

EIR

Executive Intelligence Review

March 22, 1991 • Vol. 18 No. 12

\$10.00

The SDI and the lessons of the Gulf war
Reviews: Mozart, Shakespeare, the 'Eco-state'
U.S. wields GATT against trade partners

**John Paul II charts course
for peace based on morality**



Why doesn't the United States stand up for freedom and justice any more?

AMERICAN LEVIATHAN

Administrative Fascism under the Bush Regime

EIR's Special Reports have proven devastatingly correct and ahead of their time over and over again. This intelligence dossier on the U.S. Secret Government, distilled in spring 1990 from two decades of investigation by hundreds of independent researchers on three continents, includes:

- Lyndon LaRouche's "U.S. Elites Adopt Administrative Fascism." Why the imprisonment of the economist and former presidential candidate means the self-destruction of the U.S. Establishment.
- The first full-length exposé of the career of Attorney General Richard Thornburgh, the inventor of the so-called "Thornburgh Doctrine," used to justify the invasion and the slaughter of thousands of civilians in Panama.
- Published for the first time in the West: The ties of Col. Oliver North's "Enterprise" to the East bloc, especially to East German communist arms and drug dealer Alexander Schalck-Golodkowski.
- A rare insight into the accord between Washington and the Soviet and Chinese dictators, resembling the "family" affairs of private bankers and mafia chieftans.
- What's behind it all: the racist, malthusian imperial policies of Bush's ego-ideal, President Theodore Roosevelt.



212 pages, illustrated, with index. Also available in German-language edition.

Make check or money order payable to:

EIR News Service, Inc.

P.O. Box 17390, Washington, D.C. 20041-0390

MasterCard and Visa accepted; include signature, card number, and expiration date.

\$100
postpaid
per copy

EIR

Founder and Contributing Editor:

Lyndon H. LaRouche, Jr.

Editor: *Nora Hamerman*

Managing Editors: *John Sigerson, Susan Welsh*

Assistant Managing Editor: *Ronald Kokinda*

Editorial Board: *Warren Hamerman, Melvin Klenetsky, Antony Papert, Gerald Rose, Allen Salisbury, Edward Spannaus, Nancy Spannaus, Webster Tarpley, William Wertz, Carol White, Christopher White*

Science and Technology: *Carol White*

Special Services: *Richard Freeman*

Book Editor: *Katherine Notley*

Advertising Director: *Marsha Freeman*

Circulation Manager: *Cynthia Parsons*

INTELLIGENCE DIRECTORS:

Agriculture: *Marcia Merry*

Asia: *Linda de Hoyos*

Counterintelligence: *Jeffrey Steinberg, Paul Goldstein*

Economics: *Christopher White*

European Economics: *William Engdahl*

Ibero-America: *Robyn Quijano, Dennis Small*

Medicine: *John Grauerholz, M.D.*

Soviet Union and Eastern Europe: *Rachel Douglas, Konstantin George*

Special Projects: *Mark Burdman*

United States: *Kathleen Klenetsky*

INTERNATIONAL BUREAUS:

Bangkok: *Pakdee Tanapura, Sophie Tanapura*

Bogotá: *José Restrepo*

Bonn: *George Gregory, Rainer Arpel*

Copenhagen: *Poul Rasmussen*

Houston: *Harley Schlanger*

Lima: *Sara Madueño*

Mexico City: *Hugo López Ochoa*

Milan: *Leonardo Servadio*

New Delhi: *Susan Maitra*

Paris: *Christine Bierle*

Rio de Janeiro: *Silvia Palacios*

Rome: *Stefania Sacchi*

Stockholm: *Michael Ericson*

Washington, D.C.: *William Jones*

Wiesbaden: *Göran Haglund*

EIR/Executive Intelligence Review (ISSN 0273-6314) is published weekly (50 issues) except for the second week of July, and the last week of December by EIR News Service Inc., 1430 K Street, NW, Suite 901, Washington, DC 20005 (202) 628-0029

European Headquarters: Executive Intelligence Review Nachrichtenagentur GmbH, Postfach 2308, Dotzheimerstrasse 166, D-6200 Wiesbaden, Federal Republic of Germany Tel: (06121) 8840. Executive Directors: Anno Hellenbroich, Michael Liebig

In Denmark: EIR, Post Box 2613, 2100 Copenhagen ØE, Tel. 35-43 60 40

In Mexico: EIR, Francisco Díaz Covarrubias 54 A-3 Colonia San Rafael, Mexico DF. Tel: 705-1295.

Japan subscription sales: O.T.O. Research Corporation, Takeuchi Bldg., 1-34-12 Takatanobaba, Shinjuku-Ku, Tokyo 160. Tel: (03) 208-7821.

Copyright © 1991 EIR News Service. All rights reserved. Reproduction in whole or in part without permission strictly prohibited. Second-class postage paid at Washington D.C., and at an additional mailing offices. 3 months—\$125, 6 months—\$225, 1 year—\$396, Single issue—\$10

Postmaster: Send all address changes to *EIR*, P.O. Box 17390, Washington, D.C. 20041-0390.

From the Editor

The connection between economics and morality, and between morality and culture, has been trampled on all over the world. The two dominant (though discredited) economic systems, Marxism and free-market liberal capitalism, are both based on flouting moral law and pretending that economic processes can be run by violent “Darwinian” principles.

George Bush’s Persian Gulf police action—it can hardly be called a war, and it is far from over for the victim populations—has been draped in the rhetoric of morality. But once one looks at the nature of the “new world order” which Bush aims to bring into being, many people have felt entitled to question what God, and what morality, is directing this nefarious enterprise.

Our *Feature* this week brings coverage, including several exclusive interviews, of an effort to bring the issues of moral law—the sovereignty of the individual human being and the sovereignty of the nation state—to bear upon the task of ending the suffering and backwardness of southwestern Asia (the “Middle East”). This was the March 4-5 summit of Pope John Paul II with the chairmen of the Bishops’ Conferences of the countries most involved in the war, together with the eastern Patriarchs, followed March 14 by a unique encounter between the Pope and an ecumenical Palestinian group.

In *Science & Technology*, Carol White and the research staff of *21st Century Science & Technology* magazine refute one of the shibboleths that grew up around the Gulf escapade, the idea that the Patriot missiles used there represented some kind of “SDI in action.” The irony is that Lyndon LaRouche’s original conception of the new military doctrine behind SDI saw strategic defense as the catalyst of unheralded advances in the civilian economy while rendering nuclear warfare “impotent and obsolete.” LaRouche’s program made SDI a rallying point for farsighted Third World leaders; Bush’s makes it an object of hatred for any patriot of a Third World nation.

The follies of an immoral U.S. economic policy are mirrored in the current turmoil in the Soviet Union and the Balkans, which stand on the brink of tragedy (see *International*). Lyndon LaRouche’s “Productive Triangle” program, which gives the indispensable concrete form to the kinds of moral commitments voiced by the Pope, is the only way out of that.

Nora Hamerman

EIR Contents

Interviews

- 34 Patriarch Nashrallah Sfeir**
The Patriarch of the Maronite Christian Church in Lebanon discusses the work of the recent Church summit to heal the wounds of war in the region.
- 35 Patriarch Raphael Bidawid**
The Patriarch of the Chaldeans in Iraq condemns the moral collapse of the U.S. that led it to butcher hundreds of thousands of Iraqis; the same immorality, he told U.S. Church leaders, was responsible for the jailing of Lyndon LaRouche.
- 38 Gerjes Khoury, Bishop Lufti Laham, Dr. Thiab Ayyoush, Mousa Darwish**
Christian and Muslim leaders of the Palestinian delegation, who later met with the Pope, are unified in their search for peace.

Reviews

- 54 Defending interpretation (but not Peter Sellars)**
The PBS broadcast of Mozart's *The Marriage of Figaro*, *Don Giovanni*, and *Così fan tutte*.
- 57 Branagh's 'Henry V': a second opinion**
Did the film version help the cause of literate language?
- 58 Brave green world: Malthus refuted**
Sackgasse Ökostadt: Kein Platz für Menschen, (*The Ecostate Dead-End: No Place for Human Beings*), by Ralf Schauerhammer.
- 61 A dissident takes a harsh look at China**
A Higher Kind of Loyalty, by Liu Binyan.

Science & Technology

- 16 SDI revisited: lessons we must draw from the Gulf war**
Little noticed, in January, President Bush presented a revised SDI that aims to institutionalize high-technology warfare against Third World nations. It's incompetent defense, and will lead to the kind of rolling war characterized by the 33 years from the Balkan Wars of 1912 through the end of World War II.
- 20 Bush's GPALS limits more than defense**
An in-depth study, prepared by a research team of *21st Century Science and Technology*, shoots down Bush's Global Protection Against Limited Strikes anti-ballistic missile defense.

Departments

- 49 From New Delhi**
India prepares for mid-term polls.
- 50 Andean Report**
Banks initiate 'informal' coup.
- 51 Panama Report**
U.S. covers for the real traffickers.
- 72 Editorial**
On the anniversary of March 23, 1983.

Economics

- 4 U.S. wields GATT weapon against its trade partners**
George Bush and James Baker are in lockstep behind Maggie Thatcher's new attempt to stop "German economic dominance."
- 6 Depression spreads through the Midwest**
The governors of Illinois and Iowa are holding the heads of the poor under, in order to keep the banks afloat.
- 7 BNL indictment part of 'tech apartheid'**
- 8 Currency Rates**
- 9 Argentine economy wracked by chaos**
The finance minister calls it "stability."
- 10 Banking**
The S&L bailout needs a bailout.
- 11 Agriculture**
USDA fosters milk crisis.
- 12 Dateline Mexico**
Selling Mexico's oil future.
- 13 Report from Bonn**
No "Triangle" yet, but a new approach.
- 14 Business Briefs**

Feature



Dr. Frederick Gugenbuehl

The Church of the Holy Sepulchre in Old Jerusalem, attended by Armenian monks. The Pope sent an envoy to light a candle there as a symbol of his desire to travel soon to Jerusalem on an ecumenical peace mission.

30 Vatican summit charts independent course for peace

Documentation: Pope John Paul II's concluding speech to the summit of Patriarchs and Bishops; and the final communiqué signed by the participants.

34 Lebanon not at war, but also not at peace

Interview with Patriarch of the Maronite Church Nashrallah Sfeir.

35 U.S. and Europe used double moral standard against Iraq

Interview with Patriarch of the Chaldeans Raphael Bidawid.

38 The Gulf War and the Christian Arabs

By Dr. Geris S. Khoury of the Al-Liqa ("Encounter") Interreligious Center in Jerusalem, a member of the ecumenical Palestinian delegation which met with the Pope.

39 Muslim or Christian, Palestinians are one

Interviews with four members of the Palestinian delegation.

41 The White House's 'war for possession of souls'

International

42 Communism's demise sets off explosion in Yugoslavia

After years of IMF-dictated devastation, even Serbian strongman Milosevic has taken a bad beating due to the instability of the economy.

45 Yeltsin declares war on Moscow

The Russians are taking to the streets against Gorbachov, but unless someone adopts a positive program, a classic Russian tragedy is in the making.

46 Bush's policy: Make Iraq an Auschwitz

An estimated half-million are dead, and denial of even humanitarian aid is being enforced by the White House.

47 Israel is prepared for new wars

48 Economic crisis fed Tories' election loss

Maggie Thatcher shares something else with Gorbachov: She's more popular in the U.S. than at home.

52 International Intelligence

National

62 Bush crime bill: on the road to fascism

Having made Congress an accomplice to his crimes in Iraq, Bush is seeking their assistance to suspend basic civil rights and expand the death penalty at home—once again to distract attention from the economic depression.

64 The 'Vietnam Syndrome' and Bush's Abyssinian crusade

A comparison to Benito Mussolini's imperial adventures.

66 LaRouche: EIR story on de Courcy is true

68 Congressional Closeup

70 National News

Correction: The byline of last week's Feature on "The gaping hole in the U.S. consumer market basket" should have read: "by Chris White, John Hoefle, and Anthony Wikrent."

U.S. wields GATT weapon against its trade partners

by William Engdahl

Washington has made clear that it intends to press its current position as "victor" in the Gulf war, to force unprecedented economic sacrifice from its trading partners over the coming period.

The policy was signaled by President Bush on March 1, when he asked Congress to extend the deadline for completion of the four-year-old Uruguay Round of the General Agreement on Tariffs and Trade for two more years, until 1993. Behind a deliberately complex technical agenda of GATT negotiations, Washington intends to press to the hilt for extraction of vital economic concessions, not least from the European Community (EC), especially Germany, and from Japan.

The renewed pressure on trade partners was indicated already on Feb. 7, in testimony by Secretary of State James Baker to the Senate Foreign Relations Committee. Baker stated: "We envision more creative use of trade and investment policies as vehicles to promote U.S. interests . . . to enhance our own economic strength. . . . The Uruguay Round has profound political as well as economic implications for the shape of the world in the next century."

Thatcher's 'vision' of free trade

The themes sketched by Baker and Bush have been the subject of a recent U.S. tour by Britain's former Prime Minister Margaret Thatcher. She spoke in Washington, D.C. on March 8 to an audience made up of neo-conservative free trade advocates from the Heritage Foundation, the American Enterprise Institute, the Hoover Institution, and others. GATT and the "open system of free trade," were at the center of what she called "the visionary prospect."

Thatcher is advocating the formation of a free trade zone

across the Atlantic, making short-term provision for difficult problems like agriculture, while in the long term, "we would create a free trade area in embryo across the Atlantic." Such a free trade area would, in her view "reassure the fears" of people like herself "about German economic dominance," while "it would provide the economic underpinning of NATO in its out-of-area role."

This is the same Thatcher who put "backbone" into George Bush early in August last year, prodding him into his Persian Gulf adventure. Her proposal now is for a reorganized North Atlantic free trade zone as the basis of an Anglo-American military alliance.

In this arrangement, Britain and the United States would monopolize food, high technology (including aerospace), and, given the military occupation of the Persian Gulf, more than 60% of the world's proven oil reserves.

The Bush-Thatcher plan for a new world order for world trade and economic concessions was clearly laid out in an article in the journal of the New York Council on Foreign Relations, *Foreign Affairs*, where Charles Krauthammer writes, "Our best hope for safety is in American strength and will . . . to lead a unipolar world, unashamedly laying down the rules of world order, and being prepared to enforce them." GATT and extraordinary economic blackmail are part of this plan.

The food weapon

The new agenda of tariff and market access contained in the GATT Uruguay Round is being structured by Washington to force economic concessions from other countries in the name of free trade. Washington has defined the areas for negotiation as ones where Anglo-American interests stand to

gain most. Nowhere is this more clear than in the GATT demands on liberalizing world agriculture protectionism.

Most nations, rightly, view protection of their domestic food supply as a paramount national security issue. Washington has demanded total elimination of agricultural "subsidies" by the end of this decade. This demand, while softened slightly in the latest talks, is aimed at enhancing U.S. domination of global grain and food export markets.

"Curiously, the proposals being most actively promoted in various European capitals and in Brussels would eliminate in the order of some 23 million tons of annual EC grain output. That is just the amount which the EC sold for export on world markets in the past several years," noted a source in Brussels. "The large U.S.-dominated grain-trading conglomerates, naturally, find this quite agreeable."

In effect, Washington's agenda is to emerge as the world's single dominant supplier of surplus grain and other vital food exports, a realization of Henry Kissinger's strategy, beginning in the 1970s, to use food as a "weapon."

The strategy was underlined on March 12, when the new U.S. secretary of agriculture, Edward Madigan, was sworn in, before a crowd of 300 which included Bush, White House Chief of Staff John Sununu, and other luminaries. Madigan vowed to help bring the current GATT round to a "successful" conclusion, saying that U.S. farmers "should not have to compete against the Treasuries of foreign governments."

European Commission President Jacques Delors, in an unusually blunt interview made to French National Radio on March 10, noted the extraordinary Washington pressure on Europe in recent weeks over GATT trade issues: "The Americans have mistreated us, making us out to be 'lepers' over the agriculture issue," he stated. Asked whether the U.S. will use its new military prestige to "extort" new concessions from the 12 member countries of the EC, he replied that the answer to that question will be the decisive one for Europe. "If the 12 bow down their heads, even though their case is solid, just because it's the United States, then Europe will not exist. If we are supposed to reduce our share of the international grain market for the benefit of the United States, I say no! If it's a matter of opening our markets for the Third World that needs to export, then I say yes."

The GATT poker game

While GATT's main focus has been on reduction of various countries' protective tariffs, in the last few years it has been turned into one of Washington's most important weapons for forcing trade partners to make other concessions as well, involving the gamut of trade issues.

The main tool in this game has been the U.S. Congress's threats of a repeat of the "trade war" chaos of the 1930s, should Europe refuse to give in to its demands. While Washington trade insiders privately admit that the threat is "merely part of the GATT poker game," they have sparked fears throughout European industry, especially in export-depen-

dent Germany. Hans-Peter Stihl, head of the German trade association DIHT, told the Bonn government recently, "We cannot allow that a wrongly conceived agriculture policy is allowed to cause the failure of the GATT talks"—thereby jeopardizing other areas of trade. The DIHT presented the government of Chancellor Helmut Kohl with a petition signed by 20,000 export companies demanding a concession on agriculture by Bonn. Yet German farmers, and European farmers generally, are in their worst depression crisis since the war.

New threats against Airbus

The second area of Washington trade pressure is aimed at Europe's major aircraft maker, Airbus Industrie consortium, the French- and German-led group which has become the world's second-largest supplier of commercial aircraft. On Feb. 15, despite new concessions from the European Community, Washington declared that it will formally make a complaint to the GATT on charges that the German government illegally violated GATT trade rules by giving Airbus Industrie, through Messerschmitt-Bölkow-Blohm GmbH, part of Daimler-Benz, support worth \$237 million in 1990. U.S. Special Trade Representative Carla Hills charged, "There has been no new proposal from the European side. . . . Excessive subsidization by the Airbus partner governments has seriously disadvantaged U.S. companies which receive no support from the U.S. government."

Commenting on the latest U.S. pressure, Henri Maître, chairman of Aerospatiale, the French Airbus partner, charged, "The U.S. cannot tolerate competition from Europe. They want us to go bust." A large portion of support for Airbus has been to compensate for the collapsing dollar. In 1990, Airbus lost \$1 billion alone from the falling value of the dollar. World aircraft are sold in dollars. With major airlines, especially in the United States, falling into bankruptcy, and orders for new planes facing cancellation, Washington is moving to ensure that Europe does not develop an independent alternative to Boeing and McDonnell Douglas.

Britain is working closely with Washington on key trade strategies to create, in effect, an Anglo-American condominium in vital strategic industries through which the two powers could theoretically dominate the terms of world economic growth. When Germany's Deutsche Aerospace, a subsidiary of the Daimler-Benz industrial group, announced that it had signed an agreement with France's Aerospatiale and Italy's Alenia to build a new generation of mid-range passenger jets, the British government on March 6 launched an official protest, warning Germany and France not to "undermine the European commercial aerospace industry." European industry analysts report that Deutsche Aerospace today is rapidly emerging as the leading aerospace manufacturer in Europe, rapidly surpassing British Aerospace. Aerospace, especially aircraft manufacture, has always been regarded as an Anglo-American domain.

Depression spreads through the Midwest

by H. Graham Lowry

The U.S. economic depression is spreading into the Upper Mississippi and Central Plains, where Illinois and Iowa are now experiencing a general collapse of revenues. This is occurring at the accelerating rates which have already produced severe budget crises throughout the Northeast and Mid-Atlantic states.

First-term Republican Gov. Jim Edgar of Illinois, who faces a deficit for 1991-92 of more than \$1.5 billion for a \$26 billion budget, has already cut \$87.3 million from the current budget inherited from Gov. James Thompson. On March 6, Edgar presented a plan to the legislature calling for at least a net \$440 million in cuts and \$800 million in further taxes. The deficit is certain to grow far beyond Edgar's projections, however, since they assume that Illinois will suffer only a mild recession, and that the federal government will not only maintain its aid, but increase it by \$273 million.

The bond-rating agency Standard and Poor's has already placed Illinois on its watch list and threatened to reduce its credit further unless deep cuts are made. Edgar is ready to serve Wall Street, if not the citizens of Illinois. "The budget that I will propose," he declared in February, "will answer the questions of the bond-raters out East. It will undoubtedly not please a lot of people here in Illinois. . . . No one should think the process is going to be easy. We're in for some very difficult times in Illinois, and they're not going to be easy to resolve."

'Death warrant' for the poor

The welfare rolls in Illinois increased by nearly 13% last year, and official unemployment hit 7% in January. Yet Governor Edgar would slash as much as \$500 million from health care and income assistance programs, in what the Illinois Public Welfare Coalition charges is "nothing less than signing a death warrant for poor Illinoisians."

Medicaid would be cut by \$312 million. General Assistance—the only income aid for 100,000 single poor persons—would be cut by \$121 million, nearly two-thirds of the existing level. That would mean unbelievable suffering if local governments cannot make up the difference, since current payments amount to barely \$40 per week for each recipient! Edgar would also eliminate \$69 million in property tax relief for the elderly and disabled, cut in half heating assistance for low-income people, and lay off hundreds of workers from agencies serving the poor and mentally ill.

"After a decade of excess in the '80s," Edgar declared, "this budget is a responsible blueprint for the '90s."

Even this level of austerity assumes that the legislature will approve an extension of the state's temporary 20% income tax surcharge—projected to yield \$800 million—when it expires on June 30. In the midst of a political brawl over legislative redistricting, approval is by no means guaranteed. Many of the cuts also amount to little more than bookkeeping tricks, which assume that municipalities can maintain their services and infrastructure without the previous levels of state aid. Local school systems, for example, would lose about half of their current share of surcharge revenues, even if the tax is extended.

Chicago, the state's leading city, already faces a school budget deficit for next year of more than \$100 million. The Chicago Transit Authority budget, scheduled to lose about \$38 million in federal operating subsidies, would be cut by another \$31 million under Edgar's scheme, which CTA chairman Clark Burrus says would be a "devastating" blow. State welfare assistance to the city would be cut by \$17 million.

None of this suffering is necessary. In January, Sheila Jones, running as a LaRouche Democrat in Chicago's mayoral primary, presented a plan for an Infrastructural and Industrial Development Fund for the city, in parallel with LaRouche's federal emergency program for economic recovery. Jones proposed to raise \$4.5 billion a year through a \$25 tax on each contract transacted on the floors of Chicago's Mercantile Exchange, Board of Trade, and Board of Options Exchange, where tens of billions of dollars of pure speculation are conducted on any given day. Such a tax on speculation would generate the equivalent of nearly twice the city's current annual budget, and ensure the funds for high-technology industrial development, the most modern and efficient infrastructure, and a superior quality of services.

Budget crisis in Iowa

Iowa's official unemployment level jumped a full percentage point in January, which on an annual rate would bring it over 16% by the end of this year. Recent indications suggest that it may be much worse. The current state budget deficit is \$250 million, nearly double the \$133 million of last June, when Iowa's deficit per capita amounted to \$47.72 for its 2.7 million people—second in the region only to Illinois's deficit per capita, which stood at \$53.63. Republican Gov. Terry Branstad says he is determined to force layoffs and cutbacks.

Tax collections are declining, and the welfare caseload is up sharply. The dismantling of the nation's major auto companies is now hurting Iowa's auto parts and accessories producers; the number of non-farm jobs dropped by 28,400 in January. Construction has collapsed, and for Iowa's 33 major cities and towns, the value of new housing permits in January was down 75% from a year ago.

BNL indictment part of 'tech apartheid'

by Jeffrey Steinberg

On Feb. 28, 1991, Attorney General Richard Thornburgh announced that a federal grand jury in Atlanta had handed down an indictment of several hundred counts against officials of the local branch of the Italian Banca Nazionale del Lavoro (BNL) and several Iraqi government figures, on charges that they funneled several billion dollars in illegal loans to the Baghdad government. Although one cannot rule out the possibility that the Attorney General, operating under the Thornburgh Doctrine, will order American troops occupying Iraq to arrest and kidnap the named Iraqi officials, the real target of the Atlanta indictment is the Third World, particularly those countries seeking to emerge as modern industrial nation states.

Thornburgh has put himself forward as a leading executor of the widely stated British and Bush administration policy of shutting off the flow of modern advanced technologies to the Third World, what one French columnist approvingly called "technological apartheid." That policy was put forward in speeches by CIA director William Webster in September 1989 in Los Angeles and in March 1990 in Boston. Webster warned of the danger that "Third World tyrants" would obtain advanced technologies and use them to obtain weapons of mass destruction against their neighbors. In Boston, he admitted that the CIA had established a new directorate for conducting economic warfare against Third World nations such as Iraq and Brazil, which had developed a modern industrial infrastructure and skilled labor forces capable of absorbing advanced technologies.

On Aug. 4, 1989, a team of FBI agents, joined by officials of the local Federal Reserve Board, raided the Atlanta offices of the Banca Nazionale del Lavoro, seizing large volumes of bank records. The raid was ostensibly triggered by reports from bank employees that the branch manager and his assistant had been keeping a secret set of accounting ledgers detailing large loans to the Iraqi government which had gone unreported to both the main office of the bank in Rome (the bank is 75% owned by the Italian government) and to the Fed.

In reality, it appears that the several billion dollars in loans approved by the Atlanta branch of BNL had been fully known to the Bush administration and to U.S. intelligence services and had been sanctioned. In the summer of 1989, the administration decided to pull the plug on Saddam Hussein, and the first step was to shut down the most important pipeline of American credits to Baghdad. As one former intelligence officer familiar with the BNL affair put it: "Sad-

dam Hussein was given the Noriega treatment." On the floor of the House of Representatives on Feb. 4, Henry Gonzalez (D-Tex.), the chairman of the Banking Committee, stated that there was "no question" that the CIA, the National Security Agency, the National Security Council, and the Justice Department were all fully aware of the BNL credit flow to Iraq. "It makes them look very bad, but this was an out-and-out conspiracy based on the view that the BNL loans to Iraq were in the national interest."

Federal prosecutors in Atlanta have admitted that the case will be a difficult one to prosecute, since all the machinery sent off to Iraq through BNL financing received valid export licenses from the U.S. and Western European governments. If some of these technologies were "dual purpose," i.e. commercial and military, the relevant U.S. agencies were fully aware of that. In any case, most of the purchases were for U.S. grain and other foodstuffs.

Something to hide?

An undercurrent of the scandal is a running brawl between the Justice Department and the Federal Reserve Board on the one side, and Representative Gonzalez on the other. Last fall, Gonzalez and Thornburgh exchanged a series of acrimonious letters stemming from the Justice Department's refusal to provide documents to the House Banking Committee. Gonzalez charged that federal regulators had failed to monitor adequately the activities of BNL in the U.S. and that this was symptomatic of a broader problem of deregulation of international banks' U.S. operations. Gonzalez also charged that the White House and the CIA had been accomplices in providing the BNL funds to Baghdad and were trying to hide evidence of their role from Congress. Thornburgh refused to comply with the congressional requests and bluntly told Gonzalez to butt out of what he called an ongoing federal criminal probe.

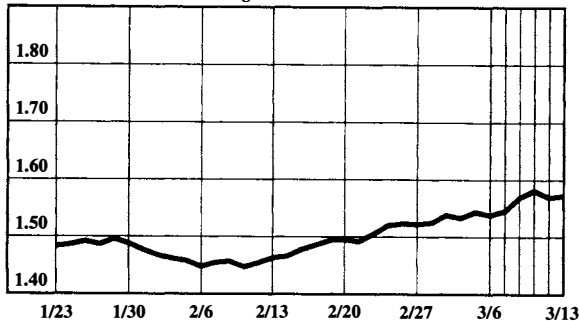
Similarly, Federal Reserve Board chairman Alan Greenspan refused to provide Gonzalez with a BNL audit which had been provided to the Fed by senior bank officials in Rome. Greenspan claimed that to pass the document on to Congress would violate his confidentiality agreement with BNL's headquarters. Gonzalez fired back that he was "incredulous that you think the interests of the Bank of Italy are greater than the interests of the Congress and the people of the United States."

Gonzalez, who had filed an impeachment bill against President Bush for his stage-managing of the Gulf war on Jan. 15, has been at least partially sucked into the Bush administration's scheme to deny advanced technologies to the Third World. While raising serious questions about the administration's duplicity in covertly building up the Iraqi military through BNL and other channels, and then attempting to cover up the story by burying the bank, he has come out calling for much stricter controls over technology transfers to the developing sector. With Bush in the White House, that is a formula for genocide.

Currency Rates

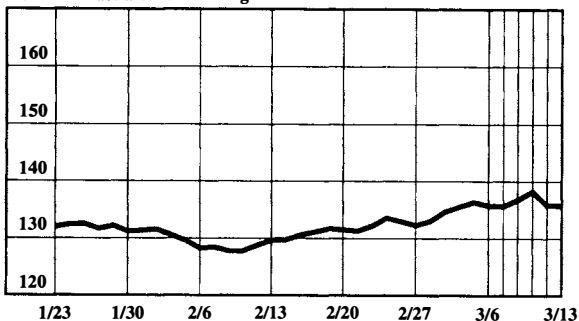
The dollar in deutschemarks

New York late afternoon fixing



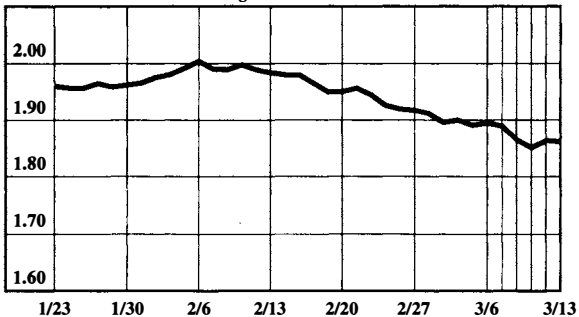
The dollar in yen

New York late afternoon fixing



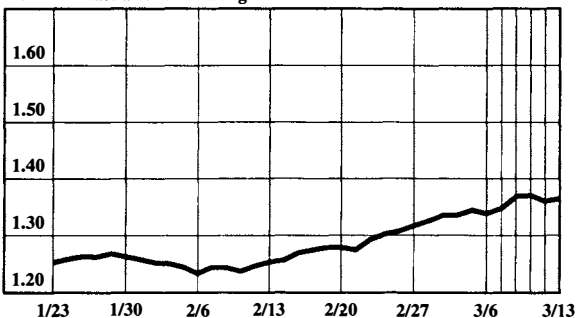
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



Argentine economy wracked by chaos

by Cynthia Rush

As has become his custom, Argentine Finance Minister Domingo Cavallo went on national television on March 8 to give a detailed explanation of the country's economic performance and to promise that by April, he would have all the books balanced and everything "in order." The exchange rate would be stabilized, he said, and state-sector employment reduced dramatically through a harsh program of "administrative rationalization." The Harvard-trained minister predicted that by May, the government would be in a position to begin the process of "immediate economic reactivation."

Cavallo's report has little to do with the reality of the Argentine economy, which is plunging deeper into depression and isn't about to be "stabilized" by more draconian austerity. Moreover, the nation is plagued by strikes, corruption scandals, social unrest, and rumors of President Carlos Menem's imminent resignation. The minister's predictions are tied to the government's efforts to negotiate a new \$1 billion standby agreement with the International Monetary Fund (IMF), as well as with efforts to portray a picture of stability in preparation for next September's congressional elections in which the Peronists generally, and Menem's faction in particular, are expected to lose badly.

In February, Argentina became ineligible to receive the last \$240 million tranche of a standby agreement signed in 1989, when it failed to meet the IMF's fiscal and monetary goals. To qualify for a new loan, it must show a \$5 billion trade surplus and a \$4 billion equivalent primary budget surplus in 1991; if the government meets these goals, it will receive \$700 million this year and the balance of \$300 million in 1992.

In a March 8 press conference with Central Bank president Roque Fernández, the head of the IMF's negotiating team, Armando Linde, told reporters in Buenos Aires that the IMF would "support the Argentine economic plan if recently announced measures to lower inflation, improve the balance of payments, and achieve stability, were complied with." Linde emphasized that agreements have already been reached on reducing tariff barriers to imports and "opening up the economy." The IMF official explained that there are "two pillars" to the Menem government's program: privatization of state companies, and continued monthly interest payments on the foreign debt. Underscoring the IMF's demand for even harsher austerity, Linde said that "the fiscal question is the

centerpiece of any financial program.”

Citibank president John Reed, who was in Buenos Aires during the first week of March, made the latter point more bluntly: If Argentina doesn't eliminate its fiscal deficit, it can't go to the markets to request loans, he told the daily *Clarín*. “Only when the President controls the deficit, will he control the economy. And that's not happening now,” the U.S. banker said. Reed's unfavorable remarks about the government's program bear out reports that Citibank opposes Cavallo, and prefers instead someone like orthodox monetarist Roberto Alemann to replace him. Cavallo was miffed enough at Reed's ultimatums that he even threatened him with suspending payments on the foreign debt.

What 'recovery'?

Cavallo's predictions of “recovery” are belied by the government's own letter of intent being prepared for the IMF. One of its points states that there is no expectation of an improved level of economic activity, and Central Bank president Fernández admits that GNP is expected to grow only “a little bit.” For three years in a row, Argentine industrial production has dropped.

Privatizations, the cornerstone of Menem's economic program, are also in trouble. The privatization of the Entel phone company and the state airline Aerolíneas Argentinas were supposed to have been the government's two big success stories. But the phone deal has bogged down after two

international consortia failed to meet deadlines to pay the cash they had bid for the company. Rates have risen 300% since the privatization, enraging citizens; and the Aerolíneas deal is in such a state of financial disarray that no one seems to know what its status is.

Cavallo admitted on March 1 that the economic opening and reduction of tariff barriers, scheduled for implementation on April 1, will be used as a means of “twisting businessmen's arms” and forcing them to lower prices. Faced with rising inflation, wage demands, high taxes and interest rates, as well as plummeting consumption, the private sector's Industrialists Union (UIA) recently sent Cavallo a document entitled “Industrial Emergency,” urging him to postpone or alter the planned tariff reduction program, scheduled to begin April 1, which it correctly fears will devastate industry. Cavallo reportedly didn't even look at the document.

The finance minister warns he will take drastic monetary and fiscal measures, no matter who dislikes them. On Feb. 27-28, when local branches of foreign banks and some leading multinationals placed huge orders for U.S. dollars on the currency market, setting off a run, Cavallo charged that these groups were trying to remove him from office through an “economic coup.” He ordered the Central Bank to sell close to \$300 million, over 10% of its liquid reserves, and immediately imposed a five-point increase in the bank reserve ratio, forcing buyers to sell their dollars on March 4 at a substantial loss.

THE **WAR** We saw it coming —and knew why

July 3, 1990, Executive Alert Service:

“The state of Israel is now marshaled, in preparation for a war, which, from one standpoint, might be described as Israel's attempted ‘final solution’ to the Arab problem.

“This means a war, presumably against Iraq and other states, and the destruction of Jordan.”

July 5, 1990, Executive Alert Service:

“Yes, it is quite likely that the interests of Bush and Gorbachov coincide in wanting a new war in the Mideast,” asserted a knowledgeable Middle East source who pointed to the need of both powers to have a dramatic increase in the price of oil.”

EIR Alert Service brings you pinpointed intelligence on economics, military strategy, and political events, based on an independent news gathering network and the same superior method that has made *EIR* magazine celebrated. Alert bulletins of 10-20 concise, exclusive news items arrive twice a week by first-class mail—or by fax (at no extra charge).

Annual Subscription, U.S. and Canada: \$3,500.

Make checks payable to:

EIR News Service, P.O. Box 17390, Washington, D.C. 20041-0390.

Major Credit Cards accepted.

The S&L bailout needs a bailout

With a commercial bank bailout looming, the thrift crisis is still unresolved and demanding greater funding.

When the Bush administration unveiled its S&L "bailout" bill, the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA), in August 1989, it promised that the entire \$1.2 trillion in assets in the thrift system could be saved at a cost of \$50 billion over the first three years and \$166 billion over 10 years.

EIR warned at the time that the cost of the bailout was vastly understated. It would get much worse, we warned, because nothing was being done to deal with the economic collapse which was destroying the financial system.

By the end of September, with the ink barely dry on FIRREA, William Seidman, the chairman of the newly created Resolution Trust Corp., told Congress that the RTC would need an additional \$50-100 billion in capital to close sick thrifts. These additional funds were needed as "working capital," Seidman said, claiming that the funds would be repaid when the properties seized by the RTC were sold.

In early January 1990, the RTC released its self-styled "strategic plan" to sell the assets from 283 seized thrifts, and use the proceeds to seize more. "It is important that the RTC proceed and continue to actively dispose of assets immediately," the RTC Oversight Board announced. "The RTC should avoid deferring the marketing of properties. Holding properties off the market for an extended period of time may increase the ultimate cost of asset disposition." How the RTC was supposed to rapidly sell 30,000 properties without exploding

an already-collapsing real estate market was not explained.

Meanwhile, S&Ls were failing at record rates, with 229 failures in 1988 and 328 in 1989.

