128. The developing Mideast war crisis also appears to have played a role in the defeat of Proposition 128, as well as the fear of higher gas prices due to so-called global warming and the carbon dioxide reduction sections of the measure. The *Sacramento Bee* published an analysis piece on the proposal several weeks before the election which noted that the crisis in the Gulf meant “rough going” for Big Green.

While it would be an exaggeration to argue that the overwhelming defeat of Proposition 128 indicates a complete repudiation by voters of radical environmentalism and malthusianism, it is clear that the election outcome does mean that voters are increasingly associating environmental measures with job loss and cuts in their standards of living. And as even California sinks into the depths of the onrushing depression, this is the beginning of the kind of political awakening necessary to reverse the past 25 years of environmentalist sabotage of productive agriculture and industry.

### **But eco-fascists never learn**

Far from abandoning its anti-growth, malthusian, “environmental protection” program, the environmentalist movement plans to continue pushing the same garbage contained in Proposition 128, although in a piecemeal, issue-by-issue fashion, through the legislature and with the signature of the new Republican governor, Pete Wilson. The tip-off to this orientation was an editorial in the Oct. 29 *Los Angeles Times* opposing 128 as “bad environmental science.” The *Times* argued that the machinery was already in place, *without* 128, to impose the environmental agenda, and referenced the Clean Air Act, the South Coast Air Quality Management District’s draconian air pollution control program, and recent actions by the state’s Air Resources Board.

The process by which the zero-growth environmental

agenda is already being imposed in California is exemplified by the ongoing takeover of key public and private utilities by hard-core malthusians. The Los Angeles Department of Water and Power, the nation’s largest public utility and historically one of the bastions of pro-nuclear, pro-water, and pro-development outlooks, has been taken over from the top by environmentalists. Over the past several months, Los Angeles Mayor Tom Bradley has orchestrated a coup at DWP, by appointing several environmentalists to the board of directors of the utility; the environmentalist faction now controls a majority of the board. One key appointee is Mary Nichols, formerly a staff attorney with the Natural Resources Defense Council. At the same time, the new chief executive officer of Southern California Edison, the largest private utility company in the nation, is John E. Bryson, an attorney who co-founded the NRDC. Albert Meyerhoff, another attorney for the NRDC, was one of the authors of Hayden’s Proposition 128.

## **Depression shows no incumbent is safe**

by Webster G. Tarpley

The Nov. 6 midterm elections were a serious defeat for George Bush, and at the same time a barometer of the rising mass-strike mood of large sectors of the U.S. population as war approaches and depression deepens. But while voters humiliated Bush, they did not inflict such massive damage on Republican candidates as to paralyze Bush and reduce him to undeniable lame-duck status: That would have required far more than the GOP’s net loss of one Senate seat, nine House seats, and one governorship.

The clearest repudiation of incumbents came in the governors’ races, where 14 of 36 state executive posts changed hands from one party to another. Governors were targeted by anti-establishment, anti-incumbency voters because it was they who, during most of this year, have personified the budget crisis of government in the depression. Not one governorship was uncontested. The majority of the population became aware of de facto national bankruptcy on the federal level only in October.

The biggest concentration of these gubernatorial turn-overs came in the Northeast, where the economic depression is the deepest, and where state budget crises had already forced a number of governors to give up their plans for reelection last spring. In Rhode Island, Democrat Bruce Sundlun



defeated Republican incumbent Edward DiPrete by a 74-26% margin. In Connecticut, independent Lowell Weicker, a liberal Republican retread, was elected, and the Democrats, who had been in power longer than in any other state, garnered only 21% of the vote. In Massachusetts, police-state figure William Weld takes over from the discredited Michael Dukakis machine, while in Vermont, Republican ex-governor Richard Snelling returns that party to power. In Maine, GOP Gov. John McKernan was shocked by his narrow margin of reelection.

In New York, much-touted presidential contender Mario Cuomo was embarrassed by his 53% winning margin against four weak opponents. "This is a blow for the governor," said former New York Mayor Ed Koch. "At the very least he should have gotten 60% of the vote." Cuomo failed to break the Republican hold on the New York State Senate, and failed to secure voter approval for an environmental bond issue he had campaigned for. In New Jersey, the tax revolt against Democratic Gov. Jim Florio very nearly brought about the defeat of another presidential hopeful, Sen. Bill Bradley (D), who eked out 51% over Christina Todd Whitman.

