

EIR

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"What is required is a 'grand design' of European policy, which not only masters the task of reconstruction but simultaneously contributes to world development and peace. Such a plan is Lyndon LaRouche's proposed 'Productive Triangle' program."
—from the Berlin Declaration, March 1990

EIR

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From the Editor

Quite a bit of the contents of this magazine is intended to be read “over the shoulder,” so to speak, of a non-U.S. audience for which the articles were originally written. I urge you to begin your reading, therefore, with the editorial, which reiterates the reasons why it is so important—especially in this electoral season—for Americans to be not only thinking about the rest of the world, but to put themselves in the shoes of others who face grave dangers in their countries, dangers which have been greatly increased and even caused, at least in part, by wrong policies from the United States.

I draw your attention next to the article on page 40, written by a Schiller Institute spokesman upon return from a fact-finding tour in Croatia. It carries a stinging indictment of the actions of U.S. diplomatic representatives like Cyrus Vance; Larry “Belgrade” Eagleburger is not mentioned, but he may well end up in the dock at the “Nuremberg II” war crimes tribunal which the author urges.

In the *Feature*, we publish a call which Helga Zepp-LaRouche has sent out to Germans, and more generally to Europeans, to carry forward the thrust of the LaRouche-Bevel campaign in the United States into a worldwide coalition for development. This sets the broader context for the good news about the completion of one piece of the European infrastructure grid LaRouche has proposed, the Paris-Berlin-Vienna Productive Triangle. In *Economics*, we present in translation two articles written for a French audience, which voice a European reaction to the Anglo-American “free” trade war.

Some of you will read this issue before the Nov. 3 election, and as you know, I recommend that you vote for my preferred presidential candidate, the “long shot,” Lyndon LaRouche, whose policies are blacked out of the major media, even while there is a growing recognition that they are the only ones that will work, and certainly the only ones that can inspire young Americans to take political leadership. Even most “pundits” agree that the reality of the economic depression will determine how people vote. Since LaRouche is the only candidate who diagnosed the depression—years ago—and prescribed remedies that will actually work, clearly, the future belongs to the LaRouche movement. (Those who incarcerated him obviously know that, too.)

Nora Hamerman

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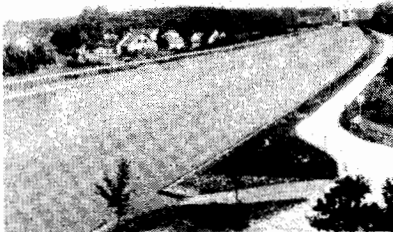
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U.K. depression means early death of Major government

by Mark Burdman

The Oct. 18 issue of the London *Sunday Times*' entire front page was bordered in black, a convention usually reserved for mourning the death of a revered public figure. On this occasion, it mourned the death of the British economy.

Since the Sept. 16 removal of the British pound sterling from the European Community's Exchange Rate Mechanism, a unilateral action by the John Major government, events have moved quickly in Britain, where the physical economy deteriorates by the hour, and government actions are forcing things from bad to worse. The Major government is not long for this world.

"John Major was at last picking up the intimations of his own political mortality." So commented the *Sunday Times* on Oct. 18, on the British prime minister's state of mind as he emerged from the Birmingham, England summit of European Community heads of state two days earlier.

In the forefront of the British economic crisis is the issue of closing the coal mines. Whether through clumsy miscalculation or a conscious design to torpedo the regime from within, Minister of Trade Michael Heseltine announced on Oct. 13 that 31 of Britain's remaining 50 or so coal mines would be closed, and that 30,000 of the 50,000 miners would be summarily laid off. The rationale? The government said that gas-fueled electricity would be cheaper, and would benefit British industrial "recovery." However, industry itself is rapidly shutting down.

In addition to the 30,000 colliery layoffs, some 100,000 further layoffs would result directly and indirectly in the communities where the pits are located, and among firms doing business with British Coal.

The firings were announced in the collieries in a medieval way. When veteran coal miners picked up their paychecks the week before, they found in the envelope job terminations giving two days' notice.

Political uproar

The Heseltine action triggered a giant political backlash throughout the U.K., most importantly within Major's own Conservative Party. Over the Oct. 17-18 weekend, it was made abundantly clear to Major by ruling figures within the Tory establishment, that he would lose a debate in the House of Commons, scheduled for Oct. 21, on the mining closures, because of a large-scale defection of usually loyal Tory parliamentarians.

By Monday, Oct. 19, Major huddled in an emergency cabinet session at 10 Downing Street. During the afternoon, speaking in the House of Commons, Heseltine announced a tactical retreat on the mining issue, speaking of closing fewer mines. On Oct. 20, senior Members of Parliament—the "1922 Committee" of Major's own party—met and demanded a rollback of mine closures from 30 to 10.

Then on Oct. 21, the Major government survived the House of Commons debate with a narrow 13-vote majority, by supporting fewer mine closures. Officially the issue has been postponed until January 1993, by which time Prof. Steven Littlechild, the Regulator of Electricity, is supposed to issue a review of whether gas or coal is cheaper for Britain's electricity generators, and advise on the speed of colliery closings.

On the streets of London, upwards of 50,000 people, across the spectrum of British life, were marching in solidarity with the miners. The United Democratic Mineworkers gave a cardboard cutout of a mineworker to Major, while in Nottinghamshire, UDM head Roy Lynk stayed for seven nights more than 1,000 feet down in Britain's deepest mine.

The National Union of Mineworkers and Trade Union Council announced a national rally for Oct. 25, hoping for 100,000 people.

In response, Major gave a number of interviews and state-

ments, promising a renewed government commitment to “growth” and “recovery.” The only problem, was that the commitment is devoid of any content.

The Major government is also going from disaster to disaster internationally. The last-ditch negotiating session on agricultural issues at the General Agreement on Tariffs and Trade (GATT) talks between the United States and the European Community failed on Oct. 21, with the U.S. intransigent against Europe’s concerns. Both Bush and Major—currently head of the EC under the rotation of the EC presidency—wanted to clinch a free trade deal for political and financial gains. Major also boosted the Maastricht Treaty plan for a unified European bank zone, a scheme desired by the City of London. But Maastricht is failing fast.

On Oct. 22, the Conservative 1922 Committee met to warn and urge Major to delay a decision on Maastricht.

Is it 1931 . . .

The black-bordered Oct. 18 *Sunday Times* was brutally frank on the British economy. Its lead headline, across seven columns, read: “Recession Turns into Depression; 200,000 Jobs to Go by Christmas,” under which the paper commented that “disturbing new evidence suggests that the economy is moving from recession into depression. Surveys out this week will show an alarming slump in business confidence.” The chairman of the National Chamber of Trade, Georgina James, was quoted: “The economy is bleeding to death. Shops are closing so fast you hardly have time to count them.”

In this context, what drives political opposition to the Major regime, is that extraordinary measures are needed, and Major can’t deliver.

And with the admission that Britain is in a depression, comes the drive to set up a “national unity” government, precisely as *EIR* last week warned would happen. Across pages 9-11, the same *Sunday Times* headlined, “Depression Britain: Major’s Road to Nowhere; Under the Shadow of the 1930s.” In the midst of this news spread, was a feature in bold-faced type entitled “Will the Next Step be a National Government?” This article alluded to the last time that such a phenomenon occurred in the midst of a depression, when the Labour government of Ramsay MacDonald resigned on Aug. 24, 1931, to be replaced by the “all-party National government.” Writer David Smith recalled that the 1930s brought fascism, protectionism, and a posture of government “interventionism” toward the economy.

There is even a call to bring back a new Neville Chamberlain, who as Chancellor of the Exchequer from 1931 to 1937 presided over brutalizing British citizens in the name of curing the Depression. A London *Daily Telegraph* commentary on Oct. 20 by former *Telegraph* editor W.F. Deedes, focused on the “many parallels between our economic plight and the Depression,” and praised Chamberlain, who, he said, “presided over our slow recovery through the 1930s. . . . He offers a lesson from those times to these.” Deedes, an

octogenarian active during the Great Depression, recalled that Britain’s Labour government was blown to pieces in 1931 by a report recommending massive cuts in public spending. That report, wrote Deedes, is a “reminder to the present government that, when public spending is out of hand, and desperate measures must be taken, it is hard to avoid wounding the weakest.”

As everything fell apart politically in 1931, in a growing strike wave, King George V commissioned Prime Minister Ramsay MacDonald to form “a National government, to restore our credit abroad and to save the pound.”

And since the weekend of Oct. 17-18, the word “depression,” as applicable to the state of the British economy, has become common usage in British political parlance—truly a remarkable turnaround from the years of British influentials’ derision of this publication and its founding editor Lyndon LaRouche, for warning that the world was entering a period of a new “Great Depression.”

. . . or 1915?

Other historical metaphors are occurring to Britons at this moment of historical crisis. Various Oct. 18 Sunday weeklies likened the devastation being wreaked upon British industry by the Major regime, to how British generals mindlessly sent British youths to be slaughtered in the battlefields of World War I. This is a highly charged emotional issue in Britain, since huge numbers of British young men, including many from elite families, were senselessly butchered in battles overseen by the likes of the crazy General “Butcher” Haig. This caused a profound cultural-philosophical crisis in the U.K. in the 1920s.

Writing in the London *Observer*, William Keegan charged that “we have a cabinet that increasingly resembles a group of First World War generals. John Major and his colleagues . . . display about the same amount of strategic understanding and sensitivity as the commanders who brought us the [battles of the] Somme and Passchendale.” The only difference is that today’s “butchers . . . don’t even have the excuse that there is an enemy out there.”

Keegan anticipated that Major could be out of power before the end of this year, and blasted the government for its obsession with “market forces,” for an “obedience to extreme market forces at the expense of nation and society . . . that beggars belief.”

The *Observer* also ran a cartoon, showing Major and cabinet ministers Heseltine and Norman Lamont (Chancellor of the Exchequer) in military uniform, lobbing bombs at wrecked industrial infrastructure. Major, holding a glass of champagne in his hand, is depicted exclaiming, “Oh, what a lovely war!”

The paper noted that the “Right Honorable” in Major’s formal title is now “only a convention. His definition of honor is most like what the rest of us call saving one’s face. He should be trying to save the country!”

GATT talks fizzle; Bush pushes trade war

by Christophe Lavernhe

On Oct. 21, the latest talks between the European Community (EC) and the United States over how to reach agreement on farm policy for a global treaty under the General Agreement on Tariffs and Trade (GATT) broke down. Even the followup meeting planned for agriculture ministers in Dublin was canceled. These cancellations mean that Bush won't have the GATT feather in his cap to show off before the Nov. 3 elections. His failure is not surprising, however.

Looking at the GATT Uruguay Round from outside the United States, it is clear that U.S. policy has been all along to transform the world economy into a vast "free trade" zone. U.S. authorities, along with London, have attempted to coerce the 108 GATT member-nations to abolish their trade and customs barriers.

In the midst of the GATT negotiations, Washington has put absolute priority on the agricultural issue, figuring that success in this area would open the way for other victories. The complete liberalization of trade, especially in food products, would allow several large private groups to definitively consolidate their present domination, positioning themselves to best negotiate products at the lowest prices: These large groups (Cargill, Continental, Dreyfus, Archer Daniels Midland) are otherwise managing to play a considerable role in American politics, especially on the eve of the elections.

The doddering United States is counting more than ever on the food weapon as a means of political pressure, which is frequently more effective than any military arsenal. The Euro-American trade war interposed by GATT is an episode in a conflict that, for all it eschews military means, is no less relentless or global.

The soybean war

With this objective in mind, the pragmatic American approach aims to maintain constant pressure on Europe, which is traditionally attached to development of food production and self-sufficiency. The weak point in European agriculture, whose importance for the European Community cannot be overstated, has always been that it accepts the importation, without any restriction or duties, of so-called grain substitution products, which are fundamentally animal feed products. The large trading firms cited have always played this to their advantage in taking control over the animal feed chain in Europe, which accounts for 60% of the low-cost food imports. The prices paid to the American farm-

ers for soybeans are, for example, incomparably lower than those of European producers. This has not stopped Europe from wanting to develop a production capacity for "substitute products" of its own (it does have to ensure a minimum of independence in this domain) by authorizing subsidies, especially for the production of sunflower seed and soybeans. Hence, the European production capacity in oilseeds has gone from 266,000 tons during the 1960s to about 13 million tons today.

This weakness in Europe's armor is now the target of the heaviest attacks. In the war against Europe, the first priority is the agricultural war, and in this battle, top priority is the grain substitutes, especially soybeans. The "soybean war," an avatar of the short war that the United States handed Europe, thus was, from American ultimatum to European concession, carried out by newspapers for almost a year. It illustrates how American negotiators, aided by the British, use GATT for their own ends.

Under American pressure, GATT forbade subsidies to the soy meal producers. A supposedly impartial panel of "experts" (all tied in varying degrees to the United States), then judged that the EC, by aiding its producers, was in violation of the regulations and demanded Europeans pay \$2 billion in fines. All the negotiations are now focused on the amount that the EC, which acknowledges a fine of only \$400 million, will pay out. But, from the moment the EC agreed to negotiate, it acknowledged its infractions and arbitrarily stood as the accused. It is a quasi-surrealistic situation, since the EC already imports nearly 56 million tons of grain substitutes per year, a good deal of it from the United States. "You must reduce your production from 12 to 7 million tons," the European negotiators were told by the Americans, for whom this would mean even more exports to Europe.

Leading 'defendant' is France

France, at the heart of European agriculture, naturally, in this logic, becomes the leading accused figure. It is good that the GATT talks broke down. The financial daily *Les Echos* explained that one could not have gotten very far with a disastrous compromise, all the more since the Foreign Ministry was pushing for it. The time must be well used to go on the offensive, by taking the debate beyond the trade war. By agreeing to the reform of EC Agriculture Commission chairman Ray MacSharry, and by pushing the argument on Maastricht, as did Louis Mermaz, that a "yes vote in France will strengthen us against the Americans at GATT," the French government and the agricultural authorities have capitulated up to now.

The American response was not long in coming, in the form of \$1 billion in subsidies to American wheat exporters, re-igniting the soybean war and demands on GATT to reduce by 24% subsidized European grain exports. This was a slap in the face to those who, with Louis Mermaz, thought they were strengthening their position.

In the face of U.S. trade war, Europe is at its most stupid

by Jacques Cheminade

The following editorial commentary appeared in the French fortnightly newspaper Nouvelle Solidarité. The author is the president of the Schiller Institute in France.

At the Birmingham summit on Oct. 16, the two subjects that demanded the most rapid and incisive response from the assembled European Community heads of state were not included in any of the decisions: the future of the European Monetary System (EMS) and resistance to the war being waged via the General Agreement on Tariffs and Trade (GATT) by the American Bush administration. Instead, they talked about the “three priorities of the Twelve”: to democratize decisionmaking, make the European Community functioning more transparent, and avoiding stepping on national susceptibilities. Jacques Delors called the summit, “in order to reassure public opinion” and because it would have “political and psychological usefulness.” It is about as surrealist an image as Little Red Riding Hood and Grandmother cleaning the house and washing the dishes, while the Big Bad Wolf is kicking in the door.

The offensive from across the Atlantic

The real “priority” of the Twelve is to face reality: the American offensive—or more precisely, Anglo-American offensive—to dismantle the EMS, break the Franco-German alliance, and impose a global free trade system on GATT in which the United States will be the sole superpower. Already unacceptable in itself, such an offensive is all the more serious insofar as the American economy’s present functioning is by its nature predatory, feeding off the substance of other countries and the American people themselves in order to uphold what Father Ubu called “phinancial pomp.” In this context, as then-Director of Central Intelligence William Webster outlined in a 1989 speech in Los Angeles, all the efforts of America’s strength should be mobilized above all against its “competitor allies,” that is, against Europe and Japan.

It must be clearly understood that the American economic and trade war is being imposed not simply because Bush wants to be reelected at the expense of Europe, but because

the logic of “savage liberalism” brings to the conflict the “survival of the fittest” imposing itself, as the Darwinians say, on those “less fit.” The tragedy is that the Europeans are playing the game.

Add to this the fact that “irregular wars”—“ethnic” or not—will multiply in the very places in the world where the economic and political fabric is weakest, whether in former Yugoslavia, Georgia, Afghanistan, or in Tajikistan. This multiplication is every bit as inescapable as the worldwide financial and trade war, if the economic and financial decline is not stopped—eradicating hope—which creates the conditions under which nations and the will to coexist founder.

The situation is being aggravated even more because the predatory financier interests are using, manipulating, or even encouraging these “irregular wars” to further their own ends. This is the case of the conflicts in former Yugoslavia, which Messrs. Baker, Eagleburger, Carrington, Vance, and Owen want never to stop, because they comprise a tool for the destabilization and blackmail against Europe and in particular against the potential (which could be achieved) for a Franco-German alliance.

Offer the U.S. ‘peace through development’

That is why it is so important that the European heads of state bring to a sudden halt the American manipulations, while offering them an alternative, which is peace via mutual economic development.

This situation is absolutely clear, looking at the “negotiations” held in Brussels on Oct. 11-12. George Bush, since the meetings were ended, confirmed, according to his view, that the United States made great strides in the areas of differences, including market access, services, internal agricultural aid, and subsidies for agricultural exports. The United States, he said, went as far as possible to respond to the preoccupations of the EC; the negotiators did everything they could. He concluded that the parties are too close to the goal not to seize the opportunity, whatever their domestic policies.

This pronouncement, a tissue of lies, aims at putting pressure on Europe and preparing world opinion, in case

the "negotiations" collapse, to place responsibility on the Europeans.

The American wars

In reality, the American delegation wants, above all, to impose its law rather than negotiate.

In every area, the United States declared war on Europe:

- Agriculture: laying claim at the same time to the overseas markets that had long ago been acquired by the EC in places like Algeria, Morocco, Tunisia, African states, and Poland, with the aid of 100% subsidies for their own grains and a reduction of 24% in the global export volume of the EC, and to foist their oilseeds (soybean) on the internal market of the Twelve! Giving in to American pressures would come down to agreeing to a more than 20% set-aside of productive land, and this added onto the 15% set-aside already found unacceptable in the new Common Agricultural Policy (CAP);

- Airlines: in which the American companies will make off with nearly all the transatlantic air traffic;

- Weapons exports: in order to shut out European suppliers (Dassault to Taiwan, Eurocopter in Turkey);

- AIDS testing kits: to make good the crookedness of Robert Gallo;

- Steel: by excluding cut ingots from Usinor-Sacilor and more than 2 million tons of steel sheet and plate sold by the EC to the United States, the equivalent of production of thin sheet metal for Lorraine, even though European steel exports have declined from 28% to 15% of the American market in eight years!

- Bananas: in order to impose a "banana-dollar" against bananas from the Antilles and Africa, thanks to the wages of poverty coming out of the "slave plantations" in Ibero-America;

- Dollar exchange rates: in order to secure a medium- and long-term dominant position for American products, thanks to the devaluation of the dollar against European currencies, and in the short term in order to "break" the Franco-German front, by accusing Germany's Bundesbank of everything, while organizing operations against the French franc.

European passivity

President Bush did not hesitate to tell South Dakota farmers that the United States was going to take "very aggressive" measures to spell out to the EC that the United States is going to fight it. In Detroit, where the American President presented his "Program for American Renewal," he underlined his wish not only to keep the United States as a "military superpower" and an "economic superpower," but also to make it into an "exporting superpower." What this means is to systematically take parts of the markets away from the competing developed industrial countries, i.e., war against Europe and Japan.

In the face of this Europe remains, as it was put by Philippe Labarde in *La Tribune de l'Expansion*, "blindly obedient."

It's quite incredible that we should find ourselves in the position of being accused, when there is such a large European trade deficit with respect to the United States and Japan, and when we offer the largest, most solvent, and most accessible market in the world!

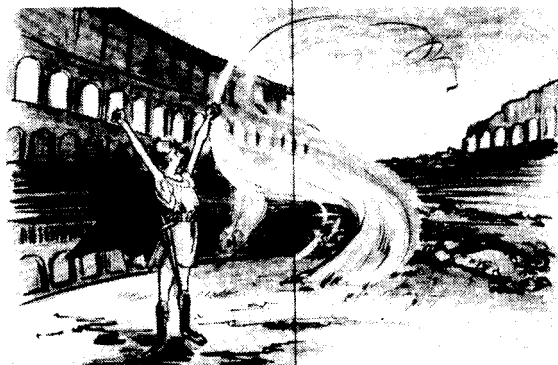
France, rightly, can accuse its allies of weakness. We should, however, clean our own house first: In implementing "competitive deflation" (whether today's Bérégovoy version or tomorrow's Balladur version), in offering no alternative whatever to the countries of the East and South, we ourselves are doing nothing more than "playing the game"—a game which is leading both Europe and the world into the pit.

Where is the serious thinking on an industrial and agricultural policy for the European Community? Where is the serious thinking globally on foreign trade policy? What are we proposing concretely to our partners in the East and in Africa? What does Europe envisage will work to revive the world economy?

One can be at least clear and certain of one thing: Not one of the essential questions was posed in Birmingham.

It is true, as Jacques Delors says, that the summit only aimed at reassuring public opinion. Isn't there just a whiff of the perfume of Munich in that?

GEORGE BUSH THE UNAUTHORIZED BIOGRAPHY



The ruler of all he surveys

The truth about George Bush—in print for the first time: He's the "Emperor of the New World Order"—and a mystery man. Until now, the public knew only what he chose to say about himself, in carefully managed media shows and commissioned puff pieces. This explosive new exposé has finally broken through the wall of silence around George Bush.

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IMF liberalization and drug-money laundering

by C. Brannan

During Sept. 28-30, over 150 specialists from governments, the judicial system, police, and the world of finance gathered in Strasbourg, France for the first-ever International Conference on Money Laundering, officially organized by the Council of Europe. The conference, which took place behind closed doors, was held in a rather strange atmosphere, as officials from the International Monetary Fund (IMF), the World Bank, and the United Nations hobnobbed with officials from governments as varied as Bulgaria and Luxembourg, and only a smattering of information was made available to journalists in short "press points."

The restricted information flow may have been related to the obvious contradiction embodied in the conference itself. All the cited agencies, including the IMF, the World Bank, and the Council of Europe, have themselves been promoting the "economic adjustment," "liberalization," and "democratization" transformations, both in the so-called Third World and in the formerly communist sectors of east and central Europe, which have expedited the massive increase in drug production and/or trafficking and money laundering throughout these areas. Even with the restrictive information flow, the link between liberalization and the money-laundering danger was identified by various eastern and central European representatives. How this issue played itself out in the private hobnobbing is unclear, but judging by the disposition of the main organizers, it is evident that they wanted to avoid such embarrassments.

A major element in world cash flow

In one of the rare evaluations of some import made public from a western expert source, an agency called the Financial Action Task Force (FATF) stated that money laundering was becoming an ever greater problem, citing a figure of \$300 billion in drug sales alone, as being a major element in the world cash flow. Besides the sheer scale of the figures involved, another point raised by the FATF concerned the new, sophisticated electronic transfer of funds into a multitude of "fiscal paradises," as well as into real estate and "front" enterprises.

The FATF also warned of the immense new money-laundering markets opened up by the recent liberalization of the

eastern and central European countries, where, apparently, Hungary and Czechoslovakia have now overtaken Bulgaria in this domain. T. Sherman, president of the FATF, warned that the privatization of firms in the East and the convertibility of currencies could create "open counters" for professional launderers, and that, in fact, their criminal activity had already substantially increased.

Were Sherman to have been fully consistent, he might have arranged for the arrest of some of the IMF and related attendees at the Strasbourg event. But as the Council of Europe meeting was so strictly controlled to the outside world, the paradox was never really addressed, that the very policy of liberalization of eastern economies precludes interference into money flows and the activities of financial houses. Also not raised, is that Hungary and Czechoslovakia are pointed to as "success models" by the group around Jeffrey Sachs of Harvard, which sponsors IMF "shock adjustment" policies in the East, and that great advocates of "liberalization," like Milton Friedman, also support the legalization of drugs.

The consequences of 'liberalization'

The delegations from the formerly communist countries made the most telling points. Valentin Dobrev, Bulgaria's vice minister of foreign affairs, submitted a paper warning that professional money-launderers were targeting "private banks and their foreign branches, factories, insurance companies and even small shops." He asked: "What interest do banks have in inspecting the origins of capital arriving in their country?"

A Polish representative affirmed that in Poland several companies in financial difficulty had received offers in the mail, that they allow money transfers (of dubious origins and from abroad) into their bank accounts, with a promise of a commission for this "passage" of up to 10%. "The initial stage of transformation of the political and economic systems in Poland has been associated with a substantial liberalization of all forms of economic activity. . . . Conditions favorable to capital transactions have been brought about. Apart from the monies coming from legal sources, also those earned on illegal transactions have been used." Widespread shortages, and a confused legal system in a nation in transition, "have produced incentives for earning the so-called 'fast bucks,' also through illegal operations."

The minister of justice of Czechoslovakia (C.S.F.R.) concluded: "Our legal system faces a very difficult task—to stop the 'dirty money' influx into the C.S.F.R. from abroad, to hinder deposits of this and also domestic dirty money in financial houses, as well as not to interfere with the need of the Czech economy for transformation based, among other things, on the free circulation of capital."

Induced corruption

Russian Federation Minister of Justice Korastelev also addressed the paradox of wanting, at one and the same time,

to introduce a free liberal economy and to penalize the results of such a liberal economy. He stated: "In fact, the high taxation of profits and 'liberated' salaries has caused a reduction of production, as industrialists have no motivation either to modernize or to increase their productivity. Nor will they venture out into trying new technologies. One of the characteristic features of this transition period consists in the growing influence of bureaucrats, and especially those who possess the right, so to speak, of deciding whether it is rainy or fine economic weather . . . that is, to register or not register an enterprise, or to accord or refuse credits, and so on. This situation has led to considerable corruption in nearly all state institutions: the parliament, ministries, universities, schools, tribunals, police. Systematic screening and the fight against this scourge, which some believe to be the number-one threat to the state system, are hindered by a lack of appropriate laws and of qualified personnel."

Korastelev reminded his audience that the evil of money-laundering corruption could not be reduced to a problem of lawyers, because "this 'evil' has a quasi-global character."

Evasions

In the light of such identified problems, the behavior of western representatives, at least in public, seemed curious at best. The British delegation made a big deal about the fact that the U.K. would be the first of all countries to ratify the European Convention on Money Laundering, thereby, presumably, changing national laws to allow lifting of banking secrecy and confiscation of illegal money both at home and abroad. One Mr. Greenberg, chief of the money-laundering division of the U.S. Department of Justice (which presumably investigates, rather than engages in, the practice), boasted about the recent "anti-drug" successes of the Bush administration.

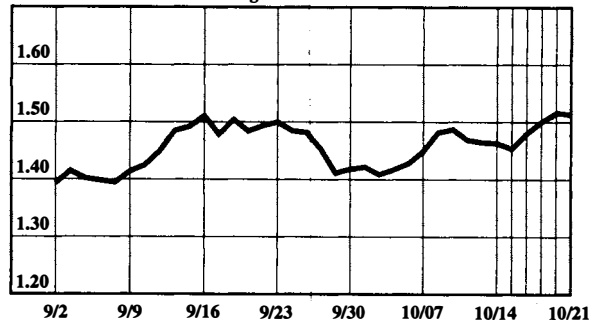
A Mr. Fischbach, the minister of justice from that well-known fiscal paradise of Luxembourg, solemnly demanded "an unbreachable internal solidarity with reinforced means of investigations for police and magistrates." Fischbach, however, could only reply, "No comment," when a journalist asked him to comment on the closing of the Bank of Credit and Commerce International (BCCI) because of drug-money laundering.

Indeed, most questions received no answers. One journalist asked how the participants could focus so much on merely technical problems, when such higher-ups as the former vice president of the United States had routinely utilized drugs-for-arms swaps operations, along with Col. Oliver North et al., in the Iran-Contra affair. To this, Council of Europe Secretary Catherine Lalumière darkly warned that threats and dangers exist that prevent people from naming names, that "we are not amongst good company" in the world as it is today, and that investigations are "still under way."

Currency Rates

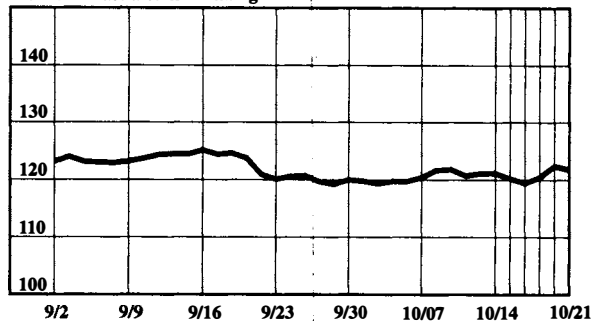
The dollar in deutschemarks

New York late afternoon fixing



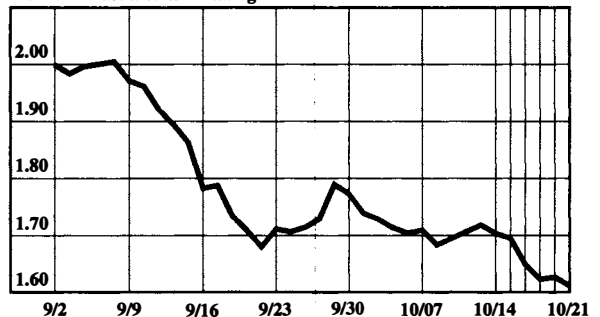
The dollar in yen

New York late afternoon fixing



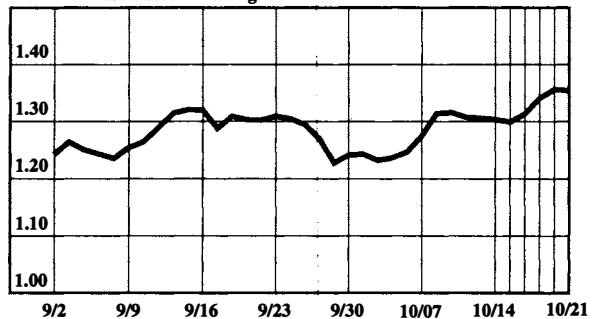
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



An oversupply of useless politicians

The recent election in the bankrupt state of Victoria gives a glimpse into what is wrong with "free-trade" based national policies.

Australia has more politicians, per capita, than any other nation. For a population of 16 million, there are 840 members of Parliament and 144 ministers on the public payroll. In addition there are thousands of paid local government politicians. Recent state elections have highlighted the lack of value that Australians are receiving for their money.

The election in the state of Victoria, the nation's primary industrial center, was held on Oct. 3. It resulted in a landslide victory for the Liberal Party, which had been in opposition for 10 years. The previous Labor government (1982-92) presided over a financial and industrial disaster. The incoming Liberal government of Jeff Kennett will alter little. Kennett's government has a massive majority in both houses of Parliament, and he has pledged to pursue an austerity and free trade agenda.

Kennett's prime source of advice in pursuing this free trade policy will be the Institute of Public Affairs. The IPA is the ideological think tank for the New Right-Thatcherite forces in Australia. It is funded by the Western Mining Corp., which also finances the H.R. Nicholls Society, which is dedicated to smashing unions and working conditions.

The Victorian economy is now a basket case. The federal government's policy of deregulation and reduced tariffs has contributed to the collapse, but the state Labor government has been hopeless by any criterion. Victoria's industry, especially the clothing, footwear, and textile sector,

is now in a state of terminal decline. Fifty percent of this industry's capacity has been lost in recent years. Unemployment is officially recorded at 12% and some suggest it could be as high as 20%. The once prosperous state has a \$60 billion debt (\$12,000 for every person), and 33% of state revenue is used to pay the interest bill.

Financial deregulation by the federal government contributed to the collapse of the 150-year-old government bank, the State Savings Bank (SSB), which was sold after its merchant banking arm, Tricontinental, lost billions of dollars to real estate speculation. The Royal Commission probe resulted in no charges, and the commission claimed it was unable to find where the money had gone. The SSB was a traditional source of funds for housing and infrastructure projects. This has now been lost with the SSB's sale to the federal government's Commonwealth Bank (which in turn has been privatized). Failure to make this an issue in the election may have been partially due to the fact that the president of the Liberal Party, Michael Kroger, had received a \$14 million loan from Tricontinental. A director of Tricontinental was also a director of Kroger's own private company.

There have been other examples of financial mismanagement in Victoria, but none was made an issue during the election. A government-controlled corporation, the Victorian Economic Development Commission, lent hundreds of millions of dollars to dubious enterprises. Workers' insurance schemes (WorkCare) and

state superannuation liabilities remain unfunded and are a drain on state revenues. The state's largest building society, Pyramid, collapsed with a billion-dollar shortfall in funds. The new Liberal government has no remedies beyond austerity, balanced budgets, and privatization. Some 20,000 public servants are to be axed.

Other scandals have appeared over the past few months. In the week before the election, it was revealed that thousands of highly confidential security files had been found missing from the police intelligence branch, and an attempt to introduce a new ticketing system for public transport proved unworkable and cost \$80 million.

It is no wonder that the Liberals swept into office with the largest majority in the state's history. To the delight of the bankers and money lenders, the Kennett government has as a priority austerity and debt reduction. The shrinking revenue base will not be rebuilt, expenditures will be slashed. Jeff Kennett denied that any inquiries were needed, and preempted such a move by claiming during the election that there was no evidence of corruption in Victoria.

Victoria is the nation's major industrial state, yet the Liberal Party industry policy makes no mention of tariffs. It is a document which blindly places its faith in the "magic" of market forces. During the election campaign, the Liberal industry spokesman, Roger Pescott, refused to debate or comment upon industry policy. It is possible he had not even read his own policy document. The Liberals even refused to release their housing policy, claiming that it might confuse the electorate. Other policy documents were released at press conferences, to ensure that journalists did not have time to ask difficult questions.

Goodbye, Mr. CHIPS

The collapse of the central banking system spells doom for the world of electronic funny-money.

As *EIR* documented last week, the world financial system has been turned into a giant casino in which the ability of the central banks to control the values of their currencies has been destroyed by the currency-speculation racket spawned by that very same change. As the events of September clearly showed, the central banks no longer have the capability to keep the monster of speculation at bay. Like Dr. Frankenstein, they have been destroyed by their own creation.

The collapse of this giant international casino has the banks and regulators scared to death, as commentators warn that the whole system could come to "a wrenching halt."

Federal Reserve Chairman Alan Greenspan, in an Oct. 14 address to the Federation of Bankers' Associations of Japan in Tokyo, warned of the risks inherent in having trillions of dollars worth of electronic funny-money swirling around the world in bank computer networks.

With the events of September, Greenspan said, "We all became aware that the financial systems were at risk with serious implications for world markets." Global financial transactions may be too fast and too complex for senior bank managers to handle, he warned, calling on central banks and governments to step up their supervision of international banks.

"A number of the old rules of thumb that policymakers used are inoperative" in the current economic situation, Greenspan lamented. "No models can explain the types of patterns we are having.

"We must all guard against a situation in which the designers of financial strategies lack the experience to evaluate attendant risks, and their experienced senior managers are too embarrassed to admit they do not understand the new strategies," Greenspan said.

Greenspan's warnings echo those issued Oct. 6 by Bank of England Governor Robin Leigh-Pemberton, in announcing plans to enable the British Clearing House Automated Payments System (CHAPS) to settle large electronic funds transfers between banks immediately, rather than overnight.

The way CHAPS currently works, wire transfers between banks are processed immediately from the customers' standpoint, but the banks themselves do not settle up until the evening. As long as the banks involved are solvent, and have the money to pay up each night, the system works fine. But, were one or more of the banks involved to be unable to meet their commitments at night—an increasingly likely occurrence—the entire system could be thrown into chaos, sweeping away whole sections of the international financial system at one time.