By Jan. 7, Seidman announced that the RTC was out of funds, and could close no more thrifts unless the demanded working capital was produced. "It's clear that the bailout operation is quickly becoming unraveled," observed James Barth, a former chief economist for the Federal Home Loan Bank Board.

With thrifts failing much faster than the RTC could handle, the agency announced an abrupt policy change on Jan. 31. Whereas the government had previously insisted that it was essential that insolvent thrifts be closed as quickly as possible to keep expenses to a minimum, the RTC suddenly said that it was too expensive to close insolvent thrifts. It's cheaper, he claimed, to leave them open. It was a de facto admission that, after only six months, the great Bush thrift bailout was a failure.

By mid-February, RTC Oversight Board president Daniel Kearney had resigned in disgust. Simultaneously, the administration announced a plan to let the RTC borrow working capital from the Federal Financing Bank, a Treasury Department agency, to augment FIRREA-prescribed bond offerings.

To cover up for the failure of their bailout scheme, the Bush administration launched a propaganda barrage aimed at painting the operators of failed thrifts as crooks. Seidman

claimed that federal investigators had found fraud at 60% of the thrifts seized by the government. A later study by consultant Bert Ely would reveal that fraud accounted for only 3% of the losses at failed thrifts.

The RTC continued to amass assets from failed thrifts, becoming the largest operator of financial institutions in the country.

In March 1990, the RTC launched "Operation Clean Sweep," a program to sell or close 140 institutions by the end of June. "Losses can only be stemmed by the swift sale of all property to private sector buyers," Seidman said. Like the earlier "strategic plan" sale, Operation Clean Sweep was a dismal failure. By May, the RTC was forced to begin slashing prices to sell its holdings, and even announced a nationwide television auction. The auction was later canceled due to lack of interest. So far, the RTC has sold only about 25% of the \$120 billion in assets it obtained from the first 352 thrifts.

The pattern has changed little in the year and a half since the passage of FIRREA. The administration has been forced repeatedly to return to Congress to ask for more funds. So far, the administration has spent \$121 billion, and is requesting another \$78 billion for fiscal year 1991. If approved, that would make \$199 billion in two and a half years, more than four times the administration's three-year estimate and nearly 20% higher than the 10-year projection. The General Accounting Office has warned that the ultimate cost of the thrift bailout may go as high as \$500 billion, including the interest that must be paid on the borrowed funds.

As House Banking Committee chairman Rep. Henry Gonzalez (D-Tex.) observed last month, "I'm fully convinced the RTC has lost control of the situation."

USDA fosters milk crisis

While dairymen are being driven out of business, USDA's buddies at the Justice Department sanction Bronfman's dairy buyouts.

Best estimates are that 6,000 U.S. dairy farmers will be ruined this year unless the Agriculture Department's "free market" policies are overturned. This will mean an even worse shortage of milk than the present undersupply, which is masked by the underconsumption of milk products. But so far Congress is blindly following the administration on food policy, just as it backs Bush's new world order.

There are only about 150,000 commercial dairy farms nationwide, and 4% of them are set to go under this year, according to Ed Coughlin of the National Milk Producers Federation. They cannot survive under the current low prices for their raw milk. The price has fallen from close to \$15 per hundredweight (cwt) in 1989, down to about \$10.10 at present. (A hundredweight is roughly 12 gallons.)

The steepest drop ever recorded in one month occurred between September and October, from \$12.50 per cwt down to \$10.48. In contrast, the January USDA calculations show that a parity price for raw milk should be over \$26 per cwt to the farmer, based on ratios extant earlier this century which fairly guaranteed a farmer's continuing ability to produce.

Despite the drop in farm prices, you may not see much of a corresponding drop in the price of dairy products at the supermarket. The incidents of price-gouging are so obvious that Senate Agriculture Committee chairman Patrick Leahy (D-Vt.) has recently ordered the General Accounting Office to investigate. A *Wall Street Journal* story was headlined,

"Milk Prices at the Farm Have Plunged, But Shoppers Are Still Getting Creamed."

The place where the GAO should start is not the supermarket, but the Department of Justice and USDA. These agencies have presided over the demise of hundreds of local dairy-processing companies, while a cartel of food giants has consolidated its control over processing and marketing milk.

The dramatic example in the Northeastern milk market, the biggest in the nation, is the Bronfman milk barony. Whiskey magnates Edward and Peter Bronfman have used their Food Division of Canadian-based Labatt's brewery to buy up 12 dairies, in New Jersey, Pennsylvania, Maryland, and New York, through which they dominate purchasing from farmers and sales to consumers. The companies include Johanna Farms, Abbots, Lehigh Valley, Tuscan, Jersey Farms, Queens Farms, and Green Spring Dairy. Labatt Food also packages milk for supermarket chains, including Pathmark.

The Bronfman monopoly controls about 75% of the milk marketed in the urban region from New York City to Baltimore. Phil Valenti, Pennsylvania Food for Peace coordinator for the Schiller Institute, last year asked the Federal Trade Commission to investigate and prosecute the monopolistic role of the Bronfman group. The commission has confirmed that grounds for investigation exist. But the USDA and the anti-trust division of the Justice Department have rubberstamped approval of every acquisition made by

the Bronfman Labatt's company, and by the international milk cartel giants Nestlé's and Unilever.

The cartel companies have used their dominance to impose low farm prices for milk, and the USDA has backed them. Last June 22, Charles Shaw, head of the USDA dairy analysis section, told the *Coatesville Record* in the eastern Pennsylvania dairy region: "There are just too many dairy farmers, and they're too damned efficient. The only thing to do is keep lowering the price until you kick the dairy farmer out of business. That's what's happening to the Northeast. The operations are too small, so they can't compete with other areas of the country."

In line with these sentiments, the USDA has announced that the farm milk floor price for all of 1991 will be the lowest allowable by the new farm law, \$10.10 per cwt. And contrary to the pointy-headed dairy analysts at the USDA, there will be no farmers, and no areas of the country able to absorb these low prices. In the nation's dairy state of Wisconsin, up to 4,000 farmers may go under in 1991 out of the 33,000 dairy farmers in the state.

At the National Farmers Union annual convention in Philadelphia this year, an emergency resolution on dairy farmers was passed. The NFU press release of March 5 stated, "In a special order of business . . . [we] called for immediate congressional action to increase the milk support price until Congress can put a dairy inventory management program into effect."

Earlier this year, a group of Pennsylvania dairymen broke away from the NFU and formed their own action group called Progressive Agriculture (Pro-Ag) to fight for the survival of dairy farmers. Ultimately the USDA and Justice Department's cartel-serving policies, unless reversed, will result in further drastic reduction in the milk supply within 18 months.

Selling Mexico's oil future

As Pemex joins the futures markets, the multinationals that control Saudi Arabia will soon run Mexico as well.

On the same day that George Bush announced a cease-fire in the Persian Gulf, a "new strategy" of the state oil company *Petróleos Mexicanos* (Pemex) was unveiled in Mexico.

The first thing to draw one's attention is the fact that it was Finance Secretary Pedro Aspe Armello who announced the new Pemex strategy, even though it was President Carlos Salinas de Gortari himself who had insisted, before the outbreak of the Persian Gulf crisis, that Pemex director Francisco Rojas be the sole official spokesman on any matters relating to Mexican oil.

Thus, on Feb. 27, Aspe announced that for the first time in Pemex's history, the company would enter into the buying and selling of oil futures and options on the international financial market. In one stroke, the Mexican tradition of never exposing national oil reserves to speculative operations was canceled. The finance secretary indicated that these new operations were part of the government's Economic Contingency Program for dealing with the instability of the international oil market.

That it was the head of national finances, and not the head of Pemex, who announced this restructuring of the company, is due to the fact that it is Aspe who committed Mexico's oil future to the exigencies of the International Monetary Fund (IMF) during the foreign debt restructuring deal signed in February 1990.

According to that deal, if the price of oil remained above \$20 per barrel

for more than three months, the Mexican government would be committed to paying its foreign debt obligations with the oil revenue earned from profits above \$19 per barrel. If the price fell below \$14 per barrel for a period of three months, the IMF was committed to providing Mexico with financial assistance.

Mexican oil did stay above \$20 per barrel for more than three months in 1990, and thus the Mexican government committed itself to using the profit differential for "financial and fiscal consolidation," that is, debt repayment. Pemex was forced to hand over 100% of the profit above \$19 per barrel.

In 1991, the Mexican government is anticipating a price *below* \$14 per barrel; even Finance Secretary Aspe predicted that it could fall to \$10.80 per barrel. The purchase of oil futures and options which Aspe is presenting as "buying insurance" for the nation is, in fact, the so-called "financial help" being offered by the IMF.

This strategy entails the accelerated de-nationalization of Pemex, which has historically functioned as the mainstay of the national economy and of Mexico's development needs. Pedro Haas, director of *Petróleos Mexicanos* International and an agent of the oil multitis, recently explained the objective of this strategy in the Mexican Banking Association's magazine, *Interés*.

Writing about the "effects of the market" and of international trade on the world's leading oil companies (the

Seven Sisters), Haas stated, "Pemex is not—and could never be—an exception to this process of continuous evolution." For director Haas, the period during which international trade had but a passive influence on Pemex is now a thing of the past.

PM International, created in March 1989 as the international "branch office" of Pemex "should be what the market demands it be," wrote Haas. It should behave like all the other international companies which today "cannot aspire to be competitive exclusively on the basis of their own resources; rather, they should seek association with their counterparts—including their competitors, on occasion—through strategic alliances" (emphasis added).

Among the recommended "new forms" of organization of the world's oil multitis, Haas significantly mentions only the Arabian American Oil Co. the company which "nationalized" the Saudi monarchy. Aramco is made up of the U.S. multinationals Exxon, Mobil, Chevron, and Texaco, in addition to the Saudi oil company which, after the "nationalization," was called Saudi-Aramco.

Taking Aramco as a model for reorganization, Pemex could continue as "Mexican property" as long as it proceeded in association with its counterparts, presumably "including its competitors."

Who will be the generous purchasers of Mexico's oil future? Who else but Wall Street and the Seven Sisters, the absolute controllers of the spot market in which PM International operates. This novel mechanism for the international commercialization of Mexican oil, as announced by Pedro Aspe, will guarantee that Aramco, British Petroleum, and the Kuwait Investment Office (KIO) will be the first owners of Mexico's oil futures—and future.

No 'Triangle' yet, but a new approach

The economic crisis is provoking strikes and unrest, and pragmatic adjustments in policy for eastern Germany.

After the Gulf war, Bonn politics are again focused on the domestic economic situation. The rapid disintegration of the CMEA, the former Soviet trade bloc, has halted most of eastern Germany's traditional exports, such as ships, trains, and special machines, to the Soviet Union.

The rate of collapse was unexpected. Most experts thought that billions of deutschemarks of Western investments in eastern Germany would compensate for losses in CMEA trade volumes. They thought that the Treuhand, the state agency overseeing the reprivatization of 7,900 firms of East Germany's previous state-sector industry and agriculture with about 6 million workers, would not be faced with major problems. As of a few weeks ago, it was widely believed that eastern Germany would, after initial hardships, achieve a "Second German Economic Miracle" within a period of three to five years.

Instead, the jobless rate is rapidly approaching 40%, there are warning strikes and protest marches of embittered workers, and the rate of Western investments is far below that required. The "miracle" seems to be far away. Some 150,000 workers have moved from eastern to western Germany since last autumn, and another 250,000 still live in the east but work in the west.

The broadening labor unrest in eastern Germany, especially the revival of the traditional Monday afternoon protests in Leipzig under a labor banner, has had an impact on Bonn cabinet discussions.

"We took to the streets before

[1989] to bring the SED regime down," a factory councilman said at the Leipzig rally March 11, "and we are taking to the streets now again to fight for jobs and social security."

These developments have destroyed illusions that the "free market" would solve all problems. "It was a very big miscalculation," a senior official of the Treuhand told *EIR* in Berlin March 2, to hope "that the free market would automatically create a productive boom in East Germany. East Germany's production should have been shielded against the strong competition from the West by protective tariffs, with the start of the German Currency Union" in July 1990.

"What has happened, instead," he said, "is that not only the former CMEA trade collapsed, killing most of the exports, but also the production for domestic supply dropped as well. Eastern products were thrown off the market by Western ones."

"There can't be a free market approach in the situation we are faced with here. The state must intervene to stabilize production. Exports to the East and the supply of the domestic market need state support until real private sector conditions are reached."

The Feb. 13 decision by Bonn to give a DM 9 billion credit guarantee for eastern German exports to the Soviet Union, pointed in the right direction, the Treuhand man said. But total exports to the Soviet Union were DM 36 billion in 1990. More guarantees were needed, therefore, to stabilize exports.

Indeed, a long-delayed contract

was signed March 12 between the Soviet State Railways and the eastern German Waggon Manufactures for the delivery of 1,022 passenger railcars and 1,400 refrigeration railcars. With Bonn export credit guarantees over DM 1.4 billion, the contract secures 15,000 jobs in the manufacturing sector and about the same number in the supply industry of eastern Germany for this year.

On March 7, Bonn passed a two-year emergency fund of DM 24 billion for projects in eastern Germany—DM 5.6 billion for the transport infrastructure, DM 5 billion for public and social projects in municipalities, DM 5.5 for job qualification programs, DM 2.2 billion for maintenance and restoration of homes, and DM 830 million for the shipyards.

The Treuhand agency mandate was modified, shifting the emphasis toward reorganization-consolidation, away from liquidation-privatization. Maintaining industrial employment at a high level, instead of rapid job rationalization, is the new task of the Treuhand.

In addition, the Frankfurt-based KfW, the former Marshall Plan Bank, issued a DM 10 billion credit at slightly reduced interest rates, for new middle-sized enterprises in eastern Germany. Credits, a maximum DM 10 million for new enterprises, are granted over 10 years, with a grace period of five years.

Bonn also announced its intent to speed up transport and energy infrastructure and other urgent projects of public need. This decision is overdue. Environmentalism in western Germany has led to absurd planning periods of up to 15 years for projects like highways, railroads, nuclear power and sewage plants, and even anti-pollution projects. In need of rapid economic recovery and the creation of millions of new jobs within a few years, eastern Germany can't wait that long.

Business Briefs

'Free' Enterprise

Bronfman to train East European entrepreneurs

Edgar Bronfman, the liquor magnate who heads the World Jewish Congress, is spearheading a new organization, the North American Consortium for Free Market Study, to train East European entrepreneurs in Western business practices, the *Journal of Commerce* reported March 6. Selected students will spend nine months studying at U.S. and Canadian universities, then serve three-month internships at participating U.S. and Canadian corporations.

Bronfman hopes to start the program with at least 20 students this year, and have at least 2,000 students over the next five years.

Bronfman began the program after Czechoslovak President Vaclav Havel asked him to help send his people to Western schools, said retired diplomat James Montgomery, director of international affairs for Seagram's, the Bronfman family's flagship liquor concern. Montgomery is working almost full-time on the program.

International Credit

Western banks reduce lending to E. Europe

Western banks reduced their outstanding loans to Eastern European countries during the first nine months of 1990, despite the democratic transformation in the region, according to the Bank for International Settlements quarterly study, "International Banking and Financial Market Developments," which compiled data through the end of September 1990.

"In 1990 an abrupt change occurred in relations between the countries of Central and Eastern Europe and Western commercial banks. In the first nine months of the year, BIS reporting banks reduced their outstanding claims on the region by \$6.8 billion or 7%, slightly more than they had increased them in 1989." With the exception of Poland, every Eastern European country has had reduction in

bank credits.

The BIS says the deterioration in the credit status of the Soviet Union was the principal factor for the decline.

Technology

Japan may pull out of Montreal Protocol

A top officer of the Refrigeration Engineers Society has told *EIR* that the refrigeration industry is rife with rumors that Japan may pull out of the Montreal Protocol banning the manufacture and use of chlorofluorocarbons (CFCs) by the year 2000. According to the industry expert, the Japanese have made it clear they are having second thoughts about the Protocol, and that China and India, which plan to introduce 300-400 million refrigerators by the end of the decade, remain adamant against the CFC ban.

The official speculated that news that all the touted replacements for CFCs are failures, may be forcing the Japanese to reconsider their position.

Many nations are starting to realize the immense cost of banning CFCs. It is estimated that by the year 2005 it will have cost \$3-5 trillion to replace CFCs and equipment that uses CFCs. The amount of equipment that has to be scrapped under the Protocol is immense: 610 million refrigerators and freezers, 120 million cold storage units, and 100 million refrigerated trucks.

So far this plan to replace CFCs has been a miserable failure.

Trade War

Administration announces export control plan

The Bush administration announced details of its new export controls March 7. Formally dubbed the "Enhanced Proliferation Control Initiative," the new controls include restrictions on the export of 50 chemicals, many of

them commonly used in making fertilizer, insecticide, and other basic civilian applications, on the grounds that they might also be used to produce chemical weapons.

The regulations also will control exports of equipment that can be used to make chemical or biological weapons, as well as whole plants that can manufacture any of the 50 sensitive chemicals.

State Department officials said that the controls on such "dual use" equipment initially will apply to all 14 West Asia countries, including Israel and Saudi Arabia, and to Pakistan, India, Iran, and Afghanistan, and 10 other countries, including the Soviet Union, China, Taiwan, North Korea, and South Africa.

The regulations would also enable the government to prohibit participation by U.S. citizens in overseas construction projects that might be related to weapons production.

A number of U.S. trade and industry groups have complained about the new regulations. Randolph Stayin, a lawyer for three U.S. associations, warned that the product list is "so broad that it could affect all of the machinery and equipment that is used in the petroleum, chemical, water, waste-water, and food-processing industries."

Clearly, the plan is "technological apartheid"—denying the Third World technology, on the pretext of its relationship to weapons. Almost everything on the list is required for use in civilian scientific and economic enterprises.

Biological Holocaust

AIDS strain spreads on Indian subcontinent

Significant clusters of HIV-2 virus have appeared in India, and the virus has now infected "possibly more than 25%" of people in Bombay's red light district, says Indian specialist J.K. Maniar. He is a teacher of dermatology and venereology.

The HIV-2 virus, which is believed to have originated in West Africa, has not previously been thought of as a serious health threat. The vast majority of international AIDS cases are

Briefly

considered to be HIV-1.

But Dr. Maniar points out that blood samples are tested almost entirely for HIV-1, not HIV-2, when testing is done at all. In India, only large hospitals in major cities do any testing, and often the testing kits are substandard rejects from international drug companies.

"Experts from the World Health Organization and the U.S. Centers for Disease Control say they are surprised and skeptical after hearing reports that a large proportion of AIDS cases among prostitutes in Bombay are caused by . . . HIV-2," reported the March 3 *New York Times*. Other tests have not shown much HIV-2, but these tests require sophisticated equipment and experienced personnel, which are in short supply in India.

Dr. Maniar slammed the Indian government's AIDS policy, saying that when the presence of the disease is acknowledged, the official policy is to blame foreign sources of infection. The line is, "To prevent AIDS, don't have sex with foreigners," said Dr. Maniar. "Yet, transfusion transmission of AIDS in our hospitals is probably the most important cause."

Many deaths listed as meningitis, tuberculosis, or undiagnosed diarrheal diseases are not examined for a possible link to the AIDS virus, says Dr. Maniar. While only 4,000 Indians have been recorded HIV-positive, Maniar thinks that for every one recorded, "there are probably at least 10 others out there."

Austerity

Bulgarians die for lack of basic medicines

A critical shortage of life-saving drugs and medical equipment, largely due to "free market" reforms, is causing the deaths of many patients in Bulgaria, according to London's *Daily Telegraph*.

Western drugs, including insulin, antibiotics, heart drugs, sedatives, and anaesthetics are in such short supply that hospitals have been forced to cancel many operations, according to Bulgarian doctors and Western aid workers. Doctors at Sofia's Pirogov Hospital re-use disposable blood filters for kidney dialysis patients. They have so little basic medical equipment that some patients have died. "It's

a terrible choice. Sometimes I have to act as God. I have only one functioning respirator available and I must choose between two people. One of them is going to die," said Dr. Milan Milanov, the hospital's director.

Free market economic reforms have sent the price of medicines soaring; infant formula is only available for hard currency. Western drugs are scarce and a credit crunch has halted domestic production. "The reforms are very slow to come and you can't tell a baby he'll have to wait for another government before he can eat," said one expert.

The *Telegraph* article closes, "The transition to market economies is causing a severe shortage of life-saving drugs in several former Soviet satellite states. Their recent shift to hard currency trading has sent drug prices soaring as producers demand dollars that penniless countries cannot afford."

Transportation

Danish Parliament approves bridge-tunnel

The Danish Parliament approved by a solid majority on March 6, a proposal to construct a 17.6-kilometer bridge-tunnel across the Oeresund straits linking Malmo, Sweden with Copenhagen at Kastrup International Airport. Denmark now enters into final negotiations with Sweden, which has approved a parallel resolution. Construction bids are expected later this year in the estimated DM 3-4 billion infrastructure project, one of Europe's largest. It will incorporate a combined rail and road transport and should be completed by 1997-8.

This link with Sweden will combine with the 14-kilometer Greater Belt Bridge, already under construction, between the Danish island of Sjaelland and Fyn which is to be complete by 1996. The two links will make it possible for continuous surface transport by rail or road linking Sweden and Norway with continental Europe. The third link, a proposed 23-kilometer tunnel connecting Schleswig Holstein at Puttgarten with the southern Danish town of Roedby across the Fehmarn Sound, will be taken up by the Danish government as soon as the Oeresund project is fully underway.

● **THE SOVIET UNION** has banned exports of coking coal and scrap metal, and increased the price of scrap by 60%, in an emergency plan to tackle the crisis in its huge steel industry.

● **VOLVO**, Scandinavia's largest company, has reported its first annual loss in 60 years, \$58 million, saying it was the "hardest hit" of auto companies because its "main markets, the U.S., Britain, and Sweden, all have gone into recession."

● **PERSONAL** bankruptcies in the United States rose 16% in 1990, the sixth straight year of increase, to a record 718,107. It was the sharpest increase since 1986, when personal bankruptcies rose 31%; they rose 10% in 1987, 11% in 1988, and 12% in 1989.

● **WORLD BANK** president Barber Conable unexpectedly announced on March 6 that he would retire effective Sept. 1. He will be replaced by Lewis T. Preston, a pillar of the Anglo-American Establishment, former chairman of J.P. Morgan and Co., and a close friend of President Bush.

● **UNICEF** head James Grant told the U.N. Security Council that Iraq needs a crash immunization drive to ward off the threat of epidemics. He said that UNICEF also wanted to help restore some of Baghdad's water supply system and import supplementary food for the most vulnerable sections of the population.

● **THE CANADIAN** jobless rate in February hit 10.2%, almost twice as high as a year ago.

● **THE GERMAN** and Indian industrial associations agreed in New Delhi to meet annually to promote growth of bilateral trade, the *Hindustan Times* reported March 3. German Federation of Industry head Dr. Heinrich Weiss was in New Delhi with State President von Weizsäcker.

SDI revisited: lessons we can draw from the Gulf war

The Bush administration's proposed revision of the Strategic Defense Initiative is fatally flawed. Carol White contrasts it with the original SDI plan of Lyndon LaRouche.

Every war is a "crucial experiment" whose results must be studied by those who must plan for future wars. The U.S. military, in the grips of manic euphoria following the conquest of Iraq, is so far deluding itself that this war (which was, after all, against a far weaker adversary), has proven that the United States is now invincible. Soviet strategists are drawing far more useful conclusions from their analysis of the lessons to be learned from the Gulf war.

They are warning that the failure of the Iraqi air defense, which utilized Soviet technology, means that the U.S.S.R. must launch a crash military-technology and research and development buildup, so as not to be overtaken by the U.S. and NATO technologies and capabilities. For example, in a Feb. 28 press conference, Soviet Defense Minister Dmitri Yazov answered questions posed by the U.S.S.R. Supreme Soviet concerning the evident failures of Iraqi anti-aircraft defenses in stopping the air offensive by the multinational coalition. "What happened in Kuwait and Iraq necessitates a review of the attitudes to Army air defense and the country's entire air defense system," he proclaimed.

Similarly, Gen.-Col. Rakhim S. Akchurin, commander of Soviet anti-aircraft forces, told TASS: "Today our anti-air defenses are capable of repelling the attacks of any air targets, *but what will happen in two or three years?* The echo of missile thunder in the desert must put us on our guard" (emphasis added).

While various Soviet military spokesmen have pointed out that the coalition forces used state-of-the-art weaponry—from Stealth fighter-bombers to laser-guided bombs—against the previous generation of technologies that the Sovi-

ets had supplied to the Iraqis, nonetheless they are arguing against any cuts in the Soviet military budget. Clearly, the arms race is on again

Speaking to the government paper *Izvestia*, Gen.-Maj. Nikolai I. Kutsenko, deputy head of the Soviet General Staff's Center for Operational-Strategic Studies, responded to the question of whether the Soviet Army had weapons similar to those used by the multinational forces against Iraq: "Yes, but not all. This is something for our military research and development to think about."

One striking lesson of the Gulf war, is the crucial nature of air defense. The Iraqi capability was no match for the barrage of missiles and bombing raids which they faced. While the United States did not use nuclear weapons, almost equal devastation was caused by the sheer volume of incendiary and explosive devices dropped. This effectively wiped out Iraqi land-defense capabilities. Had the Iraqis a tactical air defense which incorporated advanced electromagnetic devices, then the U.S. might well have faced a serious land war.

What the U.S. military should consider

While the United States' anti-missile defense system was also based upon relatively unsophisticated devices, this was far less problematic from the U.S. perspective, because Iraqi firepower was so much weaker. Nonetheless, problems did emerge in the Patriot defense against Scuds launched at Israel and Saudi Arabia, since the debris which fell on populated areas, from even the limited number of missiles launched by the Iraqis, did cause damage and death. Moreover, the debris



Lyndon LaRouche had campaigned for a ballistic missile defense based on advanced physical principles for years before Reagan's March 23, 1983 announcement of SDI. Organizers for the LaRouche movement took this concept to the American people; this photo is from March 26, 1986.

that did fall was uncontaminated. With the qualification that the U.S. hyped Iraq's non-conventional threat, had a Patriot exploded a nuclear, biological, or chemical warhead over Tel Aviv or Dharhan, it would have enhanced the NBC missile's destructive effects, not deflected them. The U.S. Patriot was, after all, a missile intended for the point defense of high-priority targets such as missile launchers, which are located in underpopulated desert areas, not densely populated cities. Were a Patriot, in such circumstances, merely to deflect an incoming missile from its chosen target, a victory would be scored. Of course, such is not the case in a city.

In the case of the war between the United States and Iraq, cost was not a major problem in judging the effectiveness of a defense system. Compared to the United States, the Iraqis had scant resources with which to challenge a U.S. defense. However, in a U.S. war against the Soviets, cost would become a serious part of the offensive-defensive equation. Here again a defensive shield based upon advanced physical principles is incomparably cheaper than the one-to-one cost ratio of deploying two \$0.5 million Patriots against one \$1 million Scud.

The staff of *21st Century Science & Technology* has prepared a review of the present U.S. ballistic missile defense configuration, based upon President Bush's most recent proposals and relevant lessons from the Gulf war. It makes the

case that even in the Gulf war, all the belligerents would have profited from having air and missile defenses modeled along the same principles that were proposed by Lyndon LaRouche in 1982, when he stated the case for what later became known as a Strategic Defense Initiative (SDI) based upon advanced, new physical principles.

LaRouche's program for mutually assured survival

Before proceeding to that review, there is another point to be made. LaRouche's SDI was intended to be an important factor in ending the Cold War. It was meant to offer a defensive shield which would guarantee over 90% protection to a U.S. population threatened by an all-out nuclear strike. A major component of that program, however, was to transform the discussion of détente from the gamesmanship of a Henry Kissinger, to a genuine accord which would replace competition over arms by joint, large-scale global infrastructure projects, and an ambitious program to colonize Mars within the first half of the next century.

The Bush administration rejects every element of this program, including an laser-based SDI; even if the Bush White House were to incorporate technical elements of the program suggested by LaRouche and his associates, without the broader framework which he elaborated, such an effort

could not avert a third world war. Without such a commitment to a republican development program, it would instead have the opposite effect; the Soviets would rightly consider it to be merely another aspect of Bush's imperialist new order. They would view it, as they came to view the Gulf deployment, as a threat to their own national interest.

In the period from 1977 to 1979, LaRouche was occupied with the problem of formulating an alternative strategy to the insane Kissingerian policy of Mutually Assured Destruction, which aptly bears the acronym MAD. One concern of that period was that forward-based missiles significantly shortened the time that either superpower had in which to decide a response, if it believed it was under attack. Intercontinental war appeared to be on an increasingly shorter fuse.

Reviewing Soviet defensive strategy and Soviet capabilities, it became obvious to LaRouche that the United States needed what later became known as the Strategic Defense Initiative, but one based upon the most advanced physical principles which utilized the whole of the electromagnetic spectrum from radio waves to high-power X-ray lasers. Furthermore, it became clear that not only had the Soviets come to the same conclusion, but that they were fairly advanced in constructing their own version of such a system.

We emphasize that the kind of crash program on the scale of the Manhattan Project that LaRouche envisaged would not have been a drain on the U.S. economy: To the contrary, it could have been expected to produce major spinoffs within the civilian economy which would have enhanced the economic productivity as a whole. The analogy here was the 10:1 payback from NASA research and development investment which landed a man on the Moon. Begun in 1961 by President John F. Kennedy, what was to become the Apollo Program acted as a science driver throughout the economy at least into the 1970s. This would not be the case for the Soviets, however, because of the bureaucratic stagnation embedded in their socio-economic system.

A Soviet crash development of such an antiballistic missile defense system would be a serious cost to the U.S.S.R. economy. LaRouche foresaw this, and he proposed that the United States share SDI technology with the Soviets. After all, what was intended was a defensive shield, not a margin to facilitate a first strike. This was accepted by President Ronald Reagan in his formulation of the Strategic Defense Initiative, in his March 23, 1983 address announcing the program. Had the Soviets not stupidly rejected this, then the SDI could have become—in President Reagan's own words—a system for Mutually Assured Survival.

The LaRouche proposal was undermined, from the first, on the U.S. side by the High Frontier crowd associated with Gen. Danny Graham. They argued for using a cheaper path toward developing a defense system they falsely conceived would achieve the same end result. As *EIR* and the Fusion Energy Foundation said then—reviewed in the report below—Graham's utterly incompetent proposal was a white

elephant which could not do the same job; moreover, it would be far more costly to install, because it would inject no qualitative advances in technology into the economy.

LaRouche's program was initially endorsed by President Reagan and by Dr. Edward Teller in many of its key features, but, through a process of attrition, partly because of opposition at home, and because of violent opposition from the Soviets, it was ultimately sabotaged. A more profound reason for the defeat of the SDI was the shift in fundamental policy.

Once the United States became committed to establishing a new "Roman Empire" with the British, then economic benefits from the SDI were no longer relevant. The Anglo-Americans' intention was for the U.S. economy—like that of Rome—to be based upon the forced collection of tribute—usury backed by force of arms. They were prepared to make a deal with the Soviets, so that they would have a share in the spoils—at least in the near term. Wars of the future would then take the form of gunboat diplomacy in the envisaged post-Cold War era. However, the emergence of an economic collapse and social crisis within the Soviet Union convinced the Anglo-Americans such a power-sharing arrangement might well not be necessary: There was, they boasted in private, now really only one superpower.

Unfortunately for these pipe-dreamers, the reality is that the Soviets maintain the power of a nightmare arsenal which, within any 30-minute period, is capable of doing to the continental United States precisely what the Anglo-American colossus has done to the Iraqi nation. Furthermore, the arrogance with which the British and Americans are flaunting their aspirations toward global imperial control virtually ensures that the Soviets will make a turn toward some form of dictatorship by the military, merely to ensure the survival of Russia.

U.S. policy accommodation to an Anglo-American accord began no later than the assassination of President McKinley and his replacement by the evil empire enthusiast, Theodore Roosevelt. This union between American *brawn* and British *brains*, gave us two world wars already in this century, and is leading us down the road to a third.

The 'Thirty Years' War' of 1912-45

Indeed it is no exaggeration to describe the period from the inevitability of the First World War until the end of the Second World War in 1945, as a kind of Thirty Years' War, similar to the 1618-48 Thirty Years' War that wracked Central Europe. Two other analogies to the 20th-century period can be derived from the Peloponnesian War in the history of ancient Greece, and, in a sense, the Napoleonic Wars. We choose 1912, when the Balkan wars erupted, as the actual starting point for World War I.

As LaRouche has developed in many places, and as I wrote in my book *The New Dark Ages Conspiracy*, the British—with enthusiastic support from the Theodore Roosevelt-

Harriman faction—created the conditions for the emergence of both world wars, by the same balance-of-power politics urged by the British and Henry Kissinger today. This policy was intended to break the power of Germany and France as industrial forces and to undermine any pre-Bolshevik republican tendencies in Russia to the same end. Similarly in Japan, the Meiji reformers were undermined. Let Germany fight Russia, let Italy and France be destroyed, and—with help from the dumb giant across the Atlantic—Britain would maintain its power.

This historical process has dominated the span of this century, and it is understanding this which allows us to understand George Bush's military policies and to situate within this his proposal for a transmuted SDI.

Military policy does not merely operate in the geopolitical domain, but involves broader cultural concerns as well. The Anglo-Americans wish to revive the moribund British Empire along the lines of the Roman Empire, but they do not want to foster an industrial revival which would foster technological optimism in the population. Such a citizenry would not tolerate the moral degeneracy of the U.S. destruction of Iraq and massacre of its population.

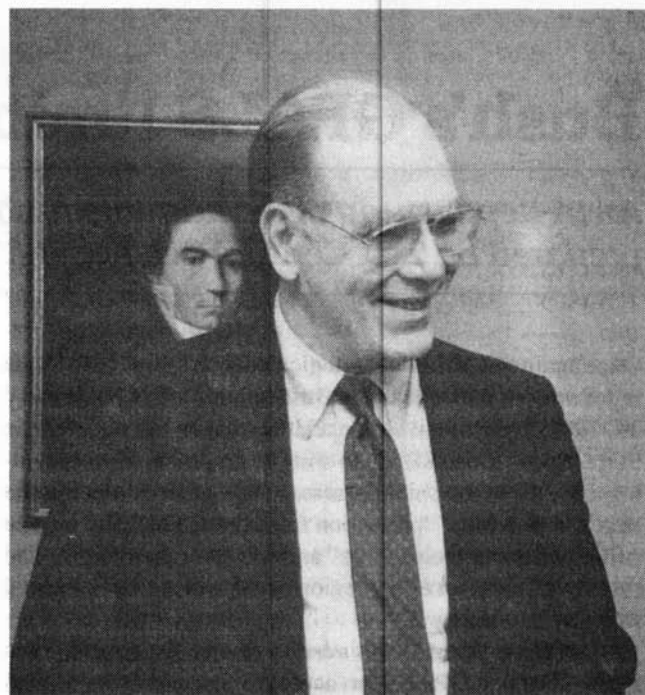
The Anglo-Americans do not want the kind of world in which the use of technology fosters and requires the development of a scientifically oriented and educated labor force in general. In the vendetta against Iraq, control of oil was a factor. But the very existence of an Arab nation, which was committed to developing an economy based upon modern technology, to educating its people, and to creating a scientifically trained work force to accomplish this, was anathema.

LaRouche's SDI proposal ran completely counter to the 20-year environmentalist push to discredit science within the advanced sector populations, and to replace it with a form of irrational neo-paganism such as the Gaia cult. A serious effort to implement the SDI, would have demanded a transformation in the U.S. educational system similar to what occurred during the Kennedy period, as a concomitant of the Apollo Program.

LaRouche's SDI was not just a military policy, but an economic and a cultural policy as well. It was intended to encourage the Soviets to make a shift away from communism and brute nationalism, toward the kind of republicanism upon which America was founded. The tool for doing this would have been to create cultural optimism among the Soviet population, by technological exchange. Emphasis upon a strategic ballistic missile defense based on new physical principles could have provided the kind of science driver to transform the Soviet economy and culture.

The Food for Peace initiative

When, by 1988, it had become clear that the SDI was no longer a vehicle for such transformation, LaRouche offered a new variant intended to serve the same *fundamental* objective: This was his Food for Peace proposal. Later this was elaborat-



Philip Ulanovsky

Lyndon LaRouche at a Jan. 17, 1983 press conference in New York, exposing Heritage Foundation and New York Times "leaks" about offensive beam weapons, which were intended to sabotage the policy President Reagan was preparing to announce to the nation that spring.

ed into a fully worked out plan whereby a unified Germany could become the locomotive of development for the whole of Eastern Europe and the Soviet Union by investing in major infrastructure development projects to unify a Europe, in de Gaulle's words, "from the Atlantic to the Urals."

White House policy in Washington today is exactly the opposite: It is to destroy the German economy and use North-South population wars to force submission not only from the developing sector, but from the nations of Europe as well, to a new Roman Empire. This is George Bush's new world order. This is the basis for his present military strategy.

