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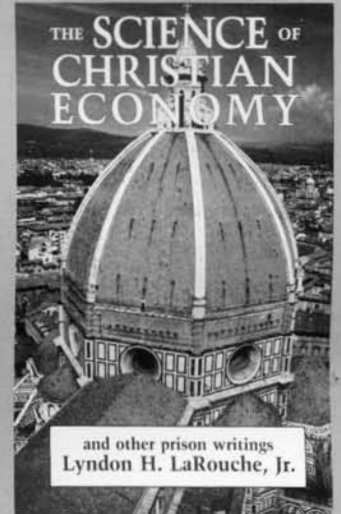
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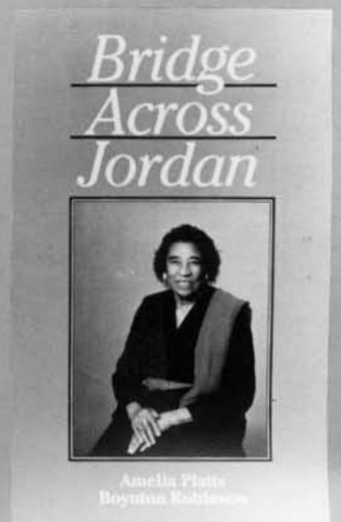
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From the Editor

This week's centerfold section has what many readers are looking for first: a political critique of the Vance-Owen-Christopher "peace" scheme, and an alternative approach to reprivating Croatia and Bosnia from the genocidal Serbian assault.

A seasoned Croatian journalist came to the United States as the guest of the Schiller Institute. Srecko Jurdana has been sharing his knowledge of the war in former Yugoslavia with Lyndon LaRouche, and with members of the Congress, the press, and other concerned observers. In anticipation of a more in-depth report, on page 36 we present a workable peace proposal written by Mr. Jurdana, in response to Warren Christopher's "Six Points" released on Feb. 10 (page 35). This is followed, among other relevant reports, by LaRouche's own comments (page 39).

Yet while world attention is fixed on Bosnia, in a sense the horrors there are only a hint of what will unfold if western policy continues to promote IMF debt collection and its "new world order" enforcement by U.N. blue helmets. The lead international article, by Rachel Douglas, documents the recent warning by Chancellor Kohl that events in Moscow signal a bigger calamity ahead than Croatia and Bosnia.

As LaRouche stresses, a military solution "pure and simple" is always idiocy; yet no nation-state can be sovrän without an army. The *Feature* pivots on our exclusive interview with exiled Venezuelan General Visconti, a key leader in the resistance to the IMF and the "new world order" that spans Ibero-America and the Caribbean. This movement is building up in 1993 to a scale undreamed of by the Wall Street-owned politicians, who believe they can continue to take down South American militaries, shred the continent's religious traditions, and impose corrupt "democracies" with impunity. Croatia's experience of a terrorist enemy abetted by foreign bankers is well known in Ibero-America: Witness Washington's policy of punishing Peru for defending itself from the bestial Shining Path—the Chetniks of America.

The *Feature* should inspire hope in good people everywhere; as will the account of a new flank in cultural warfare opened by Schiller Institute musical missionary, Sheila Jones, who took LaRouche's scientific tuning campaign to Jordan.

Nora Hamerman

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Europeans denounce British currency warfare

by Chris White

It is now a little over two weeks since John Major's British government triggered a new, escalated round of currency warfare in Europe, when it lowered interest rates. In that time, Ireland's punt has been devalued, Denmark's currency has come under increasing attack, and once again, the relationship between the French franc and Germany's deutschemark, the core currencies in Europe's Exchange Rate Mechanism (ERM), has been targeted.

What has been ignored in the United States, even to the point of hysteria, is the increasingly belligerent reaction of some of Europe's political leaders to the financial and economic warfare against Europe which has been under way since last July's Munich summit of the Group of Seven (G-7) nations, and more especially, since the Sept. 15, 1992 devaluation of the British pound.

On Feb. 1, French Finance Minister Michel Sapin denounced the City of London as "an ally in the speculative assault against the French franc." On Feb. 2, German Chancellor Helmut Kohl, in a speech delivered before the European Parliament in Strasbourg, France, said that "certain parties are causing turbulence in order to torpedo the European Exchange Rate Mechanism."

The same theme had been addressed by French Prime Minister Pierre Bérégovoy, who has denounced Washington's undermining of the European Monetary System (EMS) as "part of a U.S. drive for global hegemony," and by Jacques Delors, the president of the European Commission, who, on Feb. 4, denounced "speculators who are virtually running things," and who on Feb. 11 launched an attack while in Brussels on "wildcat" devaluations and "acts done at the drop of a hat." At the annual Davos, Switzerland World Economic Forum, former French Prime Minister Raymond Barre told *EIR* that the aim of recent attacks on the ERM was to destroy

the relationship between France and Germany, and that such attacks were "inspired by political considerations."

Plot by 'Anglo-Saxon circles'

On Feb. 10, Barre told London *Financial Times* correspondent William Dawkins that currency markets will launch an unsuccessful attack against the French franc next month, during the French parliamentary election. He said that the attack will be inspired by "Anglo-Saxon" financial institutions unwilling to see the creation of a European currency which could rival the dollar. "I'm not among those who see plots everywhere. It's not at all my temperament. But I really think there is a will in a certain number of economic and financial circles not to promote—in fact to do everything to prevent—the creation of European monetary and economic union, and in consequence to blow up the EMS."

The theme was picked up again by Delors during his Feb. 11 press conference. "I have no information, but that does not mean to say that others have no information. I cannot confirm or deny it," he said. Barre's remarks provoked an editorial reply from the *Financial Times*: "Many belabor the U.K. for 'competitive devaluation,' or 'Anglo-Saxon circles' for undermining chances of economic and monetary union. This search for scapegoats is more than a pity; it is a mistake."

The *Financial Times* editors have their own view of where responsibilities lie: "Sterling was forced out of the ERM because its parity proved incompatible with economic recovery. It is for the same reason that the much-condemned speculators have doubted other parities within the system. What made these parities inconsistent with tolerable economic performance was German economic policy, on the one hand, and the determination to eschew a degree of exchange rate flexibility, on the other."

Italian newspapers, like *Corriere Della Sera*, have placed the blame squarely on the Clinton administration, and, not gone unnoticed has been the firing of Goldman Sachs as advisor to the Italian government in arranging the fire-sale privatization of whole chunks of Italy's state-controlled industries and financial institutions. Through Economic Council head Robert Rubin, Goldman Sachs is well represented in the financial and economic counsels of the new administration.

Exporting money

The charges from the continent serve to put the question of "Anglo-Saxon" international monetary policy back into the spotlight, in a useful way. People still tend to think about the relative performance of currencies in ways shaped by the ways economies functioned 20 and more years ago. In that view, to devalue one's currency is to seek to cheapen the price of one's exports against those of a competitor. There is a relationship, more or less direct, between the cost of producing a nation's output, and the value of its currency. Since Britain, which refuses to sign on to the "social charter" of the unified Europe, is also stealing work places from Europe, by underpaying labor relative to costs incurred elsewhere, this type of thinking still has a certain attraction. But it ignores what has happened to international currencies over that same time period, as the world "progressed" from fixed to floating exchange rate regimes, to the "global market place" which has increasingly dominated since about 1989. The relationship between output and cost price structures has been swamped by the growth of the \$1 trillion per day currency and bond markets.

What happens, for example, if a country's major "export" products are money, or financial instruments and activities? Here come now today's Brits, with their City of London, and their \$300 billion per day traded in who knows what. By April, they will have a budget to finance, and a deficit of some £50 billion. Since the earnings of more than half of the companies listed on the London stock exchange are drawn from foreign currency-based activities, since British finance houses built up significant holdings of German government bonds, while the pound was floating in the 2.75 to 2.95 range against the deutschemark, now Germany gets the privilege of helping to refinance British debts as the proceeds of foreign speculation are translated back into debased British currency, whether that be done directly, or indirectly.

Politically, the Anglo-American world can be treated as "one," because, allowing for factional disagreements and so on, it acts like that. Financially, it is one power, with two currencies. The two currencies move inversely against each other. When the dollar is "down," as it has been, relatively, since the Plaza agreements of 1985, the pound is "up," allowing for fluctuations which chart out as more or less regular pulses. As the currencies of the two countries move inversely against each other, so do the bonded debts of each country move inversely against the currencies, usually.

When the dollar is relatively "down," yields on dollar-denominated debt are relatively "up," and prices "down." So the whole moves against the other two principal currencies and government debt structures, the mark and the yen.

This is the core arrangement in the system of floating exchange rates which was adopted after Richard Nixon severed the dollar's relationship to gold on Aug. 15, 1971, and expanded after then-British Prime Minister Margaret Thatcher eliminated exchange controls on the pound sterling in 1978, and through the first Reagan administration, and then the second's increase in U.S. government indebtedness, from under \$1 trillion, to the over \$4 trillion now registered.

The 'derivatives' bubble

This arrangement is at the core of the speculative innovations associated with the instruments called "derivatives," said to be systems of hedging against the risks incurred in particular currency, or bond, or so-called commodity trading.

The use of derivatives has been the subject of much attention among the European circles that now openly denounce Anglo-American financial warfare against their currencies and economies. The role of George Soros, the billion-dollar "winner" from last summer's turmoil, is cited in this respect. But, if a unified financial command runs one system through two divisions, which are set up so as to move inversely against each other, there is no risk—at least within the goldfish bowl assumptions of the system itself—as long as the other participants agree to "play by the same rules."

The term "derivatives" is grossly misleading. If the whole depends on floating currencies, and marketable sovereign debt, then the derivatives are in fact primitive, because they drive all else, and because "competitive devaluations" are only one weapon in the arsenal. Now U.S. banks have built up around \$700 billion worth of holdings of U.S. government debt. If those holdings are presented to the Federal Reserve, in exchange for cash, as they can be, there goes the United States. If the dollar begins to go "up," much above where it is now against the mark, the top end of the range of the last few years, it will be an "inducement" to have especially Germany and Japan buy and borrow some of those holdings from the U.S. banks, to then present the government obligations to the Federal Reserve in exchange for dollars, which will drive the dollar yet higher. The Japanese are now being arm-twisted to go down that road again, as they did from 1985, and it will not be long before others are subject to the same treatment. Then the ERM becomes the target of "competitive revaluation" of the dollar, as the economic collapse of the United States is exported onto the backs of allies again.

The point being that Maginot Line defenses against devaluations can be quite readily swamped, as long as the floating rate currency and bond regime is tolerated. Scrap the floating rate system, and speculation and derivatives evaporate, while the world's real problems, how to organize a real recovery, can be put on the agenda.

Mexican unemployment plan is tantamount to genocide

by Carlos Cota Meza

An intense debate has broken out in Mexico over the unemployment afflicting millions of Mexicans. The Catholic Church has called the problem "alarming, because of its high level of social explosiveness." Practically every expert study agrees in rejecting as absurd the official unemployment figures cooked up by the Mexican National Institute of Statistics, Geography, and Information (INEGI), which places unemployment at 2.9% of an economically active population (EAP) calculated at 26.322 million, or 648,000 Mexicans out of work.

The firm International Consultants, for example, estimates unemployment at 29% of the EAP, or 7.4 million. Ciemex-Wefa estimates 8.7% for 1992. The Economic Commission for Latin America of the United Nations maintains that it is a mere 3.5%. But the Workers Congress of Mexico claims that unemployment stands at 37%, and spokesmen for the Confederation of Mexican Workers speak of between 8 and 12 million Mexicans without jobs.

A study done by the Institute of Economic Research of the Autonomous University of Mexico (UNAM) calculates the present unemployment at 8 million, and underemployed at 17.4 million. This gives a total of 25.4 million Mexicans without permanent employment or income, a figure not much below the 26.3 million officially estimated as composing *the entire economically active population*. The National Solidarity Program (Pronasol), the government program which is acting as the local enforcer of the destruction of Mexico's sovereign economy (see *EIR*, Jan. 29, p. 28), in one of its recent forecasts criticizing INEGI, asserted that 12% of the EAP, estimated by INEGI as 26.3 million, are unemployed, while 40% more are underemployed. Since much underemployment is actually disguised unemployment, Pronasol's figures would suggest that 52% of the economically active population is without regular employment or income.

On top of this great disparity in unemployment figures, is the fact that with the exception of the UNAM study, all estimates are based on the newly revised official population figure of 81.5 million for 1990, as established by the 1990 census conducted by INEGI. Yet in Mexico, it is universally agreed that this figure is a colossal statistical fraud, by which millions of Mexicans have been made to simply "disappear."

A more realistic estimate of the EAP today can be ob-

tained from the figures of the National Council on Population (Conapo) by projecting their figures on population structure into the future. According to Conapo's estimates, the age bracket of the population comprising all 14- to 64-year-olds—generally considered the age range of the working population—will grow by about 1.5 million annually into the first decade of the next century. With something over 55% of that age bracket actually in the labor force, this yields an estimate for the EAP of around 830,000 net new job seekers annually.

Using this figure to adjust the last somewhat reliable estimate of EAP—around 22 million in 1980—yields an estimate of over 30 million in 1990 (instead of the official 26 million), and approximately 32 million in 1992. Using this more realistic estimate of the EAP together with Pronasol's figure of 52% unemployed or underemployed, gives 17 million Mexicans without regular employment or income. This number matches the official figure for people living in extreme poverty.

However, the comparison is misleading, since 17 million workers implies a total population dependent on those workers of around 45 million—more than half the total population, of which a very large number are no doubt living in extreme poverty. Certainly, the government figure of 17 million in extreme poverty is also a big underestimate.

Using the Mexican government's figure that only 6 million Mexicans have permanent, steady, regular paid employment, the statistic of the UNAM Institute of Economic Research comes closest to the reality: UNAM's estimate of 25 million unemployed or underemployed, plus the government's 6 million fully employed, equals almost exactly the likely true figure for the EAP. But a figure of 31-32 million economically active people is only consistent with a total population of at least 86 million—the official figure before the latest census fraud, not the new, adjusted 81 million figure.

And even 86 million may be low. If the Mexican population grew at an annual rate of 2.5% during the 1980s, it would be at 89 million today; and if it only grew at 2.2%, it would still be at least 87 million. In any case, the 1990 Census simply writes off 6-8 million Mexicans whom it considers not to exist. In 1994, there will be close to 94 million Mexicans.

Self-serving statistics

Returning to the experts' analyses, the majority of them agree that the unemployment problem is massive, and nationwide, that the government's statistics are ridiculous, and that Mexico has no reliable unemployment figures.

What none of them indicate, however, is the true reason why the government of President Carlos Salinas de Gortari maintains the demented position that unemployment affects only 2.9% of the economically active population. In the National Development Plan 1989-94, signed by Salinas de Gortari, it says: "Due to the high birth rates that prevailed before 1975, and to the high rate of population growth which resulted from the divergence between falling death rates and high birth rates, never in the demographic history of the country has the working-age population grown so rapidly as in the decade of the 1980s."

The message here is clear: The crisis is due to the "divergence" between birth and death rates, or—what amounts to the same thing—the crisis is due to the existence of Mexicans; therefore, the solution is that some Mexicans must cease to exist.

The government of previous President Miguel de la Madrid (1983-88) had already established the *necessity* of im-

posing a *process of gradual aging of the population*, in keeping with the malthusian policies of the international financier circles around the International Monetary Fund. Reflecting this process, figures from Conapo for 1989 show a population pyramid with 33 million people under age 15 (38%), 50 million between 15 and 64 (58%), and 3.4 million over 65 (4%). This reflects the success of the De la Madrid government, as it was described then, in having reduced the traditional Mexican figure of 50% of its population under the age of 15, down to 38%, as a result of decreased birth rates.

The result is that from 1980 to 2000, the number of children will actually decline in absolute numbers, despite the continued rise of the overall population, so that by 2000, this age group will be under 30% of the total. The working-age population will soar, and by 2000, the over-65 age bracket will also begin to increase rapidly.

This latter fact means, of course, a large increase in the number of retired persons. According to the Unified Movement of Retirees and Pensioners (MUJP), there are at present 2 million old people, nearly two-thirds of the total, who have insufficient income to live in dignity. By the beginning of the next decade, the growth of this sector will be rapid, and

GATT woos Russia as food production plummets

As if Russia did not already have enough problems feeding its people, the international financiers are now trying to draw it into the General Agreement on Tariffs and Trade (GATT), a move which would require eliminating subsidies to agriculture.

Arthur Dunkel, the director of GATT, was in Russia the week of Feb. 1. At a press conference in Moscow, he played his negotiating cards close to his chest; but he did warn Russia that "the real world itself makes things more difficult than you think at the start," and that reform was "not a very easy process." He emphasized the "denationalizing" effect of GATT, a one-world institution linked to the United Nations.

Since a meeting of the Davos World Economic Forum in Switzerland at the end of January, which was attended by a hefty Russian delegation, there has been a marked push to bring Russia into GATT.

But recent decisions by Russian economic officials would come into conflict with such a policy.

On Feb. 4, Agriculture Minister Viktor Khlystun announced an emergency decree for the agro-industrial sec-

tor, which includes protectionist measures to guard against the decrease in livestock which came about last year, partially as a result of the enforced export of meat under the International Monetary Fund's "export-earning" conditions.

At a press conference, Khlystun described the desperate situation the nation now faces: "There was a substantial slump in livestock output. Meat and dairy production fell by 18%." He enumerated some of the causes for this slump: "A chronic shortage of fodder, the price disparity, making livestock breeding an unprofitable business—it is easier to sell grain than to feed it to cattle and produce livestock. Costs involved in livestock production considerably outweigh the benefits. . . . Generally, meat production in Russia proved to be loss-making. . . . Poultry production has also been money-losing. The profitability of milk production is very low, approximately 26%. Egg and wool production profitability margins are also very low. A situation emerged at the end of the year when the overall debt amounted to 50 billion rubles. . . . In order to conduct this year's spring planting campaign, at least 600 billion rubles is needed."

Khlystun said that the Russian government was going to continue to subsidize agriculture, through the introduction of "mechanisms of guaranteed protectionist prices, with gradual scaling down of subsidies."

—Denise M. Henderson

its death rate will be prodigious.

In fact, the problem will be worse than anyone can imagine, precisely because of the conditions of unemployment and underemployment today. With the shrinkage of regular employment, with its attendant benefits such as social security, pensions, and health care, and its replacement with informal, daily catch-as-catch-can grubbing for an income, millions of Mexicans are now going to face retirement age with absolutely nothing to fall back on—not social security, nor anything else. They will face the prospect of having to work until they die, i.e., they are expected never to retire at all, or to die soon after retirement from starvation or disease in the absence of any source of retirement income.

These projections show beyond a doubt that it is not an honest error which leads the Mexican government to claim there is no unemployment. It is simply reaffirming its policy of genocide.

Employment crisis, or population crisis?

Mexico's economic problems are not the population's fault. These problems stem from a top-down decision, made back in the mid-1970s, to impose the dogma of malthusianism, ostensibly as a factor of development and social stability. In 1975, for example, William Paddock, author of *Famine 1975! America's Decision, Who Will Survive?* stated bluntly that all efforts to increase Mexico's food supply would only "increase future suffering, because there will be more people. . . . Mexico simply can't handle 60 million people." Since that time, successive Mexican governments have been operating under the assumption that they cannot accept, or cannot maintain, a population greater than 100 million by the year 2000. Mexicans "in excess" of this figure must perish.

These malthusian policies generate a universal equation, and its results are the same, whether for a developed or an underdeveloped country: The low end of the population pyramid is reduced, the middle segment of working-age people grows for a while, and the high end of the pyramid also expands rapidly, until premature death overtakes it.

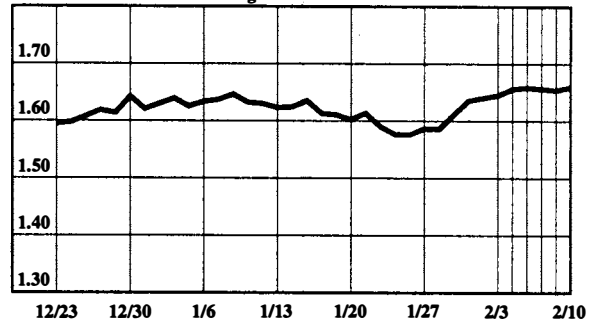
The present employment crisis, combined with the growing number of Mexicans living in extreme poverty, the millions of peasants who emigrate yearly in search of work, the children dying unnecessarily, are nothing but the conclusion of 25 years of population control policies that have been applied, and are being applied, supposedly so that by the end of this century, the Mexican population will not be living with the problems they now suffer.

But the tragic demographic reality is that if these malthusian policies are pursued any further, Mexicans will either be dead or suffering far worse than ever before. Mexico has now reached the point beyond which millions will begin to die of a combination of undernourishment and communicable disease, just as they began to die in droves a decade ago in Africa.

Currency Rates

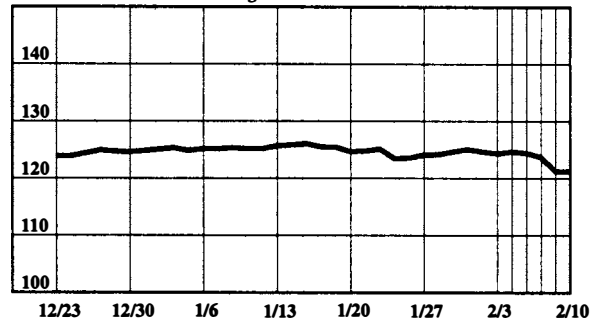
The dollar in deutschemarks

New York late afternoon fixing



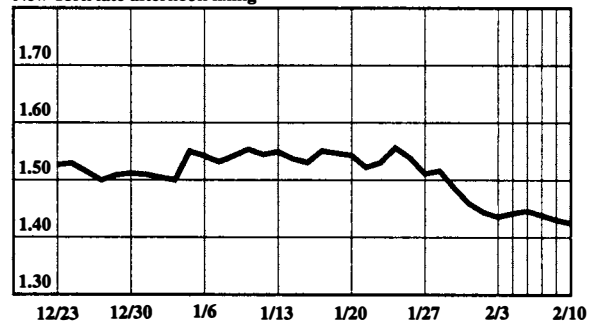
The dollar in yen

New York late afternoon fixing



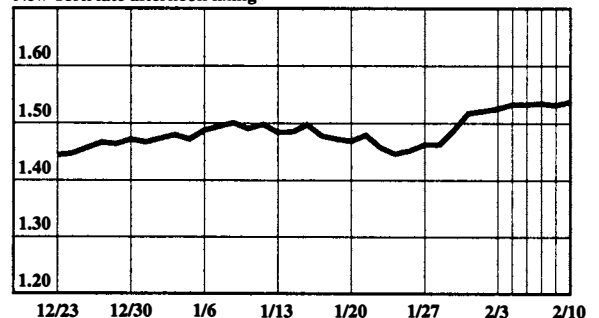
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



Budget-cutting mania mocks 'recovery' myth

by H. Graham Lowry

In state capitals across the United States, the fashion parade of emperors' new clothes styled as "economic recovery" continues, even as a new round of budget-cutting mania has broken out. What is worse, the latest cuts targetting the poor come on top of two years of similar reductions which have further impoverished millions of Americans.

A recent study by the Center for Budget and Policy Priorities confirms the nationwide impact of state budget reductions in assistance to the poor. The center reported on Feb. 9 that 44 states cut or froze Aid to Families with Dependent Children (AFDC) last year. In 27 states which provide cash assistance to the elderly or disabled under the Supplemental Security Income program, 26 of them also reduced or froze those benefits last year.

Even general assistance, the program of last resort for the non-elderly poor who do not qualify for either of the above forms of aid, was slashed or eliminated entirely in eight states last year, and in 14 others the year before. More than half a million people were affected in 17 states with such programs. The state of Maryland ended or severely restricted many of its general assistance programs last year, and those who remain eligible are required to repay any cash assistance received. Wyoming eliminated its program, and Illinois cut off benefits entirely for all people deemed employable, a \$76 million cutback affecting 66,000 recipients.

General medical assistance, provided for low-income people who do not qualify for Medicaid, was cut last year in seven states, and was completely eliminated in Maryland. In addition, Connecticut, Illinois, and Rhode Island disqualified many of their recipients through changes in eligibility requirements.

Hard times ahead

The brighter future many of the nation's governors purported to see in their recent State of the State addresses is a cruel hoax, as long as prevailing economic policies continue. In reviewing past cutbacks, the Center for Budget and Policy Priorities report also declared, "The state fiscal situation for fiscal year 1994 is similarly bleak." It noted that many of the budget-cutting proposals recently made public are "stunning in their harshness," citing the example of the Texas Legislative Budget Bureau, which calls for cutting AFDC benefits by an additional 21%.

For California, one of three states cited in the report for making the severest welfare cuts the past two years, Gov. Pete Wilson demanded in January another 19% reduction in AFDC benefits—as part of a massive austerity package designed to cover a projected \$7.5 billion deficit for fiscal 1993-94. But on Jan. 27, the Commission on State Finance warned that the deficit could increase by as much as \$4 billion if there is no "recovery" during the next year. On Feb. 6, the state's Employment Development Department reported the loss of 62,000 jobs in January alone—an annual rate of over 750,000. The state lost 800,000 jobs over a two-year period following June 1990.

Do these numbers suggest a recovery in the making? Yes, say the employment statisticians, who discount the job losses by claiming they were offset by 62,000 unemployed persons who "stopped looking for work" in January. With this bit of fakery, California's official unemployment rate declined three-tenths of a percentage point in January. If another drop can be rigged for February, the state can post three consecutive months of improvement in the unemployment rate, and declare the recession over!

In the meantime, California is urged to declare "war on illegal immigration" to cut the budget, as former U.S. Immigration and Naturalization Service chief Alan Nelson proposed in Sacramento on Feb. 4. Undocumented immigrants would be denied public education, housing, social services, health care, and welfare assistance. American citizens on welfare and unemployment would be herded into their jobs as fast as they could be deported.

Assault on health care

It has become fashionable now to speak of brutal austerity as progressive "reform," and cuts in health care is one of the favorite topics. In their latest annual addresses, the governors of Minnesota, Wisconsin, Ohio, Indiana, and Pennsylvania called for major cuts in Medicaid assistance to the poor, under the guise of reforming the system.

Indiana Gov. Evan Bayh proposed to slash Medicaid coverage and payments by at least \$300 million. Bayh called on the legislature to restrict Medicaid coverage for "optional services"; require co-payments by patients to discourage "unnecessary treatments"; limit the kinds and numbers of health care procedures Medicaid will cover; replace fee-for-service coverage with a fixed payment system; and stop the "manipulation" of Medicaid eligibility rules by patients and their attorneys.

The absurdity of cutting vital services, at a time when hundreds of thousands more Americans each month desperately need them, produces occasional legislative resistance. One Pennsylvania lawmaker has an even more absurd "solution." Rep. George Saurman filed a bill on Feb. 4 that would give all 253 representatives and senators a \$1,000 raise, for every 1% cut they approve in the state budget. Just think—if they shut down the state, they'll be rich.

China lacks energy, but Three Gorges Dam blocked by environmentalists

by Cho Wen-pin

It seems that the People's Republic of China's new front-runners of speculation are striving for the world record now: to raise the real estate prices in Shenzhen, Shanghai, and Beijing to the level of New York, Hong Kong, and Tokyo. This aim is adored by the cheerleaders of the process, like George Bush, who sent Secretary of Commerce Barbara Franklin to Beijing to sign \$1 billion worth of contracts, and Russian President Boris Yeltsin, who just visited China, praising the economic reform and bartering everything from guided missiles to mango juice with Beijing.

A few weeks ago, however, Chinese Energy Minister Huang Yicheng reported that "China's energy shortage will become severe if the economy continues to grow at the present rate while the increase of investment in the energy industry fails to grow in proportion." He pointed out that investment in energy has been continuously decreasing for the past three consecutive years.

It seems to the "New Age" economists that China's new economic boom is outpacing its energy production and may go bust because of chronic power and fuel shortages. But the real issue is that China has not seriously developed its energy sector since 1949. Now, under the economic pragmatism which has reigned since 1978, especially under the administration of Zhao Zhiyang, the government has been giving away land use rights to the West, and granting tax breaks to the foreign and new private entrepreneurs, to fuel a boom in tertiary industries along the coast. China's government is only collecting debts, reducing its capability to improve the nation's collapsing infrastructure in such areas as communications, transportation, and energy supply.

Scientifically speaking, the structure of energy usage reflects the level of technological and economic advances, as the correlation in human history between the evolution of power supply—from burning wood in ancient times, to tapping water power, to the modern-day use of nuclear electricity generators—and an ever-increasing potential population density reveals. In China, a large proportion of conventional energy consumption, such as coal, marks the backwardness of the quality of life—a densely populated country, yet one with much less productive potential due to the lack of education and underdevelopment of industry; a life where every third child suffers malnutrition.

This article attempts to expose the devastating crisis of energy supply and how international environmentalists are

preventing efforts in the country to develop and exploit water resources.

The current energy situation in China

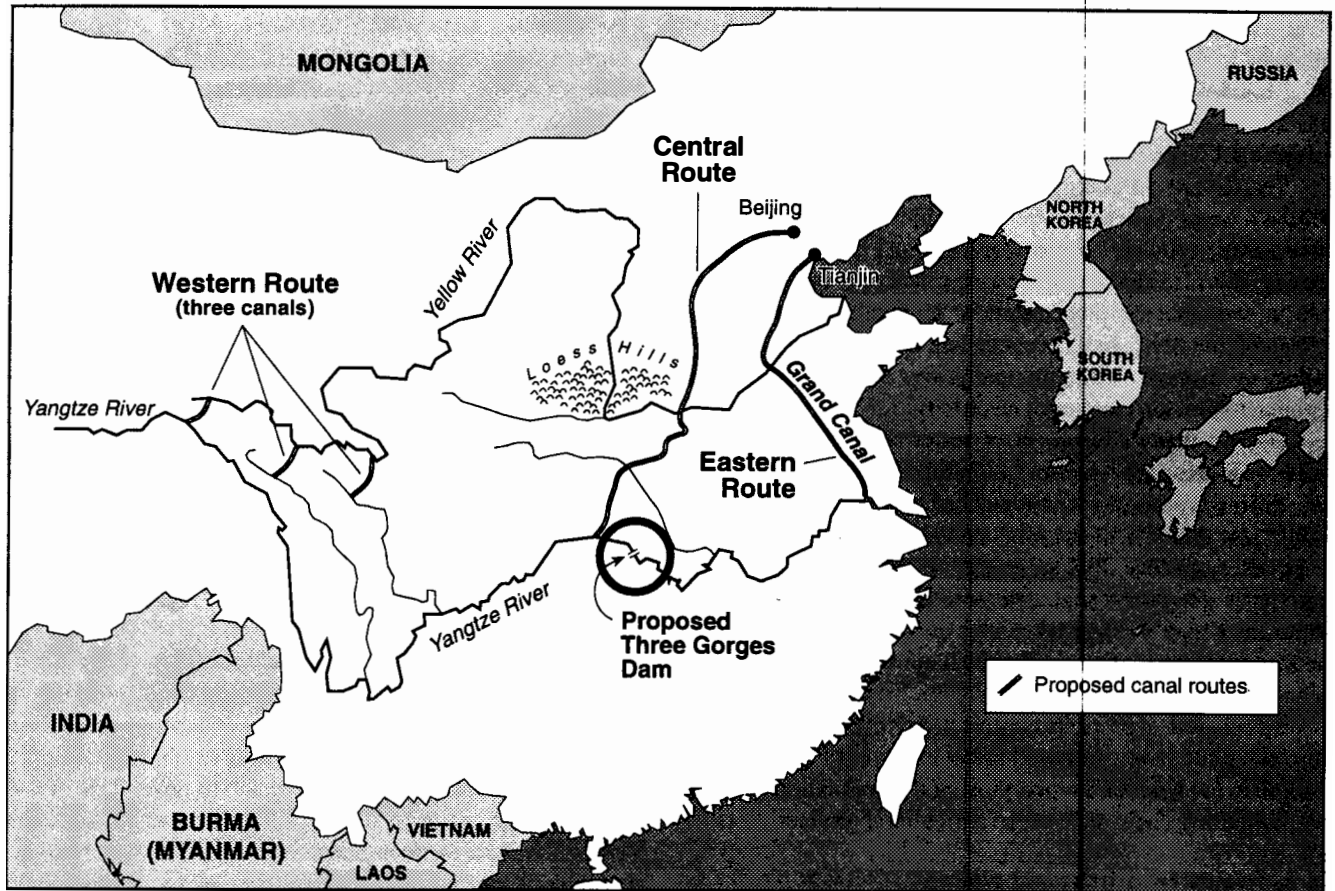
China's economic development relies primarily on coal, which accounts for 76% of China's energy consumption. As 1985 statistics show, oil accounts for 17% of energy consumption, natural gas 2.3%, water power only 4.8%, and nuclear energy a mere 0.5%. By comparison, of the world average energy consumption in 1980, some 26% was provided by coal, 45.6% by oil, and 18.5% by gas, while water power and nuclear energy provided 6.3% and 2.6%, respectively. Compare this to the energy consumption pattern of Taiwan during 1981-86. China derived only 0.5% of its energy use from nuclear energy in 1985, while 16% was derived from nuclear energy by Taiwanese in 1986 (although the island must import most of its energy, which supports a higher living standard, as energy consumption is proportional to the potential population density of any country and any culture).

In 1988, China produced 1,069 million U.S. tons of coal. At least one-third of all coal produced is derived from small, labor-intensive coal mines. Crude-oil production has increased somewhat since the early 1960s, when petroleum was discovered at Daqing, in Heilongjiang province. Off-shore oil fields have been developed in the Po Hai Gulf of the Yellow Sea and along the continental shelf.

The country generated 543,000 megawatt-hours (MWh) of electricity in 1988. Some 108,000 MWh of this was from hydroelectric stations, since the country had tapped only 7% of its hydropower potential by that year. China leads the world only in the use of small, insufficient power stations that supply local industries. An 1,800-megawatt nuclear power plant near Hong Kong, attacked by the anti-development activists and greenies, was to be completed in 1993, but is still under construction. And plans to build a giant hydroelectric project (17,000 MW capacity) on the Sun-men Gorge of the Yangtze River were postponed in 1989 for at least five years due to concerns over the dam's cost and "environmentalists' impact."

Mainland China has suffered from a serious shortage of electricity since the early 1970s. In 1985, the country was suffering a shortage of more than 50,000 MWh of electricity, which translated into a 20% shortage suffered by industry.

Three Gorges Dam would raise level of Yangtze River enough to feed Central Route canal



EIRNS/John Sigerson

Even in the southwestern provinces such as Sichuan, which is extremely rich in water resources but is not densely populated by industrial enterprises, most factories can only operate 3-4 days a week. In the region, every lost kilowatt-hour of electricity could have made at least three (reminbi) yuan worth of industrial products, which is equivalent to a worker's daily earnings (based on the regional standard). The average energy consumption of a Chinese citizen measures 700 kilograms of coal per year, only 5% of that consumed by an American. However, China's industry takes 60 million joules to produce \$1 worth of product, 2.5 times as much as what it takes in India.

Rural areas in China are faced with a shortage of 4 million metric tons of oil and 20 million MWh, and the situation is worsening because obsolete and less efficient industrial machinery is being moved from bankrupt manufacturers in the cities to the countryside for use by rural industrial companies. The Chinese News Agency Xinhua last fall reported that rural households also face a 20% shortfall of electricity, and that 200 million rural residents are living without electricity.

Chinese oil consumption in 1991 was 117.9 million tons,

up 6.9% from 1990, while production stood at 139.6 million tons, up 0.9% from a year earlier. Due to the policy pushed by international bankers, China has continuously decreased its yearly investment in energy production since 1990. The country is predicted to be an oil-importing country by the year 1995.