A similar tendency to vote out the incumbent governor irrespective of party label was visible in the Great Lakes rust-bucket, where Democrats had long had the upper hand: Democrat James Blanchard lost in Michigan, while Republican George Voinovich bested Democrat Anthony Celebrezze in Ohio in the race to replace Democratic incumbent Richard Celeste. By contrast, Democrats captured previous Republican strongholds in the Sunbelt, winning the governorships of Florida and Texas from the GOP to control the redrawing of new congressional districts there on the basis of the 1990 census. The Texas defeat was a special humiliation for Bush, who had campaigned for three whole days for Clayton Williams in the last days of the campaign, joining the Republican phone team to urge individual voters to vote for the GOP. Bush has thus been repudiated in what he considers to be his home state. In Florida, Jeb Bush, the President's son, was the campaign manager of defeated Republican incumbent Gov. Bob Martinez, for whom the President also campaigned heavily.

Signs of discontent multiplied in the Midwest and the farm belt. Minnesota was the most anti-incumbent state, turning out Democratic Gov. Rudy Perpich (despite a last minute GOP switch to Arne Carlson for governor), and Republicans Sen. Rudy Boschwitz and Rep. Arlan Stangeland. Boschwitz had campaigned on the basis of his support for the Bush deficit reduction package. In Nebraska, Democrat Ben Nelson scored a surprise win over Republican Gov. Kay Orr. In Kansas, Republican Gov. Mike Hayden, who had raised taxes, was turned out in favor of Democrat Linda Finney. In Oklahoma, Roman Catholic Democrat David Walters defeated a former U.S. Attorney to replace retiring Republican Gov. Henry Bellmon. In Alaska, Warren Hick-

ell, Nixon's secretary of the interior, won the governorship as the candidate of the Alaskan Independence Party. Hickell and Weicker are the first third-party governors to be elected since 1974.

### **Bush, the kiss of death**

Bush's campaigning proved to be the kiss of death for candidates in numerous instances. Bush intervened in 18 contested races, and in 14 of these the Democrats were victorious. Republicans had encouraged House GOPers with safe seats to run for the Senate, but were only able to retain the seat of retiring Sen. Gordon Humphrey in New Hampshire while losing in five other states (Bill Schuette in Michigan, Claudine Schneider in Rhode Island, Lyn Martin in Illinois, Tom Tauke in Iowa, and Pat Saiki in Hawaii). Unlike the Reagan years, this time all Democrats ran against Bush as the champion of the plutocrats. Many Republicans followed the advice of Ed Rollins, the head of the House Republicans' campaign committee, and distanced themselves from Bush by calling for no new taxes. Others, like Republican Sen. Mitch McConnell of Kentucky, saved themselves in close races by espousing the Democrats' "soak the rich" populism and repudiating Bush's positions.

Some Republican seats may have been lost as a result of the vindictiveness of Bush's embattled White House chief of staff, John Sununu, who is thought to have engineered the defeat of New Hampshire GOP Rep. Chuck Douglas, who had bucked the White House line on taxes. Sununu may be the author of the defeat of Vermont GOP freshman Rep. Pete Smith, who had criticized Bush to his face during a campaign appearance. Here the beneficiary will be Socialist Bernard Sanders, whom Sununu may see as a potential embarrassment to House Democrats, with whom he will ask to caucus.

The House has become the branch of government most remote from the people. Here about 65 incumbents had no opponents whatsoever. In the House races, the average incumbent had eight times as much money to spend as his hapless challenger. Even so, 21 seats changed hands, and 15 incumbents were turned out, including 9 Republicans. A sub-threshold revolt against incumbents was registered in a number of close calls for incumbents like Reps. Newt Gingrich (R-Ga.), Guy Vander Jagt (R-Mich.), Tom Downey (D-N.Y.), Gerry Studds (D-Mass.), and Vic Fazio (D-Calif.), whose votes were around or below the 55% level that makes a House member vulnerable.

While three senators—Sam Nunn (D-Ga.), David Pryor (D-Ark.), and Thad Cochran (R-Miss.)—had no opposition, 31 incumbents spent a total of about \$135 million on their campaigns for an average of over \$4 million per incumbent, while challengers had about \$1 million each to invest. The New Jersey and Minnesota races, especially, show that as the crisis deepens, money alone cannot make an incumbent invulnerable.



# Dope lobby gloats over Bush's phony war on drugs

by Our Special Correspondent

It was a telling indictment of the Bush administration's phony war on drugs, that one week before William Bennett's resignation as drug czar, the participants at this year's Drug Policy Foundation conference, the annual gathering of the dope lobby, were told of his imminent departure, and even provided with a profile of his likely successor. Inside the Washington Beltway, there is no question that the dope lobby is winning the war.

