

# EIR

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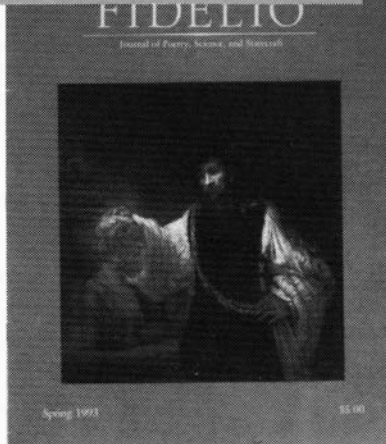
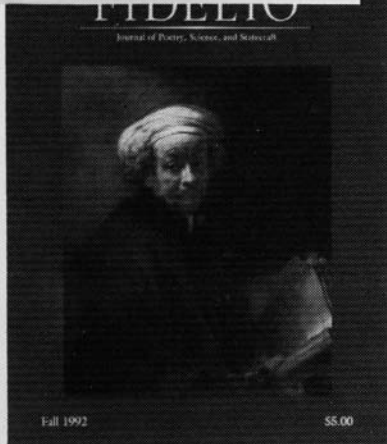
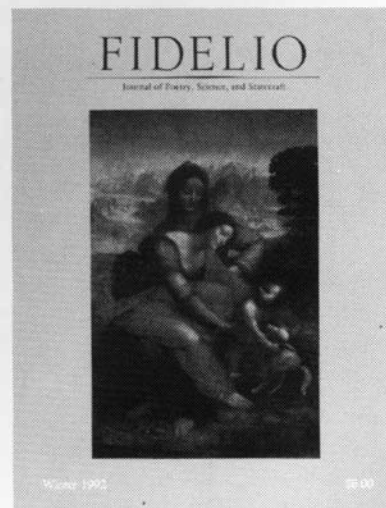
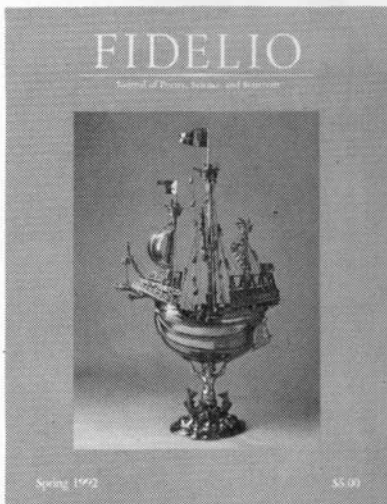
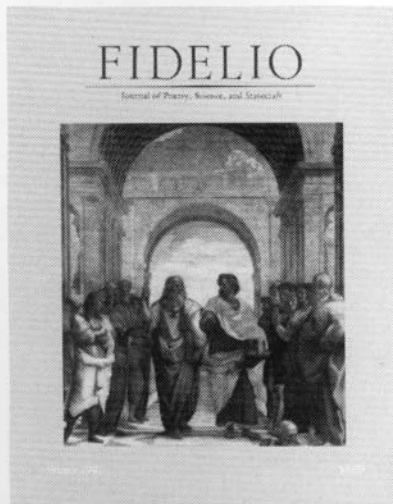
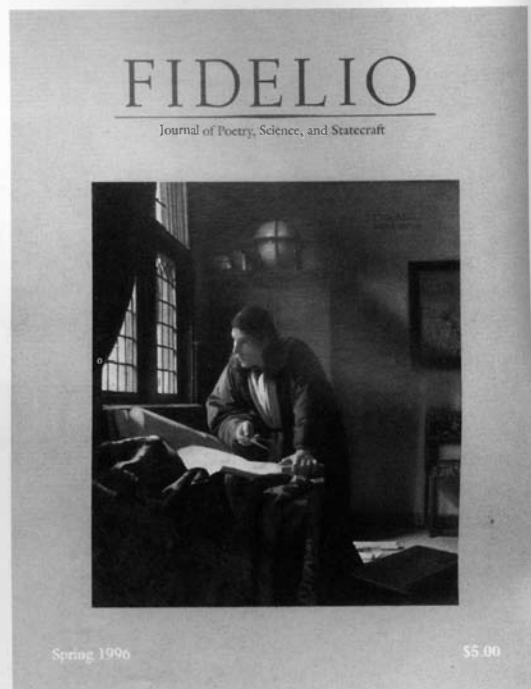
Mobilizing to save the children of Bosnia  
Buchanan victories shake up Gingrich mob  
A Russian view of thermonuclear fusion

**Overturn the axioms that  
are leading to catastrophe**



*"I hope to convince you that, in order to solve the political problem in experience, one must take the path through the aesthetical, because it is through Beauty that one proceeds to Freedom."*

— Friedrich Schiller



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**European Headquarters:** Executive Intelligence Review Nachrichtenagentur GmbH, Postfach 2308, D-65013 Wiesbaden, Otto von Guericke Ring 3, D-65205 Wiesbaden, Federal Republic of Germany Tel: (6122) 9160. Executive Directors: Anno Hellenbroich, Michael Liebig

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

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## From the Associate Editor

**T**here are two images that have lingered in the minds of just about everyone who attended the inspiring Presidents' Day conference of the Schiller Institute and the International Caucus of Labor Committees. First is the one on our cover, Shakespeare's Hamlet: As Lyndon LaRouche describes in his keynote speech (see *Feature*), Hamlet was a miserable coward, preferring to die, rather than to give up the false beliefs that were leading him—and the State of Denmark—to certain destruction. The second image is that of Helen Keller, deaf and blind, whose heroic struggle was recounted by Muriel Mirak Weissbach in her presentation on the power of great poetry. Keller's achievement is a testimony to the utter bankruptcy of the axiomatics of Hobbes, Locke, and Newton: the empiricism that says you "know" what you can see, hear, and touch. These two images point the way out of the crisis we face today, if citizens can be organized to change the axioms which have brought us to the economic and cultural wasteland in which we now find ourselves.

There are some very interesting changes under way in the United States. Pat Buchanan's election victories—which have the GOP and the British chewing the rug—show that, as LaRouche expressed it, "God sometimes works in very mysterious ways." (The "Hamlet quote of the week" award goes to Sen. Bob Dole, who said: "I didn't realize that jobs and trade and what makes America work would become a big issue in the last days of this campaign.")

In the Democratic Party as well, there is a shift away from free-market lunacy, as indicated by Sen. Edward Kennedy's speech on the "Quiet Depression" which we ran in last week's issue, and by Sen. Tom Daschle's report on the need for a high-wage policy (see *National*). With all this ferment, the stage is well set for LaRouche's next nationally televised Presidential campaign broadcast, on Saturday, March 2, at 8:00 p.m. EST on NBC. It will be on the subject of "national economic security."

Finally, let me call your attention to our interview with Russian-Ukrainian physicist Dr. Valentin Belakogne. Just as U.S. budget cuts are putting the nail in the coffin of our fusion research program, here comes Dr. Belakogne to say that inertial confinement fusion is absolutely feasible within 10-15 years!

*Susan Welsh*

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**Photo credits:** Cover, pages 21, 30, 67, EIRNS/Stuart Lewis. Page 26, Courtesy of Amelia Boynton Robinson. Page 28, U.S. Army. Page 34, EIRNS/Susan Welsh.

**Corrections:** The picture caption on page 47 of last week's issue misidentified two of the participants in Sen. Edward Kennedy's hearings on GOP budget cuts. It should have read (left to right): Melanie Daniel, actress Whoopi Goldberg, Marian Wright Edelman of the Children's Defense Fund, and Senator Kennedy.

On page 64, we misidentified Brian Mulroney, who is the former prime minister of Canada.

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## Feature



Hamlet comes upon Claudius at prayer: "Now might I do it pat, now he is praying; And now I'll do't. And so he goes to heaven. And so am I revenged." A 1981 performance by the International Caucus of Labor Committees in New York City.

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"If you passed Economics 101, you are probably a member of an endangered species," was the title Lyndon H. LaRouche, Jr. gave to this speech to a conference in Reston, Virginia on Feb. 17. "What is dooming us is what our people believe," he told the audience—the cherished "private opinions" which people cling to, and which doom them, just as Hamlet was doomed in the Shakespearean tragedy.

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## 'Casino economy' veers out of control, collapse looms

by Richard Freeman

The German weekly *Der Spiegel*, in an article entitled "Speculation: The Big Boys and Their Slaves," delivered an indictment of global financial speculation, indicating that the world monetary system infested with this speculation, could collapse. Normally, one does not find even economics publications circulating this thesis, let alone a mass-circulation magazine that is the German equivalent of America's *Time* or *Newsweek*. Apparently, some European influentials want this story out.

The *Spiegel* article represents the latest in an international brawl over the conception presented by economist and U.S. Presidential candidate Lyndon LaRouche, that world financial and monetary aggregates are growing at a hyperbolic rate, while physical output collapses; this trend cannot be sustained, and must lead to an implosion. That implosion will cause the biggest financial disintegration in 650 years. Each passing day adds confirmation to LaRouche's forecast.

Yet, this idea is being furiously contested by the international financial oligarchy and its mouthpieces. The most notable expression is a piece by Ethan Kapstein, director of studies of the New York Council on Foreign Relations, in the January-February issue of the CFR publication *Foreign Affairs*. In that article, entitled "Shockproof: The End of Financial Crisis," Kapstein contends that the world financial system cannot collapse. He reviews the dangers of the world financial system, beginning with the 1974-75 collapses of the Germany-based Bankhaus Herstatt and the New York-based Franklin National Bank. The Herstatt failure had contagious effects: Interest rates rose, the Euromarkets (the London-based markets for dollars and other hard currencies) contracted, and the integrity of the world inter-bank payments system was threatened.

In 1975, in response to this, the central bankers of the Standing Committee on Banking Regulations and Supervisory Practices, now known as the Basel Committee, adopted the Basel Concordat, which set up information sharing among the world's central banks and regulatory authorities.

In 1982, there was a new series of shocks. The Italian Banco Ambrosiano failed during the summer, and then, on Aug. 12, 1982, Mexican President José López Portillo announced that he was nationalizing Mexico's banking system, and that the payment of hard currency to meet Mexico's obligations to foreign creditors would be greatly reduced, because Mexico did not have sufficient funds. Kapstein quotes an authority speaking of the spreading panic: "Should the Mexican storm spread to other major Latin borrowers . . . there was no telling what might happen to the structure of international finance—or to the whole world economy for that matter."

In 1983, the United States increased its contribution to the International Monetary Fund by \$8.4 billion, and other industrial countries also increased their quota contributions. In 1987, the Basel Committee adopted a system of mandatory capital-to-asset ratios for the world's major banks, allegedly tying capital levels also to the level of portfolio risks the banks have.

Kapstein believes that this 1987 agreement, called the Basel Accord, which was approved by the Group of 10 industrial nations, solved many of the banking problems. Incredibly, he even believes that derivatives instruments (dangerous, highly speculative side-bets on already existing financial instruments) are the major agency providing "stability" to the world financial system. Kapstein coos: "Many chicken littles had predicted during the late 1980s and early 1990s that trading in derivatives—futures, swaps, and options—would trig-

ger the next global financial crisis. But they overlooked the important role that derivatives have played in moderating systemic-risk, providing banks with increased opportunities to diversify their portfolios and protect themselves from sudden market shifts. The Basel Committee has amended its accord to account for derivatives trading.”

For this reason, Kapstein alleges, during the Mexico peso crisis of December 1994, and the February 1995 collapse of Barings Bank, “the markets responded to these financial crises with little more than a ‘ho hum.’ ”

An informed European source told *EIR* on Feb. 5, that he believes that Kapstein is out of his mind, and that in the halls of power, behind the scenes, the issue of international collapse, which Kapstein tries to deny, is being debated intensively.

### Spiegel’s indictment

The *Spiegel* article, written as an introduction to the memoirs of the former high-roller Barings derivatives trader Nick Leeson (who is now in a Singapore jail), goes further. It states: “In many countries the economies are in bad shape, but stock market values are rising. More and more people are losing their jobs, while others become ever richer by speculating with foreign exchange and assets. Is the world in the hands of gamblers, has the worldwide financial system turned into a casino?” *Spiegel* warns that “the decisions on gigantic amounts are made more and more rapidly, and therefore the control of billions of dollars, pounds, marks, and francs becomes more and more difficult. Who really knows this monster, which is nowhere and everywhere? A monster that makes governments tremble, and can tear up whole economies. Nobody knows how big it is, and nobody has ever seen it. Financial markets have already become virtual reality.”

*Spiegel* says that today’s global “casino economy” resembles “betting on horses.” It offers as an example the German bank “Trinkaus & Burkhardt, a subsidiary of the British Midland Bank, which in turn belongs to Hongkong and Shanghai Holding”—and which is now one of Germany’s leading derivatives traders. A Trinkhaus employee proudly describes his company as “Germany’s biggest gambling agency.”

Can disaster be prevented? *Spiegel* cites the Mexico crisis of December 1994, during which President Clinton and International Monetary Fund Managing Director Michel Camdessus scrambled to stop a Mexico-triggered international financial meltdown, ominously described, in Camdessus’s words, as the “first financial crisis of the 21st century.” Moreover, *Spiegel* says, “It most likely will not have been the last.” *Spiegel* concludes that it will be extremely difficult “to control or even manipulate the markets of billions, which are everywhere and nowhere, in order to prevent the whole system from collapsing.”

### ‘Financial Chernobyl’

These words were echoed in an analysis in the Feb. 6 French daily *Le Monde*, written by Eric Leser. He stated that

potentially next on the agenda is a “financial Chernobyl.” Leser warned that “big banking accidents” have multiplied in France in recent years, and that it is only “the intervention of States into the most important catastrophes” worldwide, that has averted “chain-reaction failures like those of the 1930s, with their incalculable economic consequences.” These cannot be prevented much longer.

Meanwhile, Felix Rohatyn, of Lazard Frères investment bank, who has often expressed himself similarly on this theme, warned, in the Jan. 17 *International Herald Tribune*, that the games played by House Speaker Newt Gingrich (R-Ga.) and Sen. Phil Gramm (R-Tex.) in delaying an increase of the federal debt ceiling, could produce a U.S. “default on the national debt,” which would lead to worldwide catastrophe. Such accurately alarmist statements may have cost him the number-two position at the Federal Reserve System, for which President Clinton had wished to nominate him, because Sen. Alfonse D’Amato (R-N.Y.), representing the banking community, mounted a fierce campaign to block Rohatyn’s nomination.