The danger, in the words of the London *Financial Times*, is "the risk of a domino effect if a bank collapses."

"The vast volumes of business being processed through the payments system" have led, Leigh-Pemberton said, "to huge, unmeasured intra-day exposures for banks, as a result of their willingness to give customers immediate use of incoming funds before being certain that inter-bank

transfers would be settled."

These "intra-day exposures can be massive—sometimes exceeding the capital of the banks concerned," the Bank of England official added.

"I regard this as one of the most important developments in my governorship," Leigh-Pemberton said.

The London *Financial Times* agreed, editorializing: "In a financial system that seems daily to get more fragile, any step to reduce risk is welcome. For the layman, however, it is not always an unalloyed pleasure, since it is often accompanied by a realization for the first time of just how big the risks have become."

A similar worry that the electronic funny-money system "could spin out of control" was expressed by the *New York Times Magazine* on Oct. 18, in an article by Peter Passell on the Clearing House Interbank Payments System (CHIPS—the U.S. equivalent of CHAPS) owned by the big New York-based banks.

CHIPS handles nearly \$1 trillion in U.S. dollar currency transactions—more than the entire U.S. money supply—each day. Together with a network run by the Federal Reserve, the two handle \$1.7 trillion a day, or 80% of the total payments made worldwide in dollars.

"Were the flow to stop unexpectedly," Passell noted, "financial empires would teeter and governments tremble. . . . If something were to go seriously awry . . . in the world of electronic money, the whole system could come to a wrenching halt in the twinkling of a gigabyte."

With the demise of the world's central banking system on Sept. 16, the day that the British pound collapsed, that flow has indeed been cut off, and many trillions of dollars of electronic funny-money has disappeared, never to return. The teetering and trembling has begun.

Maquiladoras in the United States

The multinationals of the meatpacking industry are bringing the brutal conditions of the Mexican border plants back home.

On Oct. 15, a tuberculosis outbreak was reported at the Monfort pork packing plant in Marshalltown, Iowa, owned by the multinational company ConAgra. This outbreak is evidence that the labor practices of the food conglomerates are already leading to the unsafe and unsanitary conditions which have caused cholera to erupt in the *maquiladora* cheap-labor assembly plants and surrounding towns on the U.S.-Mexican border.

The North American Free Trade Agreement (NAFTA), scheduled to be voted upon by Congress next summer, will allow these companies to move to Mexico and intensify their austerity practices against the living standards of the people of both North and South America.

Fifty workers were reported infected with tuberculosis at the Marshalltown Monfort plant. When the plant was purchased by ConAgra in 1989, from Swift Packing, the work force was immediately subjected to union busting, so that wages could be lowered and worker health and safety regulations weakened, in this very dangerous and labor-intensive work.

On Sept. 22, an Immigration and Naturalization Service (INS) raid on the Monfort meatpacking plant in Grand Island, Nebraska, uncovered the fact that up to 500 of the plant's 2,000-man work force were Mexicans working in the U.S. illegally. The *Minneapolis Star Tribune* on Oct. 2 exposed similar conditions in a Madelia, Minnesota chicken-processing plant, Tony Downs. This plant, one of the top 60 chicken-processing

plants in the country, was discovered to be recruiting its workers from the Texas-Mexico border and shipping them north to work at wages below the Minnesota minimum wage.

It is estimated by the *Tribune* that, like the Monfort plant in Grand Island, at least one-quarter of the Tony Downs workers are in the country illegally. Mexicans who come to work at the plant are packed into squalid housing either in company-owned mobile homes or dilapidated motels. Tony Downs is one of the primary packers of chicken products for the U.S. military and the Department of Agriculture.

Over the last five years, meat- and pork-packing plants owned by food monopolies like IBP, Cargill, and ConAgra have been filling up with workers recruited from Mexico, so that they can exploit them, in terms of wages, working, and living conditions. This is done under the dogma of free trade, and in the name of keeping a "competitive" work force. ConAgra, however, boasts a 20% return on investment!

It is only a matter of time before diseases like cholera which have accompanied the spread of free trade policies in South America, break out in the United States. On June 13, the first case of cholera was reported in Matamoros, a *maquiladora* town across the border from Brownsville, Texas.

The *maquiladoras* have become synonymous with the NAFTA agreement. The plants have relocated into Mexico for the explicit purpose of avoiding the U.S. taxes which help

support infrastructure costs, and of lowering labor costs.

By August, 151 cases of cholera were reported in the Mexican state of Tamaulipas, where Matamoros is located. In Ciudad Juárez, across from El Paso, the first case of cholera appeared in June. The city is considered a high risk by officials, because of lack of sanitation facilities. Cholera, like tuberculosis, is a classic disease of poverty. Both diseases can be eliminated through basic economic infrastructure and public health measures.

Since 1975, wages in U.S. meatpacking plants have been halved. At one time the wages were higher than for manufacturing workers, because of the danger of the work. Companies have moved out of the big meatpacking centers in Chicago, Des Moines, and Omaha, into rural areas, where they have been able to break the unions and import cheap labor. The pressure on each worker is so intense that there is an 87% yearly turnover at the Grand Island plant. At the Madelia plant, the work pace is so fast—each worker must debone 5,700 chickens every eight hours—that most drop out after six months.

In their moves to the countryside, the major packers, who were swallowing up the independent packers and processors along the way, blackmailed state governments into reducing or eliminating their corporate income and property taxes, with the threat of locating somewhere else. ConAgra has waged an intense and nearly successful effort to eliminate government inspections of meat packing plants, having the company provide its own inspections. Monfort plants are regularly cited for government safety violations, particularly maintaining line speeds so fast, that employees become afflicted with the crippling repetitive motion syndrome in their hands.

Business Briefs

Nobel Prize

Becker award shows hideous immorality

The "theories" of Gary Becker, the winner of the Nobel Prize for Economics, epitomize the immorality of the Chicago School of Economics. Becker is a modern-day Benthamite, who has applied free market economics and cost-benefit analysis to things like marriage, divorce, and child-rearing. Among his proposals are the elimination of the minimum wage and the legalization of drugs, starting with marijuana.

In the Oct. 14 *Wall Street Journal*, Becker penned a commentary entitled "A Nobel Idea: Free-Market Immigration." Instead of expelling the growing wave of immigrants, wrote Becker, "one idea would be to substitute a price mechanism for the complicated criteria that presently determine legal entry. The best policy along these lines would be to auction off immigrant permits to the highest bidders." Becker proposes that immigrants be charged \$50,000 each in order to come to the United States.

The Oct. 14 *Wall Street Journal* greeted Becker's selection as someone who has pioneered "theories of rational behavior which hold that people are not vegetables, but respond to situations in ways they think will maximize their self-interest" (emphasis added).

Trade

Study says NAFTA will wipe out garment industry

A report on the North American Free Trade Agreement (NAFTA) recently completed for a special commission of the New York State Senate, concluded that the state's garment industry, with 88,000 jobs, would be "virtually wiped out," the Oct. 12 *New York Times* reported.

The report concluded that it is "highly unlikely" that the state would benefit from a free trade agreement with Mexico, as it had from the 1989 free trade agreement with Canada. The 1989 agreement attracted more than 80 Canadian companies, mostly small firms, to the Buffalo area alone, to take advantage of

the fact that U.S. labor is 10% cheaper than Canadian labor. The study concluded that the far cheaper labor available in Mexico will cause a southward stampede of companies from both the United States and Canada. The AFL-CIO has estimated that New York State alone has lost 813,000 jobs to Mexico since 1970.

The *Times* noted that "executives and economists agree that its overall impact on the New York region would be to accelerate a long established, perhaps irreversible, loss of manufacturers, particularly smaller ones. . . . There is little doubt that the biggest advantages will flow to the financial services industries."

Great Britain

Secret societies in business face scrutiny

"Top businessmen in Britain's most secretive society, the Freemasons, are facing mounting pressure to stand up and be counted. Suspicions are growing about how far the long arm of the order reaches down the corridors of corporate power," Reuters reported on Oct. 6 in a story on how "secret societies face growing scrutiny in British business."

"Many of Britain's 8,500 lodges focus around particular institutions, be it government, regiments, professions or individual firms. Hundreds riddle London's financial district, the City, whose Lord Mayor has often been a senior Mason," Reuters reported.

"The Bank of England has its own lodge, share dealers too.

"Employees of clearing banks Midland, National Westminster, and Lloyds boast at least one each, the latter named the Black Horse of Lombard Street after its logo and headquarters.

"Britain's largest bank, Barclays, has up to four lodges, according to one recently retired senior executive and long-standing Mason. He denies, though, that members give each other a helping hand. . . .

"In July, Lloyds insurance members, stung by more than £2 billion [\$3.5 billion] of losses in what many feel is already an insiders club, were incensed to learn that three masonic 'lodges' operate in the market."

In November, parliament will be presented with a proposed law that calls for public

figures to disclose masonic membership. If passed, the bill will also apply to managers of top former state enterprises, now privatized, including water and electricity companies.

Martin Short, author of *Inside the Brotherhood*, a critical study of Freemasonry, "came across one lodge in the defense industry where government officials, military men and senior managers of arms manufacturers were all members.

"Such closed-door clubs are exactly the sort of situation the imminent parliamentary bill is aimed at."

Russia

Industry lobby head attacks IMF 'experts'

International Monetary Fund (IMF) experts know nothing about Russia, they spend too much time hobnobbing with the Moscow cultural elites and spreading bad advice, Arkady Volsky, the leader of the pro-industry Civic Union political bloc, told the Italian daily *La Repubblica* on Oct. 3.

Volsky denounced such IMF recommendations as devaluing the ruble and bringing energy and other prices up to world market levels, as "without any sense. We were, before this crisis, the major producer of oil in the world. Why should we increase the internal price of oil? We have done this, under advice from the IMF, and now the ruble is collapsing in value, to 309 to the dollar."

Volsky rejected the suggestion that Russia risks a credit embargo from the West if it rejects IMF policies. "What credit? We are being offered nothing, and the so-called experts in the Fund don't understand the problems of Russia. If you want to understand Russia, you have to live here for a while. . . . Instead, these guys at the IMF come here, go to see the Bolshoi Ballet, and then pretend to apply their reforms as if Russia were Texas."

A senior east German politician recently complained to *EIR* that the IMF is telling the Russians not to buy German machinery but schnapes and cigarettes and other "things that matter for the man in the street," to keep the most immediate pressure off the Gaidar government. The IMF experts tell the Russian government they will receive no western credits for imports of machinery but only for con-

sumer goods and medicine. This means that Russia is not even buying cigarette-making machines from east Germany. This short-sighted policy can be observed in all sectors of the economy in Russia, he said. Russia is not buying agricultural equipment and vitally needed spare parts for industrial cranes, machine tools, and other industrial hardware.

Agriculture

ConAgra forced to repay farmers

The food cartel conglomerate ConAgra was ordered in early October by a federal judge in Montgomery, Alabama to pay \$12 million to 300 chicken farmers in Alabama and Florida whom they had cheated.

ConAgra employees, at their poultry-processing plant at Enterprise, Alabama, had tampered with the scales that weighed the chickens which the growers brought for sale. The weight determined how much they were paid. The fraud went on for eight years (1977-85), the jury hearing the case found.

ConAgra unsuccessfully appealed the case to the 11th U.S. Circuit Court of Appeals. ConAgra was ordered to repay \$17.2 million, but \$5 million was taken in attorneys' fees and other expenses for the growers. ConAgra admitted the mis-weighing in court but claimed it did not occur as frequently as the growers alleged.

Environmentalism

Oil refineries face extinction

Kenneth D. Kerr, chairman and chief executive officer of Chevron Corp., the largest refiner in the United States, told a group of business leaders in Philadelphia on Oct. 8 that the Clean Air Act of 1990 threatens to destroy U.S. refining capacity, the *New York Times* reported. "No question about it," Kerr said, "the oil refinery is becoming an endangered species. . . . [New clean air regulations will] stop it, shrink it, and ultimately banish it from American soil."

Refiners estimate that the Clean Air Act will require them to spend \$50 billion on capital expenditures over the next decade to be able to produce gasoline that meets the requirements. That is \$3,000 per barrel of present daily refining capacity. Only the largest refiners are expected to be able to meet such a funding requirement. Smaller, less capable refiners will be forced to shut down. One industry analyst told the *New York Times*, "If you're a strong company, it's a good time to be in it," because as refining capacity disappears from the United States, the prices of refined products will rise.

The first of the new Clean Air Act requirements takes effect in November, and involves adding oxygenates, such as methyl tertiary butylether (MTBE), ethanol, orethyl tertiarybutyl ether (ETBE) to gasoline. Adding oxygenates and making other required changes in the composition of gasoline will add as much as 25¢ to the cost per gallon.

Economic Theory

Tokyo pushing 'Japan model' for Russia

Japanese diplomats in Washington told Reuters on Oct. 9 that Japan has renewed its attack on the International Monetary Fund (IMF) free trade "shock therapy" program in Russia. Tokyo first called last year, in a series of reports by the Ministry for International Trade and Industry (MITI), for a "Japanese economic miracle" for Russia based on Hamiltonian economic policies.

Japan has "urged the IMF and World Bank to use the lessons Tokyo learned recovering from the ravages of World War II to help rebuild the economies of the former communist bloc," a Japanese World Bank official said.

"When we take into consideration the sharp drop in output in eastern Europe and the former Soviet Union, perhaps something more could be done to stimulate production there," he said. Japan believes IMF free trade "puts too much faith in the market and not enough in the ability of governments to help promote economic development."

Japanese officials argue that its postwar strategy of targeting certain key industries for rapid development could be used by former members of the communist bloc in rebuilding their economies.

Briefly

● **AN ELECTRICAL GRID** for Syria, Iraq, Jordan, Egypt, and Turkey was discussed by ministers from those states in Damascus, Syria on Oct. 10. A feasibility study for the joint grid was motivated by Turkey, which is now producing more electrical power than it needs due to various hydroelectric power projects. The grid would serve 150 million people, and would be completed by 1997.

● **AZERBAIJAN** has granted Pennzoil Co. the exclusive right to develop the Guneshli oil field in the southern portion of the Caspian Sea and to increase production from existing wells, Pennzoil announced Oct. 1, UPI reported. The field is estimated to have 1.4 billion barrels in oil reserves.

● **ROBERT STEMPEL**, the chairman of General Motors, has been warned by outside directors of the company to confront the United Auto Workers or risk losing his job, the Oct. 13 *Washington Post* reported. The board supposedly is worried that Stempel, rightly, believes that GM's woes are mostly due to a stagnant national economy, rather than mismanagement and runaway labor costs.

● **HUNGER** stalks 30 million Americans, according to the annual report released Oct. 15 by Bread for the World. The figure is 50% higher than in 1985. The report also puts the number of homeless in the United States as high as 3 million. From 1990-91, requests for emergency food and shelter increased by 26% and the number of children living in poverty grew by 900,000.

● **STEEL PRODUCTION** in Italy will be cut 40% during the next five months, and a significant number of steelworkers will be put on short-work because of the failing sales situation, a spokesman of the Italian steel-producing association declared in Milan on Oct. 13. About 20-25% of the work force will be fired in the near future, the spokesman said.

New waterway link shows the way to a productive future

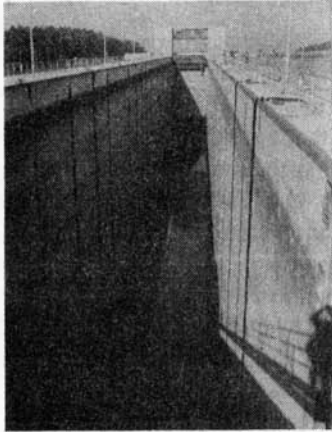
by Alexander Hartmann

On Sept. 25, Bavarian Prime Minister Max Streibl and German Minister of Transportation Günter Krause opened the Main-Danube Canal, connecting the system of waterways of western Europe with that of central and southeastern Europe, in a ceremony attended by German President Richard von Weizsäcker, heads of government or ministers of 15 nations which are bound together by the new link, and thousands of joyful citizens. In dozens of towns along the waterway, more than 100,000 people celebrated the canal's opening, making it the biggest celebration of a political event in Germany since reunification.

The new waterway is an integral part of a plan, entitled the "Paris-Berlin-Vienna Productive Triangle," authored by American economist and independent presidential candidate Lyndon LaRouche, which emphasizes investment in infrastructure in the most densely populated area of Europe—the area between Paris, Berlin, and Vienna—in order to most efficiently multiply the productive means available to maximize investment in the infrastructure connecting this area with the major population centers outside the triangle. This in turn will multiply the means to improve the economic situation in the regions between these corridors of development, through the development of secondary corridors.

If you mark on a map of Europe the area of the "Productive Triangle," the Rhine-Main-Danube waterway, and the canal, you will see that the canal is an example of exactly what LaRouche is talking about: It is situated right in the middle of the triangle; it improves the traffic conditions within the triangle, where otherwise all other transportation systems are nearing their limit of capacity; and it also connects all countries along the Danube with this central area. The reduction of the cost of production and the increased capacity to transport goods will help the German economy especially, thus increasing its ability to invest in the development of other countries, and also improve all the economies of the Danube region.

In the year 793, Charlemagne undertook construction of a waterway of a few miles length in the heart of Germany, between the Rezat and Altmühl rivers. The



The Main-Danube Canal directly links 15 nations and, through other waterways, five more. It promises to greatly accelerate the rate of economic development throughout the region. Shown here are a stretch of the canal, one of its 16 locks, and its control room.

Rezat flows to the north, and its waters end up in the North Sea after being carried by the Regnitz, Main, and Rhine rivers through Germany and the Netherlands. The Altmühl flows southeast, discharging its waters into the Danube, which today crosses Germany, Austria, Slovakia, Hungary, Croatia, Serbia, Romania, Bulgaria, and Ukraine before discharging its waters into the Black Sea. Connected to this 3,500-kilometer "water highway," through other rivers and canals, are Belgium, Luxembourg, France, Switzerland, and Moldova. Today, more than 100 million people live on either end of the canal in the basins of the Rhine and the Danube rivers.

Charlemagne did not succeed in the construction of the canal—the task was too big for the technological capabilities of his day. But the dream of completing this important link remained alive for 12 centuries. In the first half of the last century, Bavarian King Ludwig I was the first to build a canal between the Main and Danube rivers, but it was too small and had too many locks to compete with the railroads that were spreading over Germany in the decades following the completion of the canal in 1846.

Thus, in the beginning of this century, discussion started over the construction of a suitable waterway, that could be used by ships 10 times as large as the 100-ton vessels on Ludwig's canal. In 1921, the government of the German Reich and the governments of the states of Baden and Bavaria agreed on the construction of the waterway and founded the Rhein-Main-Donau AG (RMD) as a managing company to organize the construction of the 677-kilometer waterway be-

tween Aschaffenburg and Passau.

The company was given interest-free credits from the state and the right to use the power of the Main, Danube, Altmühl, Regnitz, and Lech rivers to produce electricity. Today, the RMD produces about 3,000 gigawatt-hours (GWh) per year from 57 power plants, and the proceeds of DM 60 million (about \$43 million) are used to pay back loans. In 2030, the loans will be repaid, and in 2050, the power plants will be turned over to the state. In the end, the government will not have spent a penny on construction, and in return it will receive millions of deutschemarks worth of power plant equipment and an invaluable piece of basic infrastructure for transportation of goods and delivery of water.

The motto of the celebrations in dozens of towns and cities along the canal was: "A dream has come true." The dream of a millennium was realized, and the aim of the work of the better part of our century was achieved.

What had to be done?

Three basic tasks had to be fulfilled to achieve the aim. Navigability of the Main had to be improved along 297 kilometers, a canal of 171 kilometers connecting the Main and the Danube had to be built, and the Danube had to be improved as a shipway along 209 kilometers between Kelheim and Passau. Work on the Main section started in 1926, and was completed in 1963 after an interruption of several years during World War II. Regulation of the Danube River between Regensburg and Vilshofen was completed from 1930

to 1969. In 1978, ships could go to Kelheim, at the southern end of the canal, and since 1985, some 106 kilometers of the 209 kilometers of the Danube section needed for the waterway were regulated by dams.

In 1960, construction of the canal started, and in 1972, a section of 72 kilometers of the canal was opened, ending at Nuremberg. In 1985, another 22 kilometers of the canal were finished, and on Sept. 25, the remaining 77 kilometers were opened to public use. Now, ships with 2,000 tons capacity and combines (a train of two or more barges) of up to 185 meters in length and 3,300 tons capacity can operate on the canal.

This does not mean that all the work is completed. Work still has to be done on the regulation of the Danube, and also of parts of the Main, where some of the locks that have been built in the early phase of the work (when 1,350-ton vessels were still standard), have to be adapted to the new standard. In 1976, the federal and state governments signed a contract with RMD to effect full navigability of the German part of the Danube all year round, which means that several locks and dams have to be constructed instead of the existing low-water regulation finished in 1969.

As with the construction of the canal itself, the improvement of the Danube has to be organized against political odds. Environmentalist groups that already postponed completion of sections of the canal for 17 years have pledged a fierce fight against every interference with nature, which at present does not allow full-capacity shipping during seven months of the year due to periods of high and low water.

Further down the Danube, in Austria, Hungary, and Romania, there are similar navigability problems, but only for about two months of the year. Environmentalists are trying to stop work in these countries, too, especially in Austria. There is also a diplomatic battle between Hungary and Slovakia, since the former communist governments started to build a lock and dam on the Danube, which is also the border between those countries, in a way that the Hungarian government now says affects the national border where it follows the middle of the shipway. Now, on top of the other problems, the traffic on the river is also affected by the war Serbia is waging against its former colonies, which were once part of Yugoslavia. These difficulties will have to be overcome, but obviously the opening of the canal is a big leap ahead, especially for the economies of the Danube area.

Twice as long as the Panama Canal

The canal is 171 kilometers long, 55 meters wide at the water surface and 31 meters wide on the canal bed, and 4 meters deep. About 20 million tons of goods can be transported per year, and it is expected that half of this capacity will be utilized soon. Locks along the canal are 190 meters long and 12 meters wide, enabling ships with a beam of 11.4 meters and a draft of 2.8 meters to use the canal. Sixteen locks take the ships 175 meters up from the Main, and another

68 meters down to the Danube. In three of these locks, ships are lifted nearly 25 meters, which is a record for Germany.

Approximately 93 million cubic meters of earth had to be moved, and 2.6 million cubic meters of concrete were used in construction. The construction of the canal took 32 years, and 3-4,000 workers were employed at any time in this period. About 1,000 different companies were contracted to aid in the construction. One hundred and twenty-two bridges were built across the canal, roads were moved, and many of the towns along the canal were connected up to a regional water purification system.

To pacify resistance from ecological groups, several hundred million deutschmarks were spent to protect or reconstruct areas considered to be ecological treasures. Environmentalist groups demanded that 5% of the money go into environmental efforts—RMD spent about 20% of that along certain sections of the canal. One environmentalist group wanted to demonstrate the beauty of the landscape destroyed by the canal. They made a brochure with pictures of “untouched nature” about to be bulldozed for construction. Their only problem was that they had taken pictures of a section of the canal finished years ago, and did not recognize that it was not a natural river!

About DM 6 billion were spent for the waterway, DM 4.7 billion of that sum for the canal, and another DM 1 billion went into the construction of 57 hydroelectric power plants, using the flow of the rivers. These power plants have returned DM 1.5 billion in profits already, which were used to finance the continuing construction. The power plants produce about 3,000 GWh per year, and have a capacity of 501.5 megawatts. Another power plant is under construction, and two more are planned in concert with the improvement of the Danube. At present, about 17% of all electricity used in Bavaria comes from waterpower; about one-fourth of that comes from RMD.

In addition to the transport of goods and the generation of electricity, the third major task of the canal is to bring water from the water-rich southern part of Bavaria to the dry areas of the northern part, especially the Nuremberg area, which houses about 1 million people and is one of the major industrial areas of Germany. About 150 million cubic meters of water will be transported every year from the Danube to the Main. Without the canal, the water supply of the Nuremberg area would have been exhausted in the near future, and constructing a water supply for the area without the canal would have had a price tag of at least DM 1 billion.

Economic importance

The economic importance of the canal can be understood if one compares the expenses per ton and kilometer for different modes of transportation. While the transportation cost is 12.3 pfennigs (8.2¢) using rail, and 23.3 pfennigs (15.5¢) using trucks, using a ship will average 3.3 pfennigs (2.2¢). One ship can carry the load of 100 trucks. Since there is a

How the Rhein-Main-Danube Canal complements the European 'Productive Triangle'



speed limit of 13 kilometers per hour on the canal, and each lock takes about 16 minutes of time, rail and truck transportation are obviously much faster; but for many goods, time is not of the essence—for example, for bulk goods, like coal, ores, construction materials, grains, and other foodstuffs, or materials that are needed continuously and can therefore be ordered in advance, such as parts for assembly in the automotive industries. Heavy machinery will be transported much more easily and cheaply, too.

Just a couple of examples demonstrate the benefits of the canal. A chemical plant in Kelheim at the southern end of the canal receives raw materials from Africa regularly. Up to now, these raw materials arrived by ship in Rotterdam, were reloaded onto a barge and transported to Nuremberg, where they were put on trucks for the last 100 kilometers.

One-third of the transport costs were spent on each section, i.e., the last 100 kilometers by truck were as expensive as the roughly 1,000 kilometers by barge. Transport expenses are now reduced by 30%.

Take another example: At a wharf in Deggendorf on the Danube, among ships and other machinery built there, vessels for chemical reactors are produced. Since these are too big to be carried by truck or rail, they must be loaded onto a boat and transported down to the Black Sea, reloaded onto an ocean-going ship and transported to Rotterdam, and reloaded onto a barge and brought to a chemical factory in Ludwigshafen, at a cost of DM 500,000. Now, the same tool will be put on a barge and carried up the Danube and the canal, down the Main River, and up the Rhine. The bill will amount to only DM 50,000.

Rhine-Main-Danube Canal 1,200 years in the making

793: Charlemagne undertakes an attempt to construct a canal between the Altmühl River and the Swabian Rezat River, and thus to link up the Main and the Danube.

1836: Construction begins on the Ludwig Main-Danube Canal.

1845: Ludwig Main-Danube Canal is completed.

1921: Founding of the Rhein-Main-Donau AG company.

1922: Construction begins on the first lock steps on the Main and Danube.

1924: First RMD power plant is brought on line in Würzburg.

1927: Start of the systematic Main extension, bringing on line a total of 16 power plants up to 1940.

1940: Conclusion of the Main extension up to Würzburg.

1941-47: Interruption of construction because of the war.

1954: Release of the Main up to Ochsenfurt.

1957: Release of the Main up to Kitzingen.

1960: Construction begins on the stretch of canal near Bamberg.

1962: Conclusion of the Main extension up to Bamberg.

1966: Duisburg contract for the extension of the water highway between Nuremberg and Vilshofen (Passau).

1972: Nuremberg city harbor begins operation.

1975: The Rhein-Main-Donau AG is the second largest hydropower producer of the Federal Republic of Germany.

1976: Contract for the canalization of the Danube between Regensburg and Vilshofen.

1984: Start of the earth works at the Main-Danube juncture.

1991: The 56th hydroelectric plant of the RMD comes on line.

1992: Opening of the Main-Danube Canal.

This means that the areas of eastern and southern Bavaria and Austria, which might as well have been at the end of the world until the Berlin Wall came down, will have much cheaper access to the markets north of Nuremberg.

The same holds true for the nations of eastern and southern Europe along the Danube, including Ukraine and other

nations bordering the Black Sea. Since many of these nations produce bulk goods and need to import heavy machinery to develop their economies, they will save a lot of money in transport costs, both in purchasing what they need and in delivering their products. That's why these nations were all represented at the opening ceremony: They hope to stabilize their shaky economies and political systems.

Accelerate development

German Minister of Transportation Krause pointed out in his speech at the opening of the canal that actually two dreams had come true: that the canal itself, envisioned by Charlemagne, Goethe, Napoleon, and King Ludwig, among others, had been completed; and also, three years ago, communism had fallen, the Berlin Wall and the Iron Curtain had come down, and Germany had been reunited. Now, he stressed, is the time to realize the joy that we felt while we were dreaming the dream.

In order to do that, many more infrastructure projects—other waterways, high-speed rail grids, power plants, highways, etc.—not only in Germany, but in every part of Europe, will have to be built; otherwise all the political gains of the last three years might be lost.

Krause mentioned, as an example, a modern high-speed railroad from Moscow through Berlin to Paris. Regular readers of the *EIR* will remember that this idea was circulated by Lyndon LaRouche from his prison cell, right after the Berlin Wall came down.

Krause demanded a reform of laws governing the planning of infrastructure, i.e., taking away the legal means of sabotage which the environmentalists, who have caused billions of deutschemarks worth of damage and years of delay through interminable lawsuits, have wielded. "That is why the costs of reunification run so high; we have a bureaucracy, with which we just cannot make it," he said. "We cannot wait for 15 years until we know if, and how, we can build infrastructure needed urgently."

Crisis in eastern Europe

The reason why there is no time to lose in making these investments is the deteriorating political and economic situation in eastern Europe. For its nations, communism meant no investment in infrastructure except for military purposes. Economic development was sacrificed to an ever-expanding apparatus to control internal and external opposition, and an emphasis on looting socialist economies for the benefit of the Soviet empire. Because of lack of investment, the physical base of the system eroded. At a certain point, the system was no longer able to provide even the most basic economic means of existence for its population, and lost the power to continue its control by force, both because of rising internal opposition and because of decaying means.

The collapse of communism did not happen because of external opposition, since the "free trade" governments of

the United States and the United Kingdom had long before become supporters of the failing communist regimes, in order to keep the bipolar world order that was established at the end of the Second World War alive. Gorbachov was finally dumped when it became obvious even to Moscow that the United States was in too deep economic trouble to deliver on its promises of economic assistance. Only Germany could, and after the Berlin Wall fell, this is one reason why Moscow acquiesced to German reunification.

Gorbachov's successors face not only a heritage of rubble, which is not able to support the population without, or possibly even with, foreign assistance; the question of economic assistance for these countries has been the focus of a power play between the politically and economically (and morally) bankrupt governments of the United States and the United Kingdom, mostly supported by the no less bankrupt governments of France on one side and Germany on the other.

The Anglo-American elites are afraid that Germany and the region encompassing the Productive Triangle could spark a new economic miracle together with the countries of the East, by applying methods of capitalism known as the "American System" of political economy. They fear that such a new power center, based on Eurasian economic development, will replace their "new world order."

To prevent this, the Anglo-Americans have attempted to impose the very same policies that have ruined the United States and every other country that copied their economic system, on those countries newly liberated from communism. This was not capitalism, but "free trade," including the shutdown of productive capacity in the East as part of the "shock therapy" policies advocated by Harvard professor Jeffrey Sachs and enforced by the International Monetary Fund.

The government of Chancellor Helmut Kohl chose to back this insanity after the assassinations of Deutsche Bank chairman Alfred Herrhausen and Detlev Rohwedder, chairman of the East German state holding company Treuhandanstalt (charged with integrating eastern Germany), who advocated a policy of abrogating free trade and replacing it with a dirigist policy to develop the industrial sectors in eastern Germany and eastern Europe, especially Poland. The German political elite, instead of insisting on a change in the murderous free trade policies, limited itself to paying damages to eastern Europe, which it cannot continue for long as the German economy itself is not immune to the depression.

Building a way out of the crisis

The only way to prevent a worsening crisis in the East is to intervene massively to stop the economic decay in eastern Europe. Only a visible commitment to alleviating the situation will allow the democracy movement to survive. It is necessary to end free trade, but that is not enough. Infrastructure is needed to move the power, water, and goods needed to supply the population, modernize the industries, and raise productivity

to a level where high wages can be paid. Without this, the population will not be able to purchase the goods necessary for existence and will never become a market for anyone, neither for industries at home nor foreign producers abroad. And without steps in that direction, hopelessness and desperation will lead them to support whatever promises are offered by radical nationalists or the old communist *nomenklatura*.

Building infrastructure is not only necessary to supply the population and boost production. It is also a means to develop industries around the projects, by issuing contracts to private companies supplying the construction, to enable them to purchase and use new machinery and to educate their labor force. More than 1,000 private companies were contracted in the process of the construction of the now-finished canal, for example. This will increase the productivity of the industries in these countries to a point where they no longer depend on foreign assistance.

Ending the rule of the oligarchy

Developing infrastructure will also bring about a stronger economic alliance among these countries. Such stronger ties, and especially with Germany, is exactly what the oligarchy fears, not so much from the canal itself, but from the policy it represents: It happened to them once before, in the last century. Then, the brainchild of German economist Friedrich List, a theorist in the tradition of the "American System," for the German customs union and the unified railroad grid, brought about German unification. The unifying economic forces were stronger than the centrifugal interests of the ruling class of aristocratic rulers. At a certain point, their class lost its ruling position, and their fiefdoms were molded together into a unified German nation.

The oligarchs are afraid that a process of economic development, dominated by the common interest of Germany and the eastern European nations, will continue to strengthen this new community, to the point where it will be able to contain the damaging influence of those who want to maintain the balance of power with their policy of divide and conquer, in order to continue to be able to loot through their policies of usury. That is why they insist on keeping eastern Europe out of the European Community for as long as possible. That is why they insist on the paying back of credits as a priority over that of developing the economy, even at the risk of developing military conflicts. That is why they mobilize environmentalists to try and block every initiative to improve infrastructure.

The problem the oligarchs have, is that once Germany and eastern Europe agree on a course of development along the lines of the Productive Triangle, there is only so much they can do. As was visible at the opening ceremony of the canal, the population in fact does support construction of infrastructure. As a spokesman for RMD said: "Acceptance of the canal is in the range of socialist election results: It is about 99%!"

Only the 'Productive Triangle' can bring an economic upswing

by Helga Zepp-LaRouche

There is only one possibility for reversing the economic rudder before Germany is once again dragged into the maelstrom of the world economic depression. The following appeal to Germans from the Schiller Institute appeared in the weekly Neue Solidarität on Oct. 7. It was translated by John Sigerson.

Anyone who thinks back on the dramatic acceleration of crises and wars in the world, senses that we are headed toward a global catastrophe. With the exit of the British pound and the Italian lira from the European Monetary System, the failure of the EMS is at hand, and the worldwide depression is now officially on.

The dollar crisis, the turbulence on the stock markets, the collapse of the Scandinavian banks and of Anglo-American real estate firms—all of these are merely symptoms of a world economy whose condition is now more desolate than it was in 1931, following the collapse of the Vienna Kreditanstalt.

The only answer the world's governments have come up with so far, is brutal austerity programs, which, however, will only succeed in pushing the depression spiral further downward—and this pit has no bottom.

The result has been growing social unrest all over western Europe, bringing with it dangerous political consequences. For example, when the Amato government in Italy announced it would have to cut the budget by 120 billion liras, hundreds of thousands of Italians poured into the streets in protest, and the northern Italian region of Mantua experienced a political earthquake: The anglophile Lombard League and the Alpine League won 42% of the vote, while the Christian Democrats slid to a mere 14%. The very existence and unity of the nation of Italy is now at risk.

In Sweden, nothing has been functioning since the Swedish government raised interbank interest rates to 500% in order to stem the outflow of capital, and then fixed that rate at 50%, thereby pushing normal interest rates up to 25%. Swedish companies are no longer paying bills, because the late penalties are lower than the going rate of interest. The economy has been paralyzed.