Ironically, Bush's strategic thinkers have overlooked the Soviet question. In the manic arrogance of apparently overwhelming success in the war against Iraq, Bush and the British have convinced themselves that they can bully the Soviets with impunity. They have consistently underestimated the signs of a political shift within the U.S.S.R. toward the re-emergence of a hardline military faction into political power. They are underestimating the determination of Russian nationalists to defend the Rodina, or Motherland, in a manner strikingly reminiscent of the similar fatal blunder by Hitler and by Napoleon before him. Thus, the Anglo-American military strategy depends on the blitzkrieg to overwhelm a small, relatively weak opponent.

Bush's revised Strategic Defense Initiative is a case in point.

Bush's GPALS limits more than defense

An in-depth study of the administration's new strategic defense program, prepared by 21st Century Science and Technology magazine.

Once again the nation's Strategic Defense Initiative (SDI) is in for an overhaul. President Bush announced in his January 29, 1991, State of the Union address that he has directed the SDI Organization (SDIO) to shift its emphasis from providing the U.S. with a shield against a large-scale Soviet missile attack to providing "protection from limited ballistic missile strikes whatever their source" and whatever their target. The system is to protect every region of the world from a limited strike by any country.

The name given to this version of a ballistic missile defense (BMD) is GPALS, an acronym that stands for Global Protection Against Limited Strikes.

As outlined by Pentagon officials in recent months, the GPALS system would consist primarily of ground- and space-based antiballistic missiles (ABMs). From 750 to 1,000 ground-based interceptor missiles would be scattered in approximately a dozen sites inside the United States; about 1,000 space-based interceptors, widely known as "Brilliant Pebbles" (BPs), would be placed in low-Earth orbit; and an array of space-based satellite sensors and ground-based radars would round out the system, providing the means to detect and track the hostile missiles. Early experimental versions of all three components have been tested repeatedly, many with outstanding successes.

The Brilliant Pebbles aspect of the GPALS missile defense system has been greatly reduced from the earlier SDI scheme to defend the U.S. from a massive Soviet strategic attack, which envisioned a force of about 4,500 such space-based interceptors.

In addition, Bush's initiative suggests that the Pentagon will be given the go-ahead to proceed with major new research on a new generation of a Patriot-style missile system to intercept short-range ballistic missiles (SRBMs). This new missile system would undoubtedly be an element of GPALS. The Patriot intercepted dozens of short-range Scud missiles fired against Israel and Saudi Arabia. The Pentagon has spent millions in recent years to develop such weapons. Bush's initiative effectively curtails indefinitely any fast track development and deployment of "exotic" new anti-missile systems such as lasers and particle beams.

Let us forgo for the moment an evaluation of the dramatic policy shift from an SDI system to defend the U.S. against a Soviet first strike to a GPALS system. Let us first discuss

how a GPALS might work, and then evaluate its potential military effectiveness and economic viability.

GPALS and the Patriot anti-missile systems

The mission of a GPALS system would be similar to the mission of the Patriot ABM system used in the Persian Gulf—to neutralize ballistic missiles launched from Third World (or other) nations before they reach their target. The difference between GPALS and the Patriot is that GPALS is a combined space- and ground-based system whereas the Patriot is a strictly ground-based system. Current information concerning GPALS seems to suggest that the ground-based component is a Patriot-like antiballistic missile (ABM) system with sufficient capability to intercept the high-speed 6 kilometer per second reentry vehicles of intercontinental ballistic missiles, and the easier 2 km per second reentry vehicles of SRBMs. The SDI Organization used to call this system ERIS; the new name is E²I for Endo/Exoatmospheric Interceptor. The ABMs are to be based at roughly a dozen sites in the United States. If the ABMs are transportable, as the Patriot is, they could also be temporarily based in any country that asked for their protection, but only if the U.S. deemed this to be in its own interest. Even if a country did not want to be protected from another nation's ballistic missiles, the space-based component of GPALS would nonetheless be available to provide this protection. While the available information on GPALS suggests that the space-based interceptors are much like the Brilliant Pebbles that have been under study for the past two years, the GPALS Brilliant Pebbles are probably faster, so they can travel from their orbits and intercept the low-flying trajectories of short-range ballistic missiles, such as Scuds, before the SRBMs are much beyond the halfway point to their targets. Since SRBMs rarely leave the atmosphere (their maximum altitudes range from 50-100 km and are achieved when the missile has traveled halfway to its target), the GPALS Brilliant Pebbles will also have to withstand and operate through any atmospheric heating.

Is a missile-based GPALS a militarily sound and cost-effective defense against a limited number of ballistic missiles? We have long advocated the thesis that *any* U.S. ballistic missile defense system must be based on new physical principles if it is to be militarily and economically viable. A system based solely on ABMs—using missiles to shoot down

missiles—is a bad idea. The proof can be given at two levels. At the more fundamental level, it amounts to showing that the defense sector of the economy is a net benefit to the entire economy, rather than a net loss, when it spins off fundamentally new technologies at sufficient rates to ensure an overall increasing rate of real productivity in the economy. Such would be the case, in our view, if the Strategic Defense Initiative were organized, similar to the Manhattan Project, as a crash program to master the science and technology of visible and X-ray lasers, neutral particle beams, and radio-frequency weapons. An SDI committed primarily to achieving marginal performance gains in a technology as old as missiles, which is its current mission, is a net loss to the economy, rather than a benefit.

At a less fundamental level, the viability of any BMD system can be approximated by computing its cost exchange ratio. This is the ratio of the production cost of the BMD system to the production cost of the opposing missile force. Research and development costs are neglected in this calculation because it is only the cost to field each element of the two forces that determines whether or not a combatant can afford to do battle.

A cost exchange ratio much less than one would indicate that the BMD system is viable. In our experience, this only happens if the BMD is premised on weapons employing new physical principles—visible and X-ray lasers, neutral particle beams, nuclear lasers, and radio-frequency weapons.

Cost exchange and the issue of new technology

Justifying ballistic missile defense with a cost exchange argument is a tricky business, especially when the costs for new technology weapons are involved. Most economists and military planners vastly overestimate the cost of new technology weapons in such an exercise, primarily because they neglect to factor in the productivity payback to the economy that the development of the new technology weapon brings about, such as what is involved in the concept of maximum technological attrition.

Granted, the initial investment to develop the new technology may be high, but if the development is properly carried out and the technology is of a fundamental sort (specifically a technology of greater energy density than present technologies), the initial investment will always yield a positive return (a healthier economy able to support more people at a higher standard of living), implying that the true cost of developing the technology is essentially zero, in that it pays for itself and then some. The “labor cost” of a weapon premised on the new technology may be relatively high immediately after the technology is developed, but within a decade or two, after the technology has permeated the economy, the “labor cost” of this weapon is dramatically reduced.

Consider by way of example the fission bomb. The initial investment was tremendously high (the cost of the Manhattan

Project) and the production cost of the first 100 bombs was in the neighborhood of 1,000 man-years. Fifty years later, after nuclear technologies have permeated the power industry and many fields of physics, biology, and medicine, the production cost of those same fission bombs is roughly 10 man-years. This great reduction in labor cost is not due exclusively to the assimilation of nuclear technologies into the economy, but nonetheless a certain portion is, which illustrates the point being made.

We are on much safer ground with cost exchange ratios, if the items being costed employ old or current technologies. This avoids the problem of predicting the cost of new technologies.

There is a second issue with respect to cost exchange that deserves discussion, which relates to its definition. We must be clear on the “exchange” being costed if the term is to have any meaning.

There are three basic ways cost exchange can be defined:

1) Cost exchange between forces: This is a balance-of-power concept which compares the total production cost of two opposing forces. For example, the ratio of the production cost of all U.S. tanks, ships, aircraft, etc. to the production cost of the Soviet arsenal would fit this definition. Arguments for and against SDI have sometimes used the ratio of the production cost of an SDI system to the production cost of the Soviets’ strategic missile force, including its countermeasures to SDI. This cost exchange is the least meaningful of the three under consideration, as will become apparent, and will not be considered further.

2) Cost exchange at the margin: This is also a balance-of-power concept. It begins with two opposing, balanced forces and compares the cost to one side to counter a marginal improvement in the other side. This is the cost exchange test which Congress has imposed on SDI, and was originally put forward by Paul Nitze. An SDI will only be deployed if it is cost-effective at the margin. Consider the system of 4,500 Brilliant Pebbles that SDIO has been studying, as an example. It is well known that, for each new ICBM the Soviets deploy, 10 additional Brilliant Pebbles must be put into orbit to maintain the BP system’s boost-phase kill effectiveness. If the Soviet ICBM costs \$10 million, the cost of a single Brilliant Pebble, including putting it into orbit, must be under \$1 million for the system to meet the “cost-effective at the margin” test.

3) Cost exchange under combat: Even though it has its flaws, this is perhaps the best cost test for a military system. It is the only cost exchange definition of the three which addresses the issue of “defense in depth.” The true test of any military force is *not* if it can indefinitely deter war by maintaining a balance of power, but rather if it can *win* the war once deterrence fails. The key issues here are the cost and speed of replacing assets lost in battle, as well as how quickly total military capability can be expanded. Consider again a simplified SDI example consisting of an exchange

between an SDI Brilliant Pebbles system and a ballistic missile force. Suppose two BPs are required to destroy a single ICBM. If the cost to replace the two BPs is less than the cost to replace the ICBM, the Brilliant Pebble system wins the cost exchange under combat. When comparing two different SDI system concepts, the one which can replenish itself the most rapidly and at the lowest cost is the better system.

This brings us to our principal topic under discussion—the viability of a ballistic missile defense based on Brilliant Pebbles and advanced Patriot missile system technology. Since the idea of GPALS is to defend against ballistic missiles by using antiballistic missiles, and both groups of missiles (the defensive and offensive) are envisioned to employ old and current technologies, a cost exchange analysis is a fairly safe way to determine the military and economic viability of an ABM-style GPALS system.

A cost exchange analysis begins with a simulated missile engagement. In keeping with the times, suppose Iraq had launched a single Scud attack against Israel. Let us consider the ability of the space-based components of GPALS, the Brilliant Pebbles, to defend Israel. The 1,000 BPs are in low-Earth orbits passing over the North and South Poles. They therefore travel roughly north and south over every country in the world. To guarantee that a single orbiting GPALS BP is always over the Persian Gulf and in position to intercept a Scud, roughly 100 of them must be placed in orbit.

We computed this 100:1 BP “absentee ratio” by making use of three facts: 1) roughly 10 BPs must be placed in orbit if one of these BPs is to have a chance to intercept a Soviet-launched ICBM during its boost phase (see *EIR*, April 19, 1990); 2) the duration of an ICBM’s boost phase is roughly equal to the total flight time of a short-range ballistic missile; and 3) the Soviet land-area containing ICBM launch complexes is roughly 10 times larger than the land-area of Iraq. From these facts, it follows that roughly 100 BPs must be placed in orbit if one of them is to have a chance to intercept an Iraqi-launched SRBM. The number is probably greater than 100, because the absentee ratio increases, as the distance of the launch site to the Equator decreases—Iraq is south of the Soviet Union; for the sake of consistency, we will neglect this effect. Therefore, for each Scud the Iraqis have, 100 BPs must be placed in orbit.

To compute the cost exchange ratio, we must now estimate the cost of a BP and a Scud. As **Table 1** shows, the specific cost (cost per unit weight) of a missile varies over a considerable range, depending primarily on the size (or total weight) of the missile and the method and accuracy of its guidance system. The Pentagon’s SDI Organization has established a \$0.5 million cost goal and 50 kilogram weight goal for a Brilliant Pebble. We shall adopt both without modification. Note that the cost goal of a Brilliant Pebble is about equal to the cost of a Patriot missile, but that its \$10,000 per kg specific cost is roughly 20 times the specific cost of a Patriot. Apparently most of a Brilliant Pebble’s cost comes

from its miniaturized guidance and sensor systems, rather than its propulsion system.

Estimating the cost of a Scud SRBM

To estimate the cost of an Iraqi Scud, which is a modified Soviet Scud B, we note two facts from **Table 1** and **Table 2**: 1) The specific cost of a Soviet space launch system (Proton) is about one-quarter that of a similar class U.S. space launch system (Titan IV); and 2) a Soviet Scud B and a U.S. Pershing IA are similar class missiles. Therefore, assuming that the factor of four cost difference in large missiles also holds for smaller missiles, the cost of a Soviet Scud B can be estimated to be about one-quarter the cost of a Pershing IA, or \$0.6 million. The Iraqi Scuds launched toward Israel are not Scud Bs, but either of two modified Scud Bs, called the Al-Hussein, which is 1.1 times longer and heavier than a Scud B, and the Al-Abbas, which is 1.2 times longer and heavier than a Scud B. The Al-Abbas has twice the range and roughly the same throw weight of a Scud B. It is doubtful that the cost of modifying a Scud B to create an Al-Abbas is greater than the purchase price of the Scud B. Therefore, a price of \$1 million appears to be a safe upper limit for the cost of an Iraqi Scud.

Using the SDI Organization’s goal of \$0.5 million for the cost of a Brilliant Pebble and an upper limit of \$1 million for the cost of an Iraqi Scud will yield the best possible cost exchange ratio for SDIO’s proposed space-based, ABM-style GPALS system. Recalling that 100 Brilliant Pebbles must be placed in orbit for each Iraqi Scud that is to be intercepted, and assuming a single Brilliant Pebble is sufficient to neutralize a single Scud, the “cost exchange at the margin” is 50 to 1 in favor of the Scud. By its own established criteria, Congress should not approve a BP-style GPALS since it is not cost effective at the margin.

Some may argue that the 100 to 1 BP absentee ratio should not be included in the cost exchange calculation above; or in other words, that cost effectiveness at the margin is not an appropriate test for a GPALS system. Although 100 BPs must be deployed to defend against a single Scud in Iraq, these same 100 are also defending against 99 other potential Scuds based anywhere else on the globe. And if a Brilliant Pebble neutralizes a single Scud somewhere, only a single BP must be launched into orbit to replace the one fired at the Scud. Therefore, the “cost exchange under combat” is perhaps a better criterion. If the Scud costs \$1 million and the Brilliant Pebble costs \$0.5 million, and the cost to put a BP into orbit is \$0.5 million (we neglected this cost earlier, which is roughly \$11,000 per kg for systems such as the Titan IV), then the GPALS BP system achieves an even cost exchange as the cost exchange ratio is 1 to 1. This ratio assumes Brilliant Pebbles with a 100% probability of kill and no countermeasures employed by the Scud, a 25-year-old system. If the Scud were an extremely “high value” target (perhaps it carries a nuclear warhead), then it would be prudent to attempt to intercept it with at least 2 or 3 Brilliant

TABLE 1

Sample comparative missile costs used to compute cost exchange ratios

	Guidance method	Circular error probability (m)	Launch weight (kg)	First unit cost (thousands of 1990 \$)	Cost/unit (\$ per kg)
U.S. missiles					
Titan IV ¹	Inertial	NA	860,000	170,000	198
Titan IV solid rocket motor	None	NA	316,000	17,000	54
MX Peacekeeper	Inertial	40	88,000	65,000	739
Pershing II	Inertial	40	4,600	5,000	1,087
Pershing IA	Inertial	400	4,600	2,300	500
Patriot	RDH ²	1	1,000	530	530
Copperhead	LDH ³	1	64	41	641
ADAT/FAAD	LBR ⁴	1	51	100	1,961
Hellfire	LDH ³	1	43	36	837
Hawk	RDH ²	1	627	300	489
U.S.S.R. missiles					
Proton (SL-13) ⁵	Inertial	NA	670,000	36,000,000	54
Energia (SL-W) ⁵	Inertial	NA	2,000,000	71,000,000	36

1. The Titan IV main stages use liquid engines; the two solid motors are strap-ons.
2. Radar Designator Homing.
3. Laser Designator Homing.
4. Laser Beam Riding.
5. These missiles use liquid propulsion.

Sources: *Aviation Week, Janes Weapon Systems, and Nuclear Weapons Databook.*

TABLE 2

How the Soviet Scud B tactical missile compares to the Patriot and Pershing IA

	Patriot	Pershing IA	Scud B
First deployed (year)	1984	1971	1965
Range (km)	90	160-840	165-300
Launch weight (kg)	1,000	4,600	6,400
Maximum throw weight (kg) ¹	70	360	500
Circular error probability(m)	<1	400	900
Number of warheads	1	1	1
Warhead yield (kt)	NA	60-400	<1,000
Propulsion	Solid, 1 stage	Solid, 2 stages	Liquid sustainer
Length x diameter (m)	5.3 x .41	10.5 x 1.0	11 x .85
Guidance principle	Radio commanded/homing	Inertial	Simplified inertial
Guidance method	Fins	Fins	Tail fins
First unit cost (1990 \$)	\$500,000 ²	\$2,000,000 ²	\$600,000

1. Weight of post-boost vehicle, including bus, warhead, guidance, penetration aids.
2. 1990 first unit production cost of a fully assembled missile, based on a highly reliable source.

Sources: *Jane's Weapon Systems and Nuclear Weapons Databook*; Scud B throw weight and first unit cost is an estimate by 21st Century staff.

Pebbles. (Currently, Army tactics call for firing at least 2 Patriots at each Scud.) For this scenario, GPALS loses the "cost exchange under combat."

Perhaps instead of using the GPALS' space-based BPs to intercept Scuds, it makes more sense to use the GPALS' ground-based ABMs by transporting them to the target area, exactly in the way the Patriots were used. Does this improve the GPALS cost exchange? In other words, is the cost exchange for the Patriot-style ABMs any better than the cost

exchange for the Brilliant Pebble-style ABMs? The answer is "no" for the cost exchange under combat and "yes" for the cost exchange at the margin. Because there is no absentee ratio for ground-based point defense systems such as the Patriot, the cost exchange under combat and cost exchange at the margin are equivalent for these ABM systems. Since the costs of the Patriot-style and BP-style ABMs are roughly equivalent, about \$0.5 million, a ground-based ABM-style ballistic missile defense has a roughly equal cost exchange

at the margin and cost exchange under combat against a \$1 million Scud, assuming two ABMs are required to shoot down a Scud with high confidence, as was being done in the Persian Gulf.

Since ABMs must always be more agile (greater lateral acceleration capability) than their targets to effect an intercept, they are also generally smaller and more technologically advanced than their targets. Note that the technology of a Patriot is greater than that of a Scud, but a Scud is a more massive missile (see Table 2). Given the methods by which contractors establish a cost for a missile, a military analyst would be hard pressed not to assume that the costs of an offensive missile and the ABM designed to intercept it are roughly equal. In light of this, an ABM-style GPALS may in some instances have an even cost exchange under combat with offensive missiles, but it can never win this cost exchange outright. Since the cost exchange at the margin is always worse than or equal to the cost exchange under combat (due to the effect of the absentee ratio), an ABM-style GPALS can never win this cost exchange either.

Before leaving our evaluation of the ABM-style GPALS system, let us draw attention to one more fact. We noticed earlier that for every Scud the Iraqis launched, at least 100 BPs must be in orbit to guarantee that at least one Brilliant Pebble is in position to intercept the Scud. The SDI Organization has said that the GPALS BP constellation will consist of only about 1,000 Brilliant Pebbles. Putting these two facts together, it appears that the GPALS BP system will be capable of interdicting only 10 nearly simultaneously launched Scuds! Calling GPALS a *limited* strike ballistic missile defense system is no exaggeration.

Getting out of the BMD Stone Age

Let us suppose that the U.S. is committed to the policy of a GPALS system. Is there a more militarily sound and cost-effective approach than the ABM system currently being proposed? Is there a GPALS concept that wins the cost exchange test by a wide margin? The answer is yes, which is easily demonstrated.

For the sake of comparison, consider a space-based laser (SBL) GPALS which meets the same mission requirements proposed for the ABM GPALS: 1) the ability to intercept 10 Scuds simultaneously launched from Iraq; and 2) the ability to defend any targeted country from a limited ballistic missile attack. Placing sufficient SBLs in orbit to ensure global coverage, as is done for the BP system, and designing each space-based laser so that the total number over the Persian Gulf at any one time can shoot down at least 10 simultaneously launched Iraqi Scuds, will meet both requirements. Therefore, this will be our approach.

There are a host of laser concepts from which to choose for an SBL (see Table 3). Perhaps the most promising and most militarily (and industrially) useful is the free electron laser (FEL), primarily because it is tunable (laser beams can

be produced at short wavelengths where the atmosphere is nearly transparent, that is wavelengths which range from 0.3 to 2 microns), has high overall efficiencies (20 to 50%), and is promising for ultrahigh-power applications (100 megawatt average power for a wavelength of 1 micron). The basic components of a space-based FEL are an electric power source, an electron accelerator or gun, a "wiggler" or "undulator" where electron kinetic energy is converted to laser energy, and the output optics.

Setting a maximum SBL-to-target range essentially determines the number of space-based lasers required in orbit. For a maximum SBL-to-target range of about 2,200 km, 50 SBLs in circular orbits passing over the North and South Poles at an altitude of 600 km ensures that any missile launched from anywhere in the world will be within range of at least one space-based laser. If the missile is launched in the vicinity of the Equator, only one SBL will be within range; if it is launched near the North or South Pole ten SBLs will be within range. For launch locations between these two extremes, the number of SBLs in range will be between one and ten. Missiles launched from Iraq would have to evade roughly 1.2 space-based lasers. In other words, at least one SBL is always within range of Iraq, and 20% of the time two SBLs are within range of Iraq.

The amount of power required in each SBL's laser beam is a function of the diameter of the beam at the target, the amount of time the beam illuminates the target, and the amount of energy per unit area that must be deposited on the target to destroy it. The continuous-wave (constant power level) energy per unit area required to destroy military targets ranges from 1 kilojoule per square centimeter for soft targets to 100 kJ per square centimeter for hard targets. The kill is accomplished by heating the structure which subsequently causes structural failure. Generally speaking, about 10 kJ per square centimeter is sufficient to destroy a missile during powered flight. A more efficient kill mechanism—impulse kill—is available with pulsed lasers such as free electron lasers. Here the laser beam couples with the plasma produced at the target's surface and is therefore relatively insensitive to the surface material. The plasma leaves the surface at high velocity, delivering an impulse to the target. Only 5 kJ per square centimeter of pulsed laser energy may be necessary to break apart any target, hard or soft. At this point in our analysis, we shall be extremely conservative and use a value of 100 kJ per square centimeter as the lethality requirement.

By requiring that the laser beam destroy its target and re-aim in the shortest possible time, we maximize the space-based laser's firing rate and minimize the countermeasures available to the target. A dwell time of 1 second and slew time of 0.1 seconds per target have been advocated by SDIO in the past and will be adopted here. This gives the SBL the ability to shoot down 1 short-range ballistic missile every 1.1 seconds. Since about 200 seconds of an SRBM's total flight time is the time-span over which it is vulnerable to a space-

TABLE 3

How the Global Protection Against Limited Strikes works: a summary

GPALS system	Kills of colocated simultaneously launched Scuds	Cost exchange at the margin	Cost exchange under combat
Space-based ABM (BP)	10	50:1	1:1
Ground-based ABM	500	1:1	1:1
38 MW CW SBL/SBM	230	133:1	1:5 to 0
38 MW CW GBL/SBM	230	133:1	1:50,000 to 0
38 MW Space-based FEL/SBM	4,600	7:1	1:100 to 0
38 MW Ground-based FEL/SBM	4,600	7:1	1:1,000,000 to 0
1 GW Space-based FEL/SBM	129,000	1:4	1:100 to 0
1 GW Ground-based FEL/SBM	129,000	1:4	1:1,000,000 to 0

The numbers in boldface show cost exchanges that are favorable to Global Protection Against Limited Strikes, such that the smaller the fraction, the more cost effective the system. The cost exchange goes to zero, that is a laser shot is free, if the laser fuel is recycled via solar energy.

All laser systems assume 10 meter optics and 0.5 micron wavelength.

The lethality requirement for continuous wave (CW) lasers is 100 kilojoules per square centimeter; for free electron lasers (FEL) it is 5 kilojoules per square centimeter.

based laser (above 15 km in altitude—atmospheric transmittance of visible light at 15 km is close to 100%, but at 0 km it is only about 50%), it follows that one of our SBLs can destroy roughly 190 SRBMs simultaneously launched from the same area. Since Iraq is covered by 1.2 SBLs on the average, roughly 228 simultaneously launched Iraqi Scuds can be destroyed by our SBL GPALS. The firing rate we have adopted yields a space-based laser system that greatly exceeds the requirement to destroy only 10 simultaneously launched Iraqi Scuds, but let us continue on to see how this over-designed SBL system fares in a cost exchange.

To deposit 100 kJ per square centimeter of energy on a Scud in 1 second requires a laser beam flux of 100 kilowatt per square centimeter. Assuming a near diffraction limited laser beam, the diameter of the laser beam at the target is proportional to the product of the SBL-to-target range and the laser wavelength divided by the diameter of the final optical aperture or beam director. For a SBL-to-target range of 2,200 km, a laser wavelength of 0.5 microns (visible light) and an aperture diameter of 10 meters (the aperture of the Hubble Space Telescope is 2.4 meters), the diameter of the laser beam at the target is 22 cm, which is less than the 85 cm diameter of a Scud, thus ensuring that none of the energy in the beam is wasted when it is centered on the target. The power required in the laser beam is simply 100 kW per square centimeter times the area of a 22 cm diameter circle, or 38 MW.

While the space-based laser mirror is 4 times the diameter (16 times the area) of the 15-year-old Hubble mirror, new methods of mirror manufacture have yielded a factor of 10 to 20 improvement in the weight per unit area of large mirrors. These new mirrors are very thin and made of several independent segments. Two mirror materials that have been investi-

gated are silicon and molybdenum. The primary and secondary mirrors must be cooled when the laser is firing to remove absorbed laser energy. Cooled silicon mirrors using silicon heat exchangers have been used at incident power densities of the order of 10 MW per square centimeter. (Our laser system's power density at the target is 100 kW per square centimeter; the power density on the mirror surfaces would generally be less than this.) Actuators attached to the backside of each mirror segment provide active shape control and also compensate for beam distortions due to turbulence in the atmosphere.

The laser beam can be pointed by either gimbaling the large 10 meter mirror, or by holding the 10 meter mirror stationary and gimbaling a small mirror in the optical train. This latter approach is preferred, but it requires the optics to have a large field of view and trackers that look through the optical system. This requires high-power aperture-sharing elements, which are conceptually possible but have yet to be built and tested.

To summarize, a possible SBL-style GPALS would consist of 50 space-based lasers, each with a 10 meter aperture and 38 MW of beam power. Each visible light laser "shot" lasts 1 second and delivers 38 MJ of energy. The firing ratio is one shot every 1.1 seconds which permits 190 co-located, simultaneously launched missiles to be killed if they are vulnerable (above 15 km in altitude) for 200 seconds. For a single space-based laser to destroy a total of 190 missiles, its power system must provide 7,220 MJ of total beam energy. A power system consisting of a combustion turbine burning liquid hydrogen and oxygen coupled to an electric generator could easily meet the required power and energy requirements. The total weight of each SBL, including the power system fuel ($H_2 + O_2$ reactions yield 121 MJ per kilogram in

the form of heat), the power system itself, the electron gun, the wiggler and the 10 meter optics would be in the range of 50,000 to 100,000 kg. This is roughly the weight of 5 to 10 Hubble Space Telescopes.

The above space-based laser system is very similar to those considered in the American Physical Society's (APS) 1987 report evaluating the status of the science and technology of directed energy weapons. The APS stated that virtually every technology required for these SBLs has been demonstrated and is in some state of development. The question is whether these technologies can be scaled up to the required performance levels. The APS provided no answer to this question, believing the existing data is insufficient to provide an answer.

Before attempting to estimate the cost exchange for our SBL system, an alternate laser concept is worth considering. The SDI Organization in the past and the APS in its report have considered laser systems in which the lasers and their associated power systems are based on the ground, and only mirrors are placed in orbit. Rather than having 50 SBLs in orbit, 50 space-based mirrors (SBMs), essentially the 10 meter optics of the SBL, could be placed in orbit. These SBMs would direct the 38 MW (after traversing the atmosphere) laser beams provided by several ground-based lasers (GBLs) to the targets. Several ground-based lasers at appropriately scattered sites are required to get around the problem of having clouds obscure the uplink to the mirrors. To achieve the maximum possible firing rate, one unobscured ground-based laser must exist for each space-based mirror that is engaged in battle. While the atmosphere must be traversed twice in this arrangement and a system must be devised to coordinate the transfer of laser light between mirrors, the system has the favorable feature that the weight of the space-based components is considerably reduced to roughly equal the weight of two Hubble Space Telescopes. This combination ground- and space-based system would undoubtedly be much less expensive than a completely space-based system. For comparison, we will carry along both the SBL concept and the GBL/SBM concept in the analysis to follow.

Space-based target tracking and surveillance

We have yet to address the issue of a surveillance system to track the laser targets. The same space-based system envisioned for the ABM-style GPALS could be used, but a much better system would be available virtually free of charge with any laser system. The large mirrors which focus and direct the laser beam can be designed to double as telescopes when the laser is not firing. The resolution of these 10 meter telescopes would be about four times better than the resolution of the Hubble. Objects the size of a few centimeters could be seen from a range of 1,000 km. This would undoubtedly be a far better peacetime surveillance capability than the one currently being considered for GPALS, and probably also much better than the current U.S. spy satellite capability.

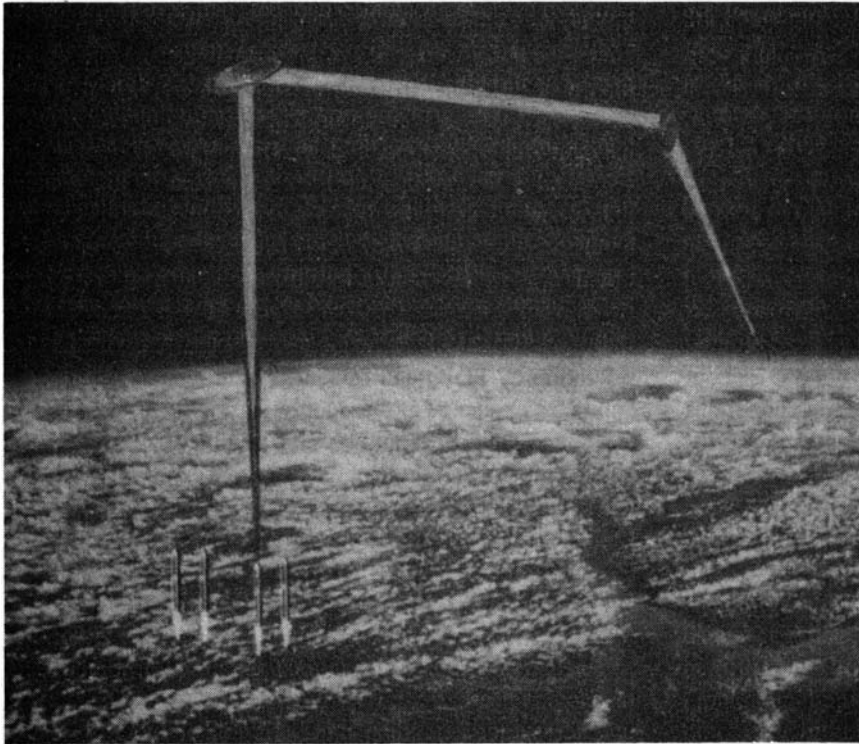
Whether the mirrors can be shared for target tracking and beam delivery during laser firing has been studied and is considered conceptually possible. One concept calls for rapid switching back and forth between the two tasks; another calls for performing the two tasks simultaneously by tracking the targets at a longer wavelength than the laser light so the laser light can be filtered out. If a shared tracker/laser optical system can be developed, additional surveillance satellites will not have to be deployed to support the laser system.

Consider now the cost exchange between a laser-style GPALS and SRBMs. As before, let us compute the "cost exchange at the margin" and the "cost exchange under combat," beginning with the former. Our two laser-style GPALS systems are designed to destroy about 228 Scuds launched nearly simultaneously from Iraq. If the threat is increased to 229 Scuds, how many additional laser components must be deployed and how much would this cost?

Consider our GBL/SBM laser system first: Recall that the power of each ground-based laser and the slew rate and mirror area of each space-based mirror is sized such that a single SBM can destroy 190 Scuds in 200 seconds. Since the constellation of 50 SBMs results in an average of 1.2 SBMs over Iraq at any instant, the total number of Scuds that can be destroyed is 1.2 times 190 or 228. To achieve its full firing rate, each space-based mirror involved in battle must be continuously linked to a ground-based laser, so at least 2 GBLs are involved in the 200-second battle. The total GBL firing time is 1.2 times 200 seconds or 240 seconds.

It should be clear that one of the techniques available for destroying more than 228 Scuds in 200 seconds is to increase the average number of space-based mirrors flying over Iraq. If 1.205 SBMs fly over Iraq instead of 1.200, the number of Scuds that can be destroyed is 1.205 times 190 or 229, rather than 228. Again, at least 2 ground-based lasers are active during the 200-second battle. The total required GBL firing time is 1.205 times 200 seconds or 241 seconds. Clearly, to kill one additional Scud requires no increase in the number of ground-based lasers, only an increase in the number of space-based mirrors, so that on average 1.205 SBMs fly over Iraq instead of 1.200 SBMs. Since 50 SBMs in polar orbits yield 1.200 SBMs over Iraq, it follows that 50.219 SBMs in polar orbits will yield 1.205 SBMs over Iraq. This is equivalent to adding roughly two-ninths of an SBM to the original 50 for each additional Scud to be destroyed, a 2:9 "weapon exchange at the margin." Obviously, adding a fraction of an SBM to the original constellation can not be done in practice, but this is theoretically what is required to kill one additional Scud. Adding two whole space-based mirrors to the original 50 results in the ability to kill 9 additional Scuds, which is perhaps a more practical interpretation of the 2:9 weapon exchange ratio.

A review of the calculations required to compute the weapon exchange at the margin shows that it is simply the product of the absentee ratio (the ratio of the total number of



Artist's conception of a ballistic missile defense, deploying a ground-based laser and two space-based mirrors, the first as a relay mirror and the second as the mission mirror, which strikes the ballistic target in the boost phase.

SBMs in orbit to the number involved in battle) and the kill ratio (the ratio of 1 SBM to the number of targets destroyed by 1 SBM). For our scenario, the absentee ratio is 50:1.2 and the SBM to Scud kill ratio is 1:190. Therefore the weapon exchange at the margin is $(50/1.2) \times (1/190)$ or roughly 2:9.

Our 2:9 weapon exchange ratio presumes the orbits of the SBMs added to the original constellation to offset an increase in the number of deployed Scuds are similar to the orbits comprising the original constellation. In other words, the weapon exchange ratio presumes the added space-based mirrors increase the SBM coverage uniformly, on average, over the entire globe. But suppose we do not wish, or need, to increase the coverage at the higher latitudes. Since the original constellation of 50 SBMs results in 10 SBMs in range of the North and South Poles at any instant, but only 1.2 SBMs in the range of Iraq (33° latitude), can we augment the SBM constellation in such a way as to only improve the coverage in the lower latitudes? If this is possible, fewer mirrors will have to be placed in orbit to counter additional deployments of Iraqi Scuds (i.e., the constellation has a smaller absentee ratio).

As it turns out, two orthogonal rings of space-based mirrors at 600 km altitude with 10 SBMs per ring, and the rings inclined to the Equator so the SBMs never travel farther north or south than roughly 40° latitude, results in an SBM over Iraq 80% of the time. Thus, since the 50-mirror global coverage constellation provides an average of 1.2 SBMs over Iraq and the 20 SBM lower-latitude coverage constellation provides an average of 0.8 SBMs over Iraq, the total combined coverage over Iraq

for these two constellations is 2 space-based mirrors.

If space-based mirrors are added to the original 50 in this way, the battle absentee ratio for the weapon exchange is 20/0.8 rather than 50/1.2, and the weapon exchange at the margin becomes $(20/0.8) \times (1/190)$ or roughly 2:15 rather than 2:9. Thus 60% fewer space-based mirrors are required to offset each additional Scud when the SBMs are deployed in lower latitude coverage orbits as compared to global coverage orbits. We shall use the 2 to 15 ratio for the calculations which follow.*

Now suppose our laser system consists of SBLs rather than GBLs and SBMs. Does anything change? The answer is no, because whether our laser system has lasers on the ground and only mirrors in space, or the entire system is space-based, we need only add 2 SBMs to our system to handle 15 additional Scuds, not 2 entire GBLs. In other words, just as is done for the ground-based laser/space-based mirror system, 15 additional SBL "shots" can be brought into the battle area simply by "turning on" existing SBLs not in use (e.g., those just out of range of Iraq) and directing their laser beams to the battle area, where the added SBMs can direct the laser beams to the Scuds. The two added SBMs

*Our earlier calculation for the number of additional Brilliant Pebbles that must be placed in orbit to offset an increase in the number of Scuds was also optimized for the coverage of Iraq, but not in such an explicit way as done here for the SBMs. For the BP calculation we considered a constellation optimized for coverage of the Soviet Union and shrank the Soviet Union to the size of Iraq. This technique yields the smallest theoretical BP absentee ratio over Iraq, or equivalently the maximum number of BPs that can be over Iraq, on average, for a fixed number of total BPs in orbit.

increase the average coverage of Iraq from 1.200 to 1.280 SBLs/SBMs, giving the system the ability to kill 15 additional Scuds. Thus, to compute the cost exchange at the margin for both laser systems—the SBL/SBM system and the GBL/SBM system—we need to compute the ratio only for the cost of 2 SBMs to the cost of 15 Scuds.