But Washington, D.C. and its immediate environs do not usually reflect the attitudes of the American people, and the drug issue is no exception. One leading dope lobbyist, Harvard-trained psychiatrist and New Age guru Andrew Weil, confided to the audience on Nov. 3, at the closing plenary session of the four-day Drug Policy Foundation fête at Washington's posh Mayflower Hotel, that two election day votes would provide a litmus test of the American people's attitudes about drugs. One was the reelection race of North Carolina's U.S. Sen. Jesse Helms (R), whom the dope lobby (like the porn lobby and the homosexual lobby) named as Public Enemy Number One up on Capitol Hill. The other was a referendum on the ballot in the state of Alaska calling for the recriminalization of marijuana. "Alaska is America's last frontier, the place that people go to escape all authority and just do their own thing. If we lose in Alaska as the result of an urban voter mobilization, then the last frontier will have been lost," Weil said.

Jesse Helms won his reelection bid, and the Alaska recriminalization referendum, Proposition 2, passed by a sizeable majority. Alaska previously had the nation's most liberal marijuana laws.

## 'Legalize all drugs!'

It is a sign of the times that George Bush's Washington, D.C. is moving in an opposite direction to that of the majority of Americans. The hypocrisy of the Bush administration's war on drugs is the biggest thing that the dope legalizers have going. Ironically, while the majority of Americans know that

there is no real war on drugs being pursued by the administration, speaker after speaker at the DPF event stood up to denounce the Bush efforts as if they were serious and to hold them up as "proof" that no war on drugs can be successfully waged. The only alternative, they argued, was the legalization of all drugs.

American Civil Liberties Union executive director Ira Glasser, long an advocate of legalization, delivered the political marching orders to the dope lobbyists at the closing plenary session. After joking about the fact that legalization has become a "right-wing" issue with the endorsements of George Shultz, William F. Buckley, and Milton Friedman, Glasser called for an all-out propaganda drive to "get beyond the negatives" of merely attacking Bush's flawed and failed drug war, and to begin winning over legislators, police, and the man on the street to the idea of "drug reform"—the dope lobby's buzz word for legalization.

Glasser's call was seconded by Andrew Weil, who told the crowd that the Bush administration's police-state brutality against the urban poor could trigger a civil war. Weil said he would welcome such a crisis, "because changes in lifestyle only occur when people are scared. A social catastrophe is needed to force the present policies of the drug warriors to be abandoned."

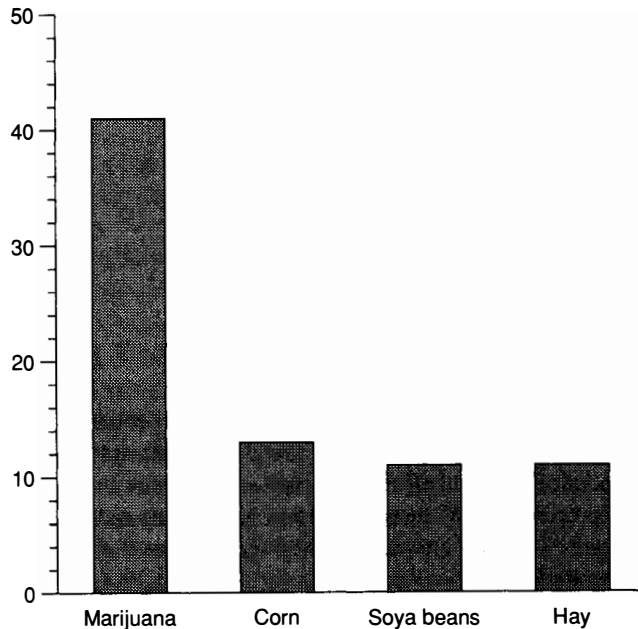
As in past years, the Drug Policy Foundation's conference placed a great deal of emphasis on marijuana, which has now emerged as the undisputed number-one cash crop in the United States (see **Figure 1**). Dr. Lester Grinspoon, one of the "Harvard mafia" which has run the American dope lobby since its inception, delivered a speech claiming that marijuana is the new wonder drug. Underscoring the dope lobby's close affinity to the right-to-die movement, Grinspoon urged that marijuana "therapy" be administered to incurable cancer patients and people suffering from other fatal diseases.

Whereas in the past, the dope lobby was quite open about its commitment to legalize all dangerous "recreational"

FIGURE 1

## Marijuana is America's top cash crop

(1988 value in billions \$)



Source: NORML *Bulletin*, Fall 1990

drugs, this year the Drug Policy Foundation gurus were far more careful about laying their agenda out, even before an audience of several hundred hardcore supporters. But in private discussions, DPF figures like Kevin Zeese (see box), Dr. Arnold Trebach, Richard Dennis, and Dr. Ethan Nadelman candidly called for the repeal of all drug laws, arguing that, in "pragmatic terms," the drug war is more dangerous than drugs.