In Germany's new eastern states, conditions resemble those which prevailed during the Weimar Republic in the 1920s. If the current policy of deindustrialization is contin-

ued, and if unemployment, which has now reached 50% in some places, continues to climb, it is all but certain that we will see an escalation of right-wing/left-wing terrorism as in the 1930s.

But most dangerous of all is the crisis brewing in Russia. The economy there is in catastrophic shape, which is producing serious social and ethnic conflicts. And when the crisis boils over, we will surely see much heavier weapons deployed than we see today in Bosnia. If the depression becomes even more acute, a Great Russian putsch or an authoritarian regime is not out of the question in the very near future.

We are already in the opening phase of a new Thirty Years' War. If it comes to civil war all over the East—in the Balkans, in Transcaucasus, in the Baltic, throughout the territory of the former Soviet Union, and large parts of eastern Europe—then do we really think that we in western Europe or in western Germany can remain safe, sitting on an island of prosperity and peace? Do we really think we can build a new wall to keep out the hundreds of millions of new refugees fleeing from hunger and destruction?

What does the solution have to look like?

There is only one way the catastrophe can be averted. We must immediately turn around the depression and implement an economic program which removes the underlying causes of the crisis, and which guarantees economic development and full, productive employment.

In order to do that, the following package of measures must be put into effect:

1) Work must immediately commence to put into place an all-European infrastructure program, proceeding from the "Paris-Berlin-Vienna Productive Triangle" as the indispensable prerequisite for the industrial development of eastern Europe and the nations in the area of the former Soviet Union.

2) Reorganization of the foreign and public indebtedness of industrial firms in the East.

3) Formation of a system of sovereign national banks for creation of productive credit, in the tradition of Alexander Hamilton and Friedrich List, in order to finance the Eurasian infrastructure program and other productive investments.

The "Paris-Berlin-Vienna Productive Triangle" program was first proposed back in November 1989—i.e., immediately following the fall of the Berlin Wall—by my husband,

the American economist Lyndon LaRouche. This is an infrastructure program for the Eurasian continent: integrated high-speed rail systems, canals and highways, and intensive expansion of energy production and distribution and of communications systems.

Without such a thoroughgoing infrastructure program, which brings state-of-the-art modernizations to precisely those areas which were most neglected by the socialist economic system, there will not be any economic reconstruction in the East.

The "Paris-Berlin-Vienna Productive Triangle" comprises a region about the size of Japan. Within this region it is possible to achieve the world's highest rates of growth through targeted investment, on the basis of its great concentration of industrial capacity and highly qualified labor. A massive revving up of capital goods production in this region must exert the absolutely necessary locomotive effect, which alone can pull the rest of the world economy out of the depression.

Working out from there, "development corridors" such as from Berlin to Warsaw via the Baltic toward St. Petersburg, or from Prague to Moscow and Kiev, or from Vienna via Budapest into the Balkans, must bring economic development into the East and into southern Europe.

Debt reorganization

It is obvious that such a program cannot be put into action if governments, operating under ever-worsening depression conditions, merely try to maintain the payment of debt service through massive austerity measures.

Italy's public indebtedness, for example, has reached the astronomical sum of \$1.5 trillion—that's \$1,500,000,000,000. Italy's current austerity plan envisions raising 100 trillion liras (about \$69 billion) each year in order just to keep the budget deficit at a level of 10.5% of Gross Domestic Product. But also in Germany, most firms in the new eastern states are enmired in debt to the point of strangulation.

It is therefore necessary to reorganize the various categories of debt, treating nations just as one would treat a basically sound and productive industrial firm which had gotten into difficulties because of bad management. The debts must be reorganized, management policies must be changed, and new credits issued for productive activity.

Nationalization of central banks

An umbrella concept for such a reorganization has existed since 1982, when Lyndon LaRouche presented "Operation Juárez," a plan for how the developing countries' debt crisis could be solved. Granted, if the banks had agreed to this reorganization 10 years ago, it certainly would have cut their power down to reasonable dimensions—i.e., they would have resumed their proper role of servants to industry—but on the other hand, the international financial system would

have never collapsed into its current bankruptcy.

And it is this state of bankruptcy which makes it clear that the effectiveness of central banking systems based largely on monetarist principles, has now been discredited. It is urgent that this system be replaced with a system of sovereign national banks.

Concretely, this means that the German central bank, the Bundesbank, must be transformed into a national bank which must only issue credit which is tied to productive investment. If, for example, for the realization of the "Productive Triangle," lines of credit are opened which are then routed through local banks and municipalities to the firms participating in the various components of the infrastructure program, then full productive employment can be achieved.

This type of credit creation is not inflationary, because the credits are issued exclusively with reference to future production—i.e., their value is backed up by real economic wealth. Two significant sources of inflation are thereby eliminated: first, the considerable amounts which must be given to the unemployed and their families; and second, the extra costs incurred because of a lack of infrastructure.

This package—the "Productive Triangle," reorganization of the debts, and the establishment of a system of national banks—represents the only competent way the depression can be turned around.

You say all this can't possibly happen, because the political will can't be mustered to do it? Well, consider the alternative: a catastrophe which may far outstrip the horrors we have already gone through during this century. So it is better to promptly mobilize this political will.

A botched opportunity

It is highly instructive for us to reflect on how the historic opportunity facing Europe in 1989 could have been so totally missed, so that we can draw the proper conclusions in time, before it is too late forever.

Recall the enthusiasm and deep emotion which people felt when the Berlin Wall fell. Recall the courageousness of the people who proudly dubbed their city "Leipzig, the City of Heroes," and toppled the communist dictatorship with the words, "We are the people!"

In that situation, when everyone spoke with justification about "Europe's great historic opportunity," Lyndon LaRouche, who was already sitting in prison as a political prisoner of George Bush, presented a concept for the development of the East. This was precisely the vision which the people of these countries had hoped for.

How simple it would have been for German Chancellor Helmut Kohl back then, when the advantage of the historic moment was still on his side, to have made a televised address appealing to the peoples of the East and proposing such a development plan. Everyone would have enthusiastically agreed to it. Had he done so, today we would be well on the way toward a new economic miracle, quite similar to that



A ship being loaded on the Rhine River near Wiesbaden, Germany, in the heart of the "Productive Triangle" region.

which followed Germany's reconstruction phase following World War II.

Lyndon LaRouche warned back then that Europe would only be able to use this opportunity if it drew the proper practical conclusions from the fact that not only were communism and the economic theory of Karl Marx bankrupt, but that the United States and Great Britain were in a depression, thereby also discrediting the economic theories of the unbridled free market and of their spokesman Adam Smith. Instead, LaRouche said, Europe must return to the economic tradition which has always been the basis for successful industrial development: the theories of Leibniz, Hamilton, and Friedrich List, which were further developed by LaRouche himself.

But the German government in Bonn decided not to develop its own industrial policy for the East, instead leaving it up to the Anglo-Americans to decide which economic theory would be applied. And instead of building up a market there, delegations from the International Monetary Fund (IMF) and their little Harvard professors fell upon the East like locusts, plundering whatever they could.

"Shock therapy," the Polish model, liberalization, and privatization regardless of the social cost—this was the medicine prescribed by the apostles of free market economics, thanks to which the patient is now lying prostrate. Living standards and production in Poland have been reduced by one-half. In Russia, meanwhile, about 90% of the population now lives below the poverty line. In Germany's new eastern

states, not only the factories, but also the people themselves have gotten not development, but degeneration.

Geopoliticians want to prevent Eurasian development

It was already quite clear three years ago, that the Anglo-American policy of the IMF toward the East was not only incompetent, but for geopolitical reasons was aimed at preventing any economic development. But only now, after the British gossip-sheets have openly written about a British "war against Germany" and have attacked the "Nazi Bundesbank," do people in Bonn seem to have noticed that British policy toward Germany is decidedly hostile.

The truth is, the Persian Gulf war was already a geopolitical war, whose goal included breaking the historic momentum in Germany and weakening the potential for Eurasian development. On the same grounds, U.S. Secretary of State James Baker and former NATO head Peter Lord Carrington have been shameless in their support for the Serbian war of aggression.

For, with Germany reunified and Europe's borders open again, the Anglo-Americans were once again overtaken by the old fear which had already influenced the dynamic leading to World War I, namely, that a united "Eurasian heartland" would come to exert world economic domination over the "Atlantic rim countries," i.e., the United States and Great Britain.

The Versailles system had been nothing but the formal adoption of England's original war aim of keeping Germany down economically and of preventing it from cooperating with the East. The Yalta agreement was a camouflaged version of the same Versailles Treaty, and was to ensure the permanent division of Europe between East and West.

It was rage over the breakup of the Versailles system in November 1989, which caused the British press at the time to revile the people who were demonstrating against communist dictatorship as harbingers of a new "Fourth Reich." And already back then—as we wrote at the time—you could see that the Anglo-Americans had relapsed into thinking in the old geopolitical categories.

The inability to recognize this and to draw the necessary conclusions, was the real reason why the historic opportunity of 1989 was so thoroughly botched. Instead, people left it up to these Anglo-Americans to determine the most appropriate economic policy, and they proceeded to throw these economies into chaos—with the effect that now, three years later, we in fact *do* have neo-Nazi gangs roaming about.

Causes of the neo-Nazi and racist activities

It is very important to examine the violence in the attacks against foreigners in the cities of Rostock and Hoyerswerda, Germany on various different levels. It is unfortunately the case, that there is Anglo-American manipulation and coordination of this violence. The Skinheads are a British creation;

and members of the U.S. Ku Klux Klan, which for years has been training neo-Nazis in special camps in the United States, coordinated the violent incidents using sophisticated electronic equipment. The Ku Klux Klan, in turn, is a creation of the Scottish Rite of Freemasonry in the southern United States, and is thus an outgrowth of the currently prevailing ideology among the U.S. establishment.

However, as regards the actual and alleged hostility of some Germans toward foreigners, we must make a distinction. It is a demonstrable fact, that for people in eastern Germany who see themselves robbed of all future prospects, it must seem like a provocation when suddenly and suspiciously, and with poor planning, a growing number of foreigners are settled into localities which are ill-equipped to receive them. It is also understandable that elderly and relatively poor people in western Germany, who have been victimized by the cuts in medical and social assistance programs, would react with fear.

The brunt of the blame, of course, falls on the politicians, whose pragmatism and materialism have resulted in a curious blend of cowardice. They missed the historic opportunity of 1989, and have not only neglected the economic development of the new eastern states, but have also failed to adequately equip local police forces. But a society always ends up with the politicians it deserves.

No island of prosperity in a sea of misery

But one thing must be made clear to each and all: We will not solve the apocalyptic crisis facing us, by simply changing Germany's asylum laws, or perhaps by building a wall around Germany or western Europe. For, in the final analysis, the reason why ever-greater numbers of refugees are coming into Germany from all over the world, is that the policies of the International Monetary Fund have looted entire continents and have driven them into ruin, so that the people there are now running away to escape the hunger, epidemics, and chaos of war.

And it will not be of the slightest use, to say hypocritically that in order to offer asylum to those "who are really politically persecuted," Germany will have to turn away those who are "only" economic refugees.

The truth is, that a worsening of the global depression, which will reach the breaking point if we stick with the IMF's monetarist policies, will plunge the entire world into a new Thirty Years' War.

In Africa alone, over this year 40 million people are in danger of starving to death. Who would prevent those who are still strong enough to run, from going where they wish, where there is allegedly so much agricultural "overproduction" that fields are being set aside, fruit isn't being harvested, and mountains of butter are being destroyed? And is the mother whose child has just died of starvation in Somalia, and who somehow manages to get to Europe, "only" an economic refugee?

And if it comes to a Great Russian putsch and subsequent warfare and civil war, and if all the Balkans go up in flames—the fuse is already burning—then many millions, or even hundreds of millions will flee into western Europe in order to escape hunger and war. Does anyone seriously believe that under those circumstances we could use military might in order to defend a western European island of prosperity?

There is one, and only one solution. The structures which caused the collapse in the first place, must be replaced immediately. The IMF, the World Bank, and the General Agreement on Tariffs and Trade (GATT) must be abolished without replacement, and instead measures must be gotten under way immediately to economically develop the regions which people are now fleeing from.

We need the immediate implementation of the all-European infrastructure program, so that, proceeding outward from the "Productive Triangle," economic development can be brought into the East and the South. Only a just, new economic order can form the basis of reason around which otherwise squabbling groupings can unite. What Pope Paul VI said in his encyclical *Populorum Progressio* holds true: "The new name for peace is development."

World coalition for development

In Germany, but also in western and eastern Europe, in the United States, and in Ibero-America, a new international civil rights movement is now taking shape, bringing together all those forces who are convinced that the problems confronting us today are so great that they can no longer be solved on a local or even a national level.

Taking the point in this world coalition is the current campaign of independent U.S. presidential candidate Lyndon LaRouche, who is running for office from prison. His vice presidential running mate is Rev. James Bevel, one of Dr. Martin Luther King's closest collaborators, who is now on the verge of rebuilding the U.S. civil rights movement on a more profound and comprehensive basis. Many black civil rights activists, along with farmers, trade unionists, people of Spanish, east European, and Asiatic origin, and students have already joined this movement. So in the United States, an alternative to the choice between the "lesser of two evils" is taking shape.

We in Europe also need such a broad coalition of forces, which must become so powerful that it can force the implementation of the economic reforms which alone can avert catastrophe.

We call upon you to join this coalition! But the most important thing, is that for once we not think of our own small selfish interests, but that we have a great heart and conceive of ourselves as true representatives of humanity. Only in this way is there any hope of preventing a plunge into a new dark age. The opportunity of 1989 was missed; let's not let this one go by, too!

Join us!

New Bernard Lewis plan will carve up the Mideast

by Joseph Brewda

In 1980, *EIR* warned that the strategy behind then-U.S. National Security Adviser Zbigniew Brzezinski's "Arc of Crisis" was a British plan to destroy the nation-state. The "Bernard Lewis plan," as it came to be known, was a design to fracture all the countries in the region, from the Middle East to India, along ethnic, sectarian, and linguistic lines. This, we warned, was the strategic gameplan behind the U.S. overthrow of the Shah of Iran in 1979 and his replacement by Ayatollah Khomeini, and the Oct. 31, 1984 assassination of Indian President Indira Gandhi.

Lewis is a British Islamicist who had entered British intelligence and served in the British Foreign Office during World War II, before he returned to his post at the University of London School of Oriental and African Studies. In 1974, Lewis was seconded to Princeton University. From this location, he has published an update on his thesis, which appears in the Fall 1992 issue of *Foreign Affairs*, the quarterly of the New York Council on Foreign Relations, the sister agency to Britain's Royal Institute of International Affairs (RIIA).

Lewis's plan is modeled on the imperial methods of the Roman Empire: Grant local autonomy to a myriad of squabbling and politically impotent ethnic enclaves over which Rome can wield its military strength without difficulty. The subjected enclaves have a long leash, as long as the tribute is paid to Rome.

A geopolitical aim of the Bernard Lewis plan was the breakup of the edges of the Soviet empire. With this now accomplished, Lewis, in his article "Rethinking the Mideast," predicts that the Middle East will undergo a process of "Lebanonization"—a reference to the years-long civil war unleashed in Lebanon in 1975 by then-U.S. Secretary of State Henry Kissinger. The war pitted Lebanon's Catholic, Palestinian, Shiite Muslim, Sunni Muslim, Druze, and Greek Orthodox populations against each other. With a steady sup-

ply of arms to all sides, the war resulted in the de facto partitioning of Lebanon by Israel and Syria. Today, the nation-state of Lebanon, once considered the jewel of the Mideast, no longer exists.

The end of Arab nationalism

The process of disintegration of the Mideast, projected by Lewis, is facilitated not only by the collapse of the Soviet Union, but what Lewis calls the "demise of pan-Arabism." The *coup de grace* for Arab nationalism, Lewis states, was the United States-led war against Iraq. Lewis asserts that the war was primarily a war among Arab states, in which the United States only became involved "reluctantly." The lineup of the Arab nations against Iraq "marked the formal abandonment of the long-cherished dream of pan-Arabism, of a united Arab state or even a coherent Arab political bloc. . . . As a matter of current politics and for the foreseeable future, [Arab nationalism] no longer counts as a political force. . . . It is not a factor in international or inter-Arab or even domestic Arab politics."

Further marking the political impotence of the Arab world, Lewis states, is the "end—at least for the time being—of the effectiveness of oil as a weapon in the hands of the producer countries. This weapon, so powerful as an instrument of policy in past crises, was in this particular crisis totally ineffectual."

These two phase-changes in Mideast politics represent a significant achievement for Lewis, who is regarded as the dean of Mideast area specialists within the Anglo-American elite. For him, the collapse of Arab nationalism removes the threat of industrial development and national independence in the Mideast. The unstated assumption of all of Lewis's ruminations is the maintenance of the economic status quo; the Mideast will be developed, if at all, only under circum-

stances controlled by powers outside the region.

Lewis does not mince words when it comes to the military strength of such outside powers. The "most important lesson of the war," Lewis proclaims, is that "the swift and overwhelming defeat of the Iraqi armed forces reminded the world of something that it had begun to forget: the technological and military edge that the modern West had achieved over the rest of the world, and which in the past had enabled even small European countries like Holland and Portugal to conquer and govern vast empires in Asia and Africa."

This outside military strength will only be used to thwart threats to itself, Lewis implies, but the western powers will not directly rule the region. "Because of some resemblances of language and institutions, there is a widespread belief in the Middle East that the United States is the British Empire back in business with new management, a new trading name and a new address. This is not so. . . . The United States will no doubt seek to remain the predominant outside power in the Middle East, but the operative word is 'outside.' "

Instead, Lewis states, U.S. policy is the "balance of power" method that is associated with Kissinger. American policy, he says, "is to prevent the emergence of a regional hegemony—of a single regional power that could dominate the area and thus establish monopolistic control of Middle Eastern oil." This overriding concern explains American flip-flops on Iran and Iraq.

The apparent exceptions to such tactical arrangements are U.S. reliance on the "steadfastness of the northern tier"—i.e., Turkey; and "the presence of a powerful, self-reliant and stable democratic power in the region"—Israel. Lewis is known in the intelligence community for his affection for Turkey. In the 1960s, he published a book for the RIIA, *The Emergence of Modern Turkey*, in which he focused on the potential use of religious, class, and ethnic differences to bring an end to the industrialization policies of the founder of modern Turkey, Mustafa Kemal Ataturk.

In the case of Israel, Lewis states, Americans recognize the United States as having "stronger links, stronger mutual loyalties, and commitments and a more enduring relationship." Otherwise, the U.S. has no loyalties to any state in the region: "The United States has obviously felt free to abandon such allies, if the alliance becomes too troublesome or ceases to be cost-effective—as, for example, in South Vietnam, Kurdistan, and Lebanon."

The Lewis-Kissinger balance of power strategy outlaws the concept of a "community of principle"—alliances of sovereign nation-states based on a commitment to mutual economic development. Lacking such a community of principle and given the worldwide economic breakdown imposed by such agencies as the International Monetary Fund (IMF), the countries of the underdeveloped sector are expected to explode into civil strife and wars.

As long as the extraction of oil and loot is assured, Lewis makes clear, no one should expect the "outside" powers to

become involved in such chaos. Lewis states explicitly: "The West would no longer be concerned but would remain indifferent to whatever happened, to wars, disasters, and upheavals, as long as the oil continues to flow. . . . The western capacity for turning a blind eye, already manifested in other respects, should not be underrated. In the past, outside powers have sometimes intervened to prevent, to limit or to halt Arab-Israel wars. Arabs and Israelis alike would be unwise to count on such interventions in the future."

In this regard, Lewis looks with favor on a particular variant of the diverse and often competing movements misleadingly termed "Islamic fundamentalist." That British-run variant which he favors is opposed to modern science and technology and, in opposition to the tenets of Islam banning usury, is loyally committed to paying IMF debt. As such, Lewis sees such a variety of fundamentalism as a battering-ram against the nation-state.

"The eclipse of pan-Arabism" he writes, "has left Islamic fundamentalism as the most attractive alternative to all those who feel that there has to be something better, truer and more hopeful than the inept tyrannies of their rulers and the bankrupt ideologies foisted on them from outside." He notes that British subversive movements acting under such a cover enjoy a practical advantage in societies like the Middle East. "Dictators can forbid parties, they can forbid meetings—they cannot forbid public worship, and they can to only a limited extent control sermons." As such they represent a "network outside the control of the state . . . the more oppressive the regime, the greater the help it gives to fundamentalists by eliminating competing oppositions."

Elaborating on the subversive capacities of that variety of fundamentalism run out of Britain, he adds: "In a program of aggression and expansion these movements would enjoy, like their Jacobin and Bolshevik predecessors, the advantage of fifth columns in every country and community with which they share a common universe of discourse. There is also the possibility that they might have nuclear weapons, either for terrorist or regular military use."

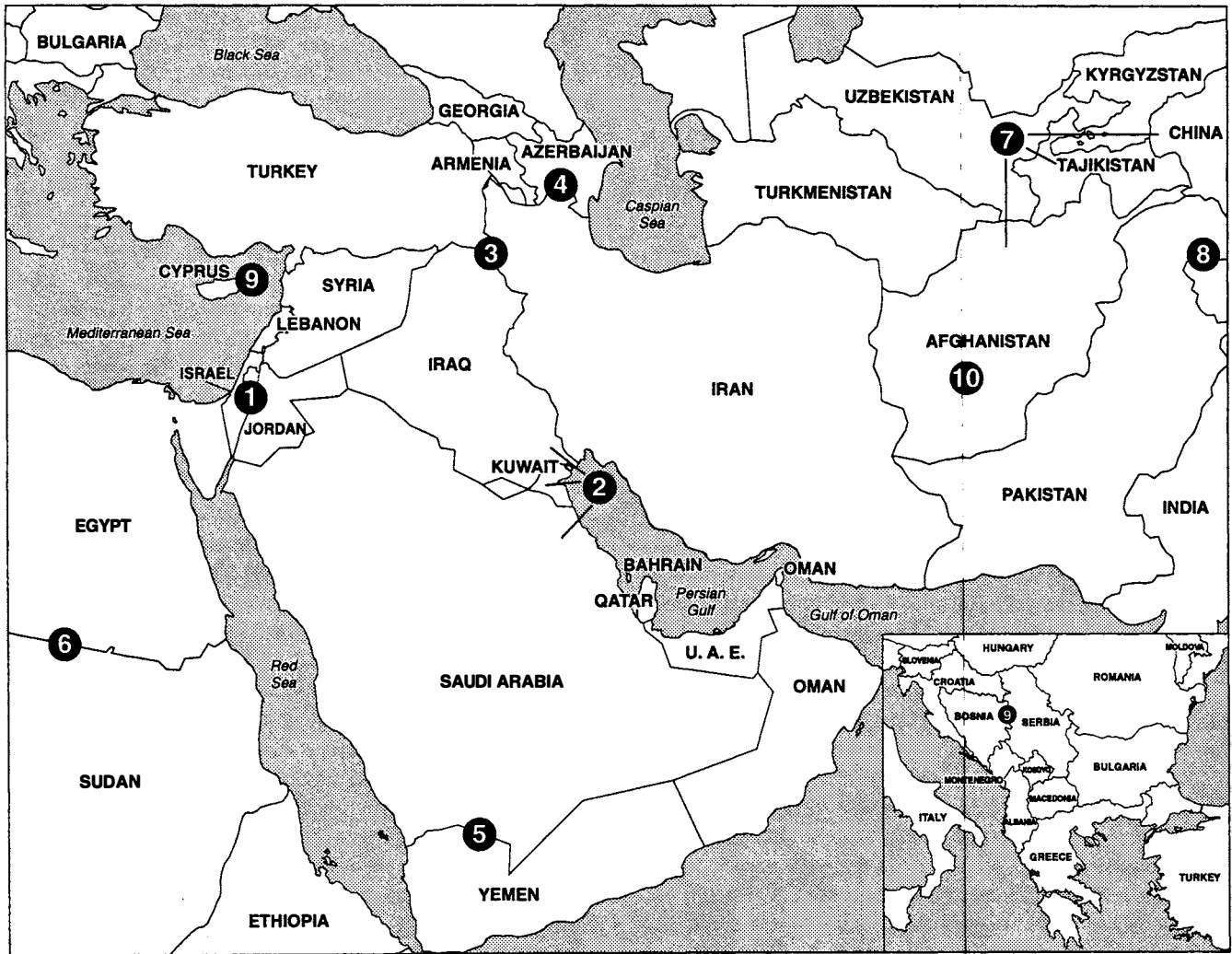
Such developments will lead to the process which he dubs "Lebanonization."

"Most of the states of the Middle East . . . are of recent and artificial construction and are vulnerable to such a process," he analyzes. "If the central power is sufficiently weakened, there is no real civil society to hold the polity together, no real sense of common national identity or overriding allegiance to the nation-state. The state then disintegrates—as happened in Lebanon—into a chaos of squabbling, feuding, fighting sects, tribes, regions and parties."

A new phase of wars

A look at the area of the world Lewis designates as the Middle East shows that Lewis's pronouncements are active Anglo-American policy.

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The wars planned to destroy nations

- 1. Jerusalem:** Jewish zealots' plans to blow up Islamic holy sites set the stage for tearing apart Jordan.
- 2. Southern Iraq** is being given to Iran, while a Shiite revolt in the Arab Persian Gulf states is being prepared. The result: a new Arabian/Iranian conflict.
- 3. The Kurdish region** straddling Iraq, Turkey, and Iran is blowing up, could lead to war.
- 4. Turkish** support to Azerbaijani claims to northern Iran, and Iranian support of Armenian claims on Azerbaijan, will lead to a Turkish-Iranian war.
- 5. Yemen:** A planned civil war is intended to spill

over into Saudi Arabia.

- 6. Egypt** is being encouraged to go to war with Sudan, and to grab Libya.
- 7.** Manipulated conflict between Iranian Tajiks and Turkic Uzbeks will spill over into the Turkish/Iranian ethnic region in neighboring China, and into Afghanistan.
- 8. Pakistan:** An Iranian-supported Pakistani claim on Indian-occupied Kashmir will accelerate a developing Indian/Arab and Indian/Israeli alliance. Ethnic strife is set to tear apart Pakistan.
- 9. Balkans:** Serbia's invasion of Bosnia and planned attacks on Kosovo will lead to conflict with Albania and Turkey; while Greece will enter the war supporting Serbia. Everything is set to blow up Cyprus, contested by both Turkey and Greece.
- 10. Afghanistan:** The civil war will split Afghanistan into three parts: a Tajik entity in the north, a central Uzbek entity, and a Pushtun entity in the south.

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Take the case of Iraq. The Anglo-American/French imposition of a "no-fly" zone over southern Iraq in August has accelerated the dismemberment of that state into three parts, a Kurdish north, a central Baghdad region, and a Shiite south. Because of a common denomination, Shiism, as well as diverse geographic and historical factors, a Shiite statelet carved out of southern Iraq would tend to fall under the control of neighboring Iran. This fact, in addition to Iranian ambitions toward other Arab Gulf sheikdoms, will tend to foster the condition for a new Iranian-Arab war.

A Kurdish statelet carved out of northern Iraq will tend to fall under the control of the increasingly ambitious Turkey. Control over oil-rich Iraqi Kurdistan was one of the promises made to the Turkish establishment to induce them to enter the war against Iraq. But the creation of an even nominally independent Kurdistan carved out of Iraq would also inflame the adjacent Kurdish regions in Iran, and in Turkey itself, where a near war between the Turkish army and Kurds is ongoing. For such reasons, the division of northern Iraq will tend to provoke an Iranian-Turkish war. Such a war is made more likely because the Turkish-allied former Soviet republic of Azerbaijan is laying claim to Iranian Azerbaijan.

In the Balkans, the war in former Yugoslavia is rapidly drawing in neighboring powers. If Serbia invades Kosovo as projected, Albania and then Turkey will join the war against Serbia, while Greece will side with Serbia.

In Central Asia, Anglo-American planners are attempting to pit Tajikistan, an Iranian-ethnic republic, against Uzbekistan, which is Turkic. The war could spread into neighboring Afghanistan, already in a civil war, and even into neighboring Chinese Turkestan, whose population is ethnically the same as the new Central Asian republics.

While provoking wars, the Anglo-Americans are hard at work in assembling regional alliances to administer the region on their behalf, most notably a Saudi-Israeli and Turkish-Israeli axis. As part of this effort, the Anglo-Americans are fostering a Camp David-style separate peace deal between Syria and Israel. Under earlier arrangements, Syria and Israel gobbled up Lebanon. Now, it appears, Jordan is set to be "Lebanonized." As far back as 1990, Pentagon planners began reconsideration of an old plan to overthrow the Hashemite dynasty of Jordan and put in its place a "Palestinian state," jointly administered by Israel and Syria. The August arrest of Jordanian parliamentarian Laith Shubeilat on U.S. orders has destabilized the country, especially given the fact that Shubeilat has been associated with a pro-Iraq policy. As Lyndon LaRouche has warned, an Israeli move to blow up the Islamic holy sites in Jerusalem can be expected. Such attempts have been made by Jewish zealots before, under the professed aim of clearing the way for constructing the Third Temple of Solomon. The ensuing riots would set the stage for broader religious warfare in the region.

Will Afghanistan be partitioned?

by Ramtanu Maitra

Afghanistan may become one of the first major nations to become subject to the "Bernard Lewis plan." The country of 9 million has been subjected to war for 13 years, with millions killed, maimed, or forced to flee the country. Now, as press accounts predict starvation in Afghanistan this winter, the guerrilla and former communist leaders are squabbling for power along ethnic lines. The western powers, which sought to impose peace on the country through the United Nations, have stood by and watched as the country is pulled to pieces. The economic reconstruction of Afghanistan appears to be on no one's agenda.

On Oct. 26, the second phase of the Peshawar Accords, signed by all major Sunni Mujahideen groups, will come to an end, and the crucial third phase will begin, with the purpose of establishing a lasting Afghan government in Kabul. However, bloodbaths during the first two phases and hectic activities in recent days by the Mujahideen leaders, making forays into the neighboring countries, raise little hope for any constructive development during the third phase.

The Peshawar Accord, a dubious document, was signed by 10 Peshawar-based Mujahideen factions on April 19 in the wake of the collapse of the Najibullah government and takeover of Kabul by the Dostum-Massoud combine. The accord was signed following a prolonged meeting between Pakistani Prime Minister Nawaz Sharif and the Peshawar-based Mujahideen leaders.

But the situation following the collapse of the communist regime of Dr. Najibullah in April, has grown increasingly dangerous. Mujahideen leaders, particularly those who had taken shelter in Pakistan during the Soviet occupation (1980-88) and directed guerrilla activities from Peshawar, have turned their guns against each other and have sought help from outside of Afghanistan to seek power or remain in power.

Conflicts, some of historical origin, along ethnic lines, political ideologies, and religious sectarianism have come to the fore. There are distinct indications that the old Khalq and Parchami factions within the now-defunct Communist Party have become active and are adding to the ethnic divisions. Most of the Khalqis are Pushtuns ethnically, while the Parchamis are mostly non-Pushtuns. Now, even non-Mujahideen leaders, such as Rashid Dostum of the Gillam Jam militia, which had served the communist regime faithfully before pulling down the Najibullah government, are now

involved in efforts to carve out a piece of Afghanistan for their respective minority group.

Dostum's new friends

Reports indicate that Rashid Dostum, a renegade Uzbek who has muscled into the interim government by allowing his ruthless militia to oust Najibullah and aligning his group with the Tajik Mujahideen leader Ahmed Shah Massoud, was in Turkey, Uzbekistan, and Pakistan in recent days, meeting high-level government officials. Dostum, an avowed enemy of Gulbuddin Hekmatyar, the head of the Hezb-e-Islami group of Mujahideens, the most powerful of all Pushtun groups militarily, has announced that he would not let "his" Uzbek minority be dominated by any Pushtun from Kabul.

President Islam Karimov of Uzbekistan pointed out, following Dostum's visit, that the most important question before the Uzbeks today is to establish a durable peace in Afghanistan. He also noted that "a large number of Tajiks, Uzbeks, and Turkmens are living in Afghanistan with whom we have a blood relationship. . . . We cannot remain indifferent toward the fate of these people."

If the Uzbeks are eager to revive their historical past to justify intervention in Afghanistan's affairs, Tajiks are not far behind. The Jamaat-e-Islami Mujahideen commander, Ahmed Shah Massoud, a Tajik, has made it clear that Kabul cannot remain in control of the Pushtuns, by far the largest ethnic group in Afghanistan. Massoud, who earned his laurels during the Soviet occupation for keeping the Red Army on the run in the Panjshir Valley in northern Afghanistan, had coopted Rashid Dostum to form a powerful Uzbek-Tajik combine against the Pushtun Mujahideens in general, and against Hekmatyar in particular. Analysts in India and Pakistan seem to believe that the Tajiks and Uzbeks will help themselves to the better part of northern Afghanistan. However, the growing conflicts throughout Central Asia, which may pit the Tajiks against the Uzbeks in Tajikistan, may erode this solidarity, and Tajiks may try to find their own little haven somewhere in the north.

The other predators

At the same time, there are indications that neither Saudi Arabia nor Iran is willing to give up its assets, built during the Soviet occupation and nurtured following the Soviet withdrawal in February 1989. Fights have broken out more than once in Kabul between the Shias belonging to the Iran-backed and Iran-financed Hezb-e-Wahadat, and the Sunnis belonging to Ittehad-e-Muslimeen, financed by the Saudis. The minority Shias, a vast number of whom took shelter in Iran when the Soviet tanks rolled into Kabul and have not returned since, have expressed fears that the Sunni-dominated Afghanistan will be anti-Shia, and Sunni leaders like Hekmatyar have done little to assuage their fears. It is evident that Iran is using these Shia refugees as pawns to help carve out

the western part of Afghanistan as an independent country.

The third part, which will consist of Pushtuns, will be the largest of three parts, with Kabul likely as its capital. However, the formation of such a truncated Afghanistan will spell disaster for Pakistan, and the old demands for a Greater Pushtunistan will soon be raised, rejecting the British-delineated Durand Line as the international boundary between Pakistan and Afghanistan. Over the last four decades, Pakistan could contain the campaign for a Greater Pushtunistan, because Afghanistan had remained in one piece and the Pushtun demands were muffled. Unless Pakistan helps to keep Afghanistan as a sovereign nation-state, it is almost certain that it will soon face armed, hostile Pushtuns on its western borders.

There is more than one reason why Pakistan will be facing such music, not the least of which is the involvement in Mujahideen affairs of the Pakistani government in Islamabad. During the Soviet occupation, the Pakistani government, to be on the right side of Washington and Riyadh, and to benefit financially and militarily, had allowed its North West Frontier Province (NWFP) to become the base for guerrilla operations by the Mujahideens against the Soviets. Such a policy led to the mass exodus of refugees from Afghanistan to Pakistan, a vast number of whom are now held hostage by Hekmatyar for his future power play, be it at the battlefield or at the ballot box. Pakistan has allowed its territory to be used freely by foreign intelligence agencies to run amok, under the guise of helping the Afghan refugees, and had used policies which are discriminatory to some Mujahideens.

During this period (1980-92), Pakistan had openly favored Hekmatyar, ostensibly for his group's strong firepower. Hekmatyar, as a result, took the lion's share of arms that came into Pakistan for distribution to the "freedom fighters." Some of these "freedom fighters," Hekmatyar for sure, had developed with the help of the Pakistani Inter-Services Intelligence (ISI) a wide network of heroin manufacturing and distributing. This new enterprise provided huge amounts of cash and arms to Hekmatyar and other Mujahideen leaders. The sums of money from heroin dealing have become so large that Hekmatyar recently boasted that he does not require any arms from Pakistan, and, in fact, can supply Pakistan with some.