To now compute the cost exchange at the margin, we must estimate the cost of a single SBM.

Costing out the space-based mirrors

Today's cost of the 15-year-old technology Hubble Space Telescope, including its cost overruns due to delays, is about \$2 billion. Taking into account new technologies, economies of scale and mass production (recurring cost versus one-of-a-kind cost), the order of magnitude cost of a 10 meter space-based mirror unit can be reasonably set at \$1 billion, including the cost to put it into orbit. Using as before \$1 million for the cost of a Scud, the cost exchange at the margin between a laser-style GPALS and an Iraqi Scud force is simply the product of the weapon exchange at the margin (2:15) and the ratio of the cost of a SBM to that of a Scud (\$1 billion to \$1 million), or 133:1, in favor of the Scud force. (Recall that the space-based ABM to Scud cost exchange at the margin was 50:1 in favor of the Scud and the ground-based ABM to Scud cost exchange at the margin was a draw.) This result looks rather bleak for the laser system, but there are two factors still to be considered: 1) the payback to the economy a massive investment in laser technology will provide; and 2) the very amazing influence of the initial capabilities assumed for the laser system on the marginal cost exchange.

Let us address the second issue first.

Recall that we were very conservative in specifying the amount of laser energy that has to be deposited on a target to kill it. We assumed a value of 100 kJ per square centimeter, although recent research suggests only 5 kJ per square centimeter may be required for a pulsed laser such as a free electron laser. If this is the case, then the time required to kill 1 Scud is reduced by a factor of 20 and our laser system firing rate is increased by a factor of 20. Consequently, our laser system can destroy 20 times as many simultaneously launched Iraqi Scuds as we originally assumed. In other words, the laser to Scud kill ratio is now 1:3,800 rather than 1:190, meaning roughly 4,600 Scuds can be destroyed for 1.2 laser coverage over Iraq. We have reduced the time for the mirrors to re-aim by a factor of 10 for this calculation, since very little re-aiming is required with so many missiles coming from the same small area. For this laser system the weapon exchange at the margin, which is a product of the SBM absentee ratio and kill ratio is $(20/0.8) \times (1/3,800)$ or roughly 1:150; the earlier value was 2:15.

The cost exchange at the margin is now $(1/150) \times (\$1 \text{ billion}/\$1 \text{ million})$ or 20:3 in favor of the Scud, which is roughly *eight times better* than the cost exchange at the margin for the space-based ABM-style

GPALS, but still about 7 times worse than the 1:1 cost exchange at the margin for the ground-based ABM-style GPALS. However, it should be clear that by keeping the SBM absentee ratio and cost fixed (this implies keeping the design of the 10-meter mirror fixed and improving the kill ratio of the laser system in other ways—e.g., increasing the beam power or decreasing the wavelength), a laser system can be designed that *wins* the laser to Scud cost exchange at the margin outright.** The margin of victory depends on the final performance numbers selected for the laser system. For the highest performance, near-ultraviolet lasers under consideration by SDIO and reviewed by the APS, the laser to Scud cost exchange at the margin is roughly 1:4 in favor of the laser. Thus, the laser system is potentially more cost effective at the margin than the proposed ABM GPALS concepts, and also appears to offer the only chance of achieving the congressional GPALS to Scud cost exchange criteria. The laser system should, therefore, be the nation's concept of choice for any ballistic missile defense system.

A summary: laser versus antiballistic missile

To summarize at this point, we have demonstrated that both a ground-based ABM-style GPALS and a laser-style GPALS can achieve a roughly even current dollar cost exchange at the margin against Iraqi Scuds, although only the laser system GPALS has the potential for eventually winning the cost exchange. The proposed GPALS space-based ABM system has by far the worst cost exchange at the margin—roughly 50:1 in favor of the Scud. In addition, the proposed GPALS space-based ABM system can kill only 10 simultaneously launched Iraqi Scuds; the proposed GPALS ground-based ABM system can kill 300 to 500 Scuds if all the 1,000 ABMs are based in the Scud target area; our proposed GPALS laser system can kill over 4,500 simultaneously launched Iraqi Scuds.

The proposed GPALS ABM system cannot defend the U.S. against an all-out Soviet attack; our proposed GPALS laser system can do so with ease (the Soviets have a total of about 3,000 missiles of all types: intercontinental, intermediate-range, short-range, and submarine-launched ballistic missiles. The GPALS ABM system requires a surveillance support system, as does the GPALS laser system, but the GPALS laser system has a portion of this surveillance system provided for "free," as its mirrors can be used for the surveillance system telescopes. The resolving power of these mirrors is probably 5 to 10 times better than that proposed for the ABM surveillance support system.

**Increasing beam power or decreasing wavelength may require alterations in the mirror design. For example, higher beam powers require a smoother mirror surface. The percentage change in the cost of the mirror is expected to be much less than the percentage change in beam power or wavelength. For example, mirror cooling for power densities 100 times greater than that of our laser system have been demonstrated. Incorporating this cooling capacity in our mirror design would not substantially change its \$1 billion cost.

The ABM system adds very little new technology to the U.S. economy; the laser system adds high-energy free electron laser technology to the U.S. economy and mass-produced, large-scale optics. Together these technologies can fundamentally transform our nation's economy in areas as diverse as basic physics and astronomy, medicine, industrial processes, biology and chemistry—they all stand to gain in countless ways. In this sense, a laser-based ballistic missile defense system is cost free, as it can vastly improve the standard of living and quality of life in the years ahead. Developing an ABM-style ballistic missile defense that is based on old and current technology has the opposite effect—it only makes us poorer. If the payback of laser systems alone to the economy is factored into their cost exchange at the margin ratios, they outperform ABM systems by powers of 10; in fact, the cost exchange may not be just extremely small, it could be negative!

The fact that only the laser-style GPALS has the potential to win the congressional test of being cost effective at the margin (even taking no account of the economic payback factor) and the fact that it is so superior to the proposed ABM GPALS system in so many other ways demonstrate in the starkest possible terms the incompetence of the policymakers in Washington. Considering the laser system's cost exchange under combat confirms this even further.

Lasers cost exchange under combat

We said earlier that if a cost exchange criteria has to be used, the "cost exchange under combat" is the best to use since it measures to some degree the "defense in depth" of a nation relative to its adversaries. Essentially, the cost exchange under combat is the ratio of the cost to replace each side's expended firepower or "ammunition." The "ammunition" of a BMD may be an ABM or a pulse of energy converted to laser light; the "ammunition" of an offensive missile force is its missiles. Recall that the ABM-style GPALS versus the Iraqi Scud cost exchange under combat is roughly a draw (1:1). Is this also the case for a laser-style ballistic missile defense?

The cost exchange under combat for a laser-style BMD against a Scud force is simply the cost of one or two laser shots in order to kill a single Scud divided by the cost of a Scud. The energy in a single laser shot is roughly 5 kJ per square centimeter times the cross-sectional area of the beam at the target (a 22 cm diameter circle), or about 2 MJ. The efficiency of transforming prime electrical power to free electron laser beam power is conservatively estimated to be on the order of 10%, so 20 MJ of electrical input energy is required to kill one Scud. If the lasers are based on the ground, the electrical input energy can be supplied by commercial power plants. The cost of electricity in the U.S. is on the order of 3¢ per megajoule. Therefore, a ground-based laser-style BMD can kill a \$1 million Scud with a pulse of electrical energy costing about 60¢! In other words, the GBL-style GPALS versus

Iraqi Scud cost exchange under combat is on the order of 1:1 million in favor of the ground-based lasers. Even order of magnitude errors in our GBL system assumptions can not alter the clear message here.

If the lasers are based in space, the electrical input energy can be supplied by a space-based combustion turbine-generator system burning hydrogen and oxygen. Assuming conservatively a 20% heat-to-electricity conversion efficiency, 1 kg of fuel can supply 20 MJ of electrical energy, which is the electrical input energy required to kill one Scud. If the exhaust water of the combustion turbine is not recycled (collected and electrolyzed back to hydrogen and oxygen using solar energy), the cost to replenish 1 kg of fuel is dominated by the cost to lift it into orbit, which is roughly \$11,000. Thus a space-based laser-style ballistic missile defense can kill a \$1 million Scud with a pulse of electricity costing about \$10,000. The SBL-style GPALS versus the Iraqi Scud cost exchange under combat is therefore on the order of 1:100, again in favor of the laser system GPALS. If the battle scenario permits expended fuel to be replenished over an extended period of time, the combustion turbine exhaust water can be collected and electrolyzed back to hydrogen and oxygen using solar energy. The cost to replenish expended fuel is now essentially free, and the SBL-style GPALS versus the Iraqi Scud cost exchange under combat is now essentially zero, meaning Scuds can be killed free of charge! (This argument can also be made for the ground-based laser system.)

We have demonstrated that the cost exchange between a laser-style GPALS and Iraqi Scud force is either comparable to, or at least a million times better than, the cost exchange between an ABM-style GPALS and the Iraqi Scud force, depending on the definition of cost exchange that is used. The laser-style GPALS also offers greater future gains in the cost exchange as the requisite technologies evolve; ABM systems are already near the point of diminishing returns. It is also generally well known that the new technologies represented by high-energy lasers can totally transform the U.S. economy for the better, just as the internal combustion engine and electricity transformed previous U.S. economies. Given the clear superiority of lasers over antiballistic missiles for ballistic missile defense, we return to the question we implied at the outset of this analysis, "Why has President Bush adopted a BMD policy that advocates ABMs over systems based on new physical principles such as lasers, a total reversal of SDI's original intent?"

References

1. Cooper, H., "Briefing on the Strategic Defense Initiative," February 1991.
2. Stevens, C. B. and White, C., "Brilliant Pebbles Are Not That Smart," *EIR*, April 13, 1990, pp. 24-35.
3. "Report to the APS of the Study Group on Science and Technology of Directed Energy Weapons," *Reviews of Modern Physics*, Vol. 59, No. 3, Part II, July 1987.
4. Field, G. and Spergel, D., "Cost of Space-Based Laser Ballistic Missile Defense," *Science*, Volume 231, March 21, 1986, pp. 1387-1392.

Vatican summit charts independent course for peace

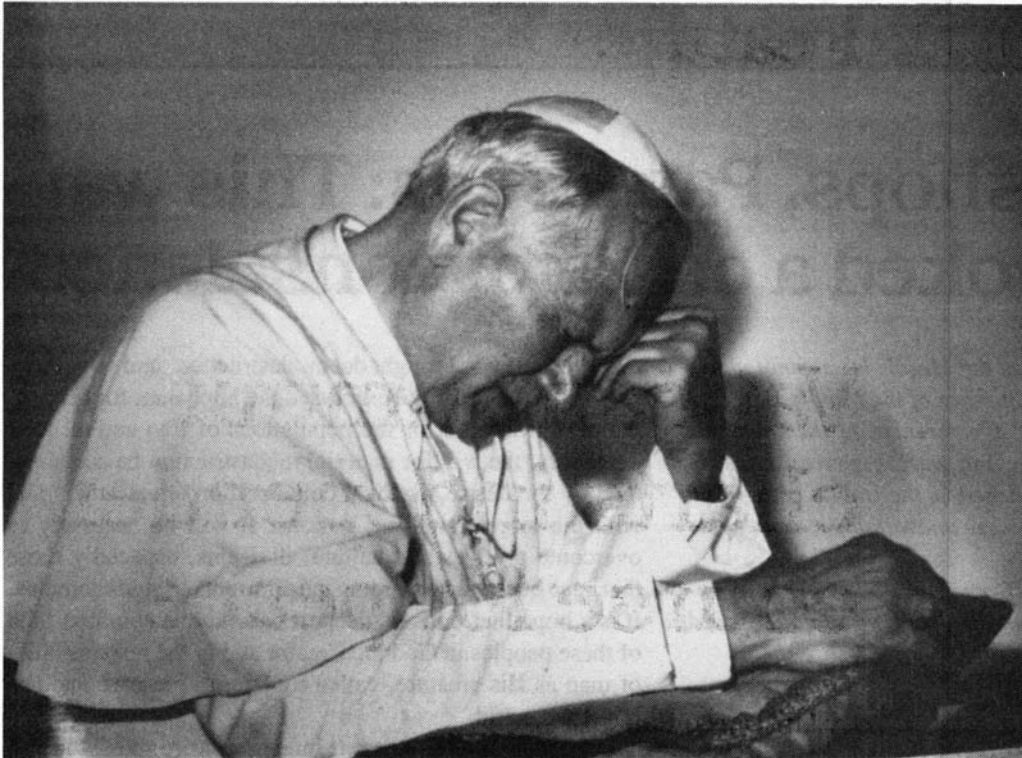
by Umberto Pascali

“We hope that the negotiations for a just peace do not involve humiliation for anybody, nor punitive aspects for some peoples.” This sentence, a pointed reference to post-war Iraq, is taken from a document issued by Patriarchs of the Catholic Churches of the Middle East and by the chairmen of the Bishops’ Conferences of the countries most directly involved in the Gulf War. The religious leaders issued the document on March 6 after two days, March 4 and 5, of deliberation in Rome at the Vatican, in direct, constant dialogue with the Pope.

It was the first time since Vatican Council II that the Catholic Church had put on the international stage the dramatic situation of the Eastern Christian communities. It marked the beginning of a mobilization and a way of “arousing the world’s conscience”—as an insider put it—after the unspeakable crimes committed in that war. The material danger was and is overwhelming, but even more disturbing is the prospect that normal people in the West accept as natural the glorification of violence as the basis for relations among nations—the principle that not justice, but “might makes right,” elevated by George Bush, Margaret Thatcher, and the present Israeli government to a principle of policy.

The document was a restatement of principles but also of concrete steps deriving from these principles. “We believe that the reestablishment of peace in the Middle East cannot take place except through the implementation of justice and by removing both the recent and remoter causes of the conflicts that trouble the region.” It mentions in particular four “causes of conflict.” First, “Lebanon must fully reacquire its unity, independence, and sovereignty.” Second, “the Palestinian people’s inalienable rights to a homeland and to freely decide about their future must be recognized.” Third, “the specific and sacred characteristics of the City of Jerusalem” must be taken into account in any international negotiation. Fourth, “development plans must be promoted” urgently in the region.

In his final speech, John Paul II expressed his desire to go “as a pilgrim” to Jerusalem. A few days later, representatives of the Pope went to Jerusalem to pray



Pope John Paul II during his visit to Colombia several years ago. His nearly 60 different diplomatic initiatives failed to stop the Gulf war, but now the Pontiff is actively promoting the basis for a just peace.

at the Holy Sepulchre and to place a candle there, a reminder of his yet unfulfilled desire to go to Jerusalem.

As a first visible step, on March 14, the Pope received a delegation of Jerusalem Palestinians, both of Christian and Islamic religions, who put forward a peace plan. The delegation was led by the young Palestinian theologian Dr. Gerjes Sa'ed Khoury, director of the Al-Liqa ("Encounter") ecumenical center in Jerusalem. The delegation included also the Patriarch of the Latins in Jerusalem, Patriarch Michel Sabbah, a personal representative of the Grand Mufti of Jerusalem, Sheikh Salahudin Al' Alam, Bishop Lufti Laham, patriarchal vicar of the Catholic Greek Melchites, Bishop Nahim Nassar, leader of the Lutherans in Jerusalem, and Ibrahim Shaaban, spokesman for the Pan-Islamic Conference.

For the first time, during the March 4-5 "summit" in the Vatican, the Pope received a personal message from the Pan-Islamic Conference thanking him for the position taken during the war and supporting his peace efforts.

The delegation was accompanied by leading representatives of the Europe Near East Center (ENEC), the ecumenical organization based in Bari, Italy which had made a major effort to make the meeting with the Pope possible. Among them were ENEC president Sen. Pietro Mezzapesa; the vice president of the European Parliament, Hon. Roberto Formigoni; ENEC director Father Nicola Bux; and the mayor of Molfetta, Hon. Enzo De Cosmo. The delegation led by Dr. Khoury, while underlining the necessity to guarantee security to Israel, is insistent that the Palestine Liberation Organiza-

tion is the political representative of the Palestinians.

The papal peace offensive is as far removed as one can imagine from the lawless insanity of the present Anglo-American leadership. It is thus not astonishing that the Anglo-American ruling elites are threatening the Pope. In the March 9 issue of the *Financial Times*, the mouthpiece for the London banks, John Paul II was singled out for a scurrilous attack.

Anxious that the announced new social encyclical celebrating the centenary of Pope Leo XIII's *Rerum novarum*, might be a frontal attack on "free enterprise," the *Financial Times* states: "The Vatican is nervous about acquiring political labels, but John Paul II has long been one of Europe's leading socialists. Indeed the pinkish label which the Church's social teachings have acquired over the past century, with their emphasis on the responsibility of governments to guarantee human dignity and social justice, has been given a deeper hue by the two social doctrine encyclicals of this papacy, *Laborem exercens* of 1981 and *Sollicitudo rei socialis* of 1987. . . ."

"Though it [*Sollicitudo*] sets out to be an even-handed condemnation of the impact on the Third World of 'imperialism' and 'neo-colonialism' practiced by East and West . . . the impression the Pope gives is that he can find little more to praise in liberal capitalism than in Marxist communism."

The article concludes with the ominous comment that "John Paul II is unlikely to be too concerned if in preaching a Gospel based on still more overtly socialist values, he upsets Western governments of a more conservative stripe."

Pope, Bishops, Patriarchs: This war has provoked a crisis of conscience

The following documents from the March 4-5 summit of the Patriarchs of the Catholic Churches of the Middle East and the chairmen of the Bishops' Conferences of the countries most directly involved in the Gulf war, were translated by EIR staff from versions published in the Italian press. The official Vatican English texts were unavailable to us at press deadline.

We present first excerpts from Pope John Paul II's concluding intervention; and then the final communiqué signed by the participants.

Excerpts from Pope's final speech

Dear brothers, your presence here this morning is like the continuation of the meeting that took place the day before yesterday, which had been called by me in order to exchange information for a mutual evaluation of the consequences of the conflict on the populations of the Middle East region. . . . This idea was primarily fostered by the strongest desire to jointly discover what initiatives would be capable of overcoming these negative consequences and favoring a long-lasting peace, based on justice and understanding.

Our meeting has been, first of all, a profound experience of ecclesiastical communion, favored by the common sensitivities and responsibilities deriving from the ministry granted to us by Christ. . . . This unity among pastors of particular churches that witness the Gospel inside societies with such different characteristics in the East and in the West, should be a starting point, for you who have experienced it, an indication for the believers entrusted to your pastoral care, and a symbol of a real and early reconciliation among those peoples whom the recent war saw opposed to one another and whom the persisting problems of the Middle East continue to set against one other.

You have described many situations of suffering and dangers caused by the ongoing tensions and the lack of understanding which could increase if there is not a rapid commitment of everybody to seek dialogue and mutual trust. All this brought sadness and worry into our heart and increased the conviction that without real justice one cannot have peace, and that justice cannot be adequately achieved except through peaceful means.

The Gulf war brought death, destruction, and huge environmental damage: We expressed the hope that, for the people of Kuwait and for the populations of Iraq and all their neighbors, the will for material reconstruction be accompanied by the desire for loyal collaboration among them and with the larger family of nations. It will be necessary to overcome grudges and cultural divisions, especially those that have been created among the different religious domains. It is a hope that finds its deepest basis in the common faith of these peoples in God the Creator and in the responsibility of man as His creature, called by Him to preserve and improve the world.

Our hope and our concrete intentions were addressed also to the serious situations prevailing in other parts of the world. We have spoken about the Holy Land, where between two nations, the Palestinian and the State of Israel, an antagonism continues to exist that increases tensions and anxieties and which up to now has seemed irreducible. The injustice to which Palestinian people are being made victims demands a commitment by everybody and in particular by national leaders and the world community. Only through the intense search for an immediate inception of a solution, can that people finally be recognized in its dignity and also be a guarantor of everybody's security.

The reference to the land where Christ was born brought our thoughts to the city where He preached, died, and rose again: Jerusalem, with its holy places, dear also to the Jews and Muslims, and with its communities chosen to be a crossroads of peace, cannot continue to be a motive of discord and dissent. I fervently hope that one day, circumstances will allow me to go as pilgrim to that unique city in the world, and from there to relaunch, together with Christian, Jewish, and Muslim believers, that message and plea for peace already directed to the whole human family on Oct. 27, 1986 in Assisi.

Our thoughts went then to beloved and sorely tried Lebanon, where another situation of injustice has weighed for more than 15 years on an entire people. There, too, an international order is upset and a sovereign country deprived of its complete independence. The whole world cannot ignore so much suffering and above all risk losing such a rich experience of dialogue and collaboration among different religions and cultures.

In that region, other countries and other peoples have been living for years in a situation of tension because of unresolved or maybe forgotten situations like that which exists in Cyprus and that connected to the beleaguered Kurdish people. . . .

What can the Catholic communities of the East and the West do? The Christians of the East are called to witness their faith in societies where they are a minority: It is their aspiration to do this with courage, feeling that they are fully builders and participants of the societies they belong to. This implies first of all a genuine dialogue with their Jewish and Muslim brothers and a genuine religious freedom on the base of reciprocal respect.

In this sense, already on Jan. 1 of this year I dedicated the celebration of the Day of Peace to the theme: "If you want peace, respect the conscience of every man."

Your communities cannot shrink from a profound and concrete commitment of sincere solidarity toward those who find themselves poorer and needier because of the war and the sad circumstances which have struck their lands. I am sure that the Catholics of the whole world, with your help and your determination, will be able to hear these requests for help and to thus genuinely witness their adherence to the teachings of Christ.

It will be the commitment of this Apostolic See first of all to evaluate and to welcome the suggestions received during this meeting and, in the limits of its jurisdiction, to continue diplomatic contacts and to solicit from the political bodies and from the international organizations a renewed commitment to peace.

Final Communiqué

We Patriarchs and Bishops who have participated in the meeting on the crisis of the Gulf and the Middle East called by His Holiness Pope John Paul II, in spiritual communion with him, want first of all, after this tragic experience of war, to express our solidarity with all the people of the region and to bow before all the victims of the conflict, to pray for them and their families.

Having reached the conclusion of this meeting, we feel the duty to express to the Pontiff deep gratitude for this gesture of pastoral solicitude. We do this on our own behalf, on behalf of the communities entrusted to us, and of the Bishops' Conferences we represent. . . . As the Holy Father declared since the first day of the conflict, we unanimously believe that the resort to the force of weapons signals "a defeat for humanity," a setback for the international community, and an assault on the most cherished values of all religions. "Never again war," Pope Paul VI had declared at the U.N.O. in 1965!

This war . . . has deeply marked the heart of the peoples, and provoked everywhere a crisis of conscience even if it

saw the mobilization in our cities and in our churches, both in East and in the West, of a great number of men and women and in particular of young people, in favor of peace and justice. The prayer and imploring to God went on incessantly in our churches and among our populations.

Opening this meeting, the Holy Father wanted, among the other things, to stress that for the Christians of the East, "this is the time of conversion and authenticity" in order to offer "their testimony and their contribution to a more fraternal society."

We, Patriarchs and Bishops, welcome this appeal as directed to the whole Church and assure that will be our deepest commitment:

- To confirm the faithful of our Churches in the Faith, Hope, and Charity, supporting all the Christians of the Middle East that they not consider themselves alien in that part of the world.

- To assure our Jewish and Muslim brothers that we desire to maintain with them a genuine, profound, and constant dialogue based on our faith in the only God and on our common concern for the values of justice and advancement of mankind, and which allows any religious community an authentic religious freedom on the basis of mutual respect and reciprocity.

- To reject any religious motivation and interpretation that could have been attributed to the Gulf war, in which it is not to be seen either a conflict between East and the West, nor much less a conflict between Islam and Christianity. As the Holy Father told us, "a 'holy war' cannot exist because the values of worship and brotherhood, deriving from faith in God, lead to meeting and dialogue."

We trust that His Holiness will continue his action of persuasion toward national leaders and the international organizations so that the Middle East may not lack justice and that it be pursued by peaceful means.

We hope that negotiations for a just peace involve neither humiliation for anybody, nor punitive aspects for some peoples.

We believe that the reestablishment of peace in the Middle East cannot happen except through the implementation of justice and by removing both the recent and the remote causes of the conflicts that trouble the region. We know how persistently the Pope has sought to keep alive the causes of the Palestinian and Lebanese peoples. Lebanon must fully re-acquire its unity, independence, and sovereignty. The Palestinian people must have their inalienable rights to a homeland and to freely decide their future recognized, just as the Israeli people must be able to live within secure borders in harmony with their neighbors.

We want also to attest to our concern and the concern of our faithful that, in the sought-after international political initiatives on the problems of the Middle East, it is feared that the specific and sacred characteristic of the City of Jerusalem may not be taken into due consideration: the specialness of the

religious communities that live there, the sacred places dear to millions of Jewish, Christian, and Muslim believers.

For our part we want to affirm that we will continue to do everything possible in our communities and in our societies so that no people and no country of the region may be excluded from the true road toward justice and peace or be injured in some way in its fundamental rights.

Moreover, solidarity in sharing spiritual and material wealth will be the sign and proof of our commitment to make sure that—as His Holiness has said—“poverty and the lack of prospects for the future” do not prevail and that, with the help of everybody, the populations of the Middle East, who have most suffered, shall be finally placed in conditions to offer their contribution to the pacification of the region and thus to the world.

We trust that there will be a more just redistribution of the natural wealth of the region and that development plans shall be promoted to support the less favored populations. All this will be made easier by a strict regulation of the arms traffic and by a controlled and substantial disarmament, binding all sides.

The exchange of ideas of these last two days confirmed to us that Christians—as well as our brothers of other religions—have a word to say and a role to play so that a world of brotherhood may not just be a dream. We, as believers, are convinced that with faith in God and confidence in man, His creature, the world can change its face.

For this hope of collegiality and of participation, this meeting between East and West is a prophetic sign of reconciliation.

In profound communion with the Holy Father we entrust these intentions of ours to the mercy of God and to the intercession of the Queen of Peace.

Interview: Patriarch Nashrallah Sfeir

Lebanon not at war, but also not at peace

Fiorella Operto interviewed Nashrallah Sfeir in Rome. He is Patriarch of the Maronite Christian Church, in Lebanon.

EIR: You took part in the Middle East conference recently here in Rome. Can you comment on it?

Sfeir: It was a good initiative, and promising for the future. The first result was to dissipate the climate of tension which had been created between Islam and Christianity, because there have been people who wanted the Muslims to think this was a new crusade by the Christians against Islam. That is

not true at all. It is not a religious war. The war has as a cause Iraq's aggression against Kuwait, but there were also other causes, and other interests [involved]. Allow me to say that if the resolutions which were decided on for Lebanon and Palestine by the United Nations Security Council had been enforced, I think Iraq would not have attacked Kuwait. But since those resolutions were not enforced, it is possible that Saddam thought no U.N. resolution would ever be enforced.

That is why this conference is important and will allow us to intensify the dialogue among believers of different religions, especially the monotheistic ones, Judaism, Christianity, and Islam. All three believe in one God, the Creator, and if we all believe in one sole God whom we call Father, we must treat each other as brothers. This is the direction in which the world has to go.

EIR: What future initiatives are there?

Sfeir: We must encourage believers to establish a dialogue with their fellow citizens, whether they be Jews or Muslims. Some projects can be launched, or humanitarian aid organized to alleviate the sufferings of populations. There could be social projects to benefit all the citizenry. We could promote the birth of cultural institutions, intellectual institutions, so that Christians can understand Islam and vice versa, and both could understand Judaism, and vice versa. We have to come up with initiatives which bring people closer. . . .

Today in Lebanon there is no more war. But you cannot say there is calm. The political situation is not good, nor the social situation. The factories have been wrecked, unemployment is very high, and the Lebanese pound is totally devalued. The people are suffering poverty. Minimum wages are \$75 a month, and it is impossible to live on that. There are huge problems in the health sector. Just to get into a hospital you have to pay 3 or 4 million Lebanese pounds, and if it is for a complicated operation, you need 12 million pounds. In education, the situation is very, very difficult.

Politically . . . well. We have a President, a government, a parliament. But quite a few of the parliamentarians are dead and there are thoughts of appointing others. But to appoint parliamentarians is undemocratic, and it is being contested.

There are still troops of non-Lebanese armies on Lebanese territory. It is necessary, in order for Lebanon to be completely autonomous and independent, for the non-Lebanese troops to leave the country, which has not yet happened. That is why you cannot say the situation is resolved; it is not resolved. A lot of efforts will be needed to arrive at the peace which is desired and for people to be able to live a normal life.

I asked for the non-Lebanese troops to leave the country, and for the U.N. resolutions to be respected. The Palestinian cause, too, is a just cause. We cannot allow a whole people to remain for 30, 40 years with no homeland. Many Palestinians have lived most of their lives waiting. We cannot be surprised if they explode. They have to be given a homeland, and until that is done, we cannot speak of peace in the Middle East.

U.S. and Europe used double moral standard against Iraq

Fiorella Operto met His Beatitude the Patriarch of the Chaldeans, Raphael Bidawid of Iraq, in Rome on March 10. Bidawid was just back from a trip to Germany, where he participated in a seminar organized by the Evangelical Church. The following is an exclusive interview to EIR.

Bidawid: In Germany, I was asked about the latest news. We do not have direct news, first-hand news, only reports from some Iraqis who left the country via Amman, via Teheran, who told us about the situation in Iraq. It is a real hecatombe, a catastrophe. One hundred and twenty thousand air sorties with such ferocity, such hatred. What could have provoked this? Without even talking about material damages, let's talk about the victims, about the children, women, old people, the defenseless persons. Where could they find refuge? We do not have real shelters: There were only about 40 fallout shelters of the kind we saw bombed, but the bombs penetrated even there through the air ducts, and who knows how many died. The fact that they bombed those shelters means that the Military Command in Riyadh intended exactly to kill defenseless civilians. They lie when they say that they saw military installations by satellite, and anti-aircraft weapons under the shelters. And even if it were so, to kill all those people for an anti-aircraft weapon!

I told the public in Germany, let's make a very simple calculation. In some 120,000 air sorties, let's say there was one person killed per mission. That's already 120,000 civilian victims, just as a minimal estimate. The real numbers will never be known. War bulletins are always manipulated, either too much or too little, by one side in order not to demoralize the targeted population and, by the other, in order to terrorize it.

From this calculation I presume that there are 150-200,000 civilians dead. Among the military the official figure is 160,000 dead, but for sure there were many more. So let's calculate half a million dead.

I say: Was it worth it, in order to free Kuwait, to kill half a million human beings? Among this half million there were engineers, teachers, medical doctors, treated like ants to squash. There is no proportion between the aim, and the means used. Yes, the U.N. authorized the freeing of Kuwait, but not to raze Iraq to the ground. Do you want to free Kuwait? Good, free it, but do not come to destroy, intention-

ally, the civilization of Iraq, because a people without a civilization is not a people any more. Then one must draw the conclusion that the aim was to deprive the Iraqi people of its civilization, of its culture. They destroyed the infrastructure of the country. Intentionally. They destroyed all the archeological sites, Ur, Babylon, Nineveh. They destroyed the oldest Christian convent, of the fourth century, our Monte Cassino, the fulcrum of monasticism—bombed. Was this also a military target? The churches destroyed: Were they also a "military target"? One of the oldest churches of Iraq, in Mosul, was bombed. They bombed in Baghdad the sanctuary of the Armenians, of the sixteenth century, a sanctuary that even the Muslims visited. A "military target"? They bombed the Cathedral of the Latins, of the Chaldeans, of the Irish. Why? Not to speak about the mosques that have been destroyed, hundreds of them. The churches, the mosques, are located in residential areas. Around the churches, the villages and the cities were created. They bombed these residential areas systematically. I ask myself with what conscience these gentlemen did it, if they still have a conscience.

Some told me, why don't you speak about Kuwait? I say: Listen, in order to right an injustice, have we committed a bigger injustice? Have you killed half a million Iraqis and destroyed a civilization to free 250,000 Kuwaitis? And so I ask myself: Was your goal really the liberation of Kuwait? The Americans themselves said it clearly. First they said they wanted to "defend Saudi Arabia"; then they said they had come to "free Kuwait"; then they said "no we came to destroy Saddam's war machine," and further on: "We came to liquidate the dictator Saddam," and so on. One must not hide behind one's finger, but call a spade a spade. Saddam said it to Kenneth Kaunda of Kenya, the last head of state to visit Iraq before the war. Kaunda said that Saddam had told him that even if he had withdrawn from Kuwait, the United States would have attacked anyway. Many knew it, it was no secret. Five hundred thousand troops, and the most advanced technologies, "to defend Saudi Arabia"? Not even during World War II were so many targets hit, nor were as many missiles and bombs used as were used in the Gulf war.

And with such ferocity, such incredible hate. The problem of Kuwait would have been easily solved by negotiations. There were other means. Saddam Hussein said many times that he was ready to negotiate, but he said that all the

In the United States they were telling me that Saddam Hussein was the new Hitler. Do you know how I responded? I said that exactly here in the United States there is a politician, Lyndon LaRouche, jailed by George Bush, who says that Bush is the new Hitler!

problems of the region had to be dealt with at the same time: Palestinians, Lebanon, Cyprus. And the Golan Heights: Not only was it occupied by Israel, it was even annexed. The government of the United States accuses Saddam of having annexed Kuwait. But what about the Golan Heights? It was annexed with a vote of the Israeli Parliament! But nobody speaks anymore about it. By what law?

They speak about "international law" but is there one "law" for them and another "law" for us? Are there two weights and two measures? Or is Israel the son of the lady and we are the sons of the servant? In these months, more than a million Russians are arriving in Palestine. They will become naturalized Israelis, and the citizens of Palestine will be expelled. By what law? And the United Nations does this? What an irony! The United Nations was created to ensure peace; and it gave the authorization to kill human beings. It is incredible.

I said it to [U.N. Secretary General Javier] Pérez de Cuellar, whom I met at the U.N.O. last Wednesday [March 4] together with the Vatican Observer at the U.N., Msgr. Renato Martino. We spoke for 40 minutes. Pérez de Cuellar listened to me with attention and respect. I told him openly: You should be the ones who protect the world from wars, and you came to make a war? I asked him: Did these gentlemen of the coalition really follow the mandates of the U.N. as they were meant or not? Pérez de Cuellar listened without saying anything. The United Nations is finished. The United States holds hegemony over the world.

EIR: How was your visit to the United States?

Bidawid: It went well. In Europe as well as in the United States, I met the presidents of the Bishops' Conferences, the religious leaders of the other Christian communities, and the World Council of Churches. In the United States I met the National Council of Churches and the Catholics. But, as a general observation, I must say that I was shocked by the fact that even the clergy do not have a real idea of the situation, that they do not know more than what they see, hear, and read. And that's it. It is a "monovision," only one voice, and only one image everywhere. And everybody repeats what the TV said and nothing else. They were surprised when I explained the situation and they told me: We never heard these things! And I said: Before making a decision, you must know, and think about your Christian brothers in those

countries. You must ask, you must be informed. An important bishop of a U.S. city, maybe the only one who spoke clearly, with much courage, came to Jordan and Iraq, saw the situation with his own eyes, and said what he had to say with conscience. Of course many did not like what he had to say. I was impressed by his courage also because not even his archbishop dared to speak up.

Do you know what one of these U.S. archbishops told me? Aren't you scared to speak up? "Why should I be?" I said. "Am I saying something wrong? I am telling the truth as it is. I am not here to defend the person of Saddam, nor his regime, nothing of the kind. I am not a politician. I am here to speak the truth to you, about the situation as it is. Whoever our President may be, we respect him, obviously according to our conscience. If I were ordered to do things against my conscience, I wouldn't do it and I would protest."

The archbishop told me: "If I spoke like you I would be scared even to leave my house." To which I responded: "I congratulate your excellency for the courage you have shown."

In the United States they were telling me that Saddam Hussein was the new Hitler. Do you know how I responded? I said that exactly here in the United States there is a politician, Lyndon LaRouche, jailed by George Bush, who says that Bush is the new Hitler!

In Europe and in the United States the fear of Israel has penetrated to the bones! But why? Many criticize me because I speak like this. I respond that I must speak like this, I must speak the truth because if everybody behaved like you, we would lose the rights of our faithful. I must defend the life of my faithful! The way to defend them is not by submitting to the interests of the United States and Israel. We do not have enemies—everybody is a brother, Arabs, Jews, Christians, Muslims, are all our brothers. And we defend the existence of Israel. We assert that Israel has the right to exist, but not at the expense of another people.

