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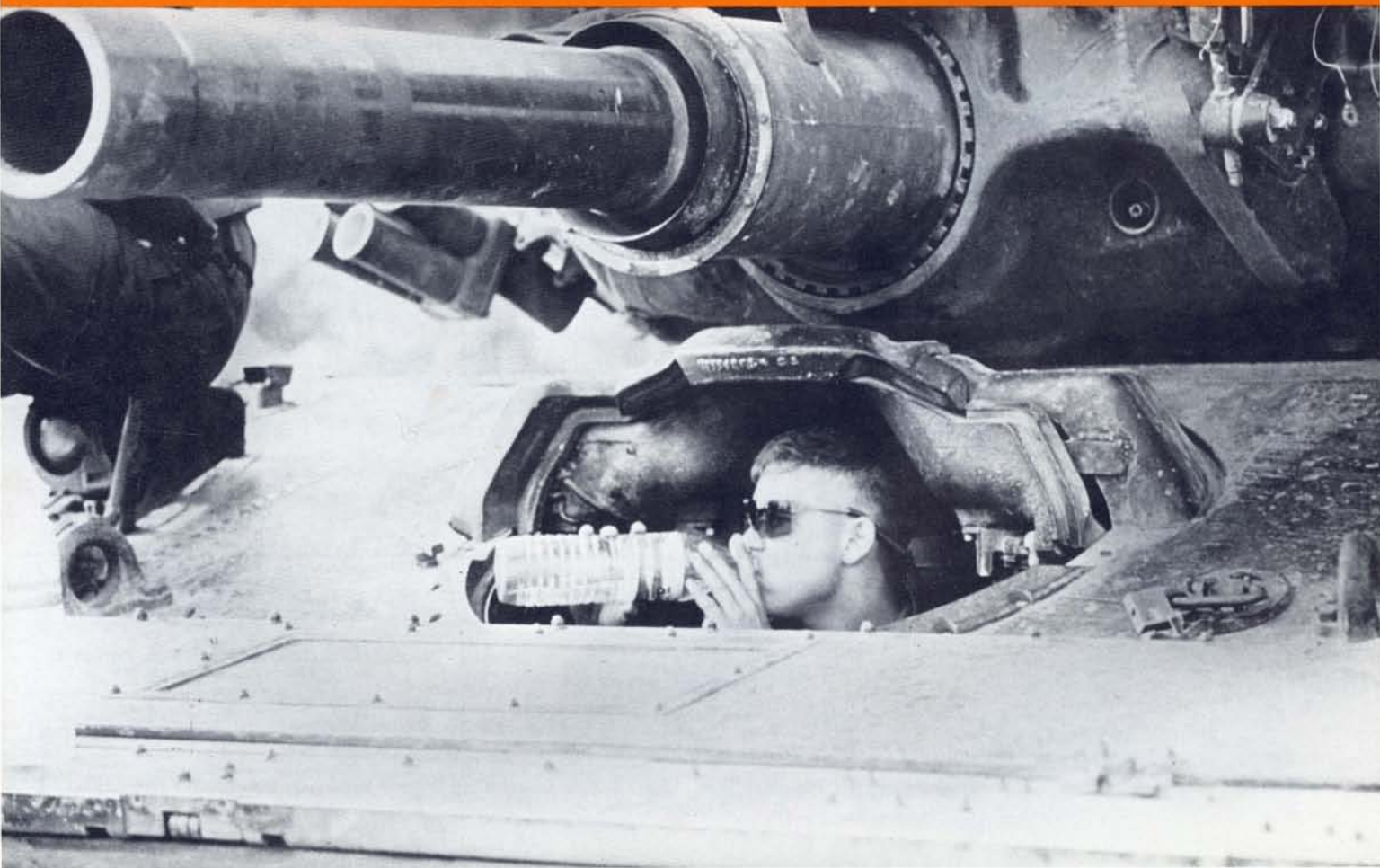
Executive Intelligence Review

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From the Editor

As our *National* report shows, there is a growing U.S. backlash against Bush's war mania. The question is, is it enough, and will it be in time?

With the United Nations Security Council resolution to authorize the use of force against Iraq, we have entered into a new phase of the international crisis. Not only were all legal procedures of the U.N. bypassed in Bush's forced march to get this decision, but the supposed purpose of the United Nations as an instrument of international peace and cooperation is discredited. The U.N. is the tool of Henry Kissinger's policy of malthusian genocide toward the Third World.

Kissinger's new bloody war must be stopped: by the U.S. Congress, or by public outcry. *EIR's* preliminary picture of what this war will cost debunks the self-serving lies being put out by administration:

Lie #1—It can be a quick, relatively painless war. This assumes, wrongly, that the U.S. can destroy the Iraqi Air Force in a few days. It also ignores estimates by military experts that there will not only be tens of thousands of U.S. casualties, but hundreds of thousands of Iraqi ones. On top of that, the refugees will number about 2 million if war breaks out.

Lie #2—The Saudi oil fields will not be destroyed. This is crazy, as experts say that with just a match in one pipe, the entire Saudi system can go.

Lie #3—The sooner a war comes, the earlier oil prices will come down. Even the official World Bank estimate of a rise to \$65 a barrel contradicts this. This rise will devastate wheat-producing countries in Asia (India, Pakistan, Bangladesh) and the Philippines, which is 90% dependent on imported oil. It will also hurt Brazil. As for the United States getting oil from South America, and Europe getting it from Russia, there is one big problem—the infrastructure for added capacity just isn't there!

Lie #4—The U.S. has overwhelming military superiority. While the U.S. can definitely blow Iraq off the map with nuclear weapons, or other bombings, it cannot handle the expanded war that will be set off. U.S. troops in the Middle East already have massive shortages of ammunition and appropriate clothing, and major transport bottlenecks. There are also major equipment problems and a devastating vulnerability on water supply.

Nora Hamerman

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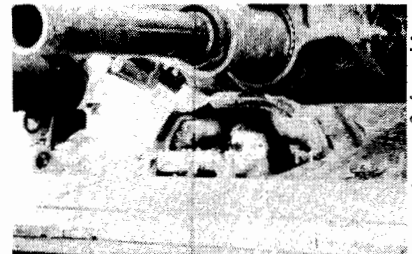
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National



Army photo by Sgt. Roman, 49th PAD.

A growing backlash against Bush's war in the Gulf is demanding that American forces be brought home. A 1960s-vintage M-551 Sheridan tank of the 82nd Airborne Division is shown here on the ground in Saudi Arabia.

54 Psycho Bush heads toward genocidal war

The U.S. military deployment to the Persian Gulf has nothing to do with Iraq's actions. Bush is carrying out Henry Kissinger's longstanding policy of destroying any Third World nation which tries to industrialize. But like Hitler before him, Bush seems to be getting out of control.

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Food weapon stokes the fires of war

by Chris White

A Soviet delegation, in Washington, D.C. on Nov. 26 to negotiate grain shipments from the United States, was turned away empty-handed. During the just-concluded Paris summit of the 34 signatory nations of the Treaty on Security and Cooperation in Europe, U.S. Secretary of State James Baker threatened his Soviet counterpart, Foreign Minister Eduard Shevardnadze, by making U.S. deliveries of food to the famine-threatened cities of the Soviet Union contingent on continued Soviet cooperation in the Bush clique's war aims in the Gulf.

The threats must have seemed odd to the Russian representative's ears, for U.S. food shipments to the Soviet Union have been curtailed dramatically since the Gulf hostilities began in early August. The U.S. refusal to ship food, described even to the *Wall Street Journal* by Daniel Basse, director of marketing for the AgResource Co. of Chicago, as "a de facto embargo by the Bush administration," is not the cause of food shortages or distribution problems in the collapsing Soviet Empire.

It is, however, part of an economic warfare destabilization strategy which is being conducted in parallel with the military occupation of nearly 60% of the world's proven oil reserves in the Arabian peninsula, by U.S. armed forces.

Kissinger pawprints

The food shutoff was adopted between late July and early August when Kissinger associate Lawrence Eagleburger, the deputy secretary of state, was appointed to head the administration's efforts to aid the collapsing Russian economy. It is part of the proof that the Iraqi occupation of Kuwait is the pretext—not the cause—for what is unfolding in the Gulf area. The food cutoff went into effect after German Chancellor Helmut Kohl and Soviet leader Mikhail Gorbachov met in Gorbachov's hometown, near the city of Stavropol, to

conclude the package of economic agreements which led to Germany's reunification this past October.

Both war in the Persian Gulf and food war were launched as part of an insane Anglo-American geopolitical effort to disrupt and destroy the prospects for the emergence of an integrated economic power in what such geopoliticians as Ray Cline, for example, are accustomed to calling the "heartland" of the Eurasian land mass.

This is illustrated by the conditions which the United States has imposed on delivery of food. The Bush administration insists that the Russians pay cash on the barrelhead for delivery. The Russians demand government-backed guarantees for purchases.

The administration counters that such credits can only be extended to nations accorded Most Favored Nation trading status under U.S. law. The Soviets can only qualify for such status if they pass a law permitting the free emigration of any of their citizens who might wish to leave.

The emigration weapon

Where would hungry and unemployed citizens of the collapsing Soviet empire go? West. From Norway, through Poland and Czechoslovakia, down to Italy by way of Austria, the western part of the Eurasian land mass is girding for the influx of a flood of refugees, in the range, according to official Soviet, Norwegian, and Czechoslovak projections among others, of 4 to 7 million people, in the period after Jan. 1, when the long-delayed emigration law is supposed to be enacted.

In the meantime, the combination of cutbacks in oil, following from the broader disintegration of the Russian economy, and the shutoff of Iraqi and Kuwaiti oil, along with the disruption of food supplies, can only be understood as economic warfare intended to bring the political systems of

countries east of the Elbe river to their knees.

There are reports circulating from *Washington Post* columnist David Broder, that the Bush administration seems to be ill-prepared for the kind of crisis which is about to erupt inside the Soviet Union, and in the nations of what was the East bloc only a year ago. This is pure cover story: Since the Bush crowd has been instrumental in aggravating the shortages which are driving the development of the crisis, one would better ask just what kind of crisis the Bush crowd is orchestrating around the developments in the Gulf.

Behind the oil grab

Food as a weapon, starvation as an instrument of state policy, ought to be abhorrent to the civilized world under any circumstances. Perhaps that is why the policy has been associated, in the recent 15 to 20 years, with the crowd which backs former Nixon secretary of state Henry Kissinger. Kissinger was the sponsor of the food-as-a-weapon obscenity against nations of the developing sector which, in the 1970s, were fighting for a new, just international economic order, along the lines developed by Pope Paul VI in his encyclical *Populorum progressio*.

Against the Pope's view of development as the new name for peace, Kissinger opposed the abominations of starvation and raw materials control, chiefly oil, to maintain the political power of his backers in the London- and New York-centered financial community.

It was the same Kissinger who then drafted, in 1974 and 1975, the plans for the U.S. military takeover of the Saudi Arabian oil fields. The Eagleburger who is now on top of what the administration's Orwellian newspeak calls a "relief" effort for the Soviet Union and Eastern Europe, was in those days Henry Kissinger's assistant.

Then, the principal target was the underdeveloped nations, where four-fifths of the human population of the planet live, the vast majority on the borderline between survival at barest subsistence; the aim was the annihilation, through preventable economic catastrophes such as the withholding of food, or the manipulation of markets for essential products such as oil.

Kissinger and his backers long considered that there were too many such people, especially those of black, brown, or yellow skin color, and that their numbers should be reduced. Food control, and raw materials warfare, were conducted to that end. Agencies such as the Club of Rome, the New York Council on Foreign Relations, the Draper Fund, the World Wildlife Fund, and the International Union for the Conservation of Nature, have been quite open about this intent.

So, who are they to talk about putting Saddam Hussein on trial for war crimes? Hitler and company could only have dreamed of genocide on the scale that Kissinger and his buddies like President George Bush have been implementing through their economic policies.

Whom are the missiles aimed at?

But now this abomination is also turned against the Soviet Union and Eastern and Western Europe. What kind of war do Bush and company think they are going to be fighting? Soviet Defense Minister Dmitri Yazov did tell U.S. Secretary of Defense Richard Cheney, during Cheney's last trip to Moscow: "If our missiles are not aimed at you, whom are they aimed at, Venezuela?"

This is ultimately the prospect which the deployment of the food weapon against the Soviet Union, and the insistence on the implementation of the destabilizing emigration law, opens up.

Apparently, this prospect has dawned on Senator Sam Nunn (D) from Georgia, in some form. Nunn warned in a recent *New York Times* commentary that there are far graver crises than the Gulf looming, namely in Eastern Europe and the Soviet Union, and that chaos in that part of the world is something that cannot be tolerated. This is because, he wrote, the Soviets have nuclear weapons. Nunn demanded that Bush waive the Jackson-Vanik link between emigration and trade, and launch a food relief effort, underwritten by Saudi and Kuwaiti money, in exchange for Soviet oil.

It would not have occurred to him that this won't work either. The Russians made clear months ago that they are not about to be opening up raw materials looting concessions of the sort that they did under the Trust arrangements of the 1920s. That plan was sunk in September when the Shatalin "free market" transition from socialism to Thatcherism was junked.

And meanwhile, there are no apparent preparations for emergency food shipments to Russia, though Bush supposedly has been formally asked to waive Jackson-Vanik. No office in the Department of State or Agriculture which would be concerned with such an effort is actually working on it. Nor is there significant funding from Saudi Arabia and Kuwait being discussed. The \$4 billion *loan* to finance food purchases in the United States, no matter what the Russians finally decide to do on the Gulf, will be read as nothing more than another insult.

Then what? It has been clear that India, Brazil, and Mexico are on the same target list as that which produced the U.S. invasion and occupation of Saudi Arabia. It must be considered that the Soviet Union, which is on the same target list, was offered an insane agreement by the Anglo-American crowd which backs Kissinger, namely: As support us in destroying 60% of the world's oil reserves, and we will cut you in, as junior partners, in a new world empire, if you turn over your raw material reserves, and let your unemployed and hungry loose on Western Europe. Then we might consider providing you with food.

If this is what the Bush crowd is up to, then the new year is going to bring something much more dangerous than a military conflict in the Gulf. Behind their use of the food weapon, Kissinger and the Bush crowd are pushing on toward World War III.

U.S. trade war targets Daimler-Benz

Washington has begun to escalate what insiders expect to be economic warfare against its perceived industrial rivals in Western Europe and Japan. A prime target for this effort is the leading German aerospace and transport vehicle conglomerate, Daimler-Benz of Stuttgart. But also high on the list are French technology groups such as Groupe Bull, and German and French chemical groups.

The latest propaganda phase of the operation was heralded Nov. 26 in a front-page feature in the Paris-based daily, *International Herald Tribune* under the byline of senior correspondent Reginald Dale. The first four sentences make their point: "The strategic alliance between two of the world's most powerful companies, Germany's Daimler-Benz and Japan's Mitsubishi Corp., has sent ripples of concern spreading far beyond the international business community. Alarmists in Europe and the United States have seen the deal as symbolizing a joint bid for domination of the world economy by the two main losers of World War II. Outside Japan and Germany, fears have been voiced of a 'new Axis' replicating the wartime alliance between Tokyo and Berlin."

'Webster Doctrine' against allies

This slanderous drivel—implying some nonexistent German and Japanese inclination toward fascism that the perpetrators of such a line don't even bother to document—is not coincidental, coming out less than one week before the first German national elections on Dec. 2. Everyone knows that reunified Germany can become the fulcrum of the world's greatest economic power, and the dog-eat-dog world of "Adam Smith" voodoo economics can only respond to that challenge by dirty tricks.

But if the propaganda is escalating, it is not new. The outlines of a radical U.S. policy shift were made public by CIA director William Webster in an address to the Los Angeles World Affairs Council on Sept. 19, 1989. Webster announced advanced plans in the U.S. intelligence community to redirect energies from their Cold War mission of combatting communism, toward a new mission which amounts to waging economic espionage and warfare against what had been U.S. Cold War allies. "Our political and military allies

are also our economic competitors," Webster put it bluntly.

On April 12, 1990, Webster made public that he had promoted CIA veteran Gary E. Foster to CIA deputy director and named him head of a new Directorate V for economic intelligence against industrial rivals of the United States.

The CIA is apparently not acting alone. The Federal Bureau of Investigation and the National Security Agency, which has sophisticated electronic eavesdropping posts across Western Europe, notably in Frankfurt, are also involved. FBI Foreign Counterintelligence head Douglas Gow signaled plans for new attacks on French industry in a Nov. 19 U.S. television broadcast where he charged that, in terms of economic espionage against American companies, "The French are the ones who show up on the screen the most." Gow accused the French security service DGSE, of spying on U.S. computer giant IBM on behalf of the French Groupe Bull.

Washington insiders say Gow's revelations are part of a process to lobby for new laws from Congress to legalize now-illegal FBI and CIA covert operations against industrial rivals abroad. Sen. David Boren (D-Okla.) is holding hearings in the Senate foreign intelligence subcommittee on such legislation. Fears in some Washington quarters are that the new mission could backfire and lead to demands from U.S. allies in Europe and Asia that the electronic listening posts be removed as an unneeded vestige of an earlier era.

It is no secret that the past three U.S. Presidents, from Jimmy Carter in 1976 through Ronald Reagan and now George Bush, have pursued a policy of radical "free market" liberalization of banking and industry, which has directly led to the competitive collapse of U.S. industry. Aerospace, with firms such as Boeing, and computer technology, exemplified by IBM, are among the few areas where U.S. industry is able to compete at all. But even there, the U.S. technical lead is rapidly eroding, and hence the Webster Doctrine has focused on the key European and Japanese industry groups in these areas. In early November, using the old U.S. embargo against trade with Vietnam, Washington told Vietnam that it could not buy two European Airbus A-310 commercial planes for its badly underequipped passenger airlines. Germany's Daimler-Benz MBB subsidiary is a major contractor of Airbus, a rival to Boeing.

The London *Financial Times* on Nov. 8 ran a sharply worded warning that the German aerospace industry threatens to surpass both British Aerospace and France by 1993. The company named at the center of this competitive "threat" is the new Daimler-Benz subsidiary Deutsche Aerospace.

Center for Security Policy

The unofficial civilian coordinating institution for flinging mud against German and other key U.S. economic rivals is a new Washington think-tank, the Center for Security Policy. Created in 1988, the center's board of directors reads like a roster of the discredited Iran-Contra CIA network of the

Reagan-Bush administration. It includes Iran-Contra protagonists Elliott Abrams, Stephen Bryen, Fred Iklé, Jeane Kirkpatrick, Richard Perle, former deputy CIA head Howard Teicher, and former Swiss ambassador and Oliver North intimate Faith Whittlesey. The deputy director, Sven Kraemer, is the son of Fritz Kraemer, the man who boasted of having "created" Henry Kissinger in the late 1940s.

On Sept. 5, the center issued a press release provocatively entitled, "The true German export control policy: profiteering at the expense of Western security," which accuses the Kohl government in Bonn of "chronic, if not wanton, disregard of elementary technology security." It demands that President Bush "impose import sanctions against German companies judged to have violated regulations controlling exports."

Shackley's CIA hit team

Another CIA "old hand" from the Iran-Contra days who is active in the new economic espionage mission against Europe and Japanese industrial groups is former CIA Deputy Director for Operations Theodore Shackley. Shackley, whose career goes back to the Bay of Pigs in the early 1960s and to the CIA's alleged involvement in drug running with Meo tribesmen in Laos, warned the annual convention of the Association of Former Intelligence Officers on Sept. 29 in Washington, that "Germany cannot be allowed to dominate Central Europe." He declared that the U.S. intelligence services should use Eastern Europe as a "window" to conduct economic espionage against Western Europe. Indeed, talks between the CIA and ex-East German communist trade official Alexander Schalck-Golodkowski suggest this may be the model Shackley and associates have in mind.

German chemical industry is at the top of the economic warfare target list of Washington as well. Sen. John Kerry (D-Mass.) has introduced a new bill, S. 2152, the International Chemical Controls Act. Using the pretext that European, especially German, chemical firms are enabling the South American cocaine mafia to process cocaine that is sold to U.S. youth, the Kerry bill, if passed, would open the floodgates to possible legal attacks on rival German chemical and high-tech firms.

The campaign is apparently being coordinated with longstanding Anglo-American interests inside Germany, especially those located in Hamburg. According to reports from former Reagan administration senior officials, Washington is planning to launch a major German internal foreign policy debate soon following the Dec. 2 elections, using recent *Der Spiegel* revelations of German firms' supplying certain technology to Iraq via Daimler-Benz's Messerschmitt-Bölkow-Blöhm subsidiary. "It is no secret that neither *Der Spiegel* nor the Hamburg-based interests that it reflects, are happy about the manner in which German unification was carried out. The weekly is a staunch opponent of any independent German foreign policy thrusts," say these Washington insiders, according to reliable reports.

Ban on whaling hides trade-war aims

by Ettore Tovo

The nearly 20-year campaign conducted by the United States to impose a total ban on whaling, under the pretext of environmental protection, is particularly odious to the Japanese. Whale meat is a traditional dish in Japanese cuisine, mentioned even in the oldest collection of poems of Japan, *Manyoshu*, from the eighth century A.D. In the early postwar years it became Japan's major protein source, as its consumption spread to the majority of families during times of food scarcity.

That is why the Japanese have such high regard for whalers, contrary to the West, where, but for sporadic exceptions, interest in the products of whaling, destined exclusively for industrial uses, began to wane midway through the last century, when the first petroleum deposits were found in the United States, and petroleum products replaced those of the whaling industry. The major U.S. whaling company, part of the Del Monte Fishing group, went out of business in 1971. Previously, the United States, Norway, Iceland, and Great Britain had practiced unlimited whaling in all seas, and Melville made *Moby Dick, the White Whale* into an epic.

It is worth taking a closer look at the events that led the International Whaling Convention to impose a global moratorium on whaling in 1982. The IWC is the international association of nations that hunt whales. According to its statutes, it was founded after the war with the task of stabilizing "a system of international rules for whaling, so as to assure an appropriate and effective conservation of whale stocks." Instead, it has been used by the U.S. government to impose a total blockade on such activities.

The demand for a moratorium on all whaling, first raised by the United States in 1972, appeared to have no scientific basis to the IWC's members. Not all whale species risked extinction; logically, quotas should have been set for non-endangered species. Faced with resistance, the U.S. representatives resorted to a ruse. During the annual IWC meeting in 1975, they asked to allow non-whaling nations to join. So, a certain number of states joined the IWC, such as Monaco, Antigua and Barbuda, Santa Lucia, and Senegal. In many cases the seats of these nations at the IWC turned out afterward to be occupied by ecologists of *different* nationalities!

In 1982, thanks to this artificial "majority," the IWC

approved the moratorium resolution, and the United States threatened trade reprisals against non-complying nations. Japanese spokesmen commented: "It seems that the United States assumed the role of 'policeman' of the international community regarding the problem of defense of the whales, even though no one conferred that authority on them."

The U.S. Congress, especially in the 1969 Endangered Species Conservation Act, as well as the Pell Amendment of 1971 and the Packwood-Magnuson Amendment of 1979, has passed fishing legislation that is in open contrast to international trade laws. The Packwood-Magnuson Amendment introduced the automatic reduction of the fish import quotas from nations that did not accept the IWC's (U.S.-manipulated) rules. Such reprisals would not only hit Japan, but also Norway, Iceland, and other whaling nations which are major fish exporters.

The current General Agreement on Tariffs and Trade (GATT) accords ban trade reprisals on products different from those involved in a given controversy. Article 20 of GATT states unequivocally, "Reprisals to be applied against nations who do not respect international accords in defined fields cannot be used as pretexts to impose arbitrary limits to trade in other fields." Thus, if the presumed violations regard whaling, the Americans could, under GATT, retaliate against imports into the United States of whales and whaling derivatives, but not against fish, auto, or other imports. But the Americans are missing no chance to use any available excuse to limit imports from Europe and Japan. In the case of the anti-whaling diatribe, the United States was sitting pretty to enact trade reprisals in the name of "environmental protection."

A shady alliance

The plot thickens when we look at the connivance between U.S. institutions and the so-called environmental movements. From the outset, these movements have carried out flanking actions, "sensitizing" world public opinion in a distorted manner. Since the clash between the United States and whaling nations arose, the United States has named to represent it at the IWC individuals of the stamp of a Russell E. Train (1972). Train is a big wheel in the world ecologist movement: cofounder in 1961, and president in 1978, of the rich and mighty World Wildlife Fund (WWF), the main mouthpiece for the interests of the Anglo-Saxon oligarchy. The choice of such a spokesman reveals that the U.S. government is itching for a clash, rather than to rationally face the problem of the appropriate management of available resources.

This also explains why the delegations of nations invited to join the IWC by the Americans, in order to have a majority in favor of their fatuous demands, were led by such notorious environmentalists as Dr. Roger Payne, a WWF researcher and collaborator who in 1984 represented Antigua and Barbuda at the annual IWC meeting! The U.S. government and

the ecologists moved in lockstep to impose the whaling moratorium—a collusion that passed unscathed through Democratic and Republican administrations from 1972 to the present. WWF and Greenpeace are the organizations that most stand out in this "flanking operation" of the U.S. government.

The whaling moratorium has also caused permanent damage to the delicate balances of the marine ecosystem. As occurred before in the "save the seals" campaign, this ban has caused an uncontrolled increase in the whale population. Since seals, dolphins, and whales are predatory species which compete with man's fishing activities, nations like Iceland and Norway whose economy is based mainly on fishing have been forced to reduce their fishing quotas, suffering incalculable economic losses. Even Mrs. Gro Harlem Brundtland, the former prime minister of Norway and founder of the Brundtland Commission to safeguard the environment, recently told a BBC interviewer: "The number of whales and seals must be reduced, because they are devouring too much fish."

The ferocious campaigns against fishing around the world, under the pretext of environmental protection, are taking on the character of aggressive trade and strategic operations. They caused a greater dependency by many nations on the few companies that control world trade in food products, i.e., the food multinationals, mostly controlled by Northern European and U.S. interests. In a world more and more afflicted by food scarcity, these companies will have great strategic weight, especially vis-à-vis nations like Japan which is so vulnerable because it depends greatly on food supplies from abroad.

Prof. Kazuo Sumi, who teaches international law at the University of Yokohama in Japan, in his paper "The Whaling War Between Japan and the United States: Problems and Perspectives," describes the situation: "It seems that the widespread opinion against whaling is based mainly on emotion rather than on science and on logic. It is silly to attempt to impose one's own values on others by force. The food resources of each nation are based on dietary traditions and customs which have ripened over long historical periods. If India's inhabitants were to protest against Americans' habit of eating beef, how might the Americans respond? It is not a final and acceptable solution to the problem, for the Japanese to turn to meat imports from the United States. By itself the fact that McDonalds is in Japan does not indicate Americans' food preferences have affirmed themselves in Japan. . . ."

"The unification of food resources can contribute not only to the loss of the diversification of food cultures, but can become dangerous to the environment. A good example of this is the destruction of tropical forests in South America, due to the growing consumption of meat for fast food in the United States. The U.S. hamburger industry depends on supplies of low-cost meat from those nations."

Gaviria and Baker agree on war with Iraq and peace with the drug cartels

by José Restrepo

Following his Nov. 24 meeting with U.S. Secretary of State James Baker, Colombian President César Gaviria Trujillo endorsed an eventual armed intervention against Iraq by the United States. At the same time, Baker gave the green light to power-sharing negotiations between the Gaviria government and Colombia's cocaine cartel, a move which, in effect, constitutes a giant step in the direction of a legalized drug trade.

President Gaviria's backing for the Bush administration's Gulf war plan followed threats of a U.S. trade blockade of Colombia, according to sources from that country's Foreign Ministry. "The pressures are intense and serious," said a source just before Baker's arrival in Bogotá. The secretary of state's visit to Colombia followed a world tour in search of support from member countries of the United Nations Security Council, of which Colombia is temporarily one.

Colombia had always argued for a peaceful solution to the Middle East conflict, and was part of a group of nations that urged the "use of political force" and the testing of "positive incentives" to get Saddam Hussein to withdraw from Kuwait. According to the Foreign Ministry source, among the mechanisms under discussion was that of sending a multinational peace force to coordinate the withdrawal of Iraqi troops, and to assure the gradual or immediate withdrawal from Saudi Arabia of U.S. troops, which currently hold the status of "invitees."

However, Baker met with President Gaviria and with Foreign Minister Luis Fernando Jaramillo, and during that meeting Gaviria reversed his government's line, giving full support to U.S. adventurism in the Middle East and to the use of "whatever means are necessary" to get Iraq out of Kuwait. The joint communiqué issued following their meeting says that the United States and Colombia are in agreement on the need to "direct the actions of the international community toward achieving the unconditional and immediate withdrawal of Iraq from Kuwait, toward which end they would seek to act through consensus to permit the use of all means necessary to achieve those objectives."

Colombia's foreign policy is extraordinarily vulnerable to U.S. trade pressures. In exclusive statements to *EIR*, Foreign Minister Luis Fernando Jaramillo explained that the

most important aspect of Colombian foreign policy was its trade relations, and that these took priority over any principle. According to Jaramillo, Colombia's embassies worldwide will dedicate themselves to becoming lobbyists for Colombian products.

While in Colombia to drum up support for war, Secretary of State Baker also confirmed the charges of this magazine that the Bush administration has decided that Colombia should surrender itself to the cocaine trade.

Sharing power with the narcos

The César Gaviria government, which took office in August 1990, has publicly launched power-sharing negotiations with the country's cocaine traffickers. That process is being mediated through a series of dialogues with the political godfather of the drug cartels, former President Alfonso López Michelsen, dialogues which seek to guarantee political treatment for the drug traffickers and the incorporation of the cartels into the civil, political, and economic life of the country.

In a memorandum delivered to President Gaviria on Nov. 22, former Presidents López Michelsen and Misael Pastrana Borrero informed him that the drug traffickers are prepared to surrender. Although the government now seeks to present the surrender offer as "unconditional," in fact it is the drug traffickers who have set the conditions the government must meet:

- that their "human rights" be respected;
- that they not be obliged to give testimony against their fellow traffickers;
- that they be given guarantees against extradition to countries where they may have committed other crimes;
- that they not be obliged to confess their crimes before the Colombian courts;
- that the crime of drug trafficking be considered a "collective, not individual" offense, thereby warranting political treatment as if for sedition or rebellion.

In other words, they want treatment which implies the possibility of an amnesty, such as that won by members of the narco-terrorist group, the M-19.

Gaviria complies, Baker gives the nod

Through Justice Minister Jaime Giraldo Angel, President Gaviria answered the petition of the Extraditables, as the drug traffickers like to call themselves. In his public response, Giraldo said that the government accepts all the conditions of the supposed “unconditional” surrender of the drug traffickers. The only condition not yet formally approved is that of extending political treatment to the cartel members.

Asked to comment on these negotiations in a press conference given after his meeting with Gaviria, Baker said that this was an internal matter to Colombia, “which falls to the competence of the Colombian government.” Baker’s message was unmistakable, and by no means limited to Colombia: We want war with Iraq and peace with the drug traffickers.

This State Department blessing to Colombia’s narco-negotiations is no last-minute concession, but rather an official nod to something which the State Department itself had hatched long before. Sources at the Justice Ministry have told *EIR* that Gaviria’s current strategy toward the drug traffickers is actually that which the State Department recommended, in the form of “suggesting” that judicial instruments like those used in the U.S.—for example, plea bargaining—be adopted. Through this mechanism, for example, the criminal can admit his guilt as a bargaining chip in negotiating his sentence with judge and jury.