Islamabad's decision to throw its lot in favor of Hekmatyar was not an independent one, and was made during Gen. Zia ul-Haq's martial law regime. General Zia, whose reign had gotten a fresh lease from Washington when the Soviets marched into Afghanistan, was making hay with the help of the United States and Saudi Arabia. It was widely known then that the CIA and Riyadh had believed that Hekmatyar, an Islamic fundamentalist of dubious vintage, would be able to grab power and put Washington and Riyadh in the driver's seat, close to the Soviet borders. However, his failure to gain ground quickly, and the collapse of the Soviet Union, imposed new political dynamics. Washington, now free from

the threats of the U.S.S.R., began to dump Islamic fundamentalists it had nurtured before. Hekmatyar was dropped. For Islamabad, however, the decision to drop Hekmatyar could not be taken so easily, and a large number of Pakistani policymakers can be expected to continue to play the Hekmatyar card, while singing a different tune in public.

However, there is little doubt that Hekmatyar has grown increasingly uneasy over the recent developments. He was recently met by Saudi security chief Prince Turki al-Faisal, and reports indicate that the Saudis have asked him to go along with the Kabul government and give up his belligerence. Hekmatyar told newsmen subsequently that he would be eliminated by some in Arab circles. For Islamabad, however, the elimination of Hekmatyar does not eliminate the impending danger over Greater Pushtunistan.

More trouble in store

By allowing a large number of Afghan refugees to settle in northern Baluchistan, Pakistan has changed the demographic scene locally. Baluchis and Pushtuns have come to blows, and the Pushtuns are now demanding the northern part of Baluchistan to be incorporated within the NWFP. However, Islamabad is aware of the Baluch sensitivity. In the 1970s, Pakistan Prime Minister Zulfikar Ali Bhutto used the military, under the command of Gen. Zia ul-Haq, who later hanged him, to quell what is known as the Free Baluchistan Movement. Although the movement is under control now, there are reports of growing uneasiness among the Baluchis, and the arrival of the chief of the Marri tribe from London will be watched carefully by Islamabad.

Finally, the negative impact of Pakistan's opportunistic use of Afghan refugees shows up in Sindh, the province which has been in a state of turmoil for about a decade. In 1983, President Zia, obsessed with retaining power and afraid that the hanged prime minister's ghost was going to unseat him, went after Bhutto's Pakistan People's Party in Sindh, where the PPP is the strongest party. The alliance that the military dictator forged at that time included secessionist Jiye Sindh people and the Mojahir Qaum Movement (MQM), a non-political grouping of those who had migrated from India prior to and following the partition of the subcontinent in 1947. The monster that General Zia had created then began to take full shape in the 1980s. Added to this were the Afghan refugees, trading heroin. Soon Sindh became an inferno where killings and kidnappings became the order of the day, and the place became flush with heroin money and Kalashnikov rifles.

The present government of Prime Minister Nawaz Sharif had formed an alliance following the 1990 general elections with the MQM, to deny the PPP control of the Sindh government. The result was a disaster and when the anarchy reached a new peak, the Pakistani Army had to move in to get rid of criminal elements. The criminal elements, however, had become too strongly entrenched. It also gave the Army no

relief to discover that Islamabad was in contact with the fugitive MQM chief, Altaf Hussain, in London, when Army probes were turning up MQM terrorist cells and torture chambers.

In early October, the Army announced its intention to withdraw from Sindh, and the stage is now set for yet another civilian government. The MQM, the Army claims, has plans to turn the main city, Karachi, into an entrepot, and to separate from Sindh, like Hong Kong or Singapore. Meanwhile, from his London hideout, the MQM chief has warned that if the Army continues to suppress the MQM, Sindh will face the same situation that East Pakistan faced in 1971 before it became Bangladesh.

Playing with fire

If Pakistan's Punjabi-dominated elite is accused of playing with fire, the same can be said about the Saudis and the Iranians. Their role in the Afghan turmoil has been highly destructive, and has been exacerbated by the formation of new Central Asian republics. Along with Turkey, both Iran and Saudi Arabia are deeply involved in promoting forces aligned with them in these republics.

In Tajikistan, for example, following the collapse of the pro-Russian government of Rahman Nabiyeu, more radical Islamic groups, such as the Hizb-e-Nuzhat-i-Islam, are making a bid for power. Based in southern Tajikistan, the Hizb-e-Nuzhat is financed by Iran and armed from Afghanistan. There were accusations made by former President Nabiyeu which indicate that Hekmatyar was involved in supplying arms to the Hizb-e-Nuzhat. In the coming days, Tajikistan will have to undergo a power struggle which will involve not only the Hizb-e-Nuzhat, but also Hizb-e-Communist, Hizb-e-Democrat, etc. Since Tajikistan is within the Community of Independent States, it is yet to be seen what role Moscow will play as the crisis deepens.

Iran is meanwhile in the process of consolidating its position in Central Asia. President Hashemi Rafsanjani, while inaugurating work on a railroad between Iran and Turkmenistan, declared that the railroad will provide a link between landlocked Central Asia and the "open seas through the border of Iran"—indicative of Iran's interest in the region. The collapse of the Nabiyeu government in Tajikistan has been hailed by Teheran Radio as the triumph of the "Muslim people of Tajikistan."

Six former Soviet republics—Kyrgyzstan, Uzbekistan, Tajikistan, Turkmenistan, Azerbaijan, and Kazakhstan—met with Iran, Turkey, and Pakistan, in Ashkabad, the capital of Turkmenistan, promising to reopen the old Silk Road. Rafsanjani's recent visit to Beijing is indicative that the Iran-China nexus, through the new Central Asian republics, is conceived in Teheran as the future security of Iran. It is likely that Iran, isolated in the region, will exert pressures on the Central Asian republics in order to ensure the success of such a security formulation.

Nobel Peace Prize ushers in 'Shining Path North'

by Gretchen Small

The awarding of the Nobel Peace Prize in 1992, the 500th anniversary of the Evangelization of the Americas, to Rigoberta Menchú Tum, international representative of the narco-terrorist Guatemalan National Revolutionary Unity (URNG), will unleash Shining Path-style warfare throughout the Americas. Because of its immediate, devastating effect on Guatemala and Mexico, this award could better be called the Nobel's "Shining Path North" Prize. This is a deliberate decision by the Anglo-American establishment that runs the Nobel awards committee, and its purpose is to eradicate western civilization from the area.

Menchú's more than 10 years of work with the URNG is a matter of public record, as *EIR* documents in a Fact Sheet following this article. To designate the URNG's Menchú as the world standard bearer of defense of "native rights" sent a message around the world: "Indigenous" insurgencies à la URNG can count on supranational support. As the Peruvian Shining Path—the insurgent force to which the URNG is the closest in ideology and methodology in the continent—has demonstrated, the first to die in these wars will be the very citizens of native American Indian heritage in whose name the hypocritical call to war is being made.

The award has already increased international pressures on the Guatemalan government to hand power to the URNG through power-sharing arrangements similar to those imposed upon El Salvador. The London *Observer* claimed Menchú is now treated as "almost the head of state" of Guatemala by some European countries, while the URNG's European spokesman, Jorge Rosal, hailed the decision, demanding "the award should serve so that the international community pressures the military." Inside Guatemala, some 10,000 Indians, believing Menchú to be someone to emulate as internationally powerful, came out for Mayan rituals

called in honor of her award.

Also joining in the celebration, were Bolivia's coca leaf producers, who announced that they have designated Menchú to be their international spokesman.

'Fang and claw' vs. Christian civilization

The Nobel Committee selected Menchú as the symbol of a movement which has declared war on the Christian civilization Columbus brought to the Americas, and which espouses a return to such death-worshipping cults as the Mayan and Aztec religions. Committee chairman Francis Sejersted was explicit in announcing that the choice of Menchú on the Columbus Quincentenary "was not a coincidence." As foreseen, the choice gave an immediate boost to the myriad of Shining Path-riddled "500 Years of Indigenous, Black, and Popular Resistance" organizations around the world which had championed Menchú's candidacy.

The avowed goal of the so-called "indigenous peoples' movement" of which Menchú is a part, is to eliminate Christianity outright. The bestial outlook they promote as *superior* to Christianity, was succinctly expressed in final documents prepared by the 1981 United Nations-sponsored "International NGO Conference on Indigenous Peoples and the Land," later published—approvingly—by Menchú's International Indian Treaty Council:

"Distilled to its basic terms, European faith—including the new faith in science—equals a belief that man is God," the U.N. indigenous conference concluded. "American Indians know this to be totally absurd. Humans are the weakest of all creatures. . . . Humans are only able to survive through the exercise of rationality since they lack the abilities of other creatures to gain food through use of fang and claw. But rationality is a curse since it causes humans to forget the

natural order of things in ways other creatures do not. A wolf never forgets his/her place in the natural order. . . . Europeans almost always do.”

The “indigenous peoples’ movement” is also supremely racist. They insist that Indian people must not participate in universal culture, since their birth determines they must remain Earth-worshipping “natives” tied to the land and employing pre-industrial technologies. Last May, representatives of the major “indigenous movement” groups worldwide issued an Indigenous Peoples Earth Charter which calls for *prosecution* of any government or institution which attempts to change “traditional Indian ways!” A “World tribunal within the control of indigenous peoples” should be created under the United Nations, the Earth Charter states; such trials—for introducing modern methods!—“could be similar to the trials held after World War II,” Menchú’s colleagues wrote.

Who created the URNG and this movement?

As shocking as the goals of these movements, are the forces which have built up this synthetic “indigenous peoples’ movement” for at least three decades. *EIR* documented in a 1985 Special Report, *Soviet Unconventional Warfare in Ibero-America: The Case of Guatemala*, that the forces which created Menchú’s URNG—typifying the “indigenous liberation struggle” endorsed by the Nobel committee—include:

- the U.S. government, particularly the Agency for International Development (aid);
- the Soviet and Cuban governments (a policy continued in force by the Cuban communists today);
- the one-worldist “indigenous” apparatus centered at the United Nations; and
- the pagan liberation theology networks deployed from within against the Catholic Church.

Guatemala was used, in fact, as a kind of experimental petri dish for the creation of an “Indian” liberation movement by foreign forces, in a similar fashion to that used to create Shining Path inside Peru. In the 1960s and 1970s, foreign missionaries from the Maryknolls, the Benedictine order and others, began organizing a mass radical movement in Guatemala’s largely Indian countryside, under the leadership primarily of upper-class youth recruited to Marxist revolution through liberation theology. Money for many of the radical “peasant leadership” programs which trained the leadership of the guerrilla movement was provided by AID, the World Bank, and the United Nations.

By 1979, four major guerrilla forces were involved in the fighting, two of them, the Guatemalan Army of the Poor and Organization of Peoples in Arms, targeting the Indian population in particular for recruitment. That year, Fidel Castro began pressuring those four to unify forces, threatening to cut off their significant Cuban aid if they did not. Talks between the groups were led by Manuel Pineiro Lozada, head of the Cuban Department of the Americas; Fidel himself was personally involved. In January 1982, the four formally

announced the unification of their military commands in the URNG, establishing as well an international political branch, the Guatemalan Committee of Patriotic Unity, in which Rigoberta Menchú took a leading role.

By this time, the drug trade had established Guatemala as a major trafficking and production center. The most concentrated zones of drug production and transshipment overlapped 100% with the principal zones of URNG operations.

Guatemala’s “Indian warriors” also enjoyed enormous international support from the networks of “action anthropology” of both East and West, both of which had carried out extensive “field work” for decades on Mayan culture in Guatemala and Mexico. In 1982, Soviet personnel assigned to the Americas singled out the Guatemalan operation as the way of the future throughout the continent. Anatoli Shulgovski, director of the political and social division of the Latin American Institute of the USSR’s Academy of Sciences, wrote in the December 1982 issue of *America Latina*: “The characteristic trait of Latin America today is in the broad incorporation of the indigenous masses into the liberation movement. . . . In this aspect, the process in Guatemala, where the Indian masses participate more actively each day . . . is typical.”

Enter big-time money

What is going on now in Ibero-America, is a pilot project for what the U.N. plans to unleash in Asia and Africa next. According to the activists who attended the above-mentioned “Earth Charter” meeting in Rio, the key to the project is the Indigenous Peoples Fund which is now being established at the Inter-American Development Bank with United Nations support. Its role will be to “centralize” indigenous peoples’ operations in the Americas, both financially and politically.

Organizers at the IADB say its first task will be to secure “land rights” for “indigenous peoples,” even if this violates traditional concepts of sovereignty. The Fund, run out of the IADB’s Environment Protection Division, is being set up by experts “who have been working on indigenous issues for a long time,” with the “active participation” of three “indigenous peoples” groups—all of whom were active in the anti-Columbus “500 Years of Resistance” mobilization on the continent. Ibero-American governments have agreed to present by the end of October “Letters of Intent” specifying the amounts of their contributions to the Fund (whether in the form of money, technical assistance, etc.).

As the Menchú award demonstrated, the anti-500 Years mobilization towards Oct. 12, was just the beginning of indigenous warfare that is to be global, not regional, in scope. The United Nations has declared 1993 to be the “International Year for the World’s Indigenous People,” in which a myriad educational, cultural and social campaigns, and increased funding and publicity for indigenous groups are planned to pressure governments to “respect indigenous rights and culture.” The year officially begins on Dec. 10; Menchú Tum

served as rapporteur at the Geneva meetings in 1991 which planned these programs.

The U.N. Working Group on Indigenous Populations (WGIP), whose founding meeting Menchú attended, has already drawn up a "Draft Universal Declaration on Indigenous Rights," which is championed by these radical Indian groups because it calls upon governments to establish special rights for "indigenous peoples' " identity, culture, language, education, land and natural resources, autonomy, treaties, environment, etc.

With the establishment of the Indigenous Peoples Fund, the U.N. will move from its current role of coordinating the "indigenous peoples movement," to channeling big-time money into this terrorist infrastructure. The next step planned, as outlined in the Earth Charter, is for U.N. military force to be deployed to defend that so-called indigenous peoples' operation, at the expense of all territorial or developmental sovereignty.

Documentation

Fact sheet: Rigoberta Menchú and terrorism

"Rigoberta Menchú stands out as a vivid symbol of peace and reconciliation across ethnic, cultural and social dividing lines," the Nobel Peace Prize Committee wrote in announcing its 1992 award. Mexico's President Carlos Salinas de Gortari sent the recipient a letter stating that "the ideals for which you have fought should be translated into actions." U.S. State Department spokesman Richard Boucher praised the choice as "a token of recognition of Menchú's work." Media around the world called allegations that Rigoberta Menchú is linked to terrorists in Guatemala an invention of the Guatemalan military, which seeks to discredit her years of work of "reconciliation, justice, and common sense" for their own purposes.

Thus is history rewritten, and a monstrous lie foisted upon the world. The media report only that Menchú is associated with a Guatemalan organization, the Committee for Peasant Unity (CUC), and a United Nations non-governmental organization, the International Indian Treaty Council (IITC), on whose board she sits. What is censored is the fact that since she fled Guatemala in 1981, Rigoberta Menchú has served as international representative of the narco-terrorist Guatemalan National Revolutionary Unity (URNG), and that both the CUC and the IITC publicly and proudly support the URNG's war. Her entire family has been active in the insurgency since the 1970s, from her father (a leader of the CUC who led the

takeover of the Spanish embassy in January, which the media lies was "peaceful"), to her two sisters, whose guerrilla activities Menchú acknowledges she respects.

Menchú's work with this group is a matter of public record. Yet these facts were dismissed by Nobel awards committee chairman Francis Sejersted with the brief disclaimer, "I don't say that each single action she has done in itself expresses peace."

Menchú and the URNG network. No other insurgency in the Americas comes so close to Peru's Shining Path in ideology and brutality of methods as does the URNG, an alliance of the four major terrorist groups in Guatemala founded at the personal instigation of Fidel Castro and steered by the Cuban Communist Party. To this day, Havana backs it as "an example of fidelity to its principles" when others abandon "revolutionary ideas."

In January 1982, the URNG declared that they had united "under the banner of the Popular Revolutionary War to defeat our enemies, take power, and set up a Revolutionary, patriotic, popular and democratic government." They warned, "The Revolution will be severe in its judgment" of its enemies. According to a report published by Menchú's IITC less than a year later, "when the URNG was formed," it also "called for the formation of a 'National Patriotic Unity Front, which will be the expression of the broadest alliance for all our people.' In response to this call, 26 prominent Guatemalans in exile . . . organized such a committee, the CGUP," Guatemalan Committee of Patriotic Unity. Among those 26, the IITC proudly reports, were two top CUC leaders, Pablo Ceto and Rigoberta Menchú.

In August 1982, Menchú attended the founding meeting of the U.N. Working Group on Indigenous Peoples (WGIP) as part of the IITC delegation, and testified in support of the URNG's "liberation war" in Guatemala. As published in the IITC's public report on the WGIP session, Menchú stated: "We fight, and we do not want to separate the Revolution and the Indians, though definitely the main force in the war has been and continues to be our Indian peoples. . . . That living experience is what has brought about a revolutionary movement that is conscious of itself and its goals."

The IITC submitted a "Study of the Problem of Discrimination Against Indigenous Populations" to the same meeting which defended the URNG's role in Guatemala. "The massive participation of Indians in the war of liberation since 1980 is an irreversible phenomenon," the IITC concluded. The IITC, to this day, works with the URNG, promoting, for example, speeches by URNG representative Luis Becker in September. Menchú is still on its board.

The IITC joined others attending a September 1981 international indigenous peoples conference in Geneva in support of a resolution declaring Farabundo Marti Liberation Front (FMLN) in El Salvador to be "the sole, legitimate representatives of the Salvadoran people." In an IITC report following the 1981 conference, IITC director William Means (whose

American Indian Movement founded the IITC in 1974) argued that the IITC would continue its years of work with Nicaragua's Sandinistas.

"We believe the actions of the Treaty Council in dealing with liberation movements, governments and organizations has been deliberate and calculated," he wrote. "Through the years we have made many friends and allies who were working in various movement organizations before their homeland was liberated. Many of these grassroots people now hold key positions in newly founded governments. A case in point is Nicaragua, where relationships were built many years before the victory. . . . Following this initial trust and contact inside the new government of Nicaragua, we felt as Indian movement representatives that we should continue to work with the Nicaraguan government."

In 1983, *Indigenous World*, a U.S. newspaper edited by anthropologist Roxanne Dunbar Ortiz, published a series of articles praising the URNG's war in Guatemala, illustrating one with a picture of Rigoberta Menchú, identified bluntly as "one of the four-person delegation of Guatemalans from the URNG" attending a February-March 1983 U.N. Human Rights Commission meeting in Geneva, which Dunbar Ortiz also attended. The series featured the work of Menchú's CUC, publishing an interview with CUC leader Francisco Alvarez in which he stated: "Only our struggle led by our URNG will allow us to have a patriotic, popular and democratic revolutionary government."

Dunbar's collaboration with URNG reveals some of the networks joining the Central American "indigenous" war with that of Peru's Shining Path. This "indigenous activist" was a founding member of the Revolutionary Communist Party (RCP), when the group was known as the Revolutionary Union. Dunbar's work with the URNG and the CUC was made public in the same year (1983) in which her RCP joined Shining Path in forming the Maoist Revolutionary International Movement, which serves as the primary Shining Path support apparatus internationally.

The French-Cuban connection. In 1982 in Paris, Rigoberta Menchú was picked up by Elizabeth Burgos-Debray, the Venezuelan-born anthropologist married to Régis Debray, the old comrade in arms of Cuba's "Che" Guevara, and later adviser to French President François Mitterrand. Burgos-Debray promoted Rigoberta's career by introducing her to Mitterrand's activist wife, Danièle Mitterrand, and by writing her autobiography, *I, Rigoberta Menchú: An Indian Woman in Guatemala*. Immediately awarded Cuba's most prized literary award, the *Premio Casa de las Americas*, the Debray-Menchú book became an international hit, and by 1992, had been published in 12 languages.

Danièle Mitterrand accompanied Menchú on her first return to Guatemala in 1991. Menchú's Cuban connections also remain in force. On Oct. 12, she attended "500 Years of Resistance" events, which she had done so much to promote—in Havana, of course.

Argentina to be a tool of NATO?

by María del Carmen de Pérez Galindo and Cynthia Rush

In April 1982, Great Britain, a member of the North Atlantic Treaty Organization (NATO), sent its naval task force out of its traditional area of deployment to the South Atlantic to wage a colonial war against Argentina. Then-British Prime Minister Margaret Thatcher was determined to punish that nation for having had the nerve to retake the Malvinas Islands which the British had illegally seized from Argentina in 1832. Now Argentine President Carlos Menem and his anglophile Foreign Minister Guido Di Tella are spitting on the memory of patriots who fought and died in that war, and who have fought historically to defend Argentine sovereignty against Anglo-American interests, by begging to become a member of NATO.

While Britain proceeds unimpeded to strengthen its strategic interests in the South Atlantic, including guaranteeing its access to the region's oil and mineral wealth, Menem and Di Tella have all but abandoned any attempt to defend Argentina's claim to sovereignty over the Malvinas Islands. In late September, during the celebration of "British Week" in Buenos Aires, Menem loudly proclaimed that Britain and Argentina were as close as two allies could be.

The Argentine President perhaps thinks that joining NATO is a guarantee of his political longevity, at a time when many of his neighbors in Ibero-America face an uncertain future. The Brazilian President has been ousted from office, and the scandal-plagued Menem may be getting nervous. Moreover, the economic "miracle" allegedly wrought by his finance minister, Domingo Cavallo, is starting to look frayed around the edges.

From the Anglo-American standpoint, however, Argentina can be of use in helping to achieve certain strategic goals. This is especially true in Ibero-America's Southern Cone, where activity by nationalist military men in Argentina and unpredictable developments in Brazil have sown panic among the proponents of the International Monetary Fund's (IMF) "democracy" project. Following the Oct. 3 founding of the Movement for National Identity and Ibero-American Integration (Mineii) under the leadership of imprisoned nationalist Argentine Col. Mohamed Alí Seineldín, Gen. George Joulwan, head of the U.S. Southern Command, trav-

eled to the Southern Cone to evaluate the situation.

Over the past three years, Menem has groveled before the Bush administration and scrapped every traditional foreign policy stance which bound Argentina in a commonality of interests to other developing-sector nations. These actions, including Argentina's participation in the coalition which waged war on Iraq in 1991, and Menem's willingness to form part of any future NATO operations against other Third World nations—including against other Ibero-American nations—are what apparently make the country "qualified" to now seek NATO membership. In a final attempt to destroy Argentina's Armed Forces as an institution which is constitutionally mandated to "defend the common good and the nation's highest interests," Menem will try, as he did in the war against Iraq, to drag the troops which fought NATO and Britain in 1982 into an alliance with their historic enemy. For this, he has the United States' full blessing.

Aligning with the Anglo-Americans

On Oct. 1, Foreign Minister Di Tella addressed the Permanent Council of NATO ambassadors in Brussels to formally request that the Argentine Navy be permitted to become a member. Di Tella is well qualified for such an assignment. Not only has his family always sided with British interests in Argentina, but during the Malvinas War, he went into "exile" in London, from where he opposed his own country's efforts.

In his speech in Brussels, Di Tella explained that it was the 1982 "defeat in the South Atlantic" at British hands, "and the failure of the economic system of the past 40 years which had accelerated Argentina's transformation" to the point where it felt it should join NATO, i.e., that it is no longer a member of the developing sector. Di Tella has fought tooth and nail to ensure that the Menem government eliminates every last vestige of dirigist economics in the country in favor of British free trade policies.

He also condemned what he called Argentina's "exotic" technology transfer agreements with countries such as Iraq, which, he said, had led to the "autonomous development in sensitive areas through association with nations in confrontation with the West, and through secret programs such as the Condor II missile, which we have definitely canceled."

As part of its policy of "technological apartheid," by which developing sector nations are denied access to advanced technologies, the Bush administration demanded that Menem scrap the Air Force's Condor missile and any agreements with Iraq or any other nation seeking technological advancement independent of Anglo-American control. Now, Di Tella reported gleefully, Argentina will shortly join the Missile Technology Control Regime (MTCR), and no longer belong to the "obsolete" Non-Aligned Movement.

A rapid deployment force

It was Di Tella's assertion in his Brussels speech that Argentina is interested in joining NATO to seek "shared objectives throughout the world including, logically, in the South Atlantic," which gives a clue to the role the country intends to play on behalf of Anglo-American interests. He emphasized that no effort should be spared to advance the "Argentine project" aimed at creating "new organizations for military cooperation in the South Atlantic in order to keep the peace."

The 1982 Malvinas War was the first case of NATO "out of area" deployments. That the Anglo-Americans are planning to expand this policy, but now with Third World "partners" like Argentina, is indicated in an article published in the Sept. 20 *La Prensa*. This reported that when Menem traveled to Germany, he was given a document prepared by NATO Secretary General Manfred Woerner which stated that "the military presence of NATO's founding members outside their borders may diminish, [but] with greater participation of armed forces from the Third World in international zones of conflict."

The daily *Ambito Financiero* reported on Oct. 7 that one of NATO's primary concerns at this time is to create a U.N.-style peacekeeping force, but one that would be "more rapid deployment and efficient." The paper noted that for this type of force to function, "partners will be needed to allow it to operate outside of the European continent." The conflict in former Yugoslavia was cited as an example of why such a force might be necessary.

A force against 'rebellious' nations

For whom will Menem be keeping the peace? Within such regional bodies as the Organization of American States (OAS), Argentina is Washington's toady for promoting the growth of IMF "democracies." It has tried, and thus far failed, to get through resolutions at the OAS demanding automatic expulsion of any nation which dares to reject the "democracy" agenda and look for a better alternative. It has also firmly backed calls for creating an inter-American military force that could be used against "rebellious" countries. At the next OAS meeting in December, Di Tella will try again to get the expulsion resolution passed.

Inside Argentina's Defense Ministry, according to the Oct. 20 *La Prensa*, there is talk of establishing "organic relations" with NATO's 16 member nations and formalizing naval cooperation in the South Atlantic, which would involve Argentina, South Africa, Brazil, Chile, Paraguay, and Uruguay.

Moreover, Argentina will propose to the OAS that substantial modifications be made to the Inter-American Reciprocal Assistance Treaty (TIAR), the Inter-American Defense Board, and the Inter-American Defense College. The idea is that these institutions be "modernized" in a new military relationship between the nations of the Southern Cone and those of NATO.

Peru's Fujimori hits 'human rights' crowd

by Peter Rush

Peruvian President Alberto Fujimori has followed up his government's month-long string of captures of top members of the bloody Shining Path guerrilla assassins by taking on the international "human rights" apparatus that has defended it and many other terrorist groups, withdrawing from the San José Accord that outlawed an effective response to terrorism, and decreeing that terrorist leaders are legally responsible for the crimes of their followers, even if they are in prison.

Speaking at a Navy Day ceremony on Oct. 8, Fujimori attacked the world's flagship human rights organization, Amnesty International, for a years-long campaign to discredit the Peruvian Armed Forces for supposed human rights abuses in its war against Shining Path, showing absolutely no concern for the fact that the terrorists have been responsible for murdering 10-20,000 Peruvians, many by torture, most of them civilians. "It is necessary to expose the terrorists infiltrated into pseudo-humanitarian institutions and to denounce pseudo-defense-of-human-rights organizations that play the game of solely defending the human rights of terrorists and of ignoring the human rights of their victims," Fujimori said.

"It is quite a mystery that organizations such as Amnesty International can commit such gross errors," Fujimori continued. "Is it possible they have no idea of what is presently occurring in Peru, and therefore of what terrorism is capable of carrying out?" Referring to the recent condemnation by the U.N. and the Organization of American States of a Shining Path massacre of dozens of innocent people as "genocide," he asked, "surely the leaders of Amnesty and other international organizations would by now have meditated sufficiently on the value of objectivity in such cases."

On cue, the Italian branch of Amnesty on Oct. 14 issued a statement saying the chapter has launched a campaign aimed at the press and at the Peruvian government on behalf of Abimael Guzmán, the founder and leader of Shining Path, who was sentenced in early October to life imprisonment for ordering the deaths of thousands and for causing \$25 billion in property damage in Peru. The statement said that access must be granted to documents that support Guzmán's contention that he has merely been engaged in "anti-government activity." Guzmán's main defense is that he is a political prisoner, i.e., that his crime is simply that he opposes the government, which he presumably has a right to do.

Amnesty's decision to adopt Guzmán's defense as their own fully justifies not only Fujimori's query over whether terrorists have infiltrated Amnesty International, but also *EIR's* contention for many years that Amnesty has links to British intelligence and that it has served only to further the cause of genocidal terrorists without concern for the horror they cause.

Peru's *Expreso* newspaper refuted Amnesty, pointing out that the European Community has explicitly prohibited labeling terrorist acts as "political crimes." Amnesty has "expended its credibility, which was its only capital, in the unjustifiable defense of a genocidalist," *Expreso* editorialized. "The organization should now voluntarily open its own doors for an investigation. That is, of course, if it has nothing to hide."

Also giving support to Guzmán is Americas Watch, a Washington, D.C.-based human rights organization which came out "deploring the violation of fundamental rights by the Peruvian government in the trial" of Guzmán. Americas Watch attacked in particular the system of faceless judges. Since Shining Path will try to kill any judge who convicts them, Americas Watch's opposition to the only method available for justice, judges whose identities are hidden, is tantamount to opposing any effort to even capture and try Shining Path criminals.

Fujimori further announced on Oct. 15 that Peru will withdraw from the so-called San José Accord, a region-wide human rights pact dating from 1969 which rules out capital punishment in absolutely every situation, including for war crimes and crimes against humanity of the kind that were tried at Nuremberg after World War II—exactly the kind that Guzmán is guilty of. Fujimori also decreed that leaders of subversive organizations, who are politically and ideologically responsible for the continuing terrorist actions of their followers, can be held *legally* responsible for these acts as well, which means that jailed leaders can be retried—and re-sentenced, including to death, once Peru is out of the San José Accord—so long as their organizations continue terrorist acts.

Fujimori also decreed that teachers who teach Shining Path ideology in the schools can be sentenced to up to 20 years in prison. He pointed out that this teaching has been going on for more than 10 years and that previous governments have made no attempt to stop it. Fujimori said that such "deformation of our children's minds . . . with an apology for terrorism," was intolerable.

Peruvian security forces have continued to score successes since the Guzmán capture, including the capture of Marta Huatay on Oct. 20, possibly the top leader then still at large. Security sweeps through successive districts surrounding Lima have, at least for now, broken the "iron belt" Shining Path had been building around the capital. Shining Path was unable to mount any significant action on Oct. 12, for which day it had planned a terror spree.

Russia begins reconquest of the Baltic republics

by Konstantin George

The "Great Russian" policy to restore the empire, first reflected in Moscow's de facto support for the secession of the Abkhazia region from the Republic of Georgia, has struck the three Baltic republics of Estonia, Latvia, and, in a somewhat different form, Lithuania. The intention to reconquer at least the first two of these republics was signaled in an Oct. 20 Russian Defense Ministry announcement canceling the withdrawal of some 25,000 Russian troops and 15,000 dependents from Estonia and Latvia which had been scheduled between late October and the end of the year.

Much of the western media covers this as soap opera, describing the Baltic events as Russian President Boris Yeltsin being "overruled" by the Army, or whatever. This coverage misses the fundamental point. Personalities may come or go, but the Russian power shift toward a policy of recreating Russian rule or a Russian sphere of influence in most or all of the former Soviet Union is proceeding. The power shift has Yeltsin's tacit backing, and has been the policy of Russia's real ruling body, the Russian Security Council, a veritable post-Bolshevik "Politburo," created by a Yeltsin decree back in June, and given its extensive powers, again by a Yeltsin decree, in July.

The escalation of the Baltic crisis began with the Estonian elections in early October, when the Estonian Parliament elected Lennart Meri, who had received only 29% of the popular vote in the first round, as President. Meri was installed on a platform of implementing an enforced emigration of more than 200,000 of Estonia's 500,000 Russian inhabitants, a provocation which provided Moscow with an ideal pretext to adopt a tough policy against the Baltic republics.

The Russian Defense Ministry announcement was not taken independently of Yeltsin. In an Oct. 20 statement issued immediately after the Defense Ministry announcement, Yeltsin backed the suspension of the withdrawal, saying that no agreement with Estonia and Latvia on withdrawal was possible "as long as they do not pass legislation in accordance with international standards" concerning minority rights. His adviser, Sergei Stankevich, announced a Russian campaign to mobilize "international public opinion and especially the Council of Europe in restoring normal life to the 1.5 million Russians in Latvia and Estonia."

After the Estonian elections, the Russian "Officers Assembly" (the officers belonging to the Northwest Group of Forces, as the Baltic Military District had been renamed after

August 1991), had appealed to the Russian Constitutional Court to overrule the planned withdrawals out of Estonia and Latvia. Should the withdrawal not be halted, the officers threatened, they would refuse to have their units leave the Baltic. That their demand had been agreed to by Moscow at least a week before the Defense Ministry announcement, was indicated in two mid-October developments.

Kozyrev a lame duck

On Oct. 14, Russian Deputy Foreign Minister Fyodor Shelov-Kovedyayev was forced to resign following accusations that he was "too soft" on the Baltic republics. The resignation was the start of a shakeup in the Russian Foreign Ministry, expected to culminate in the ouster of Foreign Minister Andrei Kozyrev by year's end. The Shelov resignation certified the lame duck status of Kozyrev, which had been the case since he was denied membership on the all-important Russian Security Council last summer. The Shelov resignation also followed threats by Russian Vice President Aleksandr Rutskoy for a total embargo against Estonia, if it refused to grant full citizenship rights to its 500,000 Russians. "In that case, the Estonian economy will come to a halt within one week," Rutskoy said in an Oct. 13 interview with BBC television.

The link between the Rutskoy threats and the Shelov resignation was provided by a Rutskoy spokesman who hailed the resignation as "the first step along the path of very major, serious changes in the Foreign Ministry," which will bring the Foreign Ministry in line with the policy of reconquest of the former Soviet republics.

Further evidence of the power shift, was an Oct. 14 Yeltsin decree, timed with the Shelov departure, naming Yuri Skokov, the secretary of the Russian Security Council, to the additional post of head of the newly created Council of Leaders of the Russian Federation's autonomous republics, such as Tatarstan, Bashkiria, Yakutia, and the various North Caucasus republics. The staff of the new body, handpicked by Skokov, is being drawn from the staff of the Security Council.

Skokov himself epitomizes the power shift since the Security Council was created. As leading Russian dailies, such as *Nezavisimaya Gazeta*, have pointed out, Skokov has emerged as the second most powerful man in Russia. As secretary of the Russian Security Council, he runs all its day-

to-day activities. Skokov is the man in the shadows—he shuns media attention, never makes speeches, never grants interviews. An October request by the Russian weekly *Novoye Vremya* (*New Times*) for an interview was not only turned down, but his office refused even to supply biographical data. Though many details of his life are classified, enough is known to certify his profile as one of the top figures in the high-tech realm of the Russian military-industrial complex. Skokov, 54, had spent almost 30 years in secret military R&D programs, before being appointed a U.S.S.R. deputy prime minister in 1990.