Only Israel must exist? Why? And the Palestinian people, all wandering, without a homeland, without houses, without land! People used to talk about the "wandering Jew," but today the situation is reversed. Justice must be done for every people, but I say justice is indivisible. Justice must be applied without discrimination. Is there one "justice" for Israel and one for the Palestinians? If the Israelis want to live in peace, they must give justice to the Palestinians. Without justice

there will be no peace. Not now, but in ten or a hundred years, the Arabs will avenge themselves. Woe to that moment! I do not know how much the U.S. will be able to protect Israel then. Time is not on the side of Israel or the United States.

From what I saw, the United States does not promise anything good. I am thinking of the Roman Empire, how it collapsed, and it will be worse for the United States. While I was there, I happened to watch American television and I saw that in San Francisco they were holding a congress of these "gays," and they were holding weddings before the TV cameras, of men with men, and women with women. And two men kissed each other on camera. I asked myself: How long can this nation last? The Lord will punish this people, exactly like Sodom and Gomorrah.

How can such a people survive? They commit these immoralities in the name of freedom. But what liberty is this? There are no more values. Not even the pagans went that far. And I see the disintegration of what has been the great nation of the United States, which cannot last much longer. They shouldn't delude themselves, with their victories against the innocent and helpless.

Also in Europe I see so much immorality. If the Europeans had to undergo the persecutions that we Christians of the Orient underwent for so many centuries, there wouldn't be a Christian left here. But there are still 15 million Christians in the Middle East. I saw so much irresponsibility in Europe. Europe should help the Christians to survive in the Middle East, because to defend the Christians means to defend themselves. Do you know that Christians are escaping from the Middle East, from Jerusalem, from Turkey? Every week four or five Christian families arrive in France from Turkey.

Just as an example: Coming back from Germany, I found on the plane, a daily called *Il Giornale Nuovo*, and I saw my picture and a long article against me, titled "Saddam like Che Guevara." The journalist had isolated some of my sentences and reported them out of context. Really an example of morality!

EIR: How do you judge the conference that just ended in the Vatican, in the presence of the Pope, the Middle East Patriarchs, and the presidents of the Bishops' Conferences of the nations in war?

Bidawid: It was very good, very well prepared. We discussed the Middle East situation after the war and the perspectives. After the introduction by the Holy Father, Monsignor Tauran of the Secretariat of State expounded the Christian doctrine of peace. Then I spoke on "The Christian churches of the Middle East in the face of the Gulf war." After me Monsignor Sabbah, the Latin Patriarch in Jerusalem, dealt with the same subject. The next day we discussed what possible consequences this war may have on relations among the various monotheistic religions. The Maronite Patriarch Sfeir spoke, and after him Monsignor Teissier, the president of the Bishops' Conference of Western Africa and Archbishop of Algiers. Everybody spoke. At the end we discussed the final communiqué, which

you probably read in *Osservatore Romano*, a beautiful document. We Patriarchs drew up a draft, the presidents of the Western Bishops' Conferences drew up another one, and then we formed a committee of Cardinals and Patriarchs who prepared the final draft, which we discussed again with the Holy Father. We made many changes and then we agreed on the final version, which I like very much. It is very courageous, and clarified several issues. Then the Pope asked that we all participate in a general audience where he gave the closing speech. We gathered around the Pope to show to the world that the Church shared the same ideas, that the whole Church follows the line of the Pope.

The Holy Father is very disappointed because, in spite of all his efforts, they went ahead with the war. More than 55 times he spoke against the war, in favor of peace. His was "a voice crying out in the wilderness," because what the United States had decided was an order.

I saw that in Europe many are very critical toward the U.S. government, but they do not speak openly. In Germany many seemed fed up with the United States and they were happy that I criticized what had happened. But the Europeans are politically unable to react. And France, how could France do it? It has been the European nation which was most pitiless against us.

There is a verse of the Psalmist which says, "Whatever the Lord wants he does"; we could paraphrase this to say that today, "Everything that Bush wants, is done." And after this victory, who will stop him? The U.S. government is crowing over this victory. But what victory is it? They ought to be ashamed. To massacre a small country! They should be ashamed, the United States and their allies, even the Europeans. Even you Italians. These gentlemen speak of the Geneva Convention. But what did *they* do? They slaughtered retreating troops. And even the Arabs should be ashamed. If the Arabs had shown solidarity to Iraq, there would have been no war. The Arab nation is finished. It no longer exists, for the next century. The Arabs who allied with the Bush government are sellouts. Bush bought them with money.

I see a very dark future for the Middle East. With this U.S. hegemony, I don't see how we can have peace. Perhaps not this year, but perhaps within two or three years, another war will break out, because the Palestinians will not surrender. Will Arafat go away? Another will come, but the people will not die. Peace is built on justice, and respect for human dignity.

EIR: What are your next steps?

Bidawid: Right now I am gathering as much aid as I can for my people, because as you know, "first you live, then you philosophize," medicines, milk, rice. We thank whoever wants to help us, through Caritas Internationalis which is channeling aid through Caritas in Jordan, and from there to Iraq. I will try to do everything I can here in Europe, because once I get back to Iraq, I will not be able to leave again.

The Gulf war and the Christian Arabs

by Dr. Gerjes S. Khoury

Dr. Khoury is director of the Al-Liqa ("Encounter") Inter-religious Center in Jerusalem.

Many world leaders in East and West, have exploited and misused religion and tried to inject God as an integral part of the Gulf crisis. Each side tried to say that God is standing on their side in fighting the enemy. At the same time we saw that many world leaders who took part in the war were praying and asking divine help to win, instead of working and praying for dialogue, justice, and peace. Of course they prayed for their thrones and for the success of their sophisticated weapons as well as the annihilation of their enemies. Only at the end did they pray for their soldiers. From a Christian point of view, these prayers are no different from the hypocritical Pharisees' prayers about which Jesus had a clear position.

Our God, in Whom we believe, is the God of all, for He created all of us in His image. He is a Father for all of us and not only for self-serving leaders. God is with those who are with him. And whoever is with God cannot liquidate his fellow men who are in the image of God. For if someone shoots a human being it means he is shooting God and his conscience.

So consequently, all those who wanted God to be on their side and all those who misused religion in this war and thought that God was with them, were unrealistic and wrong. God is with those who are praying for more dialogue, justice, peace.

Today, after the war, many of our friends in the West are asking us: How could this Gulf war affect the Arab Christians? Such a question is legitimate and of course they are asking it because they are worried and confused. This because Iraq declared a Holy War (*jihaad*) against its enemies and spoke about a new crusade because they saw Mr. Bush and Queen Elizabeth praying for the annihilation of the Iraqi soldiers.

The truth is that religion does not have anything to do with this war and never was a reason: not during the Crusades or before or after. Religion is a source for love, for justice, and peace. Colonialism and imperialism were always reasons for enmity, invasion, and oppression. The Gulf war was, for

us, a colonialist and imperialist one which we Christians in the Middle East were against.

Since the beginning of the crisis, many Eastern Church leaders warned about the dangers of the war and how it could negatively affect the Christian presence in the Middle East. Such a position was understood by some Western Church leaders and organizations but many didn't hear us or understand that.

But once again, the Eastern Church tried to overcome the crisis, especially in Iraq, Jordan, and in the Holy Land, by having a clear position which can be summarized as follows:

1) Yes to more dialogue and encounter and yes to the international law and to the application of all United Nations resolutions regarding the Middle East.

2) No to the Western presence in the Gulf and no to the imperialist war and to negative Western interfering in the Arab world.

This position of the Eastern Church is not a new one. It's historical and we can find a real identification of the Arab

Message of Pan-Islamic Conference to the Pope

"The Muslim people and states are available to consolidate the dialogue with Christians," reads a message sent from Jeddah to Vatican City by the general secretary of the Organization of the Islamic Conference, Hamid Algarid, on March 7. Algarid's letter wishes "full success" to the "historic meeting," and stresses "great attention" with which the Islamic world has looked at the repeated appeals of the Pope in favor of "a peace in the Middle East, based on law, justice, and equality."

The letter also says that it is necessary to consolidate the Islamic-Christian dialogue, which "represents a determining factor for peace and progress of humanity, particularly in those regions where Muslims and Christians have lived close to each other for centuries and share the same dangers and hopes. Christians and Muslims still today fear the tragedies which have caused generations of martyrs, in particular in the Middle East, and hope that all this does not continue, and that the peoples of this region, so dear to our believers' hearts, do not continue to be subjected to injustices and to inequalities." Algarid in particular mentioned the Palestinian people, victims of a "grave injustice which has lasted too long."

Eastern Church with the Arab Muslims. This is because the Eastern Christians were persecuted by Western Christians on many occasions: during the Byzantine period, during the Crusades, during this century and up to the present. More than that, the Eastern Church paid a very high price because it was used as a cover for the protection of Western interests in the Middle East, in general, and in the Holy Land in particular.

For example: The West, instead of using the spiritual wealth of the Eastern Churches, used their financial weakness and sent missionaries formally to help, but in reality to divide the Christian community. Another sad example is the agreement between Western countries and the Turks in which they divided the holy places between the different denominations, and, as a result the churches in the Holy Land (The Holy Sepulchre or the Nativity) had to be shared among many denominations. The result is struggle, disunity and confusion. . . . Such sad agreement which is known by the name of "status quo" was concluded by the Turks in order to please some European countries and protect their interests in the Holy Land.

In our recent history and in these days while some of you in the West are worrying about the future of the Arab Christians in Islamic countries, we see that your governments are directly encouraging Islamic fundamentalism. I think so because Western countries are financing some Islamic movements in their attempt to create divisions, disorder, and instability in the Arab countries, and such a situation is in favor of Western interests.

On the other hand, because the West is ignoring the rights of one people and doesn't work on just political solutions but supports the oppressors in their oppression, this policy makes people become fundamentalist and fanatical.

After this war in which Iraq, the Arab country that believed in the "Arab national thought," lost the war, there is the risk that fundamentalism will attract more people as a political alternative. Personally, I hope that this will not happen and if Iraq lost the battle this doesn't mean a failure for "Arab national thought."

However, even under Islam we don't feel in danger. They protected us through the centuries while the Western Christians persecuted us. The Eastern Church was able to live under Islam and will continue to do so since it is a Christian and Islamic church. It's Christian because of its creed and doctrines, and it is Muslim because of its culture, language, history, spirituality, and life. This church is an inseparable part of the Islamic Arab world and only our Arab identity and our Arab national aspirations and the Arab Islamic world can protect us Christians in the Middle East. This doesn't exclude dialogue, encounter, and collaboration with the West as long as we do not compromise our future for Western interests. Dialogue can resume if the West respects our dignity and freedom. We are ready to share but not to serve.

Interviews: Palestinian leaders

Muslim or Christian, Palestinians are one

Before their meeting with the Pope on March 14, some of the leading members of the Palestinian delegation from Jerusalem discussed their visit to the Vatican with Umberto Pascali.

Geries Khoury

Director of Al-Liqa center and leader of the delegation to the Pope. He reported on March 12; "Just yesterday, a personal representative of the Pope came to Jerusalem and lit a candle at the Holy Sepulchre on behalf of the Pope, to symbolize the lights of peace."

EIR: What can you tell us about your meeting in the Vatican?

Khoury: I can tell you a few points we will touch on, both in the document we will deliver to the Pope and in public conferences afterward. First, I want to restate our respect for international legitimacy with the hope that the United Nations may serve the whole world and not only the powerful. Second, we demand the enforcement of all the resolutions of the U.N. concerning the Middle East and in particular Palestine.

We request that Israel recognize Resolutions 242 and 338. We ask the international community, all the peoples and their leaders to save justice and to make every effort to apply this international legitimacy to Palestine and to recognize the right of the Palestinians to decide their own future and to create a democratic and free state on the Palestinian land occupied by Israel in 1967, and to recognize the PLO as the sole and legitimate representative of the Palestinian people.

We reiterate the unity of the Palestinian people, Christians and Muslims, and stress again that the aim of the Palestinian fight is only the freedom of this people and not the oppression of any other people.

Bishop Lufti Laham

The Greek Catholic Melchite Patriarchal Vicar of Jerusalem, and chairman of the Board of Trustees of the Al-Liqa Center.

Laham: Before the explosion of the war the Holy Father

wrote and sent a very important message to the powers involved in the war asking them to use other means in order to avoid the conflagration of the war. And also after the beginning of the war he repeated again and again this concept. So we are very pleased about his position. As head of the Church in Jerusalem, myself and the other Patriarchs and bishops, we also sent peace messages to world leaders and also to Saddam Hussein and to George Bush. We are also pleased for the very, very important initiative the Pope took now to help to find a solution at the local level here, in Jerusalem, for Palestinians, and Israelis, and for all the problems of the region.

Maybe the war was part of a scenario to create a new situation in the region. Now we will go to Rome at this meeting to make the voice of the Christian and Muslim people heard in order to urge all efforts for the peace in the region. We hope after the meeting in Rome we can organize new initiatives here involving Israelis and Palestinians. We have a good collaboration between Islamic and Christian people, we ask advice from each other. We must find the courage, despite these very difficult situations, to look for peace.

Dr. Thiab Ayyoush

President of the Open Educational Program in the Occupied Territories, Jerusalem; representative, in the March 14 meeting with the Pope, of the Grand Mufti of Jerusalem.

Ayyoush: In this moment all the leaders of the world are talking about the necessity to deal with the Palestinian issue. I am optimistic about the perspectives.

I appreciate what the Pope did about the Palestinian problem and we, as Palestinians, appreciate very much the initiative for a just peace in the Middle East and for putting an end to the suffering of our people. We hope that the Pope will go forward to put pressure on the leaders of the world and the U.N. Security Council to try to find a solution. We will speak up, whenever a chance will be given to us, in order to call for the national rights of our people.

I want also to stress that we Palestinians, Christian or Muslim, are united in the demand for our national rights, we are one people, we have the same aspirations, and we are very, very united. We always find a kind of agreement among us especially concerning the political issue.

If a solution is really going to be found for the Palestinian problem, then all the Arab countries will go for peace, but if this issue is not solved, with a just solution, then the conflict in the Middle East will continue. We do not need to have a war if we have our national rights. And we have our political representative and we think that any kind of negotiation must go through the PLO.

EIR: What is the Open Education Program?

Ayyoush: I am the director of the Arab University of Jerusalem, and we think we must make every effort to give the

The White House's 'war for possession of souls'

An article published in the newspaper of the Italian Bishops' Conference on March 5, in the middle of the Vatican summit on the Middle East, raises the issue of a pagan religion as a driving cause behind George Bush's war decisions. "The Catholic Church was the less visible target," read the article signed by Maurizio Blondet, under the banner headline "Dear God of America." A leader of the Catholic peace group, Pax Christi U.S.A., Mother Marie Grosso, is quoted saying: "I fear this victorious President and his international order, and I fear even more that Bush in his speeches borrows the language and the symbols of religion." Also quoted is Bishop Walter Sullivan, of Richmond, Virginia: "A Catholic military man must decide according to his conscience whether or not to engage in this war which the Church considers unjust."

Many fundamentalist preachers were deployed by the establishment in order to counter the Catholic Church's opposition to war, Blondet reports: Pat Robertson, Billy Graham, and Hal Lindsay. The latter defined Bush as "the man chosen by God" to accomplish the Biblical prophecies, and wrote: "We are on the verge of Armageddon; this is the first and final battle against the forces of the Antichrist." And, among the forces "of the Antichrist" he listed "the Vatican, the Soviets, the Europeans, the Arabs."

Writes Blondet: "Bolstered by the support of millions of followers who finance their work, the televangelists are the vulgar yet effective interpreters of what people used to call the 'American religion': a real 'state cult,' as the scholar Harry W. Bowden says, 'which has as its center

possibility of an education to people who do not have a chance to go to a regular university. This is the concept of an Open University. So here, given that the universities are closed most of the time since the beginning of the Intifada, we found that we should continue to keep an educational opportunity for our people. So we use videos, we circulate textbooks and try to have people accomplishing their curriculum even if they cannot go physically to a university.

Mousa Darwish

University of Bethlehem; founder of Al-Liqa:

Darwish: We are going to Rome first of all to thank the Pope

the affirmation of the mission and the supremacy of America' and into whose 'powerful symbols, myths, rituals and sacred writings' all Americans are plunged from their infancy. Suspicious of the Catholics (who are looked at as loyal to a foreign power) the 'American religion' has conceived the attack against Saddam as a crusade of the U.S.A., the Empire of Good armed with the power of technology, against evil Muslim obscurantism. . . .

"It is a difficult kind of idea to understand, but in the U.S.A. there is a strange association, present also in Great Britain and Canada, the British-Israelites, which has put these ideas down in black on white. Anglicans and Episcopalians, these people spread books which hold that the Anglo-Saxon people are 'the ten lost tribes of Israel,' descendants of Abraham, the People of the Alliance. . . . The ideology of the British-Israelites obviously was born in England and nurtured the imperialistic impulse of the British aristocracy of the past century. . . . But the same ideology feeds also into Protestant fundamentalism in the U.S.A. . . . Today, the heartland of America, the patriotic and conservative one, convinced of being the chosen people, has somehow come to the conclusion that America's mission is prophetically interwoven with the existence of the State of Israel. As Pat Robertson explains, the return of the Jews to Palestine is the first accomplishment of the apocalyptic prophecies, and brings nearer and nearer the moment in which 'the Jews will recognize the one they rejected, Jesus Christ.' Then the Temple will be rebuilt and the Messiah will come back.

"Says Bill Martin, sociologist of religions at Rice University: 'The Muslim fundamentalists feel they have the mission to convert the world, the Jewish fundamentalists call on the mandate of God on Israel, the Christian fundamentalists want to destroy the Islamic mosque [on Temple Mount in Jerusalem] in order to build in its stead the Temple, thus realizing the prophecies. Obviously the catastrophic potential is enormous.' "



Stuart Lewis

Bush giving a press conference in February on Desert Storm.

In contrast to the "televangelist" crowd identified by Blondet, most of the leaders of American Protestant churches as well as most of the American Catholic bishops, with some notable exceptions, adopted stances highly critical of the Gulf war (see *EIR*, March 1, 1990, page 65). This included the denomination to which Bush nominally belongs, the Episcopalian.

for his attitude toward the Palestinian cause and to ask him to continue his support.

We want to confirm to the Pope that we are willing to reach a peaceful settlement and we want also to confirm that we want our own state, our own flag, our own identity card. And we want to confirm that we Muslims and Christians in the Holy Land, are one body, we are Palestinians. Some of us go to church, some to mosque, and at the same time we are one people. We think the Pope will continue helping the Palestinians to achieve their legitimate rights and self-determination and a Palestinian state.

We also want to make clear to the Pope that we are determined to live with our neighbors, recognizing Israel,

and at the same time we want the Israelis to recognize a Palestinian state.

The Pope expressed the desire to visit Jerusalem. We hope he will go to see directly what circumstances we are in, and although we would mostly like him to visit our own state, we wish he could see how much we are suffering.

As Palestinians we consider Jerusalem as the capital of our state. At the same time we recognize that Christians, Muslims, and Jews have their right to pray in a situation based on a peaceful agreement. We believe that if our cause will be solved then we all will live as brothers. Before 1948 we were on brotherly terms with the Jews. Now if we do not achieve our goals this means the problem will remain.

Communism's demise sets off explosion in Yugoslavia

by Marco Fanini and Konstantin George

In Yugoslavia, one dramatic turn of events is coming after another. While everyone was waiting for the clash between Serbia on the one side and Croatia and Slovenia on the other, instead what broke out was a revolt by some Serbs against other Serbs. The rebels, headed up by the leader of the Party for Serbian Rebirth, Vuk Draskovic, but supported by all the other opposition parties, took to the streets against Serbian communist leader Slobodan Milosevic. Ferocious clashes broke out with the police, resulting in several wounded and dead, and tanks were sent into the streets of Belgrade, but finally the opposition won: The heads of the state-owned television channel and the main newspapers were forced to step down, under charges that they were not impartial; the Internal Affairs Ministry was censured for having ordered the bloody repression; and Vuk Draskovic was released after being imprisoned.

The strongman Milosevic, in a word, suddenly finds himself with his own head on the chopping block.

Throughout the Balkans, just as in the Soviet Union, the collapse of communism is intensifying the already-existing fissures along ethnic lines. This is occurring under conditions of economic breakdown crisis, further fueling the ethnic explosions.

In Serbia, the Armed Forces intervened directly into the political scene by convening an emergency meeting of the Office of the Presidency of the Yugoslav Republic, in which all six federated republics are supposed to be represented. Slovenia and Croatia refused the invitation, pointing to the fact that the decision to send tanks into Belgrade had not been taken collectively, according to the Constitution, but by Serbian President Milosevic on his own. Belgrade is therefore not a safe city, they said. Who can assure us that once we are there for the meeting of the Office of the Presidency

you won't pull off a coup?

So they proposed that the meeting take place in "neutral" territory, i.e., not in Serbia. The proposal was not even considered by the Serbs, and so there is a stalemate and a serious risk of a military coup d'état.

Playing for time

Croatia and Slovenia are seeking any pretext to stall until May 15, when the presidency of Yugoslavia will go from Serbia to Croatia, under the rotation system among the six constituent republics. The Croatian Stipe Mesic would then also become supreme commander of the Yugoslav Armed Forces, and a coup d'état, although still possible, would become more difficult. So the coup faction—i.e., the Serbian communists led by Milosevic and by the Armed Forces who largely follow him—have the greatest interest in speeding up the timetable for their projected military intervention.

As the conflict intensified, the Serbian state-controlled media ran a no-holds-barred hate campaign against Croatia, with wild claims of "mass repression" of Serbs in Croatia and "mass flight" of Serbian refugees from Croatia.

But unlike Milosevic and his cronies in the Belgrade leadership, Draskovic and the Serbian opposition consider—with good reason—that any flight forward to achieve a "Greater Serbia" by May 15 would backfire, with Serbia becoming the loser. Hence they demanded—and achieved—the curbing of the anti-Croatian media barrage, and the purging of the Serbian media bosses.

The pressure on Croatia can be seen by the incidents which took place in the Croatian town of Pakrac in the first days of March: The local Serbian community, weapons in hand, had started a rebellion, which was forcefully repressed by Croatian police. The police crackdown in turn brought

on the intervention of the tanks of the Armed Forces, who interposed themselves between Serbs and Croatian police as “peacekeepers.” Croatian President Franjo Tudjman, when he realized how the trap had been sprung, fired his deputy internal affairs minister and four other ministers for having misdirected the Croatian police.

Splits and more splits

Yugoslavia’s two northern republics, Slovenia and Croatia—and it seems that Bosnia Herzegovina wants to go with them, too—want to immediately join the Western economic system by entering the European Community. Serbia, on the other hand, remains loyal to socialism, and would like to do anything possible to stop the northern republics from seceding, or, failing that, to rebuild Greater Serbia by taking away from those republics large chunks of territory by backing the claims of numerous Serbian communities that live in those territories.

The Slovenes and Croats are mainly of the Catholic faith and culturally close to Western Europe, because they formerly belonged to the Austro-Hungarian Empire. The Serbs, on the other hand, are Slavs of the Orthodox creed, dependent on the Moscow Patriarchate, and fundamentally anti-Western.

One prejudice that needs to be eliminated in analyzing current history in Yugoslavia, is that Croats are all fascist “Ustashi” and anti-democratic—as Milosevic’s “Greater Serbia” propaganda machine alleges. As is well known, a part of the Ustashi (the Croatian national movement; “Ustashi” means “Arise!”) reentered the country alongside the Fascist and Nazi troops and fought against Josip Broz Tito’s partisans during World War II, committing unspeakable crimes of genocide. Yet many Croats sided with Tito, many remained neutral, and a good many others preferred to emigrate. A case in point is the present leader of the nationalist party, Hvraska Democraska Zadienica, the President of the Croatian Republica, Franjo Tudjman. He was one of Tito’s partisan generals.

An economic disaster

The economic crisis in Serbia has produced a deep split in the elites: On the one hand, Milosevic is both a Stalinist communist and a theoretician of the nationalist dream of Greater Serbia; on the other hand, Vuk Draskovic is a monarchist and anti-communist, but likewise a Serbian nationalist and an enemy of Western ideas. The economic crisis has wiped out much of the charismatic aura around Milosevic, and neither he nor Draskovic has the slightest idea of what to do to revive the economy.

As for Croatia, free elections were held in May 1990 and the overwhelming majority of voters voted for the Croatian nationalist party. But here again, the economic crisis is decisive. The Croatian government is moving in the direction of privatizing state-owned businesses and joining the European

The Yugoslav Federation



In addition to the six republics, the map shows Yugoslavia’s two autonomous provinces, Vojvodina and Kosovo.

Community, plus moving into the sphere of the International Monetary Fund’s usurious free market regime. A most dangerous sign is the fact that Harvard free market economist Jeffrey Sachs has been named as an economic adviser to Croatia. It was Sachs who consolidated the takeover of Bolivia by the “black economy”—drugs—and who masterminded the current economic disintegration of Poland. Sachs was previously an adviser to the federal government of Yugoslavia, notably during the tenure of Ante Markovic, a Croat, as prime minister.

For Croatia, the overriding question is not whether or not it will become independent; that has already virtually occurred. But will it develop and blossom, in the context of a revived European economy as a whole, or will it be subjected to a Balkan parody of the tragedy that has befallen Poland?

Under circumstances of economic crisis like those prevailing today, the British, among others, are able to play off nationalist movements for their own aims. The Yugoslav state, after all, was a creature of the notorious British geopolitical gamemasters, who created this federation out of whole cloth and put it under a dictatorial king. Yugoslavia, which immediately went into crisis, since such diverse cultures were unable to coexist, was held together for the most part not by any ideal of development and progress, but by the Serbian monarchical dictatorship first, and later by the Serbo-centric communist regime.

The military outlook

The minute Serbia locks itself into an armed conflict of any sort with Croatia, not only will Slovenia and Bosnia join

Croatia, thus presenting a united front on Serbia's western borders, but the Serbian "rear" will blow up, in the province of Kosovo. Serbia is in no position to handle a multi-front crisis.

Slovenia and Croatia are both rather well armed; they probably have at their disposal 50,000 quite well-trained militia, plus a very large number of potential partisans, ready to fight from bases in the many mountains which compose the Croatian and Slovene landscape. Not accidentally, part of the arms equipping these soldiers have been funneled to Croatia from Hungary, which looks with great sympathy on the struggle of this republic, which was once part of the Austro-Hungarian Empire.

It is also said that Slovenia has locally manufactured a sophisticated, very lightweight machine gun with a 150-round cartridge and a revolutionary laser sighting system. Such weapons are not possessed even by the Yugoslav Federal Army, which has 250,000 troops, 1,600 tanks, and around 500 aircraft. Thus Croatia and Slovenia are not in the same situation as Lithuania and Latvia, and any attempted military coup might meet with a forceful answer and lead to a long, bloody guerrilla war in the mountains.

A further factor is that the Kosovo region in the south of Yugoslavia, inhabited by ethnic Albanians, is perpetually in revolt against Serbia, which administers it and which has unsuccessfully tried to put down the unrest there. The Kosovo situation is boiling now, just beneath the surface.

In the neighboring Balkan state of Albania, there is emerging a kind of "Romanian" response to the demise of communism. Ramiz Alia has taken on the guise of moderate communist reformer, supposedly an Albanian Gorbachov; but the Albanians are not so foolish as to believe this lie and are strenuously contesting the legitimacy of the present leadership. This in turn affects the situation in Kosovo, and following elections in Albania on March 31, we may expect to see renewed demands by the Kosovo Albanians to join Albania. This factor is also at the heart of the bitter factional war raging in the Serbian elite. Despite all of Milosevic's efforts, Kosovo has not been crushed.

As for the situation in the Yugoslav Army, there are large numbers of Albanian and Bosnian *Muslim* conscripts, paralleling the situation in the Soviet Army. Muslims comprise some 40% of the Yugoslav Army. This creates further imponderables for Serbia in any effort to launch military intervention against other republics.

Yet, there is one result of the unstoppable move by Croatia and Slovenia toward independence which the Draskovic faction may be counting on to bolster Greater Serbia in the longer term. When the two northern republics quit making net budgetary and other economic and financial contributions to the center, that will end the subsidies which are the only basis for existence of the more backward eastern republics, Montenegro and Macedonia. Those republics will then be forced into the Serbian orbit.

Yeltsin declares war on Moscow

by Konstantin George

Some 500,000 people, probably the largest crowd ever in Moscow's history, marched Sunday, March 10, in support of Russian Federation President Boris Yeltsin, demanding, as has Yeltsin, that Soviet President Mikhail Gorbachov and his presidential cabinet government resign. The march followed the definitive break that had occurred in February between Yeltsin and Gorbachov. Yeltsin had appeared on Soviet television to demand that Gorbachov resign, and soon thereafter, speaking in the Belorussian capital of Minsk on Feb. 25, Gorbachov denounced Yeltsin and the "so-called democrats" around him in all but name as traitors, working with "foreign centers" to "weaken" and "destroy" the Soviet Union.

A very hot spring is about to begin. It need not end in tragedy, but without the implementation of Lyndon LaRouche's "Productive Triangle" proposal for infrastructure and economic development radiating out along "spiral arms" throughout Europe from its area of greatest productivity in the Paris-Berlin-Vienna area, the Soviet Union is going to explode into civil war. The crisis of the 1905 Revolution prompted the Russian elite to adopt a program of industrial, technological, infrastructural, and agricultural investment and growth, in what became known as the Stolypin reforms.

At this moment—a moment of opportunity to secure the Triangle—what many never dreamed to see, takes place: Half a million people pour out against the regime. But what are they campaigning *for*? Their standard-bearer, Yeltsin, has identified himself with the radical, free market poison of the Shatalin Plan. This is the British liberal policy that is currently destroying what is left of Poland's industry and agriculture; applied to the Soviet Union, it will make the current desperate situation even worse.

Protest against new Union Treaty

The February break ended the year-long period where Yeltsin, popular with both the urban population of the larger Russian cities and in the non-Russian republics, whatever his intention, had played a useful role for Gorbachov in containing raging ferment and unrest from going out of control. During that time, while pretending support and affinity for the "reformers" around Yeltsin, Gorbachov, in an ever-more transparent fashion with each passing month, swung to support rule by the Empire's institutions of "law and order": the military, KGB, and the Russian national elite, who are opposed to any form of loose confederation, let alone dissolu-

tion of the Empire.

Yeltsin and his followers, in turn, have launched a counteroffensive, exploiting the enormous well of rage and discontent in the population against the country's leadership, as both the size of the Sunday demonstration and the new outbreak of coal strikes in various parts of Russia and Ukraine in the first week of March, showed. These events likely foreshadow the most serious episode of mass protest and turmoil inside Russia itself since the wave of troubles that culminated in the 1905 Revolution.

The next wave of protests are expected on, or right after, the March 17 U.S.S.R.-wide "referendum" called by Gorbachov, where the population will vote for or against what is called the "new Union Treaty." The outcome, which is expected to be for the treaty, and thus for preserving the U.S.S.R. "Federation," will form the immediate trigger for mass protest.

Heated opposition to Gorbachov's referendum was at the center of the huge Moscow protest on March 10. The marchers, organized by the deeply fragmented and disparate Russian reform organization, "Democratic Russia," and some of the new moderate and liberal parties that sprung up in Russia last year, called for an emphatic "No" in the March 17 referendum on the new Union Treaty for the Soviet Union, where a "No" vote would be a vote of no confidence in Gorbachov. Yeltsin himself did not appear at the rally. The speakers included Moscow Mayor Gavril Popov, his deputy Stankevich, the liberal historian Yuri Afanasyev, Telman Gdlyan, the former state prosecutor canned by Gorbachov, Akyushits, a co-founder of the Russian Christian Democratic Party, and a representative of the striking Donetsk coal miners. Placards included: "No to the Referendum," "Away With Gorbachov," "Yeltsin, Yeltsin," "A No to the March 17 Referendum Means Freedom," "Either a capitalist European Union or an Asiatic Union of the Apparatchiki." The rally was held in a sea of pre-Bolshevik Russian flags, along with numerous Ukrainian flags and flags of the Baltic republics.

The protest in Moscow was only one of many held throughout Russia and Ukraine. According to TASS on March 10, though no numbers were given, companion pro-Yeltsin, anti-Gorbachov, anti-referendum demonstrations were held in Leningrad, the U.S.S.R.'s second largest city, in Kiev, the capital of Ukraine, in the Russian cities of Sverdlovsk in the Urals, in Kazan on the Volga, and in the Siberian cities of Irkutsk, Novosibirsk, and Ulan-Ude, and in the Far Eastern city of Petropavlovsk.

Yeltsin declares war

The March 9 anti-Gorbachov demonstrations followed a Yeltsin speech where the Russian Federation President declared war on Gorbachov. Gorbachov exercised his powers to limit the impact of the speech, which was not carried by any Soviet state media, being broadcast only by a pro-Yeltsin Russian Federation radio station, Radio Rossiya. Yeltsin began

by calling Gorbachov a "liar," in his claim that the Russian Federation had endorsed the just-published text for a new Union Treaty, and for having pretended to be a reformist. Yeltsin insisted: "We have dozens of the most serious criticisms of the draft treaty," he said, and, regarding "Gorbachov the reformer," he added: "Now we must open our eyes and realize it was all a lie. Let us declare war on the leadership of the country which has led us into a quagmire. Believing in Gorbachov was a mistake." Yeltsin repeated his earlier demand that Gorbachov and the present leadership resign.

With this speech and the demonstrations the next day, Yeltsin has begun a "now or never" offensive to reverse his fortunes. In the past months, Gorbachov had succeeded in weakening Yeltsin's position. Yeltsin had hoped to become a power in Moscow Center through the vehicle of the U.S.S.R. Federation Council, the central executive organ (at least in theory) which, until December, had consisted of Gorbachov and the Presidents of the 15 republics, with Yeltsin as a sort of Russian *primus inter pares* in that group. Then, in December, Gorbachov succeeded in neutralizing Yeltsin's hoped-for Federation Council power by expanding the Federation Council to include all 20 Presidents of Autonomous Republics, 16 of which are in the Russian Federation. Thus, overnight, Yeltsin collapsed from a *primus inter pares* to a mere one voice among 17 from his own federation.

For Yeltsin, it became clear that if he continued to play by the rules of the game, which were being defined by Gorbachov and the ruling triad, his demise was assured. Yeltsin's rise to the level of power he has attained was only possible under conditions of mass ferment. His staying in power requires a new round of mass ferment.

Yeltsin thus must take to the streets, a risky gamble, but, given the weakness of his forces, it is his only weapon. The weaknesses in the Yeltsin camp were admitted by Yeltsin himself in his March 9 Radio Rossiya address: "We've wasted many months. It is time to go on the attack. Democracy is in danger. March will be decisive. Either the democrats will be strangled or they will not only survive but will win this year."

Yeltsin also admitted that his attack had to begin now as the only way of changing domestic political momentum before March 28, when a critical special session of the Russian Federation Congress of People's Deputies convenes. Its agenda will include a motion of no confidence against Yeltsin, where the vote could go either way. Last June, Yeltsin was elected Russia's President on the second ballot, by a narrow margin supplied to him by Gorbachov. He has never had a parliamentary majority of his supporters. In his Radio Rossiya address, Yeltsin also admitted that the timing of his all-out attack was not of his own choosing but forced on him, when he told the forces of Democratic Russia and allied movements to stop being disorganized and fragmented. "Only an organized movement can help us at this crucial stage," he warned.

Bush's policy: Make Iraq an Auschwitz

by Joseph Brewda

According to the estimates of Patriarch Bidawid of Iraq and others (see *Feature*, p. 35), as many as 500,000 Iraqi soldiers and civilians may have been killed in the month-long Persian Gulf war. Electrical power plants, civilian air-raid shelters, baby food factories, bridges, and mosques were the typical targets of 120,000 bombing sorties. Something on the order of \$100-200 billion of damage was done to the Iraqi civilian infrastructure, several regional sources say.

Despite the informal cessation of hostilities at the end of February, U.S. forces still occupied the southern portion of the country as of March 15. Civil strife—spread by the United States, Turkey, Iran, and Israel—is apparently raging in the Shiite south and Kurdish north. At a press conference in Ottawa, Canada on March 14, President Bush threatened to resume the war with Iraq—this time for allegedly using helicopters to crush these externally manipulated riots. A few days before, Bush threatened to bomb Baghdad if Iraq used chemical weapons against rioters, although there is no evidence that Iraq intends to.

Meanwhile, the U.S. administration is calling for continuing U.N. sanctions, including an embargo, on Iraq indefinitely. *This includes restrictions on emergency medical relief and food.* After Iraq announced that it would comply with all the U.N. resolutions, including “war reparations” demanded, new conditions were found. On March 10, the United States announced that it would maintain the embargo until Iraq submits to “disarmament,” which is not even a formal U.N. condition.

Mass death through disease

In the first week of March, the head of the Iraqi Red Crescent, Ibrahim Ahmed Nouri, reported that “cholera and typhoid are spreading in Iraq” in a letter to various world charities, requesting emergency assistance.

There are 4.5 million inhabitants in Baghdad, and 18 million inhabitants of the country. According to a February UNICEF report (see *EIR*, March 15, 1991), systematic bombing of Baghdad's electrical power stations and sewage plants, among other damage, has reduced the amount of clean water available to the Baghdad population to approximately

5% of its pre-war levels. As of late February, UNICEF reports, there was not one functioning toilet in the city. Within a month, the average daytime temperature in Iraq will exceed 100°F.