However, joining Kapstein and the utopian New York banks, the head of Lazard Frères, Michel David-Weill, said Feb. 6 in the French daily *Le Figaro* that the world has entered an era of “considerable prosperity” which means that a “great financial crisis . . . is excluded.”

### A whiff of reality

In late February, the Bank of England’s *Quarterly Bulletin* presented evidence that the derivatives market is continuing to mushroom. An article and a table broke down daily derivatives trading volume by the categories of those derivatives that are traded over-the-counter (OTC) and those that are exchange traded. During April 1995, on a daily basis worldwide, there were a total of \$1.329 trillion OTC-traded derivatives, and a total of \$2.215 trillion in exchange-traded derivatives.

The Bank of England did not report equity or commodities contracts which are traded on either exchanges or OTC—a sizable quantity. But with \$3.544 trillion of derivatives traded per day, multiplied by 244 trading days in the year, the total annual volume of derivatives trading, of just the contracts for which information exists, is \$865 trillion. Adding in the trading of the other contracts that the Bank of England does not report on, the figure is larger.

The “Kapstein debate,” as it is coming to be called, represents a positive development in the sense that reality is impelling various influential figures to recognize the truth of LaRouche’s warning of imminent financial collapse. This is paralleled by, and probably has helped to cause, the debate in the Democratic and Republican parties on real economic issues.

However, action must follow: The Chapter 11 bankruptcy reorganization of the decaying world financial system, recommended by LaRouche, is next on the agenda.

# IMF admits that it is exacting a 'brutal' toll from Russia

by Rachel Douglas

As International Monetary Fund Director Michel Camdessus prepared for his latest trip to Moscow, taking place the week of Feb. 19, the deputy chairman of Russia's Central Bank invited him to speak on Russian national television "as a publicist for financial stabilization." It was a sign of the Russian regime's desperation—if not loss of touch with reality—in its attempt both to secure the IMF's latest promise, a \$9 billion three-year standby loan Camdessus is supposed to finalize, and to dodge the political consequences of the IMF-sponsored demolition of the Russian economy.

An unnamed IMF official, quoted by the BBC on Feb. 4, pronounced the Russian government's "anti-inflation" measures of 1995 "brutal but effective." They were also remarkably simple: The Russian government stopped paying wages on time to significant categories of workers employed in State-sector jobs! Withholding wages avoided the necessity to print more money, thus curbing inflation to "only" 200% for the year.

This "anti-inflation" success and the related presentation by the Chernomyrdin government of an alleged "balanced budget" for 1996, comprise the Russian financial "stabilization" demanded by the IMF.

The wage arrears for 1995 totalled 13.4 trillion rubles (\$2.5 billion), according to a Jan. 30 report in *Izvestia*; 30% of the backlog is two months or more overdue. Affected are employees in industry, construction, transportation, and agriculture, including many fully or partially privatized branches of industry; only the coal miners, State-sector agriculture workers and employees of scientific, administrative, and military institutions remain totally on the State payroll.

In one instance of the wage crisis in the privatized sector, Russian newspapers reported in late January on a conflict at the giant Norilsk Nickel concern, which produces over 90% of Russia's platinum group metals (40% of world production), cobalt and nickel (each nearly 10% of world production), and 50% of the copper. Wages for the several hundred thousand workers there, who live above the Arctic Circle, have not been paid since November. The largest shareholder in the privatized firm is Oneximbank, one of Russia's new megabanks, which obtained the shares in a large equity-for-credits

deal. Bank management maintains that Norilsk Nickel's priority should be not wages, but payment of \$100 million due on loans issued by Oneximbank. Norilsk Nickel has been listed not only by the Communist Party, but by such prominent power brokers as Moscow's Mayor Yuri Luzhkov, as a candidate for renationalization. On Feb. 5, Chief Prosecutor Yuri Skuratov launched an investigation of criminality in the privatization of several major firms, including Norilsk Nickel.

## Public sector promises

On Dec. 29, Minister of Social Protection Lyudmila Bezelepina acknowledged in *Rossiiskaya Gazeta*, that 37 million people (nearly one-quarter of the Russian population) are not receiving their pensions on time.

Labor unrest has flared in the coal industry and on the railroads. In late December, over 1,000 people blocked traffic on the Moscow-Gomel railway in Bryansk Province. "Hunger prodded them to this step of desperation," reported *Rabochaya Tribuna*. In late January, miners from Vorkuta in the far north picketed government buildings in Moscow, to protest the non-payment of wages since October 1995.

On Feb. 1, as coal miners threatened a broader strike over wage arrears, President Boris Yeltsin issued a decree on the prompt payment of salaries to public sector workers, requiring Prime Minister Viktor Chernomyrdin to report to him at least every other week on progress in these payments and to identify officials responsible for delays. A few days earlier, Yeltsin promised to create a special Presidential social fund, with enough money in it to pay a month's wages for everyone in Russia. He did not reveal where the money might come from.

*Izvestia* asserted that the Ministry of Finances was paying back wages to coal miners in January, by taking funds earmarked for the regions, meaning that teachers and doctors in the regions would suffer, in turn. Russian teachers threatened a strike in late January, again to demand the payment of overdue wages.

According to Central Bank Deputy Chairman Sergei Aleksashenko, the would-be TV host for Camdessus, the IMF had nothing to worry about, in Yeltsin's wage increase and



other promises: "These are election slogans and not real policies." But one hard-core "free market" radical, who advised the Russian government down its course to Thatcher- and Bush-prescribed disaster in 1992, is not so sure. Writing in the *New York Times* of Feb. 13, Swedish ideologue Anders Åslund lamented that Yeltsin had "abandoned everything that the West appreciated in him," and "given in to the Communists on virtually all fronts." In particular, Åslund deplored the ouster of Anatoli Chubais as deputy premier in charge of privatization, and Deputy Premier Oleg Soskovets's advocacy of "large-scale subsidies for the biggest enterprises."

### 1995: 'the year of collapse'

The first summary reports on what happened to the Russian economy in 1995 appeared in January. They illustrate the criminal insanity of the free-marketeers' assault on Russia's productive industry—hailed as "successful reforms" by too many governments in the West. They confirm *EIR's* diagnosis, published last year ("Collapse of Russia's Economy Reaches Point of No Return," *EIR*, March 17, 1995), that Russia was experiencing a series of economic "shocks," each one sharper than the last. They show the basis of the dramatic social and political consequences of the economic collapse, discussed in the two guest commentaries by Russian analysts, accompanying this article.

Findings by the analytical information agency FinIst were published in *Pravda-5* on Jan. 26, which dubbed 1995 "the year of collapse."

FinIst reported the decline of production on the national level as only 3 or 4% for the year, as against 21% in 1994. But the sectors that are decisive for healthy economic growth continued to plunge at a faster rate: between 10 and 45% for different branches of machine building; between 15 and 30% in the science-intensive defense industry; between 15 and 30% in consumer goods production.

The collapse of consumer durables production, which *EIR* presented last year, continued. The output of some such products, expressed as a percentage of 1990 production:

	1993	1994	1995
Refrigerators	92%	70%	47%
Washing machines	72%	39%	25%
Tape recorders	64%	21%	10%

This collapse in production was reflected in the dynamic of Russia's foreign trade. The share of domestic production in the domestic market, for all goods purchases, was 79% in 1990, 51% in 1994, and only 46% in 1995. Russia's exports were valued at \$78 billion in 1995, of which 48% was fuel products and 32% other raw materials. Out of \$58 billion total imports, 33% was food and 40% other consumer goods.

In the branches of industry associated with high skills level, productivity increases, and future growth, the 1995 pro-

TABLE 1

### Collapse of Russian basic industry, 1990-95

	1994	1995	1995-94 (Percent change)	1995-90 (Percent change)
Electricity (billion kilowatt-hours)	862	876	98%	78%
Oil (million tons)	307	316	97%	58%
Natural gas (billion m <sup>3</sup> )	595	607	98%	92%
Coal (million tons)	262	272	97%	67%
Ferrous metals (million tons)				
Iron	39	36	107%	66%
Steel	51	49	104%	57%
Metal-cutting machine tools (thousands)	16.5	18.2	90%	23%
Stamping presses (thousands)	2.08	3.1	68%	7%
Trucks (thousands)	113	142	80%	39%
Tractors (thousands)	21	28.7	75%	10%
Combines (thousands)	6.4	12	53%	6.7%
Chemical industry (million tons)				
Sulphuric acid	6.9	6.3	110%	54%
Synthetic fabric	0.23	0.19	116%	66%
Gasoline	28	26.4	106%	68%
Diesel/fuel oil	66	70	94%	66%

duction levels in Russia, compared with 1990, reveal near total destruction:

- Numerically controlled machine tools 4%
- Presses 8%
- High-grade rolled metal 15%

In other areas of basic industry, the smaller decline or slight rise of 1995 production over 1994 has to be seen against the backdrop of the previous three years' collapse. **Table 1** shows 1995 production, expressed as a percentage first of 1994 production, and then of 1990 production.

The more than 90% destruction of agricultural implements production rippled as a shock wave through Russian agriculture production in 1995. As for chemical fertilizers, they streamed abroad. *Agra-Europe* reported Jan. 2, that the input of fertilizers in domestic agriculture came almost to a standstill in Russia last year, while between January and October, Russia exported 12.72 million tons of fertilizers (2 million tons, or 18.5%, more than in the same period of 1994). Almost all the exports were to the so-called "far abroad," the western industrial countries.

With inputs slashed, agricultural production plunged in 1995. **Table 2** shows the summary by FinIst.

Thus, the main developments in the Russian economy during 1995, in the FinIst report, were the consolidation of a split economy: 1) the raw materials and primary processing

TABLE 2

**Collapse of Russian agricultural production, 1990-95**

	1995	1994	1995-94 (Percent change)	1995-90 (Percent change)
Grain (harvest, million tons)	64.7	81	80%	60%
Potatoes (harvest, million tons)	37.7	34	110%	94%
Livestock (millions of head)				
Cattle	39.2 <sup>1</sup>	44	89%	81%
Hogs	22.6 <sup>2</sup>	25	89%	75%
Sheep and goats	28.4 <sup>3</sup>	36	78%	62%
Milk production (million tons)	5.8	7.2	80%	32%
Meat production (million tons)	2.3	3.2	71%	28%

1. Or 29 (from non-government studies).

2. Or 13 (from non-government studies).

3. Or 18 (from non-government studies).

complex, oriented to the West, and 2) the collapsing industries that previously consumed domestic production within the country. The domestic system of research and development was "liquidated." And, food self-sufficiency was demolished.

For the first time last year, the services component of the (already notoriously fraudulent) category Gross Domestic Product in Russia, exceeded the goods portion. Services reached 53.3% of GDP (49.9% in 1994, 43.3% in 1993). The fastest so-called growth rates occurred in "market services": finance and credit, insurance, foreign exchange and stock operations, which now are estimated to comprise between 33 and 38% of Gross Domestic "Product," although they are really no product at all!

## The criminalization of Russia's economy

by Tatyana Koryagina

*Doctor of Economics Tatyana Koryagina is general director of the independent economic agency SEPPA (Socio-Economic Programs, Prognoses, and Alternatives) in Russia, and a member of the board of directors of the United Nations Institute of Social Development (Geneva, Switzerland).*

The growth of economic crime in Russia in the 1990s has confirmed the worst forecasts of specialists. In 1988, this

author had occasion to speak at an expanded session of the U.S.S.R. Council of Ministers, on the problem of the development of cooperatives. We stated there, that our scientific research data showed the beginning of large-scale mafia penetration of the cooperative structures and the laundering of "dirty" money through them.

Since that time, our initial work on the shadow economy in the cooperative movement has been supplemented by data on the criminalization of the private sector of the economy, mixed-ownership companies, and State enterprises. The past two to three years have seen an especially intensive fusion of economic crime with hard-core criminal activity. The vertical and horizontal ties of the organized criminal structures were strengthened. Their contacts with the international mafia were broadened, especially in the areas of narco-business, the weapons trade, the trade in living wares, including the sale of human organs on the international market.

Criminalization is taking place in practically all spheres and sectors of the economy, with a marked tendency to more overtly criminal economic activity. This is the most dangerous feature, characterizing the shadow economy in Russia today.

In quantitative terms, our data at the end of 1995 show that the volume of the shadow economy had reached approximately 750 trillion rubles, or nearly 45% of Russia's Gross Domestic Product. Out of the indicated huge shadow "gross product," up to half of its volume can be strictly linked with the activity of organized crime. Tens and hundreds of trillions of rubles or tens of billions of dollars are "earned" in the areas of production, sale, and consumption of narcotics, and production and sale of arms, which breed violence, terrorism, immorality, and callousness in society. . . .

In this connection we note a very important, extremely negative tendency of the most recent period: the absence of possibilities to earn income by legal means. The legal and social defenselessness of people, under conditions of a total shutdown of Russian enterprises, pushes many people into the arms of the mafia, converting millions of workers into a contingent of shadow economy employees. Thus, the shadow economy has been converted into the basic reservoir, which extends the borders of the labor market in Russia.

According to our expert estimates at the end of 1995, approximately 59 million people had come into contact with the shadow economy as workers. This number includes simple hired workers, as well as owners of private enterprises, managers who work at enterprises of all forms of ownership, and functionaries from the administrative apparatus at all levels, law enforcement employees, and so forth. As is known, the giving and taking of bribes by Russian officials has even been theoretically justified by government and political figures, for example, former Mayor of Moscow Gavrill Popov.

But we must once again stress, that the phenomenon of

the growth of monetary incomes for a part of the Russian population, conceals a negative potential that is accumulating year after year, with regard to the market reforms which have been carried out, because the wealth of small groups is based on the impoverishment of large masses of people, the acute criminalization of the economy, and, ultimately, the repulsion of honest Russian and foreign producers and investors from Russia. For Russia and its partners, the prospects in this connection can be highly pessimistic, which makes the business and intellectual elite strain every nerve in order to shift the situation in favor of honest business.

## Next Russian President may be a communist

by Yuri Skubko

*Yuri Skubko, Doctor of Economics, was a founding member of the "Memorial" human rights society in the Soviet Union and of the Democratic Union party—the first anti-communist opposition party during Gorbachov's perestroika.*

The December 17, 1995 election in Russia to the State Duma, a rather impotent parliament under the Yeltsin 1993 constitution, was seen by many as important not in itself, but rather as a test of public opinion in the run-up to the Presidential election in June.