Sun Yat-sen's brainchild

Due to the vastness of the country, China has the richest water power resources in the world. Its total exploitable water power amounts to 380,000 megawatts, mostly distributed among the mountainous southwestern regions, along the upper and middle reaches of the Yangtze River that stretches 3,200 miles. Sichuan, Yunnan, and Guizhou provinces have a total water power of 176,000 megawatts, half the national water power resources, while the total water power of the Yangtze, including its tributaries, adds up to 230,000 megawatts.

The Yangtze has the potential for huge destruction and huge benefits. It threatens millions who live in fear of flooding. But if its power were tapped, it could help transform the river basin into the engine of China's economic growth, and

probably transform it into the manufacturing hub of Asia.

Back in 1919, Dr. Sun Yat-sen suggested a Three Gorges floodgate in his *Plans for National Reconstruction*. Besides controlling flooding and irrigating 10 million acres, the Three Gorges Dam project also provides a hydroelectric power plant with 13-18,700 megawatts of capacity to generate 67.7-89.1 million MWh of electricity every year. Colossal as people think it may be, this project only makes use of about 10% of the total water power of the Yangtze River.

To alleviate the energy shortage for industries in the area, China's water power must be fully employed. Not only is it much more efficient to generate electrical energy by water power, it is also cheaper in the long run to operate and maintain a hydroelectric power station. Hydroelectric power in China takes only 1.1¢ to generate one kilowatt-hour of electricity on average, while thermal power plants take 3.8¢ to generate the same amount of electricity.

Despite many advantages of water power, the region's water resources are far from fully utilized. Up to 1985, only 26,400 megawatts of water power had been exploited nationwide, less than 5% of the total available. The coal industry supplies more than 70% of energy to the nation, but eight provinces along the Yangtze River have only 2% of total coal deposits. China's industrial centers are largely located in the southeastern area where neither coal nor water resources are available.

The project, if properly constructed with other infrastructure along the river, may well affect the lives of 350 million people in the heartland—one-third of the population of China, outputting about 40% of the agricultural product.

A gateway to southwest China

Although China has nearly 780 billion tons of coal deposits and ranks the third largest in the world, the distribution is very uneven. Shanxi, a northern province and China's largest coal production center, contains one-third of total deposits. The northern area has as much as two-thirds of deposits, while the eight provinces south of the Yangtze River have only 2% of total deposits. Strategic industrial expansion is not taking place in the northern area, and China's manufacturing centers are largely located in the southeastern area where natural resources are inadequate. Shanghai, for instance, receives millions of tons of coal each year, transported from the north, crossing thousands of miles, to fuel this southern metropolis. On the other hand, the southwestern area, especially Sichuan, Yunnan, and Guizhou provinces, remain undeveloped, except for a few military manufacturers that were transferred into the region before the Cultural Revolution, when Mao was preparing for the outbreak of World War III. The abundant water power resources in the southwestern region are 1,000 miles away from the power-hungry industrial centers in the southeastern region. That is, those which produce don't have resources, while those which have resources don't produce.

For instance, Chongqing, a historic city in the southwest

and the war capital during World War II, stands at the upper reach of the Yangtze River where the Jinsha River joins. It has more than 9 million people in the greater area, producing about one-third of national weaponries. The defense industry is being converted to produce consumer goods. Although the assertion from the military sources that some 70% of the country's defense industry has now been converted is doubtful, the state, as part of the Eighth Five Year Plan (1991-95), pledges to channel loans of \$1.1 billion into 350 projects for military conversion, double that of the last period. China's defense industries have some of the most advanced technology, and employ about 300,000 research scientists and technicians, which could provide the backbone to support industrial development in such regions as the southwest, which once was considered the "third front," i.e., the interior of the country.

Yet this city is powered by coal, which is being depleted. The energy crisis would only worsen if productivity were unleashed by the defense industry conversion. In addition, the coal from the surrounding area contains 5% sulfur, 2% above that found in the northwest. Polluted air has given the metropolis the nickname "foggy city," and it suffers acid rain, which shortens the life of buildings, roads, bridges, as well as automobiles.

The Yangtze River in the region is joined by major tributaries such as the Yalong, the Ming, and the Jinsha rivers. There, streams flow from the Tibetan Plateau of more than 4,000 meters in elevation, to the Sichuan Basin, a drop of over 3,000 meters. As a result, Sichuan has over 25% of the national water power resources, nine times as much as the Yellow River. If Sichuan makes use of half its water power potential, it can produce 200 million MWh of electricity every year, saving 120 million tons of raw coal, equivalent to that produced in Shanxi in 1980. So far, however, it has made use of less than 3% of the exploitable water energy. More than 70% of its energy still comes from coal, a resource that Sichuan lacks, and only 10% from water power, which is just the opposite of its proportion of resources. In 1982, the average income of Sichuan, China's most populous province, was 536 yuan, which ranked 24th among the 29 provinces and districts in China.

Due to the long-term policy of ignoring infrastructure development in the northwest and southwest, China is divided. The Three Gorges Dam has a gigantic floodgate, which would permit ocean-going ships to sail to Chongqing to the southwest, 650 miles from the coast. In addition, the reservoir raised by the dam makes it possible to dig another canal west of the famed Grand Canal, which was built during the Sui Dynasty (589-618).

Who is behind the dam?

In 1932, the Nationalist Party (KMT) established a committee to survey the Three Gorges area and proposed a low-dam project, which was then assisted by the U.S. Bureau of Reclamation. In 1944, Dr. Savage, an American engineering

expert, came to China to reinvestigate the project. Over the years, numbers of engineers have visited with the National Resources Commission (NRC) of China and other organizations, and the NRC met with the Tennessee Valley Authority (TVA) in July 1943 in Knoxville, Tennessee. The Nationalist government sent about 50 Chinese to America to design the first high-dam at Three Gorges. In January 1946, the U.S. Army paper *Stars and Stripes* reported: "Drawing on the idealism and practical experience of the TVA and the Reclamation Bureau projects . . . the Chinese are projecting a public works improvement surpassing anything ever built."

As a result, a dam of over 200 meters in height was proposed. A form of Yangtze Valley Authority on the model of the TVA was proposed to manage the project. But the Sino-Japanese War and the following civil war put a stop to the venture, which was joined in by both the Republic of China and United States.

In the 1950s, the government of the P.R.C. put the project back on the agenda, and each new leader has had to deal with this issue ever since.

The project is now fully supported by Deng Xiaoping and Prime Minister Li Peng, who was a Russian-trained hydroelectric engineer. Both toured the site to convince others of its importance. To a large extent, the decision was made on political considerations. Although credit for the project goes to its author Dr. Sun Yat-sen, communist leaders in China need a monumental project to glorify the party; otherwise, the party has nothing to demonstrate its commitment to build infrastructure, to help maintain its grip on power. Following the reform policy in 1981, especially in the recent years, the country has been driven to pump huge amount of money into real estate and military expansion. On Jan. 25, an article in the state-run *Economic Daily* admitted that land speculation is leading to huge increase in the cost of basic materials. In Sichuan, the price of cement has skyrocketed from 200 yuan a ton to as much as 900 yuan a ton in the course of several months. Much investment has been wasted on real estate because local governments are encouraged to jump on the economic reform bandwagon to make quick money. No construction was completed to develop real industry and agriculture.

It was believed that Zhao Ziyang, then the party secretary of Sichuan province, opposed the project in 1989, because the 150-meter, low-dam scheme would benefit Hubei province, but deteriorate navigation in Sichuan province. Other opponents argued that China should not put all its eggs in one basket.

The strongest attacks, however, come from environmentalists outside the country.

In January, a ranking official in charge of dam construction admitted that "we know that international environmentalists are putting pressure on the World Bank, the Asian Development Bank, and foreign governments, so in our structure, we have accounted for the minimum amount of imports we can get by with. If foreign loans are blocked, we

are prepared to use our foreign exchange reserves."

Among the overseas environmentalists, Defenders of Wildlife, a U.S.-based group, announced plans on Dec. 30, 1992 to sue the U.S. Bureau of Reclamation, which had worked with Chiang Kai-shek's Nationalist government to design the project back in 1944. The group was also successful in opposing a 1986 Reagan administration rule that exempted foreign projects from submitting an environmental impact statement, which was required of any project that might threaten "endangered species." The goal of this group is to block any foreign technical and financial help to the project, and it seeks to curtail the U.S. connection with the Three Gorges Dam.

Because of the environmental interference, Three Gorges engineers have had to streamline the design to minimize costs so that only \$1.2 billion in foreign equipment will be required for the construction, which includes machinery, power transmission equipment, and 26 generators of 680 megawatts apiece. Further planning may result in importing only four of the generators, and duplicating the rest in China.

Abetting the looters

Building nationwide infrastructure like power plants, developing water and especially nuclear resources, and building rapid transportation systems, using modern technology, is the only feasible solution to develop this land of the oldest civilization in East Asia and to feed one-fifth of the world's population, which is being starved after four decades of communist rule. The water projects will not empower the Communist Party, which has lost its mandate of heaven as a corrupted and brutal government. And the flood of demands by the people to overthrow the current regime cannot be stopped by any man-made dam.

It takes much careful investigation to evaluate technically different schemes to develop water resources, i.e., whether one should invest more than \$10 billion to build one gigantic dam which floods 1.13 million people out of their homes along the river, or build 11 smaller projects on the tributaries that could provide as much as 3,042 MWh, effectively control the devastating floods, and provide quicker returns to meet urgent demands. Problems remain, even after half a century of feasibility studies. Nevertheless, as suggested by Dr. Sun Yat-sen, it is a right approach to protect lives and boost productivity in the poorly developed southwest area of the country. If the project can actually reach its goal, it will increase China's hydropower capacity by 10% and protect millions of lives.

More importantly, to reverse the new economic development trend in China, it may also help prevent the southwest region from being looted by the coastal Special Economic Zones, which are, in turn, looted by the same Hong Kong and western users whose stealing in China was brazen during the Opium Wars. The environmentalists who block any development for energy and flood control are abetting the looters.

The bigger they are . . .

The harder they fall. Creditors take control of Olympia & York, a real estate empire much mentioned in the book "Dope, Inc."

The demise of Toronto's Olympia & York Developments as a major real estate developer was sealed Feb. 5, when Justice Robert Blair of the Ontario Court of Justice approved the insolvent company's debt-restructuring plan.

"Olympia & York was one of the most respected real estate empires in the world," said Justice Blair. "Unfortunately it has fallen on hard times, and indeed it seems it has fallen apart."

Under the plan, the company's creditors will control 90% of what is left of the company, and the former owners, the Reichmann family, will own just 10%. Just how much will be left remains to be seen, since the plan allows the company's secured creditors to seize any of the collateral securing their debt, including a number of Canadian office towers and controlling stakes in two major Canadian natural resources firms, Gulf Canada Ltd. and Abitibi-Price, Inc.

The main role of O&Y under the new regime, will be to manage some of the properties it formerly owned. Justice Blair appointed the accounting firm of Coopers & Lybrand to run the company, in conjunction with a committee of the new creditor-owners.

The collapse of O&Y began one year ago, on Feb. 13, 1992, when the Dominion Bond Rating Service downgraded a number of O&Y debt issues, hurting the heavily indebted company's ability to raise money in the commercial paper market. By mid-March, O&Y admitted it was in a severe "liquidity crisis," and was seeking to restructure some \$12 billion in bond and bank-loan debts.

On March 25, O&Y co-founder

Paul Reichmann stepped down as president, as the bankers began to take control. Replacing Reichmann as president was former Manufacturers Hanover president Thomas Johnson; Johnson stepped down after just three weeks, after he reportedly discovered that O&Y's debt was actually in excess of \$25 billion, an amount too big for the banks to handle without outside help. Johnson was replaced by Dillon Read's Gerald Greenwald. A trio of advisers, James D. Wolfensohn Inc., headed by former Federal Reserve chairman Paul Volcker; J.P. Morgan; and Burns Fry Ltd. of Canada, were brought in by the Bank of Canada, the Bank of England and the Federal Reserve to oversee the take-down of the Reichmann empire.

In default on a growing number of payments and unable to persuade the Canadian government to grant a bailout, O&Y Developments and 28 of its Canadian subsidiaries filed for bankruptcy under the Canadian Companies' Creditors Arrangement Act, the Canadian equivalent of Chapter 11 in the U.S.

"This is not a bankruptcy, this is not a liquidation, and this is not the end of O&Y," Greenwald claimed at the time.

With O&Y's Canadian operations in bankruptcy, attention turned to the company's massive Canary Wharf development in London, the largest real estate project in Europe.

"Our company remains fully committed to the completion of its Canary Wharf project in London and is confident that the development will be a success," Paul Reichmann had said when he resigned as O&Y president.

Nevertheless, Canary Wharf was put into bankruptcy May 27, under the British Insolvency Act. The court appointed the accounting firm of Ernst & Young to manage Canary Wharf, effectively ending O&Y's role in the project.

That leaves the United States, where O&Y's U.S. subsidiary will be the last part of the O&Y empire to be taken down.

A bankruptcy filing for the U.S. subsidiary is inevitable. The firm is some \$5 billion in debt. It faces nearly \$1 billion in debt payments this year alone, and is already in default on a number of interest and principal payments on its 25 U.S. office buildings.

In August, the company proposed a restructuring plan which included a five-year moratorium on principal payments and limited interest payments, but the plan was rejected by the creditors. The company is now at work on an amended restructuring plan, which it will review with creditors in the next month.

By taking O&Y down in stages, the central banks have partially papered over the hole the firm's failure has blown in the world financial and real estate markets, but the collapse has escalated.

For evidence, one needs look no further than the Edper empire of Toronto's Edward and Peter Bronfman, which is some five times bigger than O&Y. Two Edper firms, real estate developer Bramalea Ltd. and financial services firm Royal Trustco, are already insolvent, and shares of the 32 publicly traded companies in the Edper group have dropped precipitously in value over the last several weeks, to all-time lows.

With its dividend flows and borrowing ability drying up, Edper will inevitably follow O&Y into bankruptcy, blowing out an even bigger chunk of the bankrupt financial system.

Call for LaRouche's freedom

At first House Agriculture Committee hearing for 1993, Espy lauded Clinton while Merry called for LaRouche's program.

On Feb. 3, *EIR* Agriculture Editor Marcia Merry testified before the House Agriculture Committee, at a hearing called by Chairman Kika de la Garza (D-Tex.) to "review the economic situation facing U.S. agriculture and rural America."

The hearing, the first full Agriculture Committee hearing of 1993, was filmed by C-Span and televised in full over the following days, and gave an overview of the crisis of the economy, and worse, the crisis of the absence of leadership at a time of emergency.

The hearing began with a morning-long interchange between U.S. Secretary of Agriculture Michael Espy and most of the 45 members of the Agriculture Committee, 17 of whom are new to Congress. Espy's presentation was characterized by repeated assurances to his former fellow committee members (he was a congressman for six years) that President Clinton "has embraced" the North American Free Trade Agreement (NAFTA), and that Espy would "be sure that the USDA has a seat" at the General Agreement on Tariffs and Trade and NAFTA talks. He also assured them that while he may trim the USDA budget, he will not let go of USDA control of forestry, nutrition, and other vital programs.

Espy fielded questions ranging from ethanol to the spotted owl, and promised to be "an honest broker" for all interests. He referred to a project he had helped form in 1988-89, called "The Lower Mississippi Delta Commission," which devised "400 reasonable ways to improve life in the basin."

Espy told the committee, "Any

light I can provide is provided by the showers of light on me from President Clinton. He chose me."

The day's proceedings ended with Merry's testimony, which, quite opposite to the views of some of the witnesses and congressmen, spelled out how the country is in a disastrous depression. After documenting this, Merry made a personal request to the committee for their assistance in seeing that U.S. economist and statesman Lyndon LaRouche is released from prison because of the "extraordinary leadership" needed to reverse the depression.

In response, committee chairman De la Garza said that although it was "not in the purview of the Agriculture Committee," he thought that "other committees would be happy" to take up the situation of Mr. LaRouche.

Merry began by holding up for ridicule the Feb. 3 *Washington Post* Business Page lauding the "upturn." She said, "The real situation is that the economy is a catastrophe." She briefed the committee on 1) the breakdown of the physical economy; 2) the fact that only the "financial sector," such as through the Federal Reserve interest rate spread scam for the banks and the federally guaranteed loan swindles, is growing; and 3) how to restore federal control of money and start up a mobilization for infrastructure, agriculture, and basic industry. She called the committee's attention to the case of the Zenker family in North Dakota, for whom a sheriff's sale was pending on Feb. 8 (since called off, see page 64).

Merry warned against any attempt

to legislate accommodations to the catastrophe, such as "free enterprise zones" that have brought cholera to the Rio Grande River Basin, in the committee chairman's home district.

"The latest example of this madness is 'animal enterprise zones' in Iowa," she said, identifying it as the brainchild of the Stanford Research Institute. She ridiculed as "madness" Washington's campaign for free trade and trade war in the name of gaining U.S. "market share" under circumstances of worldwide depression. She pointed to the suffering in Africa and the former Soviet sphere as evidence of the need for U.S. production.

Merry ended by citing some of the initiatives going "in the right direction": 1) "The Federal Reserve Accountability Act," introduced by Rep. Henry Gonzalez (D-Tex.); 2) Sen. Bennett Johnston's (D-La.) oil floor price of \$25 per barrel, "a parity price analagous to what's needed for farm and other commodities"; and 3) the North Dakota legislature's proposal for a moratorium on family farm foreclosures. Lastly, she gave committee members a copy of a Jan. 14 *Washington Post* advertisement, an Open Letter to President Clinton from 1,000 signators around the world asking for the release of LaRouche.

Merry informed the committee, "LaRouche is in the Rochester, Minnesota prison. . . . He has been jailed for four years . . . and you know it was a political frameup. Mr. LaRouche is now 70 years old. . . . His name stands for economic development. I ask you personally to help get him released. We need his assistance now. This economic emergency requires extraordinary leadership."

Merry's written testimony was entitled "End the Regime of the Federal Reserve; Institute Economic Emergency Measures," and is available from *EIR*.

Business Briefs

Asia

Malaysia and India sign cooperation agreement

Malaysia and India signed a defense agreement in Kuala Lumpur on Feb. 2. "The agreement will allow logistics support for aircraft that are common to both countries," Malaysian Defense Minister Najib Razak said after signing the pact with his Indian counterpart, Sharad Pawar.

Malaysia is considering buying 30 MiG-29s from the Russians, which have been offered at \$24 million each, and has been looking to India to provide parts and service for the fighters. The United States had offered Malaysia F-16 and F/A-18 Hornet fighters, but Malaysian officials say that their cost is almost double that of the MiG-29s.

In remarks before signing the agreement, Najib called the memorandum a milestone in relations between the two countries. "Through this agreement, I hope India would assist Malaysia in areas such as military training, logistics support, and defense industry," he said.

Neo-Liberalism

Britain on dead-end course, says Bérégovoy

Britain has chosen a self-defeating economic course, French Prime Minister Pierre Bérégovoy said on Feb. 4. "I feel today that Britain is going down a dead-end path. And that is true for everything," he said. Lowering interest rates and depreciation of the pound has not helped the economy to recover. "You can see that confidence is not coming back and unemployment in Britain is rising at a pace clearly faster than elsewhere."

Bérégovoy claimed that British Prime Minister John Major was the victim of Thatcher's ultra-liberal policies. Referring to the decision by Hoover, the U.S. appliance maker, to shift production from France to Scotland because of low wage costs, he said: "You can see where unfettered liberalism gets you. The Scottish workers, a pistol loaded with job cuts

at their heads, have agreed to give up employment rights, the right to strike, [and] accepted a blow to their pension funds and wage cuts."

Britain is becoming the "sweatshop" of Europe. After the recent fall of the pound, tensions between Britain and the European Community over the increasingly competitive battle for jobs are rising. Relatively low wages and worker benefits have already helped Britain to lure a disproportionate share of foreign investment. In early February, S.C. Johnson and Son Inc., the U.S. household-products maker, announced it would be moving production from France to Britain. Philips Electronics will also cease production in its Dutch cathode tube plant in favor of Britain.

Jacques Delors, president of the European Commission, attacked Britain for "job-poaching" by downgrading workers' rights and benefits to secure investment. French officials have blamed Britain for "social dumping." According to a 1990 survey, social security and other insurance costs in Britain made up 14.5% of worker compensation. In Germany, that figure stood at 22%, compared with 28.6% in France. These low costs are further signs that the productive powers of labor of the average British worker has been eroding.

Both Bérégovoy and Delors are themselves notorious monetarists, who favor a slightly more sugared form of free-market poison.

Russia

Refugee migration has become a major problem

The internal migration of ethnic and other refugees inside the former Soviet Union is becoming a problem that could soon go out of control, warned a report which was presented to the Parliamentary Assembly of the Council of Europe in Strasbourg on Feb. 4.

The report states: "More than 460,000 ethnic refugees have been officially registered at the federal migration service of Russia. This pertains to Russians who were living outside Russia and to non-Russians who fled the ethnic conflicts and civil wars in Moldova, Azerbaijan, Armenia, Ossetia, Ingushetia,

Abkhazia, Tajikistan and Uzbekistan." Further refugee flows are anticipated from "the Baltic states where other ethnic conflicts have broken out."

Since the collapse of the Soviet Union, the report states, millions of people have become "candidates" for such migrations. There are 25 million ethnic Russians living outside Russia in the former Soviet Union, and there are at least 128 different ethnic groups who were victims of the mass deportation policies of Stalin. Certain victims of forced migration, like the Cossack peoples of southern Russia and the Tatars coming from Ukraine, want to regain their territory of origin.

The Strasbourg Assembly has asked the Russian government "to adopt as soon as possible legislation concerning migrants, refugees and displaced persons," and "to encourage the non-governmental organizations and charitable organizations to put in place communities of self-help for displaced persons," the French daily *Libération* reported.

AIDS

Only testing slows disease spread

A study of heterosexual college students found that focusing on education to stop the spread of AIDS generally worked only when coupled with blood tests. Researchers at the University of California at Los Angeles led by Dr. Neil Wenger said that there was little change in the sexual behavior of students who were exposed to an education program alone about the human immunodeficiency virus and the way it is acquired, but among students who underwent both education and testing for HIV, there was a marked increase in the number who talked to their sexual partners about the virus and asked questions about their partners' HIV status, UPI reported on Feb. 5.

"Only when education was combined with HIV antibody testing was there a significant effect on communication" between sexual partners, said Wenger.

Meanwhile, French researcher Dr. Luc Montagnier, head of the Pasteur Institute team that isolated the virus in 1983, called for a glob-

al foundation on research and prevention of AIDS, in a commentary in the Feb. 3 *Le Monde*. He forecast that nearly 10 million people infected today could be dead within 10 years if no cure is found. "Our cause concerns the world . . . we have to destroy AIDS, otherwise AIDS destroys us." He said that the hope remains of finding a vaccine, but not immediately.

Montagnier expressed support for a world foundation on AIDS treatment and prevention that is to be launched soon by U.N. Education, Scientific and Cultural Organization Secretary General Federico Mayor and French Health Minister Bernard Kouchner. Montagnier invited President Clinton to support the foundation.

Science

Optical biophysics spurs leap in cancer treatment

New biochemical and optical biophysics techniques are leading to a leap in the treatment of cancer, Reuters reported on Jan. 25. The changes are likely to make today's radiation and chemotherapy treatments, with the high toll they exact on the whole body, seem like the Dark Ages to future generations.

"There has been a quantum leap in the past 10 years in our understanding of what creates cancer cells," said David Secher, director of drug development for the U.K. Cancer Research Campaign.

One technique being explored uses light-sensitive drugs based on chemicals called porphyrins. When exposed to certain lightwaves, they become highly unstable and produce a reactive form of oxygen that kills nearby tissue. The porphyrin drugs, injected into the body, travel to the tumor or cancer cells in the blood where they are treated with lightwaves using lasers or optic fibers. The method is particularly useful in treating tumors that are hard to reach with conventional surgery, as well as some leukemias.

Increasingly, researchers are turning to the body itself to try to find better drugs. Human-based hormones for breast and prostate cancer are already in use. Another area of research

involves understanding the functioning of the cancer cell to block it at key points, to understand a cancer's DNA code to try to disrupt it, and to develop methods to detect cancer at an early stage.

"Gene therapy is the way of the future," said Nicholas Wright of the Imperial Cancer Research Fund, which provides much of the funding for cancer research in Britain. "By the time one gets to all these advanced drugs, it's a bit too late really. Early diagnosis has the most hope, and if one could find the genetic marker for a cancer and then screen for it, you could do a lot more to cure people."

Health

Food irradiation may be used to combat E. coli

Food irradiation is being considered as one of the measures to ensure that hamburger meat is not contaminated with bacteria, according to Russell Cross, the administrator of the U.S. Department of Agriculture's (USDA) Food Safety Inspection Service. Recently, two children died and 300 adults became sick after eating undercooked hamburger meat contaminated with E. coli bacteria in the United States. The outbreak has cost \$1 million in government and medical costs, according to health officials, *USA Today* reported on Feb. 3.

An epidemic of E. coli bacterium infections, which first surfaced in Seattle on Jan. 13, continues to spread throughout the Northwest. The outbreak has been traced to hamburgers served at Jack-in-the-Box fast food outlets in Washington and other states. Cases have been reported in Nevada, Oregon, and Idaho.

E. coli is a strain of the *Escherichia coli* bacterium that grows in the intestinal tracts and feces of animals, particularly dairy cattle. Primary transmission occurs when people eat contaminated food or liquids. Beef can become contaminated during slaughtering. Symptoms include severe diarrhea and stomach cramps. In about 10% of cases, it causes kidney failure. It can lead to heart failure, stroke, or damage to the pancreas.

Briefly

● **THE BIRTH RATE** in North Africa is falling steeply, French demographer Prof. Youssef Courbage said in Brussels on Feb. 1. European fears of a "flood of Arab immigrants" are wildly exaggerated, he said. He expects the working-age population in Algeria, Morocco, and Tunisia to level off about the year 2005.

● **NATIONAL IRANIAN** Oil Co. officials, headed by Sayed Mehdi Hosseini, will soon participate in talks with U.S. firms on possible projects. Amoco Corp., which had extensive operations in Iran from 1958 until the revolution, will be participating in the talks.

● **GENERAL MOTORS** will write off \$20.8 billion for 1992, allegedly in accordance with changes in accounting practices designed to more accurately reflect future costs of employee health and benefit plans. The move will result in a total loss of \$23.5 billion, exceeding the record loss recently set by IBM.

● **ARMENIA**, which is rationing electricity and running water because of energy shortages caused by the Azerbaijan blockade, faces more International Monetary Fund austerity. On Feb. 2, President Ter-Petrossian replaced Prime Minister Arutyunian and his cabinet, which had opposed radical free market policies, with Deputy Prime Minister Bagratian, who backs such "reforms."

● **CHINA'S** entry into the General Agreement on Tariffs and Trade would trigger a 20 million job loss over three years, the *South China Morning Post*, a Hong Kong-based newspaper, reported. Beijing is hoping for GATT membership this year.

● **THE DUTCH** manufacturer DAF, a leading truck-maker, filed for protection against its creditors on Feb. 2 after British banks in DAF's banking consortium (National Westminster, Barclays, and Lloyds) and the Dutch government failed to agree on emergency short-term funding. The collapse puts 12-15,000 jobs at risk.

Military patriots rise up to save Ibero-America

by Dennis Small

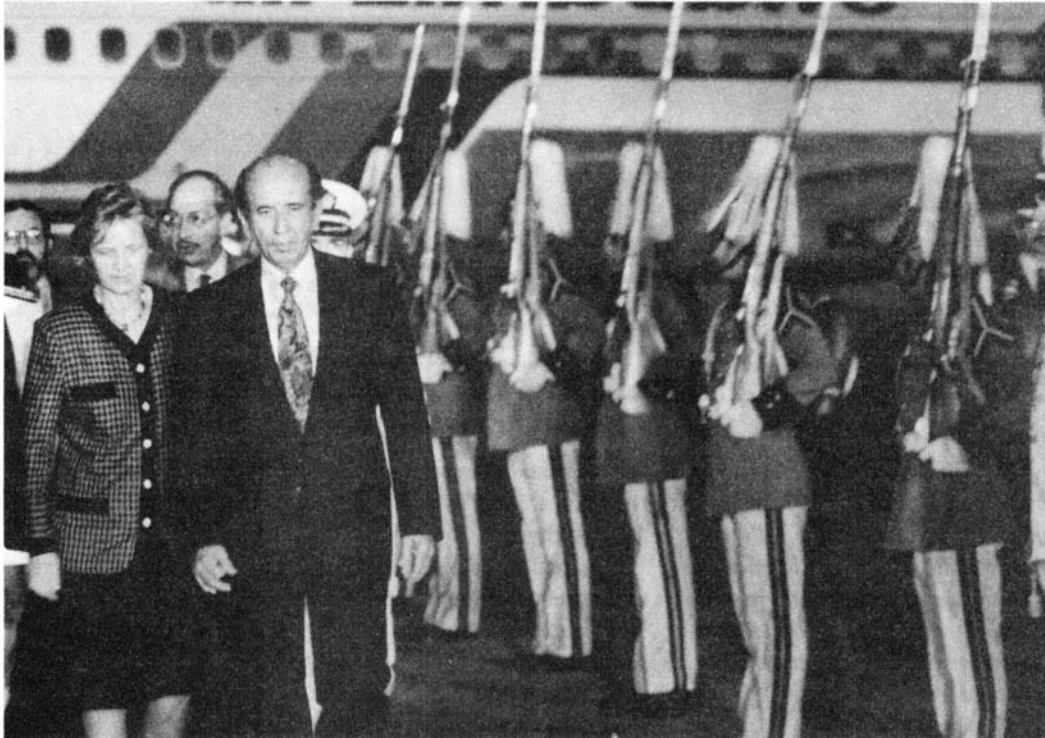
On Nov. 27, 1992, a military coup headed by admirals Hernán Grüber and Luis Cabrera, and Air Force general Francisco Visconti Osorio, nearly seized power in Venezuela. They were the visible leaders of the "July 5 Civil-Military Movement," which moved to overthrow the corrupt government of President Carlos Andrés Pérez and his pro-International Monetary Fund (IMF) economic policies, which are strongly supported by Washington.

The Nov. 27 coup attempt failed for two principal reasons: 1) It was betrayed by the fourth leader of the group, a high-level Navy officer, who went over to the government hours before the uprising began; and 2) a crucial video announcement of the coup by Grüber, Cabrera, and Visconti, all in full-dress uniform, which was slated to be shown on national TV as the coup was in progress was never shown; instead, three scruffy leftists went on the air calling on the population to take to the streets to do battle with whatever weapons they had at hand. The impression was that the coup was wildly ultra-leftist, which most Venezuelans were not prepared to support.

Many observers have commented that, had the true video been shown (see box, p. 22), the coup might well have succeeded.

The Nov. 27 coup attempt in Venezuela capped a year of revolt all across Ibero-America against the austerity policies of the IMF, against its corrupt "democracies," and against Washington's policy of dismantling the armed forces of the continent. If 1992 began with pretty much every Ibero-American government in Washington's hip pocket, the year certainly didn't end that way: As of early 1993, civil-military resistance movements had managed to kick over the policy chessboard in at least four Ibero-American nations.

As General Visconti put it in the exclusive interview with *EIR* which we present below, "The nationalist current within the armies of the Latin American armed forces is becoming stronger every day . . . and is becoming and is perceived as an obstacle to the interests of those behind the new world order."



Venezuelan President Carlos Andrés Pérez in a ceremony at Caracas airport in 1991. It is unlikely he will hold onto power to the end of 1993.

Perhaps most worrisome of all to Washington and Wall Street is the growing contact and coordination among Ibero-America's nationalist movements. As Visconti emphasized, in response to a question about Col. Mohamed Alí Seineldín's movement in Argentina: "I'm not familiar with those movements in detail . . . [but] any regional or international movement which opposes the attempts of those supranational agencies to limit sovereignty . . . must be supported and must be integrated into a regional and worldwide crusade. . . . The idea of integration is necessary for survival."

The Ibero-American revolts of 1992 were unleashed by events in Haiti on Sept. 30, 1991, when the military there, outraged at his efforts to impose IMF looting by terrorizing and murdering his opponents, overthrew Marxist President Jean-Baptiste Aristide. Despite massive international pressure, including a criminal economic blockade organized by the United States and the Organization of American States, the Haitian government and people have held out for over a year and a half, sending an unmistakable message across the continent: Even the smallest and poorest of nations is capable of standing up to and resisting IMF genocide and the destruction of the armed forces.

In early February 1992, the Pérez government in Venezuela was preparing to send troops into Haiti to snuff out the resistance, on U.S. instructions. Instead, the Venezuelan military revolted, and on Feb. 4 the country underwent its first attempted coup of the year, led by Col. Hugo Chávez. Although the uprising failed, it decisively changed the conti-

nent's political landscape: Military revolts against the policies of the new world order were no longer inconceivable in a major South American nation. Washington deployed desperately to keep Pérez in power, and to threaten nationalists in other countries possibly considering similar moves.

But on April 5, 1992, President Alberto Fujimori of Peru, with the backing of the military, dissolved the corrupt Congress and Supreme Court in order to carry out an all-out war against the Shining Path narco-terrorists. Here too, Washington screamed its opposition, but so far Peru has held out, insisting on its sovereign right to defend itself in war against a foreign-backed enemy. On Sept. 12, the Fujimori government shocked the world by capturing Abimael Guzmán, the feared leader of Shining Path. His arrest and subsequent life sentence led to a wave of optimism that it was possible to reassert sovereignty and stop narco-terrorism, even over Washington's opposition.

Days later, on Sept. 29, 1992, the chessboard was also kicked over in Brazil, with the impeachment of President Fernando Collor de Mello on charges of corruption. Collor was forced to resign on Dec. 29 by a combination of mass street demonstrations of over a million people, and military insistence that Collor had to go—or else.

And on Nov. 27, the second Venezuelan coup attempt of 1992 occurred. Although Pérez managed to survive this revolt, it is unlikely that he will be able to hold on until the end of his term in December 1993. His fall will lead to the same kind of remoralization across Ibero-America that occurred with the capture of Shining Path's Guzmán.

'The idea of continental integration is necessary for our survival'

Venezuelan Air Force Brig. Gen. Francisco Visconti Osorio, one of the leaders of the frustrated Nov. 27, 1992 uprising who has been given asylum in Peru, granted the following exclusive interview to Dennis Small, EIR's intelligence director for Ibero-America. The general is currently in exile along with 50 other Venezuelan Air Force pilots and technicians. The interview was conducted in Lima, Peru on Jan. 29, 1993, and has been translated from Spanish.

EIR: The civil-military uprising on Nov. 27, 1992 posed the need for urgent change in Venezuela, in the economic, political, and moral arenas. Regarding the first, what is the problem in Venezuela today, and what are the proposals of your movement? What should be done with Venezuela's foreign debt? What should be done regarding the International Monetary Fund?

Visconti: Venezuela has its own peculiarities. On the one hand, it is the Latin American country whose natural endowments have enabled it throughout its history to enjoy the greatest resources, to be able to develop a life that fully satisfies the basic needs of its people. And yet we have a phenomenon in which all of these resources which we have access to have not been adequately used, but have been wasted. Wasted by poor administration and wasted by the effects of the corruption we have denounced, where in effect the arrival of a political party in power in Venezuela means *caudillismo*, as seen in the most recent cases. Upon taking power, that party becomes a modern-day chieftain, with its corrupt leader, and the resources of the nation become the loot which they end up distributing among themselves.

The result is that instead of growing and developing, the resources of this richest nation in Latin America have been diverted to become the illegal booty of the people who dominate the country.