Yet the U.N., under U.S. pressure, is maintaining its sanctions and has not allowed medical or food relief to Iraq except through the U.N. or the Red Cross. To date, Red Cross sources report, emergency water purification systems sent by these agencies to Baghdad since the end of the fighting can only provide 240,000 liters of fresh water a day.

An average person in good health needs about 150 liters of water per day (of which most is for washing and toilet facilities, and 2-5 liters a day for drinking, depending on the climate). Cholera victims require as many as 30 liters of drinking water per day to survive. International relief agencies have, in sum, only supplied clean water for the equivalent of 1,600 inhabitants of Baghdad, and none for the rest of the country. Baghdad's once impressive water system, now functioning at only 5% of capacity, can hardly be expected to provide enough water for even a quarter of the 4.5 million population, even if all water needed for industrial purposes were neglected.

Meanwhile, the supply of food, medicine of all kinds, and functioning hospital equipment and the power to operate it remain in short, often desperately short, supply.

An estimated 1 million Baghdad residents have fled the city because of such conditions. However, the rest of the country is in similar shape, and in some respects perhaps worse.

Starvation looms

U.S. destruction of Iraq's irrigation pump sites will probably devastate the spring wheat and barley harvest, as will the lack of fuel for agricultural equipment. Before the embargo, Iraq imported 75% of the calories it consumed.

According to a Congressional Research Service study published Feb. 26, “Allied bombing of refineries, fuel reserves, roads, and bridges (and loss of electricity that supported flour mills and perishable food storage facilities) will seriously hamper food availability and distribution” in Iraq.

The report adds, “Even if a plentiful crop is harvested [this spring], getting the food into usable form and getting it to the population will be seriously impaired.”

In other words, it can be expected that millions of Iraqis will die of cholera, typhoid, malnutrition, and malnutrition-related diseases over the coming months, without the emergency relief that the U.S. and U.N. have so far refused to provide.

One physician involved in relief efforts bitterly told this news service that the U.S. branch of Red Cross refuses to do anything. The U.S. branch is now led by Elizabeth Dole, the former Bush labor secretary and wife of Robert Dole, the U.S. senator who was a prime booster of Bush's war against Iraq.

Israel is prepared for new wars

by Joseph Brewda

Within days of the Feb. 27 cease-fire in the Gulf war, the formerly “restrained” Israel was set on a course toward war, including a final showdown with its Palestinian population. The elimination of Iraq as a military power, and perhaps even as a sovereign nation, has left Israel and Syria as the sole remaining regional powers. This vacuum has left Jordan and the Palestinians, which politically allied with Iraq, particularly vulnerable.

That Syria might itself be a new target was indicated on March 10, when Israeli Housing Minister Gen. Ariel Sharon appeared on Israeli television to threaten that “people are talking about peace with Syria, but it is loaded with new Scud missiles.” Sharon is the strongman of the current Israeli cabinet.

On March 6, President George Bush outlined to a joint session of Congress “new security arrangements” which would make U.S. occupation of the Persian Gulf permanent. In the same address, in an apparent sop to the Arabs, Bush also talked about a “new initiative” for Arab-Israeli peace. He even referenced U.N. Resolutions 242 and 338, which call upon Israel to withdraw from the Occupied Territories that it has held since 1967. There is no danger that that initiative will succeed, any more than any of the others—as the Bush administration well knows.

A new ‘bantustan’

Arriving in Israel on March 11, Secretary of State James Baker reportedly briefed Israeli officials on the “new thinking” he had supposedly found among Arab nations on the question of peace with Israel. Following his discussion with Israeli Foreign Minister David Levy that day, Baker told the press that he was merely in Israel “to listen, to cajole, to plead” for peace, including the exchange of land for peace.

For his part, Levy said the option for peace is still “open,” but only if the Palestinians accept the so-called 1989 Shamir Plan. This plan, better termed a provocation, provides for “limited self-rule,” and only led by Palestinians who have never belonged to the Palestine Liberation Organization. “Limited self-rule” includes the Palestinians’ control over their post offices and sewage system. It does not give them the right to an army or even a police force, the right to make treaties with nations other than Israel, or even, as State Department asset and World Zionist Congress Vice President

Arthur Herzberg stated in the March 9 *New York Times*, the right to control their own immigration policy. None of the 2 million Palestinians living outside the territories will be allowed to return.

Levy had himself earlier told French radio that such “self-rule” would never mean an actually sovereign state. “Imagine a Palestinian state in Judea and Samaria [the Israeli term for the West Bank]! It would mean the end of Israel.”

Other Israeli spokesmen were more frank, even to the extent of rejecting the notion of “self-rule” altogether. One such is Agriculture Minister Rafael Eytan—who has publicly compared Palestinians to “cockroaches.” In an Israeli radio interview on March 8, Eytan ranted that Arabs are “incapable of making peace with us,” and that what Bush has called for—land for peace—means “the destruction of the State of Israel.”

Another example is Knesset member Geula Cohen, who said on March 10 that the “go-ahead” for the stabbing deaths of four Israeli Jews by an Arab assailant earlier that day had been “given by President Bush in his remarks about land for peace.” Cohen, who has been closely associated with Prime Minister Yitzhak Shamir since both were leaders during the 1940s of the Zionist terrorist Stern gang, called for a “cleanup operation” against the Arabs.

On March 9, the Israeli government released documents showing that it is planning to build housing units for 88,000 incoming Soviet Jews in the Occupied Territories, even though it had earlier promised Washington that it would never house these immigrants there.

Such defiant talk serves U.S. disinformation purposes quite well, notably the claim that Israel cannot be controlled by the United States, or even that it controls Washington.

Carving up Jordan?

Yet despite such games, a Palestinian “entity” of sorts might be created. On March 13, Canadian oligarch Conrad Black authored an article in his *Financial Post* of Toronto entitled, “Everything Now in Place for a Pax Americana.” Black is the owner of Hollinger Corp.—which owns the *Jerusalem Post*—together with Henry Kissinger and Peter Lord Carrington.

Black writes, “This great triumph of international law, secured by American sword bearers upholding the escutcheon of the United Nations, should be completed by a serious peace offensive.” Since Black and company are the actual controllers of both the Bush and Shamir regimes, his words bear close attention. He adds, “A Palestinian entity, the timing and extent of whose sovereignty would be subject to discussion, should be carved largely from Jordan. Israel would happily yield Gaza and the eastern fringe of the West Bank.” And what about the Jordanian view of being so “carved up”? “Anglo-American patience with King Hussein, the world’s most accomplished chameleon, has been strained.”

Economic crisis fed Tories' election loss

by Mary Burdman

Claims based on opinion polls in Britain over the past months that Prime Minister John Major is the most popular British leader since Winston Churchill, should be taken with a huge grain of salt, as the March 7 "by-election" (mid-term election) in the district of Ribble Valley showed. Major's Conservative Party took its biggest electoral defeat in the past decade, demonstrating that even the purging of Margaret Thatcher was not sufficient to appease British voters after a decade of Thatcherite economics. Major and his party are attempting to dismiss the election results as simply a by-election rebellion, but they should take warning.

Long-suffering British voters kicked Winston Churchill out of office in 1945, even before the end of World War II, despite Churchill's nominal popularity. The lesson, U.S. presidential candidate Lyndon LaRouche pointed out recently, is one that George Bush, as well as John Major, should take seriously. U.S. conservatives were reportedly outraged at the Tories for unceremoniously dumping Mrs. Thatcher on America's Thanksgiving Day 1990, without a national election.

One of the 'safest' seats

Ribble Valley was considered one of the "ten safest" election districts for the Tories, and the resounding defeat there is the latest in a string of disastrous by-election setbacks the Tories have suffered in the past months. What this shows—and here again, George Bush should take heed—is that the so-called "Falklands effect" of the Gulf war, the attempt to bolster Tory popularity through a "nice little colonial war," is very thin. Even the docile, and generally pro-Gulf war British population, cannot tolerate the calamitous effects of Thatcherite "free market" economics, the Thatcher poll tax measure, and the decline of British infrastructure.

For example, although London propagandists like to downplay the matter, the fact is that several observers in the U.K. have drawn attention to the fact that British pilots can fly the most sophisticated and destructive modern weaponry against a Third World country, yet in Britain itself, the railways collapsed last month because they were not able to cope with snow that was of a texture too fine for the current locomotive model.

Mrs. Thatcher's poll tax, a medieval head tax that is costing Britain's poorer citizens hundreds of extra pounds a

year, is the most obvious target of the voters, but everything from skyrocketing interest rates and mortgages to collapsing health care is hitting the British population. Perhaps the most obvious effect of the depression is "Calcutta on the Thames"—beggars and homeless young people are now as common in London as in New York City.

The best advantage the Tories have, is the disastrous condition of the opposition Labour Party, although even that may not be enough in the future. It was the third party, the Liberal Democrats, which won so resoundingly in Ribble Valley, their second win against the Tories since the party was founded two years ago. Ribble Valley, which the Tories won very big in the last election, voted strongly for the Liberal Democrats this time, despite the supposed popularity of Prime Minister Major and the ousting of Mrs. Thatcher. The Liberal Democrats won 22,400 votes and the Tories only 17,700, with the Labour Party far behind.

The vote, and the fact that she is now "safe in the bosom of her American admirers," as the London *Guardian* observed March 9, led Thatcher to vent her spleen against the "frightened" Tories who abandoned her last year. The British population should beware: Could Maggie be trying to muster an American force to punish them as she did Saddam Hussein?

Attacks on the monarchy

The best indication of the mood in Britain, is the growing public disaffection with the monarchy. The Queen and her family have long been more admired in the United States than in Britain, where letters to the editor regularly appear in the tabloid press denouncing the worthlessness and greed especially of the younger generation of the Windsors. But now even Her Majesty is in for it.

Royal indifference to the war—with the exception of the Queen's unprecedented speech on Feb. 23 announcing the beginning of the ground offensive, provoked even the establishment *Sunday Times* to publish an attack on the royal family's callousness.

But more fundamental is the economic crisis. A report in *Harpers* magazine that the Queen earns £2 million a day on her vast investments, and of course pays no income tax at all, raised such an outcry that she had to issue a denial Feb. 20 claiming she had no property overseas and estimations of her wealth are "wild speculation." In a poll following the revelations, 80% of Britons said they think the Queen should pay taxes and over 50% now think the monarchy will not survive the next generation.

Possibly taking her cue from Thatcher, who seems to be much more popular in the United States than in Britain, the Queen is expected to visit Washington, Texas, and Kentucky in May, shortly after she celebrates her 65th birthday on April 21, according to the public relations package accompanying a new biography of her, *Sovereign, Elizabeth II and the Windsor Dynasty*, by Roland Flamini.

India prepares for mid-term polls

After more than a year of unstable governments, Indians are wearily awaiting the next election.

After several years of unresolved debate over whether or not to dump the existing Westminster parliamentary system and opt for a presidential system, like the French and American varieties, the political turmoil of recent weeks has made President R. Venkataraman the de facto chief executive of India. In the turbulent second week of March, the responsibilities for keeping the country functioning fell on him.

Using his vast political experience and the maneuvering room provided by the Indian Constitution, it was President Venkataraman who got crucial finance and other bills passed within a week of the resignation of the government of Prime Minister Chandra Shekhar. It was the President who dissolved the Parliament and set the stage for the mid-term polls, which will most likely be held in the last week of May.

The crisis erupted on March 6 when the minority government, a breakaway faction of the Janata Dal under former Prime Minister V.P. Singh and led by Prime Minister Chandra Shekhar, found itself locked in Parliament with a hostile opposition without its backer, the Congress (I), and ready to be voted out of power.

The hitch between the Chandra Shekhar government and the Congress (I) Party was formed when it was found that Congress (I) president Rajiv Gandhi was kept under surveillance in his own residence by intelligence operatives of the Haryana state government. The Congress (I) boycotted Parliament and demanded that a few heads roll. But the prime minister,

pleading ignorance of the surveillance operation, refused to oblige.

As a result, Chandra Shekhar, with little maneuvering room left, threw in the towel and asked President Venkataraman to dissolve the Parliament and set the date for fresh elections. Having accepted the resignation of the Chandra Shekhar government, President Venkataraman was left with a plethora of crucial bills to be passed by the people's representatives. Although not constitutionally bound to listen to the resigned prime minister's advice on the matter, the President took his time and got the absolutely necessary bills passed before dissolving the Parliament.

The irresponsible manner in which the entire episode unfolded is symptomatic of the rot that has set into India's body politic. The 11 months of the V.P. Singh government's rule, beginning in December 1990, under the banner of a cobbled-together National Front, reminded people of a basketful of live frogs, each vying with the other to leap out of the basket for no apparent purpose. Prime Minister V.P. Singh, who has subsequently shown little skill in keeping even his own "frogs" in one place, was more keen to project himself as a social reformer with an eye to grabbing a fraction of the vote than to administer the country.

His successor, Chandra Shekhar, a veteran politician with a hands-on attitude, did well under trying circumstances. His ultra-minority government was established with Congress (I) support when it was deemed inadvisable to go to the polls following the

V.P. Singh government's collapse. He, at least partially, succeeded in defusing the social chaos thrown up by his predecessor's social reform exercises.

The coming elections will throw up once again the issues which were present, but hardly discussed, during the 1989 elections. The economic situation has worsened considerably since then, partly due to the Gulf war and mostly due to the lack of governance and policy implementation. The Eighth Five Year Plan, which went into the implementation stage two years ago, remains in limbo while the crisis of inadequate infrastructure and lack of confidence among investors are on the rise. India's top business leaders have laid the blame flatly on the paralysis of the national government in New Delhi and claim that the crisis of the economy today is a result of mismanagement.

Meanwhile, India's foreign debt has soared to close to \$70 billion officially, while trade deficits and erosion of foreign exchange reserves have seriously undermined the country's image abroad. The situation has pushed India to go to the International Monetary Fund for loans. The IMF, true to its established tradition, has demanded the bridging of fiscal deficits, cuts in farm subsidies, and partial privatization of public sector units as conditions for getting \$1.8 billion immediately and a possible \$2 billion after this year.

In addition, secessionist forces in Punjab, Assam, and Kashmir continue to show their muscle while Tamil Nadu remains embroiled in the spillover of terrorism which still haunts the nearby island nation of Sri Lanka after almost a decade.

All in all, a number of crucial issues, besides the obvious need for a stable government in Delhi, must be discussed in the election campaign.

Banks initiate 'informal' coup

Lima's Institute for Liberty and Democracy promises to unleash its shock troops if it is not handed absolute power.

On March 4, spokesmen for the Institute for Liberty and Democracy (ILD) called a press conference to announce that the institute and its guru Hernando de Soto, had "broken relations" with the Peruvian government of President Alberto Fujimori, because the cabinet had dared modify a decree drawn up by the ILD on "democratization" which was to determine government functioning.

The press conference was a real piece of theater. ILD Research Director Alberto Bustamante Belaunde insulted Fujimori's cabinet as "feudal lords . . . [who] opted for authoritarianism," and insinuated that the cabinet had been corrupted by "drug-trafficking interests." Unless the government agrees to accept ILD's "democratization" program in every detail, the ILD will not collaborate with its anti-drug program either, he added.

The "democratization" plan is a straight Nazi program, designed to place the government in the hands of foreign-run private, financial interests operating in the name of the *Volk*. Under the ILD proposal, all government decisions would be determined through "popular consultation," but that consultation would be run by an "autonomous" body, the Democratization Support Commission, or CAD. The CAD would centralize "popular demands," and select which ones should be adopted, or not, by the government.

Thus the *appointed* CAD would de facto replace the *elected* Parliament and Executive in determining policy. The ILD left no doubt that it planned

to control the "autonomous" body.

The government accepted most of the program, but attempted to limit the CAD's powers to that of receiving "popular demands," and passing them on to the relevant cabinet ministers to act upon them or not.

All or nothing, was the ILD response. The Swiss-Peruvian businessman who heads up the institute, De Soto, announced that he intends to defeat the cabinet's opposition to his rule within six weeks, by taking "to the streets" to mobilize support for his "democratization" program.

Maoist congressmen praised the ILD for taking on "authoritarianism." APRA party trade union leader Sen. Luis Negreiros, however, denounced the "dictatorial background, bordering on Hitlerian fascism" of De Soto's project, in an interview with *La República* March 5.

De Soto's foreign sponsors then weighed in. The London *Financial Times*, two days after Bustamante's press conference, made clear that Anglo-American finance considers De Soto's rule over Peru a condition for financial aid. The split between De Soto and the Fujimori government "is likely to damage the international financial community's image of Peru," it wrote. His enemies in Lima may call him "the Rasputin of Lima," the paper added, but De Soto played a key role in "establishing contacts to normalize Peru's international financial relations." Unless Fujimori makes up with him, the "estrangement" will create "serious" problems in U.S.-Peruvian relations as well.

The Fujimori government was already having problems with the White House. On March 1, the U.S. had announced that it would withhold aid for Peru until it officializes the presence of U.S. special forces in the country's anti-drug program. That makes it doubly hard for the Fujimori government to buck the ILD, since its narcotics program depends entirely on De Soto, who designed the program, and was to be its "czar."

In any case, ILD is virtually an arm of the U.S. government. The congressionally mandated National Endowment for Democracy provides its primary funding. According to Assistant Secretary of State for Inter-American Affairs Bernard Aronson, the Bush administration backs De Soto as an "authentic Latin American revolutionary"!

That's what Aronson told a conference ILD organized in Washington, on Jan. 28. The U.S. government considers the ILD's anti-state, anti-business, organizing an "authentic perestroika" in Latin America appropriate for Bush's Enterprise for the Americas Initiative, Aronson said. De Soto's anti-drug strategy "is exactly what we believe in," he added. "When the history of this time is written . . . people like Hernando de Soto will be remembered as the true revolutionaries who began the authentic liberation of this hemisphere." The conference, dedicated to "institutional reform" such as what is being promoted in Peru, was attended by 200 senior officials from the World Bank, U.S. State, Treasury, and Human Services Departments, the Agency for International Development, IMF, and Inter-American Development Bank, and U.S. congressmen. AID and World Bank officials told the conference that the ILD's "bottom-up development" program is being integrated into their "structural adjustment programs."

U.S. covers for the real traffickers

This time we agree with Billy Ford: Drug-tainted officials should go. So, when is he leaving?

Although the drug trials of William Saldarriaga and Brian Davidow were severed from that of Panamanian Gen. Manuel Noriega, it is Noriega, not they, who is the target of prosecutors in the trial against the two now under way in Miami.

Prosecutor William Sullivan told the jury that Saldarriaga, Davidow, and others allegedly involved in the case, were told personally by General Noriega that "they had his protection" for a scheme to deliver guns to Colombia's drug mafias, in exchange for a cargo of cocaine that would be smuggled to the U.S. aboard the luxury yacht *Krill* in 1986. But it appears that Noriega's "protection" landed the drug-runners in the soup: The *Krill* was busted in Colombian waters by Colombia's National Police in March 1986, before it could reach the U.S. with its deadly cargo of 304 kilograms of 80% pure cocaine.

To construct its case, the prosecution is offering immunity and reduced sentences to questionable witnesses in exchange for hearsay testimony. Convicted drug trafficker Gabriel Taboada, who is serving an eight-year sentence in Miami, testified that just before the *Krill* was busted in 1986, defendant Saldarriaga and unindicted co-conspirator Ramón Navarro "told me that, yes, that the boat was under protection from Panama by General Noriega." As any Perry Mason aficionado knows, back when there was still the semblance of a functioning U.S. justice system, second-hand testimony such as Taboada's, would have been thrown out as hearsay.

And, don't forget, Noriega's predecessor as head of Panama's Defense Forces, Gen. Rubén Darío Paredes (ret.) was not indicted either. This, as we reported last week, despite the fact that the prosecution admits that Paredes was part of the plot to exchange guns for cocaine with the Medellín Cartel, the *Washington Post* reported on Feb. 28. Moreover, it was Paredes who sold the *Krill* to the alleged traffickers, who included two of his sons. One, Amet, has pleaded guilty and is now a prosecution witness. The other, Rubén Darío Paredes, Jr. was killed by the cartels in 1986 for his failure to pay up for the lost *Krill* shipment.

Paredes excused his late son as being "an adventurer like any 25 year old. He paid dearly for his lack of experience. . . . He did not deserve this end." Just days before his son's mutilated body was found in Medellín, Colombia, General Paredes publicly proclaimed that the drug mafias were not involved. The Ochoa family, kingpins of the Medellín Cartel, "have given me their word," said Paredes, according to the March 25, 1986 *La Estrella de Panamá*.

So why is Noriega, and not Paredes, on trial, even though Paredes appears to be the Panamanian drug general? We said it before, but it bears repeating: Paredes was willing to play ball with Henry Kissinger, who put him up for the presidency of Panama in 1984. Noriega refused to play. Instead, Noriega—as was confirmed in an Aug. 31, 1989 speech to the Organization of American States by Law-

rence Eagleburger, former Kissinger Associates president and now deputy secretary of state—blocked Kissinger's bid to make Paredes President, which would have put Panama under top-down control of the drug mob.

While Noriega is being railroaded in Miami, the Kissinger-controlled White House has put the drug traffickers in charge of Panama. Confirming what *EIR* has reported for a number of years, the Panamanian daily *El Siglo* reported on Feb. 27 that the U.S.-installed Attorney General of Panama Rogelio Cruz has maintained a relationship with Gilberto Rodríguez Orejuela, kingpin of Colombia's Cali cocaine cartel, "since 1984 when he [Cruz] was executive secretary of First Interamericas Bank." Held through cutouts as a joint money-laundering venture of both the Cali and Medellín cartels the bank was shut down by Noriega.

Besides Cruz, others on the board of First Interamericas included Jaime Arias Calderón, whose brother is Ricardo Arias Calderón, first vice president of Panama since the U.S. installed the government after its December 1989 invasion.

Guillermo ("Billy") Ford, the second vice president of Panama, said that "any government official, no matter what his rank . . . should reply with clarity and straightforwardness to the Panamanian people; otherwise, he should resign."

It is not often that this writer finds himself in agreement with Billy Ford, but this time Ford is right. Cruz and all other officials involved in drug banking, including President Guillermo Endara, Supreme Court Chief Justice Carlos Lucas López, and most members of the cabinet should go. In fact, since the shoe fits Ford, given his long involvement in drug-money laundering, he should do the right thing and tender his resignation.

International Intelligence

Kuwaiti regime gags 'dissident' official

Kuwaiti officials shut down a press conference in Kuwait City on March 7, at which a Kuwaiti military attaché accused his government of ignoring his repeated warnings last July that Iraq was planning an imminent invasion of Kuwait.

Army Col. Said Matar was silenced by Kuwait's planning minister and several Army officers, in the midst of a briefing in which he recounted how his cables predicting the Aug. 2 invasion were not acted upon by the Kuwaiti government. Planning Minister Sulaiman Mutawa told reporters to leave, saying the briefing was "finished."

Colonel Matar, who was based in the Kuwaiti consulate in Basra, Iraq, said that as early as April, he began sending "many reports" to the Kuwaiti Foreign and Defense Ministries warning of an Iraqi military operation against Kuwait. On July 25, he said, "I told the Kuwaiti government Iraq would invade Kuwait, and I warned them and even gave them the time"—Aug. 2.

Between Scylla and Charybdis

"Have the allies beaten Charybdis to win Scylla?" asked the editorialist for France's *Le Figaro* newspaper, Franz-Olivier Giesbert, in a commentary on March 5. Up until now, Giesbert has been an enthusiastic supporter of the Bush-Thatcher war in the Persian Gulf.

Under the headline "Lebanonization," Giesbert quoted the adage: "You begin a war when you want; you end it when you can." It seemed at first that the U.S.-led coalition would defy this adage, with its military-operational victory, but "there is one small exception which changes everything." Now the "secondary effects" of the war "are being revealed, and they may upset, from top to bottom, the political geography" of the region.

Now, the territorial integrity of Iraq is in question, with a trend toward "civil war and partition." This is nothing to be thankful about, he wrote, recalling "the old oriental proverb: He who spits on a wasp's nest should not be surprised if he gets stung." This will apply to the coalition countries, if they let Iraq sink into the darkness of fundamentalism.

According to Giesbert, "everything is in place for the great settling of accounts" inside Iraq. Five million Iraqi Kurds, a portion of the 25 million Kurds in the region, are moving into action. A force of 10,000 Iraqi prisoners-of-war in Iran is being mobilized to move into Iraq. Iran could soon become the greatest danger in the region, if a government "friendly to Iran" is installed in Baghdad. If the coalition partners have, indeed, "beaten Charybdis to win Scylla," the result will be a Muslim fundamentalist backlash unforeseen in the past.

German President in overture to India

German President Richard von Weizsäcker, during talks in New Delhi at the beginning of March, called for special efforts to prevent the outbreak of North-South conflicts. He called on India to take a major part in this, in the context of a reinvigorated Non-Aligned Movement in which India would resume its former leading role.

In a speech at the German-Indian Chamber of Commerce on March 5, Von Weizsäcker said:

"Under all circumstances, it is necessary to prevent the conflict in the Gulf region from mounting into long-term tension between the North and the South. On the contrary, the détente in East-West relations must be utilized to finally concentrate our potential on the encouragement of economic progress in the southern hemisphere."

Von Weizsäcker called for intensive cooperation and joint ventures between the industries of India and Germany, with special emphasis on eastern Germany. The German

Minister of Third World Affairs, Carl-Dieter Spranger, who accompanied the President on his visit, gave public assurances to Indian President Ramaswami Venkataraman that his country would remain "the number one address in German development aid to the Third World, as in previous years.

The German President called for closer German-Indian consultations—for example at the United Nations—and encouraged the Indians to develop their "traditionally good relations with the Soviet Union," with the perspective of strengthening the international role of the Soviets in respect to the "future shaping of the relations between North and South." In his view, the Soviet Union played a positive role in the crisis in the Persian Gulf.

Walesa calls for new Polish elections

Polish President Lech Walesa on March 7 called for parliament to dissolve itself and make way for immediate elections. "It is high time that all the elected authorities of the republic originate from the free choice of its citizens," Walesa said. "I am convinced that Poland today needs instant elections. It is necessary to put an end to the growing disillusion and mistrust of political institutions, including parliament."

Walesa called for the scrapping of the deal Solidarnosc made with the Communist Party in 1989, according to which two-thirds of the 460 seats in the Assembly are reserved for Communists and their allies. "It's time to reject the outdated contract," he said. "It used to be useful, but today it ties up the nation's energy and demoralizes public life."

War was 'an offense against the human spirit'

The Gulf war was "not historic, nor just, nor necessary," but only elevated "the cult of the brutal soldier," the London *Guardian's* Edward Pearce wrote on March 6. The reali-

ty of the war mainly consisted in "burning enemies to death as a purely recreational activity, fulfilling no needs except psychological ones better not discussed."

The war was a "soiled and degrading war," Pearce wrote. "Soldiers have been asked to do things, like the slaughter of the retreat, which offend against the name of soldiery and against the human spirit."

Calling the pro-war commentaries in most of the British press "soul-curdling," Pearce added that he has received many letters of support for the stance he has taken in his commentaries in the *Guardian* against the slaughter in the Persian Gulf.

Germany takes a step into Bush's new order

German Foreign Minister Hans-Dietrich Genscher, in an interview with Reuters on March 5, said that he wants German troops to participate in future U.N.-sanctioned military action. Genscher said that the end of the Cold War and the unification of Germany last year gave the country a greater role to play in the world, which meant it should now be ready to take part in U.N. initiatives.

"We want to contribute our weight in the European Community, the West European Union, and in NATO," he said.

In a related development, it was announced on March 6 that five German minesweepers, with a crew of 430, will be sent to the Persian Gulf, upon a special request by the United States, to help clear Iraqi sea mines. The German minesweepers are rated to have the best technology on a world scale, and two supply ships have been stationed in the eastern Mediterranean near Crete for most of the Gulf crisis.

Mossad foresees new crisis in Syria

While world attention is focused on the internal situation in Iraq, the Israeli intelligence service, the Mossad, is looking at an-

other likely flashpoint—and target: Syria.

According to a Mossad-linked source, "The real crisis is shifting to Syria. [President Hafez] al-Assad is in more trouble than people think. His Alawites are only 6% of the population. Wait till the Sunni Muslims start something, then the Shiites, and the Kurds—which has him very nervous—and the communists. He's frantically looking for backing from the outside, both money and political support. Egypt and Saudi Arabia are backing him, but they are not keen that Assad become an equal force; it's a qualified backing.

"From Israel's point of view, it's simple. Syria has more missiles than Iraq, it has a more sophisticated army, it has been building up chemical weapons, and it's closer to Israel. And Assad is only slightly less bad than Saddam."

Both Israeli Prime Minister Yitzhak Shamir and Housing Minister Ariel Sharon have criticized Assad recently.

Red Cross covers up for Colombian narcos

The Colombian daily *El Espectador* reported March 5 that the International Committee of the Red Cross will be visiting the detention centers of Colombia's National Police and Department of Administrative Security (DAS) throughout the country, in order to prepare a confidential report on whether the human rights of drug traffickers who have "surrendered" under the Gaviria government's plea-bargain offer have been violated.

Red Cross demands, which the government reportedly acceded to, include free access to every detention center, private interviews with all prisoners, and guarantees to be able to return anywhere and anytime they choose for followup visits with the prisoners.

El Espectador does not say whether the color televisions, video equipment, private kitchen rights, and other "five-star" treatment being afforded the prisoners will earn the Gaviria government extra points with the international human rights lobby.

● **ISRAEL** has been holding Taher Shriteh, correspondent for Reuters and other press agencies, since Jan. 28. The human rights group Middle East Watch charges that he is being subjected to solitary confinement, denial of food, and being tied to a chair with a hood on his head for as long as 12 hours at a time. The authorities picked him up on suspicion of possessing an unregistered fax machine and using it to send out a leaflet from an illegal Palestinian organization.

● **VACLAV HAVEL**, the President of Czechoslovakia, told a radio audience on March 9 that "breakup of the state is an alternative we must seriously think about. . . . If the Slovak nation prefers such a solution, it has a legitimate right to it, but . . . it must happen in a constitutional manner."

● **CANADIAN** External Affairs Minister Joe Clark said on March 4 that Canada "could live and work with an Iraq in which Saddam Hussein remains. I'm not putting a price tag on Saddam Hussein's head." Clark was in Washington for a meeting with U.N. Secretary General Javier Pérez de Cuellar, at the start of a tour that will take him to Britain, Saudi Arabia, Jordan, Israel, and Syria.

● **ELIAS HRAWI**, the Syrian-backed President of Lebanon, warned Palestinians living in the Israeli Occupied Territories that they will be blamed for the continuing Israeli attacks on southern Lebanon. During the first week in March, Israeli war planes conducted bombing raids on Palestinian strongholds in Lebanon.

● **POLISH** politicians from the Solidarnosc movement have formed a new party, the Center Agreement Party, with the backing of President Lech Walesa and the Catholic bishops conference. The party is modeled on the German Christian Democratic Union.

Defending interpretation (but *not* Peter Sellars)

by Michael J. Minnicino

The Public Broadcasting Service has just concluded its broadcast of director Peter Sellars's interpretation of the three operas in which Mozart collaborated with librettist Lorenzo da Ponte—*The Marriage of Figaro*, *Don Giovanni*, and *Così fan tutte*.

This new Mozart series is typically outrageous Sellars. *Figaro* is set in Trump Towers, with Count Almaviva as a sex-crazed tycoon, Cherubino as a punkster, and Figaro as a homicidal maniac barely under control. Don Giovanni is a cocaine-sniffing pimp in New York's South Bronx ghetto; Sellars casts a pair of black, identical twins as the Don and his servant Leporello. The action of *Così* takes place somewhere on Long Island in "Despina's Diner," run by a whorish Despina and a Don Alfonso who is a Vietnam vet going through post-combat stress syndrome; the chorus "Viva gloria militar" is sung by demonstrators supporting Operation Desert Storm; the opera ends with all the participants collapsing in sexual frenzy and suicidal depression.

All three operas are sung in Italian, but with a modern American slang translation twisted to fit the new-devised circumstances. Everyone goes into violent rages at the slightest provocation, and almost every character seems fixated with sexually groping other characters; a lot of food is thrown at walls, and blouses are unbuttoned at regular intervals. Each act is introduced on-camera by Sellars himself (no relation to the late British actor), whom one commentator, referring to the director's spikey hairstyle, has accurately described as a "talking pineapple." Sellars makes trenchant comments like, "Is [*Così*] the most offensive anti-feminist opera ever written, or an exploration of the outer, weird edge

of the human psyche?"

As usually happens after Sellars perpetrates a new production, critics and columnists scramble to say something profound. My favorite comment for this round comes from the prestigious *Los Angeles Times* music critic, Martin Bernheimer, who tells us that "the drama is reinterpreted in terms vital to the aesthetic sensibilities of contemporary America." The question arises: If one performs *The Marriage of Figaro* at an institution for the criminally insane, does that justify a reinterpretation vital to the aesthetic sensibilities of Jack the Ripper? But, the comment is revealing; it tells us something about our "kinder, gentler America."

It is tempting to join the few critics who simply dismiss Sellars as a lone iconoclast who is disfiguring Mozart and Shakespeare in an attempt to make them "relevant" to modern audiences. This, however, is insufficient on three counts: First, it is sterile conservatism which tells us nothing about how great drama and opera *should* be interpreted; second, it ignores the fact that Sellars is being sponsored by the highest levels of the "cultural mafia" as America's premier avant-garde interpreter; and, third, it mistakes what Sellars is doing—he is not trying to make things "relevant," his goal is much more dangerous than that.

The 33-year-old Sellars has been well connected from the beginning of his career. With a baccalaureate from Harvard, he was handed the directorship of the Boston Shakespeare Company at the tender age of 25; the next year, he was given international exposure as director of the American National Theatre at the Kennedy Center for the Performing Arts in Washington; thereupon followed a round of important

commissions, including his award-winning opera *Nixon in China*, with serial-minimalist composer John Adams (also broadcast by PBS). Currently, Sellars can hardly keep up with the demand for his efforts. He is now filming "The Cabinet of Dr. Ramirez," a remake of Robert Weine's 1919 film, "The Cabinet of Dr. Caligari," which inaugurated the decadent Expressionist phase of Weimar Germany; the film score is by Adams, and the financing is from the Munich independent producer Rainer Mockert, who also funded Sellars's Mozart project. At the same time, Sellars is preparing a new production of Mozart's *Magic Flute*, set in 1990s Los Angeles, to premiere at the famous Glyndebourne Festival in Britain. In September, at the Brooklyn Academy of Music, Adams and Sellars will unveil their newest opera, *Klinghoffer*, based on the disabled retiree who was murdered by terrorists in the *Achille Lauro* cruise ship hijacking.

Unnatural selection

As it stands now, most of the choicest directorial and compositional assignments and prizes are being automatically given to a select few contenders. In the United States, if it doesn't go to the Sellars-Adams team, it usually ends up with Philip Glass, the Pulitzer Prize-winning composer whose most recent coup was the Metropolitan Opera commission for a work to commemorate the 500th anniversary of Columbus's discovery of the New World. Like Adams, Glass is (usually) a serial-minimalist; this means that he admits that a musical idea can be generated in the twelve-tone system, but it will take 30 or 40 measures to develop a thought that Mozart sketches in three or four measures. The effect is hypnotic, and purposely so. (For readers who have never been exposed to this material, they might, for clinical purposes, listen to the serial-minimalist score to Kenneth Branagh's *Henry V*, available for videotape rental. Predictably, Glass himself has done the score for a big new staging of *Henry IV, Part I* which opened in New York City Feb. 28.)

In Britain, the most important work often goes to another darling of PBS, Jonathan Miller, a physician who started in the business of the Cambridge University absurdist-comedy group "Beyond the Fringe." One of Miller's recent contributions broadcast on PBS was an English-language *Rigoletto* set in the criminal underworld of the New Jersey docks in the 1950s, with the jester portrayed as a bartender and stooge to a mafia don. Miller is now also Britain's most sought-after director. And, if it doesn't go to Miller, there is always Peter Brook, the spiritual godfather of all of the above. As director of the National Theatre in the 1960s, Brook declared war on "rationalist" Shakespeare with a famous, hallucinogenic *Midsummer Night's Dream*, then went on to let the inmates literally take over the asylum with *Marat/Sade*.

Admittedly, there are competent directors still left in the Western world, but hegemony (and a lot of the money) is now so firmly in the hands of these men and their disciples, that even the classicists must bend to their influence. Thus,

the problem is not so much these directors as individuals, but the fact that "postmodernism"—the aesthetic theory to which they all subscribe to varying degrees—has been purposely sponsored to a dominant position in the arts.