According to the results of this test, there is a high probability that the next President of Russia may be a communist. Official results gave the Communist Party of the Russian Federation (CPRF), headed by Gennadi Zyuganov, 22% of the overall vote, with the more extremist "Communists Labor Russia for the U.S.S.R." of Viktor Anpilov as well as the pro-Communist Agrarian Party and the Women of Russia gaining around 4% each (with other small groupings and individuals, the "red" deputies comprise almost half of the 450-member Duma, not to mention certain groups of moderate nationalist orientation supporting Zyuganov).

The real result for the CPRF may have been even higher, because the Central Election Committee, headed by Yeltsin loyalist Nikolai Ryabov, made a suspicious nine-hour delay in reporting further results, after the CPRF took an early lead on the morning of Dec. 18. In those early returns, the CPRF had about 26% of the vote, leaving all other parties far behind, including the pro-government Our Home Is Russia, which had little more than 5% before, but 10% after the strange pause.

Western observers preferred not to notice any irregularities and vote-rigging, which could not conceal the message of the electorate, anyway.

Would it be so bad for Russia and the world if this country had a leader like Zyuganov as its President? I do not think so, taking into account, albeit with some apprehension, his declarations of support for political pluralism and a mixed economy with a greater role for the State to save the country from deindustrialization, even from disintegration, and to restore some basic social guarantees for the impoverished people.

Anyway, it would be much less of a mess than keeping on top the former CPSU Politburo member Yeltsin. The worst enemies of democracy and the market economy could not have done more to discredit these values in the eyes of Russian people, than the rampantly corrupt and incompetent regime that inherited communist rule here.

### Phony 'reform'

Yeltsin, like Gorbachov, loves to pose before the West as a great reformer. Both were anything but reformers, never introducing a single significant reform and succeeding only in the destruction of the country (Russia was abruptly reduced to its pre-mid-17th-century borders), its economy, its people's welfare.

Instead of reforms, the country has undergone, as the well-known Russian film producer Stanislav Govorukhin put it, a "great criminal revolution" in which the huge State property of the former U.S.S.R. was divided between the former CPSU-KGB *nomenklatura* and the criminal mafia.

Speculation, racketeering, practically total corruption of all power structures and an enormous gap between the few criminally rich and the sub-poverty-line majority, are the main features of Russia's "market reform." Industrial production and the living standards of the bulk of the population have collapsed, the latter best demonstrated by the drastic reduction of the duration of life. During 10 years of "katastroika," the life expectancy for men dropped from 69 to 58 years.

One could also mention the bloody Chechen adventure of the Yeltsin regime. It is not only exacting a heavy price of its own (the economic price alone is billions of dollars, while the government "cures" inflation and budget deficits by non-payment of salaries), but also rapidly destroying the only positive aspect of life in post-communist Russia—the relative individual liberty.

A country at war can hardly avoid becoming a police state. A popular expression today is "Russia is pregnant with dictatorship." So what is next?

According to the latest opinion polls, Yeltsin has the support of less than 5% of the Russian electorate—that leaves him practically with no chance of being reelected in a normal democratic way.

An escalation of the conflict in the Caucasus and the spread of Chechen terrorism to Russia itself could give Yeltsin a good pretext for introducing a state of emergency and postponing the Presidential elections indefinitely.

### Options are running out

But no emergency could help the current Russian leadership to manage the worsening situation in the country. So, with the introduction of military-type emergency rule, the probability of a real military coup by disenchanted generals would become much higher.

Another option would be to hold the elections with vote-rigging, whether mild or blatant. Either could bring about a social outburst. A blatant violation of people's right to choose, was already given a trial run in the Central Asian Republics of the former U.S.S.R., where a number of Presidents got "reelected" for another term through a process of referendum, substituting for normal elections.

A more democratic-looking trick is possible with the help of the "Zhirinovsky factor" (to use the vote-rigging mechanism to allow only Yeltsin and radical nationalist Zhirinovsky to get through to the second round of the Presidential elections). While it is difficult to confirm decisively what many people in Russia believe, that Zhirinovsky was introduced into politics as a KGB agent, all his records show

that he and his Liberal Democratic Party of Russia (LDPR), having gained a large number of seats in the Duma, capitalizing on the protest vote, have come to the rescue of the Yeltsin-Chernomyrdin administration during all critical political situations of the recent time.

Zhirinovsky's cannibalistic rhetoric is very useful for Yeltsin propagandists, who love to scare Western and local democratic public opinion by this really nonexistent dilemma: If Yeltsin, bad as he is, has to go, we will have instead a fascist regime of Zhirinovsky. But this "Trojan horse" of the Yeltsin regime is steadily losing popularity (this time, LDPR got 11% of the votes for party lists, half as much as in 1993, and it won only one seat through the single-mandate constituency elections) and only a gross falsification of election results could give Zhirinovsky, like Yeltsin himself, any real chance.

The devaluation of "democracy" and "capitalism" in the eyes of the population also give little chance to liberal democrats, even the most popular among the intelligentsia such as Grigori Yavlinsky, who is not tainted by cooperation with the "regime of thieves," as was Yegor Gaidar, but is still too pro-Western for the current Russian public mood.

But, if the Presidential elections in the summer proceed more or less in a proper way, there is little that can prevent a victory of the communist candidate, Gennadi Zyuganov.

There is a certain logic in the return to power of the former communist parties in post-communist countries. People are certainly unhappy with "wild capitalism" smashed upon them with the help of "shock therapy" and are quickly forgetting the worst sides of communist totalitarianism, reviving in their memories the best aspects of former life—welfare guarantees and the philosophy of social justice. On their part, the former communist parties were smart enough to learn some lessons of history and are now acting (Poland is the latest example) more like social-democratic parties in a pluralistic society.

What gives Russian communists an advantage, and not only practical but moral, over their eastern European colleagues, is that they have definitively rejected the ideology of atheism and made an important step toward rapprochement with the Russian Orthodox Church.

Also, Yavlinsky's Yabloko party, the only effectively surviving party of the democratic opposition in Russia, has recently made several important steps toward cooperation with the Zyuganov communists in the State Duma, such as helping CPRF member Gennadi Seleznyov to be elected as the speaker. The new potential partners, the CPRF-led left with more than 200 deputies and "Yabloko" with around 50 deputies, can control key nominations to parliamentary commissions and apparatus, and are capable of turning the current Russian Duma into a strong legal fighting force, safeguarding Presidential elections to be held on time and in a proper way.

## So, You Wish To Learn All About Economics?

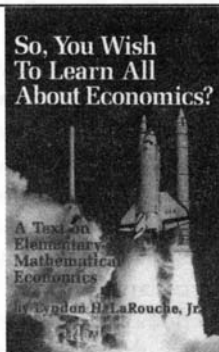
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## Constitutional options provide an opportunity

On the other hand, the recent third congress of Yabloko revealed deep divisions between the roughly equal liberal and social-democratic wings of the party. While members of the latter, headed by Yavlinsky's deputy Vyacheslav Igrunov, are prepared for a "historic compromise" with Zyuganov's CPRF (not unconditional, of course), the liberals are scared by the prospect of cooperation with any communists, on any basis, in principle, preferring to seek partnership with such groups as the remnants of Gaidar's "Russia's Choice," which has been definitely rejected by the electorate. But the uniting factor that works, is the goal of saving the Presidential elections as such from any attempt by the bankrupt Yeltsin regime to postpone them, foil them, or forge their results. On that, Yabloko and CPRF are together.

According to the Constitution, the Duma cannot be dissolved by the President during its first post-election year, and it is highly improbable that the Yeltsin regime, with its social base reduced to almost nothing, would try again (as in 1993) to overrun parliament with tanks; or, putting it differently, the Russian military, if given such an order, is most likely to turn them in the opposite direction.

A key question in the run-up to the June elections is whether Zyuganov will be able to demonstrate that his party is really prepared to cooperate with other political forces in a democratic way and adhere to the principles of the division of power. Two most obvious ways to do so is to support an amendment of the autocratic Yeltsin constitution (for this a two-thirds majority is needed, which is attainable) to give more real power to the Duma and to cooperate with "Yabloko," whose leading economists are known and trusted in the world as qualified proponents of a socially oriented market economy, in the drafting of economic reforms.

After 10 years of national catastrophe, Russia's only real choice is to mobilize all its remaining human potential to fight for survival as a nation, as a country, as a people. The change of power, necessary for survival, can be achieved through the ballot-box or through the gun.

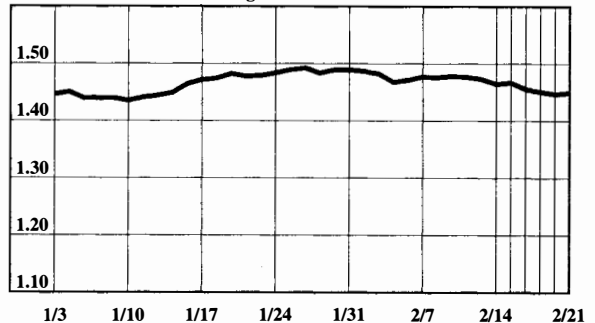
The only viable peaceful and legal way to start at last the process of putting Russia's house in order, seems to be the victory of an opposition candidate (most likely Gennadi Zyuganov) in the summer Presidential elections. Victory in a fair election accepted by all sides. And today only the Communist Party of the Russian Federation has the necessary muscle, the mass political support, and the organizational structures all over the country that provide an opportunity for peaceful change in all vital spheres of national life, in cooperation with small parties of democratic intelligentsia not associated with the current regime.

It should be kept in mind that the alternative is a transition to a military, terrorist dictatorship (whether by the current regime, incapable of retaining power by other means, or in the wake of a bloody revolution/coup) based ideologically on ultranationalism and chauvinism.

## Currency Rates

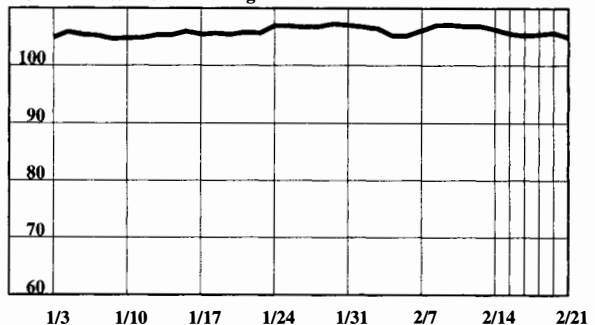
### The dollar in deutschemarks

New York late afternoon fixing



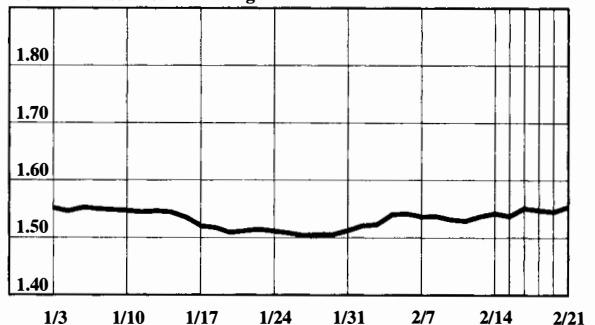
### The dollar in yen

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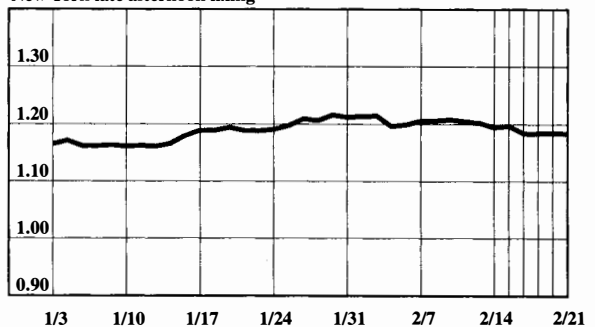
### The British pound in dollars

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing



# Business Briefs

## Southeast Asia

### Malaysia proposes high-speed rail grid

Singapore Prime Minister Goh Chok Tong has invited regional leaders to join in a project proposed by Malaysia Prime Minister Dr. Mahathir Mohamad, to build a high-speed rail grid that would connect the capitals of Southeast Asia, Indochina, and Yunnan, China, wire services reported on Feb. 10.

Goh reiterated his support for the proposal on the occasion of the unveiling of Singapore's plans to spend \$213 million on a light-rail transit system that eventually will tie into Malaysia's rail system, and a \$852 million project to add a mass rail transit system to suburban Singapore.

Goh told reporters that he has discussed the regional rail program with Thailand, China, and Vietnam, which support the idea. "They already have a national train network which can be integrated to form a pan-Asian system," he said. Goh added that with government backing, the high-speed rail network could be realized in 30-40 years.

## Ukraine

### Government warns of 'energy catastrophe'

The government of Ukraine warned on Feb. 13 of an "energy catastrophe," after Russia abruptly cut off all electricity supplies. The government said that the combined effect of the Russian cutoff and the continuing coal strike has created an energy emergency in the country, in which "thousands" of enterprises have already been forced to close down. Moscow claimed that Ukrainian electricity demand had been too high, suggesting that the cutoff was done for political reasons.

The coal strike, centered in the eastern Ukraine Donbass region, under way since Feb. 1, is far more serious than the figures indicate. While 63 of the country's 227 mines are on strike, at another 110 mines, the coal is being mined, but not loaded onto rail

cars. In other words, about 75% of the country's coal production is not reaching power plants and coking facilities.

Meanwhile, International Monetary Fund-inspired policies caused a decline in Ukraine's population by 400,000 in 1995, the biggest single drop in recent years. In total, the country's population, now at 50 million, has dropped by 760,000 since 1991, the Ministry of Statistics in Kiev reported, according to the Feb. 13 Swiss daily *Neue Zürcher Zeitung*.

The main reason for this alarming population decrease, Victoria Koval, of the national Ukrainian labor federation, said, is because of the lower birth rates that are caused by the unabated economic crisis. Most young couples, she said, cannot afford children any longer, and should the miserable situation not improve, the population loss is certain to continue.

## Agriculture

### Russian food production, consumption falling

Food consumption in Russia collapsed by 10% in 1995 compared to 1994, Vice Prime Minister Aleksandr Zaveruykha announced at a press conference in Moscow on Feb. 7, the weekly *Agra-Europe* reported. But the government has no intention of freezing prices on bread and other basic foodstuffs, he said. Rather, to stabilize consumption, the government must create conditions in which the purchasing power of the population is increased, or else it must subsidize bread for the poor. He admitted that the low harvest results of last year were not only due to drought, but also to "mistakes that were made in the agriculture reform."