Since July, under his direction, the Russian Security Council has established local branches all across Russia to supervise local affairs in close cooperation with the Russian Interior and Security Ministries, recreating what could become a future police-state apparatus. He has also been in charge of military personnel policy. His additional post as secretary of the new Council of Leaders of republics has given him the pivotal position in shaping policies toward inter-ethnic conflicts, which is key in directing the course of empire restoration. This was acknowledged by *Nezavisimaya Gazeta* in a commentary after his appointment: “Skokov, having received *carte blanche* from the leaders of the Russian republic, is extending the Security Council’s influence, and his own, to the entire Russian Federation. At last, Moscow will have the chance to exercise rigid control over the ethnic situation in the republics.”

Another piece in this picture was the tour of the North Caucasus by Russian Defense Minister Gen. Pavel Grachev. His itinerary included talks with the leaders of the Russian Cossack paramilitary units which are fighting alongside the Abkhazians against Georgia, and he was otherwise involved in preparations to send in larger forces to help detach both Abkhazia and South Ossetia from Georgia. The talks centered on plans to transform the Cossack forces, from authorized irregulars into Cossack units within the Russian Army, in the Czarist tradition. This was fully consistent with a little-noticed decree (reported by *EIR* at the time), issued by Yeltsin in June, reinstating the Cossack self-government laws of the Russian Empire and “instructing the Ministry of Defense” to study the integration of the Cossacks into the Russian Army.

Moves against the Crimea

Moscow also has its eyes on the Black Sea coast of Ukraine, starting with the Crimea. However, Ukraine, in contrast to Georgia and the Baltic republics, is a large, populous nation, and Moscow must tread carefully. Moscow needs a crisis where it will appear that it is not intervening against Ukrainians, but against a “common enemy” of the two Slavic peoples of Crimea—its Russian majority and Ukrainian minority. This “common enemy” may turn out to be Crimea’s third ethnic group, the Crimean Tatars. Violence by Crimean Tatars could trigger a Russia-Ukraine crisis over the Black Sea peninsula.

The Transcaucasus



Crimea’s Russians fear that they will soon be subject to attacks by the Crimean Tatars, who comprise less than 10% of Crimea’s 2.5 million population. The Crimean Tatars had lived in Crimea until 1944-45 when Stalin deported them to Uzbekistan in Central Asia. In 1989, Soviet President Mikhail Gorbachov issued a decree permitting them to return to Crimea, which nearly all Crimean Tatars have done. An explosive situation has been building up among the 220,000 Crimean Tatars now residing in Crimea, as about 140,000 of them are now facing their second winter in tent encampments, living as destitute refugees in what was once their ancestral homeland. They have become victims of neglect where, given Ukraine’s severe economic crisis, a housing program for Crimean Tatars is low on the republic’s list of priorities, and, under the widespread autonomy Ukraine was forced to give Crimea (making it virtually a Russian autonomous republic on Ukrainian soil), Ukraine has very little real say or control over events there. Under these circumstances, Crimea has become ripe for inter-ethnic conflict.

In mid-October, Crimean Tatars tried to storm the regional parliament in Simferopol, heavily damaging the building after battles with the local, Russian police, which caused many injuries. Threats against Russian civilians have been mounting. Should attacks break out, Russia would intervene, as it has in Abkhazia, to “protect Russian lives,” claiming that the action was not directed against Ukraine. As in the case of Abkhazia, which, aside from a few areas still held by Georgian forces, Russia has de facto occupied as a protectorate, Crimea might still belong to Ukraine on paper, but in reality will become the next territory grabbed by Moscow.

'Respectable' again: offensive war as an instrument of policy

by Michael Liebig

From Oct. 10 to 14, two representatives of the Schiller Institute and the former Military Intelligence chief of the German Federal Army, Brig. Gen. Paul A. Scherer (ret.), visited Croatia. General Scherer advises the Schiller Institute on security policy issues. The purpose of the visit was to get as clear as possible a picture on the ground.

The Schiller Institute delegation traveled to the Croatian-Serbian Line of Demarcation: at Kupa-Brueckenkopf south of Karlovac; east toward Pakrac and Lipik in West Slavonia; in the Bosnian-Croatian border area south of Novska; in the area south of Sisak.

Although the war regions in former Yugoslavia are relatively well "known" through television newscasts and eyewitness reports in the press, yet the direct visual impression of the destruction by the war is shocking, not only for younger people, but even for those who are experienced in war. During the visit to war areas along the Serbian-Croatian Line of Demarcation, one became conscious of a somewhat schizoid frame of mind, which necessarily arises when one comes "into another world." The trip from Germany through Austria and Slovenia toward Croatia leads through peacetime normality and the beauties of nature. Even in the Croatian capital, Zagreb, everything still appears to be "normal and peaceful." Yet the many young men in uniform, the visible U.N. bases in the streets, the war refugees, and the wartime inflation cannot be overlooked. A two-hour car journey south from Zagreb then brings you to the "other world."

Scorched earth

In General Scherer's assessment, the scale of the devastation in the parts of Croatia we visited corresponds to that which characterized the most battle-torn regions of World War II. But there is one essential difference: The destruction in the Croatian battle areas has no recognizable *military* purpose. The Serbian units practiced a "scorched earth" method. The overwhelming majority of victims in Croatia over the last year, and today in Bosnia, are civilians.

During the Serbian advance in Croatia, already in the course of battle a very large number of civilians who had not fled were killed, many of them in a bestial way with knives

or bayonets. After the occupation, the remaining Croatian civilian population was targeted for extraordinarily gruesome acts of violence, in order to induce them to flee, when they were not deported in an "organized" fashion. The destruction of buildings in the contested areas which had been occupied by the Serbs, and were later won back by the Croatians, was practically total. During the Serbian retreat, all of the buildings which had not already been destroyed, were shelled, blown up, or set on fire. In West Slavonia the road from Kutia (on the Zagreb-Belgrade highway) toward Lipik and Pakrac leads for many kilometers through the typical wayside villages of the region. Along a stretch of about 10 kilometers to the right and left along the road, all of the houses, practically without exception, are destroyed. Most of the houses were shelled by tank artillery at point-blank range. Lipik was a very lovely resort city and the home of the famous Lipizzaner horse breed; two-thirds of the city is now a rubblefield.

Spas, hotels, stables, and practically all the larger houses were destroyed systematically by Serbian units. In Pakrac, a newly built area with multi-story apartment buildings had been largely destroyed. It is striking that in the Croatian cities conquered by the Serbians, just about all the churches without exception have been demolished. The nature of the damage clearly proves that it has nothing to do with a collateral result of military activity, but rather with deliberate destruction.

Thirty percent of Croatia is occupied

The Serbian units have occupied about 30% of the Croatian national territory, killed some 25,000 Croats, and driven about 500,000 from their homes. In late summer, fall, and winter 1991, this region was conquered, thanks to the artillery, tank, and air superiority of the Serbians. This was a typical offensive war, conducted in order to create a national framework for a Greater Serbia. The Serbian minority in Croatia was not subjected to any oppression on the part of the majority of the population. It is clearly documented that the violence between Serbs and Croats in April-May 1991 was unleashed by Serbian "Chetniks" (irregular forces) infil-

trated from Serbia. (See A. Bebler, *Der Krieg in Jugoslawien 1991-92*, OeMZ, 5/92.) Any contradictory assertions are simply untrue. Pro-Serbian propaganda has cleverly understood how to “insert” the atrocities and war crimes of World War II—which, by the way, were many-sided—into the *present* situation. Thus people try to conceal the Serbian bestialities and war crimes. If these are not disavowed, the Serbian side insists that they are “outweighed” relative to war crimes which take place supposedly “as always in wars, on both sides.”

The visitor to Croatia quickly comprehends the enormous disappointment which dominates among Croats concerning the stance of western Europe and the United States. Many Croats feel themselves indeed to be “betrayed and sold out.” They feel that western-central Europe, to which they belong culturally and economically beyond any doubt, has politically locked them out. They experience the European equation of the victims and the aggressors as an unbearable hypocrisy. At the same time, an astounding strategic understanding about the geopolitical coherency of things is present, even among “simple people.” People say outright that the Anglo-American powers and the former Soviet Union-Russia want to keep Europe from growing together, and that these two powers’ fostering of Serbian hegemony in the Balkans is intended to keep the Balkans out of Europe.

U.N. assures Croatian occupation

The Serbian-Croatian Line of Demarcation is heavily mined in the open fields. But often the Line of Demarcation cuts crossways right through devastated villages or cities. The Serbian and Croatian forces partly confront each other directly, within visual distance; partly they are divided by U.N. control posts, but even in these cases, mostly within sight. In most areas along the Line of Demarcation, the U.N. has erected “demilitarized” zones; besides the Unprofor peacekeeping troops, only police with handguns are allowed. As a rule, the Unprofor posts directly on the Line of Demarcation are *emptied* before the onset of darkness. At night, all along the Line of Demarcation on both sides, more and more clashes with casualties are taking place. It is, however, difficult to learn more about this guerrilla warfare.

The role of the Unprofor troops in Croatia is more than questionable. It must be clearly stated that the Croatian people, on easily comprehensible grounds, have adopted an extremely negative attitude toward the U.N. troop presence. In the course of the late autumn of 1991, the Croatian resistance against the Serbian advance was stiffening rapidly. In contrast to the summer, the Croatian fighting forces were now disposed of sufficient infantry weapons and at least a modest stock of anti-tank weapons, whereby the striking power of the tank offensive potential of the Serbians was clearly being rapidly reduced. By the end of 1991, the Serbian troops had practically halted their tank offensive, because the casualties had become too great. In November-December 1991, the

Serbian units were pushed back by the Croatian counteroffensive in the direction of their starting positions. With the Vance/Carrington truce, which took effect in January 1992, the Serbian conquests in Croatia were, so to speak, frozen at a critical point in time for the Serbians.

Thus, the Unprofor troops secure and guarantee *de facto* the Serbian occupation of Croatian territory. Since the Serbians at the moment seem to be satisfied with this arrangement to hold on to the status quo of conquest and occupation in Croatia, it necessarily follows that they “get along fine” with the U.N. backup of this occupation. On the other hand, understandably, the U.N. troops are seen by many Croats as occupation troops in disguise, who *de facto* collaborate with the Serbian occupiers and hinder the return of Croats expelled from their homes.

From Croatia to Bosnia

That this view of Unprofor is by no means merely the subjective embitterment of the Croatian side, is shown by the fact that the Serbians used the presence of Unprofor in Croatia to support their offensive against Bosnia-Herzegovina! As soon as Unprofor had moved into positions along the Serbo-Croatian Line of Demarcation, a major regroupment of the Serbian fighting forces took place. In Croatia there remained only relatively few and lightly armed security forces, while the mass of tank units and artillery were shifted out of the occupied regions of Croatia and into Bosnia. By April 1992 the regroupment had been concluded and the offensive war on Bosnia began. The Serbian advance against Bosnia was therefore also, *de facto*, covered by the United Nations. And Croatia had to stand by and watch without doing anything, while Unprofor protected the Serbian aggression.

The military situation in Bosnia

The Schiller Institute’s visiting group had the opportunity to speak with Croats and Bosnians who know the situation in Bosnia-Herzegovina very precisely in its political and military aspects. The Serbians deployed the battle tactics already known from Croatia against the militarily almost totally unprepared Bosnians. Since in Bosnia, to the present day, even handguns are lacking, Serbian tank units were able to deploy very long, and very effectively. At present this is getting harder for the Serbians, because on the Bosnian side there is an improved deployment of anti-tank weaponry. Serbian fighter aircraft were and are being extensively deployed, and therefore the use of napalm is especially feared. To be sure, the Serbian Air Force flies higher and higher to try to evade the shoulder-held anti-aircraft guns.

The main weapon of the Serbian units both in Croatia and in Bosnia is the artillery. Serbian military superiority in both battle theaters rests on the great mass of mortars, artillery pieces, self-propelled cannons, the much-feared multi-barreled rocket launchers, and tanks used statically as artillery. The enormous munitions stocks of the former “Yugoslavian



Devastated houses in Lipik (90 kilometers from Zagreb), which have been subjected to the "scorched earth" policy of the Serbians—the destruction has no military purpose. Inset: Gen. Paul Albert Scherer, an adviser on security questions to the Schiller Institute who recently toured the war ravaged areas.

People's Army" provide regular munitions supply lines. In the Croatian and Bosnian fighting forces—as in the civilian population—the greatest casualties, some 70%, during the fighting, are to be ascribed to the effectiveness of the Serbian artillery. The decisive military disadvantage of Croatia and Bosnia is the striking lack of all categories of artillery. The battle morale of the Serbian units seems quite essentially to be stamped with their trust in their own artillery monopoly. Already the deployment of grenade launchers by Croats and Bosnians seems to have rapidly been able to make the Serbian fighting morale waver.

The attention of world public opinion in relation to the war in Bosnia is largely concentrated on Sarajevo. The brutal Serbian siege of the city, with its enormous civilian casualties, fully deserves the attention and help of the world. Yet at the same time, there is a danger of reducing the overall problem of the war in Bosnia to the problem of humanitarian aid measures for Sarajevo. The grandstand visit of French President François Mitterrand to Sarajevo was precisely understood by many Bosnians and Croats in that way. While the world gaped at Sarajevo, the Serbians conquered 70% of the territory of Bosnia-Herzegovina and killed in the process at least 150,000 people!

There is now only one single supply route to Bosnia that is not controlled by the Serbs, and that one route can hardly suffice for military supplies. It leads from the region around Sibenik on the Adriatic coast through the roughest mountain terrain into northern central Bosnia. In this part of Bosnia, the offensive Serbian troops are meeting the toughest military resistance. Something similar goes for the area to the south of Mostar. In north-central Bosnia, there are an estimated 500,000 Croatian and Muslim refugees. During the coming winter, these refugees will have to reckon with the worst. Their supplies have been cut off by the Serbian units. Supplies of food and protection from the cold cannot be delivered over the mountain route from Sibenik. International humani-

tarian aid in this area is scarcely available.

Despite the intensive diplomatic activities in Geneva and elsewhere far away from the war theater, Croatian and Bosnian officials do not count on an end of the fighting soon. The practical on-the-ground effect of the countless cease-fire agreements is very slight in Bosnia itself. It is expected that the war in Bosnia-Herzegovina will turn more and more into an all-encompassing guerrilla war. The Muslim and Croatian Bosnians thereby hope to make the Serbian control over the part of Bosnia which Serbia occupies harder and harder, through guerrilla operations. The partisan warfare will give the Serbians no respite. The deployment of mines, grenade launchers, and anti-tank weapons, and small, mobile commando units could turn into an enormous military, political, and moral burden for the Serbian occupiers in the coming period. Through northern Bosnia—north and westward of the Tuzla-Banja Luka-Bihac line—runs the *main supply corridor* from Serbia to the Serbian-occupied regions in Croatia. Well-executed "pinprick" actions in this corridor will probably seriously call into question the Serbian military control of the corridor and the occupied regions in Croatia.

'Nuremberg II' against Serbian leaders

For the rapid establishment of a just and enduring peace in Croatia and Bosnia-Herzegovina, it is indispensable that the monstrous war crimes against humanity of the Serbian leadership *effectively* be brought before the world public. It is no longer enough for these Serbian major crimes to be bureaucratically documented and generically denounced. Those who are responsible for these crimes inside and outside Serbia must be brought to trial before an international War Crimes Tribunal. The precedent of this must be the Nuremberg Trials against the Nazi major war criminals after 1945.

With the Serbian offensive war against Croatia and Bosnia-Herzegovina, for the first time since the Second World War and the immediate postwar period, crimes of genocide

have been practiced in *Europe*. The acceptance of these major criminals on European soil by the western European and NATO nations heretofore means that the fundamental community of values which lies at the foundation of the alliance among these nations has been reduced to an absurdity.

General Scherer told Croatian journalists that the political future of the European Community and the Atlantic Alliance will be essentially determined by their attitude toward the war in former Yugoslavia in the next months. The further obligation of the moral and juridical minimal standards of the West are at stake. It has to do with the question of whether an offensive war with hundreds of thousands of mass murders "pays off." A "Nuremberg II" War Crimes Trial must charge the major culprits of the political and military leadership of Serbia, or rather former Yugoslavia, with the following crimes against humanity:

- planning and carrying out of an offensive war;
- planning and carrying out of genocide, or aiding genocide;
- crimes against humanity, especially mass expulsions;
- instigating or abetting countless "standard" war crimes of the Serbian units, such as killing prisoners and noncombatants, torture, and rape;
- causing material losses, which alone must amount to DM 20 billion (\$13.8 billion).

Along with the major Serbian war criminals, the leaders of international politics and diplomacy who encouraged and supported the Serbian offensive war must be brought to judgment. Leading politicians in the former Soviet Union and Russia, in Great Britain, the United States, France, and other European Community states should be indicted for *abetting* the Serbian offensive war/genocide and *failing to provide help* to the Croatian and Bosnian victims of the Serbian aggression. This must be done, if in Europe the fundamental outlines of international law are to remain in effect. The war in former Yugoslavia no longer involves merely "interests" and "sympathies." It involves the core civilizing substance of the European continent.

Distinguished jurists of international law, such as Professor Fastenrath of Cologne and Prof. Friedrich von der Heydte, have already publicly pointed out that the arms embargo decreed by the U.N. Security Council against Croatia and Bosnia-Herzegovina represents a blatant violation of international law and of the U.N. Charter. This arms embargo against the victims of aggression means the *de facto participation* of the U.N. Security Council in the implementation of the Serbian offensive war/genocide.

General Scherer repeatedly emphasized the pressing necessity that western European and North American nations must lift the arms embargo against Croatia and Bosnia. This is the absolutely necessary first step toward overcoming the unlawful and "indecent" attitude of the West toward Croatia and Bosnia, and at the same time would constitute an effective contribution toward achieving a just peace.

Conference Report

Searching for a peaceful world order

by Kassim Ahmad

Mr. Ahmad, a Malaysian author, writes from Kuala Lumpur.

This is one of those times in history when human society is plunged into darkness and man cries to Heaven for divine succor. This time around, the darkness is universal and the cries are heard everywhere. Under these conditions, it is fitting that in Kuala Lumpur, the capital of a country that during the Cold War era was anti-communist and that during these days of *Pax Americana* has been critical of President Bush's so-called new world order, a seminar was held (Sept. 28-29) to consider "Post-Marxian Political Thought—Toward a Peaceful World Order," organized by the National Language and Literary Agency and the establishment Secretariat for Islamic Philosophy and Science. The meeting brought together some international and local political scientists and scholars, offered five papers and two fora, fully occupying the two days of the seminar, and was officially opened by the fast-rising Islamic politician, now Malaysia's minister of finance, Anwar Ibrahim.

Several Malay writers and academics insisted that the gap to be filled, the empty space on the world's political stage, however, is not just because of the demise of the Soviet bloc and Marxism. It was argued that democratic liberalism, Francis Fukuyama's supposed final socio-political paradigm of human evolution, in fact is crumbling too, as is becoming increasingly clear from the sad state of western societies and their economic systems.

But the dilemma, as was laid out in discussion, is that the non-aligned and Muslim worlds are just as weak, badly divided, and in disarray, lacking the philosophical basis to replace either Marxism or liberalism. Might the Islamic world view emerge as a significant factor in reshaping the world at this juncture? Only if Muslims once again gravitate toward the perception that real power stems from knowledge, one Muslim author opined.

Varied political persuasions

Hardly had the participants, numbering nearly 300, heard the rather disappointing and conservative keynote address by

the American Muslim scholar of journalism Prof. S. Abdullah Schleifer, and the sad but spirited address by Bosnian Muslim professor of sociology Dr. Ismet Grbo, when some of them fell upon the finance minister's too-sure point about the death of Marxism, arguing that the death was that of the Soviet communist system, but not those positive teachings of Marxism that are still relevant to the modern world and that have become part and parcel of modern scholarship. While there was much in Lenin's contribution to Marxism that deserved to die, "his critique of imperialism is not one of them," argued Ali A. Mazrui, a Kenyan-American author.

Regarding the present massacre of the people of Bosnia and what Dr. Grbo bravely termed a war of liberation, castigating "the American betrayal of Bosnian Muslims," there was an atmosphere of gloom and helplessness in the seminar hall. One participant reminded his audience that the Bosnian tragedy was a continuation of the tragedy that has befallen the Muslim world since the Palestinians were robbed of their homeland by the western-imposed colonial settler state of Israel in 1948. It was sad, the participant remarked, that the Muslim and Third World nations, constituting a majority in the United Nations and a majority among the world's populations, could do nothing to prevent the continued perpetration of this monstrous crime plotted by the Anglo-American neo-imperialists to destabilize continental Europe and establish their One World empire.

After getting, on the first day, a heavy dose of apologetics for a "single U.S. superpower supremacy" for an indefinite period, it was refreshing to hear of the declining state of the U.S. and western imperialist-fascist power structure, and various acknowledgments of an emerging new world structure. This was clearly stated in two of the papers and implied in the third.

Dr. Mazrui stated, "As a result of the Islamic triad [the 1979 Iranian revolution, the 1979 Soviet invasion of Afghanistan, and the 1990-91 Gulf war], the nature of the 21st century has been remarkably altered." He noted, however, that the big question hinges on the outcome of the Gulf war as one of a triad of most momentous Muslim crises.

Malaysian social scientist Khoo Khay Jin cautioned against "the unseemly rush" on the part of too many states in the South to adopt the socio-economic recipes promoted by the North and the international agencies under their influence. "The irony is that at the moment of its alleged triumph, contemporary capitalism is once more in the throes of recession and crisis." He concluded, "The states of the South will have to do the best they can in the present and foreseeable circumstances; one can only hope that they will see beyond developmentalism [either of the classical Adam Smith-Malthus-Ricardo type, or the neo-classical Keynes-Rostow type] and find a way to come together to push for a different world and social order. People . . . must seek to keep alive alternative conceptions and, instead of dividing over labels, should

come together in a spirit of tolerance to seek to clarify the content of the human values . . . and the form of their realization in a world that . . . can no longer simply hope to return to a simpler time nor can it carry on much longer with developmentalism."

The end of history?

The ideologue and apologist for liberal capitalism Francis Fukuyama came in for a hard beating at the seminar. Finance Minister Datuk Seri Anwar Ibrahim, who opened the meeting, recently described Fukuyama's position as "idolization of liberal democracy." Khoo Khay Jin denounced Fukuyama's Hegelian and Nietzschean "sleight of hand and his poor history," and surmised that his book, *The End of History and the Last Man*, would soon be forgotten, as had the more brilliant Daniel Bell's *The End of Ideology*. Fukuyama's position—that for at least the near future, history has come to an end, with the momentous changes in eastern Europe and former Soviet Union—has not gone unchallenged by the Third World and in particular the Islamic world.

Without a doubt, Marxism and liberalism as reigning social philosophies are now spent forces, and a new paradigm shift is taking place in the world. This makes it a historic period in world history. But what the form and content of this new philosophical paradigm are, none of the paper writers and forum discussants would say. In fact, the Malaysian history lecturer Mohamad Abu Bakar, a Muslim fundamentalist ideologically, if ever there was one, dismissed the present Muslim resurgence as too divisive and incoherent to provide the alternative.

The role of Islam

Although the Muslim participants in the seminar were less insistent and sure this time than they were 10 years ago about the role of Islam as the third system (an alternative to the two failed ones of Marxism and liberalism), the belief persists. When a participant pointed out that the current Muslim resurgence lacks a coherent universal philosophy to deal with the problems of the modern world, as it had during the first Arab-Muslim Renaissance from the 7th through the 13th centuries, however, another participant leapt up to assert that Islam was superior to any philosophy and was more than enough for Muslims. Although this is an important lead, no other participant took up this theme, and it was allowed to die in the midst of a searching, groping, diffident, and inconclusive two-day debate.

The theme of the seminar was, perhaps, too vast, the paper writers somewhat limited in their Islamic outlook, and, as very often happens at such seminars, the time very limited for dealing with the subject adequately and coming up with concrete proposals. Nevertheless, it is hoped that enough interest has been aroused for it to be followed by similar discussions, which should be better focused and better intellectually represented internationally and nationally.

Italy's Scalfaro fights threat of dictatorship

by Claudio Celani

"When freedom is attacked from the outside, it is a serious evil. But dictatorships generally arise not because of external pressures, and are the last act of a people that has lost the sense and the responsibility of its own freedom." These frightening words were spoken by Italian President Oscar Luigi Scalfaro on Oct. 16 before the Brandenburg Gate—exactly where, until three years ago, the wall began that divided Berlin, and Germany, into two parts. The Italian President was warning about a present danger for the Italian nation, which risks being destroyed by the assault of the separatist North League and other destabilizing formations, but his appeal, which he chose to launch during a state visit to Germany, was intended also for Italy's allies.

Scalfaro has repeatedly insisted on the concept of "solidarity" among the European partners, and recently reiterated that Europe should not close in on itself, but turn eastward. Within the diplomatic limits imposed on him as a head of state, Scalfaro trenchantly described the European situation as "moldy." The message is clear: Proceeding with the present free-market economic policy (decided at Maastricht), western Europe abandons the concept of "solidarity" with its own population, which is subjected to painful sacrifices, and with the "other part of Europe," the former communist East bloc, abandoned to the savage "free market."

Scalfaro's warning in Berlin should be listened to very seriously by the Bonn and Paris leadership. If her allies insist in forcing Italy to carry out the austerity budget decided by the European Community (EC) and International Monetary Fund (IMF), a dictatorship will soon be established in Rome. Even the liberal daily *Corriere della Sera*, no friend to Scalfaro, was forced to admit that the scenario laid out by the President is credible, insofar as the electoral growth of the North League forces national political parties to negotiate its entry into power.

To prevent that, Scalfaro has worked behind the scenes to prepare an anti-fascist "dam," a national unity government, ready to be elected by Parliament once the present cabinet led by Giuliano Amato has absolved its task, i.e., to get the austerity budget voted up. Scalfaro has met all party leaders and convinced most of them. Achille Occhetto, secretary general of the biggest opposition party PDS (formerly the Communist Party), has reportedly accepted. Not so happy

is Giorgio La Malfa, leader of the minuscule but powerful Republican Party, a masonic formation which is officially working on an alliance platform with the North League. But Scalfaro has a carrot for La Malfa: His government would be led by Senate chairman Giovanni Spadolini, a prominent member of La Malfa's own party. According to the weekly *Il Sabato*, the deputy premier would be Giorgio Napolitano from the PDS, currently House chairman. Scalfaro's government has already been named "the President's government" or "the institutional government," since it would be led by the top institutional leaders of Italy. Commenting nervously on it, pro-drug politician Marco Pannella objected that it is "an alibi to cover a comedy." Of course, the Leaguers reject it and call for early elections.

Whether "institutional government" could stop the North League, depends on the steps it would take to face two emergencies, very much connected: the political destabilization and the economic crisis.

Terrorist buildup

As happened in the past, whenever there was an attempt at forming a government of national unity, terrorism has reappeared. On Oct. 18, a bomb was found, unexploded, under the national office of Confindustria, the manufacturers' association. At the same time, a printing shop owned by Confindustria president Abete was burned down. A leaflet taking responsibility for the bomb was signed Communist Combatant Units, a name used in the 1970s in several terrorist actions. According to magistrate Antonio Marini, behind the leaflet there is "a 'subtle' mind, for sure not a very young person, who has experience, speculative capability, and historical memory." In other words, there is a continuity between the "new" and the "old" terrorism. Former terrorist Renato Franceschini, who has accused both foreign and Italian secret services of pulling the strings of the Red Brigades terrorists who kidnaped and killed Aldo Moro, is convinced that "the services" also hide behind the new terrorists.

The bomb at Confindustria seemed to be aimed at radicalizing labor strife, in the middle of a strike wave that threatens to get out of the unions' control. Investigators are worried, though, that a terrorist-mafia connection could lead to a major attempt against a prominent judge or politician.

In a strange coincidence, as during the kidnaping of Aldo Moro in 1978, when the State Department sent its own man, Steve Piecznik, to make sure that investigators were stymied, another Kissinger stooge happens to be in Italy, lecturing Italian authorities on the "anti-terrorism" fight. Georgetown University expert Edward Luttwak was in Rome on Oct. 20 telling an audience at the Center of Advanced Defense Studies that "the state's slowness in fulfilling the demand for decentralization could trigger a climate of tension and violence."

It is difficult to prove that Luttwak runs terrorism, but the case for his friend Henry Kissinger is all too clear. After the

Moro assassination, it was discovered that the leaders of all the military, police, and secret services were member of the secret masonic Propaganda-2 lodge, whose official plan was to dissolve the democratic institutions of the Italian state. P-2 was exposed and its leaders put on trial (the trial started officially Oct. 16), but the power of the outlawed lodge is still intact, as Sen. Sergio Flamigni, an ex-member of the P-2 investigating committee in Parliament told *EIR* (see issue No. 40, Oct. 9). The P-2 has been officially dissolved, but it persists under another name and most of its members still have a lot of power in institutions, parties, media, and business.

In an article in the daily *L'Unità* of Oct. 16, Gianni and Antonio Cipriani recalled that the P-2 was run by a "higher pyramid" whose center is likely to be overseas, since Judge Carlo Palermo, a top investigative magistrate, discovered that P-2 Grand Master Licio Gelli had to ask Alexander Haig and Henry Kissinger for permission to recruit 400 Italian high military officers.

The "institutional government" that Scalfaro is trying so hard to build could finally take on the P-2 secret government. Besides being a devout Catholic, Scalfaro is known for having proposed, when he was interior minister, to ban Freemasons from all public office. The clock is ticking. "We are 30 minutes before midnight," said Leoluca Orlando, the leader of a new party called La Rete, which was formed to free the

Italian institutions from the power of the Mafia and Freemasons. Orlando, whose party colleague Senator Mancuso endorsed Lyndon LaRouche's presidential candidacy in the United States, explains that only if "new people," not belonging to the old system, take the leadership, can the traditional parties succeed in stopping the fascist North League.

The investigations of corruption scandals in northern Italy, targeting especially Christian Democrats and Socialists, have devastated both parties and fed into a pro-League mood among voters. Due to the scandals, the League could get as much as 40% of the vote in December in major industrial centers like Monza and Varese. The point about the scandals is that it was generally known that political officials took kickbacks from businessmen to finance their electoral campaigns; but suddenly, somebody decided to pull the plug and started the investigation, now seven months old, called *mani pulite* ("clean hands").

The protagonist of the ongoing "clean hands" probe is Judge Antonio Di Pietro, who apparently needs help from the FBI to get the job done. Di Pietro is, at this moment of writing, in the United States to take a course on the latest methods used by the American justice system against "political corruption and organized crime," methods which have mostly been used to rid the political and banking establishment of effective opposition voices.

Kissinger called 'war criminal'

The *London Review of Books* has published a rare, truthful profile of Kissinger, which echoes many of the points that *EIR* has made about him over the years.

Senior British commentator Christopher Hitchens, in his review of Walter Isaacson's *Kissinger: A Biography*, compares reading about Kissinger's career to "reading the profile of a serial murderer." Hitchens points to Kissinger's "identification with the sub-Darwinist depravity of those who worshipped only 'strength.'" Kissinger's world view was in large part shaped by his perverted view of how Jews survived the Nazi concentration camps, as he wrote in a late-1940s letter that survival meant "to disregard ordinary standards of morality. One could only survive through lies, tricks."

Hitchens enumerates the wars and/or destabilizations caused and/or encouraged by Kissinger, including Vietnam, Bangladesh (derided by Kissinger as "a basket case"), Chile, Cyprus, Kurdistan, and East Timor: "It goes on and on until one cannot eat enough to vomit

enough." Hitchens also blasts Kissinger's "nuclear pornography" posing as strategic doctrine, and his conflicts of interest in Communist China, where he defended the massacre in Tiananmen Square in 1989, in order to promote his own lucrative business-consultancy.

Hitchens wrote: "Will anyone say what Kissinger's achievement was? Will anyone point to a country, not excluding his own, which is in the slightest degree ameliorated by his attention? And the old 'realists' of Vienna and Locarno and Yalta, though they may have looked at nations and peoples and borders as disposable and dispensable, did not axiomatically confuse crudeness and brutality with strength and (a significant Kissinger favorite) 'will.' They did not reach hungrily for the homicidal, self-destructive solution."

Hitchens has one other plaint: "The masochism of the press in all this has been contemptible. . . . There have been other war criminals, law-breakers, phonies and pathological liars during the long decline of the Empire and the Cold War," but none was treated with such "sychophancy" and "toadying" as Kissinger has been.

Hitchens' ultimate verdict is that "Kissinger was the Albert Speer rather than the Adolf Eichmann of the crimes against humanity that he assisted in perpetrating, but he lacked Speer's readiness to apologize."—Mark Burdman

Mysterious deaths

Why are the authorities so quick to label the death of Green Party leaders Petra Kelly and Gerd Bastian "suicide"?

Those in Germany who, like this author, were watching the midnight news on Oct. 19, were shocked to learn that two founding members of the Green Party, Petra Kelly (44) and Gerd Bastian (69), had been found dead at their home in Bonn-Tannenbusch about two hours before. Since October 1987, when the former governor of the state of Schleswig-Holstein, Uwe Barschel, was found drowned in a bathtub in a Geneva hotel, Germany has not seen the death of a prominent politician under such strange circumstances.

The news reports were conflicting. The state attorney on duty, Mr. Komp, said soon after the discovery of the bodies that he wouldn't rule out murder. The news that the two corpses had been lying undetected for at least seven days, maybe even twice that, added to the gloomy picture.

Early the next morning, criminal inspector Otto said that there was "no evidence of outside involvement of another person," that the two had committed suicide. According to Otto's report, Bastian must have shot Kelly in the left temple while she was asleep, and then killed himself with a shot in the forehead, in a way described as "fairly professional" by the police.

Suicide? Yet no letters of farewell were found, and the two had given no indication of depression. This author was not the only one left suspicious.

Green Party spokeswoman Anne Nilges, who was interviewed as one of the foremost among Kelly's political collaborators, said she knew of recent threatening letters by neo-Nazis to

leading Green Party members, such as the state minister of environmental affairs in Hesse, Joschka Fischer. Nilges seemed to imply that the two deaths in Bonn could have been caused by an act of neo-Nazi terrorism. Kelly and Bastian had been engaged in political campaigns against xenophobic violence and neo-Nazi terrorism.

No threatening letters were found by the police in the Bonn home of Kelly and Bastian. On the other hand, forensic tests had not even been completed, when the investigating authorities pronounced the word "suicide."

Now, let us go back to the case of Uwe Barschel, whose body was found in that Geneva hotel bathtub, with no traces of "outside involvement" except some strange bruises about the forehead and neck. Initial reports about evidence of an assassination were suppressed by the media, and the case was officially declared "suicide." But crucial material, like pictures of the corpse and the conditions under which Barschel had been found and tissue samples, had mysteriously disappeared. Hints about forensic evidence never really taken into consideration made their way into the media only four years later.

Barschel's family, at least, never bought the story of a "suicide" but is still demanding a reopening of the investigation. The fact that Barschel's name had been raised many times as someone who had come across a delicate aspect of illegal arms transfers linked to the Iran-Contra affair, points

rather to the "murder" variant—and there were 20 file cabinets packed with secret data on Barschel, found in the vast archives of the abolished East German intelligence agency, the Stasi.

Neither Kelly nor Bastian was ever mentioned in close connection with dark affairs such as those that may have caused the untimely death of Uwe Barschel. But it is said that Kelly was instrumental in uncovering facts about secret overlaps between the Stasi and western intelligence agencies. This is a story on which especially the Greens from east Germany have been working for some time.