Following the U.S. model, Gaviria began his presidency by issuing Decree 2047, which permits the drug traffickers to “surrender themselves” to the authorities if they admit to but *one* of the crimes for which they are charged; the prisoner would then benefit from a reduction in penalty and a guarantee against extradition to the United States.

On Nov. 20, Justice Minister Giraldo told a press conference that special judges would have to define before Jan. 16, 1991 the legal status of properties, especially homes and ranches, seized during anti-drug raids, since these judges “don’t know what to do with them.” Giraldo added that if it could not be proven that those properties were involved with the drug trade or with illegal gain, they would have to be returned to whoever had legal claim to them. Giraldo predicted that the majority of the properties would be returned to their owners.

At the same time, according to Bogotá sources, Development Minister Ernesto Samper Pizano—Colombia’s leading proponent of drug legalization—has been negotiating with the traffickers for the return of their drug money to Colombia. Another amnesty, perhaps? Such negotiations are entirely coherent with Foreign Minister Jaramillo’s assertion that “trade relations” took priority over principles.

Cartels hold dual power

But the most telling proof that what is going on is not dialogue, but power-sharing negotiations with the traffickers, is the recent firing of Col. Oscar Eduardo Peláez Carmo-

na from his post as head of the Judicial Investigations Department of the National Police (DIJIN). He has been accused in the communiqués of the Extraditables of violating their human rights. Colonel Peláez’s removal suggests that the drug traffickers are already exercising political power in the country. Colonel Peláez has been assigned as “police attaché” to the Colombian embassy in Washington.

According to the Bogotá daily *El Espectador* of Nov. 21, Colonel Peláez did not go to the Colombian embassy in London, as originally planned, because Scotland Yard insisted it was impossible to guarantee the officer’s security against the multitude of serious threats against his life.

And, if there were any doubts as to the extent of power actually wielded by the drug traffickers, the Colombian press reported that same day that Attorney General Alfonso Gómez Méndez has begun an investigation into the National Police, in particular the DIJIN and the narcotics police, because both agencies were supposedly violating the human rights of the traffickers. Gómez Méndez confirmed that he had ordered the investigation on the basis of “accusations” contained in the communiqués of the Extraditables!

But not all is yet rotten in the state of Colombia. On Nov. 26, a column appeared in the anti-drug daily *El Espectador*, written by Ana María Busquets de Cano, widow of the newspaper’s director Guillermo Cano, who was assassinated by the Extraditables in 1988. Entitled “Palace nightmares,” the column makes a powerful reference to the victims, both prominent public figures and anonymous citizens, of the drug cartels’ assassination teams:

“It had been difficult to get them to sleep, and they had just begun to dream when they heard the sounds of a huge crowd. [The President’s children] María de la Paz and Simón arose terrified from their beds and raced through the [presidential] palace corridors in search of help. They found their father, who together with the justice minister, ran to them upon hearing the children’s screams.

“ ‘What’s the matter?’ they asked.

“ ‘We heard strange noises, a murmuring. We looked everywhere and suddenly saw a huge gathering, half alive, half ethereal, calm and silent, serious and solemn. They came through the corridors and patios and rooms and stairs; it wasn’t easy to distinguish faces, but little by little they could be seen: There was Rodrigo Lara Bonilla, Guillermo Cano, Luis Carlos Galán. . . . All the passengers of the Avianca airliner.

“ ‘The demonstration went on and on, but we couldn’t see the faces of those behind. . . .

“ ‘Don’t worry,’ said the President. ‘They are unarmed, they demand nothing; they are enjoying their divine, not human, rights. You have nothing to fear. Go back to bed and sleep soundly.’ And without blushing, the President and his minister turned around and returned to their meeting with the country’s leading personalities.”

Venezuelan business leaders repudiate the IMF's austerity

by Alfonso Rodríguez

"The government should not let itself be bound by the International Monetary Fund," said Eddo Polesel, the president of Venezuela's main business association, Fedecamaras, in remarks to journalists at the Nov. 19 conference on Business Integration organized by the Andean Development Corp. The government of Carlos Andrés Pérez, Polesel emphasized, "has to determine what is best for the country, and carefully analyze what is the burden, beyond the already-existing one, that the business sector can support."

The remarks were made in response to the decision made by the Pérez government regarding whether or not to abide by the contracts of the Venezuelan Central Bank (BCV) with Venezuelan businessmen who are indebted abroad to the tune of \$4.4 billion. Back in 1983, the central bank signed an agreement with the Venezuelan debtors, to sell them dollars at the fixed exchange rate of 12 bolivars to the dollar. But since February 1989, when the parity was allowed to float, the central bank has not kept the contract, and the majority of businessmen have not kept up with their foreign debt payments.

On Nov. 23, President Pérez announced his "unappealable decision" to recognize only one-third of the private foreign debt. "That proves that the government has accepted the conditionalities of the International Monetary Fund," Polesel told the daily *El Mundo*.

Polesel was one of the business spokesmen who, at the start of the Pérez government, gave strong support to its program of economic liberalization, imposed under the guidance of the IMF and the World Bank. But 22 months into the experiment, Venezuelan businessmen are beginning to suspect that the purpose of the economic reform package has nothing to do with its originally stated premises.

There is no rule of law

"The government has to maintain the possibility, its ability at any given moment to subsidize agriculture, subsidize medicine, subsidize the construction of housing, and the IMF doesn't allow you to do that," were the sharp words of Luis Teófilo Nuñez, the editor of the influential conservative daily *El Universal*, in a television interview which was transcribed

in full in the Nov. 18 issue of that newspaper. "If we destabilize that ability," he warned, "we are undermining the democratic system." Nuñez explained: "If you take away the state of law, if you violate my rights, and if you don't give the people what they need in terms of food, medical help, and housing, you are also undermining the democratic system, because that is what democracy has been." In the opinion of a large section of Venezuela's businessmen, Nuñez said, the denial of the foreign debt contracts by the Venezuelan Central Bank is, pure and simple, "a violation of the state of law in the country."

One of the things that most annoyed the business sector was when President Pérez announced his decision on the private debt and called that decision "unappealable," although he admitted that the businessmen have the right to fight his decision before the courts. "Let them do whatever they want," said Pérez, in reference to those who want to take the fight to the courts. Planning Minister Miguel Rodríguez added that whoever attempts an appeal "will only be wasting his money on lawyers, and won't get a cent in the end."

Debt for equity

As a result of the government's denial of the contracts, many companies will end up in the hands of their creditors. This process had already begun in mid-1989, when the Pérez government—carefully following the International Monetary Fund's Letter of Intent—also denied similar contracts relating to the Venezuelan companies' commercial letters of credit.

The Venezuelan business community is learning, albeit painfully, that the true purpose of the IMF-inspired package of measures is to help the country's creditor banks, through economic and legal reforms that guarantee the transfer of entire sectors of the national economy, both public and private, to the creditors.

Even the famous "privatization" of state sector companies, which in the beginning was so strongly backed by the private sector, will lead to the surrender of the most profitable of these to the international creditors. The exchange of debt for equity "is one more mechanism for encouraging the priva-

tization process," declared Planning Minister Rodríguez on Nov. 23.

A few weeks earlier, the Pérez government had announced that it hoped to obtain a discount of "no less than 15%" in its debt-for-investment, or debt-for-capital swaps. That is a substantial difference from the hoped-for discount of 40-60% of which Rodríguez spoke at the beginning of the year.

Further, Rodríguez contradicted the Finance Ministry, which had announced that the 1991 budget would include \$44.5 billion resulting from privatizations. Rodríguez explained that privatization, "in the majority of cases, does not yield a net cash flow, since it is very costly, involving the restructuring of companies." In other words, the privatizations would not even compensate for the 15% discount which the state would supposedly get in its debt-for-equity swaps.

Banking reform will help launder drug money

Another area of government economic policy which has caused great concern among Venezuelan businessmen and financiers, is the decision to open up the banking sector to foreign "participation." Before 1990 ends, the Pérez government will send various bills to Congress proposing the reform of the Venezuelan Central Bank and of agencies that oversee the financial system. By early 1991, the bill to reform the national banking system as a whole is expected to be ready. These bills are part of a financial reform package which the government intends to carry out, as per its agreements with the International Monetary Fund and World Bank.

There is tremendous fear in Venezuela that this will lead to the takeover of the banking sector by the big international banks, and that this will in turn transform the country into a major center for drug money laundering. This point was made explicitly by the former superintendent of foreign investment, Edison Perozo, who warned that the decree would allow "the imposition of a narco-economy" with all "the famous mechanisms for laundering dollars."

As with the other "reforms" that make up President Pérez's economic package, the financial reform has met with opposition from the various business sectors that had previously unconditionally backed the measures. For example, the president of the National Banking Association, José Bouza Izquierdo, gave an interview to the daily *El Nacional* of Nov. 19, in which he insisted: "We must ask ourselves three questions regarding the foreign banks: Why does the government want to open our borders to foreign banking? How is foreign banking going to come in and what will their limits be? When will foreign banking come?" Bouza was recently named president of the Latin American Banking Federation (Felaban).

Since October, a Special Report by the Venezuelan Labor Party (PLV) has been circulating among business and political circles. Entitled "The financial reform will lead to a drug

economy," the report warns that the proposed financial reform "is the complement to Decree 727, which eliminated restrictions on foreign investment." Banking liberalization will take place in the previously created framework of absolutely unrestricted capital flows.

Bonds for non-existent exports

The PLV report has been echoed by an investigative team from the newspaper *El Diario de Caracas*, which has been reporting for the past two months on how certain banks have used export mechanisms to commit fraud and launder dirty money. For example, the government issued bonds, equivalent to 30-35% of the value of supposed exports, only to discover one year later that the exports were non-existent. Among those participating in this fraud were: the Banco Latino, whose president, Pedro Tinoco, Jr., is also the president of the Venezuelan Central Bank and the leading proponent of the financial reform; the Venezuelan Central Bank itself; the Banco Industrial de Venezuela, which, at the time, was run by the current Finance Minister Roberto Pocaterra, another promoter of the reform; and David Rockefeller's Chase Manhattan Bank.

On Oct. 22, the daily reported that "according to sources linked to the investigations," there is "a powerful financial group behind these international activities, in which the financial platform of the Banco Latino's Curaçao and Miami branches was used, making bridge transfers through Chase Manhattan Bank branches. It has also been established that those who committed the fraud had links to the Venezuelan Central Bank, from which payments were made to Pique," one of the companies under investigation.

"Behind these movements is a gigantic money-laundering operation stemming from the drug trade," declared the daily on Oct. 24. According to security agencies involved in the case, reported the newspaper, "such operations can only be carried out with the knowledge of the banking institution."

Continuing its paraphrase of the PLV report, *El Diario de Caracas*'s investigative team emphasized on Nov. 21 that "it is not known how much of the \$2.944 billion that was registered as [revenues from] non-oil exports actually entered the country." It adds that "the subsidy or incentive for those exports cost the country 30% of their total paper value, thereby diverting those resources from other kinds of productive investments, such as industry and agriculture. One supposes that those dollars which never came in should be re-invested in the country, the established norm of export subsidization. But, according to BCV estimates, only \$647 million in non-traditional export revenues entered the country, that is, 22% of that which was registered."

The exposé concludes that, while the exports of the paper companies were nonexistent, "the dollars themselves were very real, some coming from Peru and Colombia . . . [or] by electronic wire through the commercial banks."

Blue Cross relents, funds cancer study

by Linda Everett

Amid mounting lawsuits from their subscribers, the Blue Cross and Blue Shield Association (BCBS) announced in mid-November that 15 of its 70-plus member plans will participate in a \$10 million round of clinical trials to study the effectiveness of autologous bone marrow transplant procedures as treatment for breast cancer. About 1,200 women are expected to participate in the trials, which will be sponsored by the National Cancer Institute, starting in the first quarter of 1991. Blue Cross and Blue Shield Plans will pay for the treatment of 300 to 600 women subscribers who have breast cancer.

Since 1987, the Johns Hopkins Oncology Center has proven autologous bone marrow transplants to be 90% effective in saving the lives of women with advanced metastatic breast cancer who otherwise would have died. Johns Hopkins is just one of ten centers which has successfully used these transplants in fighting advanced breast cancer. The procedure involves removing a portion of the patient's bone marrow, rather than the marrow of a genetically matched donor. The marrow is purged of any cancer cells and stored while the patient undergoes four days of chemotherapy so potent that it is as lethal to healthy bone marrow as it is to the targeted malignant cancer cells.

There is a direct relationship between the intensity of the chemotherapy given and the rate of response. If the marrow is not removed before such intense chemotherapy, the patient is rendered unable to produce blood—which is as bad as the original disease being fought. Once the high-dose, continuous infusion of chemotherapy is complete, the marrow is returned to the patient intravenously. Typically, institutions charge about \$120,000 for the treatment. In 30% of 140,000 people who are diagnosed with breast cancer every year, the disease spreads elsewhere in the body, usually to the brain, the lungs, or the kidneys. For patients at this stage of cancer, there is no other therapy available.

Reportedly, 70% of the nation's other insurers already cover this procedure. Despite the fact that a Johns Hopkins study released a year ago reported that there were no treatment-related deaths in the marrow rescue program, the majority of Blue Cross and Blue Shield Plans still claim that the therapy is experimental or investigational, and therefore cannot be covered. BCBS has admitted that one reason for

starting the clinical trials, is that patients covered by BCBS plans who are denied coverage for this treatment, often sue BCBS and win.

What the insurer did not say, was that its announcement to start this "unprecedented" plan to magnanimously fund clinical trials, was timed to hit the nation's press the same day that a major test case against BCBS for refusing to cover exactly this kind of therapy went to federal court in Baltimore. In that case, BCBS refused to pay for autologous bone marrow transplants for two young mothers with Stage-IV cancer. At least eight other similar cases are pending against BCBS in Maryland alone.

Randomized testing: 'immoral and unethical'

The National Cancer Institute (NCI) says it planned the randomized testing of marrow transplant therapy which BCBS wants, because it is scientifically necessary. But Dr. Mark Lippman, the former head of NCI's breast cancer programs and a world expert in the field, recently testified in the Baltimore case that "it is immoral and unethical to have randomized testing" of this therapy, because it is the *only* therapy that can save these patients. Results from the Blue Cross-NCI collaborative effort won't be in for three years, and so scores of BCBS subscribers denied the therapy will die in the meantime. Already there are suspicions that NCI and/or BCBS will insist on lengthy randomized trials of autologous marrow transplant therapy for each of a vast spectrum of deadly diseases for which it has proven effective and where no other therapy exists, including various stages of Hodgkin's disease, non-Hodgkin's lymphoma, leukemia, and other killer cancers, including ovarian and lung cancers (most of which BCBS does not cover). As a Johns Hopkins representative suggested, the principle involved in all marrow rescue programs is the same, no matter which disease is involved. To demand separate trials on the effectiveness in each case, serves only to stall bringing this valuable treatment on line in the population.

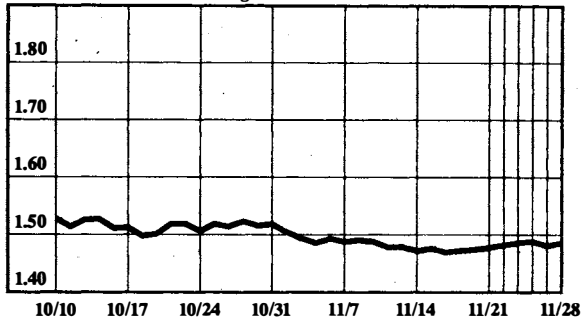
NCI normally oversees clinical trials at their designated cooperative groups of hospitals and cancer centers. This time BCBS calls the shots, and it appears that the insurer has bypassed some known leaders in this area of research, like Johns Hopkins. BCBS says it will choose trial sites on the basis of quality, volume, and outcome. But one attorney involved and familiar with scores of suits against BCBS says that it is more likely that the insurer will choose centers that are geographically located where a handful of BCBS plans which *already* cover this life-saving therapy operate.

Another element adding to subscribers' skepticism is the conflict of interest apparent here as well. The health policy expert BCBS asked to evaluate clinical data on autologous marrow transplant therapy is Dr. David Eddy of Duke University—the same Dr. Eddy whom BCBS hired last summer to testify on behalf of the insurer when BCBS was sued for refusing to cover this "experimental" therapy.

Currency Rates

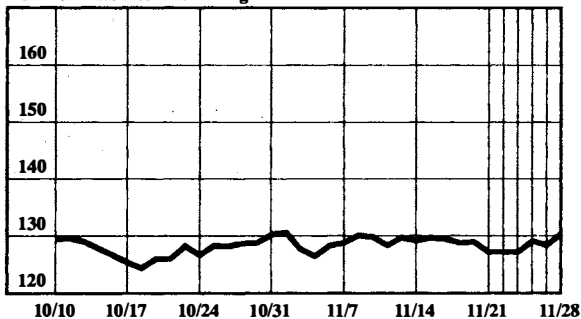
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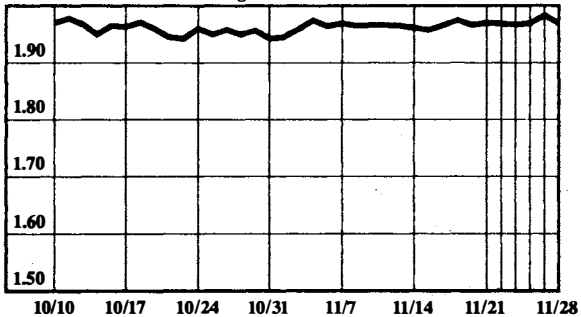
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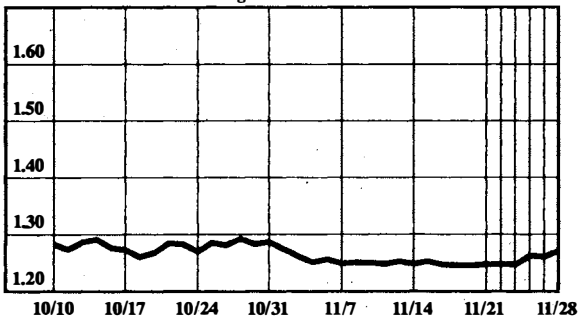
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



China policy debate: prelude to crackdown?

by Mary M. Burdman

The situation in the People's Republic of China was aptly described as "schizophrenic" by an observer from Hong Kong who had returned from a recent visit there. No date has yet been set for the crucial seventh plenary session of the 13th Chinese Communist Party Central Committee, which must determine economic policy for the Five Year Plan which goes into effect Jan. 1. Prime Minister Li Peng announced Nov. 2 that the plenum would be held before the end of the year, but nothing more. The session was to have taken place in September, but the Asian Games were used as an excuse to put it off. The delay continues, despite the fact that Beijing considers the plan so critical that all other national meetings have been canceled until the end of the year.

There are ominous indications from top Communist leaders, despite the fact that contentious debate over economic policy among Beijing officials, well-known economists, and provincial and regional leaders appears more open than it has been since Li Peng imposed drastic austerity two years ago. Li has announced a national conference on economic strategy for Nov. 25-Dec. 1, and outlines for the Five Year Plan, revised at a national conference of provincial governors in September, are again circulating among provincial and municipal leaders.

Beijing apparently opened up policy debate on the disastrous economic situation at a symposium on economic reform sponsored by the Comprehensive Development Research Authority and the journal *Gaige* in Beijing on Oct. 10. Minister in Charge of the State Commission for Restructuring the Economy Chen Jinhua declared, "Now, deepening reform has reached a level where theoretical guidance is desperately needed." His next statement held a dire warning. "It is necessary to explore profoundly certain basic theoretical problems . . . guided by the principle of 'letting a hundred flowers bloom and a hundred schools of thought contend.'" This slogan, which every P.R.C. heavyweight is suddenly spouting in any and every context, was used by Mao Zedong in 1957-58 to lure China's thinkers to speak out; he then politically slaughtered them by launching the "anti-rightist" campaign, the prelude to the Great Leap Forward which starved 50 million people to death.

Beijing is under tremendous pressure. The year 2000 is

looming, and all the Communist Party's strategic goals for that date, including the pledge to double the Gross National Product. Party general secretary Jiang Zemin announced on Nov. 19 that China must reach the goals set by Deng Xiaoping in order to keep the population under control. China's economy "cannot be developed without a certain rate," Jiang said. But the goal of a 6% growth rate is unreachable. China's industrial growth rate was *negative* at the beginning of 1990, and only increased to 5.9% in June. Production growth rates then fell again due to "hot weather," and only rose in August and September to an official rate of 7.5%.

Any expansion in production is due to the fact that the leaders of Guangdong and other provinces are obstructing Beijing's attempts to consolidate economic control. As long as the Chinese people think they are *not* working for the central government, they may be willing to produce. For decades, the classic mode of resistance to the Communist regime by the Chinese population—since strikes were outlawed in the 1950s—is work slowdowns by industrial workers and peasants. There were already sit-in strikes in Guangdong province, China's "showcase" of reform, in the first half of the year, Hong Kong's *Ta Kung Pao* newspaper reported.

Looting the work force

The parameters of the economic debate in Beijing, nominally on how to combine reform with socialist planning, are actually on how to further loot the work force while preventing political upheaval. The central government is bankrupt, and its immediate goal, while attempting to attract more foreign loans, is to squeeze trillions of yuan of savings, most of it hidden under the mattresses, out of China's population. Beijing will attempt to do this by cutting the price subsidies for city dwellers and state industries, which now cost one-third of the national budget, and which sent the budget deficit up from 20% to 34% in just one year.

This is a risky proposition. An exiled Chinese economist reported that the Communists will be able to hang on to power only as long as they keep enough food on the store shelves and the current "Gang of Ancients" stays alive. But for the first time since taking power 40 years ago, the Communist Party is planning to cut the grain price subsidies for the cities. Lines are already forming at Beijing stores, after the price of sugar went up 58% on Nov. 2. The costs of coal, salt, and gasoline have already gone up, and rumors that cloth and clothing prices would also rise sent Beijing residents out to buy whatever they could.

The situation in agriculture remains grim. Li Peng announced at a national grain conference Nov. 14 that, "although China has reaped a bumper harvest this year, the amount of grain per person has not yet reached the previous record [of 1984] as a result of population growth." He called for mobilizing "all social forces to help solve the shortage of grain storage facilities." The State Council has decided to set

up a special grain reserve system to buy all surplus grain from farmers and ensure they are paid (in previous years, they received only IOUs), and to "streamline the relationship" between the central and local governments.

Desperate measures

Beijing is using the chaotic situation inside the Soviet Union, the result of perestroika, as a heavy-handed propaganda weapon. Chinese television regularly shows the empty food stores in Moscow, emphasizing that the stores in China's cities are (so far) relatively much better supplied. The Chinese media also made much of a group of Russian professors visiting the University of Beijing recently, who exclaimed that they found Beijing "incredible" compared to Moscow, where "we have nothing."

The tactic could backfire, however. Like the U.S.S.R., the Chinese empire is facing dissolution, with mass unrest in the border provinces and the eastern coastal provinces on the edge of economic secession. They are refusing to kowtow to Beijing's demand for funds to bail out the huge state industries. A State Statistics Bureau spokesman reported Oct. 24 that taxes and profits from the state industries fell 21.5% from last year, a 100% greater loss in one year. The current economic system, the spokesman admitted, is "not that rational."

In the first nine months of 1990, the State Statistical Bureau announced, the government pumped \$8.4 billion into subsidies to factories, but there are no buyers for the resulting output. State factories stockpiled some \$25.3 billion during this period, 50% more than last year. But the state sector can neither sustain the work force nor the government, and last year cut tax payments from almost \$1 billion to \$110 million.

When 40 senior officials from the State Commission for Restructuring the Economy gathered in Beijing on Nov. 8, State Council official Yuan Mu told the conference that China's industry and agriculture had been in a state of imbalance for many years. While industry grew 4.5% between 1985-88, agriculture only grew 1%, and basic industry shrank 7.5%, while processing went up 10%. China lacks 70 billion kilowatts of electricity a year, and only 65% of goods are transported on time.

The only thing going up in China is debt. Li Peng's austerity has not cut foreign debt: Official figures put debt at \$45.4 billion at the end of June, up 10% from last December. Overdue loans total \$150 million, and debt payments will peak at \$10 billion a year from 1992-95. Despite all the talk of "socialism," in the wake of the visit of an International Monetary Fund delegation on Nov. 12, the Bank of China took the classic "free market" step of a second currency devaluation in less than a year on Nov. 19. The yuan was devalued 21% last December, and now another 9.75%, to 5.2 to the dollar. The move was done to boost exports: China's trade has fallen 2.8% so far this year compared with 1989.

Two models for the Yangtze River Valley

Michael Billington contrasts the "Great Project" under Chiang Kai-shek and German industrialists to today's looting policies by the Deng clique.

The discredited Communist dictatorship in mainland China has, over the past 10 months, begun a transformation which could properly be labeled a "recolonization" by Anglo-American financial interests centered around Henry Kissinger—including even the hated "extraterritoriality" privileges that placed the Western nations "above the law" in their concession areas. The People's Republic has even evoked the name of Dr. Sun Yat-sen, who developed extensive plans for the crash industrialization of China, to describe its own plan for the stripping of the nation's natural wealth and exploitation of the desperate population for sweatshop labor in the new foreign "concessions."

Only once was there a serious attempt to implement the plans of Sun Yat-sen—in the years immediately before the Japanese *blitzkrieg* invasion of 1937. Collaboration between German military and industrial circles and the Chiang Kai-shek leadership in Nanking unleashed an astonishing industrial transformation of the Yangtze Valley area, called the "New Economic Center," only to be cut short by the Japanese invasion and direct sabotage from Hitler and his backers. A comparison of the two models for "transformation" will provide a proper perspective on the disaster being imposed on China today, and the necessary direction required to reverse it.

Shanghai

The centerpiece of the Deng Xiaoping master plan, developed in collaboration with his "close friend" Henry Kissinger, is the creation of a "new Hong Kong" in Shanghai, and related "free-trade" zones and "open cities" along the coast. This is not a new *direction* in policy, but rather a leap forward in the Deng policy, in effect since the early 1980s. That policy was to open up the coast through concessions to foreign finance for labor-intensive, export-oriented light industry, while generally leaving the rest of the country, both industrially and agriculturally, to decay. All "great project" approaches to build infrastructure were rejected.

Premier Li Peng made this continuing policy explicit in a notice to provincial and municipal leaders. According to

the Hong Kong *Ching Pao*, Li said, "the gap" between the coast and the interior "may be widened within a period of time. Leading cadres should understand this and urge their subordinates to do things beneficial to the whole country. . . . *The interior should seek development focused on coastal development*" (emphasis added). Their approach to the Yangtze Valley is admitted in a *Beijing Review* article: "The latest plan focuses on how to make the most of the area's resources *for the development of Shanghai as the center* . . . which can promote the economic development of whole of the Chang-jiang [Yangtze] River Valley hinterland." This role as a mere provider of raw materials for Shanghai's foreign enclaves is mislabeled as a "transformation into the economic backbone" of the nation.

The financial preparations are well under way. The Communist government issued a series of new banking, investment, and labor laws over the past eight months that provide massive tax breaks to the banks and almost total liberty in the establishment of low-wage sweatshops (See *EIR* Nov. 16, p. 10, "C.V. Starr returns to Shanghai").

With more than 100 million Chinese either unemployed or "redundant" rural laborers, and the number *officially* expected to grow dramatically over the next five years, the pool of desperate cheap labor is vulnerable to such policies.

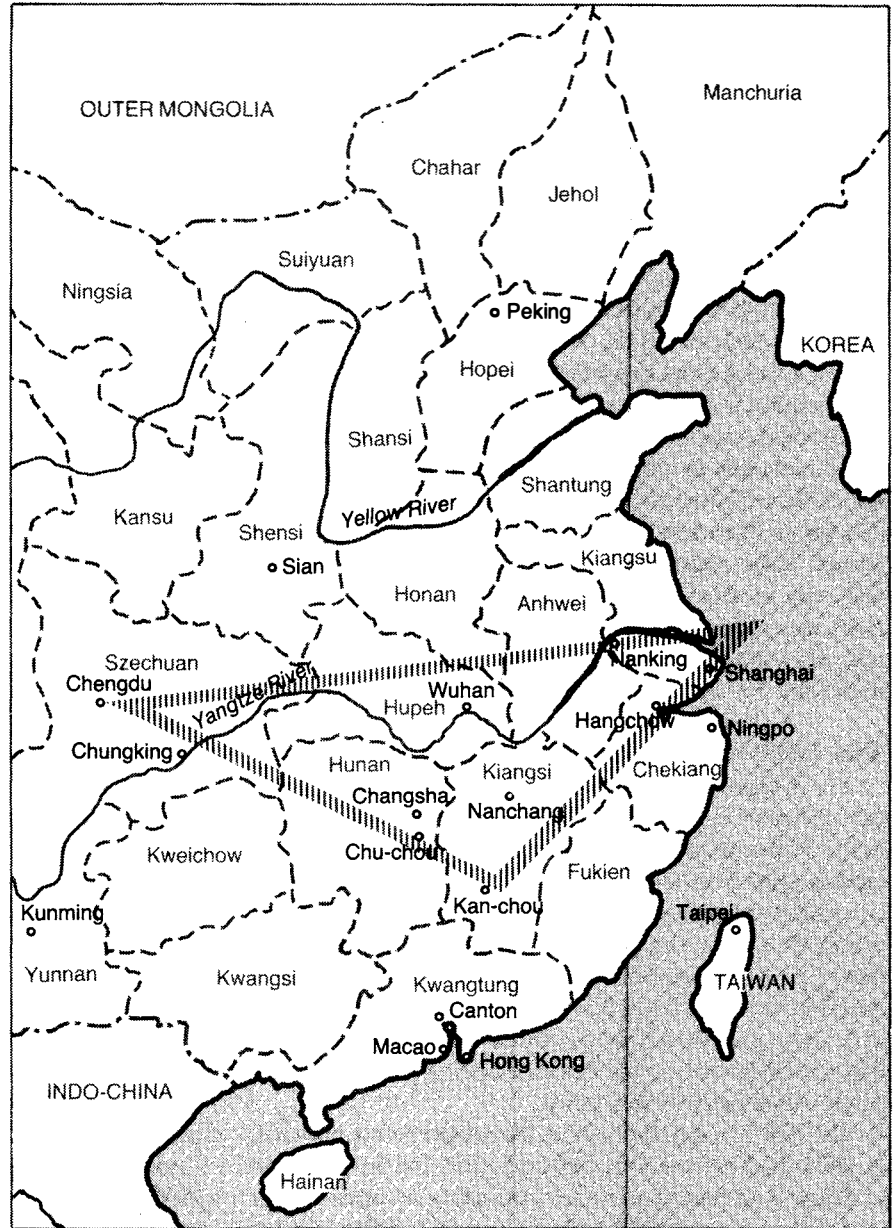
The Oct. 22-28 *Beijing Review* details the plans for Shanghai. The "Pudong" area, adjacent to the current Shanghai, was targeted by Sun Yat-sen as the preferred site for a new port city to rival the great metropolitan centers like New York. Although the current plan does include the creation of extensive port facilities, the similarity to Dr. Sun's "great project" approach ends there.

Three "districts" are being established:

1) a financial and trade center, "site of a new banking street" which will "help Shanghai regain its unique status as the largest financial center of the Orient";

2) an Export Processing District, divided between light industry integrated with the financial sector, and "luxury residences, apartments, office buildings, hotels, markets and recreational centers";

China's program for the 'New Economic Center' in the 1930s



3) a Free Trade District, allowing for “both free trade and export processing.” The district will be “within the national boundary but beyond the jurisdiction of the customs,” and “all foreign personnel and cargo will be able to move in and out of the district free of custom tariff.”

This is an astonishing admission to anyone familiar with the 100-year-long, bloody battle waged by the Chinese to regain their sovereign control over the tariffs from the British. The British seized and controlled the customs for *all* of China after the 19th-century Opium Wars, forcing an artificially low or (in effect) *negative* tariff on imports under their control—including opium—while seizing what little income was generated as payment for the “reparations” imposed on

China for daring to resist the British opium trade and seizure of power. Not until World War II, when the British depended on the Chinese resistance to Japan to slow down Japanese seizure of British colonies, did London give up their control of Chinese customs.

The *Beijing Review* reports further that the Free Trade Zone will be “highly isolated from neighboring territory by a separation belt (*very likely a real wall*)” (emphasis added). It was not reported whether or not the sign from the Park in the old Shanghai concessions, “No dogs or Chinamen,” will be hung on the wall.

The focus on the coastal export zones over the past ten years at the expense of the infrastructure necessary for nation-

al development has now created a general breakdown crisis in the nation's infrastructure. The rail system, due to both the failure to expand and the failure of maintenance, has been unable to move existing raw materials, especially coal supplies, to industry and to electric generation facilities, causing vast shutdowns and blackouts in industry over the past two years. The rail construction plans for the Eighth Five Year Plan (1991-95) include some ambitious projects, such as an 18-kilometer tunnel to link Chengdu, Szechuan with the northern provinces, and a 14-kilometer bridge, the longest in Asia, across the Yellow River. But the plan is no more than an attempt to patch the hole in the dyke, while the entire edifice is collapsing.

Similarly, the water supply system has collapsed in many cities, including Beijing and even in the model "Special Economic Zone," Shenzhen, across from Hong Kong. Water delivery to Shenzhen has been reduced to three-fifths of the normal daily consumption level, and "the economy will definitely be affected," according to officials quoted in the *Hong Kong Standard*. The Beijing water situation is so serious, and solutions so far from sight, that there is discussion of moving the capital to another city.

The 1930s 'New Economic Center'

As an approximation of what *could* be done with republican leadership in China, the "New Economic Center," begun in the 1930s, aimed to transform the several provinces extending south from the Yangtze River into a productive base, generating out to the rest of the nation and beyond (see **Map**, p. 17). This astonishing project has been virtually buried in history by both Maoists and by Western scholars as part of the effort to paint Chiang Kai-shek's republican government as "corrupt gangsters," and to prevent any effort to replicate it as a replacement for the financial looting preferred by the Anglo-American banking crowd.

Dr. Sun Yat-sen, throughout the decade before his death in 1925, had exerted every effort to link the development of China with that of Germany, including an unsuccessful intervention to prevent China's alliance with Britain against Germany in World War I. Both he and his protégé Chiang Kai-shek admired the Zollverein, the German Customs Union designed by "American System" economist Friedrich List, for creating the "military and economic strength, and the political unity attained in the North German Confederation" (quoted in *Germany and Republican China*, William C. Kirby, Stanford, 1984, p. 149). Relations with Germany were transformed in 1933 and 1934 similarly through the efforts of Gen. Hans von Seeckt, the founder of the German Reichswehr, and Otto Wolff, an industrialist who had also played a leading role in the German industrial policies in Russia before 1933.

At that point, Chiang Kai-shek had been almost entirely isolated by the Western world. In 1920, Britain, France, Japan, and the United States had formed the "New Four

Power Consortium," ostensibly to "regularize foreign investment in China; but its practical effect . . . was to cut off credit by any one of its participants. In its 17-year existence, *not one loan was granted by the consortium or member powers acting under its auspices*" (Kirby, p. 195). In addition, only the Germans had provided the military support necessary for Chiang to clean out the remnants of the warlords and to finally drive the Communists out of the crucial, strategic province of Kiangsi.

Seeckt signed a secret treaty with Chiang Kai-shek in August 1934, which constituted the first trade treaty with any nation in which China was fully equal and independent. It was entirely a barter agreement. German capital goods were exchanged for raw materials and agricultural products—the majority of which were the strategic minerals tungsten and antimony. (Much of China's strategic minerals were in the Kiangsi area—the routing of Mao's Red Army facilitated their development.) A 100 million Reichsmark credit was established by a semi-private corporation in Berlin (Hapro), actually run by the War Ministry, to be drawn upon by the Republic of China to purchase capital goods, to be paid entirely by Chinese exports. The actual credit extended was several times this amount. These credits were in 1935 "the sole available means of financing new state enterprises" (Kirby, p. 135). Interest on the credits was 5% (British loans were offered at 12%, and were to *remain* at 12%), with no time set for the delivery of goods in payment, nor any limit on expanding the credit, nor any security. The security for the German corporations involved came from guarantees from the Reich. There was no foreign ownership or management. Each of these points represented a total departure from all treaty arrangements over the previous century.

Otto Wolff of Cologne was the primary figure on the German side between 1934 and 1936. He began by building a series of rail lines through Chekiang, Kiangsi, Hunan, and Kweichow (see **Map**), the heart of the "New Economic Center." He brought Krupp and Stahlunion Export in during 1936. He then built China's first motor vehicle manufacturing plant in Chu-chou, Hunan, at an intersection of the rail lines, in collaboration with Daimler-Benz. Construction of a truck plant, which would have produced the entire product domestically, was begun, but was interrupted by the war. With Junkers, Wolff built the first Chinese airplane plant in Hangchow. Siemens built ports and turbines, while IG Farben built chemical plants.

The IG Farben representative, Max Ilgner, did a thorough study of the general potential for German industry, preparing a three-volume report that circulated in several hundred copies. "Ilgner said German industry need not fear that an intensification of the Chinese industrial sector would lead to its independence from foreign sources; it would result instead in the 'creation of additional purchasing power' " (Kirby, p. 202). This identified, negatively, the opposite British policy (then and today) which aimed to extract as much as possi-

ble in raw materials and cheap labor while intentionally preventing the development of an independent industrial base, assuring China's continued dependence as a *debtor*, not as a developing market.

The largest chapter of Ilgner's report was on *cultural* relations as the necessary foundation for economic collaboration. In China this centered on the Germany Institute in Peking, which published translations of Schiller and Goethe and functioned as a clearing house for industrial and educational exchanges and support.

The Ilgner report led to the establishment in 1936 of a "Three Year Plan" between Hapro in Germany and the "National Resources Commission" in China under Chiang Kai-shek. Had the full scope of this great project not been disrupted by the Japanese invasion, and later by Hitler, Goering, and Ribbentrop's orders to end all relations in favor of the military alliance with Japan, China would have experienced perhaps the greatest economic transformation of any nation in history. It is also generally recognized that with even two more years' delay, China would have been strong enough to repel the Japanese *blitzkrieg*.

The Three Year Plan included the following major elements:

- 1) Expanded tungsten and antimony mining, critical in munitions production, and the construction of a ferro-tungsten plant in Kiangsi, providing China the means to produce its own finished product.

- 2) The Central Steelworks in Hunan, built by Krupp. With the loss of Manchuria in 1931, the Republic was left with *no* modern steel capacity. The iron works that were the pride of the "self-strengthening" movement of the late 19th century, had "proved unable to compete with foreign imports, and had altogether ceased production" (Kirby, p. 213). The new Hunan facility was connected by rail to potential new iron and coal resources, and by highway to the ferro-tungsten plant in Kiangsi. The entire infrastructure for two blast furnaces, a steel refinery, a hydroelectric power plant, and by-product facilities was completed in July 1939, but then the Japanese forced the nationalist government evacuate to Yunnan.

- 3) Extensive iron, coal, lead, and zinc mining.

- 4) Copper smelting and coal liquefaction plants in Kiangsi, which were forced to evacuate to Yunnan in "dramatically scaled-down versions."

- 5) Nitrogen and alcohol plants. Although these, too, were forced to evacuate, China became a major chemical producer.

- 6) Central Machine Manufacturing Works in Hunan, including an engine plant, a power plant, and machine tools facilities. Construction was near completion when forced to evacuate to Yunnan.

- 7) Central Electric Manufacturing Works, spread across the country, producing electronics equipment. In this area alone did the British and Americans participate, but only

after 1938.

While the Japanese encroachment increasingly disrupted the program, on the German side, Hitler had ordered a halt to the entire China policy as early as 1937, even though his relations with Japan were erratic at best. German industrialists and the military were almost universally in support of China, including military defense against Japan. Hitler's orders were strenuously resisted. Goering ordered all shipments stopped in October 1937, then again in April 1938, then again in April 1939. These orders were never fully followed, and not until the Japanese attack on Pearl Harbor and German recognition of the Japanese puppet regime in occupied China in 1941 did the trade actually end.

One extremely revealing effect of the Sino-German project was the shattering of the "united front" among the other Western powers to hold China in backwardness on the British model. The railroad boom, in particular, convinced some bankers that they had better get in on the new construction. But despite the collapse of the "New Four Power Consortium" in 1937, the British refused to lower their 12% usury rate and to meet the German "equal treaty" terms, and virtually no new support was forthcoming until Japan attacked Pearl Harbor.

Also, as historian William Kirby points out: "The Three Year Plan of the National Resources Council did leave a legacy: It is to be found in the dominant role played by that agency and the government in the wartime and immediate postwar economy and again in the Taiwanese industrial economy of the 1950s" (Kirby, p. 217)

Compare the *cultural* worldview which governs these two opposite approaches to economic policy. Chiang Kai-shek and his German collaborators acted in the tradition of Friedrich List and Dr. Sun Yat-sen with a commitment to developing the productive powers of the Chinese population through the introduction of the best available technology, to a purpose beneficial to all mankind. Kissinger and his aging and decrepit friends in Beijing, in keeping with the British model of Adam Smith and the East India Company, are concerned with precisely the opposite: extracting as much wealth as possible while preventing any expression of creative thought among the population. In the unbridled words of British Imperial apologist Adrian Wood in the London *Financial Times*, after praising both the opening up of land and securities speculation and the "painful" austerity on the people, "if the political system becomes pluralistic and democratic, it becomes easier for the losers and the shortsighted to unite to block economic reforms that are in the long-run interest of the people."

The legacy of List and Sun, inspired by the notion of the inalienable rights of man from the U.S. Declaration of Independence, can be seen today in the temporarily repressed Chinese freedom fight and in the newly unified German nation. It is to this tradition that we must look for a reversal of the unfolding disaster in the People's Republic of China.

Industrialists blast Club of Rome

Leaders of French heavy industry present a six-point plan to counter British and U.S. "post-industrial" strategies.

In a conference here on "The New Industrial Imperative" Nov. 14, French industrialists condemned by name the Club of Rome, the leading malthusian institution of Europe, and Sicco Mansholt, one of the most influential zero-growth ideologues. Underlining the urgency of an industrial renewal for France, they presented a six-point plan which echoes the anti-malthusian American economist Lyndon LaRouche's ideas. Among other things, it calls for:

- training 10,000 new engineers per year (beyond the current 14,000);
- increasing the part of GNP earmarked to productive investment from 12 to 15%;
- doubling the research effort in terms of both number of engineers and researchers and in terms of money;
- building a European market which reflects the fact that industry, not finance, is the heart of an economy.

Lionel Stoléru, the French planning minister, hammered home: "There is no such thing as a post-industrial society; there are only pre-industrial societies, industrial societies, or societies which failed in their strategic industrial planning, as could be the case with the U.S. and England today."

On Nov. 13, *Le Figaro* newspaper published a manifesto on the theme of the conference, signed "by the presidents of seven industrial federations." The federations include those dealing with chemical industry, machine tools, textiles, metallurgy and mining, agro-industry, automobile construction, and electric and electronic industries.

They write, "We want to denounce the myth of the 'post-industrial' society, which, for 20 years, has been a powerful factor for the demobilization of energies, to the detriment of industry." They say a new boost must be given to industry in France, especially as "the 20th century has been the century of industry," and industry has come to be seen as "the instrument of progress, capable of assuring people more security, more well-being, and more independence."

The federation presidents note that "today, the countries that find themselves most committed to the 'post-industrial' path are in economic decline: the U.S.A. and Great Britain. Conversely, those who have made industry a national priority dominate the world economy: Japan and Germany."

For years, in France as elsewhere, the "experts" have been singing the siren song that industry is passé. From the technetronic revolution of Jean-Jacques Servan-Schreiber, to "small is beautiful," everyone agreed: Heavy industry, with its steel plants and shipyards, was doomed to go the way of the dinosaurs.

Recently, the deputy from Savoy, Michel Barnier, recited the malthusian ravings of the late Club of Rome founder Aurelio Peccei without even raising an eyebrow among his colleagues in the National Assembly. Hugues de Jouvenal, leader of the Futuribles, the French offshoot of the Club of Rome, appealed over French radio for cuts in spending for the elderly and handicapped.

That's why it is so important that such a high-level institution in France

should denounce by name the organization that promotes policies potentially worse than Hitler's.

Fear, more than altruism, is the likely spur. Though France is still the fourth largest industrial power, for the first time since World War II, it has been a net importer of industrial goods for three years in a row (1987-89). For every 100 francs invested in capital goods, 42 francs are imported. With German heavy industry aiming at Eastern European markets, industrial France has to equip itself to be Germany's partner, not just its best customer.

The French economy is also short on engineers, and even more so on technicians. Only 25% of the working population has a high school-level education or higher, while in Germany, 75% of the youth start out with professional training. France graduates only 14,000 engineers a year, as opposed to 20,000 in Great Britain, and 29,000 in the former West Germany. The general manager of Alsthom Fluides, Henri Morin, summed it up, "Engineering graduates in France are like water in hot countries: There are still not enough, and they evaporate." In fact, only 8-10,000 French engineering graduates actually practice their profession. The others "evaporate" into the service sector, banking, and commerce.

Horst Franck, the CEO of Bosch-France, presented some clues about the German system. "In our country, professional training is not a dead end because the possibilities of promotion in the company or advancing in professional life are multiple" compared to French graduates, he explained. "We think it essential for technicians and middle-level cadres to come out of a lower rank in the hierarchy. This is essential for motivating people who start their careers as blue-collar workers."

Farm suicide rates are zooming

Bush and Yeutter talk of "healthy competition" and "free trade," while the rural suicide rate soars.

During the mid-1980s, a wave of farm bankruptcies, foreclosures, and farm finance crises hit the U.S. agriculture sector. There was a sad exodus from family farming, and the total amount of farm debt of the nation contracted by several millions of dollars. As of 1990, the official line from Washington, D.C. has been that the crisis is long passed, and we are now in good shape.

This is a grim joke, considering, for example, that today's wheat prices are at record lows, and a new wave of financial crises threatens to overtake thousands of remaining farm families. Apart from livestock, most prices are low relative to the bare-minimum income needed for survival of family farms.

However, the most graphic description of the true state of farming comes from statistics other than crop prices and ledger sheets. Farm-state health departments are reporting record rates of suicides.

The same process is taking place throughout the nations where the Bush-Thatcher program for "competition," "free trade," and "low cost farming" has been dominant—Canada, Australia, New Zealand, and the United States.

The October *Farm Journal*, one of the largest farm-circulation magazines in the United States, ran an article entitled, "The 80s are over, but . . . farmers are still killing themselves." The *Farm Journal* ran a list of 22 phone hotline numbers available in farm regions for farmers to call if they are in distress. The magazine also ran an extensive description of the "suicide signals to watch for," so that

family members would be alerted in advance to seek out help for persons who are a danger to themselves.

Recently, the Minnesota Center for Health Statistics updated their studies of the rates of suicide they analyzed in 1985, and those today, among farmers in Minnesota, Montana, the Dakotas, and Wisconsin. Paul Gunderson, the center's director, observed, "In each state, the suicide rates were more elevated than I would have expected them to be. We hadn't gathered suicide data since 1985 and were under the impression that conditions had improved."

Minnesota had the highest suicide rate of the five states—65 per 100,000 farmers. Wisconsin had the next highest with 59 per 100,000. These rates compare with the national average of 10-11 per 100,000.

The situation is the same in other farm states. The Oklahoma Department of Health reviewed death certificates issued in the state between 1983 and 1988, and found that suicides killed five times more farmers during that time period than fatal accidents on the farm. Farmers in Oklahoma account for 2.16% of the total population, but they account for 6.12% of the suicides. The farm suicide rate is 42 per 100,000, compared with about 15 per 100,000 in the state's general population.

If anything, these statistics understate the truth, because farmers are known for staging equipment accidents so that their families can collect life insurance.

The Oklahoma phone hotline "Ag-Link" reports that suicide intervention cases totaled 115 last year,

and this year the number is expected to rise as high as 175.

There is no complicated analyses needed of the causes behind this crisis. Millions in rural areas feel unable to cope with a situation where they are financially ruined, and yet the Bush government leaders speak of "recovery."

A governors' task force held 13 town meetings in Oklahoma to review the high suicide rate, and person after person testified about the impossibility of paying debt and getting help. Gov. Henry Bellmon called for a federal investigation of the conduct of the Farmers Home Administration, the federal lender of last resort run by the U.S. Department of Agriculture, which has called thousands of farm loans.

Health officials in Australia are reporting the same rising suicide rates. Researchers at the Prince of Wales Hospital in Sydney have studied how youths in rural areas are particularly affected. They suffer a higher rate of suicide than their counterparts in cities.

A study of rural New South Wales (NSW) showed that there has been an upsurge in male youths suicides, and that the downturn in the rural farm economy is the major cause.

A researcher on the project, Prof. Brent Waters, said that there are many factors, especially the farm crisis. "It is a combination of factors which include the downturn of the economy, youth unemployment in the bush, and a loss of self-esteem."

The study, entitled "Youth Suicide in NSW: Urban-Rural Trends 1964-88," showed that suicides by young men have increased 570% in 25 years, compared to a doubling in the state overall. In the rural shires of New South Wales, the suicide rate increased from 3.5 per 100,000 in the late 1960s, to more than 20 per 100,000 in the late 1980s.

Alaska can end U.S. oil dependence

An aggressive leasing program, drilling 1,000 wells per year, could end U.S. oil dependence in five years.

Last year California, Illinois, Ohio, Indiana, Kansas, Kentucky, Louisiana, Oklahoma, Pennsylvania, and Texas drilled over 1,000 oil wells without any notorious environmental damage. These states regularly drill between 1,000 and 10,000 wells per year.

If 1,000 wells per year were drilled in Alaska for five years, the U.S. would have no need to be sending troops to the Mideast. The U.S. government and the state government control all of the offshore acreage in Alaska and most of the rest of the land onshore. So why are our troops protecting Saudi Arabia's oil?

Again, let me emphasize that if the federal and state governments allowed 1,000 wells per year to be drilled in Alaska, the United States would not have to import any foreign oil or jeopardize any of our young people's lives. With limited exploration, Alaska ranks with the top producing countries in the world. If we were aggressively looking for oil, we could be one of the top five producing nations in the world. As an item of interest, Alaska produces more oil than Kuwait.

The environmentalists' demand that the U.S. leave all its undiscovered oil in the ground and just use other countries' production, is going to haunt all Americans. With the help of the federal government, state government, the native corporations, and the news media, the State of Alaska's resources are completely locked up. Despite the fact that there are 22 known basins in Alaska that have been subject to little or no exploration, the aforementioned combined entities

have made the U.S. completely dependent on the Mideast and other foreign oil producers. Wouldn't it be great if the U.S. had Alaska's potential reserves to use as backup? Of course, that would have meant that state and federal politicians and bureaucrats would have had to have had some knowledge of the oil industry, economics, and history. It would be easier to produce a do-do bird or a passenger pigeon than a politician with foresight. As you know, all three are extinct.

Alaska has several fields that are capable of producing between 15,000 and 500,000 barrels per day if the price of oil is close to \$20 a barrel. These fields have not been developed due to lack of market. They are the West Sak, Point Thompson, Point McIntyre, Umiat, Seal Island, Gwydyr Bay, and Niakuk. There is also a discovery well in the Mikkelsen Bay area.

Alaska can thank Governors Walter Hickel and Jay Hammond for destroying Alaska's potential development. Unfortunately, Alaska has not had political leaders who had the strength to do the things that were right instead of popular.

The news media throughout the years have done nothing to help Alaska achieve its potential. There has not been one segment or one entity in any part of the news media that has not supported socialism, monopoly, and bureaucracy. If you doubt the truth of that statement, just read today's, yesterday's, and tomorrow's papers, and listen to the news commentators and our political leaders and politicians

both in and out of office. They can all parrot the problems, but none of them have any workable solutions.

To solve the U.S. oil and gas dependence on foreign countries, the federal government, state government, and native corporations could initiate an aggressive oil and gas leasing program on Alaska's land. Contrary to the lies and hypocrisy of the well-paid environmentalists, this would have little, if any, long-range negative environmental effect. It would and could, however, keep the United States and Alaska independent of foreign oil. There has been little effort on the part of the federal government, state government, or native corporations to explore and develop their respective land holdings for oil and gas or minerals or timber or agriculture or anything else. Alaskan development has been deliberately held back by the monopoly of the environmentalists, the multinational oil companies, and government bureaucrats.

And, it is regarded as the crime of the century in the State of Alaska to allow any of the public land to fall into private hands. Of course, it must be obvious to every Alaskan by now that every move that has been made over the past 30 years in the State of Alaska has been to keep any individual from participating in the development of Alaska's land or resources.

The ongoing tragedy in the Mideast spotlights the neglect of the development of Alaska's resources. It is sad to contemplate the dangers of the U.S.'s Mideast operation to the young men and women serving in our Armed Forces. None of this would have happened if federal and state leaders had steadily and consistently allowed Alaska's resources to be developed. Because of this lack of leadership, our state and nation are in grave danger and will undergo unnecessary hardship, suffering, and poverty.

'Culling' the banks

The heavyweights are demanding fascist consolidation and bailout of the banking system.

Treasury Secretary Nicholas Brady fired the U.S. administration's opening salvo in the post-election push to eliminate local banking and replace it with a British-style national banking system, in a speech to the Arthritis Foundation in New York City on Nov. 20.

"There is an underlying structural problem" in "the legal and regulatory structure of our financial system," Brady said. "It is outmoded, burdensome and inefficient. And its flaws are an unseen contributor to the negative headlines we are seeing. We need fundamental structural reform, and, as secretary of the Treasury, I am committed to this goal."

Brady's proposals for streamlining and cartelizing the banking system are a reflection of the effort by the Anglo-American Establishment to salvage its collapsing rentier-financier power base, by looting what's left of the American banking system and the population.

In the wake of the 1930s Depression, Brady said, "We left in place a system of laws that effectively prohibited interstate banking. . . . These laws that protected and segmented the industry reflect the reality of a half-century ago. . . . But the last 20 years have simply revolutionized the financial services market." To meet the new reality, he stated, "It's time to overhaul the system, to address these underlying structural flaws. There is now a developing consensus in Washington and in the markets—in fact, all over the world—that the time has come. The Treasury understands the need for change, and, as some of you

are aware, will come forward with a comprehensive proposal in less than two months.

"Our objective is clear: It is to modernize our financial system, through reforms to the deposit insurance safety net and, just as importantly, to these structural impediments to profitability that have overstayed their welcome."

"We have it in our power to solve the problem," Brady exclaimed. "We put these laws on the books; we can, and with Congress's help, we will change them."

Brady's comments echoed an editorial in the Nov. 20 *Financial Times*, the mouthpiece of the City of London, Britain's equivalent of Wall Street. The paper called for "new structures in banking," complaining that there are "too many banks."

"The case for culling banks needs to be carefully argued," the *Financial Times* counseled, "since any reduction in competition would act against the interests of the consumer of banking services. And mergers of banks are not popular because people do not like to see banks becoming bigger and more powerful. But there is a wider public interest at work here. Very few large banks earn an acceptable return on their capital, and some of them are worryingly weak, as the large number of credit downgradings this year testifies. Unless the banking market is brought into better balance there could be disasters which impose a heavy cost on society at large.

"Since the problem is more one of too many banks than too much capacity, the most practical solution must lie

in mergers.

"Given the public interest dimension, it may also be necessary for the banking authorities to encourage consolidation, though they would have the task of persuading governments that such changes were both necessary and desirable. The important point is that the restructuring of the banking industry should happen in an orderly fashion and not be forced on the market by pressures which have gotten out of control."

A similar call was made by Felix Rohatyn of the investment bank Lazard Frères. Quoted in the U.S. nationally syndicated column of Hobart Rowen, Rohatyn said: "As we enter what could be our most dangerous recession since World War II, our banking system is in urgent need of new capital. The greatest danger to our economy, today, is the inability of our financial institutions to provide the credit needs of a stagnant economy. The S&L industry is moribund; insurance companies are under significant pressure; the banking system is woefully undercapitalized and is compounding our economic downturn by drastically shrinking the availability of credit."

Rohatyn proposed an injection of \$25-50 billion in new capital into the banks, through the purchase by the Federal Reserve of a new type of non-voting bank securities.

Rohatyn was one of the key figures in Big MAC, the Municipal Assistance Corp., which savaged public services and looted the people of New York City for the benefit of Wall Street. In Rohatyn's circles, austerity is fine for the people, but not for the banks.

Rowen also cited Wall Street corporatist Henry Kaufman on the need for "centralization in regulation and supervision" of the entire system of government financial regulation.

Business Briefs

Infrastructure

Maintenance cuts make NYC bridges time bombs

"Every time you cut maintenance, you are creating a time bomb on a bridge," said David Steinberger, deputy transportation commissioner for New York City's Bureau of Bridges, in the Nov. 20 *New York Times*. The Bureau of Bridges says that 56% of the city's 842 bridges are structurally deficient, and that most problems could have been avoided with preventive maintenance.

City officials propose cutting the maintenance program for bridges by 30% and the capital budget for bridges by 16% for 1991. This would translate into 1.6 million square feet of bridges unpainted, 310 bridges not cleaned, and 19 bridge rehabilitation projects delayed.

"With these cuts, you can anticipate more potential hazards on our bridges and a greater likelihood that we will have to close bridges to keep the public safe," said Steinberger. In the last nine months, engineers have closed seven bridges, fearing collapses.

Economic Policy

Japanese newspaper covers EIR study

Nikkei Kinyu Shimbun, Japan's "Wall Street Journal," has given prominent coverage to a just-released EIR study, "Japan's Strategic Dilemma: An Informed View." Frankfurt Germany bureau chief Siguru Ikeda reported that "The study represents a European-American view, aiming to be constructive, rather than engaging in Japan-bashing. . . ."

"The 'marriage' relationship between Japan, which needs the U.S. 'nuclear umbrella,' and the U.S., which needs Japanese money, has changed greatly in the 1980s, the report says.

"Especially, Japanese defense strategy, including the former 'small Japan-ism' policy, is facing difficulties, because of restrictions on a radical expansion of [Japanese] military power on the one hand, and [the need for] an

adequate defensive military approach vis-à-vis the Soviet Union on the other hand.

"The report indicates that the basic reason for increasing [military] demands on Japan, is that the U.S. ability to shoulder the burden is decreasing due to 'the collapse of the U.S. economy,' which used to have the infrastructure and science and technology capable of raising the productive power of individuals and industries, much as Japan does now. The collapse was triggered by U.S. government policy of encouraging financial speculation.

"The biggest mistake and U.S. policy failure was—at the time of the Latin American debt crisis in the early 1980s—to cut off investment and technology transfer to underdeveloped countries, along with the International Monetary Fund and the World Bank. The report's analysis states that, under U.S. pressure, 'Japanese financial agencies, who used to pride themselves on their long-term thinking, followed this policy.' As a result, Japanese exports were massively redirected to the U.S. and other OECD countries, leading to further suffering by underdeveloped countries. . . ."

"From now on, the report appeals, Japan should adopt a global view regarding its assistance to foreign economies and strengthen its relations with Europe."

Water Management

Quebec's James Bay project gets nod

Canadian Federal Environment Minister Robert de Cotret has ruled that Quebec may construct the roads and airports needed for the next phase of the huge James Bay project, which will tap into hydroelectric resources at the southern tip of Hudson Bay. The move comes as a defeat for environmentalists who feared that, once the \$600 million logistical base is established, the project will be unstoppable.

De Cotret said Nov. 21, "We can't stop any province from building a road if it's environmentally safe."

The federal environment critic for the New Democratic Party, James Fulton, worried that the Great Whale Project, the next phase of

James Bay, is the "largest industrial project ever conceived in the history of North America."

De Cotret has been recently vowing to slow down the building of a different dam, the Rafferty-Alemeda dam in Saskatchewan. But Saskatchewan Premier Grant Devine, with popular support, has said that he intends to go ahead with the project anyway.

Science

Cold fusion work vindicated

A panel at Texas A&M University has determined that allegations that cold fusion experiments were faked are unfounded, the Nov. 20 *New York Times* reported. Such allegations appeared in the June 15, 1989 issue of *Science*.

The original cold fusion experiments were conducted by Dr. John O'Malley Bockris. After reviewing the work, an internal university panel concluded that none of the experiments were fraudulently conducted, but were performed with a "normal" degree of care and precision.

Mideast

Soviet publication asks for 'Marshall Plan'

The Soviet foreign language publication *New Times* has called for the U.S. to implement a "Marshall Plan" for the entire Middle East. Author Aleksei Vasiliev proposes that "the United States pledge to take urgent measures for a solution of the Palestinian problem and to adopt a 'Marshall Plan' for the Middle East." Vasiliev does not elaborate on what is meant by a Marshall Plan.

Readers of EIR will recall our series on a Marshall Plan or "Oasis Plan" for the Middle East, most recently reviewed in the July 20, 1990 issue.

Vasiliev raises the possibility of a "split" in U.S. public opinion on the Gulf deployment: "How long can American troops stay in the Arabian Desert before U.S. public opinion

loses its patience? Leaflets are now being distributed on university campuses. The following questions are posed: 'Do you want to die or kill for the sake of interests of oil monopolies? Do you want to have an inscription on your grave: 'He died so that the price of a gallon of oil could remain the same.' This is, of course, the voice of an absolute minority [which will] be heard more loudly if the crisis drags out. . . .

"The line of confrontation between the West and the East, the U.S. and the U.S.S.R. is now being replaced by a confrontation between the North and the South. The Soviet Union is desperately trying to acquire the social and political values of Western civilization. . . . Many Western leaders [are] guided by the need for an image of the enemy and an evil empire. . . . The Muslim world can assume the image of an enemy. This is very dangerous."

Transportation

European Commission to fund railway

The European Commission will establish a special fund to improve railroad and highway links that have continent-wide importance, according to the London *Financial Times*. The new fund, which has long been championed by EC Transport Commissioner Karel van Miert, will earmark ECU 60 million this year and nearly double that amount in 1991 to improve combined road and rail links, ease traffic bottlenecks, upgrade connections of more peripheral regions to the heart of Europe, and lower the cost of moving freight.

Among the projects likely to be funded are the high-speed train lines between Paris, London, Brussels, Amsterdam, and Cologne, transit works on the Brenner Pass, the North Wales coast road, and improvement of the Belfast-Dublin rail line.

The plan's backers overcame objections that other EC programs already finance infrastructure improvements, arguing that most of those are of national or regional importance, and that additional support for projects of a Community-wide significance is warranted.

Shipping

Large Japanese-Soviet port project unveiled

A plan announced by the Japan-Soviet Trade Association envisages cooperation on a large-scale project to modernize the Soviet port of Vanino on the Sea of Japan, in order to promote Soviet exports to Japan, the *Bangkok Post* reports.

Officials said the association, comprising more than 80 small and medium-size Japanese trading companies, is planning to organize a consortium with major trading and manufacturing companies and banks in order to obtain packaging orders from the Soviet Union for the project, which is estimated to cost \$500 million. The association is currently sending a survey mission to the port to work out detailed plans.

Debt

Brazil to pay on arrears with banks

Brazil is making concessions to its creditors, and it is now expected that the government of President Fernando Collor will pay close to \$2.5 billion toward its \$8.3 billion interest arrears with foreign commercial banks.

In November, Citibank demanded that Brazil pay \$2.5 billion as a precondition for debt renegotiation talks. The Collor government has made it a question of honor that it would make no significant payments until a global accord had been reached. Collor even got Congress to back him on this point. Brasilia had claimed it could pay nothing this year and only \$1.1 billion in 1991 for interest.

The Bush administration successfully lobbied on behalf of the Wall Street banks to get the International Monetary Fund and World Bank to cut off new loans to Brazil until the arrears question is settled. "Two World Bank loans for \$450 million, which were scheduled to be announced in mid-November have been delayed without explanation," the London *Financial Times* reported Nov. 20.

Briefly

● A "TECHNOLOGICAL wasteland," wrote Temple University associate professor of physics, C.J. Martoff of the United States, in a letter to the Nov. 25 *New York Times*. Laboratories are shutting down for want of funds in "our much-vaunted 'free-trade' environment. . . . If he or she is good enough, the engineer may at last find prospects for a great job looking up—working for a Japanese company, of course."

● ONTARIO'S new premier has just declared a moratorium on the building of new nuclear plants. Since the late 1960s, Ontario Hydro has spent over \$27 billion on 20 nuclear reactors along the Great Lakes coasts.

● DREXEL BURNHAM'S recent reunion drew about 500 former employees of the bankrupt and defunct junk bond brokerage house. "You obviously don't remember Drexel Burnham if you're surprised at the turnout tonight," said one reveler to a reporter. "It was not just a firm; it was a religion."

● ISRAELI Agriculture Minister Rafael Eytan has proposed a joint Arab-Israeli water project. Israel is running out of water, and is seeking foreign investments to help build three desalination plants.

● JUDE WANNISKI, the *Wall Street Journal's* chief economist, wrote Judge Kimba Wood to protest her sentencing of convicted junk bond felon Michael Milken, the Nov. 26 *USA Today* reported. "The market [Milken] created helped fuel the growth of hundreds of firms that could not otherwise have grown," he said.

● UTILITY REBATES for installation of energy-saving equipment like heat pumps, will now be taxable as income, eliminating much of the incentive for consumers to "save energy." Utilities have backed this strategy to avoid building generating capacity.

Why the U.S. framed up FEF leader Paul Gallagher

The former Fusion Energy Foundation executive director tells how his foundation's influence on what became the SDI, prompted an illegal forced bankruptcy and judicial frameup by the government.

Paul Gallagher tells how he is the victim of a judicial frameup because of his association with Lyndon H. LaRouche, and because of his role as the executive director of the prestigious Fusion Energy Foundation (FEF), which the U.S. government illegally bankrupted. He is interviewed by Science Editor Carol White, who was also a member of the FEF Board of Directors.

White: Paul, will you explain the scope of the railroad against you and the FEF?

Gallagher: This is definitely a continuation of the attempt by the multi-agency, federal, state, and local "Get LaRouche" task force, which has succeeded in getting unjust convictions against LaRouche and several of his associates. This grouping was determined to eliminate the publications—and the influence—of the foundation, along with the publications of other organizations with which LaRouche had some connection.

Besides *Fusion* magazine and the *International Journal of Fusion Energy*, *Campaigner* magazine, and *New Solidarity* newspaper (not connected with FEF) were also bankrupted in the same proceedings. Cumulatively, these publications had reached a circulation of nearly 300,000 at the time that they were liquidated, shut down through phony bankruptcy proceedings.

But this was not sufficient for the government task force which was intent on pursuing its vendetta against LaRouche and his associates. Many of the individuals who were most closely involved in putting them out, and in raising the money to put them out, have been prosecuted since. That's been one of the purposes of these trials against LaRouche and his associates.

While LaRouche and his six associates are now serving

unjust federal sentences, and associates of his are appealing a similar railroad by the Virginia courts, I and my fellow defendants—my wife Anita, and Larry Hecht—expect victory in this trial, because for the first time, the government will not be able to prevent our telling the true story of the bankruptcy of the Fusion Energy Foundation and Campaigner Publications.

We are in a new situation, which was created by the fact that the ruling on the bankrupting of FEF, in favor of the foundation, is now definitive. The Solicitor General has announced that the government will not appeal the ruling that the bankruptcy was in fact a fraud committed by the government, on the court.

This is now uncontested; it is a final, legal fact, that the Justice Department was culpable in attempting to eliminate the existence of ideas and publications associated with Lyndon LaRouche.

Therefore, in the criminal trial against me, now ongoing in Roanoke, Virginia, my fellow defendants and I will be able to enter the government's illegal actions against the foundation in evidence as part of our defense, and also by implication, retroactively, in the defense of LaRouche and his associates. We will prove that they were the victims of a railroad, and unjustly prosecuted.

We are being charged—and they were convicted—of a conspiracy to take loans without sufficient regard to how they would be repaid. In past trials defendants were not permitted by the court to enter into evidence the fact that the U.S. government was responsible for closing down the foundation, and therefore it was the government action which prevented repayment of loans. Now the issue of government interference is clearly substantial material evidence, and cannot be kept out of our defense. In this case, the government's



Paul Gallagher

EHRNS

role in creating the hardship, for which we are being prosecuted, the financial hardship to our supporters, for which I am being prosecuted, will be fully placed before the court, and before the jury.

The ideas which the courts have tried to silence will be a key issue of this trial, which comes at a crucial moment for the United States, when the breakdown crisis of the economy, which LaRouche warned about for decades, is becoming generally recognized. This is going to be an unusual legal fight.

White: Can you clarify what the charges against you are?

Gallagher: For a year before the bankruptcy, the majority of the money that sustained the foundation was in the form of contributions and sales, but a certain fraction of it was loans. For the year before the bankruptcy, the repayment of those loans was slowed up by an incredible barrage of adverse publicity against the FEF and against LaRouche personally. This was in the wake of the March 1986 victories of LaRouche-linked candidates in the Illinois primary. Eighteen thousand slander articles appeared in a nine-month period in American newspapers alone, making it next to impossible to raise the money necessary to keep going. After that period in which repayment was held off by that means, for a year, the foundation was liquidated by the government, and could no longer even attempt to repay the lenders. That repayment has now been made the subject of prosecution.

Furthermore, the government is making the incredible charge that by taking loans on behalf of the foundation I was

acting as an unregistered securities dealer, selling stocks in the FEF, which was a tax-exempt, public foundation. These charges have now been made the basis of criminal securities violations prosecutions.

White: Will you explain just what the foundation did?

Gallagher: The testimony in the trial will come in part from scientists who collaborated with the foundation. Because of the objectives which it was achieving, for example, in the period from 1979 to 1981 the foundation, which was founded by fusion scientists, along with Mr. LaRouche and his associates, succeeded in initiating and eventually getting passed a law which committed the United States officially to the development of fusion energy as a commercial energy source by the end of the current century. That enabling legislation was one of the most important scientific acts of Congress passed in this century. This was the McCormack bill, the Magnetic Fusion Act of 1981.

I had just become director of the foundation when the act was signed by President Carter in January 1981. From that point, the possibilities of taking advanced fusion development and related laser technologies and giving a new impetus to the U.S. economy, as well as U.S. defense strategy with beam weapons, was a prospect which excited scientists and engineers throughout the country. The foundation had eventually tens of thousands of collaborators in one form or another, and published the articles of scores of such scientists and engineers in the issues of *Fusion* magazine.

White: Even before then, when you and I both worked in a voluntary capacity with the foundation, it played a dramatic role in defending nuclear energy, particularly after the Three Mile Island incident. In that period, the FEF's presence at airports was a rallying point for the pro-science faction in this country.

Gallagher: People now, of course, are coming to realize that we were right throughout the last decade about the need for nuclear energy. Even before the present Gulf crisis, we were at the mercy of energy shortages of all kinds. The FEF for years was the only pro-nuclear organization in the U.S. that fought for what it believed after Three Mile Island. All other scientific publications lost their nerve; although they may have maintained a technical respect for nuclear power, they lost their nerve to fight for it. That was typical of what happened.

Another critical point, in the year before the foundation was forced into bankruptcy by the government, we waged a campaign to save the space program. This was after the Challenger disaster, when the very existence of manned exploration of space by the U.S. was completely in question. In that year alone, supporters of the foundation donated 28,000 subscriptions for the magazine, to high schools in the United States. Schools would take from 50 to 100 to 150 per school, and these were used in science classes.

Our aim was to make sure that the excitement and support for a manned space program—with civilians in space—was maintained. This was vital in holding the line on the decision that President Reagan announced in late 1986 to maintain civilian flights of the Shuttle, and to adopt the policy which LaRouche had initiated of going back to the Moon and eventually colonizing Mars. These 28,000 high school students and teachers all lost their subscriptions in one stroke, in April 1987 with the liquidation of the magazine.

I remember when President Reagan went to a classroom in Jefferson High School in northern Virginia. *Fusion* was used as a major teaching tool there, and almost every one of the 400 students in that “magnet school” had a subscription to *Fusion*. That was the purpose of the drive to place *Fusion* in the nation’s schools, to achieve such a result, and \$600,000 was raised from supporters for that purpose.

FEF, Fusion magazine seek millions in damages

The Committee to Defend Scientific Freedom announced that the Fusion Energy Foundation, along with two political publishing companies associated with Lyndon H. LaRouche, Jr., filed a multimillion-dollar claim on Oct. 19, 1990 for damages against the U.S. government for its illegal shutdown of the three organizations on April 21, 1987.

The damage claim follows more than three years of litigation in which a federal bankruptcy judge and an appeals court judge both ruled on behalf of the three companies, finding the government’s “forced bankruptcy” illegal, conducted in “bad faith,” and a “constructive fraud against the court.” After the ruling by Federal Bankruptcy Judge Martin V.B. Bostetter in 1989 and the appeals court in August 1990, the Solicitor General of the United States announced on Oct. 1 that the government would not appeal further.

At the time of its shutdown, the nonprofit Fusion Energy Foundation had several thousand members and 114,000 subscribers to its bimonthly magazine, *Fusion*. It also published a technical journal, the *International Journal of Fusion Energy*. Over its 15-year history, the foundation had made a name for itself in popularizing thermonuclear fusion, aggressively promoting nuclear energy, exposing environmentalist hoaxes, campaigning for a new Apollo program to go back to the Moon and on to

When *Fusion* was shut down, those supporters were denied the continuing fruits of what they were trying to do, and incredibly, one of the charges being made against me in the trial, is that the money which I raised in that period, was not being used for the scientific purposes of the FEF, but for the purpose of these subscriptions—as if that was not one of the purposes of the foundation. This example alone shows the lying nature of the charges that are being made in this trial.

White: We should not neglect to mention that FEF is still functioning as an important institution internationally.

Gallagher: While the foundation was started in the U.S., it remains alive today in Mexico, Germany, Sweden, Italy, France, and Japan. The U.S. government has now become so insane as to attempt to eliminate this kind of a voice from science.

Mars, and educating the public on beam defense and the need for a program like the Strategic Defense Initiative even before President Reagan’s famous speech of March 23, 1983. The foundation also published for the first time in English many classical scientific works, including works of Bernhard Riemann and Eugenio Beltrami.

“These decisions represent a victory for the U.S. Constitution and free speech. Now we are suing for damages to rebuild the fighting scientific institution that the government deliberately squashed,” said Carol White, speaking for the Committee to Defend Scientific Freedom, a group initiated after the forced bankruptcy.

“The shutdown of the Fusion Energy Foundation, and with it *Fusion* magazine and the *International Journal of Fusion Energy*, was unprecedented. Never before in the peacetime history of the United States has any newspaper or magazine been put out of business under any pretext. This extraordinary action of forced bankruptcy was devised by the government because it was determined to stop publication of *Fusion* magazine and the activities of the foundation in general. Why? Because Lyndon H. LaRouche, Jr. was a member of the foundation’s board of directors and a contributor to its scientific work. This political vendetta against LaRouche summarily put out of business a nonprofit scientific institution,” White said.

Speaking for the Constitutional Defense Fund, its staff director Warren J. Hamerman noted, “Legal observers have told us that they believe if there is no continuing fraud on the court system by the ‘Get LaRouche’ faction’ in the government, the innocent LaRouche shall gain an early release.”

Hamerman described the ruthlessness of the forced bankruptcy: “In the early morning of April 21, 1987, from coast to coast, without any warning, U.S. Marshals

The one most important thing, I think, that brought down the vengeance against us, was the collaboration between LaRouche and the FEF on the question of an anti-ballistic missile defense. This made us and LaRouche the target of the Kissinger-McNamara gang in the United States, and the British establishment and the Soviet government.

The popularization and circulation of LaRouche's strategic defense doctrine by the FEF, was—in my opinion—the turning point which set the Anglo-American establishment on the path of destroying the FEF. The point when they realized that Reagan had adopted this doctrine, which then became known as the SDI—the Strategic Defense Initiative—led in a straight line to the attempts of the government to close down this whole area of work and the foundation itself. Even so, on a broader scale, history is already proving that LaRouche's ideas cannot be silenced—for example, his

launched a raid—bursting in, seizing, inventorying, and sealing the offices of three nationwide publishing, distribution, and scientific organizations. Approximately 150 persons were robbed of their family's livelihood. Clothing and personal belongings, books, and papers of journalists and scientists were seized. A scientific magazine with a 114,000 circulation and a twice-weekly newspaper with 150,000 circulation was destroyed. Books and pamphlets were confiscated in utter contempt for the Constitution. A leading scientific association which was making vital contributions on scientific policy to the White House, Congress, and the scientific community was snuffed out.

“Not only were the very creditors the government claimed to protect severely harmed by the government's own actions, because the companies could no longer repay loans to their supporters, but, in an act of ‘double bad faith,’ the government turned around and falsely prosecuted Lyndon LaRouche and his associates for not repaying these same loans. This is the so-called ‘crime’ for which political prisoner Lyndon LaRouche was thrown into prison one and three-quarters years ago to rot and die.

“LaRouche and his associates were imprisoned in the same week as the inauguration of George Bush as President of the United States,” Hamerman added. “Bush has personally suppressed secret files which prove beyond all doubt that LaRouche is innocent and that the government deliberately framed him up. Now the government must pay for its bad faith actions.”

Three of the editors of *Fusion* magazine formed a new company in late 1987 and started a new magazine, *21st Century Science & Technology*, to continue the *Fusion* tradition.

Food for Peace policy.

White: Will you describe some of your own activities as executive director of the FEF, in organizing the campaign for anti-ballistic missile defense, both before and after the President declared the SDI to be U.S. policy?

Gallagher: In 1982, publicizing the need for a U.S. strategic defense capability was practically the main focus of my activity. Besides literary activity, we participated in international conferences, and conducted forums on campuses throughout the country. Today, in 1990, the campuses in the United States are becoming hotbeds of student upheaval against economic depression and against war—the impending war in the Middle East.

The last time the campuses were alive with real debate was in 1981 and 1982, when there was a battle between the so-called nuclear freeze movement and the FEF. The nuclear freeze movement had more or less swept Europe, was completely destabilizing the governments of Europe over the issues of short- and medium-range missiles in Europe. The movement was attempting to monopolize and take over the campus intellectual debate in the United States. The FEF challenged that, and effectively turned it upside-down, by counterposing, first, what we called the higher peace movement, which would render nuclear missiles impotent through a multi-layered ABM system.

In those days we referred to anti-ballistic missiles as beam weapons. The idea had been put forward in detail as a doctrine in February of 1982 by LaRouche, in a Washington conference, and then in a political statement which he issued. We also reported on it in *Fusion* magazine, and we conducted independent research on the spinoff benefits to the civilian economy, which would come from crash development program of laser defense weapons. Our point of reference was the ten-to-one payback of research and development money spent by NASA to get us to the Moon.

We counterposed the approach of using science to defeat war, to the so-called peace movement, the nuclear freeze movement being led by the Robert McNamara and William Colby crowd. It was very easy for students, once they realized what the nuclear freeze was (and the role of its supporters in Vietnam), to see that something else was needed. Students began to support ABM defense before Reagan ever announced the SDI.

This created an environment in which Dr. Edward Teller, who had been a private mover for beam defense, became a public spokesman for it, and this helped to tip the balance to a significant extent. Then, on Jan. 1, 1983, LaRouche made an extraordinary speech in New York City in which he declared that the Reagan administration had to change its strategic doctrine from mutually assured destruction (MAD) to anti-ballistic missile defense, and said that it had to make that change within 90 days, or the alliance with Europe would be hopelessly lost because of the nuclear freeze movement.

It was 83 days later, in the environment that we had created with the campus debates, with activating Teller's initiative on his own, with the discussions among military professionals all over the world that were going on—it was just 83 days after that speech that Reagan actually went on television and announced the new doctrine.

This was done not one moment too soon. It was done when the NATO alliance was literally falling apart, and the tremendous inroads in Europe of the nuclear freeze movement, which had destabilized and overthrown European governments for several years. We warned at the time not only that the Soviets were well on the way to mounting a sophisticated beam weapons defense system over their own country, but that they had the advantage over NATO in many strategic areas. The SDI was crucial if NATO was to be able to defend itself.

A crucial feature in LaRouche's doctrine was the difference of the role of SDI development in the United States and the Soviet Union. Where we would get a great boost in productivity from applying developments in laser technology to the civilian economy, the Soviets, because of their moribund economic system, would find such a development a severe tax on their economy. To counter this, LaRouche proposed—and Reagan offered—joint development of the SDI, an offer which the Soviets rejected. Since then, as LaRouche foresaw, the balance has swung, and the Soviet economy is at a point of collapse.

White: Things were really hopping at FEF after March 23, weren't they?

Gallagher: In the public shock after Reagan's SDI speech, the new doctrine was semi-publicly admitted to be LaRouche's intellectual influence, as well as Dr. Teller's. I was interviewed on CBS News, the next day, as the *only available* spokesman they could find to say what Reagan was talking about, and to support it. FEF's Research Director, Uwe Parpart, was called onto ABC's "Good Morning America" the following day, for the same purpose. That's how it was.

Only later, as the "Kissingerian budgets" for SDI made crash development of lasers and particle beams impossible, did many people dishonestly claim that SDI was only meant to be a kinetic projectile defense, with limited objectives and using existing, off-the-shelf technologies. Today the program has been watered down to the defense of existing ICBM sites, or to defense against "accidental" or terrorist launches of a few missiles. But this was a great setback from LaRouche's initial conception; or from President Reagan's proposal of mutually assured survival and a defensive shield which would cover the whole of the United States, with similar such shields for our allies.

In 1983, I edited a popular science book, *Beam Defense*, to make that conception accessible to citizens, to students, to military men and so on. The book particularly emphasized the development of new technologies. This book had a large

impact. Not only was it translated into Japanese, but a later version of it was written in the German and French languages, by our FEF collaborators there. I also directed a video on the same subject, which circulated here and in Japan.

White: At that time Mr. LaRouche and we ourselves did not anticipate the vehemence with which the Soviets rejected the SDI. We assumed that they would be willing to support a program of joint development, as LaRouche had suggested to them, and as President Reagan had laid it out. But that didn't prove to be the case, did it?

Gallagher: I was not myself involved in any of those kinds of discussions with the Soviets, except in the settings of conferences—meeting them and discussing the technology. We certainly were hopeful at that time that Reagan's offer, which was a public offer to negotiate and share the technologies that were the basis of the SDI, would work with the Soviet side. But it was clear very quickly that they were going to reject it. It was also almost immediately made clear that they were going to attempt to destroy the man whom they correctly considered to be the intellectual author of this policy. They were going to do everything possible to destroy LaRouche personally, as well as to destroy his political influence.

All through 1983 and 1984, we read articles in the Soviet press, which described conferences which we, the FEF, were holding in the U.S. and elsewhere in the world, particularly in Europe. They would describe these conferences—where the speakers were scientists and technicians—as gatherings of murderers, clandestine meetings of troglodytes, conclaves of savages out to destroy the world. It became very clear that the FEF and LaRouche particularly, personally, had been marked by the Soviets as the target of their rejection of the SDI offer.

White: This Soviet attack did not cause the FEF to hold back, but in fact convinced us that they had hoped to catch the U.S. flatfooted on the issue of ABM defense. It made us fear their aggressive intentions toward empire building.

Gallagher: Right. In 1984, 1985, 1986, we involved every supporter we had in the world in one way or another in holding 125 conferences, some of them major conferences, on the SDI, and on the technologies involved in laser-based anti-missile defense, all over the world, so that the doctrine could be turned into an actual new form of economy in which the laser would be the basic machine tool for the future, in which the development of defense technologies would directly feed technological development and would spin off into the Third World in order to modernize economies and produce growth in the devastated areas of the Third World.

Many of the conferences that we held were in South America and in Southeast Asia—countries like Thailand and Brazil. Eventually in 1986 we held major conferences in all of the allied countries—major industrial countries allied with the U.S., and those conferences facilitated Japan in particu-

lar, and France, in making agreements with the United States to work jointly on the SDI. That was the major effort of FEF branches all over the world during that time.

Our analysis of what the Soviets were doing was shaped in part by the hysterical response they had to that whole process—all 125 of these conferences. Many of them the Soviets attacked; many they attended and tried to disrupt. In the United States they relied upon networks in the media to find out who we were working with in relevant governments, so that they could finger these individuals in order to hinder their work on the SDI. They would publicize their names, and slander and scandalize them by claiming that they were collaborating with a neo-Nazi extremist group—FEF. NBC was active in this campaign against LaRouche and against the FEF. They did everything they could to break our working relationships with scientists and officials in government.

At the same time that the Soviets and their collaborators in the West were doing this, the Soviets were conducting a military buildup which, as LaRouche analyzed at the time, would either lead them to launch a war or drive them to economic bankruptcy. LaRouche was concerned that the United States might be caught unprepared in the event of Soviet aggression.

White: So, ironically, now the Soviets are suffering the general breakdown that LaRouche forecast, but the U.S., which sabotaged its own development of the SDI is also going through a similar, if at the moment, less severe breakdown crisis. Whereas, if LaRouche's policies had been followed, both countries could be flourishing economically.

Gallagher: This can be seen very clearly by the fact that the budget for the SDI actually stopped growing in 1986, and has been declining since. It is now declining substantially even in unadjusted dollars, let alone after adjustment for inflation. The rate of growth of the Manhattan Project during World War II which led to the development of the atomic bomb, was 10 or 15 times greater, from one year to the next, than the rate of growth that the SDI had in its first few years, and since then it hasn't even grown. At no time was there a crash program-level of investment in the SDI. This was because of the economic policies of the Reagan administration, which we could not change, and which undercut the SDI, so the SDI was a strategic factor, but never became the economic factor which it should have been.

I would just like to conclude this interview by emphasizing again, that I am being prosecuted in part for the debts which the FEF incurred during the SDI campaign. These debts were made "permanent and unpayable" by the government's illegal liquidation of the foundation. The FEF is now taking part in a damages suit against the Justice Department, to put the burden of repayment of those debts where it belongs. It is not I, but the government, and the "Get LaRouche" task force, who are responsible for any suffering which was caused by our failure to repay these obligations.

The SDI as a policy to guarantee peace

"During World War II, the American economy was lifted from depression into unprecedented productivity growth through the use of new industrial technologies, new metals, materials, and assembly-line processes that had been known previously *but not used*, and the use of much more electricity for higher quality production. Today the national necessity—really an international necessity—to end the unstable balance of thermonuclear terror by developing defense against nuclear weapons can be the 'science and technology driver' for an economic recovery without war. And the energy, particle, and plasma beam technologies we develop to meet this necessity can unleash a process of economic development that will uproot the deepest causes of war. . . . The immediate spinoffs to industry of a successful crash program for development of beam weapons include magnetohydrodynamics for energy conversion, superconducting power transmission, magnetic levitation of trains for land transportation, laser and particle beam metal working, and robotics.

"The second decade of a beam weapons development program would generate more advanced technologies: the fusion-fission hybrid, nuclear steel making, integrated nuclear agricultural-industrial complexes (nuplexes), high-energy laser and beam applications to drilling and materials processing, and plasma torch technologies.

"The economics of the 21st century, provided we reach the 21st century, will be dominated by the commercial application of nuclear fusion energy and by the use of coherent radiation beams and particles for more and more industrial agricultural work. We can even foresee the time when each skilled worker will work with tools that can transmute the basic composition of matter. . . . At first sight it seems ironic that the solution to man's problems of economic development might come out of a military development program. But such a role for the armed forces and their engineering corps used to be a tradition in advanced nations. Real national security rests on economic growth, technological development, and human advancement that simultaneously provide a strong military and make war unlikely."

—From *Beam Defense, An Alternative to Nuclear Destruction*, by Fusion Energy Foundation, Aero Publishers, Inc., 1983, pp. 153-54.

Who really killed off the Aztecs?

by Carlos Cota Meza

A vast number of studies has been produced during the twentieth century, containing the most absurd demographic theories regarding ancient Mexico, all part of an obsessive attempt to demonstrate that the Spanish conquest, colonization, and evangelization of the New World was a horrendous act of genocide committed against the Indian populations found there.

The majority of those studies inflate by nearly one order of magnitude the number of inhabitants of Aztec Mexico whom Hernán Cortes found in 1521, in order to conclude that their “disappearance” 50 years later was the product of “genocide.” The truth is that the majority of those people never existed—except in the fertile imaginations of our modern-day anthropologists.

Cloaked in pseudoscientific terminology, demographers of ancient Mexico employ the term *population density* as if it meant nothing more than counting up the number of inhabitants possible per square kilometer, as if one were counting the number of head of cattle enclosed in a corral.

The term *population density* has never meant that. The term is rather used to determine the relationship of the human being, at any particular stage of development, with nature or with that portion of territory where he is dominant, and to analyze whether the reproduction of the human species in that area of the globe under analysis is successful or not. Today, the concept of population density has been scientifically developed by U.S. economist Lyndon H. LaRouche, and is known as *potential relative population density*. (See LaRouche’s text, *So, You Wish to Learn All About Economics?* The New Benjamin Franklin House Publishing Co., New York: 1984.)

Human beings cannot be counted like cattle or sheep, but rather are to be analyzed from the standpoint of how they came to be lords over nature, and what technical means are at their disposal for the successful reproduction of their existence. Based on anthropological and archaeological evidence, as well as on the study of ancient means of production, a general table of population density for



Architecture of Mexico's colonial period: the Church of Tepozotlán northwest of Mexico City. Contrary to the propaganda of the modern-day demographers, the Spanish conquest of the New World was a fortunate occurrence, which made it possible for the population of the region to escape from the hideous barbarism of the Aztecs.

Carlos de Hoyos

humanity at different levels of its development can be determined.

At the level of development of the hunting and gathering society so frequently idealized today, at most one inhabitant could be maintained per square kilometer. With the transition to domestication of animals and to agriculture, humanity increased its population density to eight inhabitants per square kilometer. Maximum development reachable at this primitive agricultural level was approximately 20 inhabitants per square kilometer.

Modern agriculture has increased population density to approximately 100 inhabitants per square kilometer. While hunting and gathering could maintain a population of at best 10 million inhabitants on the Earth, modern agriculture has raised the potential relative population density of the planet to some 10 billion. (See LaRouche, *There Are No Limits to Growth*, The New Benjamin Franklin House Publishing Co., New York: 1983.)

Applying this methodology—the only valid one available—to ancient Mexico, we discover that the Indian population could never have been the 20-30 million inhabitants the neo-demographers imagine, nor did the Indians enjoy a happy existence in harmony with nature. Thus the European conquest, colonization, and evangelization did not produce the “genocide” that is cunningly attributed to them, nor did they reduce an Indian population of 20 million to only 2 million in the course of half a century. We shall now see why this is the case.

Absurd numerology

In the book *México-Tenochtitlán: Economía y Sociedad en el Siglo 16* (*Mexico-Tenochtitlán: Economy and Society in the 16th Century*), author José Luis de Rojas presents a synthesis of more than a score of essays, by more than one dozen writers. Apparently, the bible of ancient Mexico's neo-demographers is the tract written by Woodrow Borah and Shelburne F. Cook, *Ensayos sobre historia de la población, México y California* (*Essays on the History of Population, Mexico and California*). All the essays are intended to demonstrate “the prolonged decline of the Indian population, caused by the Spanish conquest.”

The figures given for the total population of pre-Hispanic Mexico have always widely differed, fluctuating between 3.3 million and 30 million, with occasional references to 11 and 18 million inhabitants. For the city of Tenochtitlán (a small island of 13.5 square kilometers, with land taken from the surrounding lake through the construction of embankments), the neo-demographers calculate a population of between 260,000 and 300,000 inhabitants.

The way in which the neo-demographers calculate population is absolutely absurd. They multiply by five the number of warriors mentioned in the chronicles of the *conquistadores*, and multiply by six the number of houses said to have been there, as if Aztec Mexico could have sustained six-person families like the families of 1960s Mexico, when the population growth rate was nearly 4% a year! They have always come up with an arbitrary coefficient taken from the

supposed number of taxpayers to whom are attributed a supposed number of dependents (elderly, children, housewives), less a presumed number of the tax-exempt.

After feverish numerological calculations, these neo-demographers then extrapolate estimates for the sixteenth century, based on population structures of the twentieth. De Rojas says that Cook and Borah “assumed that the Mexican population of 1930 should hardly differ in its composition from the pre-Hispanic, which seems basically correct to us.” Then, based on a 1950 demographic pyramid, he indicates that “we can suppose, operationally, that among the pre-Hispanic Aztecs, the number of men and women was practically balanced.”

So fantastic are these assumptions that we could equally assert that the Aztec priests applied anesthesia to their victims before ripping out their hearts. But as we are dealing with a “demonstration” of how the Spanish conquest unleashed the prolonged collapse of the Indian population, the authors do not bother with trifling details.

Cook and Borah do a study of 206 towns, finding that between 1568 and 1646, the total population fell from 1,321,329 to 303,717. With the greatest cynicism, they admit that they did not take into consideration the possible construction of new cities in reaching their conclusions. “To identify these relations and the changes that took place has required quite difficult detective work.” It were thus simpler to find that the Indian population was exterminated, and not transferred to new centers.

These same authors reach their climax in calculating total population. In central Mexico, “a culturally homogeneous zone,” they conclude that there lived 25 million people—“an intermediate figure between 18 and 30 million.” Further, they estimate that “the average density of the Indian population was 49 inhabitants per square kilometer.”

The central Mexico they are considering is bordered to the northwest by the Lerma-Santiago River, in the northeast by the Sierra Madre Oriental, from the Moctezuma River flowing out of the Panuco River down to a point where the state limits of Veracruz, Puebla, and Oaxaca join (near Coxtla). The southern border can be found on the southern banks of the Balsas River, and from there up the Pacific Coast to the borders of Michoacán, Colima, and Jalisco states, a point near Lake Chapala (**Figure 1**).

The most current estimate of the surface area of this region is 219,915 square kilometers, which—for the population calculated by Cook and Borah—yields a population density of 116 inhabitants per square kilometer—more than twice that registered in 1985, which was 40.4 inhabitants per square kilometer for an equivalent area.

Ah! But if one adds the territory of Guatemala, El Salvador, and Nicaragua into one’s calculations—which is how far the Aztec Empire reached—one will add another 278,282 square kilometers to the original 219,915. We then arrive at a total land mass of 498,197 square kilometers, with a

population density of 50 inhabitants per square kilometer.

Give or take a kilometer, what these pseudoscientists have done is to take their hypothetical figure of numbers of inhabitants, calculate their density over a much larger area, and then “concentrate” them into a much smaller area. What genius!

Confusing the Valley of Mexico with the city of Tenochtitlán, they give the latter a value of 300,000 inhabitants concentrated in 13.5 square kilometers, assigning each inhabitant 45 square meters. If the inhabitants were 200,000, they would each have been granted 67.5 square meters. With a glimmer of honesty, De Rojas wonders, “Up to what point are these figures acceptable?” Other authors give Tenochtitlán a population which could hardly reach 80,000. Even if this were truly the population density, it would be greater than that attributed to today’s Mexico City and its outlying regions, the largest city in the world!

The truth is that the plains of the Valley of Mexico measure 4,300 square kilometers, which, with a population of 300,000 inhabitants in the entire valley, would yield a density of 69 inhabitants per square kilometer. Considering a population of 80,000 for the whole valley, the density would be 18 inhabitants per square kilometer—a reasonable density, in accordance with the productive activities of the period. A population of 300,000 for the Valley of Mexico in the sixteenth century, on the other hand, means a density greater than that registered in any state of the Mexican Republic, according to the 1990 census.

But as the neo-demographers of ancient Mexico are the first to admit, they are not trying to establish exact figures, but to charge the Europeans with ethnocide. These false figures are then adorned with touches of romanticism: Life in ancient Mexico was balmy, the canoes passed tranquilly through the canals of this American Venice, the children went to school playing angelically on their flutes, etc. (See *The Childhood of José Martí*, as taught in third grade in Mexico today.)

If we took nothing more than the area of central Mexico, and applied to it different population figures than those just mentioned, we would have, for 25 million inhabitants, a population density of 116 inhabitants per square kilometer; for 18 million it would be 83 inhabitants per square kilometer; for 11 million, it would be 51 inhabitants per square kilometer; and for 3.3 million, it would be 15 inhabitants per square kilometer.

And what of the *economy* required to maintain a given number of inhabitants?

Productive activities of the Aztecs

What were the primary productive activities of pre-Hispanic society?

They did not use the wheel for productive purposes (these are only found in ceremonial games and in the sacrificial stones, suggesting that the wheel had a religious signifi-

FIGURE 1
Central Mexico



cance). They also did not use beasts of burden. In any ancient societies one might examine, the use of these two “technologies” meant a gigantic leap in productivity.

There were certain agricultural settlements—above all in populations subjected to tribute by the Aztec Empire—which were exploited in a very rudimentary way with the use of the “planting stick,” the most ancient tool for sowing after the hand itself. In the Valley of Mexico, there were found the celebrated floating gardens, which were most extensively used by the Aztecs themselves in Lake Tenochtitlán, since they had no solid land and were permanently surrounded by enemies who did not allow them to venture onto solid land (their crops were corn, beans, pepper, and maguey cactus). Domestication of animals was very limited, since no evidence of animal husbandry was found in any towns.

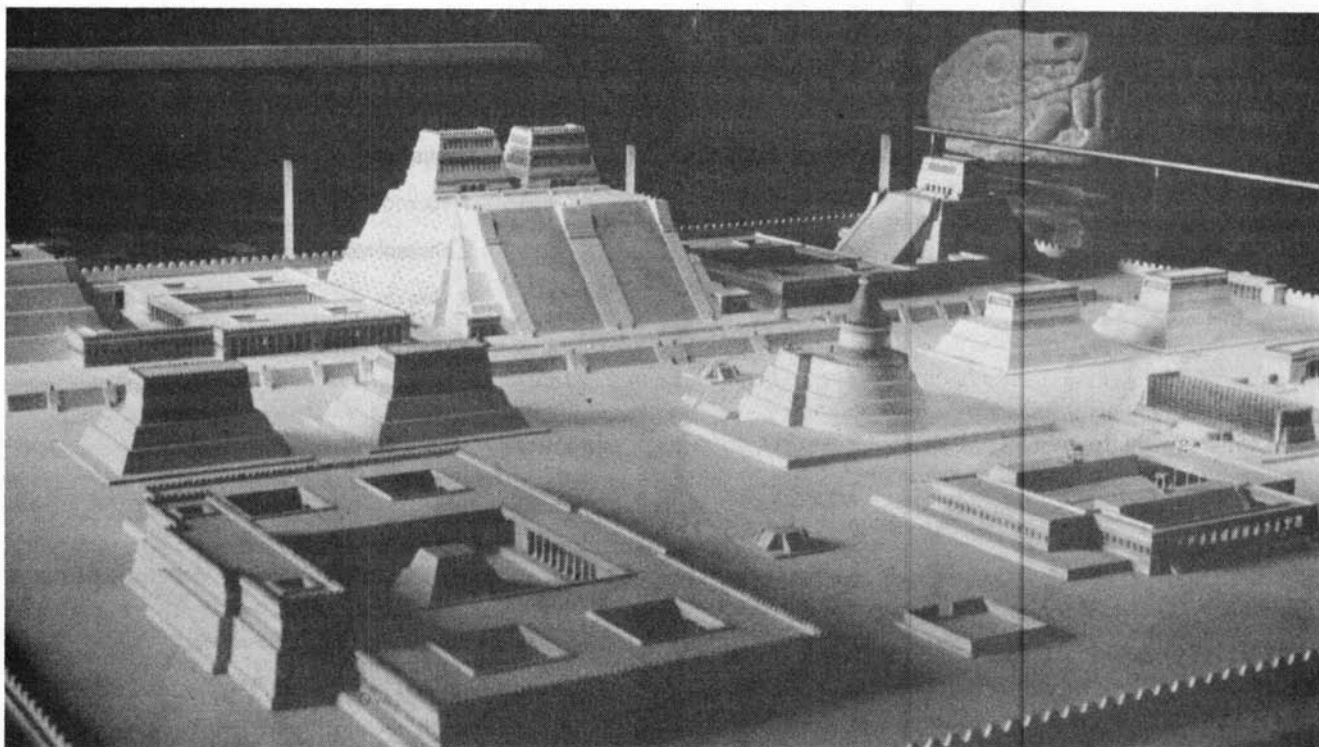
Metalworking was limited to fancy and ceremonial goldsmithing, and the smelting instruments were of stone, which, as is well known, could not be heated to high temperatures. Obsidian and flint stones were used as highly tempered chisels, also used for sculpting. Mining equipment was very poor. Most domestic utensils were also of stone.

The goods found in the marketplace suggested that hunting by stealth was a widespread practice, and was never

abandoned for agriculture and domestication of animals, which requires staying in one place and stable concentration of labor.

The inhabitants of the New Continent during the fifteenth century did not include any dairy products in their diets, despite having the opportunity to tame domestic mammals. Animal protein came from the lowest forms in the animal kingdom: iguanas, snakes, amphibians, worms, and larvae. Although the Aztecs practiced cannibalism, they were primarily insectivores. Their vegetarianism was very peculiar: They ate algae from the lakes, which, being in populated regions, received considerable quantities of human waste and other organic matter (including the “waste products” of human sacrifice), causing an enormous incidence of usually fatal gastrointestinal diseases.

The astronomical and mathematical knowledge usually attributed to the Aztecs (computation of yearly calendars and astronomical calculations) found no reflection in any of their mechanical and productive activities. Such knowledge belonged to the most ancient and civilized populations, but did not correspond to the intellectual capacities of the Aztecs. Instead, they used their acquired knowledge for mythological and religious purposes.



Leonardo Serrano

A model of the Aztec city on the island of Tenochtitlán. The towering building at the center of the complex with the double staircase is the *Templo Mayor*, the Great Temple of Tlaloc and Huitzilopochtli. The staircase was red with the blood of sacrificed human victims. In front of the temple is the *Tzompantli* (skull rack), on which tens of thousands of human heads were placed on skewers for public viewing.

With these basic productive activities, the Aztec world can be placed approximately at the level of primitive agriculture (and this is a generous interpretation), which implies a potential population density of 20 inhabitants per square kilometer. Thus, one may conclude that the total population of central Mexico would have been on the order of 4.3 million inhabitants. We could extend the population density to 25 inhabitants per square kilometer, which would lead to a population of nearly 5.5 million, but there is no evidence that the Indian population could have been 20, 25, or even 30 million inhabitants, given that there was simply no economy that could have maintained such a number.

These figures, which could be considered prudent, have always been omitted, precisely because they argue against the dogma of “progressive depopulation.”

It was necessary to give this new world a new social structure, in which everyone would live under the law, and during this effort excesses were committed, such as the early avaricious mining colonization, which completely failed. Health problems occurred because of the introduction of European diseases, combined with such domestic problems as hunger and with the diaspora caused by the transition between the freeing of populations under Aztec tyranny and the establishment of the new order. This certainly had an impact, but not such that 90% of the population disappeared.

If we assume a population for pre-Hispanic Mexico in

accordance with a density sustainable by existing productive methods, we must conclude that there could hardly have been a negative growth rate in the years following the colonization. Rather, quite the contrary occurred, since the Indian population in the pre-colonization period *necessarily found itself in a process of extinction, due to its own incapacity to reproduce itself*. With the colonization, a slow recovery of the Indian population took place, which became sustained after the first half of the seventeenth century.

This fact is provable simply by considering the effect of introducing large-scale sedentary agricultural exploitation, seeds from the Old World, grazing and reproduction of the animals brought by the colonists, what is generically referred to as a *Christian diet* (meat, bread, butter, and milk, minimally), and above all, beginning in 1524, by the building of cities, which even if small, flourished in a way unequaled since. Some 500 years later, we haven’t finished building them yet, and some idiots want to tear them down.

As one can see, Cook and Borah only count the Indian population which lived in Indian towns, and their method for obtaining their figures is highly questionable.

City building

At almost the same time that the alleged “period of progressive depopulation” occurred, an intense process of building new population centers took place. In 1524, the new city

of Mexico was built, together with the surrounding towns of Iztapalapa, Coyoacán, Tacuba, etc.; the building of Tlaxcala and Oaxaca began in 1526, although settlements had existed there since 1521; the building of Toluca began in 1530, with Lerma as another important center; in 1531, construction began in Puebla, which became the largest city in Ibero-America. This was followed in 1556 by the building of Querétaro, after its complete pacification. The building of Pachuca began in 1534, followed by Valladolid (today Morelia) in 1540.

New areas opened up in 1542, with the founding of Guadalajara to the west, and Mérida on the Yucatán Peninsula. The first settlements in Zacatecas were established in 1547, and 1554 saw the founding of Guanajuato, perhaps the premier achievement of colonial architecture. Even before this, the cities of Celaya, Salamanca, Silao, San Francisco del

Rincón, and Salvatierra were founded. Durango was founded in 1563, and San Luis Potosí in 1576.

In 1599, the area today known as Veracruz was founded, perhaps the most symbolic of the areas we have mentioned. The first settlement here was built on Holy Friday of 1519, when Hernán Cortés burned his ships at the site known today as La Ceiba. In the course of opening the road to Mexico City, he founded Coacatepec and Jalapa to the north and Córdoba and Orizaba to the south.

During the first quarter of the seventeenth century, most of these centers received the royal letters patent which recognized them as cities, giving impetus to a new wave of city building which came to be known as the colony's Golden Age. Could such a renaissance have occurred in a society in which there were more deaths than births, and with millions of Indians supposedly dying like flies as they fell from the scaffolding of the buildings?

It is clear that population density declined dramatically, but not by the amount indicated by the neo-demographers. If the Aztec Empire's vital area was central Mexico, this came to represent only one-eighth of what was known as New Spain, new territories won for colonization.

In the sixteenth century, only four European cities had populations of more than 100,000—Paris, Naples, Venice, and Milan. No Spanish city surpassed this figure, and Seville, the largest, had only 45,000 people. So when the *conquistadores*, originally numbering 400 Spaniards who arrived at the Caribbean islands, spoke of large cities, they weren't thinking of Hong Kong or Manhattan, with their populous suburbs, as the feverish neo-demographers who study ancient Mexico imagine.

Granting the neo-demographers that this is not a matter of trying to establish a precise population figure, we assert that the only constant yardstick by which to measure, or count, is that which establishes man's relation to nature and whether this relationship is capable of reproducing itself.

The Aztecs' real relationship to nature

When the Aztecs arrived in the Valley of Mexico in 1216, the population of central Mexico was made up of wandering tribes and fiefdoms which kept the region in a permanent warlike state of all against all. Thirteenth-century society consisted of the residues of constant and lengthy periods of decadence, disappearance of entire human settlements, destruction and abandonment of cities.

As a social, political, and religious grouping, the Aztecs were the product of an increasing social involution which began with the mysterious disappearance of the Olmecs in the sixth century A.D., continuing through the equally mysterious disappearance of the Mayas and Zapotecas in the ninth century. The Aztecs are a product of the destruction of the Toltec culture of the eleventh century, and that of the savage Chichimecas, who were hegemonic before the Aztecs founded Tenochtitlán in 1325. *The Aztecs would become the*

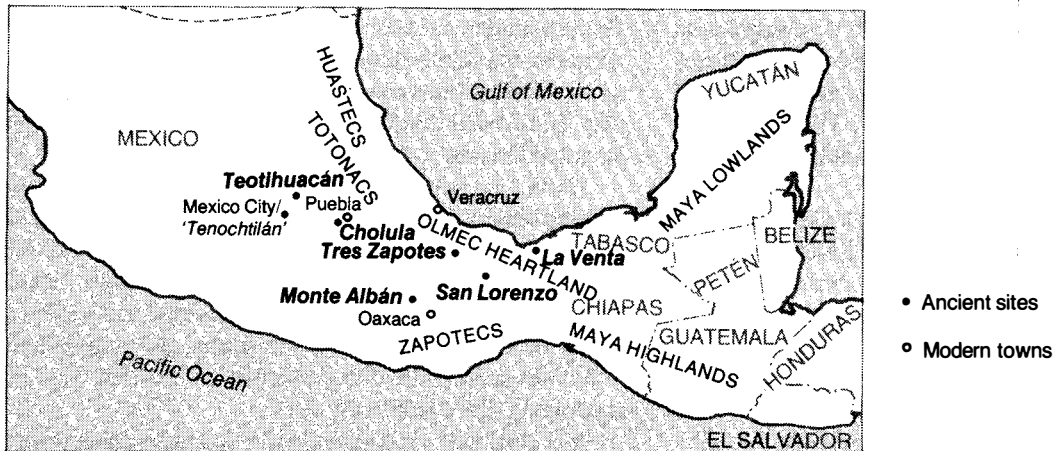


Carlos de Hoyos

The colossal statue of Coatlicue, the Aztec Earth Mother goddess, who feeds on human corpses. The head has been severed from the body, and two serpents rise from the neck to form the face. The goddess's necklace is fashioned from human hearts and hands, with a pendant skull. Her skirt is a web of writhing snakes.

FIGURE 2

Precolumbian Mexico



vestiges of the Indian world on the new continent.

Only after considering this historical sequence, in which a number of prolonged events of political and social involution occurred, can we begin to understand how it was possible in the fourteenth century for this intricate and very particular relationship of civil, military, and religious authorities to impose a form of government. Supported by a minority portion of the total population (the Aztecs themselves), they briefly succeeded in subjugating the broader masses.

We know that at the time of the Aztec Empire, there were independent populations which had their own forms of government (the Huastecos, Mazahuas, Tlaxcaltecos, Tarascos, Mixtecos, Chiapanecos, Guatemaltecos, etc.). Nonetheless, the empire imposed on them a Spartan obedience, forcing them to work to pay tribute. In the final phases, however, the existence of these independent governments does not imply an argument in favor of more civilized social forms (Figure 2).

Prior to building Tenochtitlán in 1325, the Aztecs had a history of more than a century of wandering migrations, of bondage to other tribes, and of a life just as miserable as that of others. At the end of the thirteenth century, they bought their freedom from the Texcocos by serving as their mercenary army in the war of the Texcocan nobility against that of Xochimilco.

From here on—and this is well known—they dedicated themselves to fulfilling the prophecy which said that the end-point of their pilgrimage would be when they found an eagle sitting on a prickly pear devouring a serpent. In 1325, the prophecy was fulfilled, when on the site of today's Mexico City, the first temple for human sacrifice, known as the Templo Mayor, was founded, around which Tenochtitlán was built. On the basis of this prophecy, the Aztecs subjugated other populations, and in 1352 established a monarchy which

ruled until 1521, in a bloody succession of nine kings.

Human sacrifice and cannibalism

The generalized practice of human sacrifice is one point that cannot be omitted in any attempt to analyze the relationship of pre-Hispanic man with nature, for it is a crucial issue in being able to determine if the Aztec economy was able to maintain up to 30 million inhabitants, or if that figure is a lie of the neo-demographers.

From a bit north of the 20th parallel (the borders of the Moctezuma River, or the city of Papantla, Veracruz) to Nicaragua in Central America, evidence was discovered that all the towns carried out the abominable practice of human sacrifice, along with sodomy, homosexuality, incest, and alcoholism.

The human sacrifices varied in number and method, according to the place, the tribe, and the ceremony in question. The Otomi tribe dismembered its victims, and sold the parts at the marketplace. The Zapotecas sacrificed men to gods, women to goddesses, and children to infant gods. But the bloodiest were the Aztecs. In truth, the number of sacrifices carried out by the Aztecs is unknown, but what is known is that every four years, the number of sacrificial victims multiplied. The celebration of Fuego Nuevo involved horrible human butchery. The most frequent and common practice of the Aztecs was to extract the heart of their victim which, still warm and palpitating, was offered to the Sun God. If the victim was a prisoner of war, his head was cut off and kept in a storehouse of skulls, while the decapitated body was rolled down the stairs of the temple. If the victim was a slave, the owner collected the body in order to eat the thighs and the arms; the rest was fed to savage beasts and birds of prey which adorned the royal palaces and the homes of the nobility.

In the ceremony to the Mother of the Gods, held on the eleventh month of the Aztec calendar, the woman who represented the god died with her throat slit, on the back of another woman. During the twelfth month celebrations, the victims died by fire. In one of numerous ceremonies dedicated to Tláloc, children were sacrificed in some "sacred" place in the lake. In another ceremony, children were walled up in caves until they perished from starvation.

Gladiatorial sacrifice held the most "honor": Prisoners of war were tied down by one foot and made to fight against four gladiators.

In Cuauhtitlán, two slaves were sacrificed to inaugurate the ceremony in honor of the gods of fire. Their thighbones were extracted, and used by the priests as walking staffs. The Aztecs often flayed their victims, and the priests would cloak themselves in the bloodied skins.

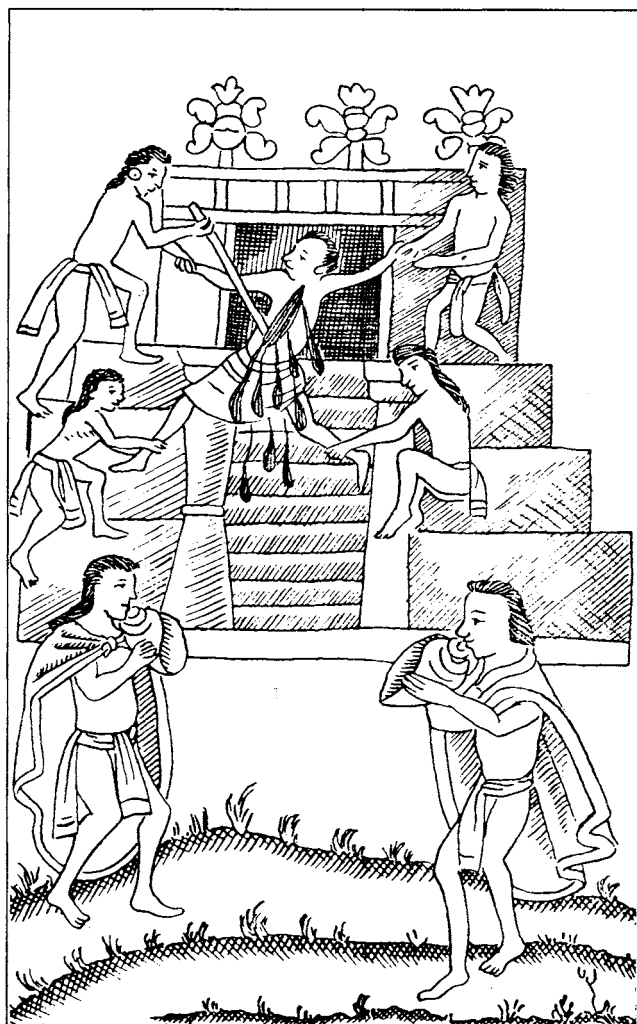
The priests did frequent penance, through fasts and permanent cloistering. They also bloodied themselves, piercing their ears, their lips, their tongues, their calves, their arms, and their genitals.

Their idolatrous practices were carried out through a network of priests and priestesses from different orders, who were prepared from childhood, by caste and for life. The priests in the Templo Mayor alone numbered in the thousands. Further, at the top of the social structure were great lords who controlled entire domains within the cities under the control of imperial tribute, with their own temples and family priests, who carried out their own sacrifices.

By the sixteenth century, the native populations under subjugation by the Aztec Empire were in an absolute state of degradation and abjection, a product of bloody and inhuman tyranny. It was the total aberration of the human imagination which prevented the reproduction of that society. After all, how could an individual who prayed before a still-beating human heart come up with the kind of innovations required by an advancing society?

The central point of Aztec doctrine was that humanity had lived four distinct times, and had been repeatedly destroyed by great catastrophes when the Sun disappeared. Thus, every evening, when the Sun set, the Aztecs were plunged into doubt over whether they would be victorious over their enemies who might attack during the night. Would there be a dawn? To assure themselves that they would win, they had to strengthen themselves for nocturnal combat. The only food for such warfare was human blood, which proved indispensable for the survival of their people and led to the ruin of neighboring populations, from which the Aztecs chose the great majority of their victims.

This bloody "worship" was what extinguished all sensitivity from the human soul of the natives and any sort of loving sentiment toward their fellow man. In their world, the individual soul did not exist. It was this, more than anything else, which prevented the successful reproduction of Aztec society.



An Aztec drawing depicts blood sacrifice at the temple.

The ruin of the Aztec Empire was fated to occur, and it took place as does the destruction of all empires. Every province that the Aztecs subjugated became a new enemy to their dominion. Each one of these peoples awaited the first opportunity to rise up and fight for the independence that they had had before becoming subjects of the Aztecs. By the sixteenth century, the Indian world found itself at the height of a war of each against all. War became the sole driving force, whether provoked by economic or religious factors. *The Aztecs represented the end of the Indian world.*

If we wanted to indulge in conjecture, we could say that had the Spanish conquest occurred much later, the Spaniards would have found a few insane survivors scattered across the former Aztec lands, perhaps trying to eat their own arms and legs. Only in this sense is it valid to assert that what happened 500 years ago was a "meeting of two cultures." The Conquest was in fact a fortunate occurrence that permitted the *reproduction of humankind* to retake its course in these lands.

Leaders gather in Paris to demand LaRouche be freed

The following article is based on reportage by Christine Bierre and John Koehler, and was written by Nora Hammerman.

A new stage in the formation of the worldwide “anti-Bolshevik resistance” movement against tyranny, which Lyndon LaRouche called for exactly two years ago, was reached over the Nov. 24-25 weekend in Paris, France. More than 150 persons from some 20 countries gathered in Paris at the two-day conference to free LaRouche, organized by the international Commission to Investigate Human Rights Violations.

It was on Nov. 14, 1988, that LaRouche—then facing his own Calvary in the Alexandria, Virginia political trial that “railroaded” himself and six associates into long jail terms—invoked the image of the Good Samaritan of the Gospel parable, as well as the “Rütli Oath” in Schiller’s immortal drama *William Tell*. He issued a call which read, in part: “Let those who refuse to submit to Soviet worldwide imperial aggression rally to the ranks of a new, global resistance movement, prepared to fight the agents and accomplices of Soviet interest in the same spirit as anti-communist resistance organizations fought the fascist tyrannies of Germany and Italy.”

The participants in Paris were not spectators, but key people in various freedom movements. To the dais came spokesmen for human rights and related groups of 15 different nations. There was a parliamentary deputy from Hungary, who had been condemned to death twice. A Lithuanian delegate had spent 27 years in Siberia. The Panamanian trade minister in exile described 15 years of attempts to deny Panama its economic sovereignty, which culminated in the invasion last Christmas and the slaughter of innocent civilians. A Lebanese professor, who is forming a new government in exile, spoke of Kissinger’s destruction of his country, divid-

ing it between Israel and Syria. From Romania, Ion Alexander Ghika, head of the French section of the World Union of Free Romanians, described the ongoing resistance to the new communist Iliescu-Roman tyranny that replaced the Ceausescu dictatorship.

From the United States, voices from the Nation of Islam and the Martin Luther King-led civil rights movement had an electrifying impact on the first day of the conference. David Hall, a speaker from Operation Rescue (Texas) described the fight against abortion as a human rights issue. Attorney John DeCamp, a former state senator from Nebraska, spoke of the legal suit he is representing against a satanic-pedophile ring in that state which enjoys protection at the highest levels of the political and juridical machines.

From Asia, the Movement for Freedom and Democracy in Vietnam was represented by its Secretary General Nguyen Vo Ky. For the Federation for Democracy in China, Chen Lichuan gave an overview of what has happened in that country since the Tiananmen massacres. Numerous African, Eastern European, and Asian freedom and humanitarian organizations were represented in the audience, although not all had the opportunity to speak officially.

One participant reported, “Some of the more radical groups had believed that they alone were the victims of suffering and misery. They realized that one race or one nationality has not been the sole beneficiaries of the misery of this century but that it’s been shared around. There was a broadening of views, and a strengthening of tolerance for those areas where we don’t have an agreement.

“You had these powerful groups from all around the world who recognized the commonness of the struggle. Everybody said that central to this struggle is the United States, and central to the United States is the freedom of Lyndon LaRouche. And speaker after speaker, including some who

did not even know him, as they understood the role of LaRouche and the politics here, came to this point of view.”

LaRouche and the strategic crisis

The conference was opened by the president of the International Commission, Eliane Magnan, a greatly admired French 'cellist, who from 1964 to 1975 was a pivotal figure in the national musical culture of Lebanon, and who recently issued a fine new recording of the solo 'cello suites of J.S. Bach. “For Lyndon LaRouche, culture is what will save a nation,” she said, recalling many an evening spent with him discussing classical music, and conducting rehearsals of string quartets and other pieces. “We also discussed a lot about the conquest of space, about the laws of nature, about geometry.” LaRouche must be freed because in times of historical crisis, like today, we need such men of ideas and action to lead our nations.

Helga Zepp-LaRouche, a candidate for Parliament in the German national elections on Dec. 2, set the tone for the conference with an impassioned speech where she showed the dangers to which humanity is exposed today due to threat of war in the Gulf, which very well could lead to a general war by miscalculation, as well as the general collapse of the economies of both superpowers. Denouncing the Anglo-American elites who are responsible for the miserable condition of mankind, Helga Zepp-LaRouche then showed how her husband's entire life's work had been to counter such policies. “Lyndon LaRouche is the individual most capable of love toward humanity,” she said, because he takes “the suffering world into his heart.” Mrs. LaRouche listed her husband's proposals to improve the general economic condition of man on the African continent, in Latin America, in Eastern Europe.

She concluded with a call to all present to work relentlessly to achieve the liberation of Lyndon LaRouche, because he is the only man in the world today with the necessary ideas and moral courage to deal with the tremendous crisis humanity is facing.

Black Americans lead the way

Through Amelia Boynton Robinson, a close collaborator of Dr. Martin Luther King; Dr. Charles Knox, director of the International Human Rights Association of American Minorities; and Dr. Alim Muhammad, national spokesman for the Nation of Islam, one of the largest black movements in the United States, the greater part of the black American community was represented in Paris.

Dr. Knox called for the liberation of Lyndon LaRouche on humanitarian grounds. It is not enough, he said, to say that he's a political prisoner. He has to be freed because he's the only man with the ideas to deal with the economic crisis which is threatening people worldwide.

It is useless for me to repeat what Helga Zepp-LaRouche has said, Dr. Knox emphasized. The issue is getting orga-

nized. We all recognize many differences, between black Africans, Latin American people, East Europeans, Australians, but the commonality of the fight for the rights of man, and the threat we are now under, leave no room to argue about the differences. The crisis is too imminent: Let us fight for what we have in common.

Dr. Knox later wrote a petition, proposing an initial drive to gather 100,000 names in the United States, and another 100,000 in the rest of the world, which read: “It is the consensus of the undersigned representatives of nations around the world that Lyndon LaRouche be immediately released from prison, for humanitarian reasons, to provide guidance to our nations in the area of development. We recognize the tremendous achievements of Mr. LaRouche and his total commitment to spiriting a rebirth of hope for ending world hunger, disease, and economic depressions.

“Therefore, we appeal to you in the name of humanity to release Mr. LaRouche, allowing him to carry forth his great works for the uplifting of humanity in an effort to attain world peace.”

Dr. Muhammad recounted the history of oppression against the blacks. Some 50 million Africans were murdered during the times of slavery. In modern times, drugs, economic misery, hunger, AIDS, and abortion continue to decimate the black population. Our enemy is not some other country, said Dr. Muhammad—it is our own government. For these reasons, he went on, blacks should not go to fight in the Persian Gulf war, a war which is being fought for a government which violates the most essential rights of blacks—for a Saudi monarchy which violates the very law of Islam and for a Kuwaiti regime which still today tolerates slavery!

A French observer said, “This black American delegation had a very powerful effect on Europeans who still feel pretty comfortable in countries where the crisis has not yet really hit. Here they were confronted with people who do not fear the fight because they have nothing to lose; they have nothing.”

Nations ravaged

“What they really couldn't stand,” said exiled Panamanian minister Elmo Martínez Blanco, speaking of the United States, “was the fact that a small nation like Panama tried to stand on its own feet.” He described the terrible night of the American invasion of Panama, when as many as 6,000 civilians were killed. The poorest neighborhoods were bombed mercilessly all night, he said. The explosion of as many as 250 high-impact bombs—bombs whose effect is to create such a firestorm that the lungs of those caught within a radius of 50 meters explode—had been recorded. Helpless families and children threw themselves on the floor hoping to save themselves. Blanco himself was put into a concentration camp after he sent a message to the American people. “The people who thought they could sit on the fence now realize that we were right,” he said, “and organizing to regain the

country is going strongly.”

Professor Bassam el Hachem from Lebanon, as well as his Mexican-Lebanese compatriot, Alfredo Jalife from the Maronite Church of Mexico, made the same point for Lebanon. This small nation went from being one of the most prosperous and peaceful in the world 15 years ago, to being a rubblefield today and having lost all sovereignty to the Syrian and Israeli occupiers. These speakers stressed that throughout their nations’ ordeals, they found constantly at their side to help them, one association, and one political figure: Lyndon LaRouche.

Jenoe Fonay represented the Association of Former Hungarian Political Prisoners. He located the final victory for freedom in Hungary in the spring of 1990 in the original kernel of people who spoke out against the tyranny in the 1956 Budapest uprising. Their call for Western help went unanswered. He described the bitterness of the Hungarian people, who couldn’t understand why the West did not come to their aid. They didn’t know about the Stalin-Churchill-Roosevelt deal at Yalta. They were unaware that they had been abandoned. Now, having met the Schiller Institute over the last year, and having come to the conference and heard what people had to say, he could understand that LaRouche and his friends are under the same attack in their countries, as the Hungarian freedom fighters had been then.

The Lithuanian delegate had spent 27 years in Siberia, on three separate convictions. The first time he was sent away for 10 years, under Stalin, for political activities. All of the other convictions were on trumped-up charges. After Stalin, the dictators and the puppet regimes never jailed people for political activities, but for fraud, theft, all kinds of things.

“After 27 years in labor camps in Siberia, he is a beautiful, free person,” commented one observer. “He speaks four languages and spends his time doing something useful. The lesson is that they cannot defeat us, because after having been through what he’s been through, and coming out the way he’s come out, there’s nothing they can do to stop us other than kill us. And they can’t kill everybody, so we’re going to win.”

Mathis Bortner, former head of a Solidarnosc affiliate in France, told of the economic horror in Poland since Jeffrey Sachs’s “free-market” reforms have been applied by the Tadeusz Mazowiecki government: Production is officially down 33%, unemployment has hit more than 1 million, and panic is setting in. We, of the Schiller Institute, had told them months ago that this would happen, and nobody believed us then, he recalled.

Africa was represented at the conference by A.A.A. Sakho, an engineer who published recently a book proposing the creation of a high-speed rail network in Africa, as well as by the president for France of the International Committee for the Respect and Application of the Human Rights Charter, Massengo Tiasse. The voice of Australia, a British colony run in the most dictatorial fashion by parts of the British

monarchy controlled Scottish Rite Freemasonry, was heard through the intervention of farmer John Koehler.

Italian parliamentarian and former intelligence director Gen. Ambrogio Viviani human rights violations in the United States not only for LaRouche, but also for an Italian woman, condemned to 33 years in prison for “political conspiracy,” whom the United States is refusing to extradite to Italy despite all treaty obligations.

Disband ‘Amnesty International’

Two prominent members of the French Bar, attorneys Alain Stuts and Jean-Marc Varaut (Lyndon LaRouche’s attorney in France) addressed the conference. Jean-Marc Varaut set LaRouche’s case in the context of natural law. Stuts read out an article about LaRouche, which he intends to publish in a major news outlet, entitled “J’accuse No. 2,” in reference to Emile Zola’s celebrated defense of the unjustly accused Captain Dreyfus in the “Dreyfus Affair.” One of LaRouche’s crimes, continued Stuts, is to “be a follower of Socrates, an opponent of Jesuitical and Aristotelian logic.”

Stuts announced that he had resigned from his responsibilities in Amnesty International-France after he wrote to their London office asking for information, and they refused, telling him to stop harassing them. To the great joy of many of those leaders of human rights groups present for whom Amnesty has never moved one little finger—including a woman from Cameroon who said she had discovered Amnesty to be merely a front for various governments—Dr. Knox proposed marches on the Amnesty International offices worldwide, to disband it.

At the end, Helga Zepp-LaRouche turned the conference over to Amelia Robinson and Dr. Knox, to organize the mobilization to free LaRouche and to stop the Gulf war. “They have the experience,” she said, “so we should follow their advice” referring, for instance, to Amelia Robinson’s work in organizing the great march which started in Selma, Alabama and spearheaded the civil rights struggle in the United States in the 1960s; and to Dr. Knox’s 25-year experience in building one of the largest human rights organizations in the United States.

Amelia Robinson proposed that all the associations present establish an international coordinating committee to oppose the Gulf war and win the freedom of Lyndon LaRouche. Many associations registered their names and addresses in agreement. She also proposed that an international day of action be chosen. If this does not succeed, economic actions such as the store boycotts the civil rights movement organized successfully in Selma should be considered next, she said. Dr. Knox presented his petition and asked for all associations present to start mobilizing immediately around this. It was also proposed to set a first international day of action for Dec. 15, the date when the U.S. Schiller Institute is organizing a “teach-in” in the city of Chicago.

Can Great Britain survive without 'Attila the Hen'?

by Mark Burdman

In her valedictory address to the House of Commons on Nov. 22, outgoing British Prime Minister Margaret Thatcher delivered a characteristic tirade on the Persian Gulf crisis, threatening Iraqi President Saddam Hussein, warning of "the dangers ahead," and likening the defense of Kuwait to the defense of "our people in the Falklands." Then she crescendoed: "But there is something else which one feels as well. That is a sense of this country's destiny; the centuries of history and experience which ensure that when principles have to be defended, when good has to be upheld, when evil has to be overcome, then Britain will take up arms."

This bombast is revealing about the ideological features of British orchestration of the drive toward war in the Gulf, and about why elements within the British Establishment that decided to dump Thatcher, are at the same time terrified about her passing. The fact that her replacement, John Major, is Thatcher's chosen heir and is being dubbed "Thatcher's pet" or "Thatcher's foal," will not lessen that terror. The deeper fear within such British circles is an *historical-cultural* fear.

This fear was expressed in short-hand form by the *Daily Mail* tabloid, whose owner, Lord Rothermere, is connected by marriage to the British Royal Family. On Nov. 21, the day after Thatcher had failed to win in the first Conservative Party ballot against challenger Michael Heseltine, the *Mail* wrote that there is "more than a little of the Twilight of the Gods about the political tragedy" unfolding in Britain.

'Attila the Hen'

The more fundamental issue than the Gulf crisis as such, is that while the monarchy still exists to satisfy the British oligarchs' passion for fetishizing their political institutions and to keep the population in an infantile state of dependency, Thatcher had become the mouthpiece for a notion of "England's special role" in the world. This is linked to a mystification of "British political institutions," particularly the monarchy and Parliament. The question faced by the professed guardians of the cultural and historical continuity of the United Kingdom is: Can these hallowed institutions survive under conditions where continental Europe is achieving a new power and status in the world?

The British Establishment is on the horns of a dilemma. If the U.K. doesn't get into the European Community to manipulate it from the *inside* with the usual balance-of-power and divide-and-conquer methods, then it has no way to control the continent except by crude, confrontationist, Thatcherite methods. But if the U.K. becomes more accommodating to Europe under the non-entity John Major, can its "specialness" survive?

There was no alternative but to dump Thatcher. She had become a megalomaniac in an intolerable way—earning the nickname "Attila the Hen" from British observers—at a moment when Britain's economic capabilities are in desperate straits, especially in relation to Germany.

But this same Establishment, whether in its English, Anglo-Scottish, or Anglo-Irish forms, agrees with the underlying "free-market" and "post-industrial society" policy assumptions that motivated Thatcher. Moreover, there is her embodiment of the mythos of the "special role" for the English.

'What makes Britain special?'

Insiders in the Oxford-Cambridge university circuit point out that British ideology, especially as projected by the English aristocracy, has for centuries embraced the notion of the English as a "chosen people," an "Israel" with a special "God-given Protestant mission." This mythos was propagated in earnest after England's defeat of the (Catholic) Spanish Armada in 1588, and reinforced by the 1688-89 "Glorious Revolution," which was portrayed as the "divine deliverance" of Britain from "Catholic absolutism." They stress that the mythos has been embedded in a political system that has been, for the most part, an absolute monarchy and theocracy in fact, with the absolute monarch being the head of the established state church.

In the 20th century, this ideology was expressed in the World War I-era poetry glorifying war from a quasi-mystical "heroic English" standpoint. Cases are known of soldiers in the trenches in Belgium who thought angels were coming to deliver them when they saw the bright light of bursting shellfire. In World War II, the mythos was revived as the powers-that-be exploited the war against Hitler's Nazis for a

more cynical ideological purpose. It is expressed today by the likes of former Trade and Industry Minister Nicholas Ridley, who had to resign after his frothing attacks on the “new German Fourth Reich,” and by London *Sunday Telegraph* editorial writer Peregrine Worsthorne.

Worsthorne, in his first post-Thatcher editorial on Nov. 25, entitled “Who’ll speak for England?” wrote: “Mrs. Thatcher had become the unique embodiment of British nationalism—or even patriotism—and her departure will diminish Britain scarcely less seriously than did de Gaulle’s equally sad and involuntary exit in 1969 diminish France.” He noted that the Gulf crisis would continue to be a major challenge, but “from Britain’s point of view, the real challenge comes from Europe; from, in particular, a united Germany.”

Thatcher’s “faith in Britain is mystical, beyond reason; the kind of faith that moves mountains,” he continued. “The great and the good have the kind of faith that would make them stand up against ogres; but not against decent, sensible Europeans who put forward beautifully constructed blueprints for European monetary and political union, the only fault of which is that they would *do away with what makes Britain special*” (emphasis added).

Worsthorne argued that there is a threat to Britain posed by “a Europe dominated economically by a friendly Germany.” He wrote: “The heart of the matter is quite simple. France is culturally chauvinistic. Its certainty about itself has to do with its language, with its civilizing mission, with its Cartesian clarity, with its *douceur de vivre* [sweetness of life], with its wit and grace. For its political institutions it has nothing but contempt. What has the Chamber of Deputies ever done for France? Most Frenchmen see it as a sink of corruption and would happily welcome its demise. So great is France’s faith in its culture, however, that the French are convinced a Euro-state would have a French soul.

“Post-Nazi Germany is no longer a rival in this respect. The Nazi blight put an end to any Teutonic claim to cultural hegemony. Economic strength is another matter. The Germans today are certainly more economically nationalistic than ever. They are convinced that such is the productive power of German industry that a new Euro-state would have a German body.

“Only the British care about, and take pride in, their political institutions, which have developed over 1,000 years of unbroken constitutional history. Our nationalism is not so much cultural or economic as political, and only an ignorant fool could believe that a Euro-state would adopt the British parliamentary system. Europe’s Continental political tradition, as much on the Catholic right as on the socialist left, is almost wholly *dirigiste*—a tradition of enlightened despotism at best. In other words, the British have to be so much more suspicious of European federation because they have so much more to lose. The specialness of France and Germany could well be preserved; that of Britain would have no chance at all.”

‘Product of the arrogant South’

One Establishment concern is whether the entity Great Britain will survive. As one Oxford insider told *EIR*, “Great Britain, you must realize, is a composite, like Austria-Hungary. It was created by marcher-lordships and principalities, anchored in an absolute monarchy.” He expressed concern that there will be increasingly centrifugal tendencies toward greater assertion of self-determination by the Scots, Welsh, and Irish, as Europe becomes an increasingly attractive partner.

Within days of Thatcher’s resignation, an opinion poll released in Scotland showed that only 20% of Scots polled favor the status quo, 45% favor the creation of a separate Scottish Parliament, and 35% favor outright independence. The Nov. 28 *Financial Times* claimed, oddly enough, that Thatcher’s resignation would, for the moment, soften Scottish antagonism to remaining in the U.K. “The Scots’ intense dislike of Mrs. Thatcher, who was widely seen as an overbearing product of the arrogant south of England, revived a sense of Scotland’s separate identity, reminding Scots how different many of their attitudes are from those of the English,” wrote James Buxon in the *Financial Times*. “These feelings may well subside now that Mrs. Thatcher has gone.”

Another dilemma for the Anglo-Saxons, is that Thatcher provided the central ideological-emotional impetus for North-South resource-grab conflicts. *Financial Times* writer Peter Riddell asserted Nov. 23 that President Bush had “lost a central public prop” for his Gulf policy, and that Thatcher’s leaving had caused “a profound shock” in U.S. policy circles, especially given the “curious irony that the news from Downing Street came just as Mr. Bush was in Saudi Arabia visiting American and British troops.” Under the headline “Americans astonished by fall of loyal ally,” London *Times* U.S. affairs editor Peter Stothard wrote on the same day that “Americans have watched the fall of Mrs. Thatcher with disbelief as well as alarm,” especially as she had “set the intellectual framework for Operation Desert Shield.”

Both Stothard and the *Independent*’s Peter Pringle drew attention to Thatcher’s seminal role in having set Bush on a course for confrontation with Iraq, when they met in Aspen, Colorado in early August right after Iraq had invaded Kuwait. According to Pringle, Thatcher has been around ever since to “straighten him out” and “keep him in line.” Thatcher’s resignation was “like the team losing the trainer; it will be a little harder for Mr. Bush and his men to pursue their policy from now on.” As Worsthorne put it in his Nov. 25 editorial, “the danger [in the Gulf] is serious enough; who is going to put iron into Mr. Bush’s backbone if not Mrs. Thatcher?”

For herself, Thatcher told a meeting of Conservative Party loyalists immediately after she resigned that she intended to be “a very good back-seat driver” for Bush in the Gulf. Unless the United States gives Bush the “Thatcher treatment,” any number of accidents lie ahead.

Anglo-Americans plot Polish chaos

by Konstantin George

The first round of the Polish presidential elections on Nov. 25 opened the way to a stormy and chaotic winter and spring. Solidarnosc leader Lech Walesa was denied an otherwise certain first-round victory, by the last-minute candidacy of one Stanislaw Tyminski, a curious exile millionaire and Libertarian Party leader in Canada, who had emigrated in 1969 and is the holder of three passports: Canadian, Peruvian, and Polish. He returned to Poland at the beginning of October to launch a very well-funded and logistically well-organized populist demagogic campaign against the Solidarnosc "establishment."

Who is Stanislaw Tyminski?

The sources of his vast economic holdings are shrouded in secrecy, especially concerning his property in Peru. From time to time, however, intriguing leads have emerged in the public domain, leads which, if pursued, could explode the carefully cultivated myth of Tyminski the "self-made man" and "anti-establishment crusader."

For example, on Nov. 23, a Peruvian congressional committee accused Tyminski of pirating Brazilian and Colombian television for his cable television station in Iquitos, an Amazon River port 1,000 kilometers northeast of Lima. According to Peruvian sources, Tyminski's business holdings in Peru are centered in Iquitos. They include a petroleum shipping company called Petrorado, a restaurant, and a computer company. One day after the Polish elections, UPI and the Peruvian media quoted statements by Tyminski's Peruvian lawyer, Javier Valle Riestra, on rulings issued by the Peruvian Supreme Court and the Tribunal of Constitutional Guarantees declaring that Tyminski's business activities were "absolutely legal."

Other Peruvians, including former government officials, maintain that such pronouncements are pure coverup. Ilda Urizer, the former health minister under President Alan García, has stated that Tyminski, in addition to pirating television broadcasts, has eluded payment of his Peruvian taxes. Others in Peru suspect that there may be more to Tyminski's shady dealings than tax evasion. The Iquitos region, where his business holdings are concentrated, is also a center for illegal drug production and shipment. While no proof of Tyminski's involvement in this has ever come to light, critics in Peru point out the "coincidence" that Tyminski's Peruvian lawyer Valle Riestra is a known supporter of drug legalization.

Operation to weaken Solidarnosc

The emergence of Tyminski has been a destabilization classic, part of an Anglo-American policy to create an environment of chaos and opposition confronting Poland's next President, namely Lech Walesa, who is expected to win the Dec. 9 runoff election.

Tyminski took full advantage of the public anger at the austerity program of the Tadeusz Mazowiecki government—imposed by the International Monetary Fund (IMF) and foreign creditor banks—and a growing popular disillusionment with Solidarnosc in general. He gained 23% of the vote in the first round, coming in second, ahead of Prime Minister Mazowiecki, who got only 18% of the vote. Thus Tyminski will be pitted against Walesa in the second round of the election.

This unexpected result has shaken the badly split Solidarnosc camp to its roots. The shock to Solidarnosc has also had its positive side: It has at least initiated a process of self-reflection in both camps of Solidarnosc, that of Walesa and that which backed Mazowiecki in the campaign. At one level at least, Tyminski has performed an unintended miracle: His huge electoral success has put the brake, at least for now, on the centrifugal process that had been splitting up Solidarnosc, particularly since Poland's first non-communist government since the war was formed in August 1989. An example of this post-election process was Walesa's appeal on Nov. 27 for Mazowiecki to remain as prime minister under a Walesa presidency.

The destabilization plan was well-crafted. Poland's mass social and economic misery is due to the Mazowiecki government's acceptance of the ruinous "free market" austerity plan of the IMF and of Harvard University's Jeffrey Sachs. Tyminski, a raving free market fanatic active in the Canadian Libertarian Party, is ideologically in the same camp as Sachs. Cleverly and cynically, this truth was not made known to the enraged Polish electorate. Tyminski, instead, ran a campaign *attacking* the IMF, accusing "Western economic imperialism" of ruining Poland. He further emphasized rhetorically that "Poland needs its own economic plan." Pressed repeatedly by the press to elaborate, during the campaign's climactic phase, Tyminski did not and could not reply.

Who is the 'traitor'?

The Polish media linked to Solidarnosc, to its credit, heavily attacked Tyminski for his outrageous demagoguery, the last straw of which was his slanderous denunciation of Prime Minister Mazowiecki, a longstanding personal friend of Pope John Paul II, as a "traitor" to Poland. That was not the only outrageous statement emitted by Tyminski during the campaign. He achieved even more notoriety by calling for Poland to develop an atomic bomb, using the provocative line that "Poland, alone among all the World War II victor powers, today does not have nuclear weapons."

That latter statement, too, was heavily attacked by the

U.S. kowtows to China to get U.N. vote

The United States made every possible deal with the devil to get U.N. Resolution 678, authorizing "all necessary means" to oust Iraq from Kuwait, passed by the U.N. Security Council on Nov. 29, by a vote of 12-2. In addition to a deal with Mikhail Gorbachov, the United States has now dropped even the pretense of sanctions against the People's Republic of China for the June 1989 massacre in Tiananmen Square and the murderous crackdown since.

Great Britain led the stampede back to accepting China, and on Oct. 23, the European Community (EC) lifted sanctions against China.

For all the kowtowing by the West, Beijing managed to maintain an officially ambiguous position, by abstaining from the vote. Of course, had Beijing been determined to stop the war, it could have used its veto power as one of the "Permanent Five" members of the Security Council, joining the negative votes of Yemen and Cuba. Communist China has played the "George Bush card," proving, as Deng Xiaoping said, that "the West has a short memory."

Japan, the United States, and the EC will continue to prop up the monstrous Beijing regime—if that is possible.

The Chinese Communist Party only continues to rule by mass executions and mass brainwashing campaigns. Beijing has now gone ahead and charged 12 of the leaders of the Tiananmen demonstrations last year. Two leaders, Wang Juntao and Chen Ziming, are charged with "conspiracy to overthrow the government" and "counterrevolutionary propaganda and agitation," which carry the death penalty. Hundreds of workers have already been condemned and sentenced, in dozens of cases to death, for the Tiananmen demonstrations, but this is the first time that the student and intellectual leaders of the protests have been charged. Their trials will be secret.

Beijing's move was carefully timed. The trials coincide with the public announcement that U.S. Secretary of State James Baker had invited Foreign Minister Qian Qichen to tour the United States. Qian flew to New York for the U.N. vote on Resolution 678, maintaining the entire time that he would not support it, because China "has always maintained that there should be a peaceful resolution of the Gulf crisis and that war should be avoided." Qian made it clear that he expects an audience with President Bush, dismissing hypocritical U.S. claims that official contacts were still "banned." "I do not see the whatever differences there are between contacts and exchanges," Qian said.—*Mary Burdman*

Solidarnosc media.

But the problem facing Solidarnosc is that as long as the Weimar-style mass impoverishment persists, with its accompaniment of rage against whatever is seen as the "establishment," verbal attacks from that "establishment" against the "outsider" merely tend to increase Tyminski's popularity. One is reminded of Germany during the Weimar period, when the Nazi Party, while all along supported by Anglo-American financier circles, cleverly exploited popular rage against the economic imperialism imposed on Germany, the onerous reparations payments dictated by the Versailles Treaty, the crippling debt repayment plans, the Dawes Plan, the Young Plan, etc.

To politically destroy Tyminski, the myth he presents as the "self-made man" must be destroyed. The facts concerning which international forces are backing his campaign, and for what reasons, must come to light.

The Solidarnosc media unfortunately do not have the resources to dig into the questions many are asking: Where did Tyminski, a total unknown in Poland until two months before the election, get the money and—perhaps even more intriguing—the logistics and personnel to have mounted the kind of campaign he did?

As one example, somehow Tyminski, a man who had "nothing" inside Poland, managed to have his campaign posters, in quantities matching or even surpassing those of Solidarnosc, all over Warsaw and other Polish cities and towns. Polish sources claim to have evidence that this logistical network was, at least in part, provided by sections of the OPZZ, the Communist trade union organization. The OPZZ, the "Trojan Horse" opposition and competition to Solidarnosc in the the labor movement, would like nothing better than to see Solidarnosc weakened as much as possible. Beyond that, one sees in this reported OPZZ deployment, another ominous parallel to the Weimar period, when the initial currents of "right-wing" chauvinism, and "left-wing" national bolshevism, then out of the ranks of the German Communist Party, later fused into a broad fascist movement.

Tyminski will unfortunately not disappear after the Dec. 9 runoff. He will remain and continue to operate as the spearhead of an attempt to destabilize the Walesa presidency, and Poland's newly emerging democratic national institutions. Demagogue that he is, he will loudly proclaim himself as the true upholder of Polish national interests, while working to undermine them and thus prevent Poland's reemergence as a great nation-state.

Moro kidnap case may shift '360 degrees'

by Umberto Pascali

Two Roman magistrates are currently conducting an investigation into the role of a secret paramilitary network known as Operation Gladio in the 1978 assassination of Christian Democratic leader Aldo Moro. They heard four hours of testimony from Adm. Fulvio Martini, the director of Italian military intelligence (the SISMI), during the week of Nov. 12. Explaining their decision to take testimony from the admiral, the magistrates declared, "We are in the process of a 360-degree reevaluation of the story of that kidnaping and murder."

As *EIR* reported on Nov. 9, Gladio has been secretly operating in Italy and other European countries for decades under the cover of NATO, with 1,000 agents and an unspecified number of sub-agents. It was initially supposed to prepare for guerrilla warfare in the case of a Soviet invasion of Western Europe, but was transformed into a destabilization capability against any potential opponents of British secret intelligence.

The Roman investigation has brought the shadow of the *Grande vecchio* (the Grand Old Man) back into Italian political life. That expression became a household word in Italy in the mid-1980s, when many newspapers and some magistrates advanced the hypothesis that the terrorist wave that had hit the country was organized from abroad by an apparatus (the Grand Old Man) which moved terrorists and organized crime as pawns in their game. In particular, this referred to the kidnaping and assassination of Moro in 1978, and the ensuing allegations against Henry Kissinger as the suspected instigator of that crime.

The two Roman magistrates, Franco Ionta and Francesco Nitto Palma, are convinced that the Red Brigades terrorists who kidnaped Moro were connected to certain intelligence networks both inside and outside Italy. There is one point that is difficult to explain otherwise. Recently, in an apartment in Milan, a bundle of papers (412 pages) written by Moro was found. These were a part of the interrogation to which Italy's leading elder statesman, at the time national chairman of the Christian Democracy, was subjected during his kidnaping. Moro discusses, among other things, the "secret NATO structure"—Gladio.

Now, given that the Red Brigades officially are communist or anarchist terrorists dedicated to the destruction of the

Italian state, the multinationals, NATO, America, and so on, why was the "confession" not used? "Did someone prevent the publication of the documents?" asked the newspaper *Corriere della Sera* on Nov. 24. "This is the fundamental point the two magistrates are working on. It is clear that, if they confirm that an external intervention indeed took place, i.e., that the Red Brigades were puppets manipulated by someone else, then all our recent history and the Moro case in particular, must be re-analyzed completely."

The Super-SISMI

Martini, according to sources, told the magistrates that he would order immediate research into the secret archives of the military intelligence service. He pointed out that in 1978, his position was held by Gen. Giuseppe Santovito, a top member of the secret Freemasonic lodge Propaganda-2 (P-2) who was recently denounced as the go-between between a certain group inside the CIA and Italy. Under Santovito, a part of SISMI leadership was controlled by P-2—the part that coincided with Gladio.

This Super-SISMI or Parallel-SISMI, as it was labeled by the news media later, was controlled by Michael Ledeen, who became an assistant to Alexander Haig when Haig was U.S. secretary of state in 1981. Though an American citizen, Ledeen reportedly ran the Super-SISMI, especially through such intermediaries as the mafia-connected Francesco Paziienza. It is particularly sinister that, during Moro's kidnaping in April-May 1978, as-yet-unidentified "U.S. authorities" had sent to Italy an "anti-terrorist" expert who de facto ran the special team, set up at the Interior Ministry in Rome, that led the police investigations to find the statesman. Moro was never found, however, and many speculated that it was because of that special team that many leads that would have helped to locate him were not followed. The U.S. "anti-terrorist" expert was Michael Ledeen.

In the context of the Moro-Gladio inquiry, the two magistrates have found out that the terrorist who kept Moro prisoner, Mario Moretti, was suspected, even by lower members of the organization, to be working with intelligence networks. Ionta and Nitto Palma interrogated "repentant" terrorist Michele Galati, who reported that Moretti was "tried" in jail by other Red Brigaders. Galati also revealed that the terrorists received orders from Paris through the Hyperion language school, set up by three founding members of the Red Brigades.

Many more leads are piling up on the desks of the magistrates, including the case of Red Brigades leader Giovanni Senzani, a sociologist who was involved in Moro's kidnaping. He was arrested at that time in Genoa, but freed immediately, when the SISMI group in Florence sent an urgent message to the police in Genoa stressing that there was no evidence against him. His arrest possibly could have led to the liberation of Moro. But SISMI at that time was dominated by P-2 and, of course, by Gladio.

Bangladesh's Ershad decrees emergency

by Ramtanu Maitra

What began as a periodical exercise by Bangladesh's opposition—demanding that President Hussain Mohammad Ershad quit and hold elections for Parliament—has suddenly mushroomed into a nationwide crisis. President Ershad clamped down an emergency on Nov. 27 following a short nationwide address. He also detained two major opposition leaders, Begum Khaleda Zia and Sheikh Hasina Wazed. By Nov. 28, violence had erupted in many towns, and a pitched gun battle between pro- and anti-Ershad students was raging for four days at Dhaka University campus. From available reports, it is evident that Ershad, Bangladesh's longest-serving President who grabbed power in a 1982 "peaceful coup," is facing hard days ahead. One obvious indicator is the report that the opposition movement, which is usually contained within Dhaka, has spread to engulf Chittagong, Mymensingh, Khulna, and Rajshahi. All incidents now rapidly spiral into violent clashes between anti-Ershad militants and security forces.

One reason, often cited by analysts, why the opposition has succeeded in making this a nationwide movement, is the fact that the two largest opposition blocs, the seven-party alliance under the Bangladesh National Party (BNP) chief Begum Khaleda Zia and the eight-party alliance under Sheikh Hasina Wazed's Awami League Party, have come together after years of quibbling and joined hands to bring down Ershad's government. The initiative has resulted in combining the students, the most volatile political ingredient in Bangladesh, under a common banner of the All Party Students' Unity (APSU)—a development which has kept the pressure on the parent organizations under the two fiery woman leaders.

The recent events burst forth following an Oct. 10 incident in Dhaka near the main mosque, Raitul Mokarram, when security forces fought a pitched battle, trying to prevent the assembled opposition militants from spreading out to surround the government Secretariat. The opposition activists won the battle, leaving 200 injured. Following this, the APSU organized programs in rural areas and subdistricts which led to violent clashes.

Dangerous 'political circus'

President Ershad, who first branded the whole thing a "political circus," got a temporary respite when the events in

the Indian city of Ayodhya on Oct. 30 led to widespread attacks on Hindu minorities in Dhaka and Chittagong. The Ershad government organized peace processions and assured the Hindu minorities of protection. But opposition leaders claimed that the attacks on the minorities were organized by the government itself, in order to blunt the opposition's efforts. Sheikh Hasina Wazed even charged that a number of cabinet ministers, apparently acting on Ershad's behalf, were involved in inciting anti-Hindu sentiments which led to riots and arson in Dhaka and Chittagong. On Nov. 6, citing Articles 51 and 55 of the Constitution, she demanded the President hand over power to a caretaker government to conduct "free and fair" elections. Although the government ridiculed her demand as "childish," it was evident that the agitation had shaken them up. Ershad, who had closed down Dhaka University following the Oct. 10 events, was forced to reopen the schools, including the university, on Nov. 8. On Nov. 20, the opposition blocs organized a successful 48-hour general strike which resulted in more violent incidents. APSU militants tried to attack the homes of allegedly corrupt ministers, deputies, and government officials. The opposition alliance, embarking on a 21-day continuous action plan from Nov. 22, had called for a countrywide blockade for 72 hours Dec. 10-12.

Moreover, Ershad has accused a "neighboring foreign country"—which many analysts think refers to India—of inciting violence in Bangladesh. It is, some point out, standard practice on the subcontinent to make accusations of foreign involvement, when the domestic situation heats up.

However, the President has not run out of cards yet. He has the "Emergency Power Ordinance 1990," which will give him power to suppress all news reports, bring in the Army to deal with the opposition, and close down all educational institutions, impose curfew at will, and order the suspension of certain civil rights. In his 11-minute televised speech, Ershad reiterated his accusation that a foreign country was "inspiring a section of the opposition to indulge in politics of anarchy and destruction in the name of demand."

Ershad is also expected to stir up the old differences between Begum Khaleda Zia and Sheikh Hasina Wazed over leadership. However, Begum Khaleda Zia has, on more than one occasion, charged Ershad with involvement in the assassination of her husband, the late President Lt. Gen. Ziaur Rehman, in May 1984. It is also arguable how long the Army will back Ershad.

The spread of agitation may have surprised outsiders, but for some time the government has been the brunt of allegations of plundering foreign aid to feather their own nests. Both Sheikh Hasina and Begum Zia had met with World Bank-International Monetary Fund officials in Dhaka on Nov. 6, requesting them to cut off all aid to the "illegitimate government involved in corruption and smuggling." Ershad's decision to send troops to Saudi Arabia has also evoked widespread criticism.

Back to the classics

Some Italian parliamentarians open a flank against the counterculture: relaunching the study of Latin and Greek.

Around 1800, at the University of Berlin, a philosophical debate pitted the brothers Alexander and Wilhelm von Humboldt against Friedrich Savigny and G.W.F. Hegel. Since the Faculty of Sciences was dominated by the rival faction, von Humboldt told a teacher at the Greek Faculty at the beginning of the summer that next autumn, he should give classes in mathematics, especially constructive geometry. The teacher protested, but he received the following response: "Since you have an excellent mastery of Greek and Latin and you know the literature in depth, you are also an expert in mathematics." He became one of the most prized mathematics teachers.

We have not yet reached that level; the false split between humanistic studies and natural sciences has not been confronted fully in Italian and European pedagogy, but some things have begun to move. In July, a motion was presented in Italy's Chamber of Deputies, the lower house of Parliament, calling for reviving the teaching of Latin. It is sponsored by a large group of parliamentarians of many parties. On Oct. 2-3, a conference was held by the Latin Union, on "Latin for an Intelligent Europe," which was opened by Public Education Minister Gerardo Bianco, a strenuous defender of the classics.

In early November, a meeting took place between Minister Bianco and the relevant committee of the European Parliament, and in December the education ministers from all the European Community countries are to meet. In January, Italy's Parliament is slated to debate last summer's pro-

Latin motion.

The Latin Union conference was attended by men of science and culture as well as parliamentarians. The speeches related the question of a unified Europe to the role of Latin as the common tongue of Europe from the Roman Empire to the Carolingian Empire, and from jurists to Christian philosophers such as St. Augustine and St. Thomas Aquinas.

In his keynote, Minister Bianco recalled the ups and downs of Latin teaching from the early 20th-century reforms which proposed to abolish it in the secondary schools, to the "anti-democratic" label during the 1960s student protests. The result was the "loss of the sense of historical continuity and unified feeling in Italian and European civilization, which has its basis in Latin-ness; the incapacity to be able to reflect critically on the language and its origin, from which insecurity of expression and difficulty in dominating the logical-linguistic whole are derived."

The secretary general of the Latin Union stressed, "Intoxicated with television, advertising slogans, the jargon of animated cartoons, European children are, for the most part, incapable of using 'I maintain,' 'complementary,' 'nonetheless,' 'with the reservation that,' 'consequential,' or, even to distinguish between 'occasion' and 'opportunity.' A little Latin would do good to this society of ungrammatical communication which risks, in the end, losing the instrument of organized thought."

Prof. Peter Wulfing, of Cologne University in Germany, drew interesting comparisons of the pedagogical

approaches of various European areas. In the north—Scandinavia, England, and the Low Countries—more weight has been given to the study of classical civilization. They no longer translate from Greek or Latin, but read ready-made translations, and the percentage of students who choose to complete classical studies by learning the actual language is low. Then there is "Mrs. Thatcher's economic liberalism, an adversary to be taken very seriously. It pretends to be free of all ideology, manifests great respect for ancient languages . . . and eliminates us when we are a bother or need money."

Central and Southern Europe, albeit with differences, have kept up a "predilection for descriptive access to the language . . . and a love . . . for the style and the rhetorical means of the ancient texts, as well as for the language itself." In Eastern Europe, a real "struggle for the survival and teaching of Latin has represented a memory of pre-socialist middle class culture."

Secondary education director Romano Cammarata confirmed that Italy will keep Latin in the reformed high schools. After various experiments, "we have taken stock, and from now on we will proceed on a single track. Latin will be present in the classical, normal, scientific, and linguistic high schools. In the second year of the classical high schools, Greek study will also begin."

Conference participants passed a final resolution that "the Latin language must still have a fundamental role not only for humanistic-literary studies and professions, but also to facilitate the learning of other modern languages . . . and it remains important even for those who pursue scientific and medical professions, as well as for scholars of law and philosophy."

Military nationalism resurfaces

A grouping in the Armed Forces is fighting destruction of the Army, military industries, and state enterprises.

The Army Command and General Staff College (ECEME), think tank of Brazil's military elite, opened its doors to the public Nov. 5-8, to hold a symposium on applied strategy. This unusual event served to demonstrate the military's rejection of Anglo-American pressures which seek the dismantling of the Armed Forces and of the country's military industries, as well as the surrender of Brazil's powerful state companies, especially the state oil monopoly Petrobras.

This nationalist resurgence within the Armed Forces was also evident in the pages of the newspaper *Ombro a Ombro*, the widest-circulation military publication in the country. In its November 1990 issue, *Ombro a Ombro* asserts that the drive to privatize Petrobras is the work of bankers who for a long time have been pushing a scheme first formulated by former U.S. Secretary of State Henry Kissinger, to exchange foreign debt paper for holdings in state companies.

With this campaign, says *Ombro a Ombro*, "it is sovereignty itself which comes under international attack, in the final phase of the offensive launched in Vail, Colorado in 1983. In that U.S. city, an official of the Council of Americas told the magazine *Executive Intelligence Review* the following: 'In Latin America, the concept of bankruptcy has to be introduced into the public sector. There must be a change in the legal jurisprudence in Argentina, Brazil, and Mexico. . . . Either they be permitted to go bankrupt, or if they need money, they must be opened to foreign private in-

vestment. This is equally true for a company like Brazil's Petrobras.' "

Ombro a Ombro's editorial concludes, "On Jan. 8, the *Los Angeles Times* published an interview with Henry Kissinger, in which the former secretary of state affirmed that the Bush administration's strategy for Ibero-America is precisely that planned by his advisers since 1983."

The ECEME seminar was the first response critical of President Fernando Collor de Mello's alignment with Washington, especially with regard to the crisis in the Middle East, which led Brazil to jettison its own longstanding relations with Iraq. Among the Armed Forces, there exists a consensus that the forces allied against Iraq in the U.N. Security Council will be precisely those which would intervene against the Amazon, also alleging the need to protect the interests of humanity. Those one-worldist forces are the same which demand that Brazil sign the Nuclear Non-Proliferation Treaty, and that it take the country's nuclear programs out of the hands of the military.

Virtually every one of these issues was addressed in the seminar. In welcoming the participants, school commander Gen. Luciano Phaelante Casales observed that he had been born in the 1930s, when Brazil was an "eminently agricultural country"; today, he said, we are a country which has "industrialized, and we have formed ourselves into a nation." Brazil needs to defend this advance with "national solutions to our problems," he said.

In exposing the nature of Great Britain's goals, Col. Jayme Moreira Crespo Filha, head of the Joint Chiefs of Staff of the Army First Division, stressed that that country's policy is "arrogant," contemptuous of the Third World, and has not changed since the last century, when its goals were imposed by cannon. England swears that it backs peaceful solutions, he said sarcastically; "of course, that could be easily seen in the Malvinas War against Argentina."

With Brazil, the treatment would be no different. England participates in the worst attacks against Brazil's sovereignty, under the guise of concern for the environment. The previous week, reported Colonel Crespo, Prince Charles sent a message to an ecologists' gathering in Brasilia in which he decreed the Amazon to be "the patrimony of all humanity." Finally, Colonel Crespo denounced the colonial taint that England has imposed on NATO by shifting it into out-of-area deployments. In early 1990, the British press commented that such deployments are for intervening in those countries that might emerge as intermediate powers, and mentioned Brazil and India by name.

Col. Maynard Marques de Santa Rosa, of the Army's Policy, Strategy and Management Course, confirmed the United States' 180-degree turn in its relations with the country once considered its best ally in the hemisphere. Santa Rosa compared current U.S. policy with "Roman methods," and described its attitude toward its presumed allies as "opportunist." The United States, he said, is more interested in establishing an imperial relationship with the countries of the hemisphere, viewing them as a source of raw materials. Said Santa Rosa, the United States especially fears the emergence of Brazil as a power in its own right.

Peru's 'Fujimori Doctrine' announced

The Peruvian President's new "anti-drug" strategy will mean both legalized coke and U.S. troops in the Andes.

The Peruvian government of Alberto Fujimori has taken the extraordinary step of naming a former high-level U.S. State Department official as his special presidential adviser on the sensitive issue of the war on drugs. Ann B. Wroblewski, former Undersecretary of State for Narcotics Affairs, was presented to the Lima press corps by President Fujimori himself on Nov. 16, amid great pomp surrounding the announcement of the new "Fujimori Doctrine." Under the doctrine, Fujimori announced the formation of a new civilian organization—to be composed of journalists, researchers, and other specialists, with "participation" by the Peruvian Armed Forces and police—which will be charged with fighting the drug trade.

The President's announcement put an end to the brief but heated dispute between the U.S. and Peruvian governments over the issue of how to best combat drugs. The Peruvian government has refused to sign a military aid agreement with the U.S. which would give the United States de facto veto power over the Peruvian war on drugs effort and open the door to the presence of U.S. Special Forces and CIA mercenaries in the coca-producing regions. Opposed to this "Vietnamization" of the Andes, the Peruvian government argued that it were better to have a "dialogue" with the coca-growing peasants and offer them economic solutions, including the legalization of their now illegally held plots of land.

Now, the Fujimori Doctrine has brought together the *worst* of both proposals: the Vietnamization of the

Andes, combined with steps toward the legalization of the dope trade. It is precisely the combination which the Bush administration wants to impose across Ibero-America.

The presence of Wroblewski as an official adviser to Fujimori is an unmistakable signal that Peru, after being subjected to heavy-handed pressure and threats from a string of State Department envoys, has accepted the militarization demanded by Bush. UPI, for example, recalled that "many South American leaders . . . have in the past resisted U.S. government efforts to use military forces to combat drugs on their own turf," but this seems to have changed with the Fujimori Doctrine. The Nov. 16 *Christian Science Monitor* explained that Peruvian diplomats had informed them that the "Peruvian government has not ruled out taking U.S. military aid." The paper emphasized that "the Arciniegas strategy"—a reference to the Peruvian general who has allied with the coca growers—"was more successful than any recent Peruvian counter-subversive policy."

Fujimori stated, in announcing the new policy, that there was no reason to reject the coca growers' desires, which are known to include the legalization of their activities.

Wroblewski was head of Narcotics Affairs in the State Department under George Shultz, who has openly advocated the legalization of drugs.

Fujimori explained that Wroblewski's presence was due to the efforts of his emissary, Hernando de Soto—Project Democracy's star in Ibero-America—who, on his recent

trip to the United States, was able to establish important contacts with Environmental Protection Agency officials who were favorable to Peru's approach to the drug issue. De Soto has been one of South America's most active defenders of the "informal economy"—including the drug trade.

The new Fujimori Doctrine has already been subjected to strong criticism inside Peru. The Peruvian diplomat Alejandro Deustua, in an article in the Nov. 19 issue of the magazine *Caretas* entitled "Dangerous proposal," emphasizes that "the Fujimori Doctrine . . . will probably lead less to the establishment of the presence of the state in the [coca-growing] zones, than to legalizing the narcotization of the state." Deustua asserted that Peru should not "grant the benefit of legitimacy and consent to the Fujimori Doctrine, but rather consider it as a step in the legitimization of an activity that threatens our national security."

National security is an issue that doesn't seem to interest Fujimori's government. How else to explain its strange silence in the face of the presence in the Huallaga coca region of foreign mercenaries linked to Ollie North and the Iran-Contra scandal, as *EIR* reported Nov. 2 in its *Andean Report*.

Criticism was also expressed at a seminar in Lima entitled "Narco-Economics or Development: Peru at the Crossroads," organized by *EIR*. Keynote speaker Luis Vásquez, the president of a group called the Solidarity Movement, attacked both Bush and Fujimori's "anti-drug" policies. The latter, Vásquez argued, in effect proposes peaceful coexistence with the coca growers, while the strategic objective of the former is to place U.S. Special Forces on Peruvian territory. Neither is acceptable, Vásquez told an audience of mainly military and security service officers.

International Intelligence

U.S., Soviets clinched a new 'Yalta' betrayal

A deal was clinched between the United States and the Soviet Union in November, whereby the U.S. assured Moscow that it would do nothing to hinder Soviet freedom of action "as far as the Baltic states were concerned," in exchange for a modification of the Soviet position on the Gulf. So stated an associate of Lithuanian President Vytautas Landsbergis, in a discussion with *EIR* on Nov. 27.

He estimated that this arrangement was established during U.S. Secretary of State James Baker III's trip to Moscow, and was reinforced during the summit meeting in Paris of the Conference on Security and Cooperation in Europe (CSCE). One concrete sign that a deal has been struck, he claimed, was a recent U.S. Senate decision to stop \$10 million in humanitarian aid to Lithuania.

Soon after the Baker visit, the source noted, Soviet Prime Minister Nikolai Ryzhkov began to harden the Soviet position toward a Lithuanian delegation with which he was negotiating, causing a breakdown of the negotiations.

"The situation now in Lithuania is desperate," said the source. "Landsbergis is practically calling for international help. He fears that the duly elected Lithuanian government, including himself, will be arrested by the Soviet Army. In the recent chain of events in Lithuania, the Army is practically taking over."

Israeli paper charges coverup of Saudi slavery

Why doesn't the Israeli press make a bigger deal about slavery in Saudi Arabia? asks *Jerusalem Post* editorial page editor David Bar-Illan, in the paper's Nov. 16 issue. Under the heading "Slavery, Saudi-style," Bar-Illan writes: "One would think that the expulsion of almost a million Arabs, damning them to penury, suffering and death; the quasi-enslavement of another million; and

the torture, rape and robbery of hundreds of thousands of others, would make the front pages. The expelled are Yemenis, workers who have been in Saudi Arabia for decades. Many were born there. Only those who can find a 'patron'—for all intents a slavemaster who can expel them at will—can stay.

"Yet there is not a word of it in the Israeli press, and only random comment in the world press. Is it because the perpetrators of this enormity are the Saudis, whom the world must placate, lest they withdraw their permission to let Americans defend them? Or is it because when Arabs massacre, torture, exile and enslave other Arabs, it is considered as natural as the slaughter of millions of Africans by Africans? There is no more riling racism than that which relegates whole peoples to subhumanity and 'for-gives' them their crimes, the way one forgives jungle animals."

Mandela rejects U.S. role in Persian Gulf

Nelson Mandela, the deputy chairman of the African National Congress (ANC), said that the United States has no right to be stationing troops in the Persian Gulf region, and stated his readiness to be a mediator in the crisis. An interview with Mandela was published by the German daily *Die Welt* on Nov. 26.

Mandela attacked the "hypocrisy" of the United States and the West, since the U.S. invaded and occupied Grenada, and undermined that country's independence, yet there was hardly a protest in the West. Then, the U.S. arrested a foreign head of state by force, in the case of Panama, without any discussion or consent of the U.N., yet there was no reaction of protest from the West. "Such hypocrisy, we do not accept," stated Mandela. "Besides, America and the West have no reason to have troops in the Persian Gulf."

Asked whether he would be willing to play an active role in resolving the Gulf crisis, given that he is a hero in the Arab world, Mandela replied: "I can, first of all, play the role of mediator if I am asked to do so.

Whether I would do it, depends on a decision by the ANC, not by me alone. . . . I would meet Saddam, if the ANC decides."

Beyond this, Mandela insisted that the West demand Israel's withdrawal from the occupied territories, and take action to stop Israel's brutal treatment of the Palestinians. That pressure on Israel should be done with the same intensity as Iraq is being pressured on the Kuwaiti issue. "There is not the slightest basis to make a distinction between these two problems," he said.

Poland wants protection from Soviet turmoil

The Polish government has asked the United States for a treaty that could include stationing U.S. troops on Polish soil, according to the *Washington Times* of Nov. 20.

The paper writes that the treaty is intended "to protect Poland from the fallout of the possible collapse of the Soviet Union, which Poles think is 'dangerously near' according to diplomatic sources. The proposed pact could include stationing U.S. troops in Poland to protect its eastern border from potential turmoil in the Soviet republics. . . . So far discussions between Poland and the Bush administration have centered mainly on Polish concern about a power vacuum in Eastern and Central Europe following the withdrawal of Soviet troops from the area."

Czechoslovakia and Hungary's ambassadors to Washington are said to have joined the talks at one point.

Bolivian anti-drug commander steps down

General Lucio Añez, commander of Bolivia's Special Anti-Drug Force (FELCN), will be leaving his post, according to a Nov. 9 report from the Spanish news agency, EFE. General Añez, who previously served as Bolivia's representative before the Inter-American Defense Board in Washington, D.C., said he is leaving the job for health

reasons and will seek medical treatment in Brazil.

The resignation occurs in the midst of tremendous political and social upheaval in Bolivia. Recently, the national Congress voted not to impeach President Jaime Paz Zamora on charges that he had violated the Constitution last year, when he authorized the extradition of drug trafficker Col. Luis Arce Gómez to the United States. Bolivia does not have an extradition treaty with the United States.

After the Congress voted Nov. 20 to oust eight members of the Supreme Court for alleged ties to the drug trade, Supreme Court President Edgar Oblitas charged the nation was facing an "institutional coup d'état." After 18 months of factional brawling between the government coalition and the opposition, the nation is effectively paralyzed. Rumors of military coup plots are rampant.

El Salvador's FMLN launches offensive

The FMLN rebel organization in El Salvador attacked six provincial capitals before dawn of Nov. 20, hitting the Air Force base on the edge of the capital city of San Salvador and severing a major highway linking the capital to the northern provinces. Electricity for more than two-thirds of the country was cut off.

The FMLN delivered a communiqué to the press warning that their assault was deliberately limited in scope, but that if talks with the government collapsed, a much larger-scale offensive would be undertaken. "In the spirit of accelerating the negotiating process, we have decided to respond militarily to the impunity, repression, and military operations of the Armed Forces and to the intransigence of the government in rejecting the total demilitarization of society," said the communiqué.

The FMLN are not the only ones trying to force the government to the bargaining table. The Bush administration is similarly committed to a policy of "negotiating" dual power in El Salvador, with its military the

number one target. U.S. congressional legislation withholding aid to El Salvador's military to force negotiations with the FMLN is also White House policy.

This was confirmed by Assistant Secretary of State for Inter-American Affairs Bernard Aronson, who, in an opinion column in the *Washington Post* Oct. 12, complained that "too often in the past," the U.S. has "retreated in the face of intransigence by the Armed Forces." He urged cutting the military by 60%, as a step toward implementing "changes in the structure and size of the Armed Forces that would have gotten a Salvadoran leftist killed less than a decade ago." On Oct. 23, Aronson wrote a letter to the *New York Times* defending the administration's commitment to a ceasefire in El Salvador with the argument that "the people of El Salvador deserve an end to the violence." The U.S. decision to apply its "Lebanon" policy to El Salvador—namely, to sit back and watch it self-destruct—is hardly what El Salvador's people deserve.

Chinese bishops are sentenced to hard labor

At least two bishops of the underground Catholic Church in Communist China have been sentenced to prison after secret trials, the German newspaper *Süddeutsche Zeitung* reported Nov. 22 from Beijing.

Bishops Phillip Yang Libo, 76, of Gansu province, and Paul Li Zhenrong, 71, of Hebei, were sentenced to three years of prison at hard labor for their religious activities. Another bishop, Joseph Li Side, has been held in Tientsin for at least a year.

The three belong to a group of about 20 bishops and priests who were arrested at the end of last year, after 10 bishops had founded an independent bishops conference in Shaanxi province in November 1989 in the name of the underground Church faithful to the Vatican, splitting from the Beijing-controlled Catholic Patriotic Association. "Collaboration" with the Vatican is punishable by 10 years to life in prison and "reform through labor."

Briefly

● **TARIQ AZIZ**, the foreign minister of Iraq, charged on Nov. 14 that the CIA might sponsor terrorist acts in order to blame them on Iraq. Alluding to a statement by White House spokesman Marlin Fitzwater, Aziz warned, "The U.S. official was apparently hinting of the U.S. intention to link Iraq with terrorist acts, most probably committed by the CIA to implicate Baghdad."

● **PERU** was the site of the First International Pan-American Mystical Congress on Nov. 24-25. Satanists, magicians, and those devoted to witchcraft, the search for UFOs, and other esoteric topics, attended from around the world. The event was organized by something called Peru Mystic Tour.

● **A SHAKEUP** in the Jordanian government is anticipated by an informed British Arabist. He forecast that the Jordanian parliament would soon have a vote of no-confidence in the government, and that King Hussein would be obliged to appoint a new government, which would be more oriented toward the Muslim Brotherhood and would have a more "pro-Iraqi" tinge.

● **SPAIN'S BISHOPS** issued a strongly worded criticism of the country's Socialist government on Nov. 23. The document condemns "nepotism," "black money," the "bad use of the public money," and "discrimination for ideological reasons," adding, "We are confronted with a society which is morally ill. . . . Spain has been transformed into a big casino."

● **THE SOVIETS** will withdraw 200,000 troops from Asia by 1992, according to Vadim Medvedev, a member of the Soviet Presidential Council, in a speech to businessmen in Seoul, South Korea. He said the Soviet Union was ready to "guarantee the denuclearization of the Korean peninsula along with other nuclear powers."

Psycho Bush heads toward genocidal war

by Nancy Spannaus

Like a self-defined werewolf driven to commit murder every full moon, President George Bush is working himself up toward a new orgy of blood as the new year approaches. The last orgy occurred in Panama, when Bush deployed U.S. troops on Christmas to carry out the mass murder of civilians in the name of "fighting drugs." Now the President is aiming for an attack on Iraq, despite warnings from his military advisers that the action could result in the deaths of 70,000 Americans, on top of an untold number of Arabs.

The policy which the President is implementing is being outlined explicitly by former secretary of state Henry Kissinger and the Anti-Defamation League of B'nai B'rith (ADL). It calls for the destruction of the military (read industrial) capability of Iraq, as a precedent for United Nations policing of the Third World to ensure that there is no successful industrial development. As such, the policy is the implementation of Henry Kissinger's 1970s diplomacy on behalf of malthusian genocide for non-white peoples of the South.

So far, there appears to be no serious disagreement within the Anglo-American Establishment, nor the other permanent members of the United Nations Security Council, with the Kissinger-Bush policy. But there does seem to be a certain amount of concern that Bush himself is a defective instrument for implementing such a policy. Bush is acting more and more like an obsessive psychotic, who is unable to take the consequences of his actions into account.

In London, the elite has just decided to get rid of its own megalomaniacal mediocrity, Prime Minister Margaret Thatcher, because of her untrustworthiness. Will the U.S. side make the same decision about the unstable George Bush? That's a decision patriots and world citizens cannot afford to leave to our Establishment, but rather must take action to

determine themselves.

The Kissinger-ADL policy which Bush is implementing in the Gulf is nothing less than insane. It is on the same level of insanity that the policies of Adolf Hitler were: the willingness to sacrifice millions of lives in order to satisfy the lust for power.

This reality is evident practically every time Henry Kissinger puts a pen to paper, or testifies in public. As a proven tool of the Anglo-American banking establishment, Kissinger enunciates the goals of that grouping with a certain professionalism. Underneath all the geopolitical gobbledygook, the objective is to destroy the Third World.

Kissinger's malthusian plan

In the 1970s, Kissinger carried out this objective by working closely with his British masters and Moscow, in order to decapitate genuine nationalist governments in the Third World. The weight of the United States was put behind increasingly explicit malthusian policies of the United Nations and the International Monetary Fund. The result was many coups, murders of Third World leaders, the buildup of Soviet aggressive capability, and economic devastation.

By 1982, it was decided by Kissinger's masters that it were better that such policies be administered through a "neutral" international body, rather than the United States—in particular through the United Nations. As you can see by Bush's preemptive actions in the Gulf, and by Kissinger's current advice, this idea has been accepted by Kissinger only to the extent that the U.N. gives the United States free rein.

Thus Kissinger is presently arguing consistently for a preemptive strike against Iraq by the United States. As he said in his testimony in the Senate Nov. 28, his nightmare

would be if Saddam Hussein were to withdraw from Kuwait without the U.S. having destroyed his military-industrial complex. That malthusian objective is Kissinger's *sine qua non*. In addition, he pontificates that the United States allegedly cannot afford to withdraw any of its 400,000-plus troops, because that would be a threat to "international stability," nor can it keep them in the Gulf too long because of the growing rage building up within the Arab populations. His horror is a peaceful settlement—that the sanctions would succeed in forcing negotiations between the U.S. and Saddam Hussein!

One is reminded of Kissinger's stated position on the previous Iran-Iraq War: It should go on as long as possible so that the two destroy each other.

It is also well-known that Kissinger doesn't care how many American soldiers are killed in reaching his policy objectives. Just look at Vietnam.

Kissinger's advice is being backed up by a pressure campaign by his drug lobby friends at the Anti-Defamation League of B'nai B'rith. The ADL, which functions as thugs for the same Anglo-American banking establishment as Kissinger does, is insisting that "the world's struggle against Saddam Hussein [is] a Jewish struggle." This lie is backed up by a vociferous ADL campaign in support of the current made-in-Britain fascist policy of the Israeli government against Palestinians and Arabs, which could accurately be called a demand for *Lebensraum*.

Of course, the spreading religious war which would be detonated by a U.S. strike against Iraq would be the worst possible thing for Israel's security—but that doesn't seem to bother the ADL.

Vicious lies

In following the Kissinger policy, George Bush is ignoring the advice of competent military advisers and a large grouping of establishment political opinion. To do so, he has to lie.

The biggest lie is that the Iraqi invasion of Kuwait was the cause of the United States military deployment. As has been pointed out repeatedly by leading U.S. political figure Lyndon LaRouche, the Iraqi invasion had absolutely nothing to do with the deployment, which had been planned by 1988 at the latest, and was intended to solidify the policy of NATO out-of-area deployments to control raw materials. So far, only the Iraqis and former U.S. ambassador to Saudi Arabia James Akins have been direct about this fact.

The second lie is that Saddam Hussein intended to act against U.S. interests by controlling so much of the world's oil supply. Many critics have declared this to be insane—Saddam not only would have wanted to sell oil to the West, but never would have raised oil prices as much as the embargo has.

The third lie is that Saddam Hussein is a threat to Americans. The hostages are being held, as everyone knows, in order to prevent a U.S. attack, and Saddam Hussein is releas-

ing them increasingly in response to civilized approaches. He has even offered to release all of them, in exchange for negotiations. The result is, as syndicated columnist Charley Reeves wrote in an article that appeared in the Nov. 25 *Houston Post*, that Saddam Hussein comes across as a "calm and reasonable" head of state, while George Bush looks like a "megalomaniac dictator."

The fourth lie is the alleged threat of nuclear capability by Iraq within the immediate future. This assertion has been debunked by the International Atomic Energy Association, and innumerable energy experts, including U.S. government experts. Yet Bush appears to have decided that this is the only way to jack up the American population in support of a military strike—and he is lying through his teeth.

EIR will have more to say about the fifth lie next week, as our staff compiles the real story about the human cost of a Gulf war. Suffice it to say that some military experts are saying it would be a "holocaust."

The lessons of Thatcher

In a statement issued Nov. 25, presidential candidate Lyndon LaRouche urged that "Mr. Bush and his friends should recognize the similarities between the causes of the fall of British Prime Minister Thatcher and the condition of the Bush administration itself. Three things are outstanding about both administrations: mediocrity, megalomania, and overloading the decision-making circuits. Essentially, Margaret Thatcher was going bonkers under a combination of these three conditions, and Bush is moving in the same direction."

It is clear that broader circles around the administration are beginning to recognize Bush's unstable mental situation. Many were appalled at his decision to meet with Syrian President Hafez al-Assad, a certified terrorist controller. Others were dumbfounded at the arrogance which resulted in the near shoot-out between Swiss security guards and the U.S. Secret Service during Bush's trip to Geneva to meet Assad.

It should also be noted that Thatcher's removal from office may not have removed her controls from Bush in the Gulf situation. According to a tape released by a Conservative Party insider on Nov. 28, Thatcher told President Bush after her resignation that she was convinced "he won't falter and I shan't falter. It's just that I shan't be pulling the lever there. But I shall be a very good back-seat driver." Asked if she meant in the British government, British political correspondent Michael White said no, "she was referring to George Bush!"

So far, however, no one of international stature seems willing to take on the crazy man Bush, but heads of state are instead kowtowing to his lunatic drive toward war. It is appeasement of Bush—not appeasement of Saddam Hussein—which will likely lead to a new international world war and genocidal disaster. As LaRouche said, "somebody had better stop this mess before it runs out of control altogether."

Nunn's hearings begin with testimony by former cabinet member Schlesinger

The Senate Armed Services Committee, under the leadership of Georgia Democrat Sam Nunn, convened week-long hearings on U.S. Policy in the Persian Gulf on Nov. 27. After short introductory remarks by Nunn and John Warner (R-Va.), the committee heard James R. Schlesinger, who is scheduled to be followed by numerous other former government officials during the rest of the week.

Nunn has been a vocal critic of President Bush's change in policy from defense to offense in the Persian Gulf, and his opening remarks reflected his criticism. The senator, and prospective presidential candidate, also noted, however, that he agrees with the President's pursuit of a United Nations resolution authorizing force, and considers war in the Gulf "justified," but not necessarily "wise at this time and in our national interest."

While Nunn has received much press coverage, less attention has been given to the remarks of Schlesinger, who was defense secretary under President Gerald Ford and later, secretary of energy under President Jimmy Carter. His views reflect a broad consensus among the nation's foreign policy elite, who are increasingly questioning George Bush's judgment in pressing toward war.

Excerpts of Schlesinger's written statement follow. (Subheads have been added by the editors.)

. . . Mr. Chairman, if you will permit, I shall deal initially with the shape of the post-Cold War world in which the sharp ideological divisions and the coalitions and alliances polarized to reflect those differences have now been muted. Some, stimulated by the response to the crisis in the Gulf, have expressed the hope that we are now engaged in fashioning a new international order—in which violators of international norms will be regularly constrained or disciplined through the instrument of collective security. Put very briefly, Mr. Chairman, I believe that such aspirations for a Wilsonian utopia are doomed to disappointment. What is emerging is likely to resemble the somewhat disordered conditions before 1938—an era of old-fashioned power politics—marked by national and ethnic rivalries and hatreds, religious tensions, as well as smash and grab, and the pursuit of loot. . . .

What are America's interests

Mr. Chairman, you and Senator Warner have posed the question: What are America's interests in the Gulf. I shall mention three. . . .

First, is oil. There is no way of evading this simple reality. Oil provides the energy source that drives the economies of the industrial and underdeveloped worlds. Were the principal exports of the region palm dates, or pearls, or even industrial products, our response to Iraq's transgression would have been far slower and far less massive than has been the case. Nonetheless, this should not be misunderstood. Our concern is not primarily economic—the price of gasoline at the pump. Were we primarily concerned about the price of oil, we would not have sought to impose an embargo that drove it above \$40 a barrel. Instead, our concern is strategic: We cannot allow so large a portion of the world's energy resources to fall under the domination of a single hostile party. . . .

Second, the United States has had an intimate relationship with the Kingdom of Saudi Arabia. . . . It is embodied in the Carter Doctrine, which pledges military resistance to external assaults on the Kingdom, as well as the Reagan corollary, which subsequently pledged resistance to internal subversion. Failure of the United States to honor such commitments would raise questions about the seriousness of the United States, not only in the Middle East but elsewhere. . . .

Third, since the close of World War II and, particularly, since the establishment of the State of Israel, the United States has had a generalized commitment to the stability of the Middle East and to the security of Israel. On numerous occasions this generalized commitment has led to U.S. diplomatic or military involvement in the region—not always marked by complete success.

Alternative strategies

Let me turn now to the alternative strategies available to the United States and its allies. The first, of course, is to allow the weight of the economic sanctions, imposed in August, gradually to wear down the capacity and the will of Iraq to sustain its present position. The embargo, backed up by a

naval blockade, is the most successful ever achieved aside from time of war. Early on it was officially estimated that it would require a year for the embargo to work. It now appears to be working more rapidly than anticipated. In three months time *civilian* production is estimated to have declined by some 40%. Oil exports are nil—and export earnings have dropped correspondingly. The hoard of hard currency, necessary to sustain smuggling, is dwindling away. The economic pressure can only grow worse.

While Iraq's military posture does not appear to have been seriously affected as yet, as the months go by that too will be seriously weakened. Lack of spare parts will force Iraq to begin to cannibalize its military equipment. Military industry, as yet significantly unaffected, will follow the downward path of civilian industry. In short, the burden on both Iraq's economy and her military strength will steadily increase.

We know that such burdens must ultimately affect political judgment and political will. In time, the original objectives of the United Nations will be attained. Already, Saddam Hussein shows a willingness, if not an eagerness, to compromise. One no longer hears that Kuwait is for all eternity the 19th province of Iraq. But for some *ultimately* may not be soon enough, and for others the original objectives may not be sufficient.

To the extent that those original objectives are augmented by demands that Saddam Hussein stand trial as a war criminal, that Iraq provide compensation for the damage it has done, that Iraq's military capacity must be dismantled or destroyed, or that Saddam Hussein must be removed from power, Saddam's determination to hang on will be strengthened. Some may prefer such a response in that it precludes a settlement and makes recourse to military force more likely. Nonetheless, if one avoids this list of additional demands and is satisfied with the original objectives, the probability that the economic sanctions will result in a satisfactory outcome is very high. One should note that, since the original estimate was that the sanctions route would require a year, it seems rather illogical to express impatience with them, because they will not have produced the hoped-for results in six months' time. . . .

Victory at what cost?

There is little question that the United States and its allies can inflict a crippling military defeat on Iraq. It can eject Iraq from Kuwait; it can destroy Iraq's military forces and military industries; it can destroy, if it wishes, Iraq's cities. The question is at what cost—and whether it is wise to incur that cost. Whenever a nation accepts the hazards of war, the precise outcome is not predetermined. Depending upon the military strategy chosen and the tenacity of Iraq's forces, there could be a considerable variation in the outcome. In the event of an all-out assault on entrenched Iraqi positions, the casualties may be expected to run into several tens of thousands. How-

ever, if we avoid that all-out assault, make use of our decisive advantages in the air, and exploit the opponent's vulnerabilities by our own mobility, the casualties could be held to a fraction of the prior estimate. In between four and eight weeks, it should all be over—save for starving out or mopping up the remaining Iraqi forces in Kuwait. The question then becomes whether one goes on to occupy Iraq, to destroy the balance of Iraqi forces, and the like. That would be far more difficult and time consuming, but circumstances may make it unavoidable. . . .

Therefore, Mr. Chairman, I close with observations regarding two inherent difficulties in the emerging situation. First, if the United States conveys the impression that it has moved beyond the original international objectives to the sterner objectives that Saddam Hussein must go, that Iraq's military establishment and the threat to the region must be dismantled or eliminated, etc., then whatever incentive Saddam Hussein may presently have to acquiesce in the international community's present demands and to leave Kuwait will shrink toward zero. This may please those who have decided that the war option is the preferable one, but it makes it increasingly hard to hold together the international coalition, which we initially put together to bless our actions in the Gulf. That brings us to the second observation: The more we rely on the image of Iraq as an outlaw state to justify taking military action, the more we make holding together the international coalition inherently difficult, if not impossible. International approval of our actions is something on which the Administration has set great store. It has provided the desired legitimacy. To abandon it would mean the undermining of any claim to establishing a new international order.

Isn't Eastern Europe more important?

Mr. Chairman, if you will allow me one final word that goes beyond the crisis in the Gulf. That crisis has preoccupied our attention for more than three months and is likely to do so for many months more. It has diverted our attention from subjects that may be of equal or even greater importance. Six months ago all of us were deeply moved by the developments in Eastern Europe and in the Soviet Union—and with the prospect that those nations might move toward democracy and economic reform. Members of this Committee will recall our high hopes at that time. Yet, in the intervening period, with the diverting of our attention to the Gulf, those prospects have been dealt a grievous blow. First was the Soviet decision to force the former satellites to pay hard currency for their oil. Second, it was followed by the Gulf crisis that has sharply raised the international price of oil. The prospects and hopes for Eastern Europe, while our attention has been diverted, have been seriously damaged. Yet, to return to my original theme, in the shaping of the post-Cold War world it is not clear that the evolution of Eastern Europe and the Soviet Union may not be more important than developments in the Gulf.

Congressmen take the President to court

by Kathleen Klenetsky

Forty-five members of the U.S. Congress have gone into federal district court in Washington, D.C. to seek an injunction barring President Bush from ordering an attack on Iraq, unless he obtains prior approval from Congress.

U.S. District Judge Harold Greene has scheduled an emergency hearing for Dec. 4 on the suit, which was endorsed Nov. 26 by a group of prominent legal experts, including Erwin Griswold, who served as U.S. Solicitor General during the Johnson and Nixon administrations.

The suit's principal goal is to get a ruling from the court that upholds the Constitution's language stating that Congress alone can declare war, and applies that ruling to the Persian Gulf deployment. If successful, the suit would enjoin the President from ordering U.S. forces to take offensive action in the Gulf without congressional approval. If Bush ignored the injunction, he could find himself in contempt of court.

Growing frictions

Since the Gulf crisis erupted, tension between the White House and Capitol Hill over which branch of government has the power to order troops into combat has steadily grown. Although Congress in general certainly can't be accused of demonstrating any great moral courage in the face of Bush's colonialist intervention in the Mideast, the administration's extreme arrogance has angered many members of both houses.

The Bush team has flatly refused to commit itself to seeking congressional approval before taking military action. Secretary of State James Baker told the House Foreign Affairs Committee that prior congressional approval would be "self-defeating." The administration has turned a deaf ear on demands for greater consultation with Congress. Moreover, the administration refused to send any witnesses to testify at Senate Armed Services Committee hearings on the Gulf situation, which began Nov. 27, on the grounds that it wanted to wait until after the U.N. Security Council voted up a resolution endorsing the use of force against Iraq.

This contemptuous attitude has caused great consternation, both among those who oppose war in the Gulf, as well as among those who don't, but who fear that failure to obtain

a formal declaration of war will lead to another Vietnam debacle, especially in light of plummeting popular support for Bush's policy.

"We're saying that the President of the United States cannot on his own make that kind of determination," Rep. Ronald Dellums (D-Calif.), the chief organizer of the suit, said in a statement. "There are millions of people in this country who have serious questions about us going to war. . . . It is with great pain that we have learned the lesson of military adventurism without the consent of the American people. We must prevent this from happening again."

Bush vs. the Constitution

The suit is based on Article I, Section 8, Clause 11 of the Constitution, which invests in Congress the authority to declare war, as well as on the debate on the issue that took place in the context of the Constitutional Convention.

Dellums's staff has distributed copies of *The Federalist*, Number 69, in which Alexander Hamilton makes it clear that the Constitution's drafters deliberately decided to deny the President the power to declare war, for fear that this would make him too much like the hated British monarch: "The President is to be commander-in-chief of the army and navy of the United States. In this respect, his authority would be nominally the same with that of the king of Great Britain, but in substance much inferior to it. It would amount to nothing more than the supreme command and direction of the military and naval forces. . . ; while that of the British king extends to the *declaring* of war and to the *raising* and *regulating* of fleets and armies,—all of which, by the Constitution under consideration, would appertain to the legislature."

Lawyers for the plaintiffs are also expected to cite James Madison's comments on the subject: "The Constitution supposes . . . the executive is the branch of power most interested in war and most prone to it. It has, accordingly, with studied care, vested the question of war in the legislature."

Although the suit does not ask the court to judge the administration's Persian Gulf policy, but only the constitutional issue, most of its sponsors are known to oppose U.S. use of force. Many had previously signed an Oct. 26 statement, also initiated by Dellums, explicitly opposing the military option.

According to a press release distributed by Dellums's office, the suit is seeking both an injunction to prevent Bush from declaring war without congressional approval, as well as declaratory relief, which is a declaration by the court, rather than an order. "If an injunction were issued by the federal court," the release says, "the President would be subject to contempt if he failed to obey the court order. If an injunction did not issue, but declaratory relief were granted in favor of the Congress, the President would certainly have to think twice about proceeding in the face of such a clear declaration of the relative powers of the two branches."

Lyndon LaRouche announces plan to run for U.S. President in 1992

In a Thanksgiving message on Nov. 22, statesman, economist, and jailed political prisoner Lyndon LaRouche announced his candidacy for 1992 for President of the United States.

It is appropriate that I announce now that I shall put forth my candidacy for election in 1992 now as an indispensable means for giving institutional focus to the role of intellectual and related leadership which the United States in particular needs at this time of great peril.

I look around me and I see that nowhere in the United States is presently visible any pole of leadership which either is or might function as a central radiating point of competence in providing alternatives to the disaster which the Bush administration in particular represents. There are a number of points on the political horizon where people are presenting useful ideas, or re-radiating useful ideas, or in the process of discussing ideas which are useful; but the essential characteristics, the "make or break" issues, the life and death decisions, are visibly not comprehended by any other point of reference except that which I represent; and on the basis of other evidence, without my role it is unlikely that any pole of leadership in the United States would ever come to an understanding within the remainder of my lifetime of what is needed to save the United States.

In this connection, I am reviewing certain papers which pertain to my past record both in forecasting, in generally characterizing the period, in the general strategic assessment of the period, to show anyone who cares that what we represent and what I represent, despite any imperfection which might be imputed to what I've done in the past, represents by far the very best which the United States has offered in terms of understanding in leadership, intellectual leadership in particular, during this period over the past quarter-century.

So whatever happens, I shall do what I must. I must provide leadership, not because I'm so good, but because everyone else who might be good is still so very far behind me. The difference between my own competence and the inferior competence of other useful people, reaches the point between survival or non-survival of the United States.

So whatever some people think of it, I'm going to continue to do my job. And if anyone says, "But you're in jail," well, that stupid s.o.b. that put me here, George Bush, the one who is keeping me here, is responsible for aggravating every disaster. So obviously, anyone with any brains would prefer that George were in jail and I in the White House. Since that's not available right now, let's do the next best thing: maintain my voice of conceptual leadership, at a time when our nation has otherwise no effective leadership on the most crucial issues, which are life-or-death, make-or-break ones for the existence of civilization, and of the United States in particular.

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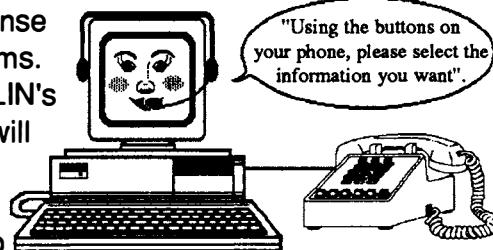
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Bush floats Irangate crony for drug czar

by Jeffrey Steinberg

In November, following William Bennett's resignation as director of the White House Office of National Drug Control Policy—the so-called “Drug Czar”—after only 20 months on the job, White House officials floated the name of Florida Gov. Bob Martinez as a possible successor. Martinez, a Republican, had just been defeated on Nov. 6 in his reelection bid by former Sen. Lawton Chiles (D). The Martinez “float” for drug czar should sober up anyone still hoping that President Bush was serious back in September 1989 when he declared the war on drugs his administration's number-one priority. The post is being relegated to the level of consolation prize for GOP losers. More ominously, Martinez, largely through his ties to the President's son, John Ellis “Jeb” Bush, who was Martinez's campaign manager and had served as the Secretary of Commerce in his cabinet from 1987, is in the middle of the Iran-Contra networks active in southern Florida, trading cocaine for weapons while justifying their dirty deeds with the claim that a little bit of dope dealing is a “small price to pay for democracy.”

Jeb Bush, the ADL, and drugs

No member of Bush's family is more closely tied to the Anti-Defamation League (ADL), better known as the American Drug Lobby, than Jeb Bush. The most visible links surfaced in 1983 when Alberto Duque, a Colombian businessman living in Miami, was indicted for financial fraud and eventually jailed for his crimes. Duque was at the time a partner of Jeb Bush in a \$30 million Florida real estate development scheme. Duque's father, Luis Duque, is one of Colombia's leading coffee producers and at one time was campaign manager for Alfonso López Michelsen, the former President of Colombia who has been a notorious front man for the Medellín and Cali cocaine cartels.

From 1981 until his incarceration in 1986, Alberto Duque had also been a director of City National Bank of Miami, a bank founded by Max Orovitz, a close associate of organized crime head Meyer Lansky. Orovitz spent years in jail for stock fraud, but not before turning over direction of the bank to Leonard Abess, an honorary vice chairman of the ADL and a director of the ADL Foundation.

Under Abess and Duque, City National Bank hired Donald Beazley as its president. Beazley had been earlier involved in one of the shadiest CIA money-laundering fronts ever conceived, the Australia-based Nugan Hand Bank. Ac-

ording to numerous published accounts, Nugan Hand was set up by “ex”-CIA personnel linked to former CIA operations chief Theodore G. Shackley to help finance a “secret war” in Vietnam following the Paris Peace Accords, largely through the sale of Golden Triangle opium and the theft and resale of hundreds of millions of dollars in American surplus war matériel. When the incoming Reagan administration committed itself to a new “secret war” in Central America, Shackley and his cronies moved back into their old stomping ground in southern Florida where Shackley had been CIA station Chief in Miami during the heyday of the Bay of Pigs and related anti-Castro adventures.

Jeb Bush reportedly became one of the most useful lines of communication between the anti-Sandinista secret warriors and the White House. According to Jack Terrell, a former Contra operator writing in the May 1987 edition of *Progressive* magazine, “Jeb Bush was the conduit to the White House through various Cuban organizations. . . . If they needed to get word to Washington they'd go from Jeb Bush to Don Gregg to George Bush.” Gregg at that time was the national security adviser to Vice President Bush.

During this period, the Cuban exile community in Miami was under close scrutiny by local police who were attempting to crack down on the cocaine flow from Colombia. According to one Miami police report, local authorities, as early as 1982, had identified several leading Cuban anti-Sandinista activists who were funneling illegal narcotics profits to the Contras. In 1985, Jeb Bush was appointed a founding board member of the National Republican Institute for International Affairs (NRI), the GOP's official arm of the National Endowment for Democracy. NED, referenced frequently in Oliver North's notes as “Project Democracy,” was the government agency most involved in the covert illegal support effort for the Contra war in Central America.

Simultaneous to his appointment to the NED, Jeb Bush had carried a letter from a former Guatemalan business associate, Mario Castejón, to his father proposing that Guatemala be funded to run a secret medical support operation for the Contras. According to congressional records, Vice President Bush passed the proposal on to Oliver North.

If the White House appoints Martinez, it will flaunt Bush's lack of an anti-drug agenda. During his tenure, Bennett had been iced out of any effective anti-drug role by the White House and Attorney General Richard Thornburgh. Thornburgh, who is reportedly a target of an ongoing federal grand jury probe into cocaine use by state officials in Pennsylvania during his tenure as governor, had vowed from the outset to sabotage Bennett's efforts, in order to ensure that the Attorney General retained sole authority over the federal anti-crime effort.

According to several Washington sources, Bennett's appointment as Republican National Committee chairman after his resignation, was in part aimed at forestalling his emerging as a public critic of Bush's phony drug war.

Weckstein protects 'secret government'

by Bruce Director

The Roanoke, Virginia trial of three LaRouche associates entered its fourth week with Judge Clifford R. Weckstein refusing to issue subpoenas for key officials of the Anti-Defamation League of B'nai B'rith who were involved in conducting financial warfare on behalf of the "Get LaRouche" task force. Weckstein's ruling is a desperate attempt to prevent the jury from hearing evidence of illegal ADL actions including their attempt to bribe Judge Weckstein himself.

Defense attorneys for Anita Gallagher, Paul Gallagher, and Laurence Hecht had filed papers requesting subpoenas for Mira Lansky Boland, the Washington, D.C. fact-finding director of the ADL, and her boss, Irwin Suall, the national ADL fact-finding director in New York. Defense attorneys also requested subpoenas for two other key figures in the "Get LaRouche" task force, John Train, a Wall Street Establishment insider, and Roy Godson, a former National Security Council aide who worked with Lt. Col. Oliver North's Iran-Contra operation. Weckstein denied all four subpoenas.

The three associates of LaRouche are charged with alleged "securities fraud." They are part of the 16 LaRouche associates targeted by the Virginia branch of the multi-jurisdictional task force known as the "Get LaRouche" task force.

Right to a defense denied

The subpoenas were requested as part of the defense strategy to present to the jury evidence that the ADL, acting in concert with federal and state law enforcement authorities, purposely engaged in activity designed to stem the growing influence of LaRouche's political movement including interfering with the movement's ability to raise funds. In his opening statement, defense attorney Don Randolph told the jury that the only fraud committed in this case was the fraud committed by the ADL and the government task force. Randolph told the jury they would hear testimony from some of the key perpetrators of this politically motivated witchhunt.

Prior to the start of the trial, the prosecutor, Assistant Attorney General John Russell, with Weckstein's approval, had conceded the right of the defendants to present evidence of financial warfare to the jury. The defendants, who are alleged to have committed fraud for the non-repayment of "securities"—which were only defined as such *after the de-*

fendants were charged—contend that the non-repayment of the political loans in question was the result of the financial warfare and an involuntary government bankruptcy action taken against three LaRouche-associated entities. Two federal bankruptcy courts have ruled that the government acted in "bad faith" and committed a "constructive fraud upon the Court" in the bankruptcy action. In opposing the subpoenas, Russell and Weckstein have totally reversed their previously stated positions.

Judge Weckstein is particularly interested in protecting the ADL. Prior to trial, defense attorneys asked Weckstein to disqualify himself after it was revealed that he had communicated with Virginia ADL officials about the activities of the LaRouche movement. The ADL officials in turn provided Weckstein with ADL hate literature about LaRouche. Accompanying the hate literature was a resolution promising ADL support for the appointment of a Jewish judge to the Virginia Supreme Court.

Randolph also told the jury they would hear evidence of the ADL's efforts to tamper with Judge Weckstein.

According to papers filed in support of the subpoenas, Train, Godson, Lansky Boland, and Suall engaged in activities designed to "subvert, impair, and destroy the ability of the defendants and those associated with the defendants to repay loans."

Among the activities documented are: Beginning on or about April 1983, John Train hosted a series of confidential meetings in his apartment in New York City to plan a strategy to combat the growing influence of Lyndon LaRouche. Attending these meetings were government officials, representatives of private agencies, and journalists. Among those present were Mira Lansky Boland; Roy Godson; NBC-TV producer Pat Lynch; Ellen Hume of the *Wall Street Journal*; Richard Mellon Scaife, an heir to the Mellon fortune; and anti-LaRouche "researchers" who are part of the drug lobby, Dennis King and Chip Berlet. The substance of the meeting was to coordinate a national propaganda campaign against LaRouche in coordination with law enforcement authorities, to deny the LaRouche movement funding and initiate the prosecution of the LaRouche movement. The participants in this meeting subsequently carried out this plan.

Since at least 1974, the ADL has been a declared political adversary of Lyndon LaRouche. The ADL has opposed LaRouche on everything from his plan for Middle East peace and economic development, to his stance against satanism and drugs. In 1983, Mira Lansky Boland, a former CIA employee, was assigned by her boss Irwin Suall to work with federal and state law enforcement authorities in an effort to bring about a prosecution of LaRouche because he was their political enemy. According to previous court testimony, Lansky Boland spread the ADL's hate propaganda against LaRouche among every law enforcement agency involved in the prosecution of LaRouche. She also helped recruit witnesses for the government.

National News

Frank Lorenzo cries for Uncle Sam's help

Former Texas Air head Frank Lorenzo, whose name has become synonymous with rabid advocacy of a policy of deregulation of American industry and commerce, has called for "immediate intervention in aviation jet fuel markets," in an address to the Commonwealth Club of California in San Francisco. He also called for use of the government's Strategic Petroleum Reserve to bring down gasoline prices.

"I'm not usually an advocate of government aid or government assistance, but the damage done to this industry and to American competitiveness makes it imperative," Lorenzo said. "Unless fuel prices come down or the government acts, competition will not survive. The only people who are able to get through this are the big three because they have deep pockets, but I see so many others being deeply maimed," he warned.

The "big three" which are in the best position to weather the current crisis are American, United, and Delta airlines.

The industry expects to lose \$1 billion in the fourth quarter alone, the largest loss since the \$700 million shortfall in 1972, the Nov. 20 *Washington Times* reported. Jet fuel prices have increased 34% since the first week of August, crude oil is up 20%, and wholesale gas is up 13%. Airlines have raised fares 15%.

EPA set to kill Colorado water project

The head of the Environmental Protection Agency (EPA), William Reilly, is expected to veto construction of Two Forks Dam in Colorado, the largest non-federal water project in the water-starved West. The axing of the dam, ironically, comes at a time when scientists are projecting more drought conditions for the United States.

Two Forks would have dammed the South Platte River to provide drinking water

for Denver and dozens of suburbs. Reilly, who has power over the matter under the Clean Water Act, is accepting arguments by environmentalists that the flooding of the Cheesman Canyon will destroy significant fishing and other recreational opportunities that cannot be compensated adequately by means proposed by dam advocates.

At the same time, Dr. Michael E. Hudlow, head of the National Oceanic and Atmospheric Administration's Office of Hydrology, has predicted a severe water shortage for the United States in the 1990s, which he expects to result primarily from cyclical trends in precipitation.

"We're going to have real extreme drought conditions going into next spring unless Mother Nature cooperates and gives us a bumper crop of snowfall in the mountains of the West. As we move toward the 21st century, short supplies of clean water could rival expensive oil as one of the nation's most serious concerns unless we start now to implement strategies to better manage our water supplies," Hudlow warned.

Hudlow said he based his estimate in part on the normal weather pattern, which suggests that the relatively wet 1970s and early 1980s may now well be followed by a period of below-normal precipitation.

Some want U.S. military to be mercenary force

Michael Hale, the chief economist with Kemper Financial Services in Chicago, argues the case that the Persian Gulf may be the transition for the U.S. becoming global mercenaries like the Hessians Britain hired to combat the American Revolution, in a commentary in the Nov. 21 London *Financial Times*.

Hale argues that the U.S. has three times more troops in the Persian Gulf than all its allies combined. But, while the U.S. still has military power, it does not have the financial resources of Germany and Japan. Rather than have Congress cut military funds and thereby remove even that residual power, Hale argues for global financing to use U.S. military might.

Hale suggests a system of national bur-

den-sharing indices to measure each nation's contributions to the international good. Britain and the U.S. would get their points through foreign military expenditures. Other nations might earn points for enacting environmental controls, and so forth.

"As a result, the coming showdown in the Gulf between the eagle and the scorpion should mark the evolution of the U.S. military from a national defense agency providing free Western security into an internationally financed police force."

Former Dukakis official facing drug charges

Grady Hedgespeth, a former high-ranking official in the administration of Massachusetts Gov. Michael Dukakis, was arrested for driving under the influence of cocaine and marijuana, court officials said Nov. 20.

Hedgespeth, who quit as Dukakis's economic affairs secretary in 1989 to become a top official at the Bank of Boston, was arrested Nov. 17 after driving erratically in the Southeast Expressway breakdown lane in Boston.

Officers stopped his vehicle, and found a marijuana cigarette and "roaches" in the ashtray. Further investigation revealed cocaine in a glassine bag.

Hedgespeth now works as the Bank of Boston's director of government and community affairs, a post which is equivalent to vice president or higher, according to bank spokesman Wayne Taylor.

Rokos group attacked for religious terrorism

Friends of Freedom, the group that exposed the head of the Cult Awareness Network (CAN), Rev. Michael Rokos, as a sex pervert, has denounced the Cult Awareness Network and called on it to end its support for the deprogramming of young Christians,

Briefly

● **A TAX REVOLT** which successfully rolled property taxes back from 75¢ to 23¢ per \$100 valuation in Ranger, Texas, resulted in the closing of Ranger General Hospital on Thanksgiving Day, four days after the vote, the Nov. 24 *Houston Post* reported.

● **WILLIAM WELD**, the governor-elect of Massachusetts, has chosen Mark E. Robinson as his chief of staff, the Nov. 26 *Boston Globe* reported. Robinson was part of Weld's elite political corruption squad, "the top gun of the staff," who sent several officials of the administration of former Boston Mayor Kevin H. White to prison when he was an Assistant U.S. Attorney under Weld.

● **SISTER MIRIAM MacGillis**, director of Genesis Farm in Blairstown, New Jersey, attacked the "myths" of God which have fueled the Western notion that endless development is good, in a speech at the Duchesne Academy of the Sacred Heart in Houston on Nov. 18, the *Houston Post* reported. "We need to give up our obsession with lawns. Lawns are a violation of differentiation in nature," the pagan sister claimed.

● **SEN. DENNIS DECONCINI** (D-Ariz.), in his opening statement to the Senate Ethics Committee hearing on his role as one of the Keating Five, singled out Senate ethics committee special counsel Robert Bennett, accusing him of "bias" and of using "lies" and "hearsay" and acting like an overzealous prosecutor in trying to "nail somebody" to hang "another trophy on the wall."

● **NIGHTLINE** blasted President Bush for meeting Syrian butcher Hafez al-Assad. The ABC news program Nov. 23 showed a film proving Assad sponsors Ahmed Jibril, and aired critical remarks by former CIA counter-terror chief Vince Cannisaro and Lebanese ex-President Amin Gemayel. Cannisaro blamed Jibril for the PanAm 103 bombing, and the massacre of Christians in Lebanon.

according to a news release carried in the Nov. 24 *Houston Defender*, a newspaper which predominantly serves the black community.

Friends of Freedom spokesman Dr. Leo Champion, a black Baptist minister, said, "It is not enough for CAN to keep itself at arms length from the actual kidnaping. CAN must cease its participation in the setting up of deprogramming and its exploitation of the victims of deprogramming. . . . These deprogrammings CAN supports are nothing more than religious terrorism akin to the Ku Klux Klan violence of the past." According to Champion, more than half of all deprogrammings in 1989 were against the members of Christian groups.

The article describes Friends of Freedom as an organization of Christian ministers formed to fight the increasing deprogrammer attacks on what CAN calls "Bible-based cults." The article also mentions that numerous criminal convictions have been returned against the "father of deprogramming," Ted Patrick, other deprogrammers, and CAN members involved in deprogramming activities.

'Black Legend' attacked by black bishops

Three black Catholic bishops objected to a section of the 41-page proposed pastoral letter on the 500th anniversary of Christianity in the Americas—Columbus's discovery of America—which praised Dominican friar Bartolomé de las Casas as a "tireless defender of Indian rights." The objection puts a dent in the "Black Legend," which paints Spain and the Church as responsible for genocide resulting in the deaths of millions of Indians in the Americas.

Auxiliary Bishop Carl A. Fisher of the San Pedro region of the Los Angeles Archdiocese stated at the bishop's general meeting in Washington in mid-November that there is documentation that shows las Casas was also "father of the African slave trade," and that it would not be "historically helpful" to ignore this negative aspect.

Two other African-American bishops, Auxiliary Bishop Moses B. Anderson of

Detroit and Auxiliary Bishop Wilton D. Gregory of Chicago, echoed Bishop Fisher's concern and noted that 60 million Africans perished as a result of the "real holocaust" within the slave trade.

This is the first time that a U.S. Catholic bishop has exposed this aspect of the British-inspired "Black Legend." It is a setback for the gnostic grouping led by the President of Cuba, Spain's prime minister, and the National Council of Churches, who rely on las Casas' distortion about "Indian genocide" to denounce the anniversary of Columbus's discovery as "not a time of celebration . . . [but for] reflection and repentance" for Christians.

Group seeks jury right to nullify bad laws

The Fully Informed Jury Association, set up by the Libertarian Party, hopes to persuade each state to amend its constitution to make clear that it is a judge's duty to "inform jurors of their 'natural right' under the Seventh Amendment not only to determine facts, but to judge the fairness of law," according to the Nov. 23 *Washington Times*.

The Fully Informed Jury Amendment "would require judges to advise jurors to vote their consciences if they find that a law is unfair or misapplied—even if that means acquitting a criminal defendant," the *Washington Times* reported. The case of Washington, D.C. Mayor Marion Barry is cited as one example where the jury felt that Barry had been entrapped, and only convicted him of one misdemeanor as a result.

The amendment has cleared the House Judiciary Committee in Oklahoma, and legislators in Alaska, Arizona, and Wyoming plan to introduce it. The Black Caucus in Louisiana has endorsed it along with various disparate groups including "the V. Twin Trader, a 'biker' newsletter; Peace Work, a 'peace and social justice' newsletter; Gun Owners of America; the Twin Cities chapter of the National Organization for Women; Operation Rescue; and Wisconsin Eagle Forum," the *Washington Times* reported.

The U.S. President is insane

It is one thing to characterize President Bush's policies in the Gulf as insane, but quite another when the U.S. President himself displays signs of a mental breakdown. One among several indications that he is becoming increasingly unstable, is the strange incident that occurred at the Geneva Airport on Nov. 24, when U.S. security and other personnel deliberately affronted the Swiss, who were responsible for the safety of their guest, President Bush.

The incident occurred as Bush went to meet with terrorist leader and Syrian President Hafez al-Assad, itself a sign of political insanity, since among many atrocities, it is well known that Assad was implicated in the bombing of Pan Am 103.

By his deployment of massive forces to the Gulf, and his repeated hysterical denunciations of Saddam Hussein as a new Hitler, Bush has virtually closed the door on negotiations—except at the cost of an enormous political defeat to himself. The stress on the President is heightened by the increasingly desperate situation of the U.S. economy. The present depression is now recognized as fact on all sides.

Thus the super-ambitious Bush has put himself into a situation where he is either going to commit genocide against the population of Iraq—in itself the action of a madman—merely to prove that he is in control, or he must come up with a creative solution to the impasse which he has created. But George Bush does not think conceptually. He is a man who is intellectually distinguished by mediocrity, yet who is faced with a situation in which there is no room for mediocrity, in any part of the world, with respect to any important domestic or international policy matter. And he is a megalomaniac mediocrity.

Those of us who have been watching President Bush's performance before the television cameras, have seen, underneath his wimpish personality, the reality of a cold-blooded administrator who reveals himself to be a bully and takes sadistic delight in contemplating how he will administer pain. We have seen

the President come through as the type of killer who deploys assassins with a kind of bureaucratic impassiveness and relish at the same time. Most recently, he has been described by individuals on the scene as becoming obsessed with the Gulf situation to the point of madness.

One can also see the President constantly making inappropriate gestures and facial expressions, regardless of who is in charge of his "body language" for that week.

The character flaw which has made President Bush vulnerable to breakdown, has been clinically described by leading presidential candidate Lyndon LaRouche as "psycho-sexual impotence." A person such as Bush may look all right on the playing field when it comes to breaking bones, but give him a concept and he can't carry it from one side of the room to another, let alone grasp it. As LaRouche pointed out, Bush has less conceptual ability than President Reagan, who was able to assimilate and act on the concept of the Strategic Defense Initiative and its long-term strategic implications for the Soviet Union.

Such weakness in a President is fraught with disaster. In his frustration, he is likely to simply go out of control. That is the danger which we now face.

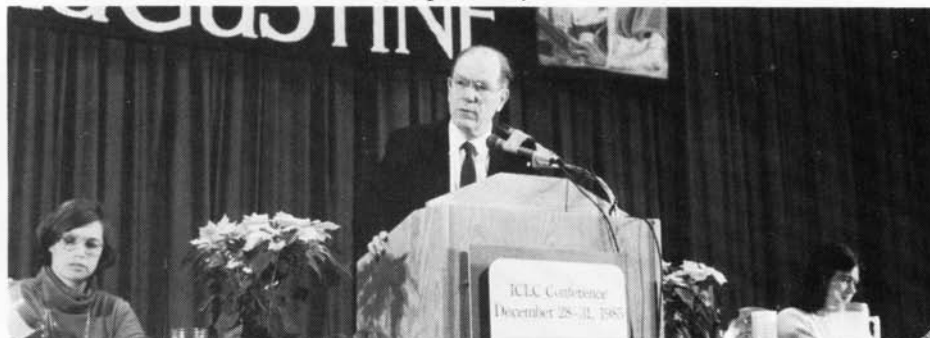
Bush has an amoral contempt for human life which fits the profile of a Nietzschean fascist, who intends to impose by brute force as he sees fit, by exercise of his will, according to his arbitrary values and beliefs. The personality type of such dementia, is the psycho-sexually impotent rapist. In the instance of a world leader, this can assume the proportion of the rape of whole nations. Here the model of Adolf Hitler does become apt.

If the President of the United States is suffering circuit overload, this is a grave matter which should receive congressional attention. The United States has not had a genuine President in an awfully long time, but that's no reason to put up with one who, through his megalomania, is gunning to plunge the world into disaster.

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