The result of the crisis is that Russia has become highly dependent on food imports. According to the Moscow Institute for Economic Forecasts, as reported by the Russian Agriculture Ministry, 40% of all food consumed in Russia is imported. Dependency on imports has reached a "dangerous degree," the institute said. A country that imports more than 30% of its food, is putting itself into a "very uncertain situation and is

becoming very dependent upon the situation in the world market," it warned. The "inevitable" danger, is a "dictate of foreign producers and traders. Russia is already in this situation," the institute pointed out. Major industrial centers are relying on imports for 70-80% of consumption of milk and meat.

The Russian Agriculture Ministry attributes this development mainly to a "drastic decline of national agriculture production within the past years." Especially concerning meat, the agriculture sector is not able to deliver enough to supply the domestic market. The government urgently has to support the national agriculture sector, officials said.

## Eurasia

### Kazakhstan initiates 'land bridge' talks

Amangeldy D. Omarov, head of Almaty railways in Kazakhstan, chaired negotiations in January aimed at expanding the rail lines of Kazakhstan southward into China and also into Europe, the Jan. 25 *Kazakhstanskaya Pravda* reported, according to the U.S. Foreign Broadcast Information Service. "We initiated this meeting of representatives of Kazakhstan, China, South Korea, Japan, Italy, Poland, and Estonia in order to get to know each other better, to arouse the world's interest in the negotiations taking place, and [to generate] a public response in our country," he said. "It is no secret that many people in the world still do not know the potential of the new transcontinental bridge."

Agreements were signed at the meeting relating to transit, freight, and container shipments by rail through the Druzhba-Alataw-Shankou (Kazakh-Chinese border) crossing. "Here we have it—the plan for the main Trans-Asian and Eurasian railway lines, ending at one end at Lianyungang seaport on the Yellow Sea, and at the other at Istanbul on the Black Sea, London (Amsterdam) on the North Sea, and Helsinki (Tallinn, St. Petersburg) on the Baltic Sea," the paper commented.

The participation of Chinese railway officials "once again speaks of China's foreign economic interests in Kazakhstan and Cen-

## Briefly

**FRANCE** is heading for State bankruptcy, government member Alain Lamassouse warned in Paris on Feb. 12, the German daily *Handelsblatt* reported. He admitted that economic output has been stagnating since August 1995. "If we don't get the debt under control, this country will have to declare bankruptcy two years from now," he said.

**TWO RAIL LINES** connecting Vietnam and China have reopened for the first time since 1979, the Feb. 15 London *Times* reported. The lines are an important link between Yunnan province in China and the Vietnamese seaport of Haiphong, which is much nearer than Chinese ports.

**THE UNITED STATES** lost 202,000 manufacturing jobs in the last 10 months of 1995, a loss of 1.1% of the total, the Feb. 16 *Wall Street Journal* reported. Wall Street bankers are unconcerned. Allen Sinai, of Lehman Brothers investment bank, stated, "The service sector has never been more important. . . . It means the manufacturing sector can go into recession, but the economy keeps growing."

**THE BRITISH** firm Trafalgar House was scheduled in late February to sign a \$650-750 million contract with Thai Special Steel to build a steelworks in Rayong province, wires reported on Feb. 12. It is the largest-ever contract between British and Thai companies.

**AFRICAN** nations paid \$300 million more to foreign creditors than they received in new loans in 1993, the London-based Development Assistance Committee reported, based on OECD figures. This is before International Monetary Fund conditionalities became more severe.

**BANKERS TRUST** New York Corp. debt was downgraded by Standard and Poor's credit rating agency, citing "negative publicity" resulting from Bankers Trust's practices in selling derivatives, the Feb. 16 *Wall Street Journal* reported.

tral Asia and in broadening this springboard for development of China's trade and economic relations with Iran, Turkey, and a number of other countries of western Asia and western Europe," the paper noted. It added, "At the same time, the railways of Kazakhstan, situated in the center of Eurasia, are becoming the link both for Trans-Asian and Eurasian main lines. But this link has to be stable."

### Poland

#### Strikers seek protection against cheap labor

Krzysztof Mlodzik, chairman of the Polish Silesia Solidarity Trade Union, told *EIR* in February that striking coal miners have discussed four demands with the government. Three of them concern regulation of salaries and special benefits for miners; the fourth requests that only workers of those companies which sign a general agreement with mines be hired to work, to prevent employment of cheap labor.

On Feb. 12, the strike of Polish miners in the southern part of the country expanded, with 11 mines joining eight others that struck a week earlier.

Mlodzik said that the World Bank plan to restructure Polish mines, including closing "unprofitable" mines and laying off thousands of miners, was useless, because it contains no provision for investment in new technologies and machinery. He said that he had visited the United States recently, and saw that American mines use more advanced technologies and methods of coal extraction. Such technologies should be introduced also in Europe, he said, because otherwise Polish mines will always be unprofitable.

Mlodzik added that the Polish finance minister always says that there is no money for such projects, and Mlodzik has doubts whether decision-makers in Warsaw are protecting Polish national interests—or even know where electricity comes from. He also stressed that Polish transportation is very expensive: 25-30% of the price of coal comes from transportation costs. He said that it is more expensive to bring coal from mines in

the south of Poland to seaports, than for it to be transported across the entire United States by train. This is an absurd situation, he said, because the coal mines and railroads are both State controlled, but the government does not want to do anything to improve them. Mlodzik said that the "free market" does not really exist; there are only those who use this idea to manipulate others for their own benefit.

### Biological Holocaust

#### Rats proliferating in American cities

Budget-cuts are leading to a proliferation of rats in U.S. cities, the London *Independent* reported, based on a talk by Dr. Gregory Glass of the Johns Hopkins School of Public Health, to a Feb. 12 meeting of the American Association for the Advancement of Science in Baltimore.

Glass claimed that there are hidden epidemics of Third World diseases raging in U.S. cities. His surveys indicate that up to 16% of the population of Baltimore could have been exposed to leptospirosis, a disease spread in the urine of rats. If left untreated, the disease can lead to kidney and liver failure. Further, he said, hantaviruses, which can cause hypertension and chronic renal disease, are also being spread to U.S. inner-city populations through the urine of rats. According to Glass, the rates of human infection of these diseases in U.S. inner-cities "at least approach those of Third World countries, and the rates are going to go up." Glass said that only 50 cases of leptospirosis were reported in the United States last year, only two cases in Baltimore; yet a survey of patients coming to the Johns Hopkins hospital, showed that 160 out of every 1,000 people were carrying evidence of infection in their blood.

"Budgetary cutbacks have meant that many U.S. cities have stopped or reduced their rat control programs, and there has been a corresponding increase in numbers over the past five to six years," the paper said, paraphrasing his presentation. Glass asserted that he is sure that similar rat-borne problems are occurring in London and other European cities.

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## Thermonuclear fusion: a view from Russia

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*Dr. Valentin Belakogne, a specialist in shock waves and explosive processes in gases and plasmas, discusses the history, and future, of fusion "microexplosions," with Dr. Jonathan Tennenbaum.*

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The Russian-Ukrainian physicist Valentin Belakogne is one of the leading proponents of the technology of fusion "microexplosions" in the former Soviet Union. This approach to fusion energy, sometimes referred to as "inertial confinement fusion," centers on the ignition of fusion reactions in pellets containing hydrogen (and, possibly, helium) isotopes, compressed and heated to the order of 100 million degrees by the action of powerful lasers, particle beams or other so-called "driver" systems. Extensive investigations in this direction were made in the United States and the Soviet Union beginning in the 1970s, and, since then, notably also in Japan and several other countries. At present, plans are being made in the United States for the construction of the largest-yet laser-fusion experimental facility, the National Ignition Facility. The NIF is projected to achieve fusion ignition by means of laser pulses of up to 1.8 megajoules and 500 terawatts, delivered in 192 beams to a tiny pellet in the center of a specially constructed explosion chamber. The maximum projected fusion energy release will be about 50 megajoules "per shot."

Valentin Belakogne is a long-time specialist in the relevant field of shock waves and the dynamics of explosive processes in gases and plasma, as well as in a number of other areas in applied physics, including the development of novel types of flying vehicles. He pioneered an original scheme for fusion by means of "supercompression" by implosion of numerous layers. He is presently director of the Interdisciplinary Laboratory for Long-Term Prognoses of Energy Technology and other future technology, at the Moscow State University and the Academy of Cosmonautics.

The following interview is taken from discussions between Dr. Belakogne and Dr. Jonathan Tennenbaum, chair-

man of the Fusion Energy Forum in Germany, last year in Moscow.

**Tennenbaum:** You are known to be a fanatical proponent of thermonuclear fusion microexplosions as the decisive large-scale source of energy for the 21st century, and as the most promising power source for the propulsion of ships, ekranoplanes [special, low-flying aircraft utilizing the "ground-effect"—ed.], large aircraft, and space transport systems, as well as for bases on the Moon. Similar views can also be heard among scientists at the Lawrence Livermore National Laboratory in the United States. But very often, such views are dismissed as utopian, and skeptics never tire of saying that the optimistic projections made in the past turned out to be wrong.

**Belakogne:** You are not entirely right. Of course, the previous forecasts of such classic experts on thermonuclear microexplosions as John Nuckolls undoubtedly exerted a very strong psychological effect on me. That they didn't come to pass was due not simply to fundamental mistakes by Nuckolls and his colleagues. Fifty percent, so to speak, of the disappointment concerning hopes to achieve this kind of thermonuclear fusion, was caused by a lack of understanding of the thermonuclear problem by the major part of the U.S. leadership and among the financial magnates. Now, in the U.S., there is a brake on these developments, despite generous financing having started. This is because other people are running the show at Livermore, instead of Nuckolls, and they are not his equal.

**Tennenbaum:** Let me play the role of "the devil's advocate." Why are you so absolutely convinced about the feasibility



ity of inertial fusion (or fusion microexplosions)? At first glance, results obtained in the period 1975-95 do not inspire great confidence. But even if deuterium-tritium (D-T) fusion were realized in some form, there would still remain the problem of radioactivity produced by the neutrons, which are a byproduct of the deuterium-tritium reaction. On the other hand, the more interesting, "clean" form of thermonuclear power, based on a fuel consisting of deuterium and helium-3 (D-<sup>3</sup>He), is evidently much more difficult to achieve.

**Belakogne:** You are absolutely justified in feeling doubts about the near-term *commercial* utilization of microexplosion fusion. What is more, from the standpoint of so-called common sense, you can also express justified doubts about the feasibility in the immediate 10-15 years ahead of even a demonstration engineering experiment, in which the energy released by the microexplosion, matches the energy received by the "driver" of the thermonuclear pellet.

However, the skeptical point of view was significantly undermined by the results of the American experiment series "Halite-Centurion" around 1986, which modelled (simulated) the effect of future driver systems (whose development still presents difficulties) on the aforementioned pellet, by using specially filtered radiation produced by the underground explosion of a nuclear warhead-type device. . . .

**Tennenbaum:** Very little has been written about the Halite-Centurion program, at least in the open literature. From your standpoint, what were the most important features of those experiments? And what do they signify for the future?

**Belakogne:** The veil of secrecy over the American investigations was partly lifted on March 21, 1988, when the scientific correspondent of the newspaper *New York Times*, William Broad, published an article on the success of the super-secret program Halite-Centurion, conducted at the Nevada nuclear test site by the two most authoritative national laboratories of the United States, the Lawrence Livermore and Los Alamos laboratories.

The still sparse information permits us, with a sufficient amount of confidence, to speak about a new direction *in the use of nuclear tests*, successfully utilized by the Americans to *make the breakthrough into the energy technology of the 21st century*. The Americans succeeded in creating a miniature hydrogen bomb explosion, whose energy was somewhere between 1,000 and 10,000 megajoules—a million times less than the energy of a real thermonuclear warhead. It is possible to completely contain such an explosion inside a reaction chamber, whose (minimal) size is comparable to a steam locomotive boiler. Detonating up to 100 such "micro-bombs" per second in a reaction chamber would provide an economical source of electrical and thermal energy. It would be possible to place such a reactor on a ship, a space vehicle, or even an airplane (a big one, however, whose mass would certainly be not less than 2,000 tons).

The American specialists succeeded in directing part of

the radiation from a nuclear warhead detonation into a specially designed container, in the middle of which was suspended a sophisticated target-pellet containing several tens of micrograms of thermonuclear fuel (a mixture of heavy isotopes of hydrogen—deuterium and tritium). The energy content of this fuel exceeds that of oil by several million times.

The burst of radiation, emitted by the explosion of the nuclear device, heated the walls of the special container, irradiating the surface of the thermonuclear pellet during a very short interval of time, but with such an enormous intensity, that the surface of the pellet was evaporated in an explosive manner, and the pellet itself was "imploded" due to the reactive pressure of the evaporated layer—a pressure reaching 100 million atmospheres. In other words, incredible reactive forces are generated.

(To be more precise, I should add, that the action of this reactive, compressing force must be "shaped" in such a way as to ensure that the beginning shock is not too sharp. Programming the compression in this way ensures a "low-entropy" regime for reaching supercompression of the thermonuclear fuel, which, in practical terms, means economizing the work of compression, and thereby ensuring a higher net efficiency for the energy-producing process as a whole.)

Some crucial aspects of the construction of the target-pellet are top-secret. But it is necessary to compress the thermonuclear fuel, by the implosion of the pellet, to a density of not less than 50-100 grams per cubic centimeter. Like at the center of the Sun! But compared with the Sun, the temperature required for ignition of the thermonuclear fuel is higher—tens of millions of degrees. In fact, the fuel is heated to a peak temperature of hundreds of millions of degrees Kelvin.

Creating the microexplosion of their tritium-deuterium pellet, the Americans provided the experimental demonstration in 1986, that useful thermonuclear power can be generated from this supercompressed fuel.

I have almost no doubts, that the Americans did not stop with this success in utilizing the fuel (which, due to the presence of tritium, is radioactive), but that they are also trying—or have already succeeded—to achieve compression and heating of the more interesting fuel, consisting of deuterium and helium-3. (As fantastic as it might sound, the Americans are seriously planning to import helium-3 from the Moon as a commercial venture. This would be possible, using our colossal Energia space rocket, the best in the world.)