An act of revenge against Petra Kelly, an effort to deter those who are looking into this East-West intelligence affair? And if so, carried out by whom?

Such questions cannot be answered at this point, but they should be followed up, if only to protect those who are bold enough to look into such sensitive matters as the Iran-Contra case.

For the time being, this author would locate the death of Kelly and Bastian in the context of the somewhat mysterious tide of extremism and political violence in Germany ever since the nation was reunified in October 1990.

Experts studying the similarly mysterious tide of violence and terrorism in Italy through the 1970s and 1980s use the term "strategy of tension" to describe the process of many seemingly "unconnected" incidents that, taken together, form a stream of political destabilization against the state and its institutions. It is well known by intelligence hands that people tend to be most terrorized by incidents that seem to have no clear motive or reason, like an arbitrary bombing or the strange death of a prominent person.

EIR exposé used to expose narcos

Son of a witch wails against LaRouche after officials of the U.S.-installed regime are nailed for their drug connections.

Officials of the narco-government installed by George Bush in Panama are gnashing their teeth at Lyndon LaRouche and *EIR*. Their ire was provoked by a three-part series exposing some of their drug money-laundering activities, written by journalist Luis de Janón in his Ave Fénix column published in *La Estrella de Panamá*. The exposé relied heavily on the Spanish-language edition of *EIR*'s 1987 Special Report entitled "White Paper on the Panama Crisis: Who Wants to Destabilize Panama and Why?"

As this column reported earlier, in 1990, Banco Interoceánico, a.k.a. Interbanco, was revealed to have been primarily a drug money laundromat for the late Medellín cocaine cartel kingpin Gonzalo Rodríguez Gacha. The U.S.-installed President of Panama, Guillermo ("Honeybuns") Endara, was a co-owner of Interbanco and one of its directors. Spanish and U.S. law enforcement officials revealed that Endara's Interbanco was also linked to two other top cocaine kingpins, Jorge Ochoa, of the Medellín Cartel, and Gilberto Rodríguez Orejuela, of the Cali Cartel.

Interbanco went under after the story broke in 1990. To save what he could, Guillermo Ford, one of Panama's two vice presidents, who was then minister of planning and finance, became Interbanco's "curator," according to De Janón. To sell off the remaining assets, a "liquidator" was named: Alvin Weeden Gamboa, a frontman for the drug syndicate.

Soon, irregularities developed, so

Judge Emilio Effio fired Weeden as liquidator of Interbanco. Weeden responded by proclaiming his probity and questioning that of the judge. This outrageous behavior, wrote De Janón on Oct. 12, was just too much. "So I decided that the time has come to make public" the *EIR* report on Panama.

Over the next three days, De Janón excerpted the *EIR* report that recounted Weeden's role as a mule in the drug money-laundering ring set up for convicted drug trafficker "Tony" Fernández and others by Stephen Samos. The series profiled the ring members: Samos, the brothers Iván and Winston Robles, their sister Alma Robles, who was Samos's former wife, and others.

The money was passed through Fernández's Sunshine Bank and through Dadeland Bank of Florida. The latter was owned by Vice President Guillermo Ford (the curator for Endara's Interbanco before Weeden was assigned to liquidate it), by Carlos Rodríguez (Endara's first ambassador to the United States), and by Roberto "Bobby" Eisenmann.

Weeden, Eisenmann, and the Robles brothers had organized a party, the social democratic PAPO, to oppose Gen. Manuel Noriega. Eisenmann also founded a daily newspaper, with help from the United States, Panama's *La Prensa*, and appointed Winston Robles editor.

The "La Prensa syndicate" took in other laundry: Eisenmann's Dadeland Bank was also the key financial institution for the Medellín cocaine car-

tel's top money launderer, Gonzalo Mora, according to U.S. court documents, and there is other dirty linen relating to the Bank of Credit and Commerce International (BCCI).

Given the uproar generated by De Janón's exposé, Eisenmann responded. He deployed his pet scribbler, Guillermo Sánchez Borbón to pen a diatribe in the Oct. 15 *La Prensa*, slandering *EIR* and its founder and contributing editor LaRouche.

According to Sánchez Borbón, it was LaRouche's conception "that history consisted of a secret struggle between Aristotle and Plato (I can't recall which of the two he favored). In that struggle were sneaked in—I don't know how, nor when, nor why—the Gnostics, a favorite target also of Seineldín," referring to Argentine nationalist military leader Col. Mohamed Alí Seineldín. Sánchez didn't even attempt to deny the charges of his boss's drug money-laundering. Instead, he said De Janón was "nuts" for citing *EIR*.

Panamanians didn't buy it. As De Janón noted in a column in the Oct. 20 *La Estrella*, the fact is that these "well-known 'anti-corruption' fighters"—Weeden, the Robles family, Rodríguez Ford, Eisenmann—were involved in drug money-laundering and Sánchez Borbón cannot erase the truth with "his warlock pen." In an earlier slander against LaRouche, Sánchez had taken up the cudgels for Basilides, a second-century heretic exalted by the Gnostics, a satanic cult with weird sexual practices.

De Janón recalled that Sánchez authored an autobiographical pornographic novel in which the hero is the son of a witch, the *Tulvieja*, who drowns her offspring. The protagonist of Sánchez grows up to be a bisexual who engages in every sort of polymorphous perverse practice, similar to that of the gnostic cult Sánchez defends.

The return of Aztec paganism

In the name of a non-Indian "indigenous movement," the anti-Columbus protests reveal their pagan roots.

During the well-organized protest demonstrations in Mexico against the celebrations of the 500th anniversary of Columbus's voyage to the Americas, the controllers were easily identifiable as promoters of the "Age of Aquarius," that counterculture project launched by the Anglo-Americans more than 25 years ago as a means of controlling populations through destruction of their minds.

This time, the pretext was the celebration of the Columbus quincentenary, and the propaganda bombardment centered around a rejection of the evangelization of America and of mixing of the races, and to praise the bloody rituals of the Aztecs.

Various protest marches were organized, one from Oaxaca and Chiapas, another from Tabasco, and a third up from Central America, to join on Oct. 12 in the main plaza, or Zócalo, of Mexico City. Two additional marches, begun earlier in the year from Alaska and Patagonia, converged at ceremonies at the Teotihuacán pyramids, a pre-Aztec archeological site near Mexico City, in order to "receive the energy of the rising Sun, in harmony with the Cosmos."

Despite the fact that the marches were organized to protest the alleged "genocide" of the Spaniards against the indigenous people, the majority of the delegates were not Indians, but radical leftist groups; young gangs; squatters demanding housing, water, and electricity; students; ecologists; anthropologists; punks; and open supporters of Peru's Shining Path terror-

ists, who back home celebrated 500 years of "Indian resistance" by massacring 47 Indians, 30 of them women and children.

The marchers in Mexico assaulted Christopher Columbus's statue on the Reforma, one of the main thoroughfares in Mexico City, while in the university town of Morelia, activists tore down the statue of the first viceroy, Antonio de Mendoza. In the capital city of Chiapas, San Cristóbal Las Casas, protesters attacked the statue of one of the early evangelizers, Diego de Mazariegos.

Of the 20,000 who reportedly showed up in the Zócalo, although others speak only of 10,000, a mere 400 (less than 4%!) were Indians.

Along one side of the Zócalo, where the remains of the Aztecs' leading temple can be seen beside a wall made of the skulls of human sacrificial victims, the promoters of what Pope John Paul II called the "anti-culture of death," adorned in traditional garb, organized ritual ceremonies to carry out "the prophecy of the Fifth Sun," to launch the era of the "Sixth Sun," and to bring about a "spiritual and cultural re-encounter with their ancestral roots." In the propaganda the protesters distributed, they acknowledged that the "re-encounter" they speak of is "the Age of Aquarius," or "the New Age."

However, behind the exotic extravaganza, it is clear that support for this "new indigenism" comes from the highest levels of the Mexican government. For example, on orders of the government secretary, all commemorative celebrations of the quincentena-

ry must be called an "Encounter of Two Worlds," and not "Discovery." Various state governments were informed that they had to change the focus of the celebrations they had planned. At the same time, the celebrations that *were* planned were deliberately minimized, including the unexpected cancellation of a great choral mass at the Metropolitan Cathedral in Mexico City.

President Salinas, an avid proponent of "indigenism," took the opportunity of his address to the "Encounter of Two Worlds" event to announce the creation of a Public Trusteeship for the Recovery, Conservation, and Preservation of Archaeological Zones. That trusteeship has been endowed with a 100,000 peso budget to finance 12 archaeological projects through 1994.

Salinas explained that reforms of Article IV of the Mexican Constitution recognizing indigenous cultural rights, and support for the National Solidarity Program and the new Public Trusteeship, were intended to reaffirm Mexico's pride in its Indian roots.

As part of this new ideological project, the Ceremony of the Sixth Sun was held on the island of Mexcaltitlán, in the coastal state of Nayarit, with the attendance of the state governor and other special invitees. The ceremony was an allegory in which the symbolic flame of "Mexicanism" was carried by the Aztec god Huitzilopochtli, representing the 901 years that have passed since the Mexican tribe emigrated from Aztlán to found the Aztec capital of Tenochtitlán. Participating in the journey through 85 kilometers of twisting natural canals were the consuls of Spain, Germany, Costa Rica, El Salvador, the Dominican Republic, Korea, and Czechoslovakia, in the company of Gov. Celso Humberto Delgado.

International Intelligence

Hapsburg sees threat of explosion in Russia

Europe must become more unified in order to meet the threat of a "great explosion from the ex-Soviet Union," Count Otto Hapsburg told the French daily *Le Figaro*, in an interview published Oct. 10-11. "I don't know when, but it will come," he said. "I see it as an extremely alarming sign that Boris Yeltsin did not go to Japan. This is a decisive victory of the new alliance between the Army and the communist forces which are hostile to him. . . . Even though divided up, the ex-Soviet Army still possesses 30,000 nuclear warheads."

Recently returned from a visit to the Baltic states, Hapsburg reports that he saw the "Red Army" in Latvia, "still flying the red flag, with hammer and sickle. Do you know that they reject the Russian flag? That is symptomatic enough. One can see in Riga, in the center of the city, a district totally in the hands of the Russians. In the middle, there is the colossal fortress of the KGB, equipped with listening devices, which today cover the totality of the Baltic countries, registering all phone calls. It is the same control as in the good old days of the Soviet Union. These are the realities."

He also asserts that certain factories in Riga, which are in the hands of the Red Army, are facing money shortages because they are not receiving adequate funds from Moscow. So, what they are doing, in collaboration with the Armenian mafia, is cutting down Latvia's forests, to make money in illicit operations in the international timber trade.

Assault on Jerusalem's Temple Mount predicted

The Israeli government is believed to be planning a new assault by Jewish fanatics against the Islamic holy sites at the al-Haram al-Sharif, site of the Dome of the Rock Mosque, Palestinian sources told *EIR*. Over the last several weeks, the Israeli Shin Bet intelligence service has been circulating the

line among Israeli journalists that the Ateret Coahim yeshiva, responsible for previous incidents at the so-called Temple Mount, is building an underground organization. The yeshiva is well known to be led by Shin Bet agents and funded by state agencies.

Lyndon LaRouche issued a statement on Sept. 27 (published in *EIR*, Oct. 9) warning that a move was afoot by the Temple Mount fanatics to blow up the al-Haram al-Sharif, as part of a destabilization drive against Jordan.

EIR sources believe that the new operation will be timed to coincide with the impending announcement by Israel and Syria of a "breakthrough" in talks relating to a separate Israeli-Syrian deal. An Israeli announcement of the partial return of the Golan Heights will be depicted as treason by the Israeli hardliners around former minister Ariel Sharon; destruction of the Al Aqsa Mosque or Dome of the Rock following the announcement will "blow up everything."

On Oct. 11, Israeli soldiers killed two Jordanian Palestinians infiltrating Israel from Jordan near Jericho. An unprecedented hunger strike of 10,000 Palestinian prisoners in Israel ended that day, after the Israeli police commissioner agreed to review their demands. It is expected that the strike may start again, however, adding to the climate of tension.

Aoun calls for boycott of Lebanese government

Exiled Gen. Michel Aoun, the former President of Lebanon, urged Lebanon's Christian opposition leaders to boycott the Syrian-backed administration of President Elias Hrawi. Aoun's call came in an interview published on Oct. 12 in Beirut's leading daily *An-Nahar*, to mark the second anniversary of his fall from power in a Syrian-led Lebanese Army offensive.

Asked what were the future steps of the opposition after boycotting Lebanon's first general elections in 20 years, Aoun said: "Boycotting the state totally. . . . In practice that would materialize by resigning from senior government posts. The whole state

should be brought to a standstill." Most Christian groups, including Aoun's followers, have vowed not to recognize the newly elected Parliament. Aoun said new elections should be held and called for an international conference on Lebanon, attended by Syria and Israel, to set a schedule for the pullout of Syria's 35,000 troops from the country. He said an alternative should be found to the 1989 Taif peace pact, which established the basis for continued Syrian domination of the country.

France, Sweden move against Shining Path

As the Peruvian Supreme Court on Oct. 15 ratified the life sentence given to Abimael Guzmán, the leader of the Shining Path terrorists, several European governments began, finally, to crack down on his genocidal organization.

Sweden has denied asylum to 17 of the 18 Shining Path guerrillas who had applied. In response, they went underground, and the newspaper *Expressen* reports that the Swedish authorities are now searching for them. Peruvian Justice Minister Fernando Vega complimented Sweden for "positive and agreeable" action.

The Prefecture of Paris banned a pro-Guzmán demonstration, scheduled for a site near the Peruvian embassy. One of the worrisome things for French authorities was the possible linkage between Shining Path and the Kurdish terrorists of the PKK.

Spain is also starting to take measures to control Shining Path activities.

Finland to purchase U.S. fighter planes

Finnish Defense Minister Elisabeth Rehn, in Washington on a "private" visit, announced at a press conference at the National Press Club on Oct. 15 that Finland will be purchasing the U.S.-made F/A-18 Hornets for its next generation of fighter aircraft. This is the first time that Finland has ever purchased U.S. fighters.

She said that Finland continues to take a "Bismarckian view" of its immediate security environment: "that Russia is never as strong—or as weak—as it seems." She said that "there has been a steady numerical buildup of Russian troops along the Finnish border," which the Russians insist represents a "temporary" situation due to their withdrawal of troops from the Warsaw Pact countries and from the Baltic states.

Rehn said that there have been improvements in the quality of Russian ground-attack aircraft and attack helicopters, as well as in tanks.

In a discussion with *EIR*, Rehn mentioned that the Finns had not yet been able to set up a meeting with Russian Defense Minister Pavel Grachev. They are advising their Estonian colleagues to establish civil rights for Russian-speaking people in Estonia, in order to eliminate any pretext for a Russian reaction.

German union leader hits 'new world order'

The vaunted "new world order" hasn't brought anything but more exploitation of the Third World, charged Hermann Rappe, chairman of the German chemical workers union, in a report before his union's council in Hanover on Oct. 12. If the new order that the states of the North have been pushing had meant anything positive, the relationship between the North and the underdeveloped South would have been changed fundamentally, but this has not occurred, he said.

Rappe charged that there is much international hypocrisy around the issue of aid for Somalia. "I want to remind people that international solidarity requires more than just a momentary donation for relief to the hungry in Somalia and elsewhere," he said.

Rappe further underlined the threat to world peace represented by the economic crisis in the former Soviet bloc. "Three years have gone by," he said, "since the collapse of the communist bloc. It is becoming ever clearer that the hopes that were

nourished by many, even if they were very optimistic, are in danger of bursting apart over the rough realities. If things are not turned around energetically, however, the great chance of a peaceful and socially just new world order will be frittered away for a foreseeable period of time.

"A total economic collapse in eastern Europe would have global consequences that can hardly be foreseen today. The horrendously high jobless rate in the new [east German] states, which is partly caused by the collapse of their eastern markets, would then only be the comparatively harmless prelude to a bigger catastrophe. This is what we have to prevent from happening."

Rappe called for emergency measures such as extended export credit guarantees for east German exporters of industrial goods and chemical products to the former Soviet Union.

Cameroon opposition decries election fraud

Cameroon's leading opposition party, the Social Democratic Front of John Fru Ndi and Dr. Siga Asanga, is charging fraud in the elections that were held on Oct. 11, the first election in 30 years. The country's strongman Paul Biya, they charge, rigged election ballots, disenfranchised whole sections of the population, and strangled the press in the days leading up to the vote. The government circulated rumors that the SDF would kill all members of the government party if it got into power, and that the SDF is "fascist, Nazi."

SDF leaders told *EIR* that Biya originally canceled the counting of the vote, because it showed him losing, but then under pressure was forced to resume the official count.

Observers on the scene speculate that Biya, who is a supporter of the austerity programs of the International Monetary Fund and has been kept in power by the political networks of French President François Mitterrand, may not give up power voluntarily if he loses the election, and civil war may follow.

● **A JAPANESE** Army officer, in an article published Oct. 15, called for a military coup d'état. "History has shown that a military solution is the only way left when democracy does not work properly and justice is not done," Maj. Shinsaku Yanai wrote in the weekly *Bunshun*. Yanai is an instructor at Japan's Military Academy. His statement was denounced by Japan's defense minister.

● **THE RUSSIAN** daily *Izvestia* has charged that if India does not give up its "dogmatic stand" on the issue of nuclear non-proliferation, "it may prove a stumbling block during the Russian-India summit talks planned for early 1993." By persisting in its refusal to sign the Nuclear Non-Proliferation Treaty, the paper said, "India risks seeing its economic links with western Europe dramatically weakened."

● **SPECIAL UNITS** of the Russian "Omon" are fighting on the side of the Serbs in the Balkan war, Otto Hapsburg told the daily *Le Figaro*. He said these units were formed by the KGB, and were first put into action in the Baltics. This Russian involvement makes the idea of any effective internal resistance to the Serbian regime less likely.

● **MACEDONIAN** President Kiro Gligorov warned on Oct. 16 that a conflict like that in Bosnia may spill over into his country, unless it is urgently granted international recognition.

● **THE VISIT** to Turkey in mid-October of the head of the Iraqi Parliament, Sadi Mehdi Saleh, suggests that Ankara is moving toward reviving relations with Baghdad, according to the *Washington Post*. "We have to talk with Saddam," a senior Turkish official is quoted. "It's so easy for Britain and France and the Americans. But for countries like Turkey and Syria, Iraq is a neighbor."

Columbus and the principle of the 'purloined letter'

by Timothy Rush

Columbus, The Great Adventure: His Life, His Times, and His Voyages

by Paolo Emilio Taviani, trans. by Luciano F. Farina and Marc A. Beckwith
Orion Books, New York, 1991,
273 pages, hardbound, \$20

The relative strength of this volume—a condensed version of several longer studies in Italian, one of them available in English as *Christopher Columbus: The Grand Design* (London: Orbis, 1985)—is that it follows the general historiographical method and outlook of Samuel Eliot Morison. That is already saying something in this quincentenary year in which deliberate falsifications of Columbus's achievement and his era are spreading like poisonous mushrooms.

Admiral Morison, in the late 1930s, had personally "sailed the ocean seas" in Columbus's routings on his four voyages, and thus brought a sailor's appreciation of the supreme nautical skills and intuitions employed by Columbus in his travels. He was also able, by retracing those routes, to describe the look and feel of the landfalls, and what Columbus found, with the immediacy and vividness of one who had directly experienced them. The result of this research, *Admiral of the Ocean Sea, A Life of Christopher Columbus* (Boston: 1942), remains to this day, for these reasons, the best single account of Columbus's seafaring achievement and voyages themselves.

Morison, in his "rehabilitation" of Columbus, vaulted the astounding outpourings of fraudulent historiography

which had erupted at the beginning of the century, and revived the knowledge of Columbus as a master mariner and accomplished scientist, which Alexander von Humboldt had demonstrated a century and a quarter before.

The distinguished Italian scholar and member of the Italian Senate, Emilio Taviani, in this school, adds to Morison's work with similar "retracing of the steps" in Columbus's life preceding the great voyages. The earlier volume, *The Grand Design*, had much more of this—the "feel" of Genoa during the period Columbus was growing up; his trip to the Barbary Coast and the Genoese outpost on the island of Chios in the eastern Mediterranean; mastery of the Portuguese Triangle of Lisbon, the Madeiras, and the Azores; his trip to Bristol (England), Galway (Ireland), and Iceland; and his trip to what was then the farthest point of Portuguese settlement in Africa, the Guinea coast at the fort of São Jorge da Mina (today Ghana)—but there are sufficient carryovers into this new volume to make satisfying and suggestive reading. One almost steps off the boat with Columbus at each port of call.

Taviani, however, falls into a mystical conception of the formative influences on Columbus's character, which leaves the door open for the "revisionist" attacks on Columbus dominating this 500th anniversary of his western landfall. On the "Genoese personality," Taviani ridiculously asserts, "The influence of a sea without beaches and shallows yet always open to a wide horizon helped mold analytic intelligence, a serious character, and moral commitment."

Ironically, Taviani nevertheless comes closer to an appreciation of Columbus's character than the other one-volume "general readership" study of Columbus to emerge in the past year: Felipe Fernández-Armesto's *Columbus* (New York: Oxford University, 1991). As noted in a previous review (*EIR*, Feb. 21, 1992), there are merits to Fernández-

Armesto's book; but the constant and gratuitous slanders of Columbus and the dignity of his undertaking, are at heart a 20th-century nihilist's rage against the "one individual can change the world" outlook of the Renaissance.

Fernández-Armesto's 'gray' legend

As an example, look at what Fernández-Armesto, attempting a sophisticated rehabilitation of British "Black Legend" conceptions from his Oxford don's lodgings, says of the process of Columbus's self-education. He first reports the following extraordinary and moving account by Columbus himself:

"Every sea so far traversed have I sailed. I have conversed and exchanged ideas with learned men, churchmen and laymen, Latins and Greeks, Jews and Moors and many others of other religions. To that wish of mine I found that Our Lord was very favorably disposed, and for it He gave me the spirit of understanding. He endowed me abundantly in seamanship; of astrology He gave me sufficient, and of geometry and arithmetic too, with the wit and craftsmanship to make representations of the globe and draw on them the cities, rivers and mountains, islands and harbors, all in their proper places. Throughout this time I have seen and studied books of every sort—geography, history, chronicles, philosophy and other arts—whereby Our Lord opened my understanding with His manifest hand to the fact that it was practicable to sail from here to the Indies." (1501, letter on his Third Voyage)

Fernández-Armesto, after reviewing Columbus's underlinings and marginal notations in his books, cynically comments: "He was bookish but not scholarly; a 'reading man' whose inclinations were low-brow. He liked the sensational and the trivial, the sententious and the salacious. . . . He was interested in Asia for its yellow-press 'marvels' and golden-book wealth. His attitude to scientific authority was a curious mixture of the servile and the reactive."

Though paying passing homage to Columbus's accomplishments, Fernández-Armesto makes sure that the image that remains with the reader is of a Columbus obsessed with passing on wealth and the trappings of nobility to his heirs; the "Enterprise of the Indies" was merely a vehicle for this end. The crushing refutation of such a distortion is the fact of Columbus's *four* voyages, when the rewards and prestige of the first alone not only would have sufficed, but to someone of the honor-grubbing mentality attributed to Columbus, *would not have been jeopardized* by the risks of the subsequent three. No; what Taviani and Morison beautifully capture, despite Taviani's mysticism, is Columbus's vocation as an *explorer* par excellence. In his fourth voyage, unarguably his "Calvary" in terms of suffering and mishaps, he had finally recognized that his previous discoveries constituted "Another World" from the Indies—and his objective, as revealed in his writings in preparation for the trip, was nothing less than to circumnavigate the globe!

Unexplored history of the Renaissance

The extraordinarily rich record that has come down to us of Columbus's voyages—from his own log, and from the writings of contemporaries and immediately following historians of high caliber—cheats writers such as Fernández-Armesto of any sustained, successful slander, when even an approximately scholarly treatment is adopted. This means that the reader is well rewarded in dipping into any of these three writers' accounts of Columbus's life *per se*.

The great gap in the saga is not Columbus's life, but the story of how preceding figures created the means and channels for Columbus to fulfill his Enterprise—the conception of "sailing west to reach the east." The "Enterprise of the Indies" was a high project of the Renaissance, embedded in the framework of Henry the Navigator's astounding "Apollo Project" of the era, the 70-year mission to "show devotion to God by making the seas navigable," and given remarkable definition as a combination of scientific expansion and world evangelization at the time of the Council of Florence (1437-41).

This story has not been told. But the clues and leads are in full view. Like C. Auguste Dupin in Edgar Allan Poe's story "The Purloined Letter," it is just a matter of recognizing what we are looking for and understanding the traits of mind of those seeking to conceal the evidence.

There are two channels of Renaissance conceptions in science, geography, and evangelization, which flow into Columbus, or rather find their instrument in Columbus: one, through Portugal; the other, through Spain.

Half of the Portuguese side (Columbus lived in Portugal for eight critical years, 1477-85) is presented by Taviani and Morison. This is the relation between Columbus and the preceding 60 years of interconnected breakthroughs in shipbuilding (invention of the caravel), navigation, astronomy, and colonization efforts, developed by Prince Henry and his Sagres "mission control" center on Portugal's southeasternmost headland. Fernández-Armesto dismisses this whole relation with an astounding one-line reference to "Henry the Navigator's rabble."

But neither Taviani nor Morison proceeds to explore the wonderful material of Portugal's intimate involvement with the unfolding of the Renaissance, particularly the Florentine, and the crucial Luso-Florentine aspects of the conception of a "strategic breakout" for western Christian civilization, then seemingly cornered by the rise of the Ottoman Turks. The letter of Florence's preeminent mathematician and astronomer, Paolo dal Pozzo Toscanelli, which was made available to Columbus at a crucial moment in the early 1480s, symbolizes, but by no means encompasses, this rich history. Exemplary is the role of the Portuguese royal family's confidential agent in Florence, Dom Gomes Ferreira da Silva, who was a key assistant of Ambrogio Traversari, head of the Council of Florence organizing effort, and who was recalled to Portugal in the early 1440s to reform Portugal's monasteries in the image of the council's deliberations.

The Spanish channel is similarly truncated or obscured in these three benchmark books. Taviani and Morison limit themselves to a review of a handful of figures—the Franciscans Antonio de Marchena and Juan Pérez, Archbishop Hernando de Talavera, the Aragonese privy official Luis de Santángel, Queen Isabella, and a few others—who stepped forward to win Castilian backing for Columbus’s enterprise. There is no effort to present the relationship of this group to the Italian Renaissance—or, in fact, to anything outside Spain.

Fernández-Armesto’s treatment in this area is an outstand-

The great gap in the saga is not Columbus’s life, but the story of how preceding figures created the means and channels for Columbus to fulfill his Enterprise—the conception of “sailing west to reach the east.” The “Enterprise of the Indies” was a high project of the Renaissance, embedded in the framework of Henry the Navigator’s astounding “Apollo Project” of the era.

ing contribution, as far as it goes. He delineates four components of what he calls the “Columbus Lobby,” and provides rich details for each:

- 1) the financial syndicate in the joint Castilian-Aragonese court, centered on treasury official Alonso de Quintanilla, which headed Ferdinand and Isabella’s conquest of the Canary Islands in the decade before Columbus’s voyage;

- 2) the “mini-court” of the heir to the throne, Prince Juan, headed by Juan’s principal tutor, Fray Diego Deza;

- 3) The Palos group, headed by Antonio de Marchena; and

- 4) a faction in the Aragonese court headed by Luis de Santángel.

By far the most intriguing is his description of the “mini-court” around Juan (despite wild slander of the character of Juan himself). But here Fernández-Armesto himself highlights an apparent dead-end: “It is not clear what disposed members of the Prince’s court particularly to favor Columbus; . . . They had no obvious interest in an Atlantic project and it is tempting to suppose that some unknown personal links may have been responsible.”

It is rather that Fernández-Armesto does not want to explore where his own threads lead. For such an investigation would lend a dimension and dignity to the Enterprise of the Indies which would reduce his own snidely expressed psychologizing about Columbus to irrelevance.

Cisernos and the Lull revival

All the material is there for this exercise in discovery à la Dupin. Many works, especially by Spanish historians, delve into the backgrounds of the principal figures in Ferdinand and Isabella’s Renaissance court. The direct connections to the Council of Florence and its protagonists of a generation earlier can be dug out. One fruitful lead is to explore the residence of Cardinal Jiménez de Cisneros in Rome, as a youth, during the pontificate of Pius II (1458-64). Pius was a central figure in the exploration projects of the age; Columbus used his masterful geographical treatise, *Historia Rerum ubique Gestarum*, as one of his principal authorities.

I suggest two related, even deeper, areas of investigation to the future historian who accepts this challenge. The first is to relate the revival of the work of Ramón Lull in the Isabelline court to the circles who sponsored Columbus. Lull, Franciscan “Renaissance Man” 150 years before the Golden Renaissance (he lived 1235-1316), led a European-wide intellectual crusade against the Aristotelianism brought in by Averroës to suffocate science and epistemology. This has great relevance in Columbus’s period, because the strength of the Ptolemaist opposition to large-scale exploration rested on a foundation of Aristotelianism. Among other projects of statecraft, Lull proposed a flanking of the emerging threats in the East by completing the reconquest of Spain, jumping the Straits of Gibraltar to take the North African coast, and circumnavigating Africa. Cardinal Cisneros was the center of the Lull revival in Spain of Columbus’s time; the great vicar of the Church in Rome during the time of Pius II, Cardinal Nicolaus of Cusa, had played a comparable role one generation earlier.

The other area of work is the absolutely extraordinary role of members of the Franciscan order in European projects of exploration and evangelization from the mid-1200s straight through Columbus. The mid-13th-century forerunners of Marco Polo’s journey to the Great Khan were Franciscans. So were the two great geographical and scientific minds of the same half-century, Ramón Lull and Roger Bacon. So were many others in a line reaching down to Columbus himself, who came in time to dress as a Franciscan, and whose reception at the Franciscan monastery of La Rábida and sponsorship by Franciscans Antonio de Marchena and Juan Pérez were, in all accounts, crucial in his project.

There is no facile answer to this seeming “Franciscan factor”; the order was not homogeneous in belief and outlook over different centuries or even in different countries at the same time. Yet obviously some character imbued in the order from its founding nurtured or attracted those, over a period of almost 250 years, who were to repeatedly push the “Enterprise of the Indies” toward Columbus’s willing and capable hands.

The real story of Columbus’s Enterprise remains to be written.

The lessons of the last Romanovs: neither Bolshevism nor tsarism

by Denise Henderson

The Last Tsar: The Life and Death of Nicholas II

by Edward Radzinsky, trans. by Marian Schwartz
Doubleday, New York, 1992
462 pages, hardbound, \$25

The downfall of a regime usually leads to an outpouring of memoirs, analysis, romance, and other sorts of history, and the fall of the 300-year-old Romanov dynasty in 1915, when Nicholas II abdicated for himself and his son, has been no exception. This year, Edward Radzinsky, a Russian playwright and historian, who began his researches on Nicholas II 20 years ago, has added *The Last Tsar: The Life and Death of Nicholas II* to that literature.

Radzinsky's articles on the July 17, 1917 murder of the Romanovs in Yekaterinburg (known until 1991 as Sverdlovsk in honor of Yakov Sverdlov, who helped plan the assassination), first appeared in the Russian publication *Ogonyok* in 1989.

The author elicited an immediate response from all over Russia. He received letters describing furtive conversations held by some of the assassins, who were haunted by their deed (several were not and met regularly in Moscow to argue over whose gun had killed the tsar); one woman wrote about her aunt, who had been a parlormaid to the Romanovs, presumed shot dead with the family, who may have survived. One senior citizen with more perspective wrote: "The brutal execution of the tsar's family seems implausible and terrible now. I am a very old man and I saw that time. . . . Atrocities, brutality, frenzy—they were very common. . . . For the West to understand us and for us to understand ourselves we have to remember that the murder of the tsar's family did not seem strange at the time because it wasn't terrible, it was ordinary."

Radzinsky points out that this fact of life—the cheapness of human life, the ease with which a life could be taken—could be traced to the highest levels of the Bolshevik leadership. Lenin and his comrades liked to compare themselves to the leadership of the French Revolution, particularly Marat and Danton. Lenin called Felix Dzerzhinsky, head of the

Cheka (secret police) of the Urals in 1917 and therefore responsible for the captive Romanovs, a "proletarian Jacobin." Lenin himself proclaimed: "At least a hundred Romanovs must have their heads chopped off in order to unlearn their descendants of crimes." And Trotsky, speaking generally, added, "We must put an end once and for all to the Papish-Quaker babble about the sanctity of human life."

The turning point for the 'ancien régime'

There is no doubt that both the secret way in which the Romanovs were executed, without trial, and the fact that for 70 years the Bolsheviks practiced state terrorism against the Soviet population, thereby making open discussion about the *ancien régime* taboo, have contributed to the fascination Russians and others have with the death of Nicholas II and his family. But more important than Radzinsky's description of the deaths of the Romanovs, and their subsequent coverup, is his attempt to identify the *punctum saliens*, that is, the point of crisis at which Nicholas II either failed to act or acted in such a way as to unleash a chain of events which made his downfall inevitable.

Radzinsky uses Nicholas's diary, contemporaneous accounts, and oral history to unfold his story. He quotes his own 95-year-old landlady, Vera Yureneva, who tells him about a friend of hers who had known the great Russian statesman Count Sergei Witte, who opposed the Russo-Japanese War of 1905 and who had tried to convince Nicholas of the need for constitutional reform.

According to Yureneva, Witte "tried to prove that many of the events that occurred during Nicholas's reign were connected with the present actions of the camarilla. . . . The camarilla in Russia involved distinguished but degenerate families. . . . They were afraid of losing their wealth and power and hated the new times—this incomprehensible capitalism. It was they who formed the inner circle, the court of Nicholas and Alexandra. . . . My friend used to say that the Department of Police slipped the tsar's leash at the end of the century, when the secret police began to place provocateurs in the revolution. . . . This allowed the police to shroud everything in the greatest secrecy. That was when the sinister practice began of provocateurs throwing the bombs of unsuspecting revolutionaries at tsarist officials the camarilla didn't like."

Books Received

The Comeback Kid: The Life and Career of Bill Clinton, by Charles F. Allen and Jonathan Portis, Birch Lane Press, New York, 1992, 294 pages, hardbound, \$18.95.

JFK: The CIA, Vietnam, and the Plot to Assassinate John F. Kennedy, by L. Fletcher Prouty, Carol Publishing, New York, 1992, 366 pages, hardbound, \$22.

Destiny Betrayed: JFK, Cuba, and the Garrison Case, by James DiEugenio, Sheridan Square Press, New York, 1992, 423 pages, hardbound, \$19.95.

Profiles of War, Inside the Secret U.S.-Israeli Arms Network, by Ari Ben Menashe, Sheridan Square Press, New York, 1992, 394 pages, hardbound, \$24.95.

Honored and Betrayed, by Richard Secord, John Wiley & Sons, New York, 1992, 405 pages, hardbound, \$24.95.

Castro's Final Hour: The Secret Story Behind the Coming Downfall of Communist Cuba, by Andres Oppenheimer, Simon & Schuster, New York, 1992, 461

pages, hardbound, \$25.

Kissinger, A Biography, by Walter Isaacson, Simon & Schuster, New York, 1992, 893 pages, hardbound, \$30.

Lincoln's Loyalists, Union Soldiers and the Confederacy, by Richard Nelson Current, Northeastern University Press, Boston, 1992, 253 pages, hardbound, \$21.95.