Instead of peddling "true confessions" about their intentions, the dope lobbyists focused this year's event on "AIDS prevention." At an opening press conference on Halloween morning, DPF president Arnold Trebach announced that the 1990 Richard Dennis Drugpeace Award of \$100,000 would go to the purchase of 1 million disposable hypodermic needles, which would be illegally distributed from coast to coast to heroin addicts. One of the two recipients of the money, Jon Parker of the Boston-based National AIDS Brigade, told reporters that he had been a heroin addict for years, had served time in state and federal prisons, but that he had turned his life around and was now attending Yale Medical School. "Anyone can lick drugs. Drugs don't kill. But AIDS kills. . . . To deprive heroin addicts of clean needles is murder," he said.

In addition to footing the bill for the Drugpeace prize and an estimated \$200,000 in annual DPF operating expenses, dope lobby piggybank Richard Dennis this year began pour-

ing money into a slick propaganda campaign utilizing public TV. In many parts of the country, the Drug Policy Foundation is airing a weekly hour-long interview show called "America's Drug Forum." Two afternoons of the DPF convention were devoted to filming segments of the show, complete with audience participation.

As Glasser, Zeese, Trebach, Weil, and others repeated throughout the conference, the dope lobby intends to ride into power on the wake of George Bush's deliberately futile anti-drug efforts. The mass dissemination of glossy documents (the conference proceedings were published and available for sale by the opening session of the event) and the use of the Public Broadcasting System half-hour specials are aimed at saturating the population with "drug reform" success stories, as drug-related crime skyrockets, driving the public into despair and demoralization.

### 'Let the government push dope'

In contrast to the Bush "drug war," attendees at the DPF event were presented with a second dose of dope lobby fine-tuned propaganda: the "success" of drug reform and legalization in Western Europe, particularly in England and the Netherlands. Although a dozen European dope lobbyists attended the conference, no one seemed to take note of the fact that drugs are now pouring into the European markets at an alarming rate, causing a massive increase in addiction and violence.

The slickest of the advocates of the "European model" was Dr. J. A. Marks, a psychiatrist who runs a string of drug "clinics" in the Mersey Region of England near Liverpool. In a paper circulated among all the conference attendees, Marks advocated a policy he calls "Pick Your Poison":

"In the Mersey Region, drugs are prescribed on an indefinite basis to drug users, because there is not then the necessity to commit acquisitive crime to buy drugs, there is no need to sell drugs to others to finance one's own use, there is no need to risk one's (and others') health, and possibly life, with adulterated drugs, and it is likely to promote re-attendance at the clinic for considered appropriate clinical action. An important side-effect is the removal from criminals of a lucrative source of revenue. Provision of a state-controlled (through responsible drug dependency clinics) supply of drugs rapidly brings into contact with the authorities a large majority of the most serious drug problems that other services, *simply because they do not supply drugs, never see*" (emphasis in original).

Marks claimed that by turning the government into authorized dope pushers, crime could be curbed, the spread of AIDS among intravenous drug users could be checked, and the rate of increase of drug abuse could be slowed. Railing against the Reagan administration for having pressured the British government to abandon its "free dope for the junkies" policy, Marks cynically noted that there is "no cure" for drug addiction. This "pragmatism" was only equaled by DPF

moneybags Richard Dennis, who described drug addiction as “the classic victimless crime.”

The not-so-subtle racism of these “drug reformers,” who advocate dope pacification of the urban slums so long as the crime rate can be brought under control, was implicitly recognized by one plenary speaker, who lamented the fact that among the 200-300 attendees at the conference, there were scarcely any black or other minority participants. In fact, the only speaker who could be mustered to represent Ibero-America was a representative of Amnesty International who spoke with a clipped British accent.

The majority of the European participants were politicians associated with the Radical Party, the Italian-based Benthamite grouping that has now expanded its activities into Eastern Europe under the name Transnational Radical Party, or the Euro-Group for Social Deviancy, a collection of radical criminologists linked to some of Europe’s most ruthless terrorist underground groups.

One Radical Party speaker at the DPF event, John Bok, is an official of the Czechoslovakian Interior Ministry. He told a closing session on “An International Assessment of the Drug War” about a conference he attended in Moscow earlier this year, co-sponsored by the Drug Policy Foundation and the Russian Soviet Federated Socialist Republic. Bok claimed that the Russian Republic President, Boris Yelstin, had personally taken an interest in the dope lobby’s proposal to legalize drugs as a way of cracking down on black marketeers and mafiosi who run a lucrative parallel economy by peddling drugs and other contraband.