The Halite-Centurion test in Nevada was an historic opportunity for the Americans. . . . Having obtained macroexplosions by means of nuclear detonations, they are preparing to replace the latter by compact laser or other power sources. This new energy technology will be used on the Earth, in plants producing energy and energy-intensive materials; in the air and at sea, to power various transport systems; and in space, in propulsion systems for interplanetary missions. It is also not to be excluded as a power source for "Star Wars." . . .

So, while not denying the existence of ignoramuses and

cheaters, I insist on the practicability in principle of inertial confinement fusion in the next 10-15 years. As for its industrial usefulness (replacing coal and oil energy generation, let's say), that depends too much on the political and economic decisions of governments. . . .

**Tennenbaum:** Of which governments?

**Belakogne:** The governments of really or potentially powerful states. By the year 2010 these will be (listed by the degree of their potential and importance for the given problem): the U.S.A., Japan, the Federal Republic of Germany (or the European Union as a whole), France, Russia, England, Sweden, Ukraine, India, Australia, China, Israel, Italy. The authorities' decision will depend, of course, on their competence in energy politics and their ability to risk investing resources on the scale of \$10-30 billion over 15-20 years. But there was a comparable risk in aviation also, and, even more so, in space programs, and it turned out to more than justify itself in the 20th century. I would stress here, that in taking on the risk, competent fanatics played a historic role. . . .

By the way, in popularized economic discussions about fusion, there is a good deal of talk about its fuel being virtually free—that refers to deuterium, of which “there are inexhaustible supplies in the oceans.” Indeed, the price of deuterium in 1983 was 20¢ per gram, which is approximately equivalent to an energy value of 1¢ for 10,000 megajoules of “raw” thermonuclear energy—on the condition that pure deuterium can be used by itself alone to “feed” thermonuclear reactors (about which there remain well-founded doubts). First-generation reactors need tritium in order to “burn” deuterium—which also means producing neutron radiation—or otherwise the non-radioactive light isotope of helium can be used, helium-3. But, both these components of thermonuclear fuel have a manufacturing cost (U.S.A., 1983) of around \$10,000 per gram. That would bring the “raw” costs of energy to nearly 1¢ for 100,000 joules which coincides with, in an amusing enough manner, the cost of “raw” energy of modern petroleum. But a much higher cost is forecast for the extraction of thermonuclear energy, than of petroleum energy.

We can expect a drastic reduction of the cost of the raw material of thermonuclear energy of the future—helium-3—on the basis of importing this isotope from the Moon. This has been shown by recent calculations made by American specialists (Kulchinsky and Schmidt). For this purpose, there is probably nothing more suitable than the space transport system designed under the leadership of V.P. Glushko on the basis of the Energia rocket—assuming economical methods of reconstruction of this system.

**Tennenbaum:** But besides inertial fusion there exist other approaches, such as: magnetic fusion, combinations of magnetic and inertial fusion, hypervelocity impact fusion (as a separate form of inertial fusion), cold fusion, etc. Some of these might give better results than inertial confinement fu-

sion by lasers, or by particle beams.

**Belakogne:** I don't see the fundamental difference between “inertial” and “impact” fusion; both produce microexplosions and both are based on the key idea of superdense compression of fuel immediately prior to the microexplosion. The attainment of superhigh density is precisely the key idea leading to the realization of both macro- and micro-thermonuclear explosions. This is the invention of Ulam, which was attributed evidently and not-so-evidently to Teller, although Ulam, having proposed this idea in deepest secrecy in 1950, probably knew about the experiments of German scientists, who began similar work not later than 1942. . . . By the way, the origins of analogous experiments in the U.S.S.R. is a big puzzle. A. Sakharov never declared his explicit authorship of this idea. . . . There are also references in the newer historical literature, which point to the conclusion, that the key idea was transmitted from the U.S.A. to the U.S.S.R., probably by no one other than George Gamow . . . , but this subject is for another discussion. In any case, for microexplosions as well as macroexplosions, superdense compression is the key idea, which up to 1971 was worked on secretly at Livermore and at Los Alamos. Then, at the 1972 Montreal Conference, it was made public by Edward Teller. This was a revelation for our thermonuclear scientists—beginning with Basov's group. . . . The point is, that the typical energy of a fusion microexplosion is given by

$$y_{\text{joules}} \cong 10^{13} / \rho_{\text{DT}}^2 \cong 10^{15} / \rho_{\text{D}^3\text{He}}^2$$

for which it is necessary to achieve the compression up to the density:

$$\rho \approx 100-1000 \text{g/cm}^3$$

Otherwise we obtain not a micro-, but a macroexplosion, considering the dividing-line between them to be 1,000 megajoules.

Incidentally, microexplosions solve not only the energy problem, but also the problem of *power*, insofar as a fusion microexplosion produces a pulse of the order of:

$$\dot{y}_{\text{watt}} \approx 10^{19} \rho M$$

where  $M$  is the mass of the burned fuel in grams.

If the military are interested in this power for the pumping of super-lasers for the SDI, I personally am interested to design a generator of gravitational waves, even as far as creating a *gravisor*—the gravitational analog of a laser, but with rays of gravitons rather than photons, although the ray can also be a mixture. . . .

**Tennenbaum:** I am aware of these things, although it is useful for our readers to recall them here. But you avoided my main question: Why do you consider fusion microexplosions to be not only feasible in *principle*, as an energy source, but actually as a *near-term perspective*? Furthermore, what have you done yourself, as a physicist and engineer, to bring on the

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*While not denying the existence of ignoramuses and cheaters, I insist on the practicability in principle of inertial confinement fusion in the next 10-15 years. As for its industrial usefulness, that depends too much on the political and economic decisions of governments.*

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era of fusion microexplosions? What are your qualifications to make judgments concerning these matters?

**Belakogne:** My own efforts had some results. At the time when superdense compression was a tightly kept secret, I independently came to the idea in 1962, working in the area of gas dynamics of flight and of detonations. In 1968 I succeeded to defend a dissertation thesis at the Keldish Applied Mathematics Institute. In the presence of Ya.B. Zel'dovich, who had participated in the realization of supercompression for the Soviet hydrogen bomb (as a colleague of Sakharov), I spoke openly about superdense compression of a thermonuclear plasma (on a rather abstract level, not a concrete scheme), thinking that I had made a completely original discovery. . . . But when Teller declassified the work at Livermore, I tried to elaborate my own compression method, which differs greatly from the Livermore scheme. I do not use a compact ready-made target-capsule, but rather a system of initially separated elements, whose simultaneous collision produces "softened" supercompression in a special kind of shock-driven thermonuclear microexplosion, which might be achieved using multi-round super-velocity rail guns or similar apparatus.

In other words, I have not simply read, listened, and accepted. I actively worked in this direction, therefore I have the basis for independent judgments. . . .

**Tennenbaum:** Now I would like to hear your judgment concerning the history of the various prognoses of the realization of inertial confinement fusion.

**Belakogne:** My personal interest, generally speaking, has been in the "scenario" type of forecasting, whose logic is of the form: "if . . . then." For example, concerning laser fusion: "If the laser impulse has such-and-such energy/power, and the form of the impulse is such-and-such, then the amount of compression will be  $X$  and the energy of the microexplosion will be  $Y$ ." In 1972 several groups proclaimed the near-term realization of inertial confinement fusion, or more precisely, of the proof of its "physical" achievement, already by 1974-76. This forecast turned out to be a complete fiasco. . . . I think, that these 1972 forecasts were mainly made in order to assure a large funding for inertial confinement fusion. The authors of such forecasts were leading physicists: Nuckolls, Brueckner, Basov. . . . But in fact a more precise, secret forecast (scenario!) had been produced *10 years earlier*, by one

of the few pioneers of thermonuclear fusion, Ray Kidder of Livermore.

**Tennenbaum:** What is the nature of the various prognoses? And what is your own forecast for the realization and application of inertial fusion?

**Belakogne:** The history of the forecasts spans more than 20 years. Kidder's forecast was—at the time he made it—not very optimistic. His estimate was: To reach the critical regime of "breakeven," one would need 100 kilojoules at a laser wavelength of 0.69 micrometers with a radiation intensity on the target of  $5 \times 10^{14}/\text{cm}^2$ . I think that time will confirm the truth of his estimate by no later than the year 2005. Or even three to four years earlier, I hope. Kidder's forecast was in 1962. And in 1973 Lowell Wood told me a lot of John Nuckolls's ideas of laser fusion. Up to the time Nuckolls was later working on weapons, not on the peaceful use of the atom.

It is not superfluous to note, that laser fusion was related to classified work, and for that reason, in the U.S.A., they kept it a secret for 10 years. The hope was to make, on the basis of laser fusion, a "clean" hydrogen bomb (without uranium or plutonium), and also to use the neutron burst from a laser fusion pellet for breeding plutonium—as atomic ignition material—under conditions, which practically do not permit international control. . . .

In any case, Wood managed (around 1968-69) to convince Nuckolls, that one could ignite a "bare" fuel pellet (without a liner) with a laser pulse of maximum 10 kilojoules, compressing the fuel up to a density of  $1 \text{ kg}/\text{cm}^3$ . And they began to "push Kidder aside." . . .

Meanwhile KMS, up to that time the only *private* firm in the world involved in fusion, announced to its stockholders that already by Dec. 31, 1973, a pellet would be ignited by no more than 1 kilojoule. . . . Beginning in 1976, Livermore came to the old forecast of Kidder: *not less than 100 kilojoules*. . . . And Lowell Wood came to insist on a date of around 1980—*under the condition*, that the fusion scientists would be given as much money, as they could spend. Wood promised the creation, by 1990-91, of an electric power station based on fusion microexplosions with a net power output of 300 megawatts. They didn't give him the billions which he demanded, and now he has the right to blame the powers that be. It is not to be excluded, that he is right, although the task probably would be accomplished not by Wood, but by Kidder.

... If I were given three times less money, then by my method (compression of the "slamming the book shut" type), this more economical form of fusion could be achieved in 10 years for a cost of \$2 billion. . . .

**Tennenbaum:** Leaving your claims aside, what projections would you make on the most likely course of events for the realization of fusion microexplosions as a source of energy?

**Belakogne:** My projection at present is the following:

In 2003-06, the final decision will be made on the type of driver for an inertial-confinement fusion demonstration plant and propulsion. Assuming a \$10-12 billion crash program, the required driver would be finished by 2010-12. A surface facility to demonstrate inertial confinement fusion for *space* propulsion would be finished by 2012-15. The first flight of a fusion-powered aeroplane and/or spacecraft would come in 2015-20, by D-<sup>3</sup>He.

In terms of the most likely system to drive inertial confinement fusion for propulsion, I would assign the probabilities as follows: non-solid-state laser 75%; light ion beam 15%, railgun accelerators of macroparticles 5%; solid-state lasers 2.5%; other systems 2.5%.

**Tennenbaum:** How do you see the long-term implications of fusion microexplosions, as the basis of a far-reaching technological revolution?

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**Belakogne:** Superdense compression, now being developed for D-T fusion, in the future will have many other applications, which cannot be predicted now, because it means a new degree of freedom in technology. Furthermore, it makes it possible *in principle* to increase the efficiency of energy systems to practically 100%, and at the same time to reduce the inevitable thermal loss to the environment. Also, inertial confinement fusion provides incomparably greater power, in pulsed form, than any other energy system—up to  $10^{18-20} \text{W} \times 10^{-10} \text{s}$ . And the technology and industry of the future will need power density as much, or more, than energy itself.

The first generation of commercial power plants of the inertial fusion type will also make it possible to render harmless the dangerous radioactive isotopes produced by breeder reactors and atomic power stations: The neutrons from the microexplosions would be used to transform unwanted, dangerous isotopes into less dangerous ones, and even into isotopes which are useful and not in sufficient supply. The "transmutation" of dangerous isotopes by this method was proposed by Livermore scientists by 1978.

The technology of thermonuclear microexplosions will provide another great benefit. The present-day concept, of using conventional, chemically fueled rocket systems to send cosmonauts to Mars by a journey which would take many months—an idea which borders on sadism—will become an anachronism. Rocket propulsion systems, based on microexplosions of superdense plasma, make it possible to reach Mars in a couple of weeks, or a couple of months at the most.

This most promising application of fusion microexplosions was underlined by Andrei Dmitrievich Sakharov at our meeting on March 16, 1988. He promised me, a few months before his somewhat mysterious death, to give a more detailed interview for publication on this problem; but her saintly reverence Yelena Bonner screamed at me, and then at him, and her aggressive opposition destroyed the possibility of learning about the detailed views of this unique physicist, concerning the best energy of the future.

**Tennenbaum:** Finally, what about matter-antimatter reactions as a long-term possibility for space propulsion?

**Belakogne:** Power generation by annihilation remains a subject of speculation, both trivial or non-trivial, depending on the scientific level of the authors of the speculation.

But let's look at the cost of antimatter, and give some general indications on the possibilities of its utilization for power generation.

According to a 1988 estimate (a conference in Utah), the production of anti-hydrogen (with an anti-proton for a nucleus), by currently feasible procedures, costs \$100 billion per gram, i.e., the "raw" energy for annihilation is 1¢ for 10 joules—a "mere" 10,000 times more expensive than the current cost level for "raw" thermonuclear energy from helium-

3. This estimate assumes that complete annihilation is achieved, a result which, however, is technically nearly impossible because of the Alfvén effect, which impedes the complete mutual annihilation of matter and antimatter. The exception would be for the case—extremely difficult to achieve—of superdense compression of the antimatter in special target-pellets, analogous to the ones used in inertial confinement fusion.

The accumulation of antimatter in magnetic vacuum traps with preliminary supercooling (in order to remove heat disturbances due to excessive fluctuations of the velocity of the anti-particles) is possible in principle and has been calculated in some detail. In 1963, I suggested a laser-like method for utilization of antimatter as the coherent power source for prospective photon rockets, which are unlikely to be created before the period 2050-70. (This method was proposed for consideration to A.M. Lyulk, general designer of aviation turbine engines, in December 1963. Later I recalled this proposal in an article in 1970 and in various conference presentations, such as Kaluga 84 and 86.)

On the backdrop of this information about antimatter, it was a big surprise to see the report in the magazine *Aviation Week and Space Technology* from March 21, 1988, on the U.S. Air Force forecast that antimatter could be utilized for some rocket propulsion in space, practically at the *beginning* of the 21st century.