We Were Always Free: The Maddens of Culpeper County, Virginia, by T.O. Madden with Ann Miller, W.W. Norton, New York, 1992, 169 pages, hardbound, \$19.95.

The Guns of the South, by Harry Turtledove, Ballantine, New York, 1992, 480 pages, hardbound, \$19.

Margaret Wise Brown: Awakened by the Moon, by Leonard S. Marcus, Beacon Press, Boston, 1992, 377 pages, hardbound, \$25.

Space Policy, An Introduction, by Nathan C. Goldman, Iowa State University Press, Ames, Iowa, 1992, 321 pages, hardbound, \$37.95.

Reflections on Kurt Gödel, by Hao Wang, MIT Press, Cambridge, Mass., 1990, 336 pages, paperbound, \$13.95.

And, concluded Yureneva, one of the "dangerous intrigues" of the camarilla "against the tsar and society" was the Russo-Japanese War.

Witte, who died in 1915, in a posthumously delivered letter to Nicholas, pleaded with him to keep the constitution: "This is your undying service to your people and to humanity," he wrote.

Queen Victoria's legacy

Of course, Nicholas II was not the only short-sighted ruler in Europe prior to World War I. Despite the fact that King George V ("Georgie") of England, Kaiser Wilhelm ("Willi") of Germany, and Nicholas ("Nikki") were all cousins through their grandmother, Queen Victoria, even before 1914 the events had been set into motion which doomed two of the three dynasties and created out of the Versailles Treaty a new geopolitical system.

Yet, for Radzinsky, questions of international strategy are overshadowed by his obsession with ferreting out the truth about the Romanov assassinations. Thanks to glasnost and a lot of sleuthing, Radzinsky, a former state archivist, was able to get his hands on previously classified firsthand documents about the murders. The existence of the assassins' written descriptions of the event had been denied.

Like a dedicated "Who shot JFK?" conspirophile, Rad-

zinsky spends a good deal of time detailing the who, what, when, where, and how of the murders. He discusses questions like whose gun it was that killed the tsar.

And, inevitably, the question of possible survivors is discussed. Did anyone survive? If so, who? Anastasia? Tatiana? The heir, Alexei? The parlormaid? How many gravesites were there? Or were the bodies burned?

Russia again at the crossroads

Today, once again, the former Soviet Union—and the entire rest of the world—is at a crossroads. The system created after World Wars I and II no longer functions, but neither would a return to the allegedly "benign" despotism of monarchical rule; and the world should certainly shudder at the idea of a "new 1917" currently being mooted by some in Russia.

Neither Bolshevism nor tsarism should be resurrected from their graves. Instead, it is time for Russians—for all peoples—to heed the voice of Count Witte, who successfully worked for economic and political reform with both Nicholas's father (Alexander III) and Nicholas's grandfather (Alexander II, the Tsar-Liberator). Witte understood that only a commitment by each nation-state to uplifting all of its people could create the basis for lasting international peace.

That was the lesson which Nicholas II, the last tsar, refused to learn.

Searching the heavens for intelligent life

by Marsha Freeman

Is Anyone Out There?

by Frank Drake and Dava Sobel
Delacorte Press, New York, 1992
272 pages, hardbound, \$22

On Oct. 12 the most systematic and sophisticated search for extraterrestrial intelligence began on the world's largest radio telescope, buttressed by smaller radio antennas including those of the Deep Space Network, used to communicate with our space probes throughout the Solar System. The effort, called the High Resolution Microwave Search (HRMS), is funded by NASA, and involves more than 100 scientists and engineers around the world.

Over the past 50 years, looking for intelligent life in the universe has generally been ridiculed, since the life imagined often was made up of hideous aliens, "Martians" of all possible stripes and dispositions, and "wars of the worlds." Reported sightings of UFOs added to the fantastic store of science fiction material, especially in the U.S., which meant that any scientist proposing to engage in a search for extraterrestrial intelligence (SETI) was not taken very seriously. But, as Frank Drake eloquently recounts, the philosophical question of whether we humans on Earth are the only intelligent life in the expanse of the universe has interested the man over millennia.

The scientific revolutions which placed the Earth among a group of planets—rather than at the center of the universe—and which revealed that the Sun is only one of a vast number of similar stars that may have planets, encouraged the empirical inquiry into whether life on Earth is unique.

Gauss's proposal

Drake reports that in 1820 renowned scientist Carl Gauss proposed that there be fields of wheat planted in isolated Siberia in huge geometric shapes, to be visible to other creatures in our Solar System. If the figures included a large right triangle, he reasoned, it would indicate not only our intelligence, but our understanding of the Pythagorean theorem.

At the beginning of this century, there were attempts to use the new technology of radio to listen for signals beamed to Earth from other civilizations. During tries by Nicola Tesla and Guglielmo Marconi, however, only natural, Earth-based radiofrequency emissions were detected. But in 1960 Frank Drake calculated that the 85-foot antenna at the National Radio Astronomy Observatory in Green Bank, West Virginia would have the sensitivity to detect a signal similar to what it could transmit, from up to 12 light-years' distance. Two nearby Sun-like stars were the targets, but after 200 hours of observation, no artificial signals were detected.

Frank Drake has been involved in SETI research ever since. With other accomplishments in radio astronomy behind him—such as the discovery of the radiation belts around Jupiter, and that the hellish temperature on Venus is caused by the atmosphere and not temporal changes—he has helped bring SETI into the world of accepted scientific inquiry. He has played a major role in laying the basis for what this search for other intelligent life should be.

Criteria for searching

Scientists involved in SETI research assume that the laws of physics and chemistry are coherent throughout the universe. The processes of galaxy and star formation, the accretion of planets from material around stars, and the development of planetary atmospheres and geophysical dynamics are assumed to be similar throughout the universe to what we see in the Milky Way and the Solar System. The more difficult and controversial assumptions regard the evolution of life, and the development of intelligence once some form of life has evolved.

In 1961 Drake developed a conceptual framework, in the form of what is now known as the Drake equation, for the assumptions SETI research would make in determining the number of advanced, communicative civilizations that exist in the universe. The equation makes the most optimistic assumptions about the number of Sun-like stars, the percentage that have planetary systems, and the habitable planets that would develop in each solar system. Even most critics are willing to assume that these numbers would be very large. The equation also makes the assumption, however, that life will develop wherever there are habitable planets, "through the sheer force of physics and chemistry," according to Dr. Drake. Further, the assumption is made that, given enough time, intelligence will evolve everywhere life has evolved, and that 10-20% of these civilizations would try to locate and then communicate with other civilizations.

So far, in terms of empirical science, the only place we know that life has evolved is where we are. If we find that life did exist at a time when Mars was habitable, which in this author's view is quite possible, this will certainly dispatch the view that life is unique to this planet. Though it is unlikely that the vestiges of an advanced civilization will be found on Mars, nevertheless, the question of whether intelligent life

exists elsewhere remains a matter of optimistic or pessimistic speculation.

Is it worth the time of the scientists and the astronomical facilities to do SETI research? In itself, the answer depends upon the assumptions made regarding scientific questions, from the rate of star formation in the universe, to the probability that life will appear if all of the conditions are ripe.

Other discoveries

But it is the case with SETI, as with all research, that applying advanced scientific tools to answer a question may well leave the intended query unanswered, and solve a different question altogether, or, better, raise new ones. Observations undertaken to search for radio signals from alien civilizations have discovered other natural, but previously unknown, sources of radio emissions in the expanse of space.

Will we find intelligent life? As Dr. Drake explains, SETI is not directly the search for intelligent life, but for the artifacts of a civilization that transmits radio signals! SETI searches try to detect non-natural transmissions in the part of the radiofrequency spectrum that makes it through Earth's atmosphere. For all of the previous history of SETI research, the only signals an antenna on Earth would have been able to detect would have been beacons sent by intelligent beings for the sole purpose of communicating. HRMS will have the collecting area using the 1,000-foot-diameter Arecibo

telescope to broadly survey the sky visible from Puerto Rico. The smaller telescopes used for a Targeted Search have the sensitivity, in terms of resolution, to detect signals another radio telescope might be transmitting, for example, to carrying out the same kinds of radar soundings of nearby planets that scientists conduct at Arecibo. The requirement that an advanced civilization has to *want* to communicate with us is removed.

For the purposes of SETI, intelligent life is defined as activity in the radio-wave part of the electromagnetic spectrum. It is possible that there is intelligent life elsewhere in the universe that does not use radio waves for communication. It is also possible that there are civilizations that possess intelligence, but may not have yet advanced to our level of technology.

But "failure" only makes SETI a project without an end. Even if nothing that can be verified as a transmission from an intelligent civilization is found, scientists will propose continuing the search at higher resolution, longer distances, and perhaps at different wavelengths than the HRMS. New tools would be called for to continue the search. Dr. Drake admits that none of the scientists would want to call it quits without being convinced that everything has been done to detect extraterrestrial intelligence.

Marsha Freeman is associate editor of 21st Century Science & Technology.

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- DG **Haydn**—Six Quartets, Opus 76 (2 CDs) \$22.98
- DG **Schubert**—Trout Quintet, with Gilels \$15.98
- DG **Schubert**—String Quintet; Adagio & Fugue in C minor, K. 546 \$12.98
- DG **Schubert**—"Death and the Maiden" Quartet; Quartetsatz; DDD \$15.98
- DG **Schubert**—String Quintet, with Robert Cohen, cello; DDD \$15.98

Prices subject to change

A sampling of operas and opera highlights

"Luisa Miller," by Giuseppe Verdi, conducted by James Levine, Sony S2K 48073

"Don Pasquale," by Gaetano Donizetti, conducted by Riccardo Muti, EMI 54490

"Die Zauberflöte," by Wolfgang Amadeus Mozart, conducted by Roger Norrington, EMI 54492

Just because it is important to familiarize today's audience with "Luisa Miller," Verdi's great setting of Friedrich Schiller's play *Kabale und Liebe*, the Metropolitan Opera's new Sony release is disappointing. Except for fine singing by tenor Plácido Domingo, the voices and pace are forced.

Even after the wide alterations to Schiller's play made by Verdi's librettist Salvatore Cammarano, the core point of the opera is the same: love (*Liebe*) is impossible in a society run by the manipulations (*Kabale*, literally, cabals) of the oligarchy. Schiller's complex characters are reduced to those of the peasant girl Luisa, her father, the local count and his henchman Wurm, who lusts for Luisa, and Luisa's beloved, who is the count's son Rodolfo in disguise.

The opera, however, is no mere dramatic "passion" of tragic love, but remains a very political comment on society. Luisa and Rodolfo cannot be permitted their simple love, because the count has another bride for his son. Wurm, the venal archetype of those who run monarchical societies, invents the horrible intrigue of imprisoning Luisa's father, and forcing her to betray Rodolfo to save her father's life. Rodolfo, a romantic fool, cannot rise above his own passions to figure this out, and so, Luisa dies at his hand.

Thus it is essential to show the *emotional differences* between Luisa,

in particular, and the various characters from the oligarchical court. Luisa herself must also change and develop, as with so many Verdi heroines, from innocent happiness, to passionate distraction, and finally to a moral strength the others lack.

The problem is that soprano Aprile Millo, as Luisa, sings as though her voice were a laser in the old Soviet Army's anti-missile system. The instrument is a fine one and she has total control over it, as can be seen when she chooses to take a lovely pianissimo. Her judgment, however, is ice cold. She chooses to pierce the ear, start to finish, without noticeable development.

Comic masterpiece

Riccardo Muti is one of today's best Donizetti conductors, and EMI's new one-disc highlights of Donizetti's comic masterpiece "Don Pasquale" is a good introduction to the genre. Soprano Mirella Freni as Norina, baritone Leo Nucci as Doctor Malatesta, and tenor Gösta Winbergh as Norina's beau Ernesto all sing gloriously and have an audibly grand old time with the humor.

The plot is almost superfluous, but suffice to say that old uncle Don Pasquale marries Norina to disinherit his nephew Ernesto, and she tortures him until he agrees to let her marry the nephew. Norina, as usual with Donizetti ladies, is above it all, and makes fun of everyone, including Ernesto. Freni is mistress of the nuance of voice required to show Norina's dozen personalities, behind all of which, as she says, "is a good heart."

My only complaint is that the disc misses Norina's uproarious duet with her pal Malatesta, in which she reveals how she will use a woman's million moods to confuse everyone. The

solution is to go ahead and purchase the full opera.

Right pitch, wrong tempo

EMI's new highlights of Roger Norrington's spirited 1991 original instruments "Die Zauberflöte" ("The Magic Flute") at Mozart's pitch of A=430 (C=256) is the one to hear—if you believe that Mozart took everything roughly at twice the tempo used by Furtwängler.

"We know that the performances, which began at 7 o'clock, must have moved at a very fair pace, for on two occasions Mozart had walked the mile home from the theater . . . by 10:30 p.m.," the liner notes say. This led Norrington to conclude that, with dialogue, scene changes, and cores, the music must fit in "around one-and-three-quarter hours in a zestful performance. . . . Despite the solemnity of some temple scenes, 'Die Zauberflöte' was conceived as a swiftly moving drama."

I don't believe it. The school of "absolute tempo" is silly. If we can't hear all the music, why make the trains run on time?

Still, for those who wish to explore the possibility that Mozart zipped this fast, Roger Norrington is brilliant within these impossible constraints. The singing is excellent, with beautiful phrasing even at this incredible clip, and the separation of the different orchestral voices and the phrasing of instrumental transitions and inner voices is often a revelation.

But in the end, it is hard to accept Tamino and Pamina's arias at "Andante con moto." Anyone who heard this version of "Die Zauberflöte" as their introduction to the opera, would miss its profundity.

Toppling D.C. statue will be victory for LaRouche

by Mel Klenetsky

As the Nov. 3 election nears, the presidential campaign of Lyndon H. LaRouche has focused international attention on a statue which sits in Judiciary Square in Washington, D.C. The statue is of Albert Pike, a Confederate general, who was a leader in the Scottish Rite Freemasons. Pike was also a founder and chief judicial officer of the Ku Klux Klan.

On a nationally televised broadcast, scheduled to air on Oct. 25 on ABC and on WOR cable on Nov. 1, the LaRouche-Bevel campaign discusses the importance of the Pike statue in relation to the demise of American foreign and domestic policy from the standpoint of the capitulation of American policy to the British geopolitical and colonial dogmas. British colonial policy in the 18th and 19th centuries was the cause of the American Revolution, the War of 1812, and the Civil War. LaRouche argues that that policy, carried forward into the 20th century, was the cause of World Wars I and II. British geopolitics, he maintains, and its efforts to destroy economic development, led to two world wars.

In the televised address, LaRouche likens the spread of famine, depression, and wars in Europe to the same degenerate British geopolitical policies that led to World War I. "The worst depression of this century is in full swing," LaRouche states. "We have spreading wars in the Balkans, Transcaucasia, Central Asia. And we're at the verge of a movement to a change of government which might be a hardline development around Moscow in the very near future. This all is the result of the horrible mismanagement of the post-1989 period, by the U.S. and British governments, chiefly."

Root out the Pike legacy

LaRouche concludes by warning Americans that voting for the lesser of two evils at this point in history has monumental consequences. LaRouche concludes his broadcast:

"Thus, the legacy of this statue of the racist, treasonous, satanic Albert Pike, still influences the domestic and foreign policy-shaping of Washington, D.C. If we do not root out of our republic the treason, the corruption, the degeneracy which Albert Pike and his collaborators and followers represent, there is no chance that the United States will prevail as a nation, either in its domestic affairs or in its foreign affairs.

"Unless we act now, to reject all lesser evils which compromise with what this statue symbolizes, there is no hope that the United States will escape the kind of Hell which world famine, world disease, spreading war, and economic depression generally, portend."

LaRouche and his running mate, the Rev. James Bevel, have been campaigning to bring the statue down and to defeat a ballot referendum that calls for instituting the death penalty in the District. Reverend Bevel was a colleague and top lieutenant of Dr. Martin Luther King and the director of non-violent political action for King's Southern Christian Leadership Conference (SCLC). In the 1960s, Bevel led the Birmingham Desegregation Movement and the famous Children's March, the Selma Right to Vote fight, and the Chicago Open Housing campaign. As the director of the Mobilization against the Vietnam War, Bevel was key in bringing the civil rights movement into the opposition against the Vietnam War.

Bevel sees the bringing down of the statue and the defeat of the death penalty resolution as two crucial ingredients in awakening the civil rights movement to the realities of the present day. Bevel, speaking to 150 Baptist ministers at a luncheon honoring Pastor Pointer, Sr., the head of the Baptist Convention for Washington, D.C., told the audience that they have to do three things. "We're going to have to lead the people and take to the streets," Bevel said, "and that means defeating the death penalty, bringing the Klan statue

down, and getting the vote out for myself and LaRouche.” Pastor Pointer urged the ministers to follow Bevel’s lead.

In a Cable News Network (CNN) interview on Oct. 22, a reporter asked Bevel what he thought Dr. King would think about his running with LaRouche. Bevel said he thought King would be working with the ticket, because what King stood for was applying the principles of the U.S. Constitution to all citizens, giving them the right to creative development, work in technology, and so forth, which is exactly what LaRouche’s 8 million jobs creation program involves.

Bevel and LaRouche see their efforts in terms of reforging the civil rights movement on even broader terms. Their campaign material describes it as follows: “The LaRouche-Bevel campaign calls on all Americans to finish the work begun by the original civil rights movement, by scrapping the disastrous neo-malthusian, post-industrial policies which have destroyed the United States in the 28 years since the assassination of JFK, and replacing them with the American System of economics, which created the U.S.A. industrial powerhouse during the administrations of George Washington and Abraham Lincoln.”

King lieutenants endorse LaRouche

In a dramatic development, Rev. Hosea Williams and scores of leaders of the civil rights movement have endorsed the LaRouche-Bevel ticket. These leaders were among the top lieutenants of Martin Luther King. Reverend Williams was the field director for the SCLC, the St. Augustine Movement director, and a Selma March coordinator. Williams and Bevel were in every key battle of the King movement.

From the 1965 Selma Right to Vote campaign, Amelia Boynton Robinson, the 1990 recipient of the Martin Luther King Freedom Medal, and the Rev. Richard Boone, campaign co-director of the Selma Project and coordinator in the Chicago Open Housing fight, have endorsed the ticket.

Also on board are many from the 1963 Birmingham Desegregation Movement and the Children’s Campaign. These include Thomas Wrenn, chairman of the Civil Rights Activist Committee, and Joseph Dickson, who is the publisher of the *Birmingham World* newspaper in Birmingham, Alabama.

Others endorsing the LaRouche-Bevel ticket include Clinton Roberson, the president of the African-American Lawyers Association in Washington, D.C.; Dr. James Mock, chairman of the political science department at Austin Peay State University in Tennessee and one of the key leaders of the 1968 Poor People’s Campaign; the Rev. Ronald Vail, president of the SCLC in St. Louis and Social Justice Commissioner of the National Baptist Convention for St. Louis, Missouri; and the Rev. Thomas Brown, the Student Non-Violent Coordinating Committee (SNCC) Southern Campus Coordinator in the 1960s and currently the Indiana state vice president of the SCLC.

Two key civil rights-labor leaders giving their endorsements include James Barnett, the chairman of the Coalition

of Black Trade Unionists (CBTU) for Northwest Alabama; and Annie Coleman, president of ILWU #2 and vice president of the Northern California CBTU.

Elsewhere, endorsers include the Rev. Wade Watts, past state president of the Oklahoma National Association for the Advancement of Colored People (NAACP); the Rev. Robert Jones, president of the SCLC Richmond, Virginia chapter; and the Rev. Floyd Rose, who is the former editor of the *Macon Reporter*, an activist in the Macon, Georgia Movement, and the former president of the Toledo, Ohio NAACP. The list goes on.

Resolution introduced

Bevel and LaRouche mark the success of their campaign in not only reforging the civil rights movement but in getting certain actions accomplished, such as removing the Pike statue. On Oct. 22, Washington, D.C. Councilman William Lightfoot introduced a resolution which is a request that the President of the United States remove the Pike statue. The resolution notes that Albert Pike was a Confederate general, a grand commander of the Scottish Rite Southern Jurisdiction, and a chief founder of the post-Civil War Ku Klux Klan.

The resolution notes how the Ku Klux Klan has been an instrument of mass murder, terrorism, judicial barbarism, false imprisonment, kidnaping, and torture designed to re-enslave newly freed African-Americans, and to prevent the establishment of modern industrial, labor, and living conditions in the southern states.

The resolution also notes that a statue representing “Confederate-style justice” should not symbolically stand guard over Judiciary Square at a time when the rights of ordinary American citizens are under severe attack. The resolution further notes that it is an outrage, affront, and insult to the people of Washington and all peoples who look to the capital as the seat of justice and freedom.

This resolution was introduced after the LaRouche-Bevel ticket had distributed hundred of thousands of leaflets, held ongoing demonstrations in front of the statue, and organized hundreds of people to endorse a statement calling for its removal. To date, Mayor Sharon Pratt Kelly; Councilman Lightfoot; Councilmen John Ray, Harry Thomas, and H.R. Crawford; former Attorney General Ramsey Clark; entertainer Dick Gregory; film director Spike Lee; former Congress on Racial Equality (CORE) head James Farmer; former chairman of the Mississippi Freedom Democratic Party Lawrence Guyot; Vel Phillips, former secretary of state of Wisconsin; and scores of other prominent people from around the country have signed the statement.

The outcome of the election is uncertain; the nonlinear situation is epitomized by the effort of Ross Perot. The emergence of the LaRouche-Bevel movement can prove to be a permanent, dramatic change of the face of American politics. At the very least, the LaRouche-Bevel forces are confident that the Pike statue will soon be removed.

LaRouche on ‘the crisis in education’

The independent presidential campaign of Lyndon LaRouche and Rev. James Bevel aired the second of three national broadcasts, entitled “The Crisis in Education” on the ABC broadcast network Oct. 21, and over WWOR cable on Oct. 25. A third broadcast on the economy was aired over ABC network on Oct. 25, as well as on various local cable stations in late October in the 18 states where LaRouche and Bevel are on the ballot.

LaRouche, in an audio address from the federal prison in Minnesota, opened the narrative with a discussion of the failure of education: “Today, let us look at the problem of education from a practical standpoint. Let us consider the way in which miseducation has contributed in two ways to bringing our economy over the past 25 years to its present state of collapse, in what seems to most a hopeless, worldwide, deep economic depression.” Many people who had viewed his earlier broadcasts remarked in their letters to his campaign that his economic program would be inflationary, “which is not true,” he said. It “indicates that they believe in the myths that they’re told from Washington, the myths which are told regularly in our classrooms. . . .

“The center of the objection to my proposals for action, to get us out of a depression, is my proposal for monetary reform. Specifically, I have proposed that we must—I repeat, we must—nationalize, federalize, or shall we say, Constitutionalize, the Federal Reserve System to bring it into conformity with Article I of the U.S. Constitution. . . . It is now in violation of Article I of the U.S. Constitution, and that’s been known ever since the Warburgs induced Teddy Roosevelt and Woodrow Wilson to conspire, in effect, to create the Federal Reserve System, to impose it upon us—a private bank chartered by the U.S. government, which gives international financial interests not under the control of government a kind of dictatorial power over our banking and financial system. And that, my friends, is unconstitutional. And that is what the Federal Reserve System is today.

“Now, the problem arises if I try as President, or if any other President tries, to get a boom going in the United States, a recovery from the present depression spiral which is already going on. . . .

“To reverse that, if a President were to try to use the Federal Reserve mechanism as a way of funding growth, he

would unleash an inflationary spiral. And that is what I am determined not to do. To avoid inflation, you must federalize, Constitutionalize, the Federal Reserve System; otherwise, my friends, no economic recovery, because inflation of that type does not mean recovery; that’s just another big bust.”

In contrast to the present system under the Federal Reserve, where an independent Fed lends money to major banks at 3%, which turn around and lend money to the U.S. government at 8%, LaRouche proposed a return to the Hamiltonian plan for the U.S. Treasury, as authorized under the same Article I, section 8 of the Constitution, “to loan that money through its deposits . . . made into a National Bank . . . at low interest rates to highly selected but crucial projects and private firms,” and “to the federal and state infrastructure building authorities.” LaRouche has projected the need for \$300 billion to go into the public sector and another \$300 billion for investment in production in real wealth in the private sector, which would create 8 million new jobs.

To explain the problem LaRouche went into detail, contrasting his economic program to the British free trade policy—exemplified by the British East India Company and Adam Smith—against which the American Revolution was fought. Then, in the 19th century, LaRouche said, Americans again had to fight, and he described how Lincoln saved the U.S. from the British disease after Presidents Thomas Jefferson and James Madison, with Albert Gallatin as their Treasury Secretary, set the nation back, capitulating to the free trade policies. LaRouche brought the continuity of British free trade subversion against the United States up through Teddy Roosevelt and Woodrow Wilson (both pro-Confederacy), to today’s “post-industrial” economy.

A good ‘academic diet’

LaRouche then turned the program over to Rev. James Bevel, excerpting an Aug. 21 address in Demopolis, Alabama:

“Now, we’re going to work on education in this country. Let me just tell you what education is. See, the first thing, you’ve always got to know what something is. Education is the science that man employs upon himself, his fellow man, and his children, to allow him to accomplish the objective that God created him for. . . .

“I’ve always been amazed by these white men, who would come around and would give your boy a toy for Christmas, while his son is learning how to make tools. And then, you’re so stupid, you say: ‘He’s a *nice* white man!’ He teaches his son to make tools, and gives your boy a toy. And you claim he’s a *nice white man!* When does he set the school up, to make sure that the school teaches *every* boy *science*? When does he set the school up, so that *our* boys have the opportunity—and girls—to be engaged in research and development, production, and marketing in industrial processing?”

“When does he do that? Let me just tell you all this: When I was in Mississippi—I’m a muleskinner by trade—men who break mules, and make them work. We had these mules; and I used to plow, and I plowed from early in the morning to late at night; and by 12:00, I’d take the mules out and feed them; but, we fed our mules alfalfa hay, oats, corn, and molasses. Now, Mr. Tolston had some mules; he only gave his mules grass; by 9:30 his mules would go like this [droops over the podium].

If you take math, physics, chemistry, science, technical information out of your boy’s academic diet, he has to be a criminal when he gets older. Every white man in here knows that! Every white man in Alabama *knows* that. . . . Are y’all listening to me? . . . Let’s cut the game. If we are going to save this nation, we must see to it that all of our children are educated.”

The practical implications of education

LaRouche continued: “There are two reasons for a public education, in the traditional sense. Its function, in the most general way, is not to produce a bricklayer, or a physicist, or a chemist, or an astronomer, or a college professor. The objective is to produce a mature human being, who is a competent representative of our civilization; who is able to make decisions, to understand problems, and to participate as a citizen in shaping the policy, and choosing his or her representatives, in discussing policy questions in all areas with his or her representatives. We want to produce a high quality of individual citizen. . . . Now let’s talk about what Jim is talking about in that excerpt you’ve seen, from that standpoint.

“What does education do? Let’s focus on the secondary education—what we used to think of as high school, or part of junior high school, education.

“What’s the difference between man and the animals? What’s the thing that defines *human* education, or human knowledge, as distinct from animal experience, animal learning? Well, if human beings were animals, like the lower animals, we would be pretty much like our ancestors many millions of years ago. . . .

“But, human beings have another quality, a quality which Christians in particular call *imago viva Dei*, the quality of the individual which is in the living image of God. That is, God as the Creator. That doesn’t mean that we can become God, but that means that we have some quality which is sacred, which makes human life sacred, which makes the development of the individual person’s mind sacred. Which means that there is only one race, not many races, human races; there is only one human race. . . .

“Now, how does this pertain to the way in which society functions in earning its daily bread? Well, what happened is, that we, as mankind, have changed our ways, we’ve made discoveries, typified by scientific discoveries, which enabled

us to change our way of behaving, to increase our power over nature, so that more of us can live on the same area of land, and, with the same physical effort, we can each have more even though we give ourselves less land to do it with, as population becomes more dense. . . .

“So, whereas primitive mankind—if he ever were primitive, in that sense—could never exceed a world population of about 10 million living individuals, we have well over 5 billion living human beings today. And they could all live well, if our technology had been available to all of them. . . .

“So, this creative power to make scientific discoveries, and kindred discoveries, to improve our ways, is what characterizes man. And, human knowledge is the sum total of this intellectual process of discovery, which is rightly called creative discovery. It is this power of creative discovery which makes each of us in the living image of the Creator. We are in the image of God when we act creatively and lovingly toward mankind with our individual powers of creative discovery—or simply to assimilate and transmit discoveries as a mother to an infant child does.

“That is the purpose of education: to develop that.

“Now, what do we want to give a child? We wish that child, by the age of 16 or 17, to have experienced in his or her own mind, the experience, the mental experience, of going through the process of discovery, for at least some of the most important discoveries of all mankind. . . .

“If we give the child that, and if we give the child the ideas of physics, the ideas of chemistry; if we give the child the ability to perform experiments which re-experience some of the great discoveries in history, then as Jim proposes, that child is not simply a mule nor a jackass; that child is a human being who is endowed with all the qualities of great human beings before us—who *knows* that he or she has a mind developed to echo the greatest achievements of the minds before him, or before her.

“That is the fundamental purpose of education, and a nation which is educated in that way, in which that standard of compulsory education is provided to all, to all young people, to all children, that nation is a nation that can’t be beat. And that is a nation which is an inspiration to other nations, a nation which is envied in the best possible way—envied with the desire to imitate and to cooperate.”

Against LaRouche’s narrative was a montage of photos and paintings by Rembrandt, Eakins, Charles Willson Peale, and others demonstrating the joy of discovery in children and the creative principle in man. The effect is both dramatic and profound and quickly demonstrates the difference between the LaRouche-Bevel campaign and what it is trying to do for the country and the world, and the Perot-Bush-Clinton campaigns.

This fact is also well known to ABC, over one-third of whose 212 affiliates—including in the nation’s capital—have refused to air the program.

Bush bunch scurrying to bury evidence of BNL coverup

by Edward Spannaus

After months of resistance, Attorney General William Barr appointed a not-so-independent counsel on Oct. 16 to investigate the Bush administration's handling of the case of the Banca Nazionale del Lavoro (BNL). All indications are that this action is just another Bush "damage control" measure intended to attempt to contain the fallout from the BNL case and to suppress the internecine warfare raging among the CIA, the FBI, and the Department of Justice (DOJ).

Barr's appointment of former federal Judge Frederick B. Lacey as an "in-house" independent counsel immediately drew fire from congressional leaders who have been calling for the appointment of an independent counsel (special prosecutor) under the Ethics in Government Act.

Rep. Jack Brooks (D-Tex.), chairman of the House Judiciary Committee, called Lacey a "hand-picked appointee," and Lacey's position a "glorified extension of the Justice Department itself."

Rep. Henry Gonzalez (D-Tex.), the chairman of the House Banking Committee who initiated the BNL probe, charged that Barr "is still hiding behind the same old stone wall" and said he should resign as Attorney General.

Sen. David Boren (D-Okla.), chairman of the Senate Intelligence Committee, said the appointment was "not a satisfactory substitute for an independent counsel appointed by the court."

And on Oct. 19, the eight Democrats on the Senate Judiciary Committee said in a letter to Barr that the appointment of Judge Lacey was inadequate, and that the outcome of any internal DOJ investigation would be "suspect" in light of the conflicting testimony from CIA and DOJ officials, and the public dispute between the DOJ and the FBI.

Who is Frederick Lacey?

"Independence" does not seem to be one of independent counsel Lacey's strong suits, especially with regard to the Justice Department, as well as the FBI and the intelligence community. For one, Lacey sat on the super-secret Foreign Intelligence Surveillance Court from 1979 to 1985, which routinely approves wiretap requests from the FBI and other intelligence agencies in "national security" cases.

In 1969 and 1970, Lacey was the U.S. Attorney in New

Jersey, and was succeeded by Herbert Stern. The Lacey-Stern gang prosecuted 79 labor leaders and politicians in New Jersey in conjunction with the FBI. This was the precursor to the infamous Abscam-Brilab frameup cases 10 years later. More recently, Lacey was the court-appointed administrator of the Teamsters, after that union was broken by a Justice Department Racketeering Influenced and Corrupt Organizations (RICO) suit, and then he became one of three members of the Independent Review Board (IRB) which dictates who can and cannot be union officers. Former FBI Director William Webster is another member of that board.

Lacey is also close to Webster's successor as FBI director, William Sessions. In an Oct. 16 press conference, Lacey said he had discussed his appointment with Sessions, and said Sessions told him "they would welcome me with open arms." At the conclusion of the press conference a question was asked: "Judge Lacey has expressed his unreserved affection and admiration and respect for Judge Sessions. May we ask you, in light of recent reports, whether your confidence in Director Sessions remains full?" Lacey replied: "It remains as it has been. I talked to him last night, as a matter of fact. . . . He and I were working on a joint problem last night."

What is the real BNL coverup?

The true story of BNL is that there are multiple layers of coverup involved here. The fundamental issue is the Reagan and Bush administration's policy in the Persian Gulf—which involved arming *both* Iran and Iraq.

Most coverage of the BNL case has given the impression that the BNL case is about "illegal loans to Iraq." The truth is that there was nothing illegal as such about the loans made by BNL to Iraq. Indeed, the loans were encouraged by the Bush administration and many were backed by U.S. government credits from the Department of Agriculture's Commodity Credit Corp. and the U.S. Export-Import Bank.

The alleged "fraud" revolved around the contention that the Iraqi loans were supposedly unauthorized by BNL headquarters in Rome, and were carried on a separate set of books by the Atlanta branch office. Thus, the principal charge against BNL Atlanta, Georgia branch manager Christopher

Drogoul is that he defrauded his own bank!

There are also secondary charges that bribes and payoffs were involved—not an unusual occurrence for business transactions in the Middle East. Then there are tax evasion charges—always the last refuge of a prosecutor looking to make a “safe” case. This, as we shall see, was a theory constructed for political, not legal, reasons.

At the point that the FBI raided BNL’s Atlanta offices and shut down the bank in the fall of 1989, Bush administration policy was to assist Iraq with loans and credits for agriculture and other commodities. Nothing wrong with that. In truth, Iraq was at that point perhaps the most progressive and democratic state in the Arab Middle East. After the end of the eight-year Iran-Iraq war, Iraq launched an aggressive economic development program, and even its critics had to admit that it had a higher degree of religious freedom than any other state in the area—including Israel. Iraq was an absolute paragon of freedom compared to Kuwait and Saudi Arabia, the states which the United States was supposedly protecting in the 1991 Persian Gulf war.

But besides economic assistance, U.S. policy had also been to covertly provide military assistance to Iraq during the war, ranging from tactical intelligence to military hardware. But, first, the United States had built up Iran, through massive arms and matériel shipments to Iran (via Israel) in 1981-82. This was a consequence of both the secret agreements which constituted the Reagan-Bush campaign’s “October Surprise” deal (to delay the release of American hostages by Teheran until after the 1980 elections) in the summer and fall of 1980, as well as a continuation of the Carter-Brzezinski policy of overthrowing the Shah and building up Islamic fundamentalism.

So after arming Iran, the U.S. government then began building up Iraq to even the contest. This is the thread that connects “Irangate” and “Iraqgate,” which reflects the evil Kissingerian “balance of power” geopolitical perspective for the Middle East. This policy greatly contributed to the prolonged, bloody war between the two states.

(It is therefore not surprising to find that Henry Kissinger was a member of BNL’s international advisory board from 1985 through June 1991—even after the indictment of low-level operatives in early 1991.)