### **The LaRouche alternative**

If George Bush’s phony war on drugs is to be prevented from causing a backlash that would allow the dope legalizers to implement their agenda, a real anti-drug effort must be launched soon. To date, the best model for such a war was designed by jailed American statesman Lyndon LaRouche, and presented at an anti-drug conference in Mexico City in March 1985.

LaRouche called for a cooperative effort on the part of all the governments of the Western Hemisphere to eradicate the narcotics flow at the point of production, in transit, and on the streets of America; to launch an ambitious drug education and public health program; and to finance much of the effort by a crackdown on the drug monies that flow through the major international banks every day of the year. With illegal drug revenues soaring towards the trillion-dollar-a-year mark, bank account seizures could easily provide the funds for a serious anti-drug effort, free from the kinds of police-state tactics that have been the hallmark of the Bush efforts.

For his trouble, LaRouche was framed up and thrown in jail. The consequence is the kind of dog and pony show that played out between the Mayflower Hotel ballroom and 1600 Pennsylvania Avenue Nov. 1-4.

## **A sample of the drug lobby’s lies**

*Kevin Zeese, the vice president and general counsel to the Drug Policy Foundation, made the following comments to a reporter attending the Drug Policy Foundation’s Fourth Annual International Conference on Drug Policy Reform at the Mayflower Hotel in Washington, D.C.*

Does marijuana provide a benefit to people? We have a very stressful society and there are many ways to relieve stress: jogging, TV, meditating, drinking wine with dinner, drinking a martini before dinner—and smoking marijuana is another example of a way of relieving stress. It may be a positive. . . .

Yes, usually drugs are negative, but they can also be positive. Take the case of New York, where people have been written off by the rest of their society. The city has been undercut economically through high unemployment, high inflation, and very little money. There is a lot of suffering. Heroin use is a way of escaping it. I don’t advocate heroin use as an escape method, but you have to understand it. When you make people suffer, they’re going to want to escape. We’ve been wrecking our urban inner-cities, and now we’re beginning to pay the price. . . .

Crack is the most recent example of a “worst drug ever.” Last year, *Newsweek* ran a cover story on crack, the new horror. Now, a year later, they published a full-page story that crack is just like every other drug. The addiction rate is lower than nicotine. There is nowhere near the immediate addiction. Violence related to crack, it turns out, is more related to the crack trade than to crack intoxication. The “crack baby” issue: New research shows that it is not a long-lasting problem. It can be dealt with by proper health care after the birth. So, even a drug like crack—which is not a good drug—there is a lot of exaggeration. Crack does not cause violence in most people. It is not immediately addicting, and crack babies is a problem being solved by a health strategy. . . .

The drug war is more harmful than the drugs are. That’s pretty much what the balance comes down to. Is the drug war more dangerous to our society than the drugs are? Can we deal with the problem of drugs in a way less costly to our society—not just costly in economic terms, but in human terms as well?

# National News

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## Government opposes LaRouche damages claim

The U.S. government has filed its opposition to the claims for damages by three companies affiliated with Lyndon LaRouche—Caucus Distributors Inc., the Fusion Energy Foundation, and Campaigner Publications, Inc.—claiming that since the victim companies are now destroyed, they have no standing to sue for damages.

Bankruptcy courts have found that the government acted in bad faith and committed a “constructive fraud upon the court” in imposing an involuntary bankruptcy upon the companies in April 1987. The non-repayment of loans of the entities after the forced bankruptcy was the basis upon which Lyndon LaRouche was railroaded into prison.

In their brief, the government claims that the only reason the companies are shut down is because the officers of these companies refused to cooperate with the bankruptcy trustees, and asserts that the companies were not damaged by the involuntary bankruptcy because at the time of the bankruptcy the companies were “financial basket cases.”

Faunting the fact that the bankruptcy was brought in conjunction with criminal prosecutions, the government attacks the debtors for asserting their Fifth Amendment rights during the bankruptcy proceeding and asks the court to order the debtors to say they will not assert their Fifth Amendment rights in pursuit of the damages, even though there are still ongoing criminal proceedings against these same companies.

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## Horse-trading in the flesh of POWs exposed

James D. Sanders of Williamsburg, Virginia exposed the fact that the U.S. has been trading the flesh of prisoners of war since the end of World War II, in a letter to the editor printed in the Nov. 11 *Washington Post*.

Sanders has uncovered Pentagon memos which document that Stalin held almost 25,000 U.S. POWs in camps situated in areas occupied by the Red Army who were not released to the U.S. The Soviets demanded an exchange of the prisoners for leading anti-communist Russians and other East Europeans who had fled to the U.S.-occupied areas at the close of the war. To protect scientific and intelligence assets, the U.S. refused.