This situation has been worsened by the fact that not only have the resources of Venezuela's productive process been wasted, but international credits have been sought and similarly wasted and misused by the same national leaders. That is to say, we wasted what we produced or what we obtained

on the basis of the productive capacity of the country's natural resources. And in addition, we have sought loans and also wasted these.

A real development process has not been advanced in Venezuela, although the capacity to do so exists. The results are clear. We are a country to which some 10 years ago, every Latin American wanted to go, because it was "El Dorado"; it was where one could find the best opportunities, from an economic standpoint. We have gone from that to a country today where critical poverty afflicts approximately 40% of the population; where the middle class—the buffer class, the class which in the past more or less enabled Venezuela to have a fairly reasonable standard of living—has notably shrunk. And instead of the middle class moving into the upper class from the economic point of view, it has become a poor class. At the same time, a large section of the poor class has slipped into critical poverty. From the economic point of view, the upper class has shrunk to approximately 3%, but a 3% with the unique feature of having accumulated practically the entirety of the country's wealth. Instead of there being more wealthy people, there are fewer people who count themselves among the rich, but they have more capital than the wealthy who had previously existed.

And so, the internal situation in Venezuela is becoming polarized into a vast poor class, and a very tiny, but very rich, upper class. This has never happened before. Before there was a middle class, as I have noted, which allowed the situation to be balanced.

Given this reality, what is happening or is going to happen? Well, there is the danger that, to the extent that the economic situation becomes more critical, to the extent that the recommendations of the International Monetary Fund continue to be unconditionally and excessively applied, we face the danger of a social explosion perhaps more radicalized than what occurred on Feb. 27, 1989. This could end up in anarchy. And who can say whether it might not degenerate into internal warfare, into a civil war, where the great mass of the population—which has no access to the means of satisfying its basic needs under an inflexible economic

policy exclusively linked to the interests of the International Monetary Fund and which fails to meet the true needs of the country, and in the face of an extremely wealthy and privileged minority class—will carry out the process of which we are speaking, an explosive and anarchic process which could lead to the destruction of the country.

EIR: So you are saying that the unrestrained application of the neo-liberal economic policy which the pope has so often criticized could lead to social convulsion?

Visconti: Could lead? No. Already has led. The only thing is that up until now they have been able to control and moderate it. The risk is that if they continue to apply those same prescriptions of the Fund, the measures indicated by the Fund, without any kind of moderation to meet the social needs of the population, the situation can become radicalized and uncontrollable.

EIR: One example of the problem is that of every \$3 of the Venezuelan budget, \$1 is used to pay the debt.

Visconti: Yes, that is so: Practically 30% of the national budget is used to service the foreign debt.

Now there is another detail. The situation of the Venezuelan foreign debt has not been clarified. Of course, the ruling class has every interest in not doing so. There is no certainty as to the true amount of the Venezuelan foreign debt. And there is even a portion of that foreign debt which is illegal. The financial world, the United States, the bankers have unofficially acknowledged this. But the Venezuelan government has not been interested in clarifying this situation, because they profit from it.

The Venezuelan foreign debt is on the order of \$35 billion. Of this, it is estimated that some \$10 to \$15 billion is illegal foreign debt, and that another \$5 billion, which also reflects a portion of the foreign debt, is fictitious foreign debt that the Venezuelan government maintains abroad, to be able to manipulate those funds and those resources for personal ends and for those of the ruling political group.

EIR: When you speak of clarifying the foreign debt, you mean distinguishing which part is legitimate and which illegitimate?

Visconti: Exactly. And to ascertain the real size of the Venezuelan foreign debt.

EIR: That is, of the legitimate part?

Visconti: Yes, of the legitimate part. Because what is illegitimate is not real. When we speak of a debt that I may have with you, I know what I legally owe and you are aware of the true amount that I owe you, not what you or I suppose is owed. So we must find out, must clarify, what is the true amount of what we have by mutual and legal agreement established as a commitment between two parties.

EIR: Our magazine has done several studies on the Ibero-American foreign debt, and on Venezuela's in particular, and has come up with the following statistics. In 1980, Venezuela's official foreign debt was \$24.3 billion. In the course of the 1980s—that is, during a decade of payments—Venezuela paid \$30.9 billion in pure interest on that debt. That is, it owed some \$24 billion and paid nearly \$31 billion. But by the end of this period, Venezuela owed \$34.8 billion—that is, more than it owed in the beginning. Do you agree that this reflects the problem of the illegitimate aspect of the debt, and that a good portion, if not all, of the foreign debt has already been paid?

Visconti: Yes, we estimate that the legal—or legitimate as

CAP represents the IMF and the 'new world order'

From an interview with Brig. Gen. Francisco Visconti Osorio, published on Feb. 3 in El Nuevo País:

There is an international and continental reality which currently exists and, unfortunately, CAP [Venezuelan President Carlos Andrés Pérez] operates in our country as a representative or spokesman for the International Monetary Fund and new world order, and the conception behind that new world order is to reduce, or possibly eliminate, the armed forces of Third World countries, to remove potential obstacles to the IMF's plans and dominate our countries. . . .

[Included in those plans] is the elimination of the armed forces, especially those of Latin America, to leave only the police forces; the spokesman of that new order in Latin America is the [Inter-American] Dialogue. They specifically propose this, which was supported by Venezuela's current foreign minister at the last meeting of the Organization of American States. . . .

That project's purpose is none other than to weaken or reduce the armed forces of the developing countries, so that they do not become obstacles to the new world order's pretensions, materialized through the International Monetary Fund's programs. . . . It's unfortunate that being a general in the Army, Foreign Minister Fernando Ochoa Antich doesn't realize how he is being manipulated, or how there is general manipulation against Venezuela's interests and against the national Armed Forces.

we prefer to call it—foreign debt of Venezuela should not exceed \$15 billion; that is, some 50% or perhaps 40%, or not more than 60% of what is today said to be the amount of

Venezuela's foreign debt. And of course, another aspect of this that clamors for attention is the fact that these debts, instead of diminishing as they are paid, keep growing be-

The real message of the November coup bid

On Nov. 27, 1992 a videotaped message was supposed to be shown on Venezuelan television, from the leaders of the coup attempt. Instead, a phony message was shown, which purported to be from leaders of the action, but which in fact had nothing to do with them. We excerpt here from the real message.

Adm. Hernán Grüber Odremán

At this the Republic's vital hour, the Navy, Army, Air Force, and National Guard send out the following message: Events occurring throughout the national territory at this time are the epilogue to a regrettable situation, in which the Armed Forces accept the people's call to overthrow a government which betrayed the sacred commitment to serve the nation which placed it in power.

Men and women in uniform have sworn to defend the National Constitution, and by that, obedience to the government is tacit and understood to be our duty. But when that government violates the most elementary principles of coexistence, when it turns its back on the popular cry for peace within society, then, dear compatriots, there is no reason to continue obeying it. Because the conduct of the citizen and the soldier has as its supreme goal the protection of the republic's Constitution, which for the last several years has been trampled on by unscrupulous individuals who are unconcerned about the flagrant degradation of the republic's moral and material patrimony.

The government has ignored, in an insulting manner, the dialogue organized by immense sectors of national life to seek a peaceful solution to the crisis. . . . Perhaps they thought they were safe, because they had the support of the national Armed Forces; unfortunately, in many cases, they did, to the great dishonor of the Venezuelan soldier.

Yet we all know that this was possible thanks to the Machiavellian corruption of the military institution, placing in the highest positions officials who, with few exceptions, lacked the necessary qualities prescribed by law, and saw in this diabolical complicity the only way to attain higher rank. . . .

People of Venezuela, we are here at your side, answering your call; go out on the streets and show your support peacefully; this will be a civil-military government which



Admiral Hernán Grüber and other coup leaders in an image from the suppressed TV video.

will be presided over by civilians of recognized honesty and commitment to your dearest interests. We, the Armed Forces, are only here as a genuine expression of your will, to support you with the force of arms. Believe in us. . . .

People of Venezuela, how many tears are shed daily, and how much anguish is felt as you see the care of your family and your children's future slip from your grasp, while those who loot the national Treasury flaunt their luxury and openly try your patience. Therefore, compatriots, let the immortal words of our National Anthem resound in our breasts. . . . Long Live true democracy for which we fight today! People of Venezuela, go out on the streets and peacefully show your support for the new government. Viva Venezuela! Viva the July 5 Civil-Military Movement to save democracy! . . .

Brig. Gen. Francisco Visconti

The planes you see and hear in the skies of the Fatherland, the skies of Caracas, are the planes of Venezuelans, of our Air Force, which today are at the service of the rescue of Venezuela's true democracy. . . .

We men and women in uniform have sworn to defend the National Constitution, and by that, obedience to the government is tacit and understood to be our duty. But when the government violates the most elementary principles of coexistence, when it turns its back on the popular cry for peace within society, then, dear compatriots, there is no reason to continue to obey it.

cause of the interest rates charged. This is completely illogical. It is assumed that to the extent one is paying off a debt, the amount of the debt should diminish or, in the worst case, if the principal is not amortized, at least it should remain fixed. The phenomenon we are dealing with here, which is surprising and unacceptable, is precisely that even while interest is being paid and even when we have made payments on the principal, the amount has continued to grow instead of shrink.

EIR: Could we use the word "usury" to describe aspects of this process?

Visconti: Well, what we have here is economic manipulation of the debt on a world scale.

EIR: Regarding basic principles, would you agree with Pope John Paul II that legitimate international debts should be met, but not at the cost of the people's hunger?

Visconti: This is not merely the case with international debts; personal debts should also be guided by that principle. As an individual, I cannot subject my family to indigency or starve my children to death to meet an obligation that I have with another person. And the other must be reasonable from a human standpoint on this matter. That is, he should understand that I recognize the commitment I have made with him, I acknowledge the debt I have with him, but as a human being he should understand that the priority must be at least food for the children.

The countries of the international community must be dealt with in the same way. A country should recognize its legal commitments to another country from a financial standpoint, but the creditor country should also understand, from a human point of view, that the debtor country must first and foremost satisfy the basic needs of its population (food, health, housing) and afterwards, given the fact that that country recognizes the commitment it has made, should be given the ability to meet these international financial commitments without sacrificing the needs of its population.

EIR: I want to ask you a question about what has come to be known as the "Bush Manual," which now perhaps should be known as the "Clinton Manual," that is, Washington's plan for the demilitarization of Ibero-America, to reduce the importance, the weight, and the functions of the armed forces. The current government of Venezuela, that of Carlos Andrés Pérez, has played a very important role in promoting this policy, especially Washington's proposal to restructure the Organization of American States (OAS) to establish the principle that it is acceptable to limit national sovereignty and to intervene in the internal affairs of another country, to promote demilitarization in so-called defense of "human rights" and "democracy."

What is your opinion of this demilitarization program, and in particular of Pérez's role in the reorganization of the

OAS and of the Inter-American Defense Board?

Visconti: Well, this is not exclusive, it does not unilaterally affect Venezuela. This stems from a preconceived program on the part of those who direct and have formulated the proposals of the "new world order." It is a project that is being run, in the first place, at the level of the United Nations Security Council, to give the United Nations a supranational military force financed by the signators or member nations of the Security Council, and where the United Nations could decide to deploy these supranational military forces wherever the Security Council deems that world or regional peace is threatened.

Of course, we know that a United Nations in which all countries do not have equal weight or equal voting rights, is not going to respond to the majority interests of the international or world community, but rather, those nations which maintain veto power are going to shift the balance of the United Nations' decisions toward their particular interests.

EIR: As occurred in the case of Iraq, for example.

Visconti: As has occurred historically in every case. Historically, since the creation of the United Nations after the Yalta accord, things have been so: The United Nations has acted in the interests of those who have voting rights and who hold hegemony in decision-making. This is what is happening now, with the difference that as the world has been de-polarized, there is a single hegemonic center.

What does this mean? That the United Nations is essentially going to depend on the interests of that hegemonic center and those which are directed linked with that center. Herein lies the danger of such a decision.

This, of course, has region-wide implications. In our regional forum, which is the Organization of American States, there are attempts to implement a similar policy or decision. The Organization of American States argues that in order to preserve regional peace and the governments they currently call democratic, but which are party-democracies or pseudo-democracies, a supranational armed forces at the regional level also has to be created.

The Armed Forces run by the Organization of American States, through the Inter-American Defense Board, are supposed to become the leadership or vanguard military body of these military forces. And these armed forces are going to be endowed with the power to intervene in our countries, whenever the supposed interests of the region are placed above the interests of the country in question.

But once again, we have the disadvantage that the hegemonic decision-making center at the world level is in the region, and is therefore going to be the hegemonic decision-making center at the regional level. It is going to be the decisions of that country, which practically has veto rights in the Organization of American States—perhaps not in terms of regulations, but in terms of power—which are going to say where and when those armed forces are going to be

Within our armed forces, a nationalist current is growing stronger by the day. And that growth of a nationalist conception of the armed forces in our countries is becoming and is perceived as an obstacle to the interest of those behind the "new world order."

employed, to the detriment of the countries of the region.

And of course, this is a very sensitive matter from the national standpoint of our countries, because it is going to limit our national sovereignties.

EIR: Then you oppose this idea of limited sovereignty.

Visconti: Of course. At no point can we accept any decision that imposes limitations on our countries. And what is even more sensitive is the following: that with the reduction of our armed forces, because part of this American project is also to seek a reduction of the armed forces of each country, the budgets that are used by these armed forces would go to finance the supranational armed forces run by the Organization of American States. . . .

What is behind all this is not only a reduction of the armed forces themselves for financial reasons, but also the elimination of the armed forces because it is becoming clear that within each of our armed forces, a nationalist current is growing stronger by the day. And that concept, that growth of a nationalist conception of the armed forces in our countries is becoming and is perceived as an obstacle to the interest of those behind the "new world order," who seek to manipulate and have access to the raw materials of our countries, without there being any firm opposition from any sector of national life in those countries.

The armed forces are an institutional body in our republics, which has weight and influence over the decisions that our governments can make.

EIR: And they are not going to easily accept either limited sovereignty or the uncontrolled payment of the debt that leads to social convulsions.

Visconti: That is so. And not only the armed forces. The population as a whole must become aware that we must oppose this. We have absolutely to oppose limitation on our sovereignty and we have absolutely to oppose any economic projects or programs that drive our society into indigence, and that prevent us from meeting the basic needs of our populations.

EIR: Why does President Carlos Andrés Pérez support demilitarization? Why does he support the transformation of the OAS into this kind of supranational body? Why does he

support the concept of limited sovereignty?

Visconti: Perhaps because he grasps it in a more limited, even good-faith fashion . . . because they see that to the extent the size of our armed forces is reduced, they can continue to more easily benefit from, with less opposition, the current political system in our country. And the argument they use is the need to preserve their alleged democracy, which is not democracy, but *party-ocracy*.

So I think that in a mistaken way, and perhaps without realizing the real consequences this may have from the standpoint of national versus foreign interests, they play the game, fall into the trap, and perceive only the smaller or limited benefit they might derive in terms of internal politics, to perpetuate themselves within the party-ocracy predominating in our nations.

By reducing the armed forces, the possibility of opposing this party system is reduced.

EIR: What do you think of the famous Thornburgh Doctrine, the idea endorsed by the United States Supreme Court according to which that country proclaimed its right to intervene and kidnap in any country of the world?

Visconti: Yes, I believe there was some experience with Mexico in that regard?

EIR: With Mexico and with Noriega.

Visconti: Ah. And Panama. Well, that has to be unacceptable. The international system, the world system must definitively reject such a unilateral decision on the part of one country to the detriment of and in violation of the most elementary rights that each country has as a function of its sovereignty. In my opinion, it is inadmissible.

EIR: Venezuela is not the only country where there has been opposition to the "demilitarization" manual from Washington. There has been opposition in Brazil, and also in Chile and in Argentina, in particular from the so-called *carapintada* movement of Col. Mohamed Alí Seineldín. So we are talking about a continent-wide project, not only against Venezuela, but continental.

Visconti: And global.

EIR: What do you think of these other movements, in partic-

ular of the Argentine *carapintadas*?

Visconti: I have not studied these movements in detail. I must be honest: I haven't studied their various proposals. What I can say, however, is the following: Every regional or global movement that opposes the attempts of these supranational bodies to limit sovereignty and to manipulate our political and economic models so that supranational interests can seize our natural resources, has to be supported and integrated into a regional and worldwide crusade against those attempts.

EIR: How important do you consider the idea of integration, the idea of coordinating efforts among those who oppose this kind of project?

Visconti: The idea, the necessity for integration is nothing new. Our liberator Simón Bolívar visualized this when the first republics were being formed in the region, and we know historically that the consequence was the effort made at the Amphictyonic Congress in Panama. There the focus was precisely on integration.

Simón Bolívar was clear on this, and was aware that only through an integration of efforts could we move forward as nations and be able to develop ourselves as nations. He spoke not only of political integration, but also of economic integration. And from that time forward—we are talking about 1820—it was precisely the preponderant world economic interests of that era which sabotaged and opposed that integration.

It was England which at that time sabotaged, not only the meeting, but the goals that meeting pursued. Why? Simply, because both England and the United States at that time already foresaw that the integration of all the countries in the region was going to become an obstacle to the hegemony that they sought to maintain in the world from that point onward.

The famous Monroe Doctrine reflected this to some degree. The famous phrase of "America for Americans" was America for Americans, but for the Americans of the North, since the United States wanted to take away England's hegemony in the economic arena.

EIR: We are talking in particular about the Roosevelt Corollary to the Monroe Doctrine, which was applied by the Teddy Roosevelt presidency at the beginning of the 20th century?

Visconti: That is already more modern; we are still in the 1800s. England, which boasted economic dominion—it was the era of the dominion of the seas—opposed the Amphictyonic Congress. It sabotaged it, and the United States contributed to that sabotage because the United States was already aware that it had to seize hegemony from England to be able to enjoy it itself.

And of course, with that strategy, the United States saw that any Ibero-American integration was going to prove an obstacle to the objectives they pursued in the future. Later,

Teddy Roosevelt was also to practice that in this century.

EIR: But do you think that integration continues to be an active project or idea?

Visconti: Not merely a project. The idea of integration is necessary for survival. Only through integration, respecting the particular needs of each of our countries and the need for sovereignty of each one of our countries, only through a real process of integration which is not only economic, but also to a certain degree political, can we emerge from the critical and deplorable situation in which we find ourselves.

EIR: With regard to integration, one of the most widely distributed proposals on the continent in the last 10 years is that of Mr. Lyndon LaRouche, founder of our magazine *Resumen Ejecutivo de EIR*. It first appeared in writing in 1982 as *Operación Juárez*, and was then elaborated with more detail in the 1986 book *Ibero-American Integration*.

What do you think of the basic concepts expressed in those studies: common market, physical integration of the economies, development of infrastructure, and the rest?

Visconti: I have heard about those works—I have them in hand—but I haven't had the chance to read them. But based on what I've heard, I believe that [LaRouche] agrees with what I, in particular, have always professed is our need for integration. And presumably there are bases for agreements between what I think should be done and what Mr. LaRouche has already scientifically proposed.

Our regional economies must agree on development from the standpoint of the relative advantages of each one of our countries. And although this is not the ultimate goal, if we as a region were to close our border and establish complementary economic development—economic development where each country can undertake a sincere effort to find the maximum productive capacity of its relatively advantaged sectors—we will be able to subsist as a region.

Of course, the intention is not that our region should isolate itself from the international system, but rather that through this process of integration, through this process of complementary economic development, we should have the capacity, not only to subsist and to meet our own needs, but also to proceed in a consolidated way to trade with the rest of the world.

So, we definitely have this need, and not only on the level of economic development, but also on the level of the financial system and of the financial world, to which we should and can go as a regional bloc, to negotiate on more favorable terms than we would on individual terms. That is, we must work to negotiate as a bloc with the international financial bodies, and as countries which complement each other economically, to achieve regional development.

EIR: I would like to ask you a little bit more about the July

5 Movement of which you are a part, regarding its goals and the concepts behind it. First, a very direct question: Immediately after Nov. 27, you were labelled leftists. Are you or are you not leftists?

Visconti: We are nationalists. We are neither leftists nor rightists. I think that in our country today we cannot speak of leftists or rightists. In our country one must speak in terms of reality: the current crisis that must be resolved through an integration of efforts by every sector of national life which wants to consciously work to rescue the country from the political abyss in which it finds itself.

EIR: How would you sum up the political and economic objectives of the movement? Or perhaps the question should be formulated another way: If you had won on Nov. 27, how would Venezuela be different today from the way it is under Pérez?

Visconti: Of course, the reorganization of Venezuelan civil society would have already begun, through the genuine participation of the citizenry in the decisions of national life, leading to the restructuring of national life and its leadership. We were going to carry out the reorganization of the country from the bottom to the top, and where the organized communities would be the ones to select the individuals responsible for directing the efforts of those communities, starting from the base of our society, which is the neighborhood councils, and going from there to the mayoral and gubernatorial levels, to regional bodies, and so on to the highest leadership of the country. These would be the powers we already know: the top leadership of the Executive, the Legislative, the Judiciary; and we thought that there should exist two additional powers: a Comptroller and a branch in charge of selecting personnel, called the Selective Branch.

That is, the state should be guided by five independent powers: the three traditional ones that we know are a part of republican life, which are the Executive, Judiciary, and Legislative, and these two additional powers, which would be Comptroller and Selective Branch.

In all of these cases, it was going to function basically through the electoral process. And in those cases where the application of this method was not feasible, it would have to be by nomination, where the best qualified individuals for the job would be chosen.

And there would also have to be criteria by which public servants would have to undertake real careers in their various professions, to avoid the involvement in public life of individuals who lack experience or proper training.

EIR: All this is what you call "participatory democracy," instead of party-ocracy?

Visconti: I am against calling our electoral systems democracies. They should be called party-ocracies, because it is the exercise of politics through the parties, where the citizenry

cannot directly express itself except through the political parties.

EIR: The political project of the July 5 Movement is participatory democracy. Can you explain a bit more the economic aspect?

Visconti: From the economic standpoint, we are clear that given the crisis the country is facing, there are aspects which, while not necessarily long-term economic programs, nonetheless must be addressed immediately, on an emergency basis. And these involve the need to satisfy the basic needs of the population. We established certain priorities for meeting the basic needs of the human being and of the population.

We indicated that the population's first need is for food, and this yielded an economic project to find the means to produce the food that would satisfy this need of the Venezuelan people. From this came a program to address agriculture and ranching, and the Venezuelan agro-industrial process.

Then came health. A project was considered to develop, modernize, reorganize, and administer a Venezuelan health system.

But all of these things are premised on sector leadership. That is, to try to illustrate the issue of a Venezuelan health system, we feel that the communities must get involved in everything leading up to the national level. If there is a need for a health clinic in a small town somewhere in the country, the community should involve itself, even if it is the state which should provide the resources. It is the community which should administer the resources, which should maintain oversight over its functioning and its maintenance. For within the community, there is not only the consumer of the service, but also the professional who provides it.

One of the priorities of our crusade was to rescue the country and to eradicate corruption, which would lead as a result to there being more resources to meet national needs. A large portion of Venezuela's financial resources is lost through corruption and mismanagement.

What does this mean? That by eradicating corruption, financial resources are going to increase. Then the country, as well as the state, will involve itself on a priority basis in those areas that are going to be of benefit to all.

On the matter of industrial—macroindustrial—development, we believe that the country should maintain control only over those industries that it considers to be basic national industries. And it would maintain an opening toward privatization and the entry of private capital which wants to invest in the Venezuelan productive process, with all the facilities we make available. It would seek a policy of incentives such that private or foreign capital could take part in the Venezuelan productive process.

EIR: That is, to come to produce, not to speculate.

Visconti: Precisely, to produce. And this is the healthy

premise of any economic system, of any economic process in the world.

Within the process of Venezuela's industrial development, efforts should be directed to those areas where Venezuela has a relative advantage; to the extent possible, the production process should be carried all the way to the end product, in areas like petrochemicals, the metallurgical industry, aluminum processing—which are all the sectors in which Venezuela has relative advantages—not to seek involvement in those areas where a productive process would be anti-economic or would not be competitive with the region or the world system.

EIR: You said that you would preserve the role of the state in strategic sectors of the economy. I imagine that means oil.

Visconti: Yes, petrochemicals, steel, and aluminum.

EIR: In other words, *Petróleos de Venezuela* should not be privatized?

Visconti: It shouldn't be privatized. However, opportunity should be given to foreign private capital which wants to come in and invest in those sectors, but without eliminating the participation of the state in existing industries that belong to the nation. Of course, these national industries should be made more efficient through an honest, capable, and depoliticized managerial and administrative process. There is a lot of talk about how the state is a bad manager, a bad administrator. But that is only the case because management and administration today are an exercise in dispensing political benefits, by placing people in charge of this or that industry.

EIR: In recent years, oil production and the income that Venezuela receives from oil has to a large degree left the country, either through capital flight or as payment on the foreign debt. That is, it has not directly benefitted the people. What role should oil play in the Venezuelan economy, and what should be done with the income from oil?

'Corruption has invaded the Armed Forces'

The following are excerpts of a letter written Nov. 28, 1992 from San Carlos Prison by Admirals Hernán E. Grúber Odremán and Luis E. Caberra Aguierre, two of the leaders of the Nov. 27, 1992 coup attempt against President Carlos Andrés Pérez. The letter was directed to Dr. Pedro París Montesinos and Dr. Luis Enrique Oberto, president and vice president of the lower and upper houses of the Venezuelan Congress.

Corruption has invaded the national Armed Forces, as seen in the alarming number of events which clash with morality and the law, encouraged by the interference of politics in their midst, violating the basic principle which nurtures every military man's willingness to sacrifice for his country. . . .

This has profoundly demoralized our Armed Forces, weakening their efficiency, and worse, altering the path laid out in the Constitution; they have become ineffectual and servile, and on the other hand, have lost the virtues of courage, spirit of sacrifice, abnegation, and dignity coherent with military character. . . .

The following examples demonstrate this:

1) The Army's AMX-30 tanks have been practically lost, because the contract for rebuilding them, which is

fraught with corruption, has been seriously questioned. . . . What happened to the investigation?

2) The missile-carrying frigates whose purchase caused an international scandal because of commissions paid, have reached their lowest operational level; this is due to . . . the failure to vigorously demand necessary maintenance.

The Navy's Amphibious LVTP-7 tanks have been lost due to the negligence and failure of the Navy's high command to oversee their maintenance. Who will answer for the at least \$30 million lost? . . .

The Korean firm which built the Capana-class transport ships returned almost \$26 million to the Navy, due to non-compliance with the contractual clause referring to gun mountings. Where is that money, and the interest earned on it when it was deposited in foreign banks? . . .

7) In the Armed Forces there are illegal acts which involve high-level officers, regarding multimillion-dollar purchases of goods in the U.S. and Europe. . . . Prior to Nov. 27, what was the operational status of transport and combat aircraft?

9) During the September 1992 inspection of the Armed Forces' Health Directorate, fraud of approximately 200 million bolívares was detected. . . . Who is responsible for this painful fact? Where is the money? . . .

Distinguished gentlemen: Can the Armed Forces, in such a state of moral and material deterioration, defend the country and its highest interests, if military force were to be deployed in some international conflict, or to protect our territory? . . .

To the extent that the recommendations of the IMF continue to be unconditionally and excessively applied, we face the danger of a social explosion perhaps more radicalized than what occurred on Feb. 27, 1989. This could end up in anarchy.

Visconti: Fundamentally, the Venezuelan oil industry should move toward development of its petrochemical industry at all levels: not the sale of crude oil, but its transformation into final products. Venezuela should become an exporter of products derived from hydrocarbons.

EIR: With greater added value.

Visconti: With greater added value. And what of the resources generated by this whole industrial process that is the property of the Venezuelan nation? Because there can also be private participation on the national level; there can also be foreign participation, which would make its contribution through taxes. But a national industry not only contributes through taxes, but is an industry of the Venezuelan people and must provide a larger portion of financial resources to the Venezuelan state than that which a private or foreign industry would provide. Undoubtedly.

Of course, all these resources should go to the national Treasury, so that the Venezuelan state can, as its first priority, meet the basic needs of the population, and secondly, attend to all the development programs of the Venezuelan state.

EIR: You spoke a moment ago of the "micro" side of things, what should be done at the community level. But at the "macro" level of the Venezuelan economy, what would be the priority great projects for the country in which the state should participate?

Visconti: Apart from infrastructure, or including it?

EIR: Including infrastructure.

Visconti: From the standpoint of industrial development, I have already noted the petrochemical industry, steel, and aluminum. These are our major areas.

From the standpoint of infrastructure, the priority in Venezuela is the development of waterways that could internally connect the country economically: the famous Orinoco-Apure axis. And then we would connect this "highway," let us call it that, from the heart of Venezuela to other areas of national territory by means of rail networks. There have existed plans to this effect for many years, but they have never been put into practice.

And to the ports, we would connect railroad branch lines, escaping once and for all from that extreme dependency we

have upon car and truck transport, which is one of the most polluting methods of transport and whose infrastructure needs greater maintenance.

EIR: And this is extremely costly per ton-kilometer.

Visconti: Of course. So, fundamentally, the priorities are communications infrastructure, waterways, and railways. Of course, for short-term transport, one must use car and truck transport.

Venezuela's telecommunications services, which were supposedly privatized, have to be reexamined. It must be analyzed, because for reasons of sovereignty, telecommunications services should be in the hands of the state, and they have been passed to the private sector. These should be returned to the state, because they are a strategic service of national life.

EIR: Continuing with this question of infrastructure, but in regional terms, what do you think of the idea of integrating or establishing a river connection between the Orinoco and the Amazon?

Visconti: Orinoco, Amazon, Cuenca del Plata?

EIR: Right, to integrate the trade waterways of various nations.

Visconti: This is an historic aspiration of South Americans, and it would be the fundamental step to take in developing the heart of South America.

EIR: It is a common interest of Venezuela, Brazil, and Argentina.

Visconti: All of South America should concern itself with moving this project forward as quickly as possible.

EIR: And the implication of all this is that Venezuela's foreign trade could also orient itself more toward the Latin American continent, for example, with regard to oil.

Visconti: Yes, as we have already noted earlier, there is a need on the regional level to drive forward a process of industrial development and economic complementarity, where each of our nations must develop the areas where it has a relative advantage. And to guarantee that through such a regional trade agreement, the products will flow and move

and feed the development needs of the region.

EIR: Let us take a concrete example. Brazil imports oil and has a surplus of food; Venezuela exports oil and needs to import food. Here is obvious complementarity.

Visconti: Yes, it is definitely illogical that Brazil should have to buy oil from the Middle East instead of from Venezuela, when it is a South American country that is contiguous to Venezuela. It is a contradiction, I think, which cannot stand up to the slightest analysis from a logical economic standpoint: that given Brazil's need to meet its energy requirements from abroad, it should have to turn to the Middle East market, when it has a leading producer of the region next door. It is illogical.

These are the distortions that exist on the level of the world economic system, which should in some form or another be corrected.

EIR: The Nov. 27 uprising was unsuccessful, at least in terms of the immediate intention of taking power. Clearly, this means that the situation you are describing has not changed. What is going to happen if there are no changes now?

Visconti: The concern is not only that of young soldiers nor of the Armed Forces. The concern is already on a national scale. The Venezuelan population has also grown a little in that sense, and is equally concerned, because the political leadership is preventing progress, preventing transformation, and preventing movement toward a real democratic process. What does this mean? That apart from the discontent that exists within the Armed Forces, there is also discontent within the population. It means that both the military sector as well as other sectors of our national life must keep pressuring for necessary changes.

EIR: Two concluding questions. What message do you have for the youth of Venezuela and of Ibero-America, a youth which sometimes thinks it has no future, which has no optimism? What is your message and that of your movement for this youth?

Visconti: More than a message, I have a reflection on what not only Venezuelan youth should do, but Ibero-America's youth also.

We must be aware of the way in which we have been manipulated for a long time, for years, throughout history. The process of transculturation to which we have been subjected is the product of interests who operate on a global scale, both from the economic and political standpoints, which has made us lose a sense of our national and regional identity. Only through our own means, by assuming a sincere and objective awareness of our own capacities, of our regional capacities, and through integration of similarly sincere efforts both within our individual countries and regionally,

will we be able to confront the reality of the crises we are facing.

We can be rescued from these crises we face, but only by means of a process of national integration, and then through regional integration. All the development programs, projects, and activities that we carry out must be with the clear certainty of what we are capable of accomplishing, both individually and through combining the efforts of the countries that make up our region.

EIR: When you speak of "transculturation," I imagine that you are referring, among other things, to the role of television, to the problems of pornography and drugs, and so on. All of this is something that the youth must reject for the sake of a higher ideal, the goal of integration that you are proposing.

Visconti: Yes, that is so. Transculturation comes fundamentally through what the media tell us, or what they try to present as reality and which makes us lose sight of what truly constitutes national and regional values. To the point that the United States in recent years, since it is the one that has a world monopoly over the media, has inundated us with messages that do not appropriately guide our youth. The national and regional images that are imposed on us do not allow us to see ourselves as we are. We are using a looking glass which is not a reference point for Venezuelan or regional reality. We are using a looking glass that distorts the landscape outside.

EIR: Some final message or comments for our readers?

Visconti: Yes. I have had the luck here in Peru to make contact with the publications that you produce. It has been a surprise, but also very pleasant, to see that what we had in the past empirically determined as a form of action that must be pursued if we are to overcome the marginal situation in which our countries find themselves, you are and have been proposing, from a scientific standpoint, for some time. So I am delighted by the fact that publications like yours exist which scientifically validate what we have perceived as the lawful path to take.

We hope that you will continue to be inspired by these same principles, and also will continue to work and continue to provide us, as you have done, with the scientific information that we need to establish solid foundations and to be able to move toward that final objective which we all seek: the rescue of our nations and the genuine development of our region.

EIR: Is there a final point you would like to make that perhaps I have not asked you?

Visconti: No, we have conversed at length. But there will be new opportunities for us to address issues that we have perhaps unwittingly not touched on at this time.

Russia faces new tribulations by April

by Rachel Douglas

A new crisis of political power in Russia is exploding, well in advance of the referendum on Russia's form of government, which last December's Seventh Congress of People's Deputies scheduled to take place in April 1993. Skirmishes over the referendum have been so fierce and are being played out against the backdrop of such economic disasters, that the normally reserved Chancellor Helmut Kohl of Germany sounded an alarm.

Speaking at a conference of the Wehrkunde society held in Munich the weekend of Feb. 6-7, Kohl said, "It is a terrible thing to state, but in spite of all the cruelties happening in the Balkans, it is not a real threat to our security, it does not mean the beginning of World War III. The real threat is looming in the East, on the territory of the former Soviet Union."

The April referendum was supposed to resolve a power stalemate between President Boris Yeltsin, and the majority of deputies of the Congress of People's Deputies (CPD) and its smaller, sitting group of parliamentarians, the Supreme Soviet. Both were elected in 1991, before the collapse of the Communist Party and the Soviet Union.

The chance to select either a presidential or a parliamentary system has failed to capture the imagination of Russia's people, who have just had one-third of the already eroded purchasing power of their money wiped out by inflation in the space of one month. The press is full of talk about a possible "failure of the referendum," if, disgusted as people are by the politicking, fewer than 50% of registered voters turn out. A cartoon in the daily *Nezavisimaya Gazeta* on Jan. 29 showed emaciated Russian voters, dressed in rags, being asked to come and vote.

While the wording of the referendum is not yet decided—

whether it should be a simple choice of a system of government, or an array of votes on politics, economics, and statehood—each passing day poses more starkly the broader question, of whether the Russian state will continue to exist at all. Will it rupture, in a firestorm of local wars that collectively dwarf the horrors in former Yugoslavia? Or will military and other forces attempt to hold Russia together, and restore the Soviet empire, by force?