That BNL’s operations were integral to this policy is shown by: 1) At the time of the raid on BNL’s Atlanta offices in 1989, BNL was under investigation in Italy for illegal arms shipments to Iran, and 2) After the shutdown of BNL-Atlanta, BNL headquarters in Rome renegotiated at least \$2 billion of the supposedly “unauthorized” loans with Iraq.

‘An isolated case’

Following the August 1989 raid, the threat of possible indictment of high-level BNL officials triggered an immediate response from BNL officials in Rome, and from the Italian government, which owns 75% of BNL.

BNL officials in Rome retained a high-powered team of U.S. lawyers and advisers, including former U.S. Attorneys General William P. Rogers and Griffin Bell, and the recently departed chief of the DOJ Fraud Section, William C. Hendricks III, to advise them and to lobby the administration. Italy’s ambassador to the United States, Rinaldo Petrignani, met Bush’s then-Attorney General Richard Thornburgh. The BNL strategy, as devised by Hendricks, was to treat the problem as “an isolated case in only one branch.”

Soon, the local prosecutors in Atlanta were being barraged with calls from the State, Treasury, and Justice departments, as well as from Bush’s White House Counsel C. Boyden Gray.

Among the things that the Atlanta prosecutors were told is that they could trigger major foreign policy and financial crises if they were to indict BNL itself or high-level officials. Italian officials feared that a seizure of the bank’s assets under U.S. racketeering laws could bring down the Andreotti government; and high U.S. officials apparently warned that an indictment of the bank could cause a crisis in world currency markets.

Under this pressure, the indictment was limited to the activities of the BNL Atlanta branch, centered on charges that branch manager Christopher Drogoul defrauded the parent bank by keeping a second set of books. Secondary charges included the failure to report the loans to bank regulators, bribery, and tax evasion.

What is now emerging is that the CIA had evidence in 1989 that BNL officials in Rome knew about the Atlanta loan scheme. The CIA had also passed this intelligence along to the FBI. When this information began to emerge during the three-week sentencing hearing of Drogoul in September, the finger-pointing began, as the CIA and DOJ accused each other of being responsible for the failure to disclose all the relevant information.

At this point, the coverup of the coverup began.

Bush is now caught on the horns of a double dilemma. A year after the disclosure of the “unauthorized” loans to Iraq by BNL, George Bush was hit with the sudden realization that Saddam Hussein—whose government was being aided by U.S. government-backed commodity and export credits—was actually the “New Hitler.” Thus the need to minimize the assistance given to Iraq.

In the midst of his reelection campaign, his administration’s suppression of evidence about BNL-Rome was pouring out from the Atlanta sentencing hearings and from statements by Representative Gonzalez. Soon, everyone was running for cover and trying to get out of the crossfire. Whether Bush wins or loses in November, this appears to be one scandal which is not going to go away soon. Besides high-ranking DOJ and CIA officials, others who could be subject to prosecution on obstruction-of-justice charges could be Kissinger’s associates Lawrence Eagleburger and Brent Scowcroft.

Virginia court tries to end appeals of LaRouche associates

Despite the spectacular revelations every few months for the past two years, of wrongdoing and conspiracy by the “Get LaRouche” prosecutorial task force, Virginia’s Court of Appeals is attempting to keep the lid firmly closed on the political trials of LaRouche fundraisers by Attorney General Mary Sue Terry.

FBI documents have surfaced describing Terry as “politically motivated” to get independent presidential candidate Lyndon LaRouche and his associates; other documents have shown that the LaRouche documents seized by Virginia State Police in raids on offices of LaRouche associates were turned over to the Joint Chiefs of Staff; some members of the “Get LaRouche” task force have been exposed collecting surplus military vehicles and weapons and false “U.S. Marshal” credentials for use in raids against LaRouche associates’ offices; other agents of the task force have now been indicted for conspiracy to kidnap members of the very movement they were prosecuting.

Yet, the courts of the Commonwealth of Virginia continue to rubberstamp Terry’s 1986-87 power play, which suddenly redefined the movement’s political loans as “securities” in order to prosecute the fundraisers as “unregistered brokers.”

In final arguments in Roanoke, Virginia on the appeal of Anita Gallagher, Paul Gallagher, and Laurence Hecht, a three-judge panel of the Virginia Court of Appeals appeared to be trying to declare the present and potential future appeals of “LaRouche defendants” to be closed and denied in advance. Justices Bray, Koontz, and Moon all had already served on panels which denied the appeals of other LaRouche associates—Rochelle Ascher, Richard Welsh, Michael Billington, and Donald Phau. The judges, outrageously, are claiming that decisions written by the Appeals Court in the cases of Ascher and Welsh can be automatically applied to deny the appeals of other defendants—without either considering the new revelations of prosecutorial misconduct or the circumstances of the trials of the current defendants!

Legal opinion ignored

Appeals Court Judge Koontz interrupted the Gallagher-Hecht appeals attorney, Gerald Zerkin, almost before he started, to ask whether “all these issues hadn’t already been disposed of by this court in other cases.” Judge Bray immedi-

ately followed up in the same vein, claiming that the LaRouche activists had been given “notice” that the loans they raised for political non-profit and even tax-exempt publishing companies were “securities,” by a single 1986 letter from the Virginia State Corporation Commission (SCC) to an attorney for one of the companies.

Zerkin informed Bray that the letter (which did not claim that the loans were securities) was sent *after* all of the loans at issue in the case had already been raised. He also pointed out that, months later, the SCC was still unable to decide that the loans were securities, until Attorney General Terry demanded in writing that they do so, to facilitate her desire to prosecute. The *Richmond Times-Dispatch* and other media have accused the Virginia Supreme Court of being a political tool of Terry; apparently other state agencies and courts also are compliant with her demands.

In the arrogant attempt to tell attorney Zerkin not to argue the appeal, the panel was also trying to ignore 65 other attorneys, including eight legal professors of ethics, who had submitted a brief to the court supporting the defendants’ charge that the trial judge, Clifford Weckstein, should have removed himself from their trial. Weckstein had initiated and carried on a correspondence about the defendants with the Anti-Defamation League of B’nai B’rith (ADL), the open enemy of the defendants, while the judge knew that the ADL was involved in the prosecution. Appeals Court Judges Moon and Bray claimed in their questions that Weckstein’s bias had already been “disposed of” in the case of Richard Welsh (which case did not even go to trial). But it was precisely the Welsh case record which had convinced the outside attorneys to file their brief on behalf of the Gallaghers and Hecht.

Judges ought to get the facts

Zerkin fought the attempted suppression of the appeal, telling the judges that their fellow Appeals Court judges had applied unconstitutional arguments of law, had misinterpreted the record in the Ascher and Welsh decisions, and that the factual evidence of political activity by fundraisers and supporters alike was far more extensive in the Gallagher and Hecht case. No one in the Virginia legal community can remember any other *criminal* prosecutions for alleged violations of securities regulations, and Zerkin ticked off federal cases which established that agencies cannot make a *civil* ruling (i.e., that certain loans are securities) by launching a *criminal* prosecution.

Hammering away at the “securities” issue, Zerkin brought out the judges’ unfamiliarity with the record of the case which they were hearing. He showed their unawareness of the fact that there were such things as loans at zero percent interest called “securities” in this case, and also loans described in writing by the lenders themselves as “repayable contributions.” This caused some discomfiture on the part of one judge, who finally said, “We’re going to have to read the record on this.”

Elephants & Donkeys

by Kathleen Klenetsky

Candidates agree to defend Fed at all costs

There may be differences among the three major presidential candidates, but when it comes to kowtowing to the gods of international finance, they couldn't agree with each other more.

That became undeniably obvious during the first presidential debate on Oct. 12, when George Bush, Bill Clinton, and Ross Perot all vowed to protect the independence of the Federal Reserve.

Asked by a panelist whether they would consider adopting a proposal to bring the Fed under some small measure of control by elected officials, the three morons replied, "no":

Clinton: "I don't have to worry, I don't think, in the near term about the Federal Reserve. Their policies, so far, it seems to me, are pretty sound."

Bush: "I don't think the Fed ought to be put under the Executive branch. There's a separation there. I think that's fine."

Perot: "Keep the Federal Reserve independent."

With these answers, "All three of the candidates showed that under them the U.S. depression, the general economic situation, would do nothing but become worse," charged independent presidential candidate Lyndon LaRouche, in a statement issued immediately following the debate.

"They all vowed virtually in the blood of your grandmother and grandchildren to stick to the independence of the central bank—the Federal Reserve System," said LaRouche.

LaRouche stressed that the reason the United States is in a "mess" today, is "because the Federal Reserve System has been key to ripping off the U.S. economy." The "leading prob-

lem" during the 1980s, he said, has been "that neither Reagan nor Bush were willing to take on the Federal Reserve System, but quite the contrary, Reagan made it very clear in the spring of 1981 that he was supporting [Federal Reserve Chairman Paul] Volcker, and Bush, of course, is a super-enthusiast of the same policies."

LaRouche, who has aggressively advocated nationalizing the Fed, transforming it into a pro-development national bank along the lines laid out by Alexander Hamilton, commented that if voters want to do something to "cure the sickness" brought about by Fed policies, "you ought to remove the cause of the disease and that is the Federal Reserve policy.

"We ought to go back to the direction in which President Kennedy was thinking back in 1963 and that is to federalize the Fed, bring it into conformity with Article I, Section 8 of the Constitution, which the Fed presently violates," LaRouche said. Instead of going into debt, "the United States should use the issuance of U.S. currency, as specified under Article I, Section 8 of the U.S. Constitution, to fund at long-term low interest rates, infrastructure-building projects and businesses."

Clinton to take 'Jewish vote'?

It seems certain that, no matter what the outcome of the presidential elections, Bill Clinton will wind up taking the lion's share of the Jewish vote.

"Right now, the Jewish vote, like the election, is Clinton's to lose," writes David Twersky, in the Oct. 12 issue of the *New Republic*, under the

headline "Jews for Bill."

Although Jews make up a small minority of the American electorate, their political activism and concentrated presence in key areas make them a potent voting bloc.

Twersky, the Washington bureau chief of the Jewish *Forward*, noted that even a shift of 10-20% of the vote from Bush to Clinton in such crucial industrial states as New York, Florida, and Maryland could ultimately swing the election to Clinton.

Most of the leading Jewish organizations—which enjoyed close relations with Ronald Reagan—have deserted his successor in favor of Clinton. For example, Morris Amitay, a Washington lobbyist who formerly headed the powerful American-Israel Public Affairs Committee (AIPAC), told Twersky that he has a "comfort level" with Slick Willie that he hasn't had with any Democratic candidate since Hubert Humphrey.

According to Twersky, Clinton started aggressively courting the Jewish vote at the very beginning of his presidential bid. Clinton "recognized the importance of the Jewish vote" and proceeded to recruit some of his top campaign staffers and advisers from AIPAC and Americans for Peace Now, reported Twersky.

He noted that both AIPAC and Americans for Peace Now signed off on the Mideast section of the Democratic Party platform, working with Clinton foreign policy aides Samuel Berger, Stu Eizenstat, and Michael Mandelbaum of the New York Council on Foreign Relations. Twersky also reported that Clinton's Mideast policy advisers work closely with Martin Indyk, the director of the Washington Institute for Near East Policy, who "has close ties to senior [James] Baker aide Dennis Ross."

Senate incumbents face tough reelection races

Initial polling in the Senate races indicate that a few incumbents could be in serious trouble, possibly strengthening the Democratic hold on the U.S. Senate.

In a tight California race, San Francisco Mayor Dianne Feinstein has a strong lead over incumbent Sen. John Seymour (R). Seymour was appointed to the Senate seat when former Sen. Pete Wilson (R-Calif.) ran for governor. Wilson won, but his austerity policies have made his support less than invaluable for Seymour in his reelection campaign.

Also in danger is Sen. Robert Kasten (R-Wisc.). Kasten is trailing his challenger, Democratic state Sen. Russ Feingold. According to polls taken by Wisconsin Public Radio, Feingold is leading Kasten by a 54-33 margin.

In New York, a hard-pressed Sen. Al D'Amato (R) is trailing former Attorney General Robert Abrams 48-43, according to a poll taken by *Newsday-WABC*. Although this is well within the margin of error for the poll, this does not bode well for D'Amato.

New curbs put on California water use

Despite a four-hour filibuster by Sen. John Seymour (R-Calif.), the Senate passed a bill regulating Western-state water projects on Oct. 9. Seymour attacked the environmentalist bill as degrading humans by equating their needs with those of fish and wildlife.

The "water resources bill" authorizes water projects in 17 western states, but alters the way water from the Central Valley Project in California is allocated. The bill takes water away from farmers and diverts it to

improve stream flows, save fish, and to be used as a revenue-generating "commodity" to sell to desperate cities.

Bill Bradley (D-N.J.), calling for greater "efficiency" in allocating water, led a gaggle of conservative and liberal, Democratic and Republican, senators who backed the bill. A Bush veto of the bill is possible.

Speculator giveaway lauded by investment firms

House-Senate conferees, hammering out the final version of the Commodity Futures Improvements Act, which will reshape regulation of U.S. futures markets, agreed to allow the Commodities Futures Trading Commission to exempt swaps from regulation, even as the conferees also agreed to allow regulated futures exchanges to begin trading swaps, the *Wall Street Journal* reported. The moves are a boon to spectators.

The conferees also agreed to grant the Federal Reserve authority to regulate margin requirements for stock-index futures, as Treasury Secretary Nicholas Brady suggested in 1988, when Brady was a Wall Street executive on the President's commission to investigate the causes of the October 1987 stock market meltdown. The legislation was agreed to by the Senate on Oct. 8, clearing the measure for signature by the President. If the legislation is signed into law, the Fed will have oversight of the margins of securities (stocks and bonds), securities options, and securities futures.

In the Senate, an amendment to kill a provision to allow the amortization of intangible assets (such as the "good will" from owning a famous name-brand) was defeated by a vote

of 75-19. Opponents of the provision have argued that allowing the write-off of intangibles, such as subscriber lists, would reignite "merger mania," especially in the food products industry, where name-brands are a vital component of marketing. The legislation received the full support of the leading investment banks, including Goldman Sachs, J.P. Morgan, Morgan Stanley, and Salomon Brothers.

Metzenbaum attacks free trade agreement

Sen. Howard Metzenbaum (D-Ohio) has denounced the North American Free Trade Agreement (NAFTA) as a "disaster waiting to happen." Metzenbaum recently made the remarks on a tour of U.S.-owned plants in Matamoros, Mexico, which are known as *maquiladoras*. U.S. independent presidential candidate Lyndon LaRouche has called the slave-labor conditions in these shanty-towns an "Auschwitz below the border."

Metzenbaum found Mexicans in an automotive parts company, which shut down its Toledo, Ohio operations this year, making \$2.50 an hour, as opposed to an average wage of \$13 per hour paid to unionized workers when the plant was in Ohio.

The Oct. 16 *Cleveland Plain Dealer* reported that 90 Ohio companies are now operating plants in and around Matamoros. A study commissioned by Rep. Marcy Kaptur (D-Ohio) said that plant relocations to Mexico have already cost the state as many as 43,700 jobs.

"I am compassionate; I feel for these people," Metzenbaum said as he toured the squalid conditions at Matamoros. "But I am a United States senator from Ohio, too. I am concerned

about our jobs back home. I am concerned people in Ohio have no idea what is going to occur."

Energy bill would monitor Japanese nuclear safety

The energy bill passed by the U.S. Senate on Oct. 8 mandates a White House study on the alleged "safety risks" of Japan's plutonium shipments. The bill requires the President to submit his report to Congress within 60 days.

Greenpeace and the Nuclear Control Institute's Paul Levanthal, who helped run the 1979 Three Mile Island hoax as an aide to then-Sen. Gary Hart (D-Colo.), are behind this, Levanthal's office said. (For background, see *EIR*, April 17, 1992, "Nuclear Program in Japan Under Attack.")

The study must consider the safety of the casks containing the plutonium, the risks to U.S. states, and the adequacy of states' emergency plans in the event of an accident (see *Strategic Map* in last week's *EIR*). Congressional aides said this would allow Congress to attack Japan early next year. Five U.S. states or territories, including Guam, Hawaii, and Puerto Rico, have already expressed "grave concerns" about the safety of the containers holding the plutonium.

Restrictions on tuna fishing pass Congress

A bill which would ban the use of purse-seine nets to catch yellowfin tuna by 1994, entitled the "International Dolphin Conservation Act of 1992," passed the Senate by voice vote, passed the House in a 389-15 vote on Sept. 24, and is awaiting sig-

nature by the President.

The bill, sponsored by Rep. Gerry Studds (D-Mass.), is motivated by Greenpeace and the People for the Ethical Treatment of Animals' (PETA) campaign to stop the deaths of dolphins which might get caught in the nets. Eco-terrorist pressure and propaganda had already forced U.S. canneries to boycott any tuna caught in purse-seine nets. As the Sept. 23 *Wall Street Journal* pointed out in an editorial, the effect of the bill will be to force U.S. tuna fishermen to either stop fishing or to catch the smaller, less tasty skipjack tuna, which is then canned at greater cost and with the addition of tuna fillers of hydrological protein. The United States also has an embargo on imported yellowfin from foreign fleets (like Mexico and Venezuela) with large dolphin kills.

As documented in the fall issue of *21st Century Science & Technology* magazine, the dolphin issue is a sham. Out of 17 million dolphin, U.S. fishermen will inadvertently kill about 500 this year, while foreign fishermen will kill about 14,000. The American Tunaboat Association opposes the bill and is supporting an international agreement that aims to reduce dolphin kills to near zero by the turn of the century, using advanced U.S. purse-seine technology.

POW-MIA hearings reveal unresolved mysteries

The Select Committee on POW-MIA Affairs continued its investigations on Oct. 16, taking testimony from Assistant Secretary of Defense Duane Andrews. Andrews, responding to charges by Sen. Charles Grassley (R-Iowa) that the Defense Intelligence Agency was trying to cover up information about the possibility that some

of the missing might still be alive, said that Grassley was incorrect in telling the Senate that a little-known Air Force unit known as the Joint Services Survival, Evasion, Resistance, and Escape Agency (JSSA) had been brought in over DIA's head to reevaluate photo data because of doubts about DIA's performance.

Grassley, Sen. Robert Smith (R-N.H.), and some POW activists have accused the DIA of systematically devaluing intelligence information from photography, radio intercepts, or human sources that might indicate that some of the 2,266 servicemen listed as "unaccounted for" could still be alive. Air Force pilots were taught survival techniques by the JSSA, which included signals to be used in case they were shot down behind enemy lines. The DIA officials responsible for examining the various "sittings" of POW-MIAs were not acquainted with the signals, and the JSSA people were never brought in to examine the photos. Andrews explained that this was not done because the JSSA "is not an inspector general and has no one qualified in intelligence analysis or photographic interpretation to perform such a function."

Senate investigators have uncovered nearly 20 sets of four-digit numbers in photographs that may be linked to special numbers assigned to U.S. pilots in Southeast Asia for use in emergencies.

In response to charges of a cover-up, a delegation led by former Chairman of the Joint Chiefs of Staff Gen. John Vessey and Sen. John McCain (R-Ariz.), himself a former POW, met with Secretary of State Lawrence Eagleburger and a representative of the government of Vietnam. As a result, Vietnam has agreed to release 4,000 documents and pictures dealing with POWs held during the Vietnam War.

National News

Brits praise Democratic Leadership Council

Bill Clinton's Democratic Leadership Council (which dissidents have dubbed "Democrats Longing for the Confederacy") drew rave reviews from the London *Financial Times's* Michael Prowse, who, in an Oct. 12 column, cites the DLC's philosophy and its influence over the Arkansas governor as an extremely positive sign of what direction a Clinton administration would take.

The DLC's "new Democrats" have "stressed the importance of pro-market policies," Prowse writes approvingly. "Equally important, they have advocated far-reaching reform of the public sector, advocating 'entrepreneurial government' in place of old-style bureaucracies. Mr. David Osborne, an institute fellow [and key Clinton adviser] was co-author of *Reinventing Government*, an influential book that advocates a Thatcherite cocktail of deregulation, privatization and enhanced customer choice." Prowse singles out the DLC program to use welfare recipients as cheap labor—workfare—for praise.

Despite pressure from labor and other groups, a President Clinton will stick to the DLC agenda, Prowse believes, citing as evidence his speech to the Democratic Convention, which Prowse characterized as a "ringing restatement of core DLC beliefs." At subsequent testing moments, he wrote, Clinton "has remained solid: for example, he recently endorsed the free trade pact with Mexico despite union misgivings."

State Dept. admits drug trade is booming

In its mid-year update, the State Department's Bureau of International Narcotics Matters has admitted that the drug trade is booming, and that the Bush administration's anti-drug efforts have been largely ineffective. The report, quietly released last month, emphasized the massive increase in opium production in South and Central America and the increasing flows of heroin

into the U.S. from the region. At the same time, the report admits that flows of cocaine into the U.S. remain high as well.

U.S. lack of commitment to a war on drugs is most strongly evident in the outrageous criticism the State Department leveled against Peru's President Alberto Fujimori for his April 5 emergency decrees, designed to stop the Shining Path narcotics terrorists who were taking over his country. While the U.S. cut off all but "humanitarian" aid, leaving Peru to face Shining Path alone, the State Department report had the gall to say the emergency measures "impeded the implementation of a more comprehensive counter-narcotics effort," and stated that "progress in restoring constitutional government . . . will be key to reinvigorating the counternarcotics effort."

Unlike previous reports, the latest one provided no new information about the narcotics situation in East or West Europe, which has been recently flooded with high-grade cocaine and heroin as the result of intensified collaboration between South American, European, and Middle Eastern trafficking organizations.

The report claimed that progress has been made in curbing drug money laundering. However, the \$30 million in frozen assets during 1992 represents a tiny portion of the estimated \$800 billion to \$1 trillion in gross profits projected for the international drug cartels this year.

'Bioethicist' argues for Nazi euthanasia

Dr. Howard Brody, a leading member of the Michigan State Medical Association's commission to study so-called "assisted suicide," openly praises the Nazis' euthanasia practices, objecting only that Hitler was unreasonable. The commission of 36 was created in December 1991 after pathologist Jack Kevorkian had claimed another victim. It includes legislators sponsoring bills both for and against euthanasia, Right to Life, the Catholic Conference, the Hemlock Society, ACLU, the American Association of Retired Persons, among others.

Brody chairs the bioethics department

of the medical association. In his book *Introduction to Ethical Decisions in Medicine*, he states: "In practice, sanctity of life becomes a decision-avoiding tool. . . . Another objection points to the deleterious side effects of drugs such as marijuana and LSD as reasons not to engage in their use. Again, potential risks must be outweighed against potential benefits, and it is clear that the risk must be very great. . . . While the bioethicist is not shy about his goals of creating a new culture, he is desirous of doing it in a more reasonable (and more effective) way than Hitler set about doing it. . . . Our mention of Hitler may raise another question: granted that we reconstruct a culture based on bioethical values, whatever they turn out to be: Would this be a just society? Note that the bioethical emphasis on individual diversity already seems to have made specters of 1984 and *Brave New World* less likely."

CIA and KBG officially begin honeymoon

Director of Central Intelligence Robert Gates began first-ever talks in Moscow with Russian intelligence chiefs about joint cooperation on Oct. 15. After two days of talks in Poland with senior government officials, Gates met with Yevgeny Primakov, director of the Russian Intelligence Service (former espionage branch of the KGB), and Viktor Barannikov, head of the Ministry of Security (former internal security branch of the KGB). CIA spokesmen declined to comment on the trip, but a spokesman for the Russian Intelligence Service said that plans for the Gates-Primakov meeting had been under way for months, and that the Russians were prepared to discuss the "proliferation of nuclear weapons and weapons of mass destruction, trafficking of narcotics and anti-terrorism."

According to the *Washington Times*, Gates is expected to raise the question of the Russian Intelligence Service's continued aggressive intelligence gathering in the U.S. and against U.S. interests abroad.

In Moscow, U.S. Ambassador Robert Strauss's staff announced, "Possibilities of

contact and joint activity between the Russian and American intelligence services were discussed. Both sides were satisfied with the results."

Edward Teller attacks Gore's high-tech image

In a commentary in the Oct. 19 issue of the *Washington Times*, nuclear physicist Edward Teller uses the example of the banning of DDT to demonstrate the kinds of "misjudgments" that Democratic vice presidential candidate Al Gore made in his book *Earth in the Balance, Ecology and the Human Spirit*. Gore wrote that the "chemical revolution burst upon the world with awesome speed," claiming a rise in annual production went from 1 million tons in 1930 to 500 million in 1990. Teller pointed out that one of these chemicals was DDT: "Despite many worries about this substance, there is no evidence whatsoever of its harmful effects on humans. It has harmed mosquitoes," he continues, "and so has helped to fight malaria." Teller reported that, according to the World Health Organization, cases of malaria have more than doubled since DDT was banned 20 years ago, and are now above 4 million.

Taking the patina off Gore's carefully groomed pro-technology image, Teller added that Gore apparently has a "deep distrust of advanced technology," and quoted Gore that "the proportion of world energy use that could practically be derived from nuclear power is fairly small and is likely to remain so."

Terry backs handicapped access to electric chair

According to a wire story, the state of Virginia has decided that Charles Sylvester Stamper who is scheduled to be electrocuted on Oct. 28, may be "faking the extent of his paralysis to force guards to wheel him to the electric chair." Stamper, a 39-year-old black inmate who has been on death row longer than anyone in Virginia, has dropped

his legal appeals and is pursuing executive clemency from Gov. Douglas Wilder. His clemency petition states that Stamper "would either have to be carried or wheeled into the death chamber, or made to shuffle in with his walker."

However, on Oct. 17, the *Richmond Times-Dispatch* published an article quoting an unidentified Department of Corrections official that the scope of Stamper's disability is in question. Stamper's lawyer says that Wilder requested information on the condemned man's condition be obtained from the Department of Corrections by Attorney General Mary Sue Terry, who has become known as "Bloody Mary" since the execution of Roger Coleman May 20.

Terry's spokesman, David Parsons, insisted: "If you are saying we are trying to influence the governor's decision, the answer is absolutely not." Department of Corrections officials have said no decision has been reached on how to get Stamper to the electric chair, the first such spectacle since the U.S. Supreme Court reinstated capital punishment in 1976.

Balto. Sun covers Stasi slanders of LaRouche

On Oct. 15 the *Baltimore Sun* became the first major U.S. newspaper to carry a letter to the editor describing how the East German secret police, Stasi, started disinformation tying Lyndon LaRouche to the Feb. 28, 1986 assassination of Sweden's Prime Minister Olof Palme. The letter by Marsha Mallouk was headlined, "LaRouche Was Victim of East German Lie."

Mallouk's letter detailed the international flood of stories, including in the *Sun*, claiming a Swedish LaRouche supporter was wanted as a suspect, and the recent revelations by former Stasi disinformation specialist Herbert Brehmer that he had concocted the disinformation campaign.

The *Sun* refused to run this letter until it was provided with photocopies of the daily's 1986 coverage. Reference to Anti-Defamation League's spreading the Stasi disinformation was edited out of the printed version of Mallouk's letter, however.

Briefly

● **JIM GARRISON**, the New Orleans District Attorney who attempted to prosecute the conspiracy that murdered President John F. Kennedy 29 years ago, died after a long illness on Oct. 21.

● **SHELBY FOOTE**, the popular "expert" on the Civil War, who moderated the PBS civil war television series, told investigative reporter Anton Chaitkin recently that the Ku Klux Klan was a "natural reaction of Southerners to post-Civil War northern invaders." Of KKK founder Gen. Albert Pike, he said: "It is an outrage to take down the statue of Albert Pike. You guys are paranoid."

● **TIBOR KOVATS**, a leading member of the Hungarian Association of Former Political Prisoners was interviewed for 50 minutes by a Hungarian-language radio station on Lyndon LaRouche's presidential campaign. He outlined LaRouche's program for economic development and dismissed objections by the host that LaRouche cannot be elected because he is in jail.

● **GEORGE BUSH**: *The Unauthorized Biography*, published by EIR was the subject of a full-page article in the international Arabic-language newspaper *Al-Moharer* recently. According to Libya's New Dawn news service, the article is an interview with co-author Webster Tarpley.

● **HERMAN COHEN**, assistant secretary of state for Africa, descended on South Africa on Oct. 12 to meet with U.S. diplomats and African National Congress leader Nelson Mandela. Cohen told media that the State Department would "be very disappointed" if elections planned for 1993 were postponed because of violence in the townships.

● **AL D'AMATO**, the New York senator, is one of the Republican incumbents trying to keep their seats by coattailing Democrat Bill Clinton's stands for the death penalty and against welfare recipients. Another "Clinton Republican" is Rep. Robert Kasten of Wisconsin.

Editorial

Patriot and world citizen

Tune into any discussion of the U.S. presidential elections this year, and you are likely to hear homage from every participant to something like the following: After all these years of the Cold War, it's time we spent our money and paid attention to the problems here at home. In concrete terms, this appeal usually leads to calls for cuts in "foreign aid," the military budget, and the space program.

Nor is this point of view simply expressed by the "middle class." You will find it just as frequently in poor communities.

Granted, we do have to deal with our problems here at home. But the reason we have not done so is not a consequence of some massive foreign aid budget, or the space research program. And the change required in our policy approach toward the U.S. domestic economy, is precisely what is required to rebuild a peaceful and prosperous world community of nations.

The United States has not been impoverished by a lavish commitment to either foreign aid, or defense alliances. And the media that tells you it has, are simply lying. The only area where a meaningful case for overflowing largesse could be made is in the case of Israel.

In general, what is labeled foreign aid is an advance to a foreign nation, tied to the necessity that that nation purchase a certain kind of equipment, or intangible "assistance," from a U.S. corporation. Built into that agreement are inevitably massive fees for middle-men, and other arrangements which lead to a lot of money being made by bankers, if no one else.

In cases such as food aid, the profits are made by the grain cartels, who get special prices from the U.S. government for providing food to poor countries, while impoverishing U.S. farmers by paying prices below parity.

An overview of international financial relations, in fact, shows that the rest of the world, and primarily the poor sections of the world, are massively subsidizing the United States and other industrialized nations.

In other words, they are paying more debt service and principal than they are receiving in monetary aid. And, if the inequities in currency valuations and com-

modity pricing were taken into account, the subsidy of the so-called North would be even greater.

As to the defense question always raised by Ross Perot, it is a blatant fraud. U.S. military bases in Japan and western Europe have been run, and continue to be run, in the strategic and economic interest of the United States—not for those countries. And, over the past few years the U.S. government has actually insisted on remaining in Germany at a level which the Europeans don't want.

An additional hobbyhorse for these "America First" types recently has been the space program. They obviously don't realize that it was the "wasteful" space program that gave us the last substantial boost in productivity which this country's industrial base got, during the Apollo program, returning eightfold to the economy every dollar that was spent by NASA.

The debacle of the U.S. economy, and any other, will not be reversed by a policy of beggaring our neighbors. As a result of monetarist policies which have dominated the world monetary system over the past 35 years, world resources have been looted and depleted so that at present there is not enough to go around. We are going to have to adopt a new system which embarks us on creating new wealth, in this country and everywhere else.

As soon as the U.S. nationalizes the Federal Reserve Bank, for example, it will delink from the International Monetary Fund. That will create the basis for new nation-to-nation arrangements based on long-term, low-interest investments in the necessary infrastructure for long-term progress. That will provide necessary jobs and material goods for both the U.S. and other nations. (The kind of project we mean is typified especially by the "Paris-Berlin-Vienna Productive Triangle" discussed in our cover *Feature*.)

Once you understand the fact that the physical economies of all nations either decline, or prosper together, there is no difficulty in breaking free of a chauvinist "America First" view. A intelligent, moral person is a patriot, and a world citizen.

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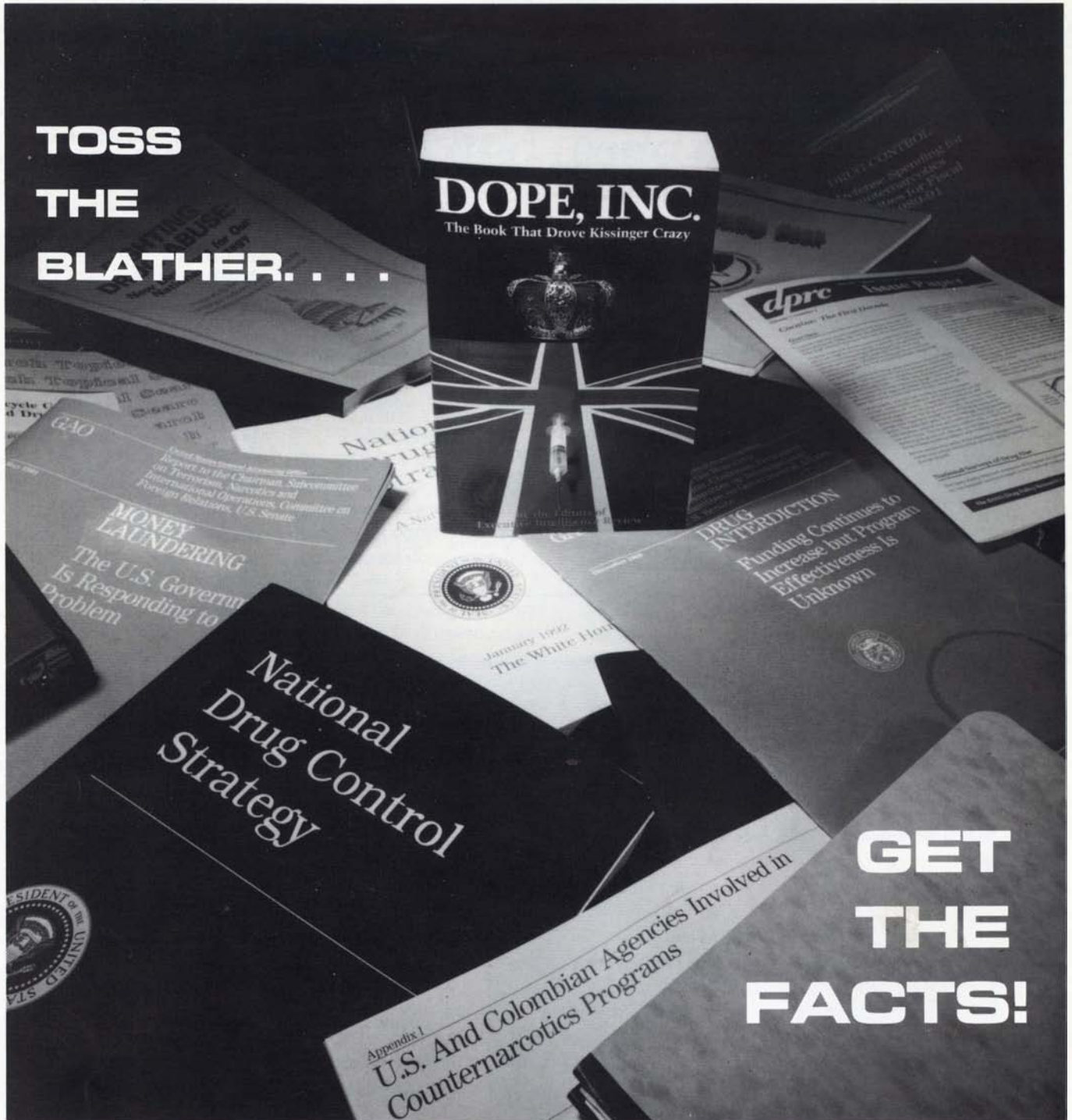
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