The documents show that there was a deliberate falsification of Army records to discredit a 1945 Army memo describing the POWs held by the Soviets, and attribute the information to a statistical error. One version of the coverup memo proposed to admit that the Soviets were holding 3,000 prisoners. The final version admitted to none.

Other knowledgeable sources report that many of the POWs-MIAs suspected to be in the hands of the Vietnamese were sent to China and the Soviet Union where their technical skills were needed.

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## Call for probe of head of Fish and Wildlife

The Mountain States Legal Foundation has called for a full investigation of John F. Turner, director of the U.S. Fish and Wildlife Service, following reports that that agency and environmental groups killed hundreds of birds in Alaska to gather evidence to use in court.

“All Americans are justifiably shocked at the decision of the U.S. government to order the killing of hundreds of birds,” wrote William Pendley, president of the foundation, in a letter to Interior Secretary Manuel Lujan. “This episode demonstrates . . . that the agency is totally out of control.”

The U.S. Fish and Wildlife Service ordered the killing of hundreds of birds, which were soaked in oil and thrown into Prince William Sound. The killings were requested by lawyers with the Department of Justice in order to gather information for legal action in the Exxon Valdez oil spill.

The foundation has officially requested Attorney General Richard Thornburgh to investigate the behavior of DoJ lawyers

who requested the killings. “This obscene action by the Department of Justice attorneys leads one to the conclusion that they . . . are apparently consumed by a win-at-all-cost mentality,” Pendley wrote in a letter to Thornburgh, and may have “violated not only federal law but the Code of Professional Responsibility required of all attorneys.”

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## Exxon Valdez cleanup a boondoggle, says CRS

The Congressional Research Service (CRS) has released a report that concludes that the \$2 billion spent to clean up the *Exxon Valdez* oil spill was completely wasted.

The author of the report, James Mielke, told Congress that even with the most immediate and massive clean up efforts, no more than 10-15% of the oil can be recovered, and because oil is a natural hydrocarbon and its toxic elements quickly evaporate, there is no long-term damage to ecosystems.

Mielke examined the greatest oil spills in world history, including the Santa Barbara channel offshore well blowout of 1969, the huge Campeche Bay Mexican offshore oil-well blowout in 1979, and the mammoth Amoco Cadiz spill off Brittany, France. He found that natural recovery from oil spills is generally far more effective than elaborate and costly cleanup schemes and that “predictions of long-term effects have been largely unsubstantiated.”

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## Northwesterners band to fight environmentalism

Towns and counties in Montana and Idaho representing 40,000 citizens, have banded together to challenge the decision of the eco-fascists in the U.S. Forest Service to limit timber harvesting in the Upper Yaak River Drainage of the Kootenai National Forest.

The legal action was filed by Mountain States Legal Foundation for its members and on behalf of Lincoln County, Montana; Boundary County, Idaho; the cities of Bonners Ferry and Moyie Springs, Idaho;

## Briefly

● **CANDIDATES** who ran on issues associated with Lyndon LaRouche “sometimes got as much as 20%,” in U.S. House and Senate races in Virginia, reported an Associated Press wire on Nov. 11. It reported that Nancy Spannaus, who opposed Sen. John Warner (R-Va.), got as much as 40% of the vote in some districts.

● **WILLIAM BENNETT** announced Nov. 8 his resignation as “drug czar” of the Bush administration—becoming the second person, after Elizabeth Dole, to leave the Bush cabinet in the last few weeks.

● **SUSPECTED SOVIET SPY** Felix Bloch has been dismissed from his post at the State Department—over a year after French intelligence signaled the U.S. that Bloch was a Soviet spy—but Bloch may still be able to get his pension, which is 70% of his \$80,000 salary. Bloch has been close to cronies of Henry Kissinger such as Helmut Sonnenfeldt, Lawrence Eagleburger, and R. Mark Palmer.

● **RICHARD LAMM**, the former governor of Colorado, said Nov. 7 that the U.S. can no longer afford to give top medical care to everyone, especially the very old and premature babies, the *Boston Globe* reported. “No other society spends so much on death and dying,” Lamm declared at a conference in Boston sponsored by John Hancock Financial Services.

● **AARON OWEN**, the brother of Nebraska child abuse victim-witness Alisha Owen, was found hanged in his Lincoln jail cell on Nov. 8, just 12 hours before a hearing on Miss Owen’s upcoming trial for perjury. Aaron Owen’s death has been termed a suicide.

● **WOMAN’S DAY** magazine includes a recipe contest in its November issue called “How to Make George Bush Eat His Broccoli.” The recipes must use Cream of Broccoli soup, and first prize is \$5,000.

Libby, Eureka, and Troy, Montana; Communities for a Greater Northwest; and Owens and Hurst Lumber Co.