Statements from Russian military and other spokesmen, including condemnations of the latest U.S. bombing of Iraq, show that a more adversarial strategic posture is being adopted during this crisis.

The mood of uncertainty was heightened, when a Major Kislov of the Russia Army, said to be mentally deranged, was arrested on Jan. 30 for plotting to assassinate Yeltsin. Some Russian press promptly carried front-page features on political assassinations as a way of life in Russia throughout the 20th century.

The referendum

On Jan. 27, when Yeltsin was in India, parliamentary speaker Ruslan Khasbulatov moved to change the 1993 political agenda. Alluding to the specter of "failure of the referendum," Khasbulatov said, "I am constantly thinking about how to attract the people to the referendum on the Constitution. Perhaps the last question should be formulated as follows: Do you agree that general elections of the President and the entire corps of deputies should be held in the spring of 1994?" In this way, as *Nezavisimaya Gazeta* reported, Khasbulatov "put the idea of a referendum in doubt and called for preparations for general elections."

Khasbulatov cultivates the image of an unpredictable

maverick, jousting with Yeltsin. He hails from Chechnya, within Russia's borders in the strife-torn North Caucasus region, and goes surrounded by rumors, such as unconfirmed reports that he commands a large, private armed force in Moscow, tied in with business interests of himself and his family. For his Jan. 27 overture, Khasbulatov used a speech to Forum-90, a group of young businessmen aligned with the Civic Union coalition and the new Union for the Rebirth of Russia, both of which oppose Yeltsin and command support in the Supreme Soviet and the CPD.

By Feb. 3, Yeltsin's chief of cabinet, Sergei Filatov, began to distance the President from an ironclad commitment to the referendum. He told Russian TV that the referendum might have been poorly conceived, and would better be focused less on constitutional questions and more on economic reform. Valeri Zorkin, head of Russia's Constitutional Court and architect of the Yeltsin-Khasbulatov compromise that set the referendum, told the daily *Pravda* he hoped Russia would soon "abandon the referendum."

The simmering power struggle boiled over at the first session of Round Table talks on Feb. 5, convened by Yeltsin to find a consensus among his staff, the government, the parliament, and regional leaders on the referendum and on "recommendations for an anti-crisis program." Khasbulatov promptly demanded that the referendum be cancelled. He formalized his call for elections, presidential as well as parliamentary, to be held in 1994. The more militant so-called "national-patriotic" opposition, grouped in the National Salvation Front, wants elections even sooner, in the autumn of this year.

Khasbulatov is also threatening to convene the Eighth Congress of People's Deputies before the referendum, in which case it could scratch the vote and make a new assault on Yeltsin's presidency. Vice President Aleksandr Rutskoy, in his address to the Round Table, termed the Executive branch of Russia's government "fragile, unstable, and impossible to control," and said that "political convulsions could be immediately ahead."

A government without optimism

Economic convulsions are ahead, behind, and on all sides. At the Round Table, Prime Minister Viktor Chernomyrdin lamented that "there are no grounds for optimism" about the economy, for "the fall of production can no longer be stopped."

During January, government economists admitted during the talks, inflation was not the 30% previously estimated, but 50% just for that month. Yeltsin himself called the economic situation "desperate."

On the eve of the Round Table, Yeltsin lashed out at the Ministry of Economics for allowing the inflation and the plunge of production during 1992. The economics minister is Andrei Nechayev, a supporter of Yeltsin's own preferred reformer, Yegor Gaidar, whom the CPD ousted as acting

prime minister in December.

At a Feb. 4 press conference, Nechayev admitted that his and Gaidar's "harsh financial policy" led not to "financial stabilization," but to a crisis of payments among enterprises that stalled out industry. Then, "a sharp deviation toward abrupt softening of the credit policy was made," as the central bank and the government both churned out money and credits to rescue production.

For a short-term remedy, however, Nechayev pledged to resume the credit crunch, and launch "phased reduction of subsidies . . . to food producers, to the coal industry and other . . . inefficient production facilities." This would yield more results when the Law on Bankruptcies goes into effect March 1, he said—as if the main stumbling block in the Russian economy had been the absence of procedures for loss-making facilities to be shut down or reorganized! He said that Yeltsin wanted bankruptcies to be shown on television, so that deadbeats would believe this can happen and not sit waiting for subsidies. Nechayev had no explanation of how orderly profit-making is supposed to occur when hyperinflation reigns.

Bankruptcies and unemployment on a huge scale are expected, when subsidies are cut to such sectors as coal mining. For miners in Vorkuta, in far northern Russia, "the danger of becoming a city of unemployed miners, whom nobody wants in the south either, is very real," reported *Izvestia* on Jan. 13. When coal mines are reorganized into share societies, as is supposed to take place before March 31 according to a decree by Yeltsin, "the state will guarantee them no subsidies, and . . . many mines, above all those in Vorkuta, will go bankrupt because of the high cost of mining coal in the Arctic."

In Vorkuta, as elsewhere in Russia, criminality is at an all-time high. In past strikes, the coal miners won the right to freely sell part of their product for hard currency, "so Vorkuta today is saturated . . . with imported cars and electronic equipment. Like flies to honey, these goods have attracted dealers from all ends of the country. There is a flood of thievery, and criminals are settling accounts and dividing up booty by means of shootouts on the street." There is talk of setting up armed workers' militias.

The Kuzbass mining region in western Siberia, *Izvestia* reported on Jan. 25, experienced three murders of businessmen in the span of a few days. The victims were the director of a refining factory, a branch director of the Kuzbass Industrial Bank, and the chairman of a cooperative lumber company, together with his 13-year-old son and a worker.

At the turn of the year, a banker and his bodyguard were shot dead on the streets of Moscow, which has its own Wild West atmosphere.

Will Russia splinter?

"Will Russia Fall Apart?" headlined *Argumenty i Fakty*, a 12-million circulation weekly, in January. "The breakup of

the Russian state must be stopped,” trumpeted *Nezavisimaya Gazeta* over an interview with a Russian general in charge of crisis management in North Ossetia and Ingushetia, in the North Caucasus. The headlines refer to another burning question, whether the Russian Federation will splinter as the Soviet Union did.

According to *Argumenty i Fakty*, Article 59 of the new constitution of the Tatarstan Republic “declares the supremacy of its laws on its territory,” and defines the republic as “a state associated with Russia.” The draft constitution of Bashkortostan states that “the Bashkortostan Republic preserves the right freely to exit from the Russian Federation.”

The Tatar and Bashkir entities, situated near the southern end of the Ural Mountains and endowed with rich petroleum resources, were “Autonomous Soviet Socialist Republics” within the Russian Federation, under the Soviet Union. The Tatars and Bashkirs, descended from the Mongol occupiers of Russia in the 12th-14th centuries, are not the ethnic majority within those “autonomies.” But their bid for statehood is no joke.

Argumenty i Fakty commented that when Yeltsin signs a planned bilateral treaty between Russia and Tatarstan, he will “de facto recognize the anti-Russian constitution of Tatarstan,” and “mark the total collapse of the constitutional system.” According to *Nezavisimaya Gazeta* of Jan. 23, Tatarstan was able to blackmail Yeltsin because of his commitment to his April referendum: “The Tatarstan leadership went for broke: If the treaty is not signed by April, the all-Russian referendum will not be conducted in the [Tatarstan] republic.”

At least 17 “constitutional republics” have been defined within Russia, according to the article in *Argumenty i Fakty* No. 2 for 1993. In a followup in issue No. 3, the weekly quoted Supreme Soviet Deputy Yegor Shugayev: “If at the April referendum several of the Russian republics pose the question of leaving the federation, we will have to put a cross on the grave of a unified, indivisible country with a centuries-long history.”

At a Feb. 9 meeting with Yeltsin, the presidents of 20 autonomies demanded a postponement of the national referendum.

All power to the Constituent Assembly?

Before losing any more members, the Russian Federation has already shrunk from the 1988 full extent of the Soviet-Russian Empire, back to the area Russia controlled in the 17th century. It is no secret that people in the Army and in the old ruling *nomenklatura* would like to reverse these losses.

There is a real threat of attempts at imperial restoration as chaos spreads. It is also a specter that every politician invokes.

According to *Nezavisimaya Gazeta*, Khasbulatov also “considers that there is a very real danger of an authoritarian

terrorist regime being established in the country. ‘Such an attempt could occur even before the referendum,’ he told [the paper]. . . . In Khasbulatov’s opinion, the only way to avert the threat of dictatorship is to begin to prepare public opinion for general elections in the spring of 1994.”

A column by Yuri Feofanov in the Jan. 13 *Izvestia* discussing whether the April referendum would “splinter Russia,” forecast that “failure” of the referendum would delegitimize the Russian state. Thus, “the failure of the referendum could well mean the beginning of the end of the federation, and hence of Russian statehood.” He compared the process with the political crises of the Weimar Republic in Germany in the 1920s, which was ended with the Nazi takeover.

At the December Third Congress of Democratic Russia, the now-fragmented coalition in which the anti-communist opposition was grouped at the beginning of the 1990s, Yeltsin’s former adviser Galina Starovoitova also drew the comparison with Weimar. She called for Democratic Russia to be fully in opposition now, no longer subservient to Yeltsin.

In an article in *Nezavisimaya Gazeta* of Jan. 26, former Moscow Mayor Gavril Popov also argued that Democratic Russia and other heirs of the anti-communist “democratic” movement must not blindly equate the success of reform with support for Yeltsin’s every move. In particular, Popov blasted the economic ideas of Gaidar as a disaster for Russia. “The International Monetary Fund, more accurately, was the author of these conceptions,” he said. Until now, the Civic Union and the National Salvation Front were the most vocal opponents of the IMF, so that criticism of the IMF was believed by many to denote an “anti-reform” attitude.

In his article and in a Jan. 18 conference in St. Petersburg on the matter, Popov endorsed the initiative of Marina Salye of Democratic Russia to convene a Constituent Assembly, the Russian *Uchrezhditelnoye sobraniye*, to decide the constitutional basis for Russian statehood. Its delegates would represent all strata from all regions of the Russian Federation, with the proviso that participants in the Constituent Assembly could not hold office in the state they design.

Some have proposed reaching further back into Russia’s past, to hold a *Zemsky sobor*, the ancient Russian “gathering of the lands.” In 1613, a *Zemsky sobor* established the power of the Romanov dynasty in Russia, which ruled until 1917. The National Salvation Front has bandied about a call for a *Zemsky sobor* in its slogans, but, as writer Pavel Nevinsky asserted in *Nezavisimaya Gazeta* on Jan. 14, “to convoke such a *sobor* is the exclusive prerogative of the holder of supreme authority in the state,” i.e., Yeltsin.

On Feb. 3, Yeltsin’s aide Filatov also endorsed the Constituent Assembly plan, which would preempt the elections desired by Khasbulatov.

The last Constituent Assembly in Russia was in 1918. It was dissolved by the Bolsheviks, who acted under the slogan “All Power to the *Soviets*” and established the Soviet system.

Scientific musical tuning comes to the Arab world

by Muriel Mirak-Weissbach

The Schiller Institute, which has pioneered the campaign to lower musical tuning to the scientific pitch of $C=256$, opened a new exciting front in the worldwide musical revolution by bringing the campaign to Jordan. During the first week of February, Sheila Jones, regional coordinator of the Schiller Institute in the American Midwest, travelled to Amman, Jordan, on the invitation of the National Music Conservatory. Working with individual students, teachers, as well as parents of conservatory students and music lovers, Mrs. Jones presented the basic outlines of the Schiller Institute's *A Manual on the Rudiments of Tuning and Registration*.

The visit could not have occurred at a more opportune moment, as Jordan is embarking on a pioneering project, launched by Her Majesty Queen Noor, to teach children music, not only in the conservatory, which was founded for that purpose in 1986, but in the school system as a whole. As a brochure of the National Music Conservatory/Noor Al Hussein Foundation details, the NMC has a special task to help fulfill Jordan's commitment "to develop a literate and skilled music community capable of responding to the challenges of the 21st century." The conservatory has rapidly grown from a string program with three Jordanian teachers and 45 students (between 6 and 12 years old), to an institution with six programs, 300 students, and 37 members of the faculty. The school's pioneering role in introducing musical instruction to Jordanian children was acknowledged at the annual Jerash Festival, initially, in a symbolic way; young performers were encouraged to take part, without being subjected to heavy challenges and criticism. In 1992, the NMC's participation in the Jerash Festival signalled "a qualitative move towards firmly establishing music ensembles that should exist in the cultural structure of Jordan and strive for excellence and professional musicianship."

The bel canto method

Mrs. Jones presented the basic concepts of the bel canto method and tradition, demonstrating the scientific basis for tuning at $C=256$, and illustrated, through well-known classical pieces, the way in which higher tuning distorts the musical significance of the composer's ideas. Most importantly, Mrs. Jones established the primacy of the singing voice in all music, not only theoretically, but in practice, by leading the students, teachers, and parents to discover their own singing

voices. Many of the students, who came for individual instruction in the mornings, were self-taught and presented a wide variety of questions; one young woman had developed a beautiful soprano voice, but with limited range, and wanted to expand it. Through simple bel canto vocalization exercises emphasizing the three distinct voice registers, Mrs. Jones helped her discover capabilities in her chest and head voice. Others, including women who have performed professionally, were eager to explore the implications of registration for musical interpretation.

Three public presentations during the week were devoted to this aspect of the work, in which Mrs. Jones used video clips and other audio-visual aides to show how higher tuning violates the natural laws of the human singing voice, as well as the laws of classical composition based upon it. World famous musicians like Piero Cappuccilli and Norbert Brainin were shown demonstrating the musical difference between the two tunings for the baritone voice, in operatic arias, and the violin, in an unaccompanied piece by J.S. Bach. In both cases, the superiority of the scientific tuning was obvious to the listeners; the question that arose was, "Why would anyone want to raise the pitch and ruin the music?" Thus, the historical and political nature of the tuning fight became the focus of discussion, leading to a lively debate regarding the criteria needed to judge the music of, for example, Richard Wagner, a composer who helped destroy scientific tuning and with it, the classical composition method. Mrs. Jones quipped, "If you want to consider Wagner a great composer, that's your choice; but consider the fact that he had to destroy music to write his own. Furthermore, ask yourselves why his leading singers, competing against huge orchestras playing at ultra-fortissimo volumes, and expected to sing at $A=460$ Hz, dropped dead on the stage while performing his operas."

Music for all children

In sessions with schoolteachers, the focus was on pedagogy for the very young. Jordan's national music program foresees the introduction of music from kindergarten on, in all schools, which means that kindergarten teachers who have not heretofore had to teach music, must be trained very rapidly. Drawing on the experience of the Schiller Institute in building children's choruses in Mexico and in the United



Sheila Jones teaches a class on music and scientific tuning in Chicago, 1987.

States, Mrs. Jones emphasized the fact that, since all music is based on the singing voice of the young boy soprano (as the famous Florentine bas-reliefs of Luca della Robbia document), it should be most natural for children to learn to sing. She stressed the importance of making singing a game for very young children, suggesting that the children cut out colored notes, red, yellow, and blue, corresponding to the registers, and play with them as they sing, so as to associate the registral shifts with lively, colorful forms. When the teachers present pointed out that those children who do sing in Jordan generally sing with a “white” voice, closer to a shout than to music, Mrs. Jones introduced the basic techniques used to “round” the voice, elevate it into its lawful place, and vibrate the tone. As in all the lectures and private lessons, the point was made most forcefully when the participants spontaneously put the ideas to a direct test, experimenting with their own voices and learning to sing.

By the end of the week, literally everyone in the conservatory had begun to sing.

The high-point of the week’s workshops came when Director Fakhoury, himself an accomplished musician and composer from Lebanon, applied the concepts to the string orchestra of the conservatory. The orchestra, which includes tots who are just beginners as well as accomplished students and their teachers, was asked to perform the first movement of Bach’s Brandenburg Concerto at the common pitch of $A=440$ Hz and then at the scientific tuning of $A=432$ ($C=256$). Students and teachers immediately heard the musical difference, in the clear articulation of voices, which made

it possible for each instrument to be heard.

To translate the point Mrs. Jones had been stressing all week with individual string students, Fakhoury had the orchestra “sing” its music. First, he asked the players to put down their instruments and sing their parts for the first movement. Then, he had them sing and play their parts at the same time. Finally, he had them play only, but continuing to “sing in the head.” The qualitative leap made by the orchestra through this exercise, performed at the lower tuning, was astounding. Students were thrilled, as the piece suddenly came alive. One violinist said the piece “made sense for the first time.” Another, a 12-year-old boy, reporting on the session in a later class with adults, said that the first time they had played, at 440, “it sounded miserable,” but that afterwards, it “sounded beautiful.” Most important was the fact that each orchestra member could fully hear, as a sovereign musical voice in dialogue with other musical voices, his or her own voice. This revolutionized the self-conception of each component.

Fakhoury seized on this feature, and commented, “At the higher tuning, every musician feels overshadowed by the first violin, which is dominant, whereas at $C=256$, every voice is heard.” Transposing the musical fact into social terms, he added, “It is as if the lower tuning allowed everyone in the orchestra to play a crucial role, and to hear that this crucial role is grasped. Society,” he said, “is like an orchestra, in which each individual has a very important part to play”—a particularly relevant observation in the context of Jordan’s ongoing process of democratization.

Clinton abandons promises on Bosnia

by Edward Spannaus

After months spent building expectations that his administration would take a more aggressive stance against Serbian genocide in Bosnia-Herzegovina, President Bill Clinton and Secretary of State Warren Christopher gave in on Feb. 10 to European Community and Russian pressure, and adopted the fundamental premises of the negotiating process being conducted by Cyrus Vance and David Owen.

Indeed, the Clinton plan incorporates about the worst options from the range of alternatives that were under discussion. It assures the Serbs that they will retain the fruits of the massacres, rapes, and "ethnic cleansing" which they have directed against the Bosnian Muslim population. And it further guarantees that if U.S. troops are deployed to the former Yugoslavia as "peacekeeping" forces, it will be under conditions which threaten to repeat the Lebanon debacle of the early 1980s, when the Marines, lacking a military mission, became sitting ducks.

The administration's plan, announced at the State Department on Feb. 10 by Christopher, rejected the two key options which Clinton had promised to consider during his election campaign: lifting the arms embargo, and using U.S. air power to deter Serbian aggression. And whereas Clinton had promised not to use ground troops in any capacity, he has now taken the first step toward sending U.S. troops in, under United Nations auspices, to enforce a negotiated settlement.

The principal thrust of Christopher's announcement was that the United States would put its full weight behind continuing diplomatic efforts to attain a negotiated settlement. It was in this context that the administration said it may deploy ground troops—to implement and enforce a negotiated settlement.

Christopher and Clinton declared that the United States will not enforce a settlement unless all parties agree to it. What is not explained is the paradox that if all sides agree to the settlement, why foreign troops should be needed to enforce it—unless the settlement isn't worth the paper it is written on, which would, indeed, be the case.

It seems clear that, by diving head first into the negotiations swamp, the administration will sooner or later be putting pressure on the Bosnians to accept a plan which deprives them of their homes and territory, and sooner or later will

deprive them of their national sovereignty altogether.

The Clinton-Christopher announcement followed about 10 days of the most obscene pronouncements by European Community negotiator David Owen, accusing the United States of prolonging the Bosnian war and demanding that the new administration jump on board the Vance-Owen plan. Part of the pressure package was to insist that the U.S. commit troops as part of the U.N. "peacekeeping" force, alongside the British, French, Canadians, and others.

At the same time, Clinton and top administration officials held a series of discussions with the Russian leadership, which has fully backed the Vance-Owen plan. And why not, for the Vance-Owen plan gives the overextended Serbs the territory they want and the breathing space to consolidate their ill-gotten gains? Russian Deputy Foreign Minister Vitaly Churkin told the U.N. Security Council on Feb. 10 that "we have only two hopes in this situation. One is Cyrus Vance and the other is Lord Owen."

No ground troops needed

Bosnian officials and Croatian spokesman have stated repeatedly that they are *not* asking for U.S. ground troops. They want two things from the West, and from the U.S. in particular: 1) a lifting of the arms embargo, so that they can defend themselves, and 2) use of U.S. air power to enforce the no-fly zone and to destroy Serbian artillery concentrations and logistics capabilities. With this, the victims of the Serbian aggression and genocide could roll back the Serbian conquests.

Bosnian President Alija Izetbegovic has repeatedly stated that his country does not want U.S. ground troops, just the right to defend itself.

Speaking on Capitol Hill in Washington on Feb. 4, Bosnian Foreign Minister Haris Silajzic told a group of U.S. senators and representatives that the Bosnians could obtain sufficient arms to defend themselves within two or three weeks if the arms embargo were ended, and that they could turn the military situation around within two or three months.

Silajzic stressed that the other essential steps are to place all heavy weaponry under strict international control, to break the siege of Sarajevo, and to conduct air strikes against Serbian artillery positions.

A measured use of military force—by whatever western nations are prepared to go with it—combined with arming of the Croatians and Bosnians, could bring the war in the former Yugoslavia to an end relatively quickly.

But to substitute the negotiating process for the decisive application of military force, means that the United States has now capitulated to the very process of appeasement which Clinton had promised to reverse. And by limiting any use of U.S. military force to that of enforcing an unprincipled negotiated settlement, U.S. troops could soon find themselves in a Beirut-type of situation where they are hostages to the Serbian thugs.

How to stop the war in Bosnia

Croatian journalist Srecko Jurdana formulated his plan for what the United States must do, in a discussion with the Schiller Institute's Webster Tarpley on Feb. 11 in Washington:

The Vance-Owen plan is blatantly pro-Serbian in that it institutionalizes a reward for Serbian aggression and genocide, while trampling on the sovereignty of Bosnia-Herzegovina. The six points of Warren Christopher mean that the U.S. will be joining and supporting the Vance-Owen diplomatic monstrosity, perhaps with some minor modifications. The American representative will sit at the same table and talk politely with war criminals and mass murderers such as Radovan Karadzic and others.

Even worse, the sending of U.S. land forces in the service of the Vance-Owen plan is contemplated. How many will be needed? Will it be 15,000, or will we later find that 200,000 are necessary to pacify Bosnia? Who is the enemy of these forces, and what will be their mission? Can American soldiers be asked to die in defense of the Vance-Owen partitioning map? If all the parties have agreed on a peace plan, why are the peacekeepers necessary at all? In any event, it is certain that U.S. infantrymen commanded by a squabbling incompetent U.N. committee will sooner or later become sitting ducks for Serbian irregular forces. It would be Beirut 1982 once again, on a grand scale.

Up to this point, every diplomatic effort by the Carrington-Vance-Owen group has been a prelude to a widening of the war. The coming of Unprofor [the U.N. peacekeeping forces] into Croatia allowed Serbia to transfer forces out of Croatia and into Bosnia in order to wage war there. The Vance-Owen Geneva Conference has opened a new armed conflict between Bosnian Muslims and Croats, who had been allies. Unprofor and the U.N. soldiers around Sarajevo function as a de facto auxiliary for the Serbians. Americans cannot want to join in such ignominy. The implementation of the Vance-Owen plan would buy overextended Serbia precious time to re-organize and regroup for future genocide in Kosovo, Makedonija, and Vojvodina. The Serbian goal of wider "ethnic cleansing" conquests could be implemented as soon as Serbia seals a pact with a new pan-Orthodox anti-western regime in Moscow during the coming months.

Russian presence grows

Russian "volunteers" organized by General Filatov are already serving as pilots, officers, and advisers with Serbian

units in Bosnia-Herzegovina. Without Russian logistical support, the Serbs could not hold their gains within the occupied areas of Bosnia. Although the Russians are not prepared to respond right now, to the degree that anti-western forces gain strength in Moscow, Russian involvement on the side of Serbia can only increase.

It is therefore imperative to put an end to the conflict before it becomes a focal point of U.S.-Russian strategic confrontation. Future Serbian moves are likely to embroil Makedonija, Albania, Greece, Turkey, Hungary, Romania, and perhaps even Austria and Italy. Serbian missiles can now strike Rome, Berlin, Athens, and other NATO capitals. This state of war must not be kept in suspended animation, ready to begin again at any time. It must be rapidly and decisively ended.

The United States must therefore identify Serbia not only as an aggressor, but as a U.S. strategic enemy and a direct threat to U.S. national security. U.S. policy must be the quick restoration of the territorial *status quo ante*, obliging the Serbs to retreat to their own borders, and restoring the sovereignty of Croatia and Bosnia-Herzegovina over all their own territory.

Serbia is currently overextended and exceedingly vulnerable to determined U.S. countermeasures. The myth of Serbian invincibility has no basis in fact, but is the result of psychological warfare and British-inspired propaganda. Serbia has come close to military catastrophe several times since 1991, especially during the siege of Vukovar, when only Lord Carrington's urgent "humanitarian" intervention prevented a Croatian column from lifting the siege and hurling the invading Serbs back across the Danube. The Serbs have advanced thus far only because they have been free to attack cities at the time and place of their own choosing, transferring and regrouping forces with no fear of any coordinated counterstrikes. Even so, the Serbian forces are depleted and decimated, having lost over 1,000 tanks; the Serbian Air Force has been crippled by the defection of non-Serbian pilots. Serbian anti-aircraft defenses would not be effective against a first-class air power. Given a free hand, Croatian forces could liberate their own country right now.

Keep ground forces out of it

The U.S. must not under any circumstances introduce ground forces into this region, since this would sacrifice the inherent U.S. advantage in mobility and firepower. Any gradual incremental escalation would maximize U.S. losses,



Srečko Jurdana on Feb. 11: "The Vance-Owen plan would buy precious time for Serbia to regroup for future genocide in Kosovo, Makedonija, and Vojvodina."

creating the danger of a Vietnam-style quagmire which is otherwise nonexistent. Croatian and Bosnia-Herzegovina units can do the job on the ground, provided they can be suitably armed. The United States must act unilaterally and without regard to the British, French, Russians, or others who have criminally bungled the crisis thus far. The following U.S. measures would produce the military collapse of Serbia and end the war within 1-2 months:

- 1) Lift the arms embargo on Croatia and Bosnia-Herzegovina.
- 2) U.S. diplomacy should remove all restrictions on Croatian and Bosnian self-defense against Serbian units on their territory; no state can be an aggressor within its own borders.
- 3) Destroy Serbia's capacity to wage aggressive war through U.S. bombing of key Serbian air bases in Bosnia-Herzegovina, including Banja Luka. Destroy from the air the Serbian long-range artillery concentrations around Sarajevo, Travnik, the Bosanska-Posavina area, Bihac, Bosanski Brod, Orasje, the hills around Visegrad on the Drina, the Zegulja hill near Mostar, Gradacac, Mt. Majeвица near Tuzla, Motajica, Donji-Vacuf, Trebinje, Nevesinje, etc. Interdict from the air the Serbian land corridor between Gradacac and Orasje in northern Bosnia and other logistics choke-points. Interdict Serbian air logistics through enforcement of the no-fly zone against fixed-wing aircraft *and* helicopters. Inside the Serbian-occupied zone of Croatia, the U.S. must bomb the Serbian-controlled missile concentrations along the Glina-Petrinja axis in the Banija region, and the Serbian artillery positions south of Karlovac and near Slunj in the Kordun region and in the Lika region.
- 4) Issue an ultimatum to Serbia, that if hostilities continue and all Serbian armed units do not retreat inside Serbia,

Serbia will not be considered a privileged sanctuary. In that eventuality, the air war will be carried to Serbian air bases, the Serbian intermediate-range ballistic missile (IRBM) base at Leskovac, the center for Serbian and foreign special forces at Nis and Aleksinac, and other military targets. Serbia itself is mostly a plain, flat as a table, affording little cover against assault from the air.

5) An international war crimes tribunal must be set up to try Milosevic and other Serbian leaders who conspired to wage aggressive war and genocide.

6) When all armed forces have been demobilized or withdrawn within internationally recognized borders, peace negotiations can begin. A permanent peace order must include a lifting of all International Monetary Fund conditionalities and a cooperative plan for the economic reconstruction and development of all states involved, including Serbia, within the framework of the European "Productive Triangle."

Croatian journalist: U.S. will have to act

Srečko Jurdana, a Croatian journalist, travelled to Rochester, Minnesota early in February to interview political prisoner Lyndon LaRouche. Prior to 1985, Jurdana worked for Radio Zagreb and numerous Croatian magazines. In 1985 he was forced to leave the country, attacked as an "anti-communist." Since his return to Croatia from West Germany in 1989, he has been influential in his country's politics, writing for the leading Croatian newspapers Vecernji List and Vjestnik. The following interview with him appeared in the Rochester Post-Bulletin on Feb. 8, under the headline "U.S. Should Step In, Before It's Too Late, Croatian Says."

Srečko Jurdana has one simple reason why America should intervene soon in the Balkans war—World War III.

The Croatian journalist, who was in Rochester Monday, said it is already too late to stop destruction of much of the Bosnian-Croatian areas by Serbian forces allied with Russia. But it is not too late to stop genocide and to stop the world's great powers from colliding in the Balkans, he said.

Jurdana, 42, was here to interview Lyndon LaRouche, who is serving a sentence in the Federal Medical Center, and to talk about what is happening in his country. He will be in the U.S. 10 days on a trip sponsored by the Schiller Institute, which was started by LaRouche. The institute tries to promote world peace through economic development, said Glenn Mesaros of the institute. It blames much of the misery and war in that part of the world on policies of the International Monetary Fund, which Jurdana said keeps the Third World poor.

Jurdana said he has been within 15 miles of Sarajevo,

which is under heavy Serbian attack, and has been in other besieged cities. Those cities were once in richly historic, beautiful areas that are now ruins. "If you would tour Croatian villages now, you would be terrified," he said. The true extent of the casualties in Sarajevo will not be known until spring, because winter will take its toll on the city, he said.

Croatian culture goes back to the seventh century, he said, but the country was forcibly annexed into part of the new country of Yugoslavia after World War I to keep Germany and Russia separated. The Soviet Union took over after World War II, but once the Soviet Union began to crumble, several republics tried to break away, including Croatia, he said.

That set the stage for the current war, because it gave the Serbs, with ties to Russia, a chance to grab Croatia, Bosnia, and other regions. Serbian policy was simple—genocide. Serbs want to wipe out the Croatian people, wipe out the culture, wipe out historic monuments so there is no memory of culture, he said. . . .

He fears that Russian ultra-conservatives will take power in April and aid Serbia with more military might. That could

give Serbia a free hand in trying to conquer other provinces in the region, he said.

Therefore, it is in the United States' best interests to act now, before anything worse happens there, Jurdana said. Serbia is overextended militarily, so a few well-placed air strikes and the U.S. announcement that the Serbs must retreat would force them back. Then, and only then, could there be real peace talks, he said. "You have to stop the fascists, that is basically what is being requested," he said.

"Influential groups" in some European countries don't want to help, because they want to see the region in turmoil, he said. And the United Nations is now protecting Serbs from Croatian counterattacks. That leaves only the United States, he said. LaRouche had the right idea when he said Serbs should pull back and that economic help should be given to all free sides, he said.

But the longer the United States waits, the harder it will be to intervene successfully, he said. "This is that pattern of World War III," he said. "So sooner or later, America will have to get involved."

Beirut, Sarajevo face same struggle

EIR's Paris bureau received the following eyewitness report from a Lebanese reader who requested to remain anonymous. It has been translated from the French.

Today, Lebanon has been pacified. For you and for us, "pacified" should mean "in peace." For the diplomats of every stripe, it means "subjugated"; with mountains of dead bodies fresh in our memories, there is daily terror, humiliation, and frustration.

After 15 years of perseverance, [Syrian President Hafez] Assad has finally gotten hold of Lebanon; true, he had a great deal of help from a string of superstars in international relations, which goes from Kissinger to Roland Dumas, without leaving out, of course, George Bush, François Mitterrand, King Fahd of Saudi Arabia, two or three Britons, a few Israeli leaders, etc.

In Beirut, people are being arrested every day. Some are tortured and "turned," others disappear—like that. In Beirut, on New Year's day, U.S. Ambassador Ryan Crocker sent his good wishes to the Lebanese people and congratulated them on the return to peace. The same tone, same smile from the representative of Great Britain and the ambassador from France.

However, even at the airport, you are seized by a heavy, oppressive feeling. Glances are shifty and filled with suspicion. There are no newspapers that don't have

their blank spaces [censored articles—ed.]. There are no neighborhoods without their disappeared persons, snatched in the early morning hours—and their graffiti proclaiming [exiled former Prime Minister] Michel Aoun, or democracy, or even freedom and rights, or all at the same time.

An unreal government, a "tin horn" President, a spice-rack Assembly, all under the boot of a certain Assad. For you and for us, we are dealing with an avowed criminal; for them, a realist, serious and respectable. They are the superstars of international relations; they are, also, the journalists, and not the least of them from France and elsewhere. Are they mad? Are we mad?

Lebanon is pacified! But the Lebanese charnel-house is being repeated at this moment in Sarajevo. Make no mistake! And I swear to you, when a reporter says "Milošević," I hear "Assad," in spite of myself. As for Dumas, Kouchner, and the *Clemenceau*, it is exactly the same. The same plastic smile, the same bags of rice, and the same cargo. There are even French reporters and British leaders who inform us that the Croats were the Ustashe, which means, after all, formerly pro-Nazi.

Listen up, brave folk!

In Beirut, in the parlor of a convent on Mt. Lebanon, a nun and I had a long conversation on the killing taking place in former Yugoslavia. My interlocutor concluded: "It was the same here. I pray for these poor people. The criminals must be tried . . . to make an example. . . . They and their accomplices must answer before mankind." Let this be done.

First define the peace objectives

What follows is a slightly edited segment of the Feb. 8 edition of "EIR Talks with Lyndon LaRouche," a radio interview conducted by Mel Klenetsky.

EIR: We are currently looking at a situation in the Balkans, which has something like 1.5 million Bosnian refugees, 200,000 people killed; there are rape camps and concentration camps, and heinous kinds of things taking place. Is military intervention the right policy for Bosnia at this point; and if so, is it similar to what the United States has been doing in, let's say, Somalia?

LaRouche: First of all, a military policy pure and simple is always a piece of idiocy. Because when you go out to shoot somebody, you say, what are you shooting him for? "Well, we have our objections to what he is doing, and that's a good enough reason for us to shoot him."

But we should know, by studying history—those of us who have: Never get into a war, unless you have first studied very carefully the issue of justified warfare as posed by St. Augustine in his writings on the subject.

Don't go so quickly into warfare. First of all, you have to define what your *peace objectives* are, and what the problems standing in the way of peace are, and your commitment to conduct war if at all for the purpose of furthering those peace objectives. Then you must state clearly what those peace objectives are, because your object of warfare is to bring about peace when peace in fact no longer exists.

Peace in fact no longer exists in the Balkans. The first thing to be done, which neither Cyrus Vance nor Lord David Owen have done, is to state, from the standpoint of *morality*, what is immoral in the situation in the Balkans and what are the moral conditions which must be satisfied to bring about peace.

Then, if you have to go to warfare, you say that we may have to go warfare. If we do so, it will be for the following *peaceful objectives*. And as soon as somebody accepts these peaceful objectives, the war is ended. And only under those conditions, is war a moral alternative. Even in desperate situations, you must not go to war, even to save your own life, unless you have met those conditions.

So, that's our situation in the Balkans. We have war

criminals who are worse than the Nazis under the command of Milosevic, the leader of the Serbian communist-fascist bloc (not the Serbians as a whole, but these people have dominated the Serbians with their machine and they are conducting the war).