My position on this is somewhat unusual:

I think the Americans undertook a conscious act of disinformation, exploiting the readers' trust in this usually very well-informed, prestigious magazine, whose reports are reprinted by the *New York Times* and other very widely read press outlets. They needed such disinformation to produce "white noise," to keep people from paying proper attention to the incomparably more realistic announcement in the *New York Times*—which was corroborated by authoritative specialists much later—about the successful Halite-Centurion program at the strongest U.S. research centers, the Livermore and Los Alamos labs. In 1986 they had already succeeded in obtaining compressions up to 100 g/cm<sup>3</sup> of D-T pellets, which are analogous to those that will be used with laser or ion beams in the future.

It is logical to expect that they would be working on compression not only of D-T capsules, but also the more promising D-<sup>3</sup>He capsules, to densities on the order of 1,000 g/cm<sup>3</sup>. The above-mentioned disinformation achieved its goal in some sense: In our scientific and popular science press, and even more so in the political press, this report about the *real* most important success of the Americans did not get the coverage it deserved, and consequently was not discussed as it should have been.

Meanwhile, the United States goes on to the global monopoly in the future thermonuclear energetics. . . .

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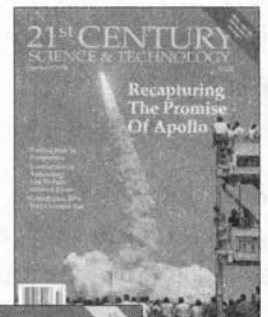
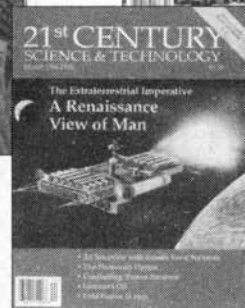
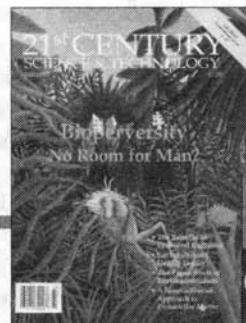
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## Overturn the axioms that are leading us to catastrophe

by Lyndon H. LaRouche, Jr.

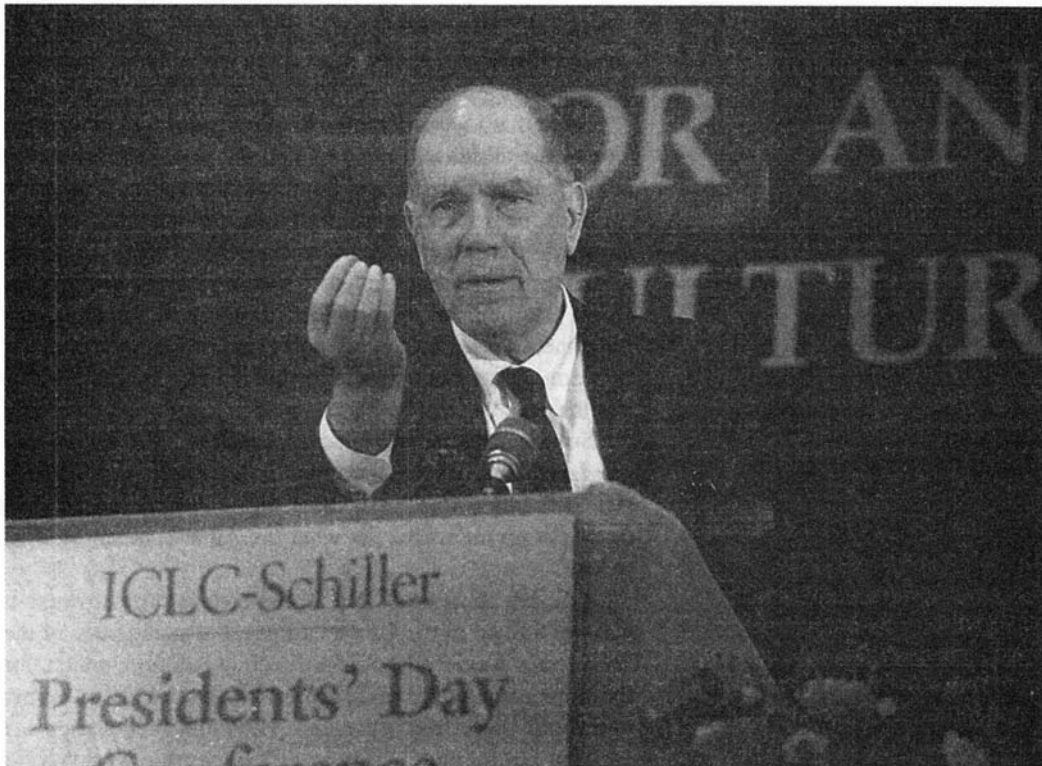
*The following speech was the keynote address to a conference of the Schiller Institute and International Caucus of Labor Committees, in Reston, Virginia on Feb. 17. It was titled, "If You Passed Economics 101, You Are Probably a Member of an Endangered Species." For a report on other panels of the conference, see p. 66.*

The subject, the actual subject of these two days' events, is the subject of *history as tragedy*; because we are living in a real tragedy. When a person says to me, "Why don't you give answers in byte-sized doses, like the other politicians? Why don't you take a poll and find out what the people want to hear, and state your proposition in terms of the prejudices which they already have, as the polls tell you?" my answer would be: "I'm not a fool."

Because what is dooming us, is not Richard Nixon. What is dooming us is not George Bush—much as he tries. What is dooming us is our people; what our people believe. Because these people we like to blame—we talk about the "crooked politicians," we talk about the conspirators on Wall Street, we talk about this, we talk about that, always blaming someone else. And if they're a public figure, as in the old days, when some people wore top hats, it was more fun to throw a snowball at a top hat. So we always blame somebody else.

Now, the job of a leader is not to blame leaders. We can point out some are bad, some are defective, some are utterly immoral, some are barely human. But the problem lies *in the people*, not in the leaders. The problem, often, of oppression, lies in the oppressed. Because they will not accept any proposition that is not consistent with the assumption that they must remain "the oppressed." Now, we wish to make that clear this weekend.

We now have a civilization, a worldwide civilization, which is doomed, in its present form. Over the next months or years, this civilization which people talk about—their opinions, their culture, their prejudices, their way of life, their tradi-



Lyndon H. LaRouche, Jr. addresses the Presidents' Day Conference. "Hamlet could have saved the nation of Denmark, but he failed to do so. . . . The story is about a man who is in a position of leadership, upon whose leadership the fate of his nation depended; and he sank like a sinker, and took the nation with him, because he was a fool."

tions—are all gone! Nothing can save it. And it's like clinging to a stateroom on the *Titanic*: If you cling to those traditions, you'll go down and drown with it. We have to get the people off the *Titanic*, off traditions, into the lifeboats, so they may be saved.

In order to do that, we have to attack what people believe is their most precious "private opinion." Like the fellow who tells you—the poor, ignorant fellow who says, "I know all about things. I read the newspapers and watch television," which means he knows *nothing*, because he has confidence in these things as sources of so-called information. This is the thing we must make clear. And at these sessions today and tomorrow, we will endeavor to help make that clearer.

This is not the first time we've addressed this subject, nor will this be an ordinary presentation where we talk about something, present a few facts, and then try to induce you to reach a conclusion. No, this will be in the spirit of a Shakespeare or Schiller tragedy; and a Shakespeare or Schiller tragedy, as you may know, those of you who are old enough to know there once was a Schiller or Shakespeare (which means you're probably over 50, the way schools have been going these days), know that the end of every tragedy is a bloody, horrible show on stage. The blood isn't actually there, unlike the modern movies and television. But the death is there, the representation of death and calamity is there. The representation of the collapse of entire civilizations and nations is there.

Now, what's the function of a tragedy? Since the time of Sophocles or Aeschylus in ancient Greece, who invented this

form; or the more modern type of Marlowe, *Dr. Faustus*, or *The Jew of Malta*; or Shakespeare's tragedies; or those of Schiller, what is the function of tragedy?

It is not entertainment in the modern sense. The function of tragedy is to slaughter the characters on stage, that the people in the audience may be saved. The joy of tragedy, is to recognize that the person on stage, whether it's Hamlet or someone else, the leading character *and the people*, the whole people with whom this leading character is associated, are *doomed*. And they are doomed by their traditions. They're not doomed by violating a law, they're not doomed by violating a tradition, they're not doomed by going against the opinion of the common people. That is not what dooms them, in any case. What dooms them, is they cling to accepted traditions. Because the accepted tradition, like the iceberg that greeted the *Titanic* and ripped the bottom out of it, is what's going to kill them.

### The 'Hamlet' problem

Now, the leader's significance in a tragedy, is someone who's in a position where he or she *might* convince the people they're being stupid—foolish—and he fails to do so. Because, like Clinton today, given the opportunity to *change* the course of history, he tries to ride the course in the direction of current events, rather than *changing* them.

I'm trying to get this foolish President of ours to change his behavior right now; because the way he's going, he's going down to destruction, as sure as you can say "Hamlet."



A scene from Friedrich Schiller's tragedy "Don Carlos," showing the King's confessor Domingo (left) and the Duke of Alba, watching the Princess of Eboli depart. Tragedy is not entertainment, says LaRouche. "The function of tragedy is to slaughter the characters on stage, that the people in the audience may be saved."

I'll just describe that situation, the political situation. What is it?

The President appears to be going in the direction, under pressure, of adapting to a strange phenomenon; not wars, goblins, or trolls, but Generation X, the next best thing. The assumption is, in these circles, that African-American constituents, Hispanic-American constituents, what's left of the labor movement, the senior citizens organizations, and so forth, *can be taken for granted*; that they are prisoners of the Democratic Party and are forced to vote for it, whatever comes. And it goes to the point that when African-American political figures say, "We want to have a voter registration drive in the state of Georgia and a few other states, to turn out the vote to win the election," the Democratic National Committee says, "There's no money for that purpose."

And if you look at what's going on around the campaign, you see the President, and the Presidency, for the purposes of the campaign, is giving up, through so-called "compromises," or advice of campaign advisers, giving up, step by step, *everything which is a winner*, and going for a loser. Going to win over Generation X, with its ignorance and its prejudices, to vote for him, and losing everybody else.

*The only thing that can sink this President from being re-elected, is himself; and he just kicked a hole in the bottom of the boat.*

Now, that's a true tragedy. That's a Hamlet-style tragedy. One of the things I'm concerned to do, is to get him to stop being that kind of a tragic figure, and to dump Generation X. Take them for granted! They can't understand anything anyway—that's the way you educated them, with your educational system—and *tell them* what they're supposed to do. Don't ask them for their opinion, because they really don't *have* one. Or at least, between watching pornographic movies, they don't have much time to formulate one, or whatever else it is they do.

So it is opinion; and what the President is doing, is he's *pandering* to what the news media and others, and the pollsters, tell him (often lying about this, of course, to get their own spin on the matter) is what the American people wish to hear.

You saw that in the State of the Union address, where it was *not* a State of the Union address. It was the State of the President's Anxiety About Re-Election Address, which, for the moment, he addressed fairly well. He had a Christmas tree; everybody was offered a present: "Hey, you, in the audience, I got your bill for you!" "Hey, you! You got this, I got that for you." "Hey, you! I got this for you!" And he did fairly well. And after he got through speaking, and he refused to shake hands with Janet Reno, for good reason (half his problems come from that gutless wonder over there in the Attorney General's office), he walked out, and then the program shifted. And there was Bob Dole standing there with his face hanging out, giving an undertaker's speech, in mourning. It was a wake for the Republican Party, or something.

So, relatively speaking, Clinton won the debate. But what was it a debate about? It's like the guy who wins the booby prize: He won *something*, but what's he got?

The important thing for the President, is not for him to succeed as in a sports event. A President is not really much. A President is only the chief executive officer of the United States, which is a very important position; but that's not the cure-all for anything. The question is, having become the chief executive officer, *what is he going to do?* Is he going to be a leader of a nation, or is he going to be a guy holding on to a prize called the Presidency, as something he won in a raffle called a national election?

Because he's like Hamlet. Hamlet could have saved the nation of Denmark, but he failed to do so. So the story is not a story about how Hamlet failed or succeeded in becoming successful. He wanted to die, he was successful. The story is about a man who is in a position of leadership, upon whose leadership *the fate of his nation depended*; and he sank like a sinker, and took the nation with him, because he was a *fool*.

What did he say? You go to the two famous soliloquies in Shakespeare's *Hamlet*, which get to the heart of the problem, which is the heart of what we're going to be addressing in



these two days here. He's had a rehearsal of this group of travelling players, and, as the players leave, and then his two cronies leave, he stands alone, and he says, "O! What a rogue and peasant slave am I, that this actor here, could make such a show of passion for nothing! For Hecuba! What's Hecuba to him, or he to Hecuba? What would he do if he had the cause and cue for passion which *I* have? He would drown the stage with his tears. And yet I peak, like John-a-dreams, and can do *nothing*, naught, for my cause."

A man who is incapable of acting when he has great motivation and cause to act; a man in a leading position, who can shape the future of his nation, stands, "peaking, like John-a-dreams, unpregnant of his cause." Doing nothing, with no *passion* to do anything to save his nation from a catastrophe. And you say, "Now what's this all about?"

The curtain falls on that soliloquy. Then Act III opens, and you have this prostitute, sort of like an Anne Boleyn of the drama, Ophelia. Ophelia is being used like a prostitute by the king and by her father, to attempt to manipulate and handle Hamlet in the way in which Anne Boleyn, the strumpet of the Howard family, was used to manipulate Henry VIII, an image which was very much in the mind of Shakespeare at that time. So there's a meeting of these guys. "I've invited Hamlet to come. Ophelia, you're going to be reading a book, walking along the path, intercepting him."

Now Hamlet is aware of this. His insults to Ophelia, comparing her to a strumpet afterward, reflect that understanding. So he's not crazy in calling Ophelia a strumpet and telling her to get to a nunnery and save her soul. But what does he say about himself?

He speaks in the subjunctive, the real subjunctive: "To be or not to be." Those terms are in the subjunctive. They're not in the indicative mood, they're in the subjunctive mood, which people who follow Hobbes and empiricism don't believe in.

"To be" in what? There are two states. One, is the state of knowing the tradition which is going to guide you in your action. The other, is a new way of thinking, or a different way of thinking, which violates your tradition, by which you might survive. *You are certain* that if you follow tradition, you are doomed: "To be or not to be." What's the issue?