“For a 1% increase in Grizzly Bear habitat, the Forest Service has decided to cut the permitted timber harvest by 43% and the income to the communities by 45%,” stated William Pendley, president and chief legal officer of the foundation. “In addition, the Forest Service has decided to leave over 3,829 acres of timber, destroyed by the Mountain Pine Beetle, to rot instead of letting it be harvested for jobs, revenue, and fire prevention. As a result, 76.5 million board feet of timber—enough timber for 6,962 homes—will provide the tinder for the next devastating fire to sweep through the region. . . .

“This appeal is . . . about whether or not mankind has a place in northwestern Montana and northern Idaho,” he said.

## National security alumni cover LaRouche railroad

The judicial railroading of Lyndon LaRouche is reported on in the November issue of *Unclassified*, the newsletter of the Association of National Security Alumni (ANSA).

In its “Shadow Justice” column which covers the ongoing litigation of victims of the Iran-Contra fiasco, *Unclassified* reports that “although in ill health, LaRouche was required to perform physically demanding kitchen duties.”

*Unclassified* reports that “LaRouche claims that [his] arrest resulted, not from any fraud, but because he refused to put his organization at the service of the North-Secord ‘enterprise’ and was, in fact, competing with the enterprise for the money of the same donors. . . .

“Whatever the validity of the charges against him, it cannot be denied that the government has pursued LaRouche with a zeal not shown for the [Oliver] Norths and [Gen. Richard] Secords.” *Unclassified* reported that the government was “embarrassed” when it was found that “Secord was spying on LaRouche for Oliver North. Likewise, FBI documents showed that it, too,

was surveilling LaRouche at the behest of the CIA and had infiltrated his organization. . . . Richard Morris, former staff assistant to Judge William Clark, National Security Advisor to President Ronald Reagan in 1981 and 1982, testified that Clark had used LaRouche’s organization in consultation with the NSC. But, he said, after LaRouche publicly opposed the Nicaraguan Contra operation, other NSC officers began to talk of taking action against him. . . .

“The government seized LaRouche’s three publishing organizations and forced them into bankruptcy. It then prosecuted the firms and their officers for failing to repay loans behind the allegations of credit card fraud. On Oct. 1, 1990, the U.S. government notified lawyers for the corporations that it would not appeal rulings of federal bankruptcy court Judge Martin Bostetter and district Judge Claude Hilton that the government seizure of the three firms was unlawful, carried out in objective bad faith, and finally, had been accomplished by means of a ‘constructive fraud on the court.’

“Whatever one may think of LaRouche, his ideology, or his political methods, there are many aspects of his case . . . to allow more than a suspicion that LaRouche . . . is a victim of Shadow Justice.”

## Zionist lobby hosted by Saudi prince

On Oct. 26 Saudi Ambassador to the U.S. Prince Bandar bin Sultan gave a breakfast “attended by some of the capital’s foremost advocates of Israel,” to form a blue-ribbon committee to mobilize U.S. public opinion for war, according to columnists Rowland Evans and Robert Novak Nov. 7.

Among those present were Henry Kissinger’s friend, Rep. Stephen Solarz (D-N.Y.), together with Reps. Tom Lantos (D-Calif.) and Robert Torricelli (D-N.J.).

The idea for a citizens’ committee is being pushed by Richard Perle, the former assistant secretary of Defense, who is believed to have been part of the “Mr. X Committee” directing convicted spy Jonathan Pollard.

# *De Gaulle, Kennedy, and LaRouche*

Nov. 22 commemorates the 100th year since the birth of Gen. Charles de Gaulle. It is also 27 years since the assassination of President John F. Kennedy. There is an important point of comparison between these men and Lyndon LaRouche—that aspect which is encapsulated by LaRouche's enunciation of the policy of "Food for Peace," and most recently in his proposals for massive water development projects in the Mideast as the only dependable guarantee of stability in that region.

LaRouche's speech at the Bristol-Kempinski Hotel in Berlin on Oct. 12, 1988, where he proposed large-scale Western economic development aid to the Soviets as the basis for an end to the Cold War, was fully coherent with General de Gaulle's policy initiatives. These initiatives have also laid the basis for an alternative to the kind of North-South genocidal warfare which the Bush-Thatcher circle is bent upon detonating.

De Gaulle's proposal of a "Europe from the Atlantic to the Urals" foreshadowed the reunification of Germany and the potential implicit in the new Soviet-German economic accords, for massive infrastructural and technological investment in a triangular region connecting these nations and reaching out to France, Italy, Poland, and Czechoslovakia.