It is genocide. We should call it *genocide*. It is aggressive war—we should call it that. We should state that we will not tolerate that. We should stop this nonsense about the Croats "provoking" the Serbs. We should send into something like Coventry [an insane asylum in Britain], people like Douglas Hurd, particularly Nicholas Ridley or Conor Cruise O'Brien, who say this war was started by Germany or said that there was a threat that Germany would become a Fourth Reich—a lot of nonsense. People who mouth that stuff, should be treated with contempt.

In other words, the first thing to do, is to organize political-moral force for the right peace objectives, and then, if there is no other way to do that but military means, and military means are capable of doing that, then do it. Because you have to. But we should prepare for that contingency. But what I fear is that some slopheads will get us into a shooting war with no clear workable peace objectives, and that would make a worse mess than we already have.

EIR: Is there anything in terms of the immediate situation that can be done? The Vance-Owen plan talks about a cantonization policy for Bosnia and there is opposition in Bosnia to that, and yet the Bosnians are facing a life and death situation. Should the embargo be lifted?

LaRouche: The United States government and the Europeans should simply say, that whatever Boutros Boutros-Ghali and his crew in the United Nations, along with Vance, think they are doing, in setting up a United Nations world empire, that we are not going to tolerate it.

We should say clearly what is the truth, that Vance and Owen, and Carrington before Owen, are worse criminals than Neville Chamberlain and Edouard Daladier at Munich in 1938. This is a far worse crime that Owen and Vance are doing—continuing the policy of Carrington—than was done by Neville Chamberlain and Edouard Daladier at Munich in 1938. We should treat that with contempt and give no moral support to it whatsoever: It stinks.

EIR: Would you say that the current policies in Somalia and the kind of thing that is being discussed for Haiti, are the right kind of policies?

LaRouche: No. [Deposed President Jean-Baptiste] Aristide is a criminal. We have all the evidence. Some people do not want to face it, because they are opportunists. But Aristide is the Pol Pot of Haiti. He committed crimes against humanity. He is a torturer, he is a murderer. There is no basis on which you could put Aristide in, in the name of democracy, unless you want to make democracy into a word that sounds like prostitution and murder.

The U.N. protects Serbian forces

Joseph Solic has been the French correspondent for the Croatian news agency HINA in Strasbourg for the last 18 months, and is accredited to the European Parliament and Council of Europe there. He was interviewed in French by Catherine Brannan and Yves Messer on Jan. 19.

EIR: Can you tell us about yourself?

Solic: First of all, let me thank you for this interview. It is our duty to defend the truth, to try to come as near as possible to the truth. I think this is even more the case when something happens in another country: The very least one can do is to find out more by asking, by turning the camera or the microphone toward the people of that country. That was not the case on Jan. 18 on French television. A shell was fired from a Serbian military position on people who were lining up for water in Sarajevo. But the cameras turned to [Radovan] Karadzic, [the leader of the Serbian Chetniks in Bosnia], who is on the list of war criminals, and they asked his opinion. Obviously, with millions of Frenchmen watching their TVs, he replied that the Bosnians themselves had fired the shells, and that the Muslims were exterminating their own people who were waiting for water. . . .

EIR: Lyndon LaRouche said in an interview [on Jan. 11] that the French U.N. contingent was responsible for the assassination of Bosnian Deputy Prime Minister [Hakija] Turajlic [see *EIR*, Jan. 22]. What do you think of this assassination and the role of the U.N. forces, Unprofor, in Bosnia?

Solic: From the time the war first started in Croatia in 1991, and now since the war has been raging in Bosnia and Herzegovina for the last 10 months, there have been European observers in these countries; but they were so good at observing that the people ended up by calling them "the ice-cream vendors," because they walked around in white overalls photographing human misery. Now they have been replaced by the blue helmets, the Unprofor, the so-called U.N. protection forces. In reality, these forces, at least until there is proof to the contrary, are protecting the Serbs. We have several proofs of this. More than 700 people have already been massacred since March 1992 within the control areas of the Unprofor in Croatia, by Serbs who have been tried by

no court, who have had to answer to no one. Now we call these persons the "genocide photographers," because they are satisfied by just taking photos wherever the Serbs carry out their massacres.

As for this unfortunate assassination of the Bosnian minister in a French armored vehicle flying a United Nations flag: If there were no organized plot, there was, at least, complicity. It stares you in the face. Complicity, because to have opened the doors of an armored vehicle with several armed officers sitting there, and to have permitted an assassin to fire several bullets at a civilian minister who was unarmed, is beyond description. It is a felony, a vile felony. I am deliberately using the language of our medieval forebears who knew what one's word of honor meant, and knew what was meant by a man who gave his word of honor. Today, I'm very sorry, but there are no such men, and there is no honor, there is just chattering. People have become drunk with their talking and their talking has not stopped the Serbian murderers, who came up to the U.N. vehicle—as it happened, a French armored vehicle—in order to assassinate a civilian minister. This is shameful, but it's not enough to say that, because an assassin doesn't know what shame is and will pursue his objective right to the end, unless someone, some day, stops him by force. Hence . . . one can say that Mr. LaRouche and the Schiller Institute are not exaggerating. . . .

As for the truth, the sad reality is that the gigantic massacres, the rape camps, never existed before in history. Nearly 40,000 Muslim and Croatian women have been raped, and they are trying to kill them in their souls and their minds! Why? Because they try to make them believe that they are damned, that their souls will go to hell for eternity. Therefore, this is a psychological operation, which is very serious, because what is being attempted, for the first time in history, in a war which is neither a civil nor a religious war, is a totally calculated effort, through psychoanalysis to kill people mentally, because, for a Muslim or a Catholic, extramarital relations means going to hell. In Croatia, where these women have come, more than 3,000 children have already been born. For example, there are huge difficulties in the specialized psychological and sociological hospitals in convincing these women that they have not committed a sin, that they were not responsible for what happened, that they didn't take part in the rape, but were taken by force. . . .

EIR: What do you think of the double standard of Bush ordering the bombing of Iraq?

Solic: In attacking a country which is so far away from Bosnia, on the other side of the world one might say, one would have to be really naive to think there was not an effort to divert Europe and the world's attention. On the one hand, 14 Iraqis went to look for weapons on the other side of the border, and Iraq is attacked because it flies over its national territory, its own airspace.

An appeal is made to the United Nations and a resolution is voted up, number 787, if I'm not mistaken, according to which Bosnian territory is also protected. This resolution has been violated, according to Croatian and Bosnian sources: 172 times, military aircraft have bombed Bosnian villages and towns. Since the Geneva talks adjourned last week, yet another week was given to the Serbs, and Serbian aircraft went into action against several towns east of Sarajevo. There have already been several hundred people killed or wounded because of these air attacks. No one has responded by demanding that the resolution be upheld, in which, strangely, they forgot to add one small article: The resolution was voted up, but absolutely no practical sanctions were provided for, against those who violate it. That small detail is enormous and went unnoticed, it seems, by those who voted it up.

So, on the one hand, it's a macabre game. And on the other hand, what difference is there between raining bombs down on the heads of Muslims in Baghdad or in Sarajevo? They are all Muslims. . . . So it's dangerous, and shameful at the same time. It's dangerous, because, if, some day, the Arab or Muslim world wakes up and stops babbling and takes action, then the West will probably be chewing the carpet for not having done something more serious to stop the violation of human and divine rights. After all, it is not only the United Nations resolutions that are being violated, but also the Ten Commandments and every law which the world has agreed upon since the Second World War.

EIR: What about the present situation in Croatia? What do you expect from the United States and from the West in general?

Solic: At present, the situation in Croatia has not changed since the blue helmets arrived. What I mean is that when the war began, the Serbian troops, which had superior arms and numbers, attacked Croatia. Croatia was unable to defend itself effectively, and about 20% of its territory was occupied by Serbian forces. At the time, Mr. Tudjman, the President of the Croatian Republic, called for the blue helmets to come in. So, for six or seven months, there were discussions. The blue helmets didn't come. The Serbs were allowed to advance. When the Serbs had advanced quite far, after about six or seven months, the Croatian forces had begun to organize themselves and started a counterattack. It was only when Serbian President Milosevic made his appeal, that the blue helmets were deployed. They were not put on the border between Croatia and Serbia, but on the cease-fire line, that is, largely to the Serbian benefit. The blue helmets put a freeze on the situation, and hence, 20% of Croatia is now under Serbian occupation.

At that point, what was Cyrus Vance's plan? His plan had three stages: 1) establishment of United Nations forces and separation of combatants; 2) disarm the Serbs who had taken up arms against the legal Croatian government;

and, 3) allow the Croatian refugees who had fled these areas to return to their homes.

The first part of the plan went well: The combatants were separated. But the Croatian side was shelled by heavy Serbian artillery, which means that the Serbs were not disarmed. The second part of the plan was not carried out. As for the third part, we are very far from that. In just two and a half months, the mandate of the blue helmets in Croatia will expire, and the Serbian population is still armed, still in revolt, and has proclaimed a so-called republic of Krajina on Croatian territory, and forbidden Croatians to return home. The blue helmets have done absolutely nothing but strengthen the Serbian position and allow the Serbs to declare a so-called Serbian republic in Croatia, Krajina. In fact, Krajina has no existence, it's an invention. The word simply means "zone."

The American role in this game has been totally negative for several reasons. First, at the time, James Baker [then secretary of state] saw Yugoslavia not as a federation of legal states which only had a common currency, army, and borders without customs—a sort of Maastricht before Maastricht—but he saw it as a uni-national state. His role was to encourage the Serbs to demand that the Croatians not secede. According to the most serious diplomats, this was the green light for the attack.

Second, and ill-fated from the beginning, was sending [Milan] Panic to be prime minister of a so-called new Yugoslavia, made up of Serbia and Montenegro. He was sent as prime minister, in order to stop any operations against Serbia, because he was an American and the Serbian prime minister. This allowed Serbia to continue ravaging the countries it attacked.

Third, Panic asked for a hundred days to restore peace. At the end of a hundred days, he called for elections, which gave him another three months, up to Dec. 20. After the elections confirmed President Milosevic, the negotiations started in Geneva, after the ones in London came to nothing. At Geneva there has been one compromise after another—27 altogether in 10 months, or one compromise every 15 days—which allows the aggressor to continue the massacres.

I would add that, at present, it is estimated that in the 27 concentration camps in Bosnia and Hercegovina, as well as in Serbia, there are more than 100,000 Muslims and Croatians who are hostages. Some work in the Serbian coal mines or factories, without pay, like slaves. So, the America that is supposed to have the defense of human rights engraved on its moral currency . . . that America is not fighting against slavery; that America is treading the face, the person, and the honor of Abraham Lincoln underfoot. Especially when one considers that the republic of Dubrovnik was the first to recognize the republic of the United States of America . . . it would be the minimum of honesty to at least return the favor!

IPO blasts Serbians at Geneva rights panel

In Geneva, at the United Nations Commission on Human Rights 49th Session on Feb. 10, the International Progress Organization, a non-governmental organization recognized by the U.N. and headquartered in Vienna, presented the following text under the agenda item, "Situation of human rights in the territory of the former Yugoslavia." The text was read by Ortrun Cramer for the IPO:

The world has been witness for over a year to the Serbian war of aggression against Croatia and an unprecedented genocide against the people of Bosnia and Hercegovina, recognized member states of the United Nations.

The International Progress Organization repeats its demands, already presented to this body in previous sessions, for decisive and rapid intervention in order to put an end to the cruel, senseless suffering and dying of the civilian population, particularly the Muslim community, of Bosnia-Hercegovina, and to bring those responsible for this genocide to justice. The IPO calls for the reestablishment of the *status quo ante* in the region, i.e., the immediate reestablishment of the borders of June 1991, the withdrawal of Serbian armed forces from the territories they have occupied, especially in Croatia, Bosnia-Hercegovina, as well as the recognition of Kosova and Makedonija as independent states, for which they are fighting.

The precondition for any steps towards ending the Serbian aggression and genocide, which have already reached apocalyptic proportions, is a thorough analysis of the causes of the war, which must include the geopolitical aspect, if intervention is to lead to a phase of rapid reconstruction and peaceful development in the whole region; otherwise, the whole of Europe will be threatened.

Against the backdrop of a clear, comprehensive analysis of the causes of the war, then, not only must those responsible for undeniable atrocities, documented by the most authoritative official bodies and information centers, systematic looting, systematic and scientifically planned and executed rapings, deportations ("ethnic cleansing") and destruction of homes, schools, hospitals, churches and mosques as well as cultural monuments, be brought before a court of law and tried for their crimes, but also those who made possible such crimes against humanity and human rights, through their support and encouragement.

The International Progress Organization demands that a full and thorough investigation be conducted into abuse of their mandate on the part of U.N. units and facilities, and



Mrs. Cramer speaking at a meeting of the International Commission to Investigate Human Rights Violations during the CSCE in Copenhagen in May 1990. Behind her is Helga Zepp-LaRouche, wife of the celebrated American political prisoner.

that those found responsible for violations be brought to account for their actions, without hesitation.

The Convention on the Prevention and Punishment of the Crime of Genocide, the Charter of the United Nations, the General Declaration of Human Rights, but also the Guidelines of the Fourth Geneva Convention of 1949 and the additional protocol of 1977 constitute the internationally accepted legal foundations for an international tribunal against those responsible for genocide:

The Convention on the Prevention and Punishment of the Crime of Genocide establishes:

Article II: "In the present Convention, genocide means any of the following acts committed with intent to destroy, in whole or in part, a national, ethnical, racial or religious group, as such:

- "(a) Killing members of the group;
- "(b) Causing serious bodily or mental harm to members of the group;
- "(c) Deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part."

Article III: "The following acts shall be punishable:

- "(a) Genocide;
- "(b) Conspiracy to commit genocide;
- "(c) Direct and public incitement to commit genocide;
- "(d) Attempt to commit genocide;

“(e) Complicity in genocide.”

Article IV: “Persons committing genocide or any of the other acts enumerated in Article III shall be punished whether they are constitutionally responsible rulers, public officials or private individuals.”

Accordingly, those responsible for the political and military leadership of Serbia must be accused for the following crimes against humanity:

- Planning and carrying out wars of aggression;
- Planning and carrying out of genocide, or aiding genocide;
- Provoking or aiding countless war crimes on the part of Serbian units, such as killing prisoners or non-combatants, torture and the scientifically planned and executed mass rapings;
- Massive material destruction, which in Croatia alone amounts to about DM 20 billion.

We emphasize once again our demand, that not only the Serbian criminals be brought to justice, but also and especially those political representatives of several countries who encouraged and supported the Serbian war of aggression. Leading politicians of the former Soviet Union and Russia, Great Britain and the United States, France as well as other EC states, and those responsible in international organizations like the United Nations, are to be charged with aiding and abetting the Serbian war of aggression as well as neglecting to provide aid and comfort to the Croatian and Bosnian victims thereof. This must be done, if the fundamental principles of international law are to remain binding. In the war in former Yugoslavia, it is not a question of “interests” or “sympathies,” but of the basic substance of the culture and civilization of the European continent.

The International Progress Organization reiterates its demands for the lifting of the embargo against Croatia and Bosnia-Herzegovina, whose continued implementation, according to respected international law experts, represents a violation of the right of the Bosnian and Croatian people to self-determination, and provides unilateral advantage to the Serbian aggressor.

We reiterate our reference (previously made in other documents) to Article 51 of the Charter of the United Nations, in which it is stated: “Nothing in the present Charter shall impair the inherent right of individual or collective self-defense if an armed attack occurs against a Member of the United Nations, until the Security Council has taken measures necessary to maintain international peace and security. . . .”

We appeal to the United Nations Commission on Human Rights to immediately take all required and possible steps to put an end to the genocide in the Balkans, and to prevent the conflict from assuming broader, perhaps even global, dimensions. The spirit and mission of the United Nations Organization are at stake, if valuable principles are sacrificed in the interests of power politics.

Yeltsin presses for Asian alliance in visit to India

by Susan Maitra

A new Friendship Treaty, minus the security clause of the 1971 Indo-Soviet treaty, and nine other pacts were inked during Russian President Boris Yeltsin's three-day visit starting on Jan. 28, to set the groundwork for Indo-Russian relations in the post-Soviet era.

Yeltsin, who arrived in New Delhi barely a month after his spectacular trip to Beijing, stressed that Russia's new bilateral relationship with India, its friend of long standing, was part of an independent foreign policy which eschewed blocs and sought to balance relations with East and West. Just how independent that policy is will soon be tested. Yeltsin stated categorically that Russia would fulfill its commitment to supply cryogenic rocket engines and technology to India. In Washington, where the deal has been blackballed as a violation of the Missile Technology Control Regime, senior State Department officials ridiculed Yeltsin's “tough talk,” and told India Abroad News Service that such a move would put U.S. aid to the beleaguered former Soviet Union in jeopardy.

Russian Foreign Ministry spokesmen explained that like the trips to South Korea and China, the Yeltsin visit to India was aimed at quelling apprehensions of a pro-western bias in Russia's foreign policy. And, in Yeltsin's own words, a “purposeful East policy” is not possible without India.

In a press conference later, President Yeltsin said that Moscow has no intention of playing the so-called India card against “world imperialism” or against “Chinese hegemony.” Instead, Yeltsin pointed to a Russian interest in forming a strategic alliance of sorts among the three land-mass giants of Russia, China, and India. “Mutual trust, good neighborliness, in a purely peaceful form, of the three largest nations in the world could become a stabilizing factor not just in Asia but worldwide,” Yeltsin said. “In the past few years there has been a shift in relations between India and China. The inertia of decades of distrust is being overcome. Russia applauds this, especially since for 35 years we did not have trust.” Yeltsin stressed throughout his trip that he was aiming for a world condition in which “axes, triangles, polygons, and blocs” of the Cold War no longer exist.

Nuclear proliferation?

Although Yeltsin said Russia's new independent foreign policy was in part due to Moscow's concern over nuclear



As Yeltsin traveled to Delhi, Russian intelligence chief Yevgeni Primakov (above) released a report saying that both Indian and Pakistan have nuclear weapons making potential.

weapons proliferation, the Russian boss breathed not a word of this in New Delhi, where sensitivity to the superpowers' non-proliferation gambit remains high. In fact, the Russian President denied knowledge of statements being made in Moscow by his intelligence chief Yevgeni Primakov, even as his own talks with Indian Prime Minister Narasimha Rao were to begin, that both India and Pakistan had built nuclear weapons.

Releasing a Russian report on proliferation of weapons of mass destruction, Primakov said that according to the information available to his service, both India and Pakistan have the potential to manufacture nuclear weapons, and in fact, have built them. His deputy, Gen. Vyacheslav Trubnikov, made a point of specifying that India has developed its nuclear arms technology without any assistance from the former Soviet Union. This is the first time that a top-ranking Russian official has publicly named India as being among the countries possessing nuclear weapons. Primakov urged that the nuclear Non-Proliferation Treaty be extended when it expires in 1995.

Debate on relations with India

President Yeltsin supported India on its stand on Kashmir, stating that the issue should be solved by the Simla Accords with Pakistan. Yeltsin urged India to become involved in solving the Afghan situation, although he did not indicate how. He also affirmed that Russia would not be giving any military assistance to Pakistan. However, there has been a debate in Moscow on exactly what Moscow's policy toward South Asia should be, as reflected in hearings on the issue in the Supreme Soviet.

Georgy Kunadze, a Russian deputy foreign minister responsible for Asia, argued against retaining the special relationship with India that the Soviet Union had cultivated in the interests of the Cold War confrontation with the United

States and China. He said that while all the positive aspects of Soviet-Indian relations should be continued, there could be no question of preserving their special status, as this would relegate Moscow's relations with other South Asian nations to a lower level. He also disagreed with the view that Russia should attach lower priority to relations with Pakistan.

Kunadze was opposed by a member of the foreign relations committee, Yevgeni Pudovkin, who said that it was a major mistake of Russian diplomacy to renounce the special relationship with India. He said that there were few countries in the world with which Russia had such long-standing cordial relations as with India, and that this constituted an asset that should not be squandered. He sharply criticized the Russian Foreign Ministry for its attempts to disrupt the cryogenic rocket contract with India and said it was only thanks to timely interferences by the Parliament and other agencies that the deal was saved.

Economic understanding

The Russian President's visit did settle some outstanding issues that were plaguing the Indo-Russian relationship. With its careful preparation by visiting Russian dignitaries and more quiet working delegations, the trip brought agreements in the economic and defense areas.

The matter of India's outstanding ruble debt to Russia—its exact valuation and mode of repayment—had been the subject of considerable speculation and dispute for several years. By virtue of an intricate formula, it was resolved that the debt be set at \$10 billion, 37% to be rescheduled and paid back over 45 years at no interest, and 63% to be repaid over 12 years at approximately 2.5% interest.

The agreement in effect reduced India's debt-servicing burden to Russia by some 30%. Repayment will be for the most part in kind, both nations decided. And, henceforth, trade will be conducted on a hard-currency basis.

The fact that the debt figure was officially set at \$10 billion—and not the \$16 billion estimated by the World Bank and incorporated into India's credit profile—is an added bonus to India. Still, the leading business daily in India, the *Economic Times*, ripped the deal:

"It is not often that a poor country gives \$10 billion to a former superpower. Yet that is just what India has done. . . . By agreeing to repay the debt—though on softer terms than originally provided—India has proved that it labors under the illusion that credits from the Soviet Union were commercial rather than political."

The defense agreements were equally substantial, and Yeltsin emphasized his intention to further develop military technical cooperation. Under the new pacts, defense supplies, especially spare parts and drawings and designs for licensed production, will be streamlined. Joint ventures will be set up, probably in India, to supply spare parts and technology to third countries. Malaysia, now awaiting delivery of a squadron of MiG-29s, is a prime candidate.

Is Iraq on the way to being rehabilitated internationally?

by Muriel Weissbach-Mirak

In Baghdad and throughout the Arab world, there are great expectations that the embargo against Iraq, which has been in force for two and a half years, will be lifted sometime over the next six months through a shift in policy by the Clinton administration. Such a development, were it to materialize, would not only alleviate the suffering of a civilian population under extreme duress, but would also reshape the political kaleidoscope of the Middle East and Persian Gulf region. Whether this will inaugurate a new era of peace and development in the war-plagued region, or signify simply a timely gear-shift on the part of the Great Powers seated in Washington and London within a continued course of geopolitical maneuvers, will depend on the policy direction charted by the United States, and Europe.

That such a shift is under way is undeniable. The Iraqi government made no secret of its preference for Clinton during the final round of the U.S. election campaign. For example, flanking loud public denunciations of the incumbent presidency in all Iraqi media, one leading Iraqi newspaper, *Al Iraqi*, made the point bluntly, by serializing *EIR*'s explosive book, *George Bush: The Unauthorized Biography*, in 12 installments, the last appearing on Election Day. Even after Nov. 3 and Jan. 20, when unprovoked air strikes were launched by the defeated Bush and were upheld by the new White House, Baghdad responded not with belligerence, but with moderation.

By removing contested anti-aircraft installations in the south, and declaring a unilateral halt to hostilities, the Saddam Hussein government signalled unequivocally its willingness to turn over a new leaf, in hopes of defining a more amicable relationship with the United States. Though lodging protests against the unwarranted renewal of military aggression, which targetted civilian reconstruction efforts and even the Rasheed Hotel in the capital, Iraq's new Ambassador to the United Nations Nizar Hamdoon worked to cool tensions with the new President—a man he had known, while ambassador to the U.S., as the governor of the state that had supplied Iraq with generous quantities of rice before the war.

The embargo's heavy toll

There should be no mystery as to why Iraq should seek

out a different course with a different U.S. President. The toll taken by the war and the embargo on the economy and population has been horrendous. While no one will, perhaps, ever know how many casualties were suffered, children are still dying like flies, from malnutrition and disease, which a paralyzed health care system cannot remedy.

A recent report issued by Harvard Study Team doctor Eric Hoskins added a further, grotesque aspect of the war tragedy: An anomalous increase in the numbers of cancer cases among small children, particularly in the south around Basra, indicates that weapons unleashed during the 1991 aggression released lethal amounts of radioactivity into the air and water, contaminating the soil. Although Hoskins points to uranium shell missiles, fired by the "allies" against tanks, as the source of the cancer epidemic, it cannot be ruled out that other, utterly unconventional weapons were used, perhaps on an experimental basis, against the hapless population.

The continuing embargo has affected every aspect of life for every class of citizen. Foodstuffs are sold at astronomical prices on a thriving black market, and can be purchased only by persons able to put up for sale their own treasured goods, jewelry, family silver, and other belongings. Criminality has soared, as individual citizens are forced to seek any means to feed their starving families. This has threatened to undermine morality and morale. In the education system, schoolchildren cannot perform ordinary tasks, for the lack of pencils. Iraqi doctors, who number among the best in the world, have been cut off from all professional publications for two and a half years, and thus have been deprived of new medical discoveries and procedures. Even musicians, struggling to maintain excellence in culture, are hampered by the lack of strings for their instruments, not to mention the fruitful exchange of artists from abroad.

Rebuilding Iraq's infrastructure

This is not to imply that the country or its people have thrown in the towel. On the contrary, the reconstruction and new economic activity initiated since the war, represent an unparalleled achievement. Not only has major infrastructure (bridges, roads, electricity, water, etc.) been restored, but

the completion of the Third River project (see *EIR*, Feb. 12), and the plans for a Fourth River, promise to vastly expand the country's ability to produce food. The French daily *Le Monde* reported that the wheat and barley harvest this year had yielded 2.3 million tons. The search for self-sufficiency, made necessary by the blockade, has also led to the development of new industries in the civilian realm. Recent visitors to Iraq report that the country is producing its own automobiles and tractors, and has even started churning out threshing machines.

This effort, to rebuild and expand, expresses a deep commitment on the part of the government and people not to accept the logic of despair. One telling example is their response to the bombing of the Rasheed Hotel in downtown Baghdad. A visitor there at the time related that within minutes of the blast, a contingent of the Republican Guard arrived to assess the damage, and vowed to repair the extensive damage to the hotel within three days. By mobilizing inordinate numbers of workers, laboring on shifts day and night, they succeeded in the allotted time. A similar effort, over a period of months, yielded the complete restoration of the baby milk factory, which had been bombed to smithereens during the war. As one European diplomat, quoted by the Paris daily *Libération*, said, "The West has underestimated the Iraqis' ability to survive."

Geopolitics tilting back against Iran

Yet, no amount of autarkical reorganization of the economy can replace the normalcy of trade relations with the rest of the world. Thus the need to defeat the embargo fully.

Moves in the direction of political mediation became visible after Clinton took office, most prominently in early February, when Palestine Liberation Organization leader Yasser Arafat travelled to Baghdad for talks with the Iraqi leadership. In January, PLO Executive Committee member Mahmoud Abbas had made a visit to Riyadh, Saudi Arabia—the first such visit by any PLO representative since the war—and on that occasion had apologized for the backing the PLO gave to Iraq during the war. Although the PLO later qualified his statements as "personal views," the way had been opened for PLO leader Arafat to mediate a rapprochement among the anti-Iraq Gulf states and Baghdad. Arafat's message, representing the results of consultations with Gulf leaders and other Arab states such as Morocco, Egypt, Jordan, and Algeria, was that Baghdad should signal further willingness to reach a solution with the former belligerents. On return to Amman, Jordan, Arafat told the press that Saddam Hussein had "encouraged us to continue in our attempts to achieve real peace" in the "peace talks" begun in December 1991 under U.S. auspices. This represented a 180-degree turn away from Baghdad's earlier rejectionist position vis-à-vis the talks. Although very few if any Arab leaders—certainly not Saddam Hussein—believe anything substantial will emerge from the negotiations, the gesture was a pregnant

one, and was read as such.

Thus, step by step, it can be expected that each side will appear to make concessions until a solution can be found. Iraq will be expected to give more than it receives. What the precise contours of a rapprochement will be is not known, but certain shadings are already visible. Leading spokesmen for the Iraqi government, Vice President Taha Yassin Ramadan and Deputy Prime Minister Tariq Aziz, hinted at one aspect in remarks made to the effect that they thought that the United States, the West in general, and the formerly hostile Arab nations, would have an interest in mending fences with Iraq, in view of the greater strategic danger posed by Iran. The animosity between Iraq and Iran is not new, since neither has forgotten the tragic loss of human life suffered during the eight-year Iran-Iraq war.

But the remarks made by Baghdad leaders come now in the context of a new western campaign against Teheran. Murmurings in the western press over the last six months have grown into a thunder of verbal denunciations against Iran, identified as the one oil-producing nation in the region capable of posing a military threat to Israel. Coupled with the Israeli deportation of the Islamist Hamas movement members to southern Lebanon, with the continuing government crackdowns in Algeria and Egypt against Muslim "fundamentalists" and with the genocide against the predominantly Muslim population in Bosnia, the barrage of press attacks against Iran spell out a clear geopolitical policy line issuing from London, Washington, and Tel Aviv, that the "new enemy image" is Islamic "fundamentalism," and, by extension, Muslims worldwide.

The danger, therefore, lurking in an otherwise welcome relaxation of tensions between the U.S. and Iraq, is that the Arab world may be manipulated once again into playing the role of so many pawns on the geopolitical chessboard known as the Great Game. The Anglo-Americans, as well as their Saudi allies, know perfectly well that Iraq's re-entry into the community of nations, particularly oil-producing nations, would have a dramatic effect in driving down the world price of oil. To shore it up, they could conceivably seek conflict with oil-giant Iran, to balance not only power in the region, but also the price of oil.

The only way in which the rapprochement, if it materializes, can contribute to durable peace lies in a radical shift, not in regional politics, but in global economic policy. If the Clinton administration seriously desired normal relations with Iraq, it would have to abandon the previous administrations' insanities, and embark on a course of economic reconstruction, to lead the world out of the depression. If, on the contrary, it thinks it can merely change posture, transforming yesterday's enemy into today's friend, and lure along the rest of the Arab world into a new geopolitical gamble lined up against "Islam," then it will be igniting a series of wars which will make the catastrophe of 1991 look like a local skirmish.

The Franco-German cooperation treaty has a hopeful legacy

by Jacques Cheminade

The commentary below was translated from the French newspaper Nouvelle Solidarité.

On Jan. 22, 1963, Charles de Gaulle and Konrad Adenauer signed the treaty of cooperation between France and the Federal Republic of Germany, the Elysée Treaty. Recently, 30 years later, François Mitterrand and Helmut Kohl celebrated its anniversary in Bonn. The tragedy is that nothing remains of the original spark or impulse to live in friendship, nothing more than a historical reference. Now, more than ever, real circumstances demand that the Franco-German alliance have a design, a mission, not only for its own sake, but for Europe and for world peace. It is necessary to return this design and this mission on the 30th anniversary to our policies, and that is what we are struggling for.

First, let's take a look at the circumstances of the Elysée Treaty, of which there were mainly two.

The first is the great Franco-German reconciliation, which could only be built on the victory over Nazism in Germany and over Pétainism in France. If de Gaulle and Adenauer were able to lay the foundations for the "European cathedral," it was because fascism and the collaborationist mentality were defeated. The second circumstance was the repeatedly confirmed opposition of General de Gaulle to the Anglo-American policies: France was just then forcefully opposing the entrance of Great Britain into the Common Market and blocking NATO projects that aimed at securing the hegemony of Washington and London. Charles de Gaulle, in his *Memoirs of Hope: Renewal and Endeavor*, clearly demonstrates that "the English who, from the outside, were unable to prevent the [European] Community from coming into being, now plan to paralyze it from within." And it is against this policy, which aimed at assuring that Europe would be subordinated to decisions taken from overseas, that de Gaulle constructs the reconciliation between Germany and France, and the Western European Union.

However, the France and Germany of François Mitterrand and Helmut Kohl are not going to tell us that their policies today conform to the spirit of the Elysée Treaty: Those who hold the celebration are shamelessly betraying it.

In fact, today, France and Germany—and it must be

stressed that the France of François Mitterrand is the greater culprit—are not fighting against fascism, but agree that one can sit at the negotiating table with murderers and acknowledge their rights and privileges. What else can one call that sinister masquerade at Geneva? With the acquiescence of France, Messrs. Vance and Owen, co-chairmen of the talks, have profusely thanked Milosevic for "his great contribution to the cause of peace." Radovan Karadzic, who personally led the "ethnic purification," rape, and torture operations, is now officially recognized with the status of negotiator. And to those who organized the concentration camps and mass rape camps, 40% of the territory of Bosnia-Herzegovina is handed over, whereas the Serbs make up no more than a third of the population! Established, recognized borders in Europe are violated, and here we have people ceding territory to those who criminally conquer it, just as in 1938, signalling a weakness that will not be forgotten, tomorrow, by even worse criminals.

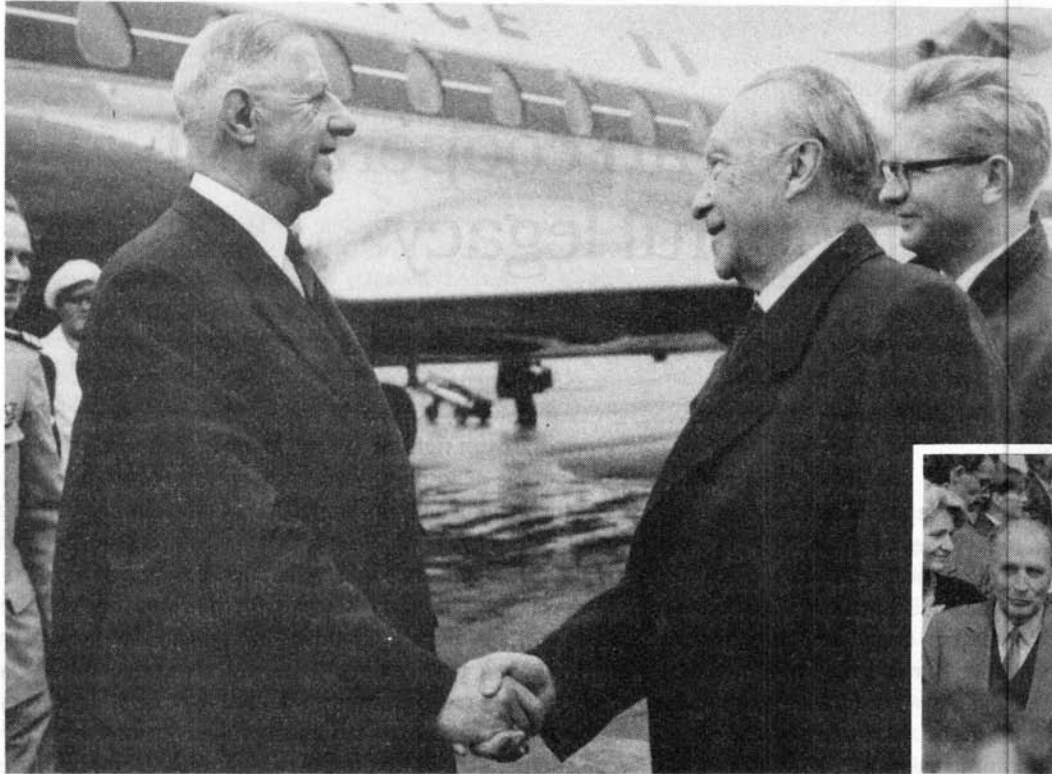
A legacy betrayed

The first foundation of the Elysée Treaty, the victory over fascism, has thus been betrayed by those who hold the celebrations. As for the second, it is clear that, despite a bit of rearguard resistance here and there, François Mitterrand and Helmut Kohl, quite the opposite of Charles de Gaulle and Konrad Adenauer, accept the order outlined by Washington and London. Admitted into the midst of the Common Market, Great Britain "is paralyzing Europe from within," and France and Germany, since the Gulf war, have rallied to George Bush's "new world order." Yes, the Franco-German Eurocorps was created, but will only become operational in 1995, and then under NATO.