The issue is, this is like death. Death is an experience from which no one has returned; and to change my ideas, to change my axioms of belief, is, to me, like death. It's uncertainty. It's the unexplored, the unexpected. I would rather bear the ills I have and *die*, than go into this strange area of new things, contrary to tradition, and live.

And so he walked to the end of the drama, into an orgy of death which he knew he was walking into, like an existentialist. Because he refused to admit that what he assumed to be beforehand, the right way of thinking, was the only way of thinking which he could accept. And he would rather die than change that.

That's the spectacle I have of Clinton. People are coming

and saying, "Clinton! You're going to lose the election! You've gotta do this, you've gotta do this. Forget these voters, you've gotta get these voters. Don't campaign, you might say something that'll go against you, if you answer a question to an audience on the hustings. Wonk it, wonk it. Go around, give this speech, give that speech, give this speech. *Never face an audience, never get yourself sucked in to a real discussion.* Don't have any competition. Never get into a debate."

Meanwhile, all over the country, rumors are spreading about Clinton: "He did this," "He did this," "He did that," "He did this." He didn't do these things. But the rumors say he did. The voters would like to ask him about this, or hear some other voter-citizen ask him. And he would answer. If he would speak the truth on these charges against him, personal charges, in his own voice, these things would largely go away. He is being undermined and destroyed by his refusal to get out and talk to the voters, in these terms. Something *he* would like to do; but the advisers say, "No, Mr. President, no, Mr. President. You must do this, you must not do this." They are seeking to destroy him; and also to destroy the nation. Because he's in the position, as I shall indicate, that it falls upon him to make certain decisions, not by himself, but he must do his part. And if those decisions are not made, *this nation is doomed.*

This is not something where we'll look back in the future and say, "He should have done this." No! *Doomed!* This year, next, or the year following. *This nation*, this global civilization, is doomed. *We've come to the end of the road.* We can no longer continue to do as we have been doing. We must change. And the people depend upon leaders. Like when Martin Luther King was assassinated. The movement died, not because the cause died; but because nobody could play that crucial role of leadership which Martin had proven himself or discovered himself to have, uniquely, as a quality of leadership.

You kill the leader, you cut off the head, and the movement collapsed. The leaders—well, Jesse Jackson was never much of a leader, he ran up to Chicago, and got his hand in the till as deep as he could. Others went here, others went there. They went into their private operations, they got a foundation to grant them this. They all dissipated. They all went wandering in the wilderness, and abandoned the cause, because they didn't have a leader who had the quality of Martin: the ability to go into the Garden of Gethsemane, to recognize the cup, and to drink from it. They all had their agenda. They couldn't break through, to break through to the new dimensions that had to be broken into, in order to lead the movement to the next step. There was nothing wrong with the movement. The movement was there, it was good people. But it collapsed for lack of leadership.

So it is with mankind. We have institutions. We try to select leaders who will perform the functions of leaders. If we let our choice of leaders go awry, or if we allow the leaders we choose who *might* do the job for us, to fail to do the job,

we become as if helpless. We choose the captain. The captain is drunk, and the ship is sunk. That's the kind of problem we face.

So my problem, my concern, is to get *this* President, who happens to be the captain on the bridge at the moment, to get him to stop drinking, and to read the charts. Forget Generation X; that's the Circe of Twentieth-Century politics. Generation X will turn a politician into a swine if he hasn't already achieved it.

So that's what we're going to address. We're going to address the necessity of doing something which most people will take as an insult, is to attack and show to be fallacious, and dangerous, and poisonous, what they have considered *generally accepted opinion*.

### **British imperialism vs. the American System**

Now I'll give a little personal note on this, just to set the stage for it. When I was leaving Southeast Asia, South Asia, at the end of the last war, coming out of Burma, going back to India, on my way, eventually, back to Jersey, and up to New England again, we, in that region, most of us, as soldiers, had a contempt for the British. We *despised* them. Anybody who was moral, despised the British, all the way up and down, down to the most common British soldier, who was a morally contemptible creature; because the typical British soldier reflected the attitude of that pervert, Lord Dickey Mountbatten, who was the governor-general of India at that time: "Kick the wogs!"

We saw conditions under the British Empire in India and other parts of the world, which were *unacceptable*, which were *disgusting*. We saw the values expressed by the typical British soldier, who was an animal, a racist animal. "Kick the wogs! You need to kick them, just to keep them in line." We had a little bit of that in our country from certain quarters, didn't we, that kind of attitude. We know something about that. And it was my opinion, and the opinion of many with me, I would say a majority of servicemen who shared that experience, who were *disgusted*. The word "British" became a curse word. One would prefer the term "Brutish." We said, "We can't stand this. We can't have the world run by *this* kind of thing again!"

We didn't know, then, that that was the chief issue between Churchill and Roosevelt; that Roosevelt was committed that not a single colony would be returned to the French, the British, or the Dutch at the close of the war; that the British Empire, and everything resembling, it would be eliminated from the face of this planet, and British free trade, or what Roosevelt described as "British Eighteenth-Century methods in economy," would be eliminated and replaced by American methods, the methods of Hamilton and Lincoln.

And then, Roosevelt died. The twelfth of April, 1945; and the world went to hell. Because Harry Truman was a different kind of Democrat.

The fact is—you know, people talk about the Jefferson-

Jackson tradition. That's crap, that's a lie, it's a fraud! It's disgusting! The Jefferson-Jackson tradition, particularly the Jackson tradition, is a tradition of *treason*! The Democratic Party of the Nineteenth Century was a party of Copperheads. They were British agents. There was no Confederacy: The Confederacy was a puppet government set up by the British, by British agents, pure and simple. The Democratic Party organized in New York in 1863 draft riots among the Irish, which *lynched* African-Americans. The riots were intended to assist the Confederacy in defeating the Union at Gettysburg. *That's* the tradition of the Democratic Party. The Democratic Party then was headed by August Belmont, a British spy, who was using the Democratic Party to destroy the nation. The Democratic Party was predominantly a party of evil and treason.

What happened?

Well, in that period, as we all know, the patriotic tendency came from the Federalists, and they got into trouble, corruption. Out of that, in the process, about 1812, around Henry Clay, the American Whig Party emerged, which was a patriotic party again. Then the Whig Party was split, on the issue of how to deal with the slave question; and, out of that, came the Republican Party, which also had some rotten things get in there, too, mixed into the brew, from New England. The party of Lincoln.

But the Republican Party remained predominantly the party of patriotism, until Teddy Roosevelt, when it became a party of treason. And we had a period in this country, at the beginning of this century, when we had *no* patriotic political party in the country! We had the party of the Republican Party, which had become the party of Teddy Roosevelt, a treasonous party. We had the party—

The other thing was Woodrow Wilson, who gave us the Federal Reserve System, the income tax, and a few other beauties. Woodrow Wilson was a racist. He was an admirer of the Ku Klux Klan, who, from the White House, organized, launched the reorganization of the Klan, which had almost died out of existence, into 3 million members. It was organized around a film produced by a couple of guys called Goldwyn and Mayer, and a few other people, the foundation of Hollywood—founding the tradition upon which Hollywood entertains and educates our Americans, and tells them what "culture" is. You don't even get married unless you get a Hollywood screen book and see what kind of actress you're going to marry, right? We're crazy, right? And that's why you have so many divorces: You know what actresses do, they have divorces. You marry an actress or someone who looks like an actress, you'll probably have a divorce.

So, Wilson organized the Klan.

Then along came Franklin Roosevelt. Now Franklin Roosevelt, like most people, was a mixed bag. But Roosevelt was a patriot. You know, he's like the guy who's drunk, but he's good to his family? He was a patriot. So Roosevelt, faced with a crisis, and knowing American history, realized the

fundamental strategic issue, particularly from 1936 on, when he knew that the British had put Hitler into power—he knew that. He knew that Harriman, and Morgan, and Prescott Bush—George Bush’s daddy—had put Hitler into power for policy reasons, under British orders. He knew that. He knew the United States was going to be engaged in a war in Europe, at least from 1936 on. *I knew that he knew that, in 1936!* I was a well-informed kid. *I knew that.* And I wasn’t the only one that knew it. Anybody who was around, who was paying attention to business, knew that.

We were preparing for war from 1936 on. And the issue of the United States policy became the issue of, both, economic recovery from a British-designed world depression, and a recovery from the British Empire. And Roosevelt said to Winston, he said, “Winston! The United States is not going to fight a world war for a *second* time, to save the British Empire. We’re going to be *rid* of the British Empire, we’re going to be rid of your British Eighteenth-Century methods. The world is no longer going to live under the oppression of those methods.”

So, Roosevelt set out to rebuild the world, not because he had a perfect design, or because he was a perfectly moral person, but because he was *an effective leader*, making the change in policy which had to be made to save the nation, and give it a moral purpose.

But the problem was, he died. And you had a meathead, Harry Truman, who didn’t really believe in the existence of foreign countries, and hated a large number of the American states as well. I mean, the idea of foreign policy in Truman’s mind, everything Truman thought was policy, was something that’s foreign to a moral person.

But Truman was nothing but a dumb stooge for Winston Churchill. He was controlled by the Harriman crowd, as well as Jimmy Byrnes. Jimmy Byrnes was a fanatic for Churchill, but that wasn’t the real issue. The real control over Truman was Averell Harriman, *the man whose firm put Hitler into power in 1932, ’33*, by moving the money from the Union Bank of Germany, on British orders, to the Nazi Party coffers, to bring about the coup d’état which was organized by the British, which then led to Hitler’s coming to power.

And Truman was a patsy. What Truman did, is simply divided the world into East and West, or North and South, as they did with Korea, and so forth. Germany was divided between East and West, Europe was divided between East and West. That wasn’t done by Stalin. Stalin did it as a reaction. But Churchill set it up! And so we lived, from 1946 until 1989 and beyond, in which London, which is a decrepit garbage pail culturally, economically, was able to dominate the world (not by the British people, they didn’t even know where the world was), but dominate the world on behalf of the British aristocracy, by playing a Soviet super-power against an American super-power. And every nation in this world was *crushed* under the policies which arose from the super-power, or the so-called bipolar conflict, which is what

the British are trying to bring back today.

Don’t you think the British knew what they were doing, when Margaret Thatcher put that cat, George Bush, on the tail of her broom, and ran around eastern Europe? Don’t you think they knew the reform was going to destroy every honest patriot in eastern Europe, and bring back communists who are now converted to free trade or something, to play the old game, and divide the world in Europe again, between two blocs, the United States against a new Russian Empire, and to play that in mixture with China, which is what they’re doing? And *dumb Presidents and dumb people in the United States*, want to insist on that reform in Russia and eastern Europe, which is crushing every one of our friends! Because it’s destroying the economy, destroying the people, and building up hatred against anybody who could be blamed, for bringing that upon them.

And you have our President, who knows better, who for political reasons, is pressured for an election campaign, into supporting the reform, Chernomyrdin and Yeltsin’s policy, even though Yeltsin is going to have a better policy than Clinton wants him to have now.

Our government is supporting the IMF, which is responsible for this. Our government is supporting the World Bank, which is responsible for genocide in Africa and elsewhere. We are falling into the old British game again, where they rule the world by divide and rule. Play two guys against each other. Get one fighting the other. Whisper to one, whisper to the other, play one against the other. As we were dominated in this world over the entire postwar period, from 1946 until 1989. This was *precisely* what Roosevelt tried to prevent; and the death of Roosevelt, and the stupidity of Truman, under the influence of the Churchill crowd, including Averell Harriman and company, is what got this nation into the mess it’s been in.

This was the reason that Harriman got Truman to fire MacArthur. The firing of MacArthur led to the post-MacArthur war in Korea, which, you may recall, was the prelude to the war in Vietnam. No general, no military officer of the United States, has had any guts since MacArthur was fired. They’ve all capitulated. They’ve all become the “funny-funny” boys, who believe in these strange utopian games.

Under that influence, they accepted the war in Vietnam, in Indochina. Complete fraud! It was not a war; it was a butchery done for diplomatic purposes. A lot of people died. Some people said patriots went off there and died for the United States in Southeast Asia. No; *poor unfortunates* went off and died for the United States in Indochina, for a war that never should have happened, that was orchestrated on the basis of the firing of MacArthur. A war which was immoral, which violated every principle of statecraft. And thus, we were destroyed.

### **A turning point: 1966**

Now, our destruction as a nation, has gone way back. Our destruction of civilization has gone way back. We divide what



*Civil rights leader Amelia Boynton meets President Lyndon B. Johnson, after the signing of the Voting Rights Act of 1965. The courage of the civil rights movement in the 1950s and '60s succeeded, where previous efforts had not, because the generation that had gone through World War II still had a conscience, and responded, "That's right! That's what we want."*

is happening to us today, into two parts. One, there were things which were built into the development of Europe, particularly from the end of the Sixteenth Century and the beginning of the Seventeenth, which were carried forward like a disease. It's like being infected with tuberculosis, which becomes more or less hereditary, passed from parent to child. And we had a kind of political and moral tuberculosis with which we were infected, which is part of our problem.

But then, something else happened; and most of you experienced it.

Until 1966, the idea governing this nation was that we were investing in scientific and technological progress to improve the productive power of labor; to improve the environment, that is, the infrastructure, to make life better. And that was the spirit underlying the acceptance of the civil rights movement. Because those of us who had gone through the World War II experience, as typified by the young President of the United States at that time, John F. Kennedy, the veterans of World War II, the young veterans who were taking over, the generation taking over—and if we die, Generation X will carry out the garbage.

So, when the civil rights movement addressed our conscience, we responded. Because Martin and the civil rights movement were not raving idiots. They were people demanding *humanity* for African-Americans and others, and addressing the question of the Constitution, our system of government. We responded: "That's right! That's what *we* want. They don't want anything different than *we* want. Why shouldn't they have it? And if they get it, the country will be more powerful, we'll all be better off, and this thing will be off our back."

That's what won the bills: the courage of the civil rights

movement; but the civil rights movement had been courageous before. It was hundreds of years old. It wasn't something that came up in the '50s and '60s. The movement against slavery is almost an instinctive movement—if you're human. But it was the acceptance of the *appeal* of the civil rights movement which is the distinctive feature of the 1960s. The courage, heroism, worked; and Johnson signed two bills, and a lot of other things happened as a result of this. Good.