On March 23, 1960, de Gaulle, as President of France, welcomed then Soviet head of state Nikita Khrushchov to France, and addressed the following remarks to him, quoted from his autobiography, *Memoirs of Hope: Renewal and Endeavor*. Said de Gaulle: "The question at issue is not how to stir up conflict but how to organize peace. . . . We [must] create among Europeans, from the Atlantic to the Urals, new relationships, new ties, a new atmosphere, which will first of all take the sting out of the German problems, including that of Berlin, then lead the Federal Republic and your Eastern Republic to join forces, and finally enclose the whole of Germany within a Europe based on peace and progress where she can make a fresh start."

The date was also March 23, in 1983, when President Reagan made his famous speech announcing the policy for the Strategic Defense Initiative. Reagan laid

out a continuance of de Gaulle's policy for a Soviet-Western détente, according to prescriptions for economic and technological cooperation which LaRouche had been developing for Reagan's advisers.

The question before us now is, whether in opposition to the clinical insanity of the present British and U.S. government policies, we can achieve the kind of political stability which de Gaulle envisioned. In the words of Pope Paul: "Development is the name of peace." This means that we in the West must offer the Soviet Union actual infrastructure development and the means of increasing its productive capabilities—not "monetary restructuring" of the sort offered by Harvard Business School, which is intended as a clever way of looting the economies of Eastern Europe and the Soviets on behalf of Western banking and financial interests.

De Gaulle's idea of a Europe from the Atlantic to the Urals was intended to counterbalance the Anglo-American policy, which even in his day—insofar as the United States was then dominated by the British Foreign Office—was viciously malthusian toward the developing sector. The election of John F. Kennedy to the White House offered a unique lease on life, not only to a U.S. economy which was at best stagnating during the Eisenhower years, but to a U.S. citizenry which was becoming increasingly banal and selfish in its orientation.

Kennedy's policies put an American on the Moon within the decade, and gave Americans some sense of universal mission to bring progress and technology to the world. Despite the problems of his presidency, his murder (and the attempted murder of de Gaulle by the same circles) testifies to the implicit power of his policy direction. Since his death, the United States has rapidly declined to the status of a virtual British satrapy. The same circles who conspired to murder Kennedy, or collaborated in a coverup of the conspiracy, are now imprisoning Lyndon LaRouche and his associates.

Let us celebrate General de Gaulle's birthday by redoubling our efforts to decisively defeat his—and LaRouche's—enemies.

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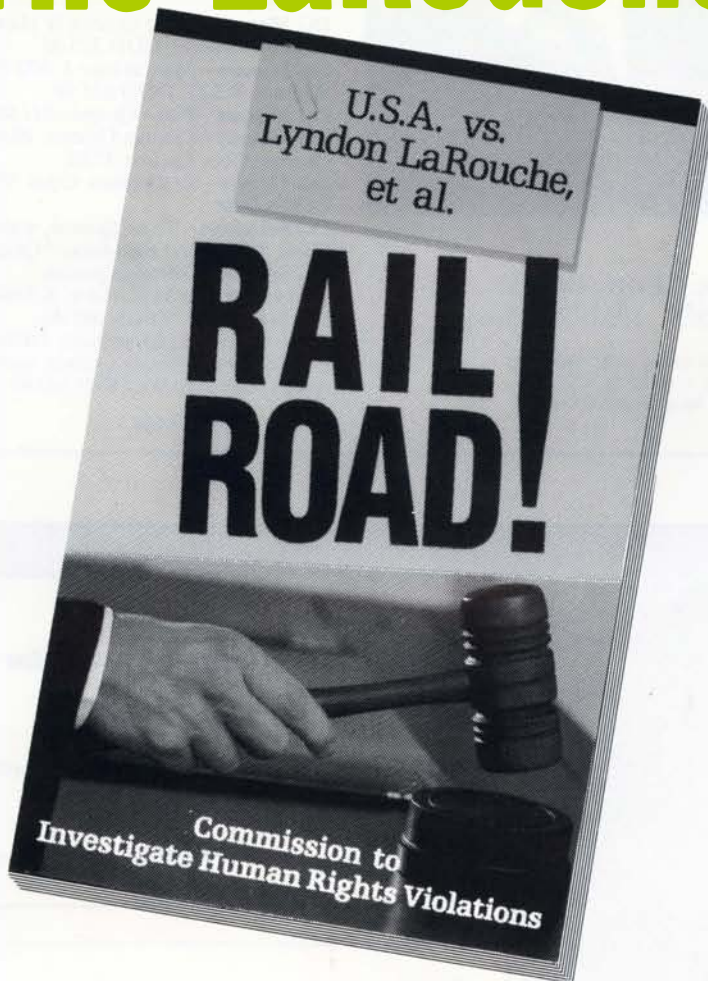
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