Who is really able to take seriously, in the face of the challenges history now presents us, the meaning of the Elysée Treaty?

Certainly not the President at Elysée Palace today. Either Mitterrand understood nothing about the Anglo-American geopolitical aims, or he has consciously decided to bend to them in hopes of a few crumbs from the table.

London and Washington today are looking for a way to stop Europe from making itself, this Europe which the Elysée



French President Charles de Gaulle and German Chancellor Konrad Adenauer in Bonn in 1961, meeting to sign the treaty reconciling French and German peoples. Inset: Their counterparts in title, but not in spirit, Helmut Kohl and François Mitterrand at a 1990 meeting in Germany.



Treaty tried to build, the “European cathedral,” and Paris and Bonn are even collaborating with London and Washington.

The design, the mission of those who still believe in the Elysée Treaty, is to reject Anglo-American geopolitics, the legacy of the world of Versailles and of Yalta, and to replace it with a policy of peace through development and reconstruction.

It is in rediscovering economic development, as opposed to the ever-smaller world financial order over which London and Washington exercise their mastery, that peace can be rediscovered, as can hope. Otherwise, within the sleep of reason and the ruin of economies, the old monsters will reappear.

That is why, the moment it arises, we must immediately say “no” if anyone tries to call into question the recognized borders between peoples. When the old monsters of fascism and ethnic purification reappear, we point them out, rather than tolerate them at the negotiating table, and put them on trial, as was done in earlier days at Nuremberg.

Frenchmen and Germans, despite the relative limits to our means, thanks to the nearsighted military policies of the last few years, must prove our authority in the face of the return of the intolerable. To give up, to compromise, to resist the general push to deploy force—which Mitterrand has chosen to do—Messrs. Chamberlain and Daladier showed us where these policies lead. This does not mean blustering, but rejecting evil when it rises up.

Engendering hope

Even more profoundly, it means giving new birth to hope, to say that a plan for reconstruction and development is possible in Europe, if the financial interests are curbed. Bosnians must be allowed to rediscover justice and faith, as must the Croats, the Serbs, and all the peoples of eastern Europe.

The neo-liberal shock therapy has led to the worst, and its effects will soon be even more severe, unleashing a chauvinist and racial counter-reaction as far as Russia and China. So then, what are Paris and Bonn waiting for, before speaking out loud and clear in the name of right and justice? Don’t they hear the Polish foreign minister demanding, in the name of peoples in the East of our continent, to be part of Europe, this Europe which conforms to the Elysée Treaty, which we must reestablish? Don’t Paris and Bonn hear the demands of justice knocking at our door?

De Gaulle, in his notes for a speech in Bonn, in June 1965, wrote: “When our cathedral is built, we will throw open the doors to others. Who even knows, along with them, having once developed a taste for building, we might not build another even greater and more lovely, the union of Europe as a whole?” This summarizes the fate of Europe and the world today: Either the prospect of war, engulfing first the Balkans, then Europe, and the world, or instead, this new cathedral of all Europe, open to all peoples of the world.

New wars, but where?

At the 30th Munich Conference on Security Policy, European analysts took stock of the new U.S. administration.

The 30th Munich Conference on Security Policy Feb. 5-7 was the first major international gathering of 200 senior NATO defense experts and politicians since the inauguration of the new U.S. President. Naturally, everybody wanted to find out what course the new Clinton team would take in defense policy in global terms, and on the Balkans conflict specifically.

U.S. Secretary of Defense Les Aspin, a regular guest at these annual conferences, also attended this one, but was reluctant to tip his hand, since the new administration had not yet released its official policy on the Balkans (see article, p. 35). He only spoke at a closed event at the Munich Residence on Feb. 6, and on that occasion limited himself to generalities.

"NATO has its role to play in the former Yugoslavia and as a peacekeeper elsewhere," he said, urging alliance member governments to "summon the imagination and courage to redirect our alliance in this direction." This left ample room for speculation.

More forthcoming was Norman Sicisky of the Washington, D.C. Croton Institute, who addressed the conference on Feb. 7, introducing himself as a longtime close collaborator of Les Aspin on strategic and defense matters, who knew what the new boss of the Pentagon was thinking.

"The new world order is full of disorder and conflict," he said. "People and nations discuss peace dividends, but there is little peace."

Sicisky's presentation put the em-

phasis not on the question of whether to intervene in the Balkans and how, but on something else, which has to be seen in a broader context of ongoing U.S. and NATO strategic reviews.

Forecasting that the total number of U.S. military personnel would drop "from the 1.6 million projected under the Bush administration plan to about 1.4 million," he said that, concerning overseas deployments, "President Clinton's campaign proposal called for maintaining a forward presence in the Pacific and stationing from 75,000 to 100,000 troops in Europe."

Concerning Europe, he was "confident that we can maintain a credible, effective fighting force composed of a small army corps with the necessary level of air and naval support," a force designed in Clinton's preliminary five-year defense plan for missions quite different from the past mission of U.S. forces in Europe, that of deterring any Warsaw Pact attack on Europe.

"NATO's forward defense lines are no longer drawn along the Fulda Gap," Sicisky said. "They have been redrawn for now in the former Yugoslavia and are appearing in conflicts farther east. They have already been defended in the Kuwaiti desert and are being tested in Somalia. They are now and, I believe, for the foreseeable future, intertwined with the lines of global security and stability. We have to expand our concept of NATO's roles and missions and prepare together for operations in areas other than

those of the classic NATO-Warsaw Pact scenarios.

"We have to be ready for large-scale conflicts like Desert Storm, as well as smaller peacemaking and peacekeeping roles. I know our units have begun training together in NATO's southern region for such contingencies, and that some of our members are discussing joint exercises in Mediterranean countries outside Europe. These seem to me to be steps in the right direction."

The main concern of the NATO elites, as indicated in the speech of the alliance's Secretary General Manfred Woerner at the conference on Feb. 7, seems not to be with the fate of the Bosnian victims of the Serbian attacks. Rather, they evidently fear that inaction on the Serbian issue would result in the loss of the U.S. aura of "will and leadership," and with diminution of its role as the one superpower in the world after the end of the Cold War.

NATO, Woerner said, still served as a crucial reference point in "the projection of military power" for everybody around the globe these days.

The prime concern of the United States is, however, whether that "projection of military power" is also seen where it really counts: by the states of the Community of Independent States (CIS), the former "second superpower," which still commands a vast arsenal of nuclear arms and other systems of mass destruction.

For lack of a real design for peacekeeping, which would have to be premised upon economic and political cooperation with the CIS, the wisdom of the United States and the rest of the NATO member countries is reduced to confrontation scenarios and military warnings against Moscow. The Balkans war is therefore subsumed under that bigger geopolitical consideration.

International Intelligence

Rabin defends Israel's right to deportations

Israeli Prime Minister Yitzak Rabin defended his government's illegal deportation of over 400 Palestinians, without trial, and said it had the right to take such actions in the future. He told the Israeli Knesset (parliament) on Feb. 4, "The principle of our ability to remove, for a limited time, hundreds of inciters, leaders, organizers, remains."

Rabin defended his proposal to allow the return of 100 of the Palestinians expelled last December, amid criticism from both the left and the right in the parliament. The deportees rejected the "compromise," saying that they should all be allowed to return.

In defense of the original decision to expel the 400, which has been seen by both left and right as a blunder, Rabin declared that he could be more hardline than the Likud Party: "I believe this decision was a correct one, an exceptional decision that in the last 20 years no government in Israel dared to take."

Yasser Arafat, speaking from Baghdad, denounced the so-called compromise and reiterated the refusal of the Palestinians to attend the next round of peace talks.

World War III could start in Tajikistan

"World War Three Could Begin From Tajikistan," headlined a late January article in *Argumenty i Fakty*, a Russian weekly with a circulation of over 12 million.

Author D. Makarov wrote: "Bloody as all the other armed conflicts taking place within the former U.S.S.R. are, whether in the Transcaucasus, Moldova, or the Northern Caucasus, the war in Tajikistan is the most unpredictable and the most dangerous. . . . From here, the Third World War could begin. If such a war begins, future historians will date it from December 1979, when four old marasmatics from the Politburo adopted the decision to send Soviet troops into Afghanistan. The war there turned from a na-

tional liberation war to a civil war, but it already clearly threatens to overwhelm Central Asia as well."

Makarov forecast how the forces of General Dostum in Afghanistan, if driven from Kabul, might regroup in northern Afghanistan, and seek to link up with fellow Tajiks and Uzbeks across the border in Tajikistan, "where a civil war is also raging. . . . Under certain conditions, political combinations could arise in this region, undreamt of by professional political scientists, which could explode the peace in this part of the world into pieces, and perhaps worldwide. It should not be forgotten, after all, that Iran, Pakistan, and Iraq are busily seeking access to nuclear weapons, while China and Kazakhstan already have them."

The Russian author called for reinforcing the Russian Army in the region, to act as a "peacekeeping force" and disarm all sides in Tajikistan.

Rising chorus of attacks on U.N.

As United Nations "peacemaking" efforts in country after country have proved to be total failures, press reports from developing-sector countries reflect increased debate over whether this institution has any value. "What is the point of bringing our problems before the United Nations?" visiting Sudanese Foreign Minister Ali Ahmad Sahlul asked in Malaysia on Jan. 28.

Malaysia and Sudan share many common views, "including on the role of the United Nations in the so-called new world order," the Malaysian news service Bernama quoted him. "The United Nations appears helpless to act. We need to ask how the Non-Aligned Movement can take on a bigger role. . . . NAM can indicate to the big powers that it will not stand by and leave the resolutions to be interpreted by them."

In Cambodia, a spokesman for the Hun Sen government Feb. 1 said of its military offensive against the Khmer Rouge guerrillas: "We are fighting because the U.N. could not control the Khmer Rouge and could only be trusted to run away!"

Libyan leader Muammar Qaddafi on Feb. 4 told a student demonstration against the U.N. in Tripoli that the U.N. Security Council is simply a "colonialist tool in the hands of the big states" and suggested sarcastically that "the Arabs join the Society for the Prevention of Cruelty to Animals, because the United Nations does not respect them."

What is the alternative to the U.N.? Dr. Kassim Ahmad, a Malaysian author, floated his "modest proposal" in a letter to the *New Straits Times* published on Feb. 2: "We should begin with a few free and brave spirits, 5, 10, 20 countries first, break clean away from economic liberalism and the free market, set our own national monetary system and build our own infrastructure, set up our own fund to help each other create a new collective framework . . . link up and cooperate with as many friendly countries as possible, and expand as we go. Forget the United Nations!"

Prospects for peace in Cambodia look dim

"One can say now that the [Cambodian peace agreement] is dead. I do not see another way except war," Raoul Jennar, a European Community consultant on Cambodia, said in Phnom Penh on Feb. 5, according to Agence France Presse. U.N. Secretary General Boutros Boutros-Ghali had already cancelled his scheduled trip to Cambodia.

"It seems difficult to have a recognition of the failure of their settlement by the big powers. . . . It was that magic world 'comprehensive.' The comprehensive character of the peace agreement has failed," Jennar said.

The "comprehensive" agreement specified that the Khmer Rouge, which killed some 3 million people during their brief rule (1975-79), be one of the parties to the settlement. "I think Cambodia will have to deal for the next 10 to 15 years with insurgents," he said. He estimated that Khmer Rouge strength is about 8-10,000 men, and there are 200-400,000 people in the areas it controls. "Let us let the Khmer Rouge

become outlaws or rebels and enforce the building . . . of democracy and the building of rehabilitation of the country," he proposed.

Cambodian government troops now appear to be withdrawing from the areas where they had mounted attacks on Khmer Rouge forces, although they did not appear to be driven back. The U.N. criticized the attack by the Cambodian government for going beyond the "self-defense" permitted under the 1991 accords. As in former Yugoslavia, the U.N. is critical of "both sides" in the Phnom Penh-Khmer Rouge clashes.

Punishment of Iraq sows seeds of new war

"By this collective punishment, the West is sowing the seeds of a new war in the region," warned an Iraqi professor who lived in the United States for 25 years, in an interview with the French daily *Le Monde* published on Feb. 4.

Le Monde presented various indications of the disaster that is being inflicted on Iraq:

- A Unicef official is quoted that "malnutrition is growing," and that diseases that "had completely disappeared here" have now returned.

- There is a drastic shortage of medicines. Iraq is only receiving 10% of the medical imports it was receiving before the war; hospitals are working at 50% of capacity; and surgeons are only performing emergency operations. A medical system that was one of the best in the Third World is virtually collapsed. One doctor says: "170,000 people have died since Aug. 2, 1990 of the direct or indirect effects of the embargo." A foreign infirmary worker commented: "Last week in Basra, operations were delayed because of a lack of surgical gloves. In one day, I saw a 52-year-old doctor die because of lack of insulin, and a baby who could not be resuscitated, [because] the respirator was no longer functioning."

- Richard Foran, coordinator of the U.N. aid program in Iraq, affirmed: "Short of progress in humanitarian aid, we are

heading toward disaster. Two hundred and fifty million dollars for six months is inadequate. In the south, the collapse of the sanitary system can lead to major problems. We need water pumps, spare parts for ambulances and vehicles that can distribute potable water, and medicine to counter the illnesses that are developing. . . . In the North, unemployment is 80-90% of the active population, and the remaining 10% earn less than \$10 per month."

A priest told *Le Monde*: "I don't accept that children must die to make Saddam Hussein leave power. There is, just the same, a range of values that must be respected."

Is Serbia getting ballistic missiles?

Serbia may be procuring ballistic missile technologies that would give them the ability to launch strikes at major European cities, according to speculation by informed sources in Europe. Several sources maintain that such technologies could be procured from Russia, China, North Korea, Israel, and elsewhere.

One well-informed European source of Balkans origin stated: "Why should anybody talk about Serbian 'attempts' to acquire ballistic missile technologies? They will get what they need from the Russians, if they insist on it, and they may be getting such technologies already. Nobody should be astonished about this; it's perfectly foreseeable."

Sources estimate that, were the Russians to provide such technologies to the Serbs, it would not be done on an official government-to-government basis, but would be conduited through Russian military networks "informally," combined with the arrival of "volunteers" from Russia to Serbia, to help in assembling the equipment.

A British strategist pointed out that, should evidence come to light that the Serbs are receiving such technologies, this would oblige western military powers to carry out preemptive attacks on Serbian targets. "No one would tolerate the Serbs receiving that kind of stuff," he said.

Briefly

- **AFRICAN** foreign ministers will discuss forming an elite squad to police the continent's hot spots, according to a Reuters wire from the Organization of African Unity in Addis Ababa, Ethiopia. This will be discussed at a meeting Feb. 15-19, which will plan for the June OAU summit.

- **TAIWAN** Premier Hau Pei-tsun resigned on Jan. 30 under pressure from President Lee Teng-hui, the first native-born head of the island, and his supporters. Hau is a four-star general and former aide to Chiang Kai-shek. The announcement follows a month of open conflict between the old Nationalist faction loyal to Hau and the reformists backing Lee.

- **UNITED NATIONS** Secretary General Boutros Boutros-Ghali demanded that Japan change its constitution so as to participate in supranational military operations, in an interview published by Japanese newspapers on Feb. 5. He added that such constitutional amendment would "facilitate" a "greater political role in the U.N." for Japan, alluding to Japan's becoming a permanent member of the U.N. Security Council.

- **ARMENIA** could become like Somalia if no help is forthcoming, Aram Sarkosyan, a leader of Armenia's Social Democratic Party (formed out of remnants of the Communist Party), told the *New York Times*. The energy crisis in the country worsened on Jan. 24, when Azerbaijani terrorists blew up the last remaining gas pipeline, which runs through Georgia. That forced Armenia to ration electricity and running water to two hours a day, during the worst of the winter cold.

- **ITALY** will recognize Macedonia shortly, Italian Prime Minister Giuliano Amato told parliament, after a meeting with Macedonian Prime Minister Branko Crvenkovski in Rome.

The British in South Africa: Is history repeating itself?

by David Cherry

Frontiers—The Epic of South Africa's Creation and the Tragedy of the Xhosa People

by Noël Mostert

Alfred A. Knopf, New York, 1992

1,355 pages, hardbound, \$35

Frontiers is a literary-historical contribution to the struggle for black power in South Africa, by a liberal Canadian of South African Huguenot origin. Author Noël Mostert refers to the current drive for black power as the “final historic evolution” of the social drama chronicled in his book. European oppression, he might say, in its self-imposed blindness, has led to present circumstances in which Africans seem poised to take back control of the lands their forefathers ruled. But that is a proposition to which we shall return.

This vast book is a history of principally British relations with the Xhosa people from the earliest contact. (The “Xh” in Xhosa is pronounced with a click of the tongue against the palate.) At the book’s midpoint we are in the 1820s, and three-quarters of the way through, in 1848. The story comes to a climax in the 1850s, to which the last quarter is devoted: It is a drama in which Xhosa society—suffering from the endless depredations of the British—eventually committed suicide through a messianic movement promising an end to the European presence if all Xhosa would kill their own cattle and destroy their granaries.

Frontiers is vividly and masterfully written. Mostert has

consulted a vast literature of printed and manuscript sources, and weaves quotations into his narrative abundantly and well. The reproductions of contemporary etchings, and photographs from the 1850s, are an outstanding collection. This is not analytical history, but narrative almost entirely. Because Mostert is usually sensitive to the subtleties of human character, he is able to bring alive Africans, missionaries, and British administrators alike. Fortunately, the Boers do not play a large role in his story, because when Mostert thinks of them collectively, he sees only their weaknesses, and these appear in an erroneous, stereotyped form.

The defect in the genre of the non-fiction prose epic is the “television effect.” Because the narrative is graphic, lively, and continuous, and is packed with information, the reader comes to feel that he has the whole picture. There is no suggestion that there might be another viewpoint, apart from the differing viewpoints of the actual protagonists immersed in the events. In fact, the genre does not appear to provide a viewpoint at all: The facts seem to “speak for themselves.” To break this illusion, the reader need only consult one or two other works, which may be chosen from Mostert’s bibliography, and the *Dictionary of South African Biography*.

The British objective

Mostert demonstrates the evil brutality of the British imperial onslaught. The British objective with respect to the Xhosa—well documented by Mostert—was to shatter Xhosan social and political organization in order to put Xhosan bodies to work as helots, provided the conquest could be accomplished at little cost to the British Treasury.

Imperialism had to pay for itself and turn a profit. Moreover, troops were needed in India.

The British therefore carried out a two-pronged attack. On one hand, they occupied more and more of the lands on which the Xhosa depended for grazing their cattle. (The inevitable consequence was theft by Xhosans of Europeans' cattle. The British did not acknowledge their own taking of the land as theft, but cattle rustling by the Xhosa *was* theft, they said, and justified punishment, recompense, or both.) On the other hand, the British attacked the rule of the Xhosan chiefs, claiming that the institution was the linchpin of everything that was backward about the Xhosa. In fact, it was the linchpin of Xhosan society, the good with the bad.

How was this attack carried out? The most noble, compassionate, and intelligent chief of the period, Paramount Chief Hintsá, of strong character and moral authority, was made the target of character assassination for the considerable number of Xhosans whom the British could influence by divide-and-conquer methods. Later, in the Sixth Frontier War (1834-35), Hintsá felt compelled to offer himself and his son Sarili as hostages to the British. After systematic humiliation, Hintsá was shot to death in a highly dubious "escape attempt."

Another element in the attack on the chiefs was the British-inspired "anti-witchcraft movement." The chiefs complained that the movement undermined them. How little it had to do with actually ending witchcraft may be surmised from the claim of one of the movement's leaders, Mlanjeni: Mlanjeni claimed to have the power to cause great harm to any practitioner of witchcraft who came near him! Since British colonialism has always had a use for witchcraft, the chiefs' complaint that they were being undermined by this anti-witchcraft movement probably expressed the only real purpose of the movement.

Over the years, the ultimate weapon for crushing the Xhosa was thought to be the obtaining of unconditional surrender by seizing their cattle and torching their crops at harvest time. Sir George Grey, home secretary in Lord John Russell's cabinet, proposed the execution of this strategy to Cape Colony governor Sir Harry Smith in November 1851. The Xhosa responded by driving their cattle into inaccessible places in the bush. They were severely pressed by the warfare of the early 1850s, but avoided surrender.

In this hard-pressed condition, came the cattle-killing messianism.

In 1856, a young Xhosan woman, Nongqawuse, in the capacity of a medium for her witchdoctor uncle Mhalakaza, reported commands from the ancestors that the Xhosa must kill all of their cattle, destroy their granaries, cease their planting and harvesting activities, and abandon all witchcraft. Once accomplished, two suns would rise over the Amatola mountains and collide. The English would then walk (or be driven) into the sea, which would divide to reveal a road along which they would march back to the

place of creation, where Satan would dispose of them. A great resurrection of the ancestors would be accompanied by herds of new cattle emerging from beneath the Earth. Those who had not accepted the commands of the ancestors would not be among the risen. With the resurrection would come healing of the living and restoration of youth. In the new dispensation, no one would have to work, for all needs, even household goods, would emerge from the ground.

In the summer of 1856 the cattle-killing began, continuing into 1857, as chiefs succumbed to pressures and threats. The day of resurrection, Feb. 18, 1857, came and went. Virtually no cattle now remained. Twenty thousand Xhosa died in the agonies of starvation. Another 30,000 straggled westward to the white towns and farms, where, in exchange for food, they became a servile labor force. The chiefs were picked up on various charges, convicted in kangaroo courts, and sent to Robben Island until their power was broken (the last were returned in 1869). The British instituted a system of salaried chiefs supervised by magistrates. Xhosan society was completely crushed.

Where Mostert fails

Because the cattle-killing achieved British objectives so perfectly and with such parsimony, one is driven to ask whether the British themselves could have shaped the cattle-killing messianism from Xhosan ideational materials. This is, however, a question that Mostert will not consider. He is willing to devote a thousand pages and more to spelling out British brutality; but he will not entertain the question of methods that are not entirely overt.

Did the British shape the thinking of their victims to their own crucial advantage? Would that be an unkind accusation? Scarcely. Mostert has already shown us that they sought to break the Xhosa by starvation.

While prophets earlier than Nongqawuse—such as the previously mentioned Mlanjeni and the even earlier genius Nxele—had prescribed the killing of *some* cattle as sacrifice, that was conceptually poles apart from killing *all* cattle and destroying all granaries. It was the difference between spending some wealth and abolishing the means of existence. While Nxele considered (and rejected) a messianic "solution" to Xhosan suffering, the consequence of his messianism would have been his own death, but not the destruction of Xhosan society itself.

There are several other indications pointing toward a British role in the authorship of the cattle-killing messianism, as the following account will show.

While there had been a concerted attempt to capture the earlier prophet Mlanjeni, who had preached the offering of some cattle as sacrifice, there was no attempt to arrest Mhalakaza or Nongqawuse, who called for the destruction of all cattle and granaries.

The British authorities denounced the proposal to kill all cattle, but intelligence chief John Maclean, who was "coldly

detached" and unsympathetic toward the Xhosa, denounced it provocatively, in a "violently bellicose" manner. A case of "denounce what you wish your adversary to adopt"? District Commissioner Charles Brownlee, who had been raised among the Xhosa, on the other hand, sought diligently to dissuade the chiefs.

In late August 1856, Paramount Chief Sarili, son of the murdered Hintsá, who had committed himself to the cattle-killing, sent for Brownlee. Sarili was apparently having second thoughts, and wanted help in arranging a way out. Brownlee was eager to go, and Chief Sandile, who opposed the prophecy, was willing to go with him. At this point, the Xhosa still had large herds, and the catastrophe could have been averted. Brownlee required permission from Gov. Sir George Grey (not the home secretary of the same name) and Maclean. This permission was refused! Sarili soon resumed the killing of cattle.

Later, when it seemed that also Sandile would succumb to hysteria, Brownlee sought permission from Grey and Maclean to intervene with him. Permission was again refused.

Grey and Maclean insisted upon a "war plot" explanation of the movement. They claimed that the chiefs planned, by way of the cattle-killing, to force their people to unite in war against the Europeans for sheer survival. If Grey and Maclean really believed that, they would not have denied Brownlee permission to intervene with Sarili and Sandile.

Brownlee could see little evidence that war was being planned, and pointed out that the Xhosa never went to war in times of scarcity. Moreover, Brownlee was keenly aware that for the Xhosa, "Cattle are the race; they being dead, the race dies." Cattle were the chief form of wealth and a major form of prestige, and bride price was paid in cattle. For Brownlee, with his intimate knowledge of the Xhosa, the movement was inexplicable. "The whole thing is so much involved in mystery," he wrote. Mostert acknowledges that "there were sufficient doubts even among the most energetic killers of cattle to create great mental disturbance."

Believers were most numerous where cattle lung-sickness was widespread. The lung-sickness was killing off entire herds in some areas. Perhaps this was understood in those areas as a confirmation of the prophecy, that the cattle had to die. The lung-sickness had been imported from Europe with a shipment of Friesian bulls in 1854. But it did not touch other areas. Intimidation, including murder, was used by believers to force the cattle-killing on those who disbelieved.

The personal fate of Nongqawuse also contains a hint of British meddling. What was her fate? As the cattle-killing went to completion, large numbers of starving Xhosa appealed to the European farmers and townsmen for succor. Official policy did not prescribe charity for the starving Xhosa—they could accept wages for laboring jobs or they could starve. But Nongqawuse was taken into the home of

Maj. John Gawler and his wife, before being moved for a while to Robben Island for protective custody. Gawler was not another Charles Brownlee, with sympathy for the Xhosa. Why was Nongqawuse singled out, instead of being treated as just one more African?

With time, the opinion became general among surviving Xhosa that Nongqawuse had been the cause of the catastrophe, and she became a pariah, although left to live in peace. She died in 1905. It is therefore strange to find that in 1937, the mission press at Lovedale issued propaganda to make her a heroine. It is a play by H.I.E. Dhlomo, entitled *The Girl Who Killed to Save (Nongquase the Liberator)*. The play reaches its climax with Nongqawuse's pronouncement that the mass starvation of the Xhosa was a blessed liberation from the sufferings of the flesh.

In 1950, the superintendent of Grey's hospital in King William's Town, A.W. Burton, wrote that the cattle-killing "proved the greatest blow witchcraft and heathenism ever received and out of its evils came richer ethical and spiritual values and an appreciative sense of the importance and dignity of labor and need for progressive development among a people emerging from darkness into light." But the same author wrote that an aged Xhosa reported in 1936 that "certain Europeans" were behind the cattle-killing movement, according to his father and grandfather.

There is no room for doubt that the British possessed in the 1850s some capability to manipulate Xhosa thought. That is shown by the existence of the Xhosa anti-witchcraft movement. It is probably also to be found in a certain "countergang" to the British attack on the chiefs, an anti-European movement that called itself Young Kaffirland (the British called the Africans Kaffirs, borrowing Arab traders' vocabulary). Unfortunately, Mostert makes no mention of Young Kaffirland. In the 1850s, wherever one encounters Young Italy, Young America, Young France, Young Germany, even Young Bosnia, one finds a British-Mazzinian creation. What then was Young Kaffirland?

How British manipulation could have worked

How could the British have shaped the cattle-killing messianism? Was there a framework of relationships and events within which such a shaping were possible? The witchdoctor Mhalakaza, under whose direction Nongqawuse had received the prophecy from the ancestors, had spent 1849-53 in "a curious relationship" with Anglican Archdeacon N.J. Merriman of Grahamstown. The eccentric Merriman, described by Lord Robert Cecil as free of all cant, went great distances on foot with Mhalakaza as servant and boon companion, sometimes covering 40 miles a day. Mhalakaza was intensely interested in Christianity and Merriman taught him, and confirmed him, in the Church of England.

Mhalakaza returned to Paramount Chief Sarili's territory in 1853. Merriman wrote—and Sir George Grey noted—that Mhalakaza was prone to sophisticated and detailed visions.

(It is not necessary to suppose a wittingly evil role for Merri- man, but only for those such as Governor Grey and Maclean who would have used his information. Grey was, incidentally, a serious student of “indigenous cultures.”)

Then in 1855, a most unusual development took place. A half-dozen prophets—unnamed by Mostert but not including Mhalakaza—arose in scattered events, all calling for the wholesale killing of cattle and destruction of granaries. We are invited by Mostert to believe that this was simply a sociological phenomenon, a predictable response to the intense compression imposed on the Xhosa by the British. That is impossible! Perhaps it could be believed if a single prophet had appeared with this message. But for five prophets to appear in rapid succession, all preaching the same radical departure from both reason and Xhosan culture, strains belief. The explanation lies rather in intelligence chief Mac-



Chief Sandile, who resisted the cattle-killing.

lean’s extensive network of spies and informants—there were hundreds of them—maintained by rewards and threats. Such a capability is always simultaneously a means for disinformation and manipulation. Mostert acknowledges that Maclean’s work was both intelligence-gathering and manipulation. Maclean was behind these strange prophets, but the prophecies did not take hold, because no chief would endorse them.

Archdeacon Merriman visited Sarili during this year of the prophets. What did they talk about? Sarili never showed any interest in Christianity. Sarili had many of the outstanding characteristics of his father Hintsa, but the British must have known that he was also the victim of a sense of hopeless desperation. He had been a helpless witness to the murder of his father by the British, and, “strangely, his heirs had died, one after another, the last of them, a boy of 12, in 1853.” Sarili was the target because of his moral authority and his utter indifference to European culture and religion: The prophecy could not appear to come from Xhosans who were seen as British-influenced. Some months after the visit from Merriman, Sarili called upon Mhalakaza the witchdoctor to ask his help, in light of the critical situation of the Xhosan people.

Nongqawuse’s first encounter with the ancestors followed in April or May 1856. The prophecy took hold because she—and later Sarili himself, among others—reported not merely hearing the voices of ancestors, but seeing them appear before them, returned from the dead. Mostert writes that there is little doubt that such events were often engineered.

All of these features testify to the British capability to engineer the prophecy and the cattle-killing.

To avoid seeing this, Mostert has to ignore or smooth over the odd features and anomalies in his own account, and fails to mention additional such features mentioned in earlier accounts. He goes so far as to express surprise that Charles Brownlee, with his intimate knowledge of the Xhosa, could not see the Xhosan suicide as a natural response to the British onslaught. Isn’t it normal to commit suicide when faced with a mortal threat? That is Mostert’s view in simplest terms. He ascribes Brownlee’s incomprehension to “the narrowness of the colonial viewpoint.”

Mostert’s failure is not a personal one, however. It has been “politically incorrect” in the highest degree, since long before that apt expression appeared, even to ask about covert actions of governments of this particular kind—more so than to ask about government-sponsored assassinations. If such questions became permissible, one might be faced with the discomfort of asking how the United States, a once-great nation dedicated in liberty, had in a few short years abandoned the Christian conception of love and its work-ethic corollary, in favor of hedonism, or how it had abandoned the economic theory of those who built the country for the Adam Smith theory of those who attacked and disrupted it,

and assassinated its Presidents.²

British of a different stripe

Scots missionary John Philip and his plans for southern Africa are seen by Mostert as something of a model of what the British role should have been. Here Mostert may be right. Philip imagined a series of African settlements under British protection led by missionaries, to which Europeans in general would not have access, and on which they could not encroach. His idea was, apparently, not to exclude European settlement in Africa, but to prevent the corruption of Africans by the immoral tendencies in European society. His approach seems to have much in common with the truly Christian faction in the early United States that fought the evil treatment of the Indians here, but lost out to their British-influenced countrymen. Both efforts may have learned something from the Spanish Jesuits in 17th-century Ibero-America, who were the pioneers of this kind of arrangement.

Frontiers also tells the story of the Kat River Settlement of the Khoikhoi (Hottentots), since its history was closely intertwined with that of the Xhosa. It was founded by the leader of the Cape Boers, Andries Stockenstrom, under British government sponsorship, and was shaped by a missionary associated with Philip, James Read. Education was pursued with a passion there, starting with the three-year-olds. It is a joy to learn that young Khoikhoi girls demanded to be taught classical Greek, just like their brothers. But the settlement was really doomed from the beginning: The Khoikhoi were meant to be auxiliaries to British troops. The settlement was founded on lands from which the Xhosa had been expelled, and was strategically located as a buffer, between the British and the Xhosa.

When much of the settlement arose in rebellion in alliance with the Xhosa in 1851, British troops were astounded to find the Khoikhoi coming into battle against them, triumphantly singing evangelical hymns such as "Awake my soul and with the sun, Thy daily course of duty run." The British themselves had little truck with religious observance, according to Mostert.

Since Philip had some clout in Parliament, he and Read may have imagined that their work had a chance of succeeding. In fact it was tolerated only because it served a purpose for the imperial policy that they opposed. The Kat River rebellion ended their illusion and their dream.

The Xhosa today

To many of this book's readers it will appear that *Frontiers*, as an exposé of British and European duplicity and brutality, provides a justification for the impending advent of black power in South Africa. There is in fact a connection between the history disclosed in the book and the events now unfolding, but that cannot be it, since black power is not actually imminent in South Africa. The concept of "black power" was invented by the enemies of national sovereignty

as a deliberate sleight of hand, and when black power is declared in South Africa, then will South Africans truly be helpless. South Africans are suffering again today from having their thinking shaped to the advantage of their adversary.

Freedom for black Africans, as for the rest of us, lies in the achievement of sovereignty of nations, nations bound together by a community of principle. Otherwise we are stuck with a downward economic spiral in the geopolitical framework we have now, a collection of pseudo-sovereignities ruled in fact by the International Monetary Fund (IMF) and the U.N.'s blue helmets.

The liberation movements have typically said, "We must win our *political* independence first. Then we can worry about economic development." But the typical result is "independent" Zimbabwe—independent in name only, because political power and economic power are inextricably intertwined: Political power flows from the "business end" of the steel mill that Zimbabwe is not allowed to have. IMF conditionalities do not allow it.

If black South Africans build a movement to save their country from its present destruction by the IMF and its policies—whether the present government likes it or not—they will thereby build enduring and useful forms of political power. The general idea would not have seemed strange to the original (non-communist) outlook of South Africa's African National Congress, could its founders have been confronted with the facts of today's world economy. Conversely, necklacing by liberators who kill to save—and the other forms of terrorism embraced by the ANC in South Africa today—never stopped the IMF, for governments can be induced to use such terror to impose the IMF's dictates.

A further sign in the South African case that black power is a fraud is that two British principles for manipulating former colonies are operative: that power be handed over to a tribal group that is a minority, and that it be a docile tribe if possible. The ANC is dominated by none other than the minority Xhosa, so completely crushed by the British in the 1850s, rather than the majority Zulu, who were never made so docile, and whose chief, Mangosuthu Buthelezi, the British have everywhere stigmatized as a "CIA agent."

Notes

1. Modern anthropology, largely a creation of British pseudo-science, asserts even today that there are "positive functions of witchcraft." The fraud involved is exposed in Donald G. Kennedy, "Psychosocial Dynamics of Witchcraft Systems," *Intl. J. Social Psychiatry* XV:3 (Summer 1969), pp. 165-178.

2. For another African instance—and also an Asian one—in which the British shaped the outlook of their victims to their own advantage, see "Low Intensity Operations: The Reesian Theory of War," by Michael Minnicino, *The Campaigner*, April 1974, and two works cited therein: Frank Kitson, *Low Intensity Operations*, 1971, and Kitson's *Gangs and Countergangs*, 1960. *The Campaigner* was the theoretical journal of the LaRouche movement in the 1970s. (Back issues are available from Ben Franklin Booksellers, 107 S. King St., Leesburg, VA 22075, 800 453-4108.)