But why? Because we still believed. We believed in the education of the human mind, we believed in universal education. We believed in the education of the citizen, not just for a future job. In the 1950s, dumb people from my generation, moving into suburbia, would vote school boards into power for the purpose of increasing school board taxes, in order to bring about improvements in education for children. This was not education for jobs. People *understood*, from the experience of the depression and war in this country, that the universal education of the citizen was necessary, as citizen: *knowledge*, knowledge for its own sake, to develop the character and mind of the individual.

Look at today. I am ridiculed—by, of course, degenerate people, but nonetheless, I'm ridiculed—because I say we should have a 40-year colonization crash program for putting a science city on Mars, 40 years from now. Remember when Kennedy proposed putting a man on the Moon, in the early '60s? What was the response then? We were still a moral people; we are not today. We believed in progress. We believed in change to make things better. And somebody coming in and saying, "Well, we want to participate in change and make it better, too," that was accepted.

In 1966, that changed. Now, there are two aspects to the change. First of all, the change was planned by the British. If

you don't believe it, read Aldous Huxley, *Brave New World*. Read Orwell, *1984*. Look at the work of H.G. Wells and Bertrand Russell. Look at the number of people who are educated in the United States, and influential in institutions which are controlled by H.G. Wells and Bertrand Russell today. Virtually the entirety of the sociology, anthropology, psychology professions, linguistics, all of this; the teaching of history, such as it is; all is dictated by people who are part of the Bertrand Russell/H.G. Wells mafia. Just like pigs in a pen. They're all Bertrand Russells, or his protégés.

That was part of it. But how did they do it? What they did, was they did a number of things to us. And the key figure in part of this, was the case of our dear friend McGeorge Bundy. McGeorge Bundy is no good. He comes from a long line of no-goods, so I suppose he "comes by it honestly," as one might say.

Kennedy was fighting to prevent conducting this war in Indochina. And he wrote an Executive Order which he imposed on McGeorge Bundy, who was his national security adviser, which stipulated that the United States would engage in a process of withdrawal of its military forces from engagement in the Indochina Theater. As a matter of fact, he went further. He took that no-goodnik Robert S. McNamara (whose middle name, by the way, is Strange), and he made him give a press conference on the White House steps announcing the policy which the President had just dictated to him. I don't know, I think at that moment Kennedy just about lost his life.

Then, McGeorge Bundy, shortly before Kennedy was assassinated, wrote another Executive Order draft, which he didn't show to the President, revoking the previous one.

Then the President was killed, and McGeorge Bundy, from the White House, said that it was done by a guy that nobody knew, who happened to be a government agent, Lee Harvey Oswald. He ordered a shutdown of the investigation, to proceed with the conviction of Oswald.

Then in came Johnson, and Johnson was convinced he had three rifles pointing at his head, sniper's rifles, or something like that. As he said a number of times, that there was no lone assassin, that a killer machine in the United States, or a killer machine, killed politicians and others we don't like. He was frightened, scared all his life, from then on.

Then we had the killing of Malcolm X. Now that was shocking at that point; but then the killing of Martin: that was really shocking. Then the killing of Bobby Kennedy. And in *all* of these cases and related cases, what the government did, and everyone in those generations, including young people coming out of high school and university, *knew* there had been a cover-up.

So there was a sudden, shocking loss of belief in our system of government and justice, which hit us in the '60s, not because Kennedy was killed, or because Malcolm X was also killed, or because Martin was also killed, or because Bobby Kennedy was also killed, but because there was a cover-up in every case. And the Warren Commission was a

symbol of the moral degeneracy of the United States. The very trick of using a prestigious commission to engage in a cover-up, did *not* make the cover-up succeed. What it did, is it showed Americans, especially young people, that the whole system stunk. There was no morality in the system from top to bottom. As we say in Yiddish, "Fish stinks from the head." And that's the reaction.

Then, along came the war in Vietnam. Well, that wasn't a war. That was a colonial operation, done for diplomatic reasons. Everyone knew that Kennedy had said, "We aren't going to do it." Kennedy's dead, and we start to do it. McGeorge Bundy gets it going.

As soon as McGeorge Bundy has got Johnson up to his ears in the Vietnam War, Bundy *left* the National Security Council, and went to work as head of the Ford Foundation, *where he immediately organized the anti-war movement*, from the top down. He was the one that funded the SDS crazies. We know that. We were there. We saw the paper. We know the individuals. The anti-war movement was created by Bundy, at about the same moment he left the National Security Council, after having gotten the United States involved *in* the war.

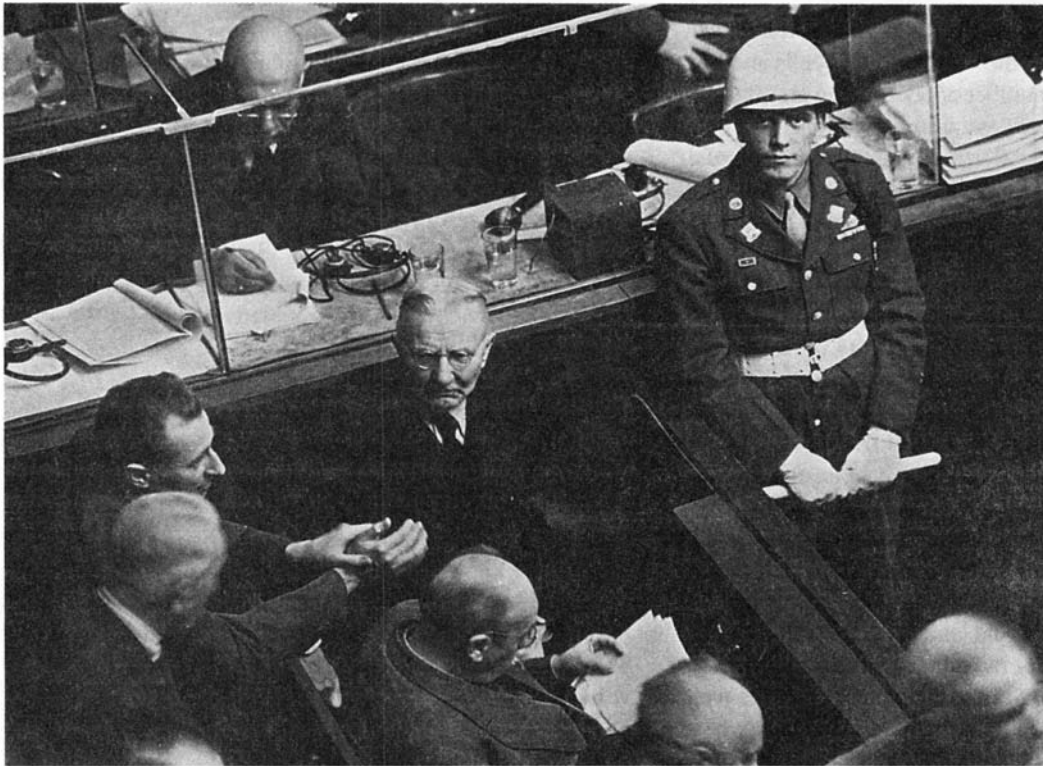
### **A fascist movement emerges**

Along with that, came Margaret Mead and her crowd, also British: *Dame* Margaret Mead of the British Hospitaller Order. And, together with the friends of David Rockefeller and Billy Mellon Hitchcock of the Mellon family and people like that, they passed around *10 million doses* of LSD-25, of synthetic ergotamine, surreptitiously and otherwise targeting college campuses around the United States. And that continued as a spillover to create the drug problem which we've had in this country ever since. It spread from the college campuses, to the high schools, and down to the kiddies. It became an integral characteristic of the so-called Yippie/Yippie generation. That's where we got our drug problem.

What happened to the minds of those people—and they are the children of my generation—is they became *fascists*. They called themselves leftists, but they were fascists. In what sense?

What is the philosophy of the Yippie? The philosophy of the Yippie is known by people like Arthur Schopenhauer, Friedrich Nietzsche, people like that. Martin Heidegger. The existentialist fascists. What is that? It's a *culture of pessimism*. We no longer believe in society. Our institutions are corrupt. They called themselves "leftists." So did the Nazis back in the 1920s, when they were starting out. The same thing. Read things like Armin Mohler's *Conservative Revolution in Germany*, which is a Nazi writing about the inside story about how the Nazi movement—and about how the Mont Pelerin Society—came into existence.

The Mont Pelerin Society is the leading Nazi organization of the United States, which is known to you through the Heritage Foundation, through Newt Gingrich, who's part of it;



*Nazi Economics Minister Hjalmar Schacht (center) at the Nuremberg Tribunal. Supreme Court Justice Robert Jackson specified at Nuremberg that people were guilty, not because they had killed by their own hands, but because they had adopted policies which they knew or should have known would lead to an increase in wrongful deaths.*

through Phil Gramm. Virtually *every* Nobel Prize-winning economist in the United States today, is an associate or member of the Mont Pelerin Society, and is an outright Nazi, in terms of economics.

Any doubt of it? Let's go through the point I made on the campaign, just to indicate what this led to, indicate what happened to us; the second thing.

What Newt Gingrich is doing, what "Contract on America" represents, what Phil Gramm represents, is *no different than Adolf Hitler*. None. And people who are afraid to say that, or to say something else I'll refer to, are in trouble. They're not facing reality. And it's of crucial importance, as I shall show, that you have to say that, because if you're afraid to say it, you're not going to think it, and you're not going to act on it. *Newt Gingrich is a Nazi. Phil Gramm is a Nazi*. The entire crowd behind the "Contract on America," is a bunch of Nazis. I can prove it to you.

### **Crimes against humanity**

I'll go by the standard of the Nuremberg trials of the postwar period. The representative of the United States to the Nuremberg trials, the highest-ranking representative, was Supreme Court Justice Robert Jackson. And in the case, one of the subsidiary Nuremberg cases, the trial of the Nazi doctors and judges, or those trials, Jackson proposed the argument that these people were guilty, not because they'd killed by their own hands, but because they had adopted policies which they *knew or should have known* would lead to an increase in

the wrongful deaths among indicated categories of targeted people, and, therefore, by laying down for society and for institutions *the conduct of policies which must result in wrongful deaths*, they were committing the crime of murder. And they were committing crimes against humanity by the fact that the very nature of this was not individual murder, this was categorical or mass murder. Crimes against humanity.

The argument was that if such an official of government or of these professions, pushed a policy which they either *knew or should have known* would result in that consequence, they were guilty of the result. Therefore, they had committed a crime against humanity, *a capital crime against humanity*. And that was the generic charge against the Nazis. It was crimes against humanity. Forget the war crimes, that's a special category. *Crimes against humanity*.

Now these Nazis *did nothing different* than what Contract with America is demanding, in their policies which must increase the rate of wrongful death among categories of targeted persons: senior citizens; families of young, unwed mothers; and so forth and so on.

Insurance companies are similarly guilty of crimes against humanity in the United States, most of them. The insurance firms and financial interests behind HMOs are guilty of crimes against humanity. Because what they're doing, in terms of their policy, in terms of insurance companies' medical malpractice policies, is to depersonalize physicians and their patients. And, in the course of doing that, they are specifying policies for which a physician can be stripped of

his profession, and even imprisoned, if he breaks their rules. If he does not break their rules, he will kill patients by forced negligence, selective negligence, willful negligence.

These policies of these insurance companies, which have the actuaries which calculate what they're going to save, and which can show the rate of increase of death among the victims, are, by the Nuremberg standard of Justice Jackson and the court, they are Nazis. They're just as guilty of the crimes of which we accuse the Nazis, as any Nazi.

Now, how many members of the Congress, and how many members of the relevant political parties, and how many members of other leading professions, are committing those crimes today? How many Nazis do we have in the United States? They don't wear swastikas, they don't need to. They've got them emblazoned in their souls.

How did this come about? How did a nation which, 20, 30 years ago, would have abhorred these things, come to do the very things which shocked our conscience most profoundly, in the immediate postwar period? How did we become the Nazis we abhorred? Why do we tolerate and show respect for people who have become the new Nazis of the United States? Why don't we recognize that the British, with what they have done and are doing in Africa, are Nazis?

Take just another case of the same thing: foreign policy. We have a Republican right nearby here. His name is Frank Wolf. I prefer to call him Frank Coyote, or Frank Hyena. Because this man is a complete witting British agent, who is wittingly engaged in spreading genocide in Africa, specifically in the area adjoining Uganda; specifically in the areas around Nigeria. This man is a *total* British agent, under direct British agent influence. He's spreading lies, he's part of the mafia which is forcing on the government of the United States a policy of condoning *genocide* which is organized by Prince Philip, the consort of the Queen of England, and other agencies, through the World Wildlife Fund and so forth, in Africa. They are the people who organized the genocide in Rwanda, remember that? The genocide in Burundi; who increase the death rate in Zaire; who set out to start a civil war in Kenya, which they've called off temporarily, only because they want to destroy Sudan, to do to Sudan what was done to Somalia by Henry Kissinger and company, and done to Ethiopia by Henry Kissinger and company—another Nazi.

We condone this! We call these people "respectable"! People say, "Well, how can you say that about an elected official?" I can say, "Well, Hitler was elected, too. Probably got more votes than any of these guys ever did. A very democratic guy."

See, the problem here is *not*—we don't need a byte-size answer. We don't need an easy explanation. We have to go against the pricks. We have to say, "Look, the things that are considered unsalable and unthinkable are the very things we must say! Because if we can't say them, *we are thereby condoning these things.*"

Now, I'm not proposing that by simply saying that people

are Nazis, you're going to make the problem go away; you're not. But you have to clear your head first. Get your values straightened out. And then you have to ask yourself: "Well, what's the argument that these guys will make? And what about our fellow Americans? What about an American who's actually Nazi enough, or stupid enough, to vote for Newt Gingrich, or support him? What does he say?"

Well, he says, "I think we ought to balance the budget." "I think we've got too much government." We have lower taxes than we had in the 1950s, 1960s, 1970s, early '80s. So we don't have a "great tax burden increase." We have less government, in some respects, than we had then. That's not our problem.

We have *less income*. We have less economy. We have people who are suffering because we're shipping our jobs overseas, through free trade policies. We're telling Americans they have to compete with 20¢-an-hour labor on the coast of China in producing footwear and other things. And we say we have to defend these policies. We have to defend NAFTA, we have to defend GATT, we have to defend the World Trade Organization. "Free trade" and "democracy"—these are the modern virtues. Or we say, "This is all a necessary change for the good. We're going from an industrial society to a post-industrial society; this is just a temporary inconvenience." What are you going to eat—software?

### **'Popular policies' are