Postmodernism is 'politically correct'

Postmodernism is very politically correct these days, and I doubt you could go beyond an entry-level course in drama, art, or literature on any American campus without being deluged by it. But, like most politically correct ideas, it has its proximate origins in one of several psychological warfare projects sponsored by the Communist International back in the 1920s and 1930s. Many commentators mistakenly portray Sellars and Miller, for instance, as trying to rescue Shakespeare or Mozart from obscurity, by "modernizing" them and making them palatable to the jaded tastes of modern audiences; the effort is commendable, they argue, even if the outcome is at times extreme. However, Sellars and Miller would not agree. Sellars does not think that he is adding mate-swapping and unbridled lust to *Così*; he thinks, and has stated, that mate-swapping and unbridled lust were Mozart and Da Ponte's actual subject, consciously or unconsciously, but could not be displayed openly due to the mores of late-18th-century Austria. In the jargon of postmodernism, Sellars is merely "liberating the erotic subtext" which was in the opera anyway.

This postmodernist nonsense is the coalescence of two trains of thought after World War I. The older tradition is from Friedrich Nietzsche, who in his *The Birth of Tragedy in the Spirit of Music*, revamped Aristotle's old theories of poetics to claim that dramatic forms as we know them are really an outgrowth of the frenzied communal rites of Bacchus and Dionysus in primordial Greece. In the 20th century, Nietzsche's theory was gussied up with the appropriate psychoanalytic decoration and reissued as the "Theater of Cruelty" concept by the French surrealist poet Antonin Artaud. In the 1920s, he asserted that the function of theater must be to reach into the audience and forcibly drag out its collective repressed terrors, thus liberating the audience to communal truth. As might be guessed, Artaud spent his entire adult life in and out of mental institutions and electro-shock therapy. When Peter Brook made his Damascus Road conversion to postmodernism in the 1960s, he signaled it with a seminar on Artaud's theory.

The origins of the Frankfurt School

In Germany, at the same time as Artaud, Nietzsche's claim was also being revived, but with a bit more sophistication, and with Marx rather than Freud as decoration. In the 1920s, the Communist International sponsored a think tank in Germany called the Institute for Social Relations, more commonly known as the Frankfurt School, after its location. Its purpose, according to its founder, Hungarian communist Georg Lukacs, was in essence to determine and then destroy those aspects of Judeo-Christian culture which were pre-

venting the Bolshevik Revolution in Russia from spreading to the West. Music, literature, and drama were particular points of investigation, and were the responsibility of sociologists Theodor Adorno, Walter Benjamin, Siegfried Krauer, and Herbert Marcuse, with the collateral help of playwright Berthold Brecht, a close friend of Benjamin, but too much of an anarchist to join the institute.

The problem, they found, was that all great pieces of Western art invariably worked to ennoble the audience and to convince it of the value of human progress, spiritual and otherwise. However, you can only have a Marxist revolution if people are embittered, dissatisfied with the course of things, and suspecting that "God is dead" to this world. Art, therefore, must work to alienate; it must be ugly, in order to expose the ugliness of the world. Thus, the atonal music of Schoenberg and Berg (with both of whom Adorno, a pianist of some note, studied) is an advance from Mozart and Beethoven because its cacophony most accurately reflects the spiritual turmoil of class struggle in the modern period. Similarly, Benjamin and Brecht worked out the concept under which the latter wrote his plays: *Verfremdungseffekt*—the estrangement effect—the stage must dislocate the audience from previously-held notions of God, country, and society, and leave them enraged and isolated, a kind of mini-revolution in every performance.

There still remained the problem of already-created art. To this, the Frankfurt School applied the theory of hermeneutics (another popular and very politically correct course of study in today's American and West European campuses). According to hermeneutic theory, all art exists in translation, even if it is in your own language; the "language" one uses in literature, the plastic arts or music can be reduced to nouns, but even a noun is merely a symbol, emanating an "aura," which is itself completely determined by the social relations in which the artist is entrapped. To perform an old work of art, it must be translated into the symbology of the more alienated modern era. For instance, Beethoven (this is one of Adorno's doozies) was trying to develop atonalism in the harmonic progressions of his later works, but could not do so freely; modern interpretation should take that into account. Marcuse in his *Eros and Civilization* can thus claim that Friedrich Schiller's *Letters on the Aesthetic Education of Man* are really about creativity as the liberation of repressed eroticism.

You begin to see why Peter Sellars could call his sexually frenzied *Così*, "Mozart's autobiographical opera." This also suggests why Sellars would attempt to revive a film genre from the despairing depths of Weimar Germany. Sellars and company do not *reflect* the horrors of our time, they are consciously attempting to make our time more horrible in order to fulfill a very nasty political agenda.

Time to say, 'Enough!'

How do these monsters get away with it? Admittedly, they have the financial support, and most critics are as much

postmodernists as they, but ultimately, the blame lies with the silence of the audience. It is time to say "enough" to this postmodernist nonsense, and end the careers of these political iconoclasts. However, this does not mean that we must turn Mozart and Shakespeare into icons. Demanding "accuracy," for instance, is insufficient. Seeing *Julius Caesar* acted in doublet and hose under stylized togas, or Portia played by a 13-year-old boy, would be more loyal to Elizabethan performance canon, but would surely undermine the play's power today; without an adequate concept, using Beethoven's metronome markings or period instruments advances little. The genius of the great artists of the past is the living truth which they tell to all cultures in all times; we must demand interpreters who let Mozart and Da Ponte breathe today, not who genteelly smother them in academicism, nor violently strangle them with political misinterpretation.

The subject of all great drama and opera, all great literature, is love. That may sound oversimplified, but, take a moment to review. Consider all the operas of Mozart, Beethoven, and Verdi, all of Shakespeare, Schiller, Cervantes, Dante, Molière, and Aeschylus. The subject is invariably love—of a beloved, of country, of God—or the pathologies of love—greed, pride, ambition, sexual gratification. Great art turns upon *agapē*, a word the Greeks used to differentiate selfless, spiritual love in the living image of the Creator's love, from *eros*, that is, mere desire for a real or imagined object. The most common translation for *agapē* into English is from the King James Bible: "charity." The Frankfurt School psychological warriors understood this well enough to banish the word *agapē* from their voluminous writings, and to emphasize only *eros* as the motive principle in art. Those old enough will recognize this emphasis on the liberation of eroticism from the constraints of "oppressive capitalist society" as the core ideology of the drug-rock-sex counterculture of the 1960s; most of the "gurus" of the counterculture were Frankfurt School alumni.

Agapē and freedom of interpretation

The replacement of *agapē* by *eros* kills art. Without *agapē*, there is no "hook," if you will, upon which the great artist can hang his or her irony. What is funny to Mozart, or what is sad to Shakespeare, becomes incomprehensible and bland to the eroticized audience; the reading or listening becomes emotionally unmoored. *Agapē* is the ordering principle of proper interpretation; the director's only purpose can be to draw out that emotion, no matter how deeply buried it is in the soul of the audience. Within that constraint, there is infinite artistic freedom. Without it, even the best interpreters find themselves importing sensual effects and erotic overtones simply in order to make the piece interesting to the audience. I am reminded of an otherwise standard Metropolitan Opera production of *Rigoletto* which introduced simulated intercourse in the upstage shadows of the opening party scene.

Nude *Hamlets* and rap-rock *Fidelios* will not help repro-

duce another generation of young people who love opera and the stage; they will do exactly the opposite. In 1924, a pro-Bolshevik stage director named Leopold Jessner tried to perform an Expressionist interpretation of Schiller's *Wilhelm Tell* in Berlin. It never got past the first act; the audience shouted it down every time. This kind of "audience participation" has a long and venerable tradition in Europe and the United States. If we are to end the postmodernist robbery of our artistic heritage, perhaps it should be revived.

Branagh's 'Henry V': a second opinion

by Carol White

A recent commentary on a Shakespeare film in EIR stimulated much discussion, pro and con, among readers and editors. We print here one of several contributions received, in the interest of encouraging debate on such crucial questions of popular culture.

Having seen Kenneth Branagh's film production of *Henry V*, with great pleasure, I was considerably challenged by Renée Sigerson's review: "The Movie 'Henry V,' or, Why the British Elites Despise Shakespeare" (*EIR*, March 1, 1991.)

Language and great civilizations

A living language which is capable of conveying great thoughts is dependent upon poets for its development. The earliest great language known to us is Sanskrit; and it has been demonstrated by Indian scholars, such as Bal Gangadhar Tilak, that the Vedic scriptures contain myths which were actually astronomical poems based upon a solar calendar. These he dates to around 10,000 B.C. Such interconnectiveness between poetry and science is lawful. Indeed, before written language was common, poetry was the essential means of ensuring the transmission of knowledge for thousands of years. A similar case can be made for the *Iliad* and the *Odyssey*. While they are ascribed to Homer, they may have had a longer oral history.

We are living in a dark age; poetry and true music are not only not composed, but the treasures of the past are being forgotten. Now we are even losing the capacity for literate speech. Our language is dominated by the present tense, verbs are replaced by nouns, we have ceased to use modes

of speech such as the subjunctive (as in—"would this were not the case"), and so on. The subtle use of language as a vehicle of conceptual thought is rare indeed. From the street child to the President, most Americans appear to be unable to compose even a simple sentence, far less a coherent dialogue capable of expressing complex concepts.

The film

Transforming a play to film involves some license with the original script—that, of course, is one of the reasons why in general the original version of a novel or play is superior to a film adaptation. Furthermore, the way in which a movie is constructed as a pastiche of scenes which are put together in the cutting room, transforms the demands upon an actor to something less than the coherent development of a given character. In a sense, the film director encroaches upon the freedom normally allowed on the stage. In this case, as director and lead actor, Branagh has the maximum opportunity to determine how the character is shaped, within the limitations of the medium.

In this day and age, however, how many Americans a) have access to and b) can afford to attend a staged theater performance? Films (and video tapes) are the media accessible to the most people.

Having said all of this, I did thoroughly enjoy the production. I think the reason is that, despite certain simplifications of plot and so on, Branagh preserves Shakespeare's language. Living in a country—the United States—in which most thoughts are barely articulated beyond a grunt or a mumble, hearing Shakespearean English is equivalent to attending a performance of classical music.

A nation which has lost the capability to speak English, will obviously have great difficulty in comprehending the dialogue of a Shakespearean play when it is performed; and certainly many Americans no longer have the linguistic ability to read Shakespeare or the King James version of the Bible, with anything approaching ease. I imagine that some of the plot devices used by Branagh to speed the action are intended to carry the audience along, and I can excuse this, because I am convinced that after seeing the film, many in the audience—like me—will be drawn to reading the original.

I would be happy to see the film shown in classrooms (certainly it would be a welcome change from such satanic pornography as the movie *Excalibur*, which is shown in many schools, purportedly to introduce students to a medieval world view).

In her review, Renée Sigerson implies that major changes in dialogue were made by Branagh—she implies for evil purposes. Such an inference is a gross exaggeration, as a careful comparison between the text and the film will show. The summary of the development of the action of the play, in the review, is precisely the development as it appears in the film. The key soliloquies and other major speeches remain as

written.

Would Shakespeare himself have been displeased at the scope of the action possible in a film—as compared to a small stage, when it comes to depicting a battle? I doubt it. I do agree with her that the musical background is an unpleasant distraction. While it does not dominate the performance, it detracts from it. Since there is a sufficient body of beautiful music composed in Shakespeare's time which could have provided a musical background accompaniment, we can certainly fault Branagh here; furthermore, Shakespeare's purpose would have been well served without relying upon any background score.

In thinking about why I would recommend this film, I was reminded of Ken Burns's recent seven-part video documentary on the Civil War, which I would also recommend. The battle scenes depicted in the video, and the descriptions of the fighting are, of course, gripping; however, what I found most notable was—from our barren standpoint today—the literacy of the average soldier, writing home to his family and friends, as he faced the rigors of battle. Just as today the "average Joe" and President Bush are both equally inarticulate, so then even the common soldier shared some of the grandeur of President Lincoln's poetic prose. These were times when Americans traveled with three books: the Bible, Shakespeare's plays, and Milton's *Paradise Lost*.

Were I competent to produce a television documentary about the Civil War, or to film *Henry V*, I would no doubt choose to emphasize more of the true subject of Shakespeare's concerns, as Mrs. Sigerson indicates them to be. Yet despite its superficiality, the Branagh production was sufficiently faithful to the original, and sufficiently well done—neither poorly acted nor overly realistic, as is the case of the BBC videos of Shakespeare—to be a useful bridge to Shakespeare's play itself.

Brave green world: Malthus refuted

by John Chambless

Sackgasse Ökostatt: Kein Platz für Menschen,

by Ralf Schauerhammer

Böttiger Verlags-GmbH, Wiesbaden, Germany, 1990
202 pages, paperbound, DM 14.80

In the approximately 30 years since the beginnings of what is called "environmentalism," that movement has gone from being the concern of cultists, cranks, and crazies to one of the dominant political and "scientific" forces in Western industrial society. Its message of impending eco-disaster and overpopulation now dominates the mass media, and its proclamations and warnings have become a part of our everyday life, as common in the classroom and popular movies as in the daily television news.

Ralf Schauerhammer, editor of the German-language science magazine *Fusion*, directs his recent book, *Sackgasse Ökostatt: Kein Platz für Menschen (The Ecostate Dead-End: No Place for Human Beings)* to those individuals who are concerned about the environment but are simultaneously bothered by arguments put forward to justify the drastic measures called for by environmentalists in order to preserve the environment, whether from the danger of toxic insecticides, the ozone hole, or the menace of "global warming." As he tells us, he makes no attempt to present a non-partisan review of all the arguments pro and con in the area of environmentalism, but rather to "scrutinize the fundamental arguments of the environmentalist movement" from the point of view of those "who intend to preserve and care for nature, above all, to preserve and develop human beings." The book "points out the conceptual errors of the environmentalist dogmas that pour out against us daily in a virtually indigestible mass from the media."

Approximately two-thirds of the book is concerned with the arguments that justify environmentalists' concerns. In this respect, Schauerhammer's work resembles that of Dixy Lee Ray, whose *Trashing the Planet*, appeared at about the same time (see *EIR*, Nov. 16, 1990). In both books, the dangers proclaimed by the environmentalist movement for human beings and the environment are carefully examined and, for the most part, the arguments are found to be totally

Now Available!

J.S. BACH

The Six Suites for Solo 'Cello

Eliane Magnan, 'Cellist
Ibykus Series

Set of Two Compact Discs

\$38.00 Add \$1.50 postage and handling for first set of 2 CD's.
\$.50 each additional set.

Make check or money order payable to:
Ben Franklin Booksellers, 27 South King Street, Leesburg,
Virginia 22075. Telephone (703) 777-3661. MasterCard and
Visa accepted.

inadequate. Unlike Ray, however, Schauerhammer does not shy away from asking what political forces stand behind the environmentalist movement. He devotes the last third of the book to the ideological background of the movement, the background that makes sense out of the often ludicrous attempts to justify population reduction and deindustrialization. More importantly, he presents a view of the world and mankind that contrasts sharply with the pessimistic, malthusian perspective that forms the conceptual backbone of environmentalism.

The book is written in a light, popular style, and contains an element usually lacking in discussions of the environment: humor. The book has received a warm reception in Germany. Originally expected to sell only a few thousand copies in the scholarly market, it has become a popular success, and is now in its third printing.

Scare tactics and 'evil fairy tales'

Schauerhammer covers a broad array of topics central to the environmentalist movement. The first two chapters are devoted to the most current scare campaigns, the ozone hole and the greenhouse effect. The next chapter is devoted to atmospheric pollution and arguments designed to prove that any amount of toxic chemical, no matter how small, is dangerous to human beings. Chapter 5 is devoted to acid rain and the claim current in Europe that human industry is destroying forests there, while Chapter 4 concerns the fate of tropical rain forests. Schauerhammer points out that the policy of denying advanced technology to the Third World where the tropical rain forests are located is largely responsible for the destruction of those forests, and outlines a policy for maintaining the biological productivity of former rain forest lands. Chapter 6 goes back to the origins of the U.S. environmentalist movement, and looks at "The Evil Fairy Tale of the 'Silent Spring,'" referring to Rachel Carson's book that fraudulently accused DDT of destroying bird life throughout the world. Chapter 7 is an apocryphal account of the virtual destruction of the life of a German farmer facing the "ground water" regulations imposed by the European Community.

In Chapter 8, Schauerhammer goes after the concept of "natural" as carelessly used by environmentalists. The claim that humanity is "disturbing the balance of nature" is shown to be a childish illusion, since the world of nature for the last billions of years has been constantly growing and developing, with one temporary state of equilibrium only a preparation for new growth and "disturbance." Schauerhammer shows that human technology is not an "unnatural" phenomenon, but rather a natural outgrowth of the "natural technology." What are the wings of a bird, the sonar of a bat, the stomach of a cow if not technology? "All these are technology—technology that nature itself has tested and developed in the course of evolution. Every nature park or zoo is fundamentally nothing but a museum for these 'natural technologies.' "

The next three chapters are devoted to nuclear energy and radioactivity, and demonstrate that, despite the propaganda surrounding Chernobyl and Three Mile Island, nuclear energy remains the least expensive, safest form of energy, and is the best hope for elevating the populations of the Third World to a level capable of allowing truly human life.

From Chicken Little to eco-dictatorship

In the discussion of the "ozone hole," Schauerhammer shows that the so-called hole is not a new phenomenon. In fact, the hole was first discovered in the 1950s by Gordon Dobson, who observed a fluctuation of the level of atmospheric ozone in the Antarctic region, and explained that as due to weather conditions in the region. This was long before the supposed cause of the hole, CFCs, were produced in sufficient quantities to have any possible effect. How can those chemicals be the cause?

Despite the lack of proof that there is any such thing as an "ozone hole caused by human activity," politicians are moving ahead to fight against it. As Schauerhammer says, "At this moment a network of supranational control mechanisms is being produced for the 'protection of the ozone hole.' Once this network is joined together, it will also serve to push through other limitations and prohibitions of production of other substances."

These supranational controls are also moving forward to protect the Earth against "global warming." After examining the arguments put forward to prove global warming in a long and detailed discussion, Schauerhammer concludes, "First, the existing temperature data do not prove a warming as the result of a greenhouse effect. Second, the asserted cause-effect relation between CO₂ in the atmosphere and the increase in temperature is refuted rather than proved by the existing data."

Not that that matters very much. As this review was being written, the announcement came that examination of temperature data since 1905 in the United States does not show any sign of there being any consistent warming trend. The announcer concluded, "It may take 25 or 50 more years to show the trend." That is, global warming is taking place, we know that. We do not yet have the data to prove the claim. But it must be taking place.

Many politicians are even more explicit. Schauerhammer quotes Sen. Timothy Wirth (D-Colo.), who argues that, even if the "theory of global warming is false, we must act as though global warming were reality." The background for Senator Wirth's statement is the specter of "the population explosion," one of the environmentalists' favorite theses. The idea of the population explosion can only be understood by going back to its author, Parson Thomas Malthus. Schauerhammer argues that the scientific content of Malthus's arguments, when originally formulated and today, is of no interest. What is interesting is the role that Malthus's ideas were designed to play, and have played, politically.

Originally intended to refute the American System of political-economy, established in the New World only a decade before publication of Malthus's book, the arguments function today to justify the austerity policy imposed by the international banking system on the Third World.

Ecologism and pagan idolatry

The use of fear and hysteria to control populations and to impose dictatorial rule is nothing new in human history. "Totalitarian systems have sought for thousands of years to manipulate their subject populations and make them pliable through fear and terror. Helplessly, weak man stands confronted by gigantic natural forces. . . . In antiquity, the raging gods could only be placated by sacrifice and absolute obedience toward the oligarchical priestly class. Whoever believes that the time of nature gods and idols is long past is making a serious error.

"Today, we are experiencing the rise of a new 'idol': It is the idol of 'Mother Earth,' Gaia; its secular name is 'the environment,' and its altar is called 'Environmental Protection,' on which within a few years more human beings have already been sacrificed than on the ghastly altars of all the idols of the Incas. Shrouded in the gowns of scientific inviolability, a priestly caste proselytizes worldwide for this Goddess Mother Earth."

What is science: our debt to Krafft Ehrlicke

In the last 20 years, Schauerhammer states that the worst effects of environmentalist thinking on human civilization have been on science itself. Science, rather than being the method by which humanity improves its world, has rather become "very successful in answering irrelevant questions." Schauerhammer contrasts the attitude of scientists to hunger and starvation in Africa in the late 1960s and the present. "If we can put a human being on the Moon and bring him back in a healthy condition, then we can also solve the problems on Earth," as opposed to talk about the "unsolvable problem" of "overpopulation" and even the attitude that, perhaps it's better if we let the people of the Third World starve today rather than having more of them around to starve tomorrow. If that is a new discovery, Schauerhammer says, it is difficult to avoid the conclusion that in the last 30 years that we have not become more clever but merely more immoral.

Showing an indebtedness to the great German-American scientist and engineer Krafft Ehrlicke, Schauerhammer develops a view of the evolution of life and humanity on Earth that sharply contrasts with that of the malthusians. In the chapter on malthusianism, he argues that malthusians and neo-malthusians have confused mere multiplication with growth, and that the present stage of humanity should be seen in analogy with that of an embryo in the womb, whose growth is about to "continue in another world" in which "biological growth" is no longer the only concern, but rather development of labor power and creative reason. Humanity is now capable

of moving into a new world, and that lies "in the stars."

Schauerhammer argues in his last chapter that the "relevant questions" for science to deal with are, how can we provide the living standard enjoyed during the mid-1960s for the entire population of the world today? When we ask that "the actual scientific challenges appear that the zero-growth ideology today has obscured and driven out of the minds of scientists."

When these challenges are taken seriously, Schauerhammer says we will see that we have "precisely the questions to answer that will arise in connection with a project for the settlement of Mars. We need a great goal, an orientation through which that will pull thinking out of the morass of zero-growth ideology and elevate it into true responsibility for future generations. . . . We need a Mars project to accelerate that which must be done in any case for the development of the Earth. . . . Either we gain Mars and the Earth, or we lose the Earth."

Books Received

Vietnam Today, Assessing the New Trends, edited by Thai Quang Trung, Crane Russak, Bristol, Pa., 1990, 126 pages, hardbound

America and Soviet Intervention: Effects on World Stability, edited by Karen A. Feste, Crane Russak, Bristol, Pa., 1990, 162 pages, paperback

Challenges of Leadership in African Development, edited by Olusegun Obasanjo and Hans d'Orville, Crane Russak, Bristol, Pa., 1990, 258 pages, paperback

Communist Systems and Challenges, by Amos Yoder, Crane Russak, Bristol, Pa., 1990, 274 pages, paperback

Voices of Freedom, An Oral History of the Civil Rights Movement from the 1950s through the 1980s, by Henry Hampton and Steven Fayer, with Sarah Flynn, Bantam Books, New York, 1990, 692 pages, paperback, \$19.95

We Are Not Afraid: The Story of Goodman, Schwerner and Chaney and the Civil Rights Campaign for Mississippi, by Seth Cagin and Philip Dray, Bantam Books, New York, 1990, 512 pages, paperback, \$14.95

A Testament of Hope, The Essential Writings and Speeches of Martin Luther King, Jr., edited by James M. Washington, HarperCollins, New York, 1991, 702 pages, paperback, \$16.95

A dissident takes a harsh look at China

by Mary Burdman

A Higher Kind of Loyalty

by Liu Binyan

Pantheon Books, New York, 1990

294 pages, hardbound \$22.95

Chinese intellectual Wang Juntao, sentenced in February in Beijing to 13 years in prison as the “black hand of black hands” for refusing to “repent” his support of the 1989 demonstrations, wrote a defiant letter after his trial to the Chinese intellectuals who have failed to support him. Wang, deputy director of the now-closed Beijing Social Economics Institute, was active in the four upsurges against the regime in recent history: the demonstrations after Zhou Enlai’s death in 1976, the Democracy Wall movement of 1979, and the student movements of 1986 and 1989. Knowing that his defiance will make his punishment more severe, Wang wrote that “there are still compatriots in the most difficult situations who are not avoiding danger and who are speaking out from a sense of justice. . . . When I see so many leaders and sponsors of the movement, who, when they face the consequences do not dare to take responsibility, and who slander the movement, I feel very bad about it.” He is concerned less by defects in the system, he wrote, than by “loss of spirits and morality and the standards of the nation.”

Reading Liu Binyan’s memoir, one comes to understand how courageous Wang Juntao is, and also why so many intellectuals have caved in. Liu, who now lives in the U.S., was purged from the Communist Party twice, beginning in the “anti-rightist” campaign in 1957, and he spent 20 years as a pariah, simply because he repeatedly told the truth about the corruption, incompetence, bureaucratism, and waste—especially of human lives—in Communist China.

Liu makes no excuses for the Chinese citizens, including himself, who joined the Communist Party in 1944. He concludes in his book that only they can free China. “The long-suffering Chinese people, after repeatedly being bullied and cheated, have finally given up their last illusions about the Chinese Communist Party. The price that has been wrested from the Chinese people is inevitable, I suppose. We greeted the founding of this state with wild acclaim in 1949; we submitted so docilely to its rule in the ’50s right through to

the ’70s. . . . But the Chinese people have now changed. . . . This is the end of the Chinese people’s adolescence and their initiation into political maturity. They are no longer waiting to be liberated; they are now ready to pay the price to liberate themselves.” *A Higher Kind of Loyalty* is a study of the methods of Chinese Communist repression, which, though physically less brutal than Stalin’s, are more refined. Mao, Liu wrote, was much cleverer than Stalin—instead of killing off all his enemies, he kept many alive, a perpetual target for the repeated, mad campaigns and purges which have prevented China from undertaking its most urgent task for the past century, nation building.

His own political fortunes were “a barometer” by which to judge the political changes in China, Liu wrote, because in 1957 he had written a letter to Mao denouncing the “new aristocracy” in the party and the deterioration of its relations with the people. This act of hubris was enough to draw down Mao’s perpetual ire, especially because Liu had another drawback: He had traveled in 1949 to both the U.S.S.R. and Hungary, and in 1956 to Poland. The year 1956 was a critical one. Just as the Chinese rural economy was beginning to recover from the devastation of World War II, the protests in Poland and the Hungarian Uprising of 1956 stirred a “fateful” reaction in Mao Zedong. The name of Hungarian nationalist leader Imre Nagy has been a by-word for treason in China ever since. Mao launched the “Hundred Flowers Movement,” to draw out dissenters and entrap them, and then the insanity of the “Great Leap Forward,” causing a famine in which millions died. Strikes were banned and peasants forced into communes and total regimentation.

The toll of Maoism

The result has been the stagnation of China, with peasants and workers resorting to their one possible means of protest, work slowdowns, which have continued for 30 years. Otherwise, there has been a terrible deterioration of the character of the Chinese. As Liu wrote in his last article to appear in China in 1985, entitled “Another Kind of Loyalty,” people are “on the watch for changes of wind and to always be ready to shift allegiance.” Mediocrity is the greatest virtue, and the road to promotion in the vast bureaucracy. But those who rose to power had to lose their humanity, to train themselves not to be moved by suffering or not to see that their country was in peril, with no qualms. “To ensure this peace of mind, another set of people had to cooperate: Millions of Chinese had to remain ignorant and docile, and put their fates into the hands of such officials,” Liu wrote.

It was a visit to Germany in 1986 which was a revelation, Liu wrote. Germany had genuinely changed itself after the Nazi disaster, woken from a nightmare and “shaken free.” But China, where it is barely allowed to even mention the Cultural Revolution, has preserved for over 30 years the same disastrous political setup created by Mao. China is nearer freedom after 1989, but only “one step,” Liu concluded.

Bush crime bill: on the road to fascism

by Kathleen Klenetsky

George Bush has turned his attention to the domestic front, with a series of announcements that is making manifest to the entire world how hollow a pretext was the cover of "enforcing international law" behind which the slaughter of an estimated half a million Iraqis was carried out in "Operation Desert Storm."

The giveaway as to what Bush has in mind for the home-front is the renewed emphasis which he has placed on "fighting crime." In four separate public statements during the first two weeks of March, the President pointed to the crime rate as the number-one problem facing the United States, and promised to establish a "real" death penalty to deal with it.

International jurists who hesitated to condemn the Persian Gulf action, out of fear they might appear to be condoning Iraq's invasion of Kuwait, must now confront the reality that the Bush White House is waging a sweeping offensive within its own borders, against the right of *habeas corpus*, one of the most fundamental civil rights in any nation, and demanding "a workable and enforceable death penalty," at a time when Eastern Europe's newly freed nations abolished the death penalty as one of their first steps out of the dark night of communist barbarism.

"The kind of moral force and national will that freed Kuwait City from abuse can free America's cities from crime," Bush bragged to a gathering of 650 law enforcement officials on March 5. He repeated this rhetoric in a nationally televised address to Congress on March 6, and in several other highly publicized addresses.

Sen. Joe Biden (D-Del.) says that the Democrats are "ready right now" to approve virtually all the elements of the White House bill, as long as the President signs on to new federal controls on assault weapons.

Listening to Bush's oratory, you would never know that the United States might have a much more fundamental prob-

lem, of which crime is only one result: a depression that has thrown millions of people out of work, and hundreds of thousands onto the street.

Yet evidence of the continuing collapse of the economy is overwhelming. The same day that Bush gave his triumphalist speech to a pathetic, slaving Congress, his administration released new unemployment figures, which showed that the *official* jobless rate had soared to 6.5% in February (in supposedly prosperous California, the unemployment rate shot up to 7.4%).

In the following week, Maryland, which borders Washington, D.C., announced that it would slash welfare benefits to nearly 100,000 people statewide, many of them to people who are permanently disabled. In the Washington metropolitan area, shrinking funds and an eroding tax base have forced deep cuts in food aid to thousands of undernourished children and mothers.

On March 13, a group of big-city mayors told a congressional hearing, "We have liberated Kuwait, but are in danger of losing New York, Philadelphia, Detroit, and other cities" because of dwindling federal aid, loss of jobs and population, and a collapsing tax base.

These problems could be taken care of relatively easily, were the United States to revive "American System" economics of investing in infrastructure and agro-industrial production.

But Bush is wedded totally to the policies of usury and speculation which created the country's economic mess in the first place. He will not abandon them.

Instead, he has adopted a two-pronged strategy: 1) crack down on any effective political opposition to these crazy policies; and 2) attempt to divert the population's attention from the deteriorating economy through the same "bread and circuses" tactics employed by oligarchs down through the

centuries, from pagan Rome's Caesars, to fascist leaders Mussolini and Hitler, whom Bush is coming to resemble more and more.

(It is instructive that Bush's professed ego-ideal, former secretary of war and establishment insider *par excellence* Henry Stimson, thought very highly of Mussolini and his adviser, Dino Grandi, while Bush's father worked for one of the leading New York investment banks that bankrolled Hitler.)

The consequences of this distinctly fascist tenor of Bush's postwar orientation means more savage forays against Third World countries, and, at home, an increasing brutality and scapegoating of the multitudes thrown on the garbage dump by Bush's "kinder, gentler" administration.

Bush propagandists hope to get away with this by conveying the same message to Americans that they did to justify the slaughter in Iraq: Just as Arabs are not "like us," and therefore not truly human, the American unemployed, homeless, addicted, AIDS-afflicted, are not "like us," either. Thus, it is fine to ignore their suffering, or to kill them because they are getting in our way.

Crime bill a crime

This is the sick rationale behind Bush's demagogic push on crime, a key element of which is the Omnibus Crime Bill. The major features of this bill are the expansion of the death penalty and the elimination of constitutional rights for those accused of crime.

Submitted to Congress on March 11, the Comprehensive Violent Crime Control Act of 1991 represents a criminal assault on the U.S. Constitution. Its most egregious features include its restrictions on *habeas corpus* and its demand to extend the death penalty.

"The Nation needs a workable and enforceable death penalty," says a fact sheet on the bill issued by the White House. The bill "addresses . . . deficiencies for existing capital offenses [i.e., closes any loopholes] and authorizes imposing the death penalty for several additional aggravated federal crimes."

The bill calls for applying the death penalty to a wide range of crimes, including the *attempted* assassination of the President, the murder of certain foreign officials, kidnaping where a death results, and the terrorist murder of American nationals abroad.

The measure also proposes to an arbitrary one-year time limit on federal *habeas corpus* applications by state prisoners, and a "good faith" exception to restrictions on illegal searches and seizures. This second measure would "permit the admission of evidence if the officers carrying out a search or seizure acted with an objectively reasonable belief that their conduct met Fourth Amendment requirements." With the right corrupt judge, of course, any search becomes "reasonable"—which is why the Founding Fathers took such care in drafting these protections in the first place.

The worse aspect of Bush's push for the death penalty is

what it says about the American people. The cultural banality and pursuit of hedonism which have characterized American society, especially since the end of World War II, are now intersecting a massive economic collapse, and the result is that many Americans are turning into barbarians.

Neither Hitler nor Mussolini would have come to power without mass-based fascist movements behind them; the only reason Bush has been able to get away with his immoral foreign and domestic policies for the past two years, is that too many Americans not only tolerate them, but even like them. The widespread acceptance of euthanasia—killing one's grandmother because she is too much trouble, or one's handicapped relatives because they are draining too many scarce resources—underscores how close to the edge of civilization the United States has come.

A similar process occurred under the fascist regimes of Hitler and Mussolini. Behind the pageants and shows of support for martial victories, and so forth, was an increasingly powerful machine of mass oppression. The more the population fell in line with the "celebrations," the more defenseless they became before the repressive machinery. Eventually, it became virtually impossible to challenge the dictatorship from within.

It gets worse

But Bush's crime bill is only the beginning of the end of constitutional rule in the United States. Harsher measures have already been introduced on the Hill, with worse ones waiting in the wings.

For example, Rep. Newt Gingrich (R-Ga.) has teamed up with Sen. Phil Gramm (R-Tex.) to propose a National Drug and Crime Emergency Bill, which, if passed, would mandate the President to declare a five-year state of emergency, in which mandatory minimum five-year jail sentences would be handed down to anyone accused of a drug crime, or of another class of crime in which the mere *threat* of violence occurred. An aggressive panhandler could find himself in jail for five years under Gingrich's monstrosity. The bill anticipates so many new prisoners, that it calls for using abandoned military bases and erecting tent cities to house the influx.

The same hint of fascist repression can be seen at work in the McCarthyite tactics being deployed against those who opposed going to war in the Gulf. So great is the pressure, that a number of widely read newspaper columnists, along with other influentials, have come forward in recent weeks to publicly recant, and to slavishly praise Bush's leadership and the victory in the Gulf.

The same bloodletting is taking place in Congress, where the Republicans, backed by hard-core Bush Democrats, are lambasting those who voted against the use of force as appeasers and traitors. The ubiquitous Newt Gingrich, for example, demanded on March 10 that Democratic members of Congress who voted against the use of force in the Gulf publicly confess their mistake. Phil Gramm backed him to the hilt.

The 'Vietnam Syndrome' and Bush's Abyssinian crusade

by Leo F. Scanlon

"By God," President George Bush declared on March 1, "we've kicked the Vietnam Syndrome once and for all." His exclamation, uttered at the conclusion of the war against Iraq, tells more about the causes of the conflict than all the U.N. resolutions and congressional debate combined. It hearkens back in spirit and content to the notions which drove Benito Mussolini's imperial adventures in Abyssinia, the "victory" which erased the memory of Italy's "Vietnam"—the disasters of World War I.

Even as the Gulf war was raging, the world was astounded at the audacity with which the Bush administration transformed the coalition's aims from "liberation of Kuwait" to the total destruction of the nation of Iraq. The administration bragged to the press that it had "moved the goalposts" during the war, in order to guarantee that there would be no basis for any negotiated peace with Iraq, and no possibility for surrender either. This conniving is now celebrated as brilliant diplomacy, just as the slaughter of Iraq is hailed as a military victory. The truth is, the destruction of a beaten army retreating out of Kuwait, a symbol of the triumph of power over any other principle, has more than a passing resemblance to the Italian fascist massacre of Ethiopia.

The "Vietnam Syndrome" is not just ordinary Bush-speak phraseology. Washington syndicated columnists Rowland Evans and Robert Novak reported in a February article that "fear of a peace deal at the Bush White House had less to do with oil, Israel, and Iraqi expansionism than with the bitter legacy of a lost war. 'This is the chance to get rid of the Vietnam Syndrome,' one senior aide told us. 'We can show that we are capable of winning a war.'" The columnists explained that "this desire is intense among youthful administration aides. . . . But even older officials from the start have viewed the cost in lost American lives and hatred by the Arab 'street' as worth the renewed credibility of a country willing and able to use its military prowess."

William Bennett (whose performance as "drug czar" in the Bush administration qualifies him as someone who knows something about losing a war) explicated the matter for the *Washington Post* in a recent interview: "There is a recognition—explicit and not just tacit—by the United Nations that the United States is the nation that makes the moral difference

and the military difference."

For those who are still trying to determine what this means, George Bush spelled it out in his usual crude terms during a speech to families of servicemen at Fort Stewart, Georgia in February. "When we win—and we will," he promised the cheering crowd, "we will have taught a dangerous dictator—and any tyrant tempted to follow in his footsteps—that the U.S. has a new credibility, and that *what we say goes* . . . in this new world order that we seek to create. *And we mean it*, and he will understand that when the day is done."