The ADL makes strange bedfellows in the South

by Jeffrey Steinberg

Terror in the Night: The Klan's Campaign Against the Jews

by Jack Nelson

Simon & Schuster, New York, 1993
287 pages, hardcover \$22

Until November 1968, Jack Nelson was a fairly typical liberal reporter covering the civil rights movement in the South. As the Atlanta bureau chief of the *Los Angeles Times*, Nelson had cultivated good ties with both the Federal Bureau of Investigations and the Anti-Defamation League of B'nai B'rith (ADL). Many of his stories about the trials and tribulations of the civil rights movement, including his coverage of the racial violence meted out by the Ku Klux Klan, the White Citizens Councils, and other virulently segregationist groups, were based on information provided by the FBI and the ADL.

All that changed when Nelson received a late-night, frantic phone call from Ken Dean, a Baptist minister and civil rights activist who was the head of the Mississippi Council on Human Relations. Nelson had known Dean since 1965, and considered Dean to be one of his best sources, and also a man of great integrity. Ever since June 30, 1968, when local police in Meridian, Mississippi had gotten into a shootout with two Ku Klux Klan terrorists who were caught trying to plant a bomb at the home of a local Jewish community leader, Meyer Davidson, Dean had been regularly contacting Nelson in a hitherto fruitless effort to get the *Times* reporter to look deeper into the incident. One of the two would-be KKK bombers, a local schoolteacher named Cathy Ainsworth, had been killed in the incident, and a second terrorist, Thomas Albert Tarrants III, had barely survived the ambush. He was shot 70 times.

Nelson agreed to pursue the story, which Dean said would implicate the ADL, the FBI, and the Meridian police in a pre-meditated execution of the Klansmen. Nelson's first step was to contact Adolph "Bee" Botnick, the ADL's southern regional director in New Orleans. Nelson's notes of Bot-

nick's comments from that initial phone conversation read in part: "It was logical someone had paid to set up the Klan members . . . he had helped raise funds for the purpose . . . wouldn't say how much was paid . . . wouldn't want to see the ADL involved in a story about the Meridian incident . . . four guys know I was in on the original planning . . . it was a trap—you know that."

Although Botnick acknowledged the incident in that initial conversation with Nelson (he would later deny that he had admitted anything to either Nelson or Dean), he smugly reminded the reporter that the latter lacked sufficient details or corroboration to go to print with the story. Botnick exuded confidence that Nelson would never get to the bottom of the Meridian incident.

Following that initial confirming discussion with Botnick, Nelson received a very detailed, 11-page, memo from Dean, which spelled out a horrifying tale of ADL-FBI-police collusion in buying the services of one group of Klan killers to set up another Klan hit team for a police kill. Ever present in the scheme was the ADL, ostensibly a private, tax-exempt public interest group devoted to combatting anti-Semitism through public education.

Still lacking "smoking gun" proof, Nelson, using his best Mississippi "good ol' boy" persona (he was born and raised in the Deep South), won the confidence of the key Meridian police officials involved in the murder plot. They turned over hundreds of pages of police reports, including payment vouchers, that told exactly what had happened. Nelson made sure that he had obtained the evidence aboveboard, and arranged for another *Times* reporter to sit in on several long sessions with Meridian police officer Luke Scarborough to authenticate the taped discussion and the receipt of the police files.

Organized crime and political terror

Nelson's book not only provides comprehensive detail of the events leading up to the June 30, 1968 shootout. He also provides some extremely insightful background on the state of affairs in the Jewish community in the Deep South during the height of the civil rights struggles of the 1960s. Most of all, with a journalist's cautious sense of understatement, he provides a damning indictment of the ADL as a private police force, judge and jury run amok.

In reading Nelson's book, I found myself trying to step into the shoes of the average American; trying to gauge how he or she might respond to the events and personalities portrayed. In an ironic sense, I was operating at a disadvantage, because I have been figuratively engaged in hand-to-hand combat with the ADL for more than a decade. After participating in the research and writing of the book *Dope, Inc.*—an exposé of the international narcotics cartel—I found myself and my closest associates targeted by the ADL, publicly branded as an anti-Semite (I was raised in a religious Jewish home), and eventually set up for federal prosecution.

The more I probed over the years, the more I learned that the ADL was anything but a Jewish civil rights group. It was more precisely a front for organized crime, with deep ties as well into the FBI. Recent revelations about the late FBI director J. Edgar Hoover's ties to gangster Meyer Lansky provide essential insight into how the ADL came in recent decades to enjoy such clout. Top ADL officials like Sterling National Bank president Theodore Silbert personified the cozy back-room relationship between the top dons of organized crime and the FBI chief.

I had first learned of Nelson's exposé of the Meridian events years ago, and still retain a weather-worn copy of his original 1970 *Los Angeles Times* story on the Ainsworth-Tarrants shootout in my files. For me, the Meridian incident was one of a score of such tales of ADL collusion with the KKK. In the mid-1970s, an ADL operative named Jimmy Rosenberg had infiltrated the Trenton, New Jersey chapter of the KKK and solicited a bomb attack against the local headquarters of the National Association for the Advancement of Colored People (NAACP). A decade later, Rosenberg, using his *nom de guerre* "Jimmy Anderson," was still operating inside the racist right as a Queens, New York chapter leader of the Christian Defense League. In 1979, Jewish Defense League member Mordechai Levy, operating under ADL instruction, attempted to organize a KKK-Nazi Party rally at Independence Hall in Philadelphia, and simultaneously tried to organize a potentially violent counter-demonstration involving Jewish and leftist groups.

More recently, in the course of my research for *The Ugly Truth about the ADL* (Washington, D.C.: Executive Intelligence Review, 1992), I learned that the ADL and its "mother lodge" B'nai B'rith had been part of the very same Confederate espionage apparatus that had spawned the Klan in the post-Civil War era. Simon Wolf, then international president of B'nai B'rith, had been a guest of honor at the 1901 Washington, D.C. unveiling of the statue of Klan founder Gen. Albert Pike. In April 1865, Wolf had been one of the last people to meet with John Wilkes Booth on the day of the assassination of Abraham Lincoln. He had been briefly jailed in 1862 as the suspected ringleader of a Confederate spy organization in the nation's capital.

Support for segregation

Nelson is aware of this strange legacy of the Jewish community in the Deep South, and his book includes a historical description in the opening chapters of the Mississippi Jewish community's support for segregation: "Jews had lived in Mississippi since before it joined the Union in 1817. They had fought on its side when it tried to leave the Union in 1860; many were proud that a Jew, Judah Benjamin, had been an important figure in Jefferson Davis' Confederate government. Along with other whites, they had supported and prospered from 'the peculiar institution' of slavery in its pure form before Emancipation and in its covert form

afterwards."

Many Jewish leaders in Jackson and Meridian were still dyed-in-the-wool segregationists even as the civil rights struggles of the 1960s gained steam and Mississippi was flooded with Freedom Riders from the North, many of whom were Jews. When the Klan turned its attention from black churches and civil rights activists and began bombing synagogues in southern cities, ostensibly in response to the flood of northern Jewish civil rights activists, the South's Jewish community, which had by and large been disinterested in the plight of the blacks, suddenly was up in arms. To be sure, there were courageous southern Jews who joined enthusiastically in the civil rights battles from early on. Rabbi Nussbaum, whose synagogue and home in Jackson were bombed by the Klan, was one such figure. Ironically, according to Nelson, one of the initial suspects in the bombings (they were actually carried out by Tarrants) was a member of Nussbaum's congregation who made no bones about the fact that he detested the rabbi's civil rights activism. Another member of that congregation, attorney Al Binder, who would play a pivotal role in funding the Meridian shootout, had actually toured the country as a speaker for the state's official segregationist lobby.

While ostensibly on the side of the civil rights fighters, the ADL, according to Nelson, was consumed with its own "paranoid" crusade against communism. By Nelson's descriptions, ADL regional boss Botnick was a self-styled Roy Cohn or J. Edgar Hoover, who at one point tried to have Ken Dean purged from the leadership of the Mississippi civil rights movement because he once showed a film favorably describing the Student Non-Violence Coordinating Committee (SNCC). Spy files on Dean were funnelled from Botnick into the ADL's central files in New York City.

Most importantly Nelson's book, in recounting a typical instance of ADL subversion, forces the reader to take up some rather thorny issues of morality and law. Is vigilante justice acceptable? Can a private agency commit murder—even if its accomplices are licensed federal and local police?

In the Meridian case, the ADL funnelled a total of \$69,000 to Raymond and Alton Wayne Roberts, two brothers who were notorious as Klan murderers of blacks and civil rights workers. Alton Wayne Roberts, at the time of the Meridian events, was already convicted of the murders of Goodman, Chaney and Schwerner in Philadelphia, Miss. in 1964. As the result of the ADL-FBI collusion, Alton Wayne Roberts served less than three years for the Philadelphia killings, despite the fact that evidence emerged that he was the trigger man.

It is an ugly story. By focusing exclusively on Meridian, Nelson provides a richness of detail, but at the same time, leaves the reader potentially open to the false impression that the Meridian case was somehow an aberration. The best way to do justice to the Nelson book, is to read it, and follow up by reading *The Ugly Truth About the ADL*.

Dvorak's unmet challenge to American composers

"Dvorak String Quartets," the Britten Quartet, EMI Classics 54413

"Samuel Coleridge-Taylor," Virginia Eskin, piano; the Hawthorne String Quartet; Koch International Classics 3-7056-2H1

"Great American Piano I: Gottschalk," Leonard Pennario, piano, Angel EMI 64667

America's failure to produce a great Classical composer has obscured the story of Antonin Dvorak's 1892-95 stay at New York's National Conservatory of Music, the centennial of which should be more widely celebrated. Dvorak (1841-1904) and his friend Johannes Brahms (1833-97) sought to teach us the Classical method of Bach and Beethoven here.

These "dead white European males," ironically, nearly taught us how to write African-American, pioneer, native American, and other American national music of universal beauty and significance. A new CD of Dvorak's "American" string quartet and two CDs of compositions on "American" themes, bring Dvorak's challenge, and our compatriots' failure, into focus.

Dvorak arrived in 1892 to head the conservatory, invited by its sponsor, New York philanthropist Jeanette Thurber, a former music teacher determined to create an American school of composers. She won the school's designation "National" from Congress by granting free tuition to poor students and encouraging blacks and immigrants.

Real American music

Dvorak insisted on Brahms's method, which involved taking any initial musical idea as a *unit concept* and then

uplifting it through counterpoint (see *EIR*, Jan. 22, p. 55). He shocked the elites not only by training black composers such as Harry Burleigh, Maurice Arnold, and Will Cook, but also by urging them to study "Negro melodies, the songs of the Creoles, the red man's chant, and the ditties of the homesick German or Norwegian," as he wrote. "I did not come to America to interpret Beethoven or Wagner for the public. I came to discover what young Americans had in them, and to help them to express it."

Self-expression did not mean venting rage like today's rap singers. It meant that American composers must discover the laws behind our folk tunes, just as Brahms explored simple German tunes in his "Volkslieder," and then *transform* them into new polyphonic creations.

Unfortunately, after Dvorak left, his students slid back toward mere imitation of folk melody. Some of Dvorak's students mentioned above even were the teachers of Charles Ives, Aaron Copland, George Gershwin, and other composers of sensual modernist noise.

The Britten Quartet's performance of Dvorak's "American" string quartet Op. 96 in F, composed in Spillville, Iowa in 1893, shows what Dvorak had in mind. They do an intelligent and musical job of bringing out every cross-voice and new idea. While Dvorak's are not at the level of Beethoven's quartets, this performance captures Dvorak's essential "Brahmsian" rigor of creating new thematic development.

Variations or piano bar

Koch International's release of works by Samuel Coleridge-Taylor (1885-1912) starts to show the problems, although he was not trained in America. Born in London of a physician from

Sierra Leone and an Englishwoman, he was trained in Europe as a composer, conductor, pianist, singer, and violinist. His magnificent Clarinet Quintet on this CD follows a rigorous Classical chamber music approach in the tradition of clarinet works of Mozart and Brahms. The use of the clarinet as a distinct mezzo-soprano against the violins is strikingly vocal.

The impact of Coleridge-Taylor as a black composer was strong in the U.S., which he visited many times, helping to form the Coleridge-Taylor Society of Washington, a chorus of 200 black singers.

Coleridge-Taylor's more famous piano settings of Negro spirituals, however, go against the Brahms-Dvorak approach. They focus on the folk melodies *per se*, and merely embellish them, repetitiously almost in the manner of the modern "piano bar" background music. The composer's emotional fixation upon the melody prevents him from transforming it, as in a true theme and variation.

EMI's new CD of piano music by Louis Moreau Gottschalk (1829-1869) is even more like barroom music. Said to be America's first "nationalistic composer," he was one of the first to compose on American themes, and to play them for European audiences. Studying in Paris in the 1840s, he was lionized as a pianist by everyone from Chopin to Victor Hugo.

But although Dvorak wrote of his admiration for Gottschalk, this may have more to do with his virtuosity and his later tireless work playing for the Union troops in the Civil War. I can't speak for the rest of his music, but there is little of the Brahms method on this recording. Gottschalk is trying to write theme and variations, but these are just themes which repeat themselves, and anticipating future "jazz" modes, are embellished with what in our century are called "riffs" in the high registers.

Clinton foreign policy set on economic warfare

by Marcia Merry

The Clinton administration, after starting with a social agenda of gender and other yuppie concerns, has embarked on a series of belligerent foreign trade initiatives adding up to a foreign policy of economic warfare.

This perspective is not new. In 1989 at a meeting on the West Coast, incoming CIA director William Webster and former CIA head William Colby agreed on a policy of economic warfare against U.S. allies who, they judged, were now to be seen as enemies of the United States in the post-Soviet era. Under the Bush administration, this Webster-Colby viewpoint was manifest in the arena of the U.N. General Agreement on Tariffs and Trade (GATT) Uruguay Round talks, in bilateral U.S. trade demands, financial interventions against Europe, and in many other actions.

But the latest belligerence is unprecedented. It takes place in the context of attempts by an Anglo-American financial circle to prop up the dollar and serve their own private-gain purposes, no matter what harm and suffering results to nations and the world economy.

Director of Central Intelligence R. James Woolsey specifically cited "economic challenges" as the focus of his prospective work, at his confirmation hearings before the Senate Intelligence Committee. Woolsey said that, despite the demise of the Soviet Union, "the number and complexity of very serious threats to major aspects of our national security and interests have grown, not shrunk. . . . The proliferation of weapons of mass destruction and ballistic missiles to carry them; ethnic and national hatreds that can metastasize across large portions of the globe, the international narcotics trade, terrorism, the dangers inherent in the West's dependence on Mideast oil, new economic and environmental challenges" are the new threats.

The importance of "economic intelligence" is emphasized by the fact that Clinton's first foreign policy action was

to sign a directive on Jan. 21 putting economic deliberation under the National Security Council. In a complete innovation, Clinton put Treasury Secretary Lloyd Bentsen, White House Economic Council head Robert E. Rubin, and U.N. Ambassador Madeleine Albright on the NSC.

White House spokesman George Stephanopoulos said that these additions indicate Clinton's resolve to make sure that economic dimensions are "at the center of our national security policy." Administration officials are cited in the press saying that Clinton's order presages close coordination between the NSC and the Economic Council, which was originally to be called the "economic security council." NSC Deputy Staff Director Samuel Berger will join committees of the Economic Council, and the Economic Council deputy staff chief will join NSC committees on economic issues.

Complaints and countercomplaints

The most obvious manifestation of the reshuffling is trade war. U.S. Trade Representative Mickey Kantor, Hollywood thug-turned-diplomat, has been carrying a get-tough message to U.S. trading partners. The issues range from steel, grain, and textiles, to airline seats.

Steel. Just four days after the U.S. Commerce Department had imposed preliminary tariffs of up to 109% on over \$2 billion worth of imports of steel from 19 countries, Revenue Canada, the trade regulating agency in Canada, imposed tariffs of up to 124.2% on steel from the United States, Germany, France, Italy, Britain, and New Zealand. At the same time, Brazil filed a formal complaint against the U.S. tariffs with GATT.

Now Mexico plans to impose punitive tariffs of up to 279% on Feb. 15 on steel plate and hot- and cold-rolled steel made by six U.S. companies—Bethlehem, Geneva, LTV, National Steel, U.S. Steel Group, and Wierdon Steel. Tariffs

are also being imposed on U.S. exports of steel building-reinforcement rods, vinyl flooring, acrylic, and polyvinyl chloride. Mexico is studying possible tariffs on five other U.S. products, including steel reinforcing wire, tin sheets, galvanized sheet steel, and hydrogen peroxide.

Airlines. The United States has now formally approved a complaint filed by United Airlines last November, charging that the Japanese had refused to allow United to apply directly to the Japanese Transportation Ministry for approval to continue a New York to Tokyo flight on to Sydney, Australia. U.S. Transportation Secretary Federico Pena is now entertaining suggestions for U.S. retaliatory moves against Japan.

U.S. airline industry sources have reported that United fears that if it has to apply via the Japanese Foreign Ministry, conditions may be placed on the flight, such as limitations on the domestic content of its passenger list. The Japanese are getting increasingly aggravated by the air transport bilateral agreement with the U.S., which was completed in 1952, when Japan was still subject to U.S. military occupation.

On Feb. 5, the U.S. Transportation Department also approved a complaint by Northwest Airlines accusing Australia of violating a bilateral airline agreement by restricting the number of passengers on Northwest's current New York-Osaka-Sydney service.

Grain. On Feb. 8, Kantor scheduled a meeting with Canadian Trade Minister Brian Wilson to haggle over how Canada's wheat exports are priced.

Behind the belligerence

Congress is passing the ammunition to back up the trade war threats. Sen. Max Baucus (D-Mont.), chairman of the Senate Subcommittee on Trade, has introduced a bill reviving the Super 301 retaliatory measures that were condemned by U.S. trading partners before they expired two years ago. In an early February speech, Baucus singled out Japan as a country which maintains trade barriers blocking U.S. exports and which openly violates trade agreements.

Sen. Ernest Hollings (D-S.C.), chairman of the Senate Commerce Committee, has introduced a bill that would impose a maximum market share on Japanese cars of about 5%—about one-fifth the current Japanese market share.

In Japan, Sozaburo Okamatsu, the director general of the Ministry of International Trade and Industry's trade policy bureau, and a senior trade negotiator, said, "If [the U.S.] brought back the Super 301 clause and applied it to Japan unilaterally, we should take retaliatory action. . . . The American people should know that if they unduly impose unilateral measures, then we will respond to it." Okamatsu condemned the industry-specific approach of the United States to trade issues. "We completely reject this sort of approach to set some market share for imports into Japan. We do not want to proceed down that road."

However, behind U.S. trade bellicosity is a deeper threat to national economies. Select Anglo-American financial interests are conducting all manner of espionage and threats to

maintain U.S. dollar supremacy, while destabilizing perceived economic enemies, especially continental Europe and Japan. New York-based currency speculation and derivatives activity is one battlefield (see p. 4).

Secondly, supranational companies connected to them are demanding privileged trade access and protected contracts and profits—for example, General Electric's expectations for lucrative contracts for natural gas turbine power generators in the U.S., Britain, and other countries.

Also, for example, GE has designed a natural gas-fired "environmentally clean" turbine designed to replace "dirty" coal-fired generating equipment. All other major competitors, such as Westinghouse, Asea-Brown-Boveri, Siemens, or Hitachi, are years away from matching GE's turbine; GE, and apparently the Clinton administration (Mickey Kantor was a paid lobbyist for GE), expect GE to reap huge sales, even while the world depression worsens. The only competitor is European Gas Turbine, partly owned by GEC of Britain and Alcatel-Alsthom of France (and 10% by GE).

Some of the new faces in the Clinton administration reflect this natural gas sweetheart deal. Energy Secretary Hazel O'Leary came from being president of NSP Gas Co., the natural gas division of Northern States Power in Minnesota. O'Leary belongs to the Business Council for a Sustainable Future, a front group for boosting natural gas for special interest gain.

On Feb. 11, a major topic in a meeting between Kantor and Sir Leon Brittan, the European Community external trade commissioner, was a dispute between the U.S. and European Community over the EC directive on accepting bids for its electric power-generating equipment. The current EC directive is to reject tenders where the non-EC content is more than 50%. In addition, preference is given to any bid, even if its price tag is 3% higher, where more than 50% of the content supplied will be EC-originated. GE, with much production based in the U.S. and Britain, could be ineligible—which certain financial elites consider intolerable.

A host of such special interest cases are part of the portfolio of the new economic warfare team in Washington, along with the question of who will be "in" on deals and intelligence and who will be "out."

Woolsey said that the issue of sharing CIA economic and technological intelligence with private U.S. firms and individuals was the "hottest current topic of intelligence policy," and that the administration would review the "complexities, legal difficulties [and] foreign policy difficulties" of giving government intelligence to private business. He claimed that "some of our friends and allies . . . are involved in economic intelligence operations" against the U.S., and that he had decided on the review after consulting with National Security Adviser Anthony Lake and Economic Council Director Robert E. Rubin.

Stephanopoulos said on Feb. 1 that Clinton wants the CIA to "focus more on economic interests and economic intelligence, which is where the real competition is now."

Hoover exposé bares judicial corruption

by Jeffrey Steinberg

The joke now among Washington's "politically incorrect" is that President Bill Clinton no longer has to feel obligated to appoint a woman as his attorney general since it is now known that the head of the Federal Bureau of Investigation for 48 years was a homosexual and a transvestite.

The airing of the Public Broadcasting Service "Frontline" documentary, "The Secret Life of J. Edgar Hoover," on Feb. 9, has added new urgency to the cleanup of the Department of Justice (DOJ) and FBI. The PBS broadcast detailed FBI boss Hoover's longtime collusion with organized crime kingpin Meyer Lansky, and charged that Hoover was being blackmailed by the mob over his addiction to gambling and his notorious homosexual escapades with his chief deputy Clyde Tolson.

Lansky, according to author Anthony Summers, whose biography of Hoover is scheduled to be published this month by G.P. Putnam's Sons, was the mob figure in charge of the "Hoover file." By no later than 1938, according to Summers, Lansky, Frank Costello, and other mob kingpins had the goods on Hoover. As long as Hoover was alive, the FBI never seriously attempted to shut down the national crime syndicate. In return, the mob aided Hoover in his own gathering of blackmail files on prominent Americans, including many members of Congress and even Presidents.

Following Hoover's death in 1972, the DOJ's Organized Crime Strike Force conducted a several-year probe of Hoover's corruption. According to one former strike force official, that probe turned up massive graft, bribery, and undeclared income by Hoover and his top aides. Had he been alive, the DOJ official asserted, Hoover would have been "prosecuted and convicted" of serious felonies. Instead, the Hoover scandal was buried for over two decades. As a result, Hoover's legacy of corruption lived on long after his death and eventually engulfed the DOJ, as well as the FBI.

In recent years, some of the corruption in the DOJ and FBI has come to light. Former Attorney General Richard Thornburgh, now an administrator at the U.N., was forced out of his job in the Bush administration after a federal grand jury in Pennsylvania indicted several of his longtime aides for cocaine trafficking. Under Thornburgh, the DOJ and the FBI arrogated the "authority" to kidnap foreign nationals and continued the Hoover program of dirty tricks against members of Congress.

Other scandals also point to systemic corruption:

- The John Demjanjuk case suggests that the DOJ's Office of Special Investigations buried evidence and sent a man whom it knew to be innocent to Israel to stand trial for war crimes.

- The Inslaw case has already been ruled on by two federal courts, both of which found that the DOJ used "trickery, fraud, and deceit" to bankrupt the Washington, D.C. computer firm in order to steal valuable software.

- In both the Banca Nazionale del Lavoro and Bank of Credit and Commerce International cases, federal prosecutors are accused of withholding and falsifying evidence to cover up high-level crimes by the White House and U.S. intelligence services. When FBI Director William Sessions tried to investigate the role of senior DOJ officials in the BNL coverup, he was targeted by Bush Attorney General William Barr for prosecution for corruption. Sessions has also been under the gun from old-line Hooverites in the FBI who object to his efforts to racially integrate the bureau. Clinton is still in the process of deciding whether he will ask Sessions to resign before the end of his 10-year term as director.

Rep. Jack Brooks (D-Tex.), the chairman of the House Judiciary Committee, and Rep. Henry Gonzalez (D-Tex.), the chairman of the House Banking Committee, are both reportedly considering the creation of a special House panel to investigate corruption at the DOJ and FBI. All of these still unresolved scandals underscore the importance of a thorough housecleaning at the DOJ.

Crimes against LaRouche

No case epitomizes the degree of systemic corruption at the DOJ more than that of Lyndon LaRouche, a case which has not received the congressional attention given to these others. Several years ago, the Solicitor General of the United States decided not to pursue an appeal of a district court ruling that the DOJ had committed "fraud upon the court" in ordering the involuntary bankruptcy of four LaRouche-linked corporations. Those bankruptcy orders led to a criminal prosecution of LaRouche and a half-dozen others. LaRouche still remains behind bars as a result of that frameup.

The day that PBS aired the Hoover exposé, the *Boston Globe* warned in an editorial that the Hoover legacy may still live on: "The demystifying of Hoover should not be classified as an academic history lesson. It also offers a political moral. The better Americans understand how this crime fighter of legend was really a pawn of organized crime, the devoted civil servant a blackmailer of elected Presidents, the chief defender against subversion the ultimate subversive, the better they will know how to guard themselves against the Hoovers of the future."

The criteria that ought to form the basis of Clinton's choice for attorney general are defined by the urgent need to clean out the justice system of the Hoover legacy.

Seek 'Special Master' in LaRouche case

A formal request has been filed to the federal Fourth Circuit Court of Appeals in Richmond, Virginia, to appoint a "Special Master" to investigate and redress ongoing gross government misconduct in the case of Lyndon H. LaRouche, Jr., based on the precedent of the appointment of a "Special Master" for fraud on the court in the John Demjanjuk case. The papers were filed on Feb. 11 by former U.S. Attorney General Ramsey Clark and Odin P. Anderson.

The attorneys' demand for a court-appointed Special Master is in the form of a 25-page Reply to the Government in the political prisoner's *habeas corpus* appeal based upon six volumes of exculpatory evidence newly discovered after the 1988 trial. The Special Master is required because of "multiple violations of the Constitution and laws," and uncorrected "gross governmental misconduct." The reason cited for the "uncorrected" government misconduct is "because the biased treatment of the trial judge has allowed it."

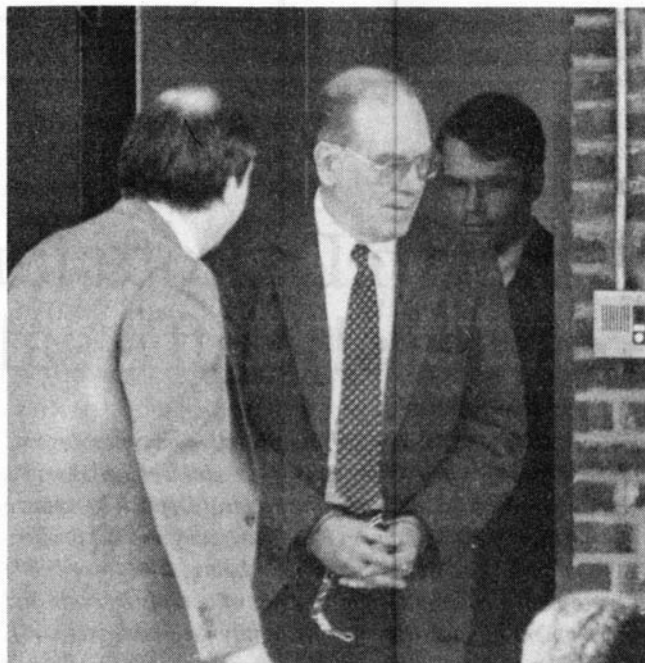
The new LaRouche request states:

"Because of the gravity of the prosecutorial misconduct, and its continuation, exculpatory information has been hidden and covered up, denying appellants their constitutional rights and constituting a fraud upon this court."

Faced with a similar government fraud on the court in the case of John Demjanjuk, on Aug. 17, 1992 the Sixth Circuit Court of Appeals appointed a Tennessee judge as a Special Master of the Appeals Court to investigate, gather evidence of systemic government wrongdoing, and redress the situation. The order of the Sixth Circuit in *Demjanjuk v. Petrovsky* is attached to the new LaRouche Reply.

Clark and Anderson charge that the U.S. government response to LaRouche's appeal of Judge Albert V. Bryan, Jr.'s denial of his Motion to Vacate his sentence is "grossly dishonest" and even "malicious" when the government claims that LaRouche and his co-petitioners (Edward Spannaus and William Wertz) only want a political "forum" from the Appeals Court. In fact, the Reply clearly states that they are "seeking relief from an unfair trial, presided over by a biased judge, and prosecuted for improper purposes and by unlawful means." LaRouche, who has been imprisoned for over four years, is seeking his immediate liberty.

The LaRouche reply also takes the government to task for objecting to the Court's including in the record crucial new evidence arising in connection with three areas: 1) the du Pont kidnap case involving Donald Moore, Galen Kelly, et al.; 2) East German involvement in blaming the assassination of Swedish Prime Minister Olof Palme on LaRouche; 3)



Lyndon LaRouche being taken to prison on Jan. 27, 1989. Behind him is his associate and fellow political prisoner, Mike Billington.

how the government designed and controlled the testimony of a perjured lender witness. The Reply comments:

"This is merely the latest of the government's continuing efforts to derive strategic and tactical advantage from concealment of exculpatory and relevant evidence. It is a continuation of deceptive practices designed and intended to prevent the truth emerging from its hiding place. It is a naked attempt to deny this evidence to the court, and to deny due process to the defendants."

Finally, the new LaRouche Reply refutes point by point the government's efforts to belittle and explain away large amounts of relevant exculpatory evidence discovered in the more than four years since LaRouche's railroad conviction. The new evidence includes vital information in the following areas:

- the bias of trial judge Albert V. Bryan, Jr.;
- the government's "objective bad faith" and fraud in the 1987 bankruptcy against LaRouche-associated firms;
- the government's illegal "concert of action" with the Anti-Defamation League (ADL), Loudoun County Sheriff's Office, et al. under Executive Order 12333 and other authority to shut down the LaRouche movement for "political" reasons through financial warfare and other means;
- the bias and perjured testimony of ex-member and other witnesses;
- improper bias in the jury.

The next anticipated development would be oral argument between Clark, Anderson, and government prosecutor Kent Robinson before the Fourth Circuit Court of Appeals in March, if usual practices are followed.

A North Dakota farm family resists sheriff's sale—politically

LaVerne and Kay Zenker operate a family farm near Regent, North Dakota, where they have four children. A sheriff's sale, which was scheduled by the Federal Deposit Insurance Corp. (FDIC) of Chicago on Feb. 8 to liquidate their property, has been cancelled for the time being. The forced sale was to be the culmination of a series of actions by bank and government officials against the family (see box, page 66). These acts of the government did not ensue because a farmer failed in his work, but because there is an organized scheme in the farm belt to use federal loan guarantees to illegally funnel money into the insolvent U.S. banking system.

The Zenker case dramatizes the moral crisis of policy in the United States. Creditor and government fraud in the farmbelt is dispossessing farmers at a time when the world desperately needs more food.

Kay Zenker was interviewed by Phil Valenti on Feb. 6.

EIR: What was the first thing you did back in 1988 when you found out that the bank had committed fraud?

Zenker: I wasn't the one who found it at first. Our accountant found it when he was processing our papers. He called me and advised me that we should go immediately to the Farmers Home Administration [FmHA] and alert them because, since the papers were falsified, we wouldn't be able to make all of our payments at the end of the year, with debt now showing up that wasn't there when the cash flows were projected. He advised me to get ahold of the bank right away and then go to FmHA with that information and see what we were going to do to straighten it out.

EIR: So you went to the bank?

Zenker: I did call the bank and talked to the loan officer and he advised me not to tell Farmers Home because they might pull the guarantee and then we wouldn't have anyone to work with.

EIR: And then you told Farmers Home?

Zenker: The accountant was the first one to call the county supervisor and tell him that documents had been falsified to get the loan guarantee from the government, and that now the Zenkers were going to be in trouble at the end of the year

when they try to make their payments, because there simply wasn't going to be enough cash to go around, since they had omitted to tell Farmers Home about quite a large debt that was existing in that bank that we were expected to pay.

EIR: And despite that, Farmers Home went ahead and authorized the payment on the guarantee to the bank?

Zenker: Yes.

EIR: Did you go to elected officials?

Zenker: I have phone logs and notebooks that I've kept over the years, and I would say the calls are probably somewhere in the hundreds, made to our congressman and senators. We tried ag [agriculture commissioner] mediation early on and that didn't work.

EIR: What did the office of Agriculture Commissioner Sarah Vogel tell you?

Zenker: Basically they just sent an ag mediator to work with us. He had a meeting at the bank with the loan officer, but we weren't there. They talked about how they were going to solve our problems, and we weren't even included in the meeting. And then he came back in a few days and told us the only way we were going to solve this problem was if we sold half of our farmland, and my husband was then to get a long-haul truck-driving job, and leave mother and the kids to raise some sheep and take care of what field work we would have.

EIR: They didn't even consider the evidence of fraud by the bank?

Zenker: No, that was never talked about in mediation; they didn't want to hear it; they didn't want anything to do with it. They just wanted to find a solution that, in my mind, would benefit the bank, not me.

EIR: What about your experience with courts and attorneys?

Zenker: I don't have exact dollar amounts that we've spent on lawyer fees, but it's somewhere in the neighborhood of \$35,000, that we've spent on attorneys and trying to get something done through the court system in the last three

years. We've never been allowed discovery for our case through the court system, and from the only hearing we had, the transcript has been missing since Oct. 3, 1991 and can't be found, and now the judge has said it's irrelevant.

EIR: I understand that the lawyer that you paid failed to respond to a summary judgment.

Zenker: Yes, he did. That happened in September 1992, and everything has been escalated since that time. We went right from not answering a motion for summary judgment to a sheriff's sale which was scheduled for Feb. 8.

EIR: Was the *New Federalist*, a national weekly which regularly reports on Lyndon LaRouche and his political movement, the first newspaper to cover your story? It had an article on June 29, 1992.

Zenker: Yes, that was the first time that we saw our story in print. We'd been contacted by the *Des Moines Register* and spent a lot of time on the phone with a reporter there. We sent all of the information to this reporter. Then, after several weeks had passed and it got to be months, we were told that he was advised by his superiors that he couldn't print a story like that because the story was too old.

EIR: Was there any reaction to the *New Federalist* article at the time?

Zenker: We had a lot of phone calls from people we don't know, people who read the paper, in different parts of North Dakota, and even some in Minnesota and Iowa had picked up on our story and asked if there was anything they could do to help.

EIR: During the election last fall you endorsed LaRouche for President. Could you explain why?

Zenker: I said I was endorsing Lyndon LaRouche for President, and my husband was also, and the reason we were doing that was because Mr. LaRouche and his supporters were the only people who believed in us, and believed our story. They are the only ones who really care about independent farmers. When we said we'd been defrauded, they looked into it and found out that it was a fact.

EIR: The Rev. James Bevel, LaRouche's vice presidential running mate, came to North Dakota in October and held a prayer vigil and a meeting in your home. Can you describe the reaction to that?

Zenker: On our family, he made a great impression. We still talk about that today. My husband reads the Bible more than I do—I always say I don't have the time, so he reads it to me while I'm cooking or whatever—so we refer back to our prayer vigil as the beginning of something new for us. We decided that if the system wouldn't let us have our farm, at least we've met a group of people who believed in us, so we'd have something to hang on to.

EIR: What did the neighbors say?

Zenker: I tried to get more people to come to the prayer vigil. I just thought that they would come, and not too many of our close neighbors did. I think maybe from what they've heard about Lyndon LaRouche and his movement, that they associate it with something totally opposite from what it is. Maybe that kept them from coming, or, as people are today, they just don't want to get involved in anything. We're just thankful for those who did get involved.

EIR: Did your endorsement of LaRouche, and Reverend Bevel's support, finally get some reaction from elected officials?

Zenker: I would say it did; we had a lot of comment about that. Most of it was negative though. They told us to stop running around with this radical bunch of people.

After a long period of time trying to get a meeting with one high official, he finally did agree to meet with us on election day. He also told us that if we expected to save our farm, the first thing we needed to do was stop running around with these groups of people. The only group of people I was ever involved with was the LaRouche movement and Food for Peace, so it's clear who he meant.

EIR: You also lobbied with the Schiller Institute in Washington, D.C. in January. Would you describe what happened?

Zenker: It was most interesting, that's for sure. I would have to say that we really had more interest about what was going on in North Dakota from congressmen from other states. They were sometimes more open to listening to our story.

EIR: When you got back from Washington, you began demanding action from state officials. What was their reaction then?

Zenker: At first we couldn't get meetings set up—it's so hard to run around and try to catch all these people—but we were advised to go and talk to Roger Johnson, Sarah Vogel's assistant, because we were told that Johnson was thinking that none of this stuff is really so, since we were basing a lot of our findings on "hearsay" and he needed more proof. He had already been made aware of the Goodloe hearings [see *EIR*, Jan. 8] and he knew it was more than hearsay.

We followed up then and went to see Johnson, and he said he would try to help us if he could. We asked him if he would put together a meeting so we could have all these people together in one place at one time, because we were getting nowhere being bounced around. So he agreed to do that.

Then he also told me to stop running all over the country, hollering and yelling and getting involved with all these people who don't even know what's going on in North Dakota. He said what you need is to go home, find some "reputable

people" in your own area that know what's going on, then when we have this meeting, you can all come. So that's what we did. We made some phone calls when we got home and talked to some people. I think there were 23 people who showed up at the meeting when all the state officials were gathered in one room, so we could talk to them all at one time.

EIR: This was the meeting on Jan. 25 with Agriculture Commissioner Sarah Vogel, her assistant Roger Johnson, the state banking commissioner and his assistant, someone from the attorney general's office, representatives of the two U.S. senators and the one U.S. congressman, and also two state legislators. Was this the first time that these people had admitted, after four years, that the bank had in fact committed fraud against you?

Zenker: Yes, that was the first time we had ever heard them admit that there was fraud in that particular bank. It was mentioned several times that day in the meeting that we don't need to talk about the fraud that was committed anymore, we all agree in this room that fraud was committed. But no problem-solving took place that day either.

EIR: But as a result, the two state legislators did introduce House Concurrent Resolution 3037 on Jan. 28, just three days later, and after that, Food for Peace organized a prayer vigil and protest in front of the Hettinger County courthouse in Mott where the sheriff's sale was scheduled to take place. Had there ever been a picket line and protest like that before?

Zenker: I'm sure not; I think people are still talking about that. For some reason the county sheriff assumed that we were going to be carrying more than picket signs, saying things like "Hands Off the Zenker Farm," "No Sale," "Jail Corrupt Bankers," and things like that. I don't know where he got his information, but he must have been quite concerned that the group of people that he had been told were going to show up to do the prayer vigil and picketing were possibly dangerous, might be armed, a very violent group of people might be coming. So he had alerted adjoining county sheriffs to come to his aid in case he needed them. There was a sheriff from Grant County and one from Adams County, also a couple of highway patrolmen were around, and some plainclothes policemen were standing in our group as we said our prayer before we started our march on the courthouse.

EIR: I'm sure they were all there to protect you! Finally, it was just a little more than a week later, on Feb. 5, three days before the sheriff's sale was scheduled, that the attorneys for the FDIC contacted the sheriff and canceled the sale. Were you surprised?

Zenker: I might be still in shock over that. I can't understand why, when they had us all the way to the sheriff's sale. I'm sure they knew there were other options we could have taken to stop the sheriff's sale, but we hadn't done that. I guess I'm

Government fraud in the Zenker case

The facts of the Zenker case, and related farm finance operations in the Midwest, show blatant fraud by government agencies and private banks. What is in order is investigation and prosecution of guilty officials at the state and federal level, who thus far have refused to investigate the Zenkers' concerns over a pattern of fraud upon taxpayers and farmers nationwide, and a moratorium against farm foreclosures.

The case of the Zenkers began in July 1987, when officials at Regent Bank in their home town lied to the Farmers Home Administration (FmHA) to get a government-guaranteed loan on the Zenker farm. The Zenker family was buying their farm from a neighbor who was financing them, who told the Zenkers he would take \$70,000 less than they owed if they obtained a loan to "cash out" the contract from their local bank.

The Zenkers obtained a loan from their bank, but they did not know that bank officials, in order to obtain a guarantee on this loan from the FmHA, had failed to disclose debt the Zenkers had with Regent Bank. The Zenkers also did not know that the bank told the FmHA that the loan would be repaid with milk income from cows that did not exist.

After the loan closed, the Zenkers did not receive the dairy cows upon which repayment of the loan was based. This fraud by the bank forced the Zenkers into default on the loan. The Zenkers exposed the bank's fraud to FmHA officials and requested that the government revoke its guarantee to the bank. Then, they asked the FmHA to request lower payments on the loan, which was a part of the written guarantee. Lower payments would have

still in shock.

We had submitted a proposal to them on a Friday, and by the following Tuesday they were already saying that they were going to look at it, and then by Thursday we had gotten notice that the sheriff's sale was cancelled for an indefinite period of time to talk negotiation and settlement.

EIR: Many people considering getting active in politics are frightened about being associated with Lyndon LaRouche. What would you recommend to those people?

Zenker: A lady just called me this morning. She had just heard that the sheriff's sale had been stopped and she won-

allowed the Zenkers to repay the loan in full, and the government would not have had to pay a penny on the Zenker loan.

Instead, the FmHA ignored the Zenkers' requests, covered up the bank fraud, and paid \$258,000 to a second bank (the giant Dutch agro-bank Rabobank), which had bought the guaranteed loan from the Zenkers' bank and cashed it in when the Zenkers couldn't pay.

The Zenkers disclosed the second bank's fraud to the FmHA, and again asked the FmHA for help. The FmHA admitted that bank's fraud, but refused to investigate and paid the guarantee, even though the contract voided the guarantee under conditions of fraud. The FmHA then approved foreclosing the Zenkers' farm. When the fraud was exposed, the Federal Deposit Insurance Corp. (FDIC) from Chicago closed the bank.

But the FDIC covered up the fraud of the bank, and also the fraud of FmHA officials. The FDIC then went to court stating that the FDIC held the debt of the Zenkers, when in actuality, another arm of government, the FmHA, held the debt.

The pattern of fraud appears to extend far beyond North Dakota. Some of the same people who purchased fraudulently obtained government-guaranteed loans from the Zenkers' bank in North Dakota on behalf of Rabobank, the bank which cashed in the Zenker guaranteed loan, were former employees of the government-backed Farm Credit Bank of Omaha, Nebraska. That bank repaid \$4 million to the U.S. government in April 1992, as part of a settlement agreement with the government and the Iowa U.S. attorney. The agreement resulted from allegations that the Farm Credit District had fraudulently obtained government guarantees on its loans and then liquidated farmer borrowers to collect on the guarantee.

Thus far, the FmHA at the state and national level, the North Dakota U.S. attorney, the FDIC in North Dakota, Chicago, and Washington, D.C., the North Dakota ag-

ricultural commissioner, the North Dakota state banking commissioner, and the Office of Inspector General in Kansas City (who investigated the Iowa fraud which led to the \$4 million settlement) have all refused to act to stop this continuing fraud.

North Dakota Senators Byron Dorgan and Kent Conrad have also thus far refused to launch an investigation into this pattern of fraud by the government. Thus far, the court overseeing the Zenker foreclosure has ignored procedure by not permitting a hearing to present the fraud and ordering the foreclosure to proceed. The court appears to be in collusion with the government and the bank to prevent the fraud from being exposed.

The Goodloe hearings

Over Dec. 7-10, 1992, Justice William C. Goodloe, a retired Washington State Supreme Court judge, and Oklahoma civil rights leader Rev. Wade Watts held hearings sponsored by the Schiller Institute and the Food for Peace organization on the Zenker and other cases of human rights violations against family farmers, taking 20 hours of testimony from 41 people in four locations in North and South Dakota. At the end of those hearings, a report was issued, which is being circulated to Congress, state capitals, and the media. Goodloe found a significant pattern of abuse in the FmHA's guaranteed loan program: "All evidence pertaining to FmHA-guaranteed loans of debtor-farmers clearly indicated an intent and pattern by creditors to defraud the program and violate the law."

On Jan. 28, House Concurrent Resolution 3037 was introduced in the North Dakota state legislature by Representative Kerzman and Senator Krauter. It urges the Congress and the President of the United States to investigate allegations of fraud and abuse by banks and other credit agencies in the handling of agriculture loans, to compensate victims of fraud and abuse, and to consider a moratorium on farm foreclosures.

dered how we accomplished that. I guess I don't have a total answer for that, but it has to be a chain of events, something that we've been doing right.

I told her that we've been called kooks, and we've been called deadbeats because we don't pay our bills, but the LaRouche people believe in us. It can't be wrong. They're always there; they'll come to your aid for picket lines and prayer vigils, or whatever you need from them. They're certainly not violent. They pray more than any group of people I've ever been associated with; they don't even start up a meeting without a prayer of some sort, and usually end it with a prayer, so if these are violent people, then I'm still confused.

People who have heard anything about Lyndon LaRouche, owe it to themselves to first find out the facts, not just listen to what the news media tell us; and when they know the facts, there'd be no reason for them not to join a group of people that help people. I just don't understand why they're afraid of people helping people.

I never really knew any Indians before, but we worked with the Indians in the fight they were having on the reservation against the casino, and they're really nice, wonderful people [see *EIR*, Jan. 15]. They're just nice families trying to make a better life for themselves and their kids. If people are afraid to join people like that, then there's something wrong.

Simon introduces a balanced budget amendment

Sen. Paul Simon (D-Ill.) introduced a balanced budget amendment on Feb. 4 which requires the President each year to present a proposed budget for that fiscal year "in which total outlays do not exceed total receipts." "Total receipts" is defined as "all receipts . . . except those derived from borrowing."

The Simon amendment stipulates that the limit on the public debt shall not be increased except by a vote of three-fifths of each House.

On the other side of the aisle, Sen. Phil Gramm (R-Tex.) has said he would try to attach a balanced budget amendment to legislation that will be needed in late March or early April to increase the ceiling on the federal debt.

McCloskey attacks Vance-Owen plan for Bosnia

In a debate on the McNeil-Lehrer News Hour on Feb. 2, Rep. Frank McCloskey (D-Ind.) attacked the Vance-Owen plan for Bosnia as "seriously flawed." McCloskey warned that the semi-permanent stationing of U.N. forces in the area as "peacemakers," which is envisioned in the plan, would lead to a greater commitment of military force than would a firm stand against the Serbs now.

U.N. Special Envoy Cyrus Vance, also on the show, insisted that the conflict was a civil war, again excusing Serbian genocide.

McCloskey also attacked Vance and European Community negotiator David Owen for giving credibility to the "peaceful intentions" of the Serbian leadership, and for portraying communist dictator Slobodan Milosevic as a "man to be trusted," as Vance had put it. "Mr. Karadzic and other Bos-

nian-Serbian extremists are very well on the record that they plan to go on with their move toward a greater Serbia," said McCloskey. "Even as we speak now, there are Chetnik paramilitary or White Eagle forces operating in Kosovo and moving more and more into the Macedonian area, particularly around Skopje, for the ethnic cleansing movement to go on." McCloskey urged the use of selective air strikes on targets in Bosnia and possibly Serbia, and allowing the Bosnians to arm themselves.

Sen. John Warner (R-Va.), also appearing on the program, argued against the commitment of ground forces, and also expressed concerns about the use of air power.

On Feb. 3 on the House floor, McCloskey said that the Vance-Owen plan "rewards genocidal aggression" and would lead "to further Serb aggression in Bosnia, Kosovo, and Macedonia."

Gonzalez links BNL probe to abuse of banking system

In comments on the House floor on Feb. 2, House Banking Committee Chairman Henry B. Gonzalez (D-Tex.) made clear that his pursuit of the Banca Nazionale del Lavoro (BNL) banking scandal was aimed at creating a greater consciousness of the type of control international financial interests exert over the U.S. economy and to "illustrate clearly and concisely how foreign governments can, and sometimes do, and continue to do so even as I speak today, abuse the United States banking system."

Gonzalez warned of a "very disturbing trend" where "no existing laws on our books . . . govern these heavy cash flows of money across international lines. . . . Branches and agencies of foreign banks currently

hold over, very conservatively, \$700 billion in the United States. And too often this money is dedicated to activities that are harmful to our national security or are in actual violation of U.S. law.

"Activities like drug money-laundering, which is huge, continues unabated and with the collateral activities of the offshore facilities that enable our corporations, from banks to everything else, to escape taxes and also to set up activities in lax or non-existent regulated atmospheres," Gonzalez warned.

Ford demands DOJ probe of trial proceedings

Rep. Harold Ford (D-Tenn.), who is being re-tried for federal fraud and conspiracy charges after his first trial ended in a hung jury in 1990, has demanded a Justice Department investigation of the process, claiming that events have shown that the jury pool in Jackson, Tennessee "has been poisoned by the publicity."

The first trial lasted three months and led to a deadlocked jury voting 8-4 to acquit Ford. The prosecution then moved to limit jury selection for the trial to the predominantly white district of Jackson. Ford appealed the decision, unsuccessfully, to the U.S. Supreme Court. The jurors are to be bussed from Jackson to Memphis for court proceedings.

The Congressional Black Caucus has sent a letter to President Clinton, asking his "assistance to correct an injustice that is about to occur to our colleague." Chairman Rep. Kweisi Mfume (D-Md.) asked Clinton to "identify an appropriate individual at the Department of Justice to examine this question anew."

In the defense's *voir dire* of potential jurors in the new trial, many have

been found to be prejudiced against Ford, leading the defense to again question the rationale behind the bus-sing decision. In his letter, Mfume questioned "the idea that the popularity of a political figure, particularly a black political figure, should disqualify that person from trial in his home town."

Clinton wins passage of 'family leave' bill

President Clinton signed the Family Leave Bill into law after the House passed it by a vote of 265-163 on Feb. 3. The legislation allows workers to take up to 12 weeks of unpaid leave during any 12-month period for child-birth, care of a child or immediate relative, or for a serious health condition which makes them unable to perform their job.

The bill had passed the Senate by a vote of 71-27 on Feb. 4, after a threatened Republican filibuster was warded off when Senate Majority Leader George Mitchell (D-Me.) agreed to allow a vote on a Republican proposal to reinstate the military's ban on homosexuals during the six-month period during which Congress will hold hearings on the issue. Republicans were threatening to place the reinstatement of the ban on the family leave legislation, thus endangering its passage.

Some Republicans can see the 'recovery'

Four Senate Republicans challenged President Clinton's plan for a \$31 billion package of new spending and tax breaks, claiming that a recovery is already well under way. Minority Leader Robert Dole (R-Kan.) and Pete Domenici (R-N.M.), Robert Packwood

(R-Ore.), and Don Nickles (R-Okla.) sent Clinton a letter on Feb. 7 stressing that the real problem with the deficit is "spending." They warned that any stimulus package planned by the administration would only aggravate the deficit.

"We fail to see how any short-term 'stimulus' package can have any significant impact on our economy that is now experiencing a solid recovery," they wrote. Domenici, interviewed on CBS's "Face the Nation" on Feb. 7, complained that the \$320 billion budget deficit already represented the biggest "stimulus" the economy has received since World War II.

Specter would allow lawsuits to stop imports

Sen. Alan Specter (R-Pa.) introduced a bill on Feb. 4 which would allow private parties (a company, a union, or an individual) who are "injured" by subsidized goods from abroad, to sue in federal court to stop goods from coming into the United States which are subsidized, dumped, or in violation of U.S. trade laws.

Specter, like others who are blaming America's problems, not on their own legislation, but on "foreign competition," wants to speed up the process whereby foreign companies are penalized for alleged wrongs to U.S. producers. Complaining that government enforcement of U.S. trade laws is "extremely time consuming," Specter wants to place the regulation of trade with the courts.

Clinton urged to consult allies on cuts in NASA

Capitol Hill is rife with rumors that President Clinton is planning to cancel Space Station Freedom. In early Feb-

ruary, Office of Management and Budget Director Leon Panetta called for major cuts in the NASA budget and for an end to building a permanent human base in orbit.

Clinton met with his senior advisers on the issue on Feb. 4. According to Capitol Hill sources, both Vice President Al Gore and Treasury Secretary Lloyd Bentsen argued against Panetta's plan.

Rhetoric against the space station has escalated as NASA revealed some estimated cost overruns associated with the Johnson Space Center. Sen. Alfonse D'Amato (R-N.Y.) railed against the NASA administration on the floor of the Senate on Feb. 2, accusing it of "sloppy management," indicating another uphill battle for NASA appropriations this year.

Foreign governments are concerned about cancellation of the project, since many are preparing projects connected to it. Ian Pryke, the European Space Agency representative in Washington, in an interview with *Space News* on Feb. 8, expressed the hope that "the current administration is sensitive to the international ramifications of such an action, and would seek consultation with the international partners before taking such an action."

There are also plans to create a grass-roots movement on the state level to demand a constitutional convention to legislate a balanced budget amendment.

A balanced budget amendment failed to pass the House last year by nine votes, and attempts to bring it up in the Senate were thwarted when proponents fell four votes short of shutting off a filibuster. Backers of the amendment say that they have a better chance this year, because of the 10-seat Republican gain in the House and the support the amendment received during the election campaign from many House freshmen.

National News

Va. mass distributes abortifacient implant

The Commonwealth of Virginia, infamous in this century for pioneering involuntary sterilizations of poor women, has implanted Norplant in 2,219 women in the 18 months it has been available at public health clinics, and has 100 women on a waiting list, reported the *Richmond Times-Dispatch* on Feb. 8 in an article that praises Norplant as "the most exciting innovation in contraceptive technology in 30 years." More than one-third of the women are under 19. Nationally, it is estimated that 500,000 women use Norplant, which kills embryos by preventing implantation in the womb.

Each Norplant kit, produced exclusively by Wyeth-Ayerst Laboratories, costs \$350, yet Medicaid and Virginia pay the full costs for most recipients. Both the Virginia House and Senate Human Services Committee passed recommendations for a \$300,000 appropriation for the Norplant program, allegedly to reduce teenage pregnancies.

The program recalls Virginia's 1920s sterilization laws, which Nazi Germany adopted as its model for "race hygiene."

Papers take jab at 'huggable' President

Media jabs at the "New Age" presidency and its political correctness followed a Feb. 6-7 weekend "T-group" of the cabinet. "A New Age administration," is how the *Baltimore Sun* headlined its lead story on Feb. 7, reporting that the Clintons are "revamping the presidency with . . . big-hug sensitivities," and press releases which, "in nods to political correctness . . . [are] conspicuously gender-neutral." The *Washington Times* rails against "our New Age President" in its Sunday editorial, mocking President Clinton as "a hugger . . . he hugs animals. He may even hug trees," and noting that "the 1960s has returned with a vengeance in the incarnation of the new Democratic administration," which now even demands its cabinet members "emote on cue."

In related news, the Coast Guard re-

cently cancelled a prayer breakfast when Rep. Gerry Studds (D-Mass.), a homosexual and head of the House subcommittee that oversees the Coast Guard, complained that an outspoken opponent of homosexuals in the military was a featured speaker. "It appears we have entered a new era of neofascism. If you are not politically correct, you are persecuted," responded Rev. Louis P. Sheldon, head of the Traditional Values Coalition. James Smith, of the Southern Baptist Convention's Christian Life Commission, also commented, "The thought police strike again."

Grange fights EPA methyl bromide ban

An Olympia, Washington press conference by Laurence Hecht denouncing the EPA ban on methyl bromide as genocidal is the subject of a news feature scheduled for this month in the newspaper of the Washington State Grange. The Washington Grange recently passed a resolution supporting the continued use of the pesticide.

The article reports that, according to a *21st Century Science & Technology* news release, "the eleventh-hour decision of outgoing Environmental Protection Agency chief William K. Reilly to ban the agricultural chemical methyl bromide will wreak devastation on American farmers and cost the lives of millions of people in poorer nations."

It continues: "The ban is based on scientific conjecture, the ozone depletion theory, which Hecht said is untrue. He goes on to say there is no depletion of the ozone going on. Total global mean ozone measurements have been increasing since 1987 and ultraviolet radiation at the Earth's surface has been decreasing slightly, not increasing.

"However, Hecht said, as a consequence of the almost religious fanaticism with which the ozone depletion conjecture has been embraced by Reilly and other government officials, production of the most important broad-spectrum pesticide used in agriculture will be illegal in the United States in seven years.

"Hecht described the action of outgoing the EPA administrator as a 'midnight kamikaze raid on American farmers and hungry

people throughout the world.' There are no commercially viable substitutes for methyl bromide in most agricultural uses. 'One has to ask: Is starvation and global population reduction part of the environmentalist agenda?' Hecht asked."

Hentoff blasts ACLU sellout on 'hate crimes'

The American Civil Liberties Union has filed an *amicus* brief in support of "hate crimes" laws in the *Wisconsin v. Mitchell* case, which will soon be argued before the U.S. Supreme Court, because "it's the popular thing to do," wrote syndicated columnist Nat Hentoff in the *Washington Post* Feb. 6. The Supreme Court's decision in the Wisconsin case will probably determine the fate of the "hate crime" laws in all 40 states where they have been passed. The Wisconsin law, which adds to a defendant's sentence if an already statutory crime was committed "out of bias," was overturned by the state Supreme Court last year.

The brief of the ACLU, which, Hentoff pointed out, used to print the First Amendment on the back of its membership cards, nervously states: "Given the proliferation of similar laws throughout the country, it is essential for this court to establish a clear set of constitutional guidelines to ensure that 'hate crime' statutes do not become, as their critics predict and even their supporters fear, a vehicle for the suppression of unpopular ideas." Hentoff pointed out, "If these hate crime laws are so susceptible to abuse, why is the ACLU on their side?"

There is opposition within the ACLU, however. Hentoff pointed to Ohio ACLU legal director Kevin Francis O'Neill, who was involved in the successful attempt to have Ohio's "hate crime" law declared unconstitutional. Leslie Williams, executive director of the Vermont ACLU, is another opponent of so-called sentencing enhancement. In contrast, the Oregon ACLU not only supports the laws, but actually helped write the state's law curbing the First Amendment, which was upheld by the Oregon Supreme Court. The three ACLU affiliates in California, "as could easily have been predicted," are for hate crime laws, said Hentoff.

British daily: 'political correctness' is '1984'

Lyndon LaRouche welcomed "with considerable enthusiasm" a feature attacking "the cult of political correctness," in the London *Sunday Telegraph* of Feb. 7. "I call to your attention and recommend for your consideration the summary proposition that, under the reign of political correctness, the word 'degenerate' is no longer needed," he wrote in an open letter. "Instead, we use the substitute term, 'deconstructionist.'"

The *Telgraph* feature wrote that "George Orwell saw it coming in 1984." Under the title, "Here Come the Thought Police," the paper warned against "the movement to neutralize the English vocabulary," via such devices as calling the unemployed the "unwaged" and characterized "the principal battlefield" as "the teaching of English language and literature."

This movement began as "an obsession of American university campuses," but has "swiftly crossed the Atlantic," it wrote. In fact, as Orwell understood and depicted, the effort to deprive language of meaning began with the psychiatric Tavistock Institute in London and was imported into the U.S. via such British Hollywood screenwriters as Aldous Huxley.

Park Service admits Pike was a Klan leader

Fifty-one pages of documents from the National Park Service have been released to historian and *EIR* reporter Anton Chaitkin, in response to an Freedom of Information Act (FOIA) request. The Park Service arrested Chaitkin and Lyndon LaRouche's vice-presidential running mate Rev. James Bevel on Nov. 13, 1992 during a demonstration to demand the removal of the statue of Albert Pike in Washington, D.C.

Shortly after weekly demonstrations began, on Oct. 2, the Acting Cultural Resource Specialist at the National Park Service (NPS) sent a memo to Park Ranger Mike Kelleher directing him to "research

Pike's biography. . . . Also provide a bibliography of legitimate, mainstream books and articles about Pike . . . in case further research is required." He was to find out Pike's role in the Civil War, the KKK, the Scottish Rite Freemasons, and whether or not he was the Grand Dragon of the KKK in Arkansas.

In the two-page report Kelleher issued a month later, only one out of the eight sources he cited "does not believe that Albert Pike was a member" of the KKK. The other seven sources are clear: "Pike is . . . 'identified as an early Klansman and co-author of the Ku Klux Klan's original prescript,' " according to Kelleher's citation from *The Ku Klux Klan: An Encyclopedia*. John Fletcher's book *Arkansas* attributed a poem titled "Death Brigade" to Pike. Kelleher's report continued: "The author [Fletcher] goes on to state that 'there is little doubt that Pike had already evinced a strong sympathy for the Ku Klux and their methods.' "

Croatian musician blames U.S. for Balkan carnage

Vjekoslav Sutej, a Croatian from Zagreb who presently serves as the principal guest conductor for the Houston Grand Opera, told the *Houston Post* recently that it is the economic collapse which triggered the conflict, which he said he predicted six years ago. The *Post* said he blames the hypocrisy of the outside world for the fighting.

"If we had oil in our country," he said, "I'm sure the war would have been stopped." He is outraged that the world is allowing the fighting to continue. "Two years ago, it would have been possible to stop it. Today, I fear it's too late."

He saved his harshest comments for the U.S. policy, saying the U.S. should have taken a stand at the beginning of the war. Leaving it to the United Nations and to Europe has been a mistake, since no action has been taken to stop Serbian aggression. "If no one is going to do anything, tell us this from the first day. People are being killed right in front of United Nations peacekeeping troops and they say they can't do anything. Why don't they go home?"

Briefly

● **THE CENTERS** for Disease Control moved to quell growing public suspicion that the drinking water supply in Carroll County, Georgia, is responsible for an outbreak of meningitis that has struck seven and killed one person since November.

● **THE GERMAN DAILY** *Westfälische Rundschau*, reporting that broccoli is back on the White House menu, wrote that after President George Bush banned it, "Bush's enemies in the U.S. took this as a pretext to drive around in a car with a giant broccoli with a sign reading 'Eat It, George.' . . . George didn't eat it and lost the election." The paper did not report that the gag was carried out by campaign workers for Lyndon LaRouche.

● **ROBERTA ACHTENBERG**, an "openly lesbian politician," has been nominated by Bill Clinton as assistant secretary for fair housing and equal opportunity at the Department of Housing and Urban Development.

● **JACK KEVORKIAN**, the serial killer who espouses physician-inflicted suicide, killed three more people in the first week of February, bringing his total to 12. Michigan has passed a weak law against so-called active euthanasia, but it does not take effect until April.

● **WARREN CHRISTOPHER** will tour the Middle East for meetings on the peace process, the White House announced Feb. 4. Diplomatic sources report the U.S. Secretary of State will begin his junket on Feb. 20, with stops in Cairo, Amman, Damascus, and Jerusalem.

● **LYNDON LAROUCHE** prosecutor Kent Robinson finally responded to LaRouche's 2255 appeal before the U.S. Fourth Circuit Court Appeals on Jan. 28, with 45 pages of rambling evasions about LaRouche's charges that there is massive new evidence proving a government-private agency concert of action to imprison him.

Editorial

Whatever happened to reality?

That generation of Americans who was most targetted by the evil crew who designed the 1960s' counterculture is now in positions of control, from the U.S. President, down to members of the teaching professions and (of course) those who shape the media. Ironically, these very liberal folk have introduced a new McCarthyism—thought control on university campuses, and such perversions of the U.S. Constitution as the idea of “hate crimes,” by which is meant any remark which someone might construe as derogatory, such as the view that homosexuality is a psychological disorder rather than an “alternative life style.”

This new McCarthyism probably won't last. The very depth of the social and economic crisis is going to push more and more people into reconnecting with reality. Clearly the young upwardly mobile professional (yuppie) paradise is not only fast becoming a hell, but is being perceived as such by more and more Americans. An article featured in the January issue of the magazine *Science* is a case in point.

The authors are a professor of psychology, H.W. Stevenson, an assistant professor of social ecology C. Chen, and S.Y. Lee, identified only as an assistant research scientist. These experts of the paradigmatic New Age soft sciences argue that American parents have so lost touch with reality that they refuse to recognize that their children cannot compete internationally. The authors focus on mathematics achievement tests, in which young Americans rank below Chinese and Japanese children.

It seems that as long as their children receive good grades in school their parents are complacent. Both they and their children are satisfied with school systems which don't assign much homework. They wishfully suppose that American young people will still have high achievements because 1) they are innately more intelligent, and 2) they are better adjusted socially. Both of these delusions are effectively attacked by the authors of the article.

Disconnection with reality is the hallmark of deconstructionism, the hegemonic ideology on American campuses. No longer is a work of art or a philosophy

to be judged in terms of its effect upon a given society, or in terms of its historical genesis, but only in terms of how it effects the untutored perceptions of a student. This degradation of education is occurring in tandem with the collapse of the discipline of history. You can't find a competent history book produced for high schools, in which there are not errors in the dates of major events in American history, never mind wild misconstructions of pivotal events such as the Revolutionary and Civil Wars.

The problem is epitomized by the campaign against “Dead White European Males,” a category which includes Plato, Nicolaus of Cusa, Leonardo da Vinci, Johannes Kepler, and Gottfried Leibniz—in short, the very founders of our civilization. This is a call for a return to the appalling conditions inflicted upon mankind by the Roman Empire.

After more than two decades of counterculture, the United States is a culturally inferior nation. A generation of university presidents and tenured professors—the ones who grant advanced degrees—is ignorant to the point of illiteracy and motivated by hatred and fear of reason. For the man on the street, Hollywood plays the role of the university, serving up a faked version of history, pushing ecologism as a replacement for scientific thinking, and brainwashing people by soap operas, game shows, and sports orgies.

The New Age is here, not just in the schools. In the words of the Master of Ceremonies of the MTV Inaugural Ball, “This is the first time in history there is a Rock 'n' Roll inaugural ball because this is the first time there is a Rock 'n' Roll President!”

We propose that the therapeutic action begin by unleashing the talents of a certain group of “Dead White European Males,” such as Boccaccio, Chaucer, Dante, Erasmus, Thomas More, Rabelais, Cervantes, Shakespeare, and Swift. They knew how to skewer hypocrisy and pompous ignorance, and although they were surely European and male, and some of them may have been light-skinned, today's Lilliputians and Yahoos will soon find out that they are definitely *not* dead.

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■ ANCHORAGE—Anchorage Community TV Ch. 40
The LaRouche Connection
Wednesdays—9 p.m.

CALIFORNIA

■ MODESTO—Public Access Bulletin Board Ch. 5
The LaRouche Connection
Thurs., Feb. 25—6:30 p.m.
Thurs., Mar. 18—6:30 p.m.

MOUNTAIN VIEW

■ MVC-TV Ch. 30
The LaRouche Connection
Tuesdays—4 p.m.

SACRAMENTO

■ Access Sacramento Ch. 18
The LaRouche Connection
Wed., Feb. 24—10 p.m.
Wed., Mar. 10—10 p.m.

DISTRICT OF COLUMBIA

■ WASHINGTON—DC-TV Ch. 34
The LaRouche Connection
Sundays—12 Noon

FLORIDA

■ PASCO COUNTY—TCI CableVision Ch. 31
The LaRouche Connection
Tuesdays—8:30 p.m.

GEORGIA

■ ATLANTA—People TV Ch. 12
The LaRouche Connection
Fridays—1:30 p.m.

IDAHO

■ MOSCOW—CableVision Ch. 37
The LaRouche Connection
(Check Readerboard on Ch. 28 for weekly schedule)

ILLINOIS

■ CHICAGO—Chicago Cable Access Ch. 21
Masonic Racism, Part 2
Thurs., Feb. 25—10 p.m.

INDIANA

■ SOUTH BEND—TCI of Michiana Ch. 31
The LaRouche Connection
Thursdays—10 p.m.

MARYLAND

■ MONTGOMERY COUNTY—MC-TV Ch. 49
The LaRouche Connection
Thursdays—2:30 p.m.
Saturdays—10:30 p.m.

■ WESTMINSTER—Carroll Community TV Ch. 55
The LaRouche Connection
Tues.—3 p.m., Thurs.—9 p.m.

MINNESOTA

■ MINNEAPOLIS—Paragon Ch. 32
EIR World News
Wednesdays—6:30 p.m.
Sundays—9 p.m.

■ ST. PAUL—Cable Access Ch. 33
EIR World News
Mondays—8 p.m.

NEW JERSEY

■ STATEWIDE—CTN Public Access Channel
(Consult local listings)
Save Somalia with Economic Development
Fri., Feb. 19—11 a.m.
Tues., Feb. 23—1:30 a.m.

NEW YORK

■ BROCKPORT—Cable West Ch. 12
The LaRouche Connection
Thursdays—7 p.m.

■ BRONX—Riverdale Cable CATV-3

The LaRouche Connection
Saturdays—10 p.m.

BROOKHAVEN

■ TCI Cable of Brookhaven Community Programming Ch. 6
The LaRouche Connection
Wednesdays—3:30 p.m.

BUFFALO—BCAM Ch. 32

The LaRouche Connection
Tuesdays—6 p.m.

LONG ISLAND

■ CableVision Ch. 25
Amelia Robinson: Portrait of a Civil Rights Leader
Thurs., Feb. 25—10 p.m.

MANHATTAN (Upper & Lower)—MNN Ch. 69

The LaRouche Connection
Saturdays—12 Noon

ROCHESTER—GRC Ch. 19

The LaRouche Connection
Fridays—10:30 p.m.
Saturdays—11 a.m.

STATEN ISLAND—SIC-TV Ch. 24

The LaRouche Connection
Wed.—11 p.m., Sat.—8 a.m.

WESTCHESTER

■ Mt. Vernon Public Access Ch. 18
The LaRouche Connection
Fridays—6 p.m.

OREGON

■ CORVALLIS—TCI CableVision Ch. 11
The LaRouche Connection
Wed.—1 p.m., Thurs.—9 a.m.

TEXAS

■ HOUSTON—Public Access Channel
The LaRouche Connection
Mondays—5 p.m.

Clinton's Testing

Sat., Feb. 20—11 p.m.
Tues., Feb. 23—4:30 p.m.
Wed., Feb. 24—4:30 p.m.
Thurs., Feb. 25—11 p.m.

VIRGINIA

■ ARLINGTON—ACT Ch. 33
The LaRouche Connection
Sundays—1 p.m.

Mondays—6:30 p.m.
Wednesdays—12 noon

CHESAPEAKE—ACC Ch. 40

The LaRouche Connection
Thursdays—8 p.m.

CHESTERFIELD COUNTY—Storer Ch. 6

The Schiller Institute Show
Tuesdays—9 a.m.

FAIRFAX COUNTY—Media General Ch. 10

The LaRouche Connection
Wednesdays—6:30 p.m.
Thursdays—9 a.m.

LEESBURG—MultiVision Ch. 6

The LaRouche Connection
Mondays—7 p.m.

RICHMOND & HENRICO COUNTY—Continental Cable Ch. 38

The Schiller Institute Show
Mondays—8 p.m.

WASHINGTON

■ SEATTLE—Seattle Public Access Ch. 29

The LaRouche Connection
Sundays—11:30 p.m.

SPOKANE—Cox Cable Ch. 20

The Real Mr. X: An Interview with L. Fletcher Prouty
Weds., Feb. 24—5 p.m.

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