A *Washington Post* staff writer spoke for the rest of the government, when he wrote: "You might have marched around the White House with a candle in your hands to protest the Vietnam War in 1968 yet still feel the proverbial lump in your throat watching Schwarzkopf come this close to wrapping the whole war up. . . . Not just terribly impressed, but terribly grateful to have something to be impressed about."

Republican Party propagandists put the matter much more pragmatically, substituting threats of trade war for the more prosaic euphoria of the *Post*. "America's handling of the crisis in the Gulf and America's leadership . . . will have a positive effect on American business around the world," according to William Ward, a former White House aide in the Nixon and Ford administrations. "Now we have the will to say, 'Hey, we are going to fight to become even more competitive economically.' I'm optimistic we can do that."

Norman Robertson, chief economist at Mellon Bank in Pittsburgh, adds that "the world has seen what U.S. high-tech military goods can do. . . . What we did in Iraq can hardly be viewed as incompetent or inept. That's got to get a few foreign consumers thinking about buying U.S. goods." And in case the Japanese Foreign Ministry hadn't gotten the message, the widely read cartoon newspaper *USA Today* opined that "the riveting video images of U.S. missiles threading their way down the airshafts and into hangar doors will do a lot to restore the 'Made in the USA' label."

Italy and Abyssinia

The comparison between the Bush administration and the government of Mussolini's Italy is unavoidable once one accepts the fact that Bush is not kidding when he talks of a

“new world order.” There are only two basic types of world orderings, one based on just relations between sovereign nation states, and the other—epitomized by imperial Rome—based on the primacy of power. Mussolini understood, and openly emulated the Roman imperial model. His fascism, less encumbered by the cultish excesses of the Nazi movement, offers an object lesson in the folly of all imperial systems, ancient and modern.

Mussolini drew a parallel between the modern state and the Roman Empire when he told an admirer that the masses need “songs and formulas, anniversary commemorations, and the like. . . . It was just the same in ancient Rome.” He and his co-thinkers wished to make the symbols and heraldry peculiar and appropriate to military institutions into artifacts of popular culture, and thereby cement public support for the militarized institutions of the fascist state, and all its policies.

Bush has a different approach to the same goal, and one must believe him when he says that the war against Iraq was fought to show “that what we say goes.”

Consider his fixation with the defeat in Vietnam, as he ascribes to Operation Desert Storm a virtually mythic component. “In the war just ended, there were clearcut objectives, timetables and, above all, an overriding imperative to achieve results. We must bring that same sense of self-discipline, that same sense of urgency, to the way we meet challenges here at home. . . . The brave men and women of Desert Storm accomplished more than even they may realize. They set out to confront an enemy abroad, and in the process, they transformed a nation at home. . . . Think about . . . all they taught us, about our values, about ourselves.” This epic he is describing has nothing to do with the crushing of a technologically inferior army—it exists in the mind of George Bush.

Mussolini, like Bush and his colleagues, well understood that in a world of martial values where “might makes right,” military humiliation is anathema. The humiliating collapse of the Italian Army in 1917, and the subsequent mobilization against “the defeatists,” haunted Mussolini just as the defeat in Vietnam festers in the minds of the American Establishment. Mussolini told Italy in 1918 that “without the war our nation’s valor would have been extinguished. Italy can no longer be portrayed in the apron of an innkeeper. . . . We are and we wish to be a nation of producers. . . . We who have survived, we who have come through claim the right to govern Italy.” And in the chaos which followed World War I, he soon did.

In 1923 a suspicious assassination of an Italian military delegation in Greece rocked Mussolini’s regime. His response epitomized the imperial approach to crisis. He issued an ultimatum which demanded: public apology by the Greek government; an inquiry into the event, to be completed within five days; capital punishment for the perpetrators; honors to be paid to the Italian flag by a squadron of the Greek fleet;

and an indemnity of 50 million lira, also to be paid within five days. The mixture of symbolism with arbitrariness and draconian retribution is identical to Bush’s treatment of the Iraqi regime, and flows from a similar imperial view of international law.

There are lawful parallels as well with Mussolini’s economic policies, which favored the cartelization of industrial production and the concentration of banking power in a minimum of institutions. The Bush administration is accomplishing a similar goal, through the promulgation of “environmental” standards which can be met only by the largest cartels, and with banking reforms which defend the largest commercial banks while strangling smaller institutions. Mussolini asked the critics of cartelization: “Could the state repeat the gesture of Pontius Pilate?” The Bush administration simply says that its friends are “too big to fail.”

The Ethiopian campaign

In 1934, as war pressures built on the European continent, Mussolini determined that it was time that Italy “civilize Africa.” The mission was imposed on Italy because Il Duce could no longer “ignore the constant and continuous provocations on the part of Abyssinia.” In a memorandum, Mussolini warned that it was too late for diplomacy to solve the “problem” of Ethiopia. He justified the assumption by describing the power of the new Ethiopian Army, trained by European officers, and the sophistication of the Ethiopian government under the direction of Emperor Haile Selassie. For Italy, this meant it was necessary to “resolve the problem as soon as possible,” and that could be accomplished in only one way: “The destruction of the Abyssinian Armed Forces and the total conquest of Ethiopia.”

Mussolini noted (and Bush might readily agree) that “the more rapid our military action, the less will be the danger of diplomatic complications. No one in Europe will raise any difficulties for us if the conduct of military operations rapidly creates an accomplished fact.” The Italian Army and Air Force proceeded to do just that, by overwhelming the Abyssinians with air power, terror bombings, and superior military technology.

Bush tells the American people, “We’ve learned the hard lessons of history. The victory over Iraq was not waged as ‘a war to end all wars.’ Even the new world order cannot guarantee an era of perpetual peace.” Mussolini spoke more directly: “Fascism . . . believes neither in the possibility nor the utility of perpetual peace. It thus repudiates the doctrine of pacifism.” Bush is not attempting to imitate Mussolini or Caesar, but he is attempting to travel the same path.

Bush and the ‘Arditi’

Mussolini came from, identified with, and glorified the “Arditi”—guerrilla forces whose exploits in World War I fascinated the Italians in much the manner that “Rambo” does the Americans today. At the end of the war, the demobi-

lized, unemployed Arditi became the “black shirts” who backed Mussolini’s rise, and clamored for glory in colonial wars.

Bush has his own version of the Arditi, but not primarily among the soldiers of the Special Forces, nor among those embittered veterans who were cannon fodder in Vietnam. Bush’s constituency is based in the secret services, among the corps of operatives who have roamed the globe overthrowing governments, and staging coups, usually in the name of the United Nations, and always in the service of “the National Interest.”

They are deeply embittered by their failure in Vietnam. Some, like former CIA director William Colby, persist in the notion that there was nothing fundamentally wrong with American adoption of French colonial policy in Vietnam, and insist that the war would have been “won” if only it had been prosecuted longer. But the issue in Vietnam was never the lack of the use of force (more bombs were dropped on North Vietnam than during all of World War II), but rather the objective to which that force was applied. The moral failure of American policy was to wage a colonial war, not to foster the American System policies of republicanism and economic development that would have *won the peace*.

Mythmakers at work

Today, Colby et al. are the Establishment “spooks” who have patronized the filmmakers and writers, like Oliver Stone (*Platoon*) and other Hollywood oracles, who cultivate the popular mythologies about the Vietnam War.

Others, like Adm. U.S. Grant Sharp (ret.), who was in charge of the Pacific Command during much of the Vietnam War, live with the fact that they never resigned in protest over policies they profess to have hated. Sharp was asked by Cable News Network if he ever had wished for the kind of autonomy General Schwarzkopf has had.

“‘Did I wish it?’ said Sharp, with a derisive laugh. ‘If I had had the same sort of freedom that General Schwarzkopf has, the Vietnam War would have been over in about 1966. We would have defeated North Vietnam, saved hundreds of American lives and won the war.’”

Says the *Washington Post*, “This attitude, and this version of what the lesson of Vietnam is, will become increasingly popular in the wake of the Persian Gulf War, and the wake of the Persian Gulf War appears to be right around the corner. . . . It’s the great unspoken boast that one might as well speak: We did something right. We won one.”

So, George enjoys, for now, the accolades of the world, and an 87% popularity rating. Then again, so did Mussolini, for awhile. His example might show an enlightened American that the only thing worse than losing a colonial war is winning one.

And by the way, it was the British who manipulated Mussolini into his Abyssinian campaign, just as Margaret Thatcher did with George Bush.

LaRouche: EIR story on de Courcy is true

This statement was issued by Lyndon LaRouche, a candidate for the 1992 presidential elections, on Feb. 10:

“I have been informed that my friends at *Executive Intelligence Review* in the United States have received a communication from persons representing themselves as solicitors for one Kenneth de Courcy, the current publisher of the occasional periodical entitled the *Special Office Brief*.

“Mr. de Courcy’s solicitors complain that *Executive Intelligence Review* has made representations concerning statements of, and activities by Mr. Kenneth de Courcy, which Mr. de Courcy denies and says to be without foundation.

“I should say in fact that I am privy to knowledge of most of these matters, and in each case, either Mr. de Courcy himself did convey the information reported—either in writing or orally—in each case that this representation has been confirmed. In other cases, these are matters of the historical literary record, notably, including Mr. de Courcy’s relationship to one George Blake, while both were fellow inmates in Wormwood Scrubs Prison in Britain. These are matters which are represented by Mr. de Courcy, by records concerning Mr. de Courcy on file with the Hoover Institution, and otherwise in a book published by Mr. Blake himself.

“In other words, all the information against which Mr. de Courcy complains of *EIR* having published, as to what *EIR* actually published in these matters, is, to my satisfaction, completely truthful, and it was important to *EIR*’s readers and a larger audience, that these facts be published and thus made more widely known.

“The burden of the matter is that Mr. de Courcy, as he professes and as documents show, was very close to the circles of the former King Edward VIII of the United Kingdom, and to the circles in Britain and France which authored the 1956 Anglo-Israeli-French war against Egypt, including Alec Douglas Lord Home.

“To the same point, but more up to date, Mr. de Courcy has been a person of well-defined views close to, or identical to those of the non-Jewish, British Israelite cult, which has advocated, since some time, a war in the Middle East.

“More to the point, Mr. de Courcy himself repeatedly represented, in connection with his offers to mediate in connection with the political frame-up trial against me in the United States, that a) he was in contact with those who were the authors of this political frame-up; b) that he thought he could intervene to ameliorate the legal difficulties thrown at

me, such as to lessen the sentence; and c) that the probable condition for such negotiations, would be my commitment to support Israel in an imminently developing war in the Middle East.

“At that time, I accepted the view, on the basis of other evidence, that the Anglo-Americans, particularly a certain British faction, were pushing for an early war in the Middle East, to be conducted along the lines generally known as both the Kissinger Plan of the oil crisis period of the 1970s, and also, the so-called Bernard Lewis Plan, authored by British intelligence’s Arab Bureau.

“This British authorship of a new genocidal war in the Middle East, using British intelligence’s assets in the government of Israel as, once again, pawns of Britain’s Seven Sisters petroleum policy, is, of course, of the highest relevance to the world at this particular moment. And thus, there can be no dispute, that not only were the observations published respecting Mr. de Courcy truthful, but were matters of the highest relevance and importance, including the allegations and partial admissions of allegations by Mr. Blake, and Mr. de Courcy’s concession of numbers of facts bearing on Mr. Blake’s allegations.”

Background

In a letter of Jan. 31, Cook and Borsay, Solicitors of Moreton-in-Marsh, England, stated that they were acting for Kenneth de Courcy—Duke de Grantmesnil. They said that their client denied “untrue and libellous items” contained in the article by Scott Thompson headed “Moscow Signals That LaRouche Is Once Again a Hot Topic” (in *EIR*, No. 46, Vol. 17, Nov. 30, 1990).

In their point 2, “At no time has our client intervened in or authorized intervention in the trial of Mr. LaRouche,” *EIR*’s records of his discussions of December 1988 and January 1989 show that Mr. de Courcy’s familiarity with the legal proceedings against Mr. LaRouche certainly did go much further than “what he has occasionally read in the press.” The substantive matters which Mr. de Courcy raised in those discussions, such as the reasons why certain people in Britain and the United States insisted that Mr. LaRouche be jailed, were never mentioned in any press coverage of the case.

In their point 5, “our client has never heard of Messrs. Roy Godson and Herbert Romerstein,” a check through *EIR*’s files, cross-referenced against notes, shows that this matter was also discussed with Mr. de Courcy during July of 1987. The information he then provided, was cross-checked, and verified. The blanket assertion, “he does not know Sir James Goldsmith and has never corresponded with him or with any person in any way connected with him or any of his businesses,” must, regrettably, be a lapse of a similar sort.

On the matters raised in connection with George Blake, Vassall, and Molody/Lonsdale: A number of years ago, Mr. de Courcy caused to be deposited at the Hoover Institution on War, Revolution, and Peace in Stanford, California, a

collection of his papers, and correspondence. These papers, on application to the appropriate authorities, are available, for public scrutiny and reproduction. They cover a large part of the active years of his long and interesting life. Among them can be found, though no doubt written a number of years prior to the deposit of the documents, an account of the time Mr. de Courcy spent in prison with the convicted spy George Blake. This latter was a man who, in the opinion of former ranking members of U.S. intelligence agencies, did more damage to the United States than any other of the more celebrated British spies of the post-World War II period. Those documents, written by de Courcy, provide the basis for the assertions to which he now, many years after their writing, objects.

His account of Blake’s escape from Wormwood Scrubs Prison is of especial interest, given the recent publication in the West of George Blake’s own version of the events. The one fits to the other like a hand to a glove. The allegation that de Courcy aided Blake’s escape came, by the way, from the Soviet publication *New Times*, as indicated in the cited *EIR* article.

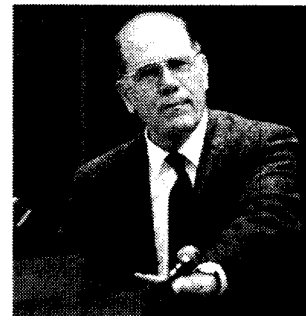
EIR’s editors do regret the confusion introduced by the article’s second reference to Henri Curiel, as Mr. de Courcy’s uncle (point 3 of the solicitors’ letter). He was, of course, as is clear from the first mention of his name, George Blake’s uncle.

‘From the prison in which the politician’s career expires, the influence of the statesman is raised toward the summits of his life’s providential course. Since Solon, the Socratic method has become the mark of the great Western statesman. Without the reemergence of that leadership, our imperiled civilization will not survive this century’s waning years.’

—Lyndon H. LaRouche, Jr.

IN DEFENSE OF COMMON SENSE

by Lyndon H. LaRouche, Jr.



Available for \$5 from:
Ben Franklin Booksellers
27 S. King St.
Leesburg, Va. 22075
Telephone (703) 777-3661

Postage & Shipping
U.S. Mail: \$1.50 + \$.50
each additional book.

UPS: \$3 + \$1 each
additional book.



Robb gets boot from Senate budget post

Sen. Chuck Robb (D-Va.) was unceremoniously dumped from the Senate Budget Committee in early March, after the leadership of the Democratic Steering Committee decided to give him the boot.

Robb accused the panel's chairman, Sen. Jim Sasser (D-Tenn.), of engineering his removal because of Robb's fiscal conservatism. Robb was known on the committee for pressing for far deeper budget cuts than Sasser and the other Democrats wanted.

Both Robb and Sasser deny that his ouster was linked to his vote in favor of military action in the Persian Gulf. Robb was, however, one of the few Democrats who voted for giving Bush the mandate to go to war; he is acting as a rabid "Bush Democrat," a move which has not endeared him to some party colleagues.

Members demand Japan shell out for Gulf war

The House voted on March 7 to appropriate \$15 billion to pay for the Persian Gulf war, and tacked on an amendment sponsored by Rep. Jim Chapman (D-Tex.) which warned the coalition partners that Congress may consider further action "if the commitments they had made to supporting the Gulf war were not fulfilled."

Chapman claimed that "there are no direct threats here," but noted that the Americans had fought the war and "the least we can do is ask our allies to live up to their commitments." But the threats were explicit, with Chapman demanding "that our allies pay their commitments." Chapman warned, "The Congress will be watching," and "this Congress does have the ability, the au-

thority, and the will to act."

Chapman singled out the Japanese, who, he complained, were filtering their money through the Gulf Peace Fund for Middle East reconstruction purposes rather than turning the cash over directly to the United States. "If the nation of Japan does not make its commitment or instead says that the check is in the mail, but we addressed it to the wrong party," he said, we will "take strong action to test who our allies and friends really are."

Traficant scores AIPAC, urges aid cut to Israel

Rep. Jim Traficant (D-Ohio) warned the growing political muscle of the American-Israeli Public Affairs Committee (AIPAC) in influencing legislation, in floor comments on March 6. "I think there are beginning to be some lobbies," said Traficant "which represent the interests of some other countries that are starting to weave themselves into the fabric of our government. They are becoming so strong that members here, if they do not know what is going on, they choose not to look." Traficant said that he thought that AIPAC was conducting "blackmail," and that it was time for Congress to take a look at AIPAC's operations.

Traficant also complained about the additional \$650 million which was being appropriated to Israel for damage done by the Scud missiles. Columnists Evans and Novak noted March 6 that AIPAC was armtwisting Congress for the funds. The White House had proposed \$400 million, Israel is asking for \$1 billion, and the \$650 million was a compromise figure. Traficant and others said that the \$3 billion that Israel receives annually

from the United States should be enough. Traficant wanted to cut aid to Israel by \$50 million.

Rep. Gus Savage (D-Ill.) said that it was contradictory to talk about banning arms in the Middle East without demanding the same of Israel. "After all," said Savage, "the most armed nation in the Middle East is Israel. The only one suspected of having nuclear capacity for arms is Israel." Savage also noted that the United States had given an additional \$400 million to Israel in housing loan guarantees on condition that they would not use the money to build housing in the Occupied Territories (the West Bank and the Gaza Strip), a promise which Israel, Savage noted, had reneged on.

An amendment by Rep. Tim Valentine (D-N.C.) also sought to restrict more aid for Israel, considering it inappropriate while the United States was "struggling under the weight of a recession." The full \$650 million was, however, included in the \$15 billion approved by the House.

Ethics scandal looms against Gulf war opponent

Sen. Mark Hatfield (R-Ore.) is the subject of an "ethics scandal" over alleged "gifts" he had received from the University of South Carolina at a time when the college was seeking a grant from the Senate Appropriations Committee, which Hatfield then chaired. The four gifts between 1983 and 1987, including two pieces of Steuben glassware, came from two discretionary funds under the control of James B. Holderman, then university president.

Hatfield denies that the gifts influenced his decisions on the \$16.3 million grant. "To suggest that I would be influenced by these gifts is

contrary to my convictions and contrary to my integrity," he said.

Hatfield's son Charles is alleged to also have received a full scholarship from another fund that Holderman controlled.

Hatfield was the only Republican to oppose the Persian Gulf war, and raised the ire of the Bush White House. Capitol Hill sources consider the scandal a vendetta.

In the Bush "Brave New World" order, such operations against opponents have become the *modus operandi* in Washington. Sen. Alan Cranston (D-Calif.) was the only one out of five senators involved in an S&L scandal who was seriously criticized by the Senate ethics committee. Cranston had been the key Democrat on the Senate Foreign Relations Committee who pressed for a full investigation of Donald Gregg, Bush's appointee as ambassador to South Korea, and his connections to the Iran-Contra scandal, a connection which would have exposed Bush's personal ties to the scandal.

Black Caucus avoids Bush victory circus

House Resolution 95, which commends the U.S. commanders and forces in the Persian Gulf war and "acclaims the President for his decisive leadership, unerring judgment, and sound decisions with respect to the crisis in the Persian Gulf," passed on March 5 in an overwhelming 410-8 vote in the House.

The Congress has been anxious to hail the conquering Bush, but not everyone in Congress, fortunately, is prepared to give "Il Duce" acclaim for his genocidal escapade. The eight "no" votes came from members of the

Congressional Black Caucus, plus Rep. Bernie Sanders (I-Vt.). Rep. Charles Hayes (D-Ill.) explained that he voted against the resolution because it "removed any accountability for the President as concerns his actions in the Persian Gulf."

Reps. Henry Gonzalez (D-Tex.), Ted Weiss (D-N.Y.), Donald Payne (D-N.J.), and Major Owens (D-N.Y.) answered "present" when their names were called.

Stage set for electric utilities deregulation

Hearings began in March before the Senate Energy Committee on amendments which would relax the federal law that regulates the electric utility industry. The issue is whether unregulated, profit-oriented corporations should be encouraged to enter the field of electricity production by relaxing current federal restrictions.

The Public Utility Holding Company Act of 1935 (PUHCA), which established the Tennessee Valley Authority during the Franklin Roosevelt administration, designates one enterprise which generates and distributes all the power in its assigned service area. Under PUHCA, an interstate company that owns 10% of a power plant, or 5% each of two power plants, falls under restrictive regulatory rules of the Securities and Exchange Commission.

Relaxing the legislation, as Senate Energy Committee chairman Sen. J. Bennett Johnston (D-La.) seeks to do, would allow other companies to come into the field allegedly to establish a more "competitive" price for electricity. The move is strongly supported by the Bush administration, which has introduced such legislation as a part of its

proposed National Energy Strategy.

But deregulation measures introduced into the savings and loan industry, the airline industry, and most recently into commercial banking, have led to disastrous results. Current regulations mandate that companies provide reliable power, but many electric utilities have to borrow money at usurious interest rates. Deregulation would not solve this problem; credits at low interest could.

The utilities question the reliability of allowing smaller, unregulated corporations into the field without the traditional "mandate to serve." The original purpose of the PUHCA legislation, was to provide electricity at reasonable costs to areas which would not be able to generate it locally. But as has been characteristic of the "free market" orientation of the Bush administration, the needs of the people do not play a very important role in economic policy decisions.

Good money sent after bad in S&L crisis

Congress moved a step further in providing an additional \$30 billion to rescue the nation's thrift industry. The Senate on March 8, in a 69-30 vote, approved the additional funds, while the House Banking Committee approved a similar proposal which will come to the floor shortly.

Most of the senators who voted for the additional monies did so reluctantly, but since no one has broached a real solution to the underlying economic problems of the thrift industry, a result of the deregulation policies of the Reagan years, legislators continue to try to plug the holes in the increasing leaks of the thrift bailout.

National News

'Maggie' greets Thatcher in Washington

Protesters greeted former British Prime Minister Margaret Thatcher when she appeared at an event sponsored by the Heritage Foundation, the Hoover Institution, and the American Enterprise Institute in Washington, D.C.

Outside the hotel where the meeting was held, "Maggie Thatcher," dressed in drag with "George Bush" on a leash down on all fours, was carrying a sign which read, "The Empire Lives. Yesterday the Falklands, Today Iraq, Tomorrow the World" on one side, and "I Love the U.S.A., It's my favorite colony!" on the other. "George," on his knees, barking like a dog, was holding a sign that read "Join the new world order."

When the real Mrs. Thatcher arrived, she laughed and waved at the demonstrators. The scene was recorded by a Reuters photographer, who said "this will be all over the papers tomorrow."

Thatcher was awarded the U.S. "Medal of Freedom," America's highest civilian medal, on March 7 by President Bush. Americans are more likely than Britons to empathize with the former Conservative leader, the March 8 London *Times* reported. "Many, unfamiliar with the British political system, are shocked that her once loyal supporters in the Commons appear to have dumped her so unceremoniously after more than a decade of defiant leadership."

Foreign corruption faulted in drug war

Assistant Secretary of State for International Narcotics Matters Melvin Levitsky told a Washington, D.C. press conference March 4 that the major obstacle to a successful war on drugs is the "corruption of foreign politicians and law enforcement officials bought by the drug runners." The Bush official claimed that "it appears that except for the United States, drug abuse is rising all over

the world," despite the fact that law enforcement officials and medical experts nationwide have denounced the Bush administration's claims of a domestic "near victory" as an outright lie.

Levitsky emphasized that the U.S. will continue to concentrate its anti-drug efforts *abroad*, focusing on disrupting the "supply" side of the narcotics industry's free enterprise initiative. He said nary a word about the escalating drug consumption and *production* problem at home, including, for example, the \$50 billion a year U.S. marijuana industry, which produces 27% of the world's marijuana supply. Nor did he address the problem of the drug-dependent U.S. banking system, which launders most of the "dirty" dollars stemming from the international drug trade.

Levitsky worked hand-in-hand with Henry G. Barr, a long-time top aide to Attorney General Richard Thornburgh, in "fighting foreign corruption." Barr, only one of several Thornburgh aides who are either under indictment or suspicion of drug crimes, was convicted on Feb. 5 on charges of cocaine possession and conspiracy to distribute.

Korea next hotspot, says Pentagon official

Deputy Assistant Secretary of Defense Carl Ford Jr. told a Senate committee that Korea is the likely next site of military confrontation, Hessischer Rundfunk radio reported March 7.

"We remain concerned that this is the most likely place in the region for hostilities to erupt," Ford told the committee. North Korea's Kim Il-Sung, "one of the few communist ideologues left in the world . . . persists in ruling North Korea with an iron hand and continues a military buildup that in no way could be called defensive."

Ford and Assistant Secretary of State Richard Solomon warned that Kim Il Sung's regime continues strengthening the military despite a sagging national economy, has weapons production far larger than needed for its own defense, and that North Korea

remains the last dictatorial communist regime which threatens to expand.

Concern was also expressed about North Korea's atomic weapons programs. Solomon told the House East Asia and Pacific Affairs Subcommittee that North Korea continues to violate its obligation to submit to international nuclear inspection, and that this is creating a "most destabilizing" situation. "Japan is concerned, the Soviet Union and China are concerned," he said, the March 8 *Bangkok Post* reported.

On March 9, Pyongyang claimed that South Korean troops opened up fire with "large-caliber weapons" on a North Korean post on the Demilitarized Zone near the town of Panmunjom, where the armistice negotiations took place at the end of the Korean war, according to Radio Moscow. Pyongyang said that the joint U.S.-South Korean "Team Spirit" military exercises, which it calls a "military provocation," are now in "active combat operations."

Los Angeles police brutalize unarmed victim

Rodney King, a black motorist who had violated his parole, was beaten by officers of the Los Angeles Police Department March 7 while he begged for mercy. Numerous witnesses have come forward to complain, and a citizen who was awakened by police cruisers, recorded the horror show on videotape.

King was chased by police, who claimed that he charged one of the 10 officers who surrounded him in a circle as he got out of his car. The photographer, George Holliday, says that "Before they started hitting him he was pretty much cooperative." According to other witnesses, the police first shot King with a stun gun, then began beating him. The videotape shows police jostling one another to take turns swinging at King, two at a time, wielding their batons like baseball bats, hitting on both the fore-swing and the backswing, with over 30 blows and numerous kicks recorded.

"It was a weird feeling," said Holliday, "I was trying to think, what could he have

done to deserve that?" Another witness said, "I never saw him offer any resistance." Another witness, a 52-year-old nurse, told the *Los Angeles Times* she could hear King pleading "Please stop, please stop," and that after the beating was over, the policemen "were all laughing and chuckling, like they had just had a party."

Los Angeles Police Chief Daryl Gates claims that the incident was "an aberration." But the LAPD conducted public beatings and torture of elderly women, priests, and bishops during an Operation Rescue pro-life rally two years ago, for which action Gates was compared to a war criminal by a California legislator. Recently, Gates suggested that blacks die as a result of choke holds administered by the police because their bodies are somehow abnormal. According to the *New York Times*, he also asserted that an El Salvadoran resident killed by a police officer had no place in the United States. Last September, Gates proposed to a U.S. Senate committee that casual drug users should be shot.

Two anti-war black soldiers win backing

Kevin Mills, a 19-year-old Army reservist, and Jean-Claude Rainey, a 21-year-old Marine reservist, who have resisted deployment to the Persian Gulf, appeared at the Union Temple Baptist church on Sunday, March 5, a black church in Washington, D.C. whose congregation had voted to open their church as sanctuary to war resisters. They spoke to reporters on the church steps, and then surrendered to military authorities.

Rainey refused deployment to the Gulf War after hearing Don Alexander speak at a Washington anti-war rally Jan. 4, and has said on TV that his objections to war strengthened when he found out what the U.S. did in the Panama invasion.

Rainey has been charged with a number of military violations, including missing a troop movement and desertion. His lawyer, Hope Brown, called the charges "extremely harsh," and said the military didn't process his conscientious objector application in

time, and he was forced to "go AWOL" to avoid the Gulf deployment. A *Philadelphia Inquirer* story noted that the charge of desertion, in wartime, carries a possible death sentence under military law.

Lamont Mitchell, chairman of the church's board of trustees, told reporters that the church's congregation is "adamantly opposed" to the war. "We support the troops but we live the mandate of Christ. We have a situation here where George Bush has injected religion throughout this conflict, as if God has given him a mandate to kill hundreds, thousands of people. We don't care how popular Bush supposedly is; our God doesn't tell us that, our church doesn't tell us that, and our goals don't change with the polls."

Medical journal renews drive for euthanasia

The *New England Journal of Medicine* continued its drive to legalize euthanasia, reporting in early March on the latest action of a doctor assisting in a patient's suicide.

The journal reports how Dr. Timothy E. Quill instructed his patient, "Diane," whom he describes as having leukemia, to contact the Hemlock Society for information and assistance to complete her suicide plans. Quill says after he discussed all her treatment and suicide options, his patient opted for suicide. Despite the fact that the patient had a 25% chance of beating her disease, Quill went public with his role so that physicians would know "that it was right" for doctors to help dying patients have a dignified death. Quill said he prescribed barbiturates for his patient, knowing they would be used for her suicide.

The editor of the journal argued that it is a doctor's duty to help his patient, and that is what Quill was doing. Quill's main objection to the latest known assisted suicide/murder by Michigan doctor Jack Kevorkian, was the method involved. Kevorkian did not know his patient well, and he focused on machines, making the killing a "mechanized, sterilized process."

Briefly

● **CONLEY HOLBROOK**, 26, who was beaten unconscious eight years ago, has come out of his coma and given police the names of his attackers. Holbrook had been unable to speak, unaware of anything around him, and in the constant care of relatives, but fortunately had not been put to death like other comatose patients.

● **SEN. CHUCK ROBB** (D-Va.) thinks only Bush Democrats have a shot at the White House. On the Gulf war, Robb advised Democrats: "Anyone who might be looking at [running for President] ought to praise the President to the hilt for the way he has handled the war. Anyone who doesn't will simply look foolish."

● **OLIVER NORTH'S** firm, Guardian Technologies, has been awarded a nearly \$1 million contract to supply bullet proof vests to Kuwaiti law enforcement.

● **THE U.S. PLANS** to cut its troop strength in Europe by half over the next five years, Gen. John Galvin, commander of the U.S. European Command, told the Senate Armed Services Committee March 7.

● **THE U.S. SECOND** Circuit Court of Appeals, which covers New York, has ruled that airports are not public forums and that solicitation can be prohibited. In their opinion, which sets back the clock 60 years on freedom of speech, the court cites the U.S. Supreme Court opinion in *U.S. v. Kokinda* which prohibited solicitation at post offices.

● **THE SPOTTED OWL**, whose supposed threatened extinction is used to halt logging, has begun to mate with another, more common owl, the barred owl (offspring are called "spurred owls"), according to *National Geographic* magazine, endangering its own species. The spurred owl seems to be adapting easily to areas already logged.

Editorial

On the anniversary of March 23, 1983

Eight years ago, on March 23, 1983, President Reagan announced his policy for a U.S. Strategic Defense Initiative. That seemed to mark an inflection point, not only for the United States, but for the rest of the world as well: a new era of technological expansion which would spill over from the military to the civilian economies of the world, an era of hope, particularly for the nations of the "South," already suffocating under a load of unpayable debt.

Instead, a malthusian cabal under the leadership of then-Vice President George Bush and Henry Kissinger took over the second Reagan administration and shaped it. The SDI was sabotaged, and military policy was vectored to serve Anglo-American imperialist designs, as was the case in the war against Panama last year, and Iraq now.

The transformation of the second Reagan administration began to be obvious in 1986, when the New Age "postwar era" was negotiated by Reagan, Thatcher, and Gorbachov. Starting in 1983, the Project Democracy crowd, who ran the dirty Iran-Contra operation, became the hands and feet of the Reagan administration, creating an absolute disaster in terms of true U.S. national interest. Not only has the United States betrayed friendly governments in the Philippines, in Panama, and now in Iraq, but we are turning against such staunch pillars of the Western alliance as Germany and Japan. Surely this is madness.

It is ironic, looking at the illusions of "America firsters" who believe the military destruction of Iraq has somehow reestablished American *honor*, that, increasingly, policy shots since the second Reagan administration have been called from London. As Mrs. Thatcher bragged in her recent visit here, the U.S. is expected to provide the muscle and the heart in the Anglo-American alliance—the British are prepared to do the thinking.

This does not let the United States off the hook. It is clear that the present fascist consensus was shaping up even before Reagan left office; it was then that the plans were made for the kind of genocidal offensive

which the United States is still waging in the Gulf, with its ongoing efforts to dismember Iraq, and its failure to come to the relief of the destitute people there who now face famine and unchecked disease.

Even so, this Bush presidency is unique in the history of the world. We now have a lunatic as President of the powerful United States, a man capable of inflicting worse atrocities on defenseless women, children, the elderly, and on soldiers who were trying to withdraw, than Adolf Hitler did over any comparable time period. Already, probably more than 300,000 Iraqis have been murdered, in a period of about one month.

But George Bush is not responsible alone. The applause which his speech received from the joint session of Congress—a speech which can only be compared to Hitler's infamous Sports Palace address—is a measure of the willingness of the American people to accept his barbarity in Iraq. Nonetheless, George Bush is not a shoo-in for a second term as President. For one thing he is facing a mammoth domestic economic crisis, for which he has no remedy.

The economic crisis is real: Both the United States and Britain are bankrupt due to the same free market economic policies which they are trying to impose on the rest of the world. We have just seen what happened in a by-election in England, where Mrs. Thatcher's party went down to defeat in a traditionally strong Conservative area. Essentially, Mrs. Thatcher got the same treatment given to Winston Churchill at the end of World War II. The economic issue is making Mrs. Thatcher's party very unpopular. She, like Churchill, appears to be much more popular in the United States than at home. Bush may find the same phenomena working against him, as war fever calms down and domestic realities reassert themselves in the popular mind.

George Bush must not be reelected, nor can we accept a substitute for him such as Sam Nunn—the same evil wrapped in a slightly different package. Lyndon LaRouche should be in the White House, so that the hope for humanity represented in 1983, may be finally realized.

THE POWER OF REASON

A 90-minute videotape of Lyndon LaRouche



Now available
from
The Human Rights Fund

An exciting new videotape is now available on the life and work of Lyndon LaRouche, political leader and scientist, who is currently an American political prisoner, together with six of his leading associates.

This tape includes clips of some of LaRouche's most important, historic speeches, on economics, history, culture, science, AIDS, and the drug trade.

This tape will recruit your friends to the fight for Western civilization! Order it today! \$100.00

Checks or money orders should be sent to:

Human Rights Fund P.O. Box 535, Leesburg, VA 22075

Please specify whether you wish Beta or VHS. Allow 4 weeks for delivery.

Executive Intelligence Review

U.S., Canada and Mexico only

1 year \$396
6 months \$225
3 months \$125

Foreign Rates

**Central America, West Indies, Venezuela
and Colombia:** 1 yr. \$450, 6 mo. \$245,
3 mo. \$135

South America: 1 yr. \$470, 6 mo. \$255,
3 mo. \$140.

Europe, Middle East, Africa: 1 yr. DM 1400,
6 mo. DM 750, 3 mo. DM 420. Payable in
deutschmarks or other European currencies.

All other countries: 1 yr. \$490, 6 mo.
\$265, 3 mo. \$145

I would like to subscribe to
Executive Intelligence Review for

1 year 6 months 3 months

I enclose \$_____ check or money order

Please charge my MasterCard Visa

Card No. _____ Exp. date _____

Signature _____

Name _____

Company _____

Phone () _____

Address _____

City _____

State _____ Zip _____

Make checks payable to EIR News Service Inc.,
P.O. Box 17390, Washington, D.C. 20041-
0390. In Europe: *EIR* Nachrichtenagentur
GmbH, Postfach 2308, Dotzheimerstrasse 166,
62 Wiesbaden, Federal Republic of Germany,
telephone (06121) 8840.

**Will your
supermarket
soon sell
legalized
cocaine
?**

Blame George Bush!

EIR Special Report, March 1991

Bush's Surrender to Dope, Inc.

Washington's Policies Are Destroying Colombia

Contrary to what the White House public relations moguls tell you, Bush has forced Colombia to give up its war on drugs, to stop extraditing the dope kingpins to the U.S., to make "peace" with the narco-terrorists, and to move toward legalizing drugs. The same policies are on line for the United States, and the drug legalizers are moving in fast for the kill. This report tells you what you need to know to stop them.

150 pages, with index

Price: **\$100**



Order from:

EIR News Service P.O. Box 17390 Washington, D.C. 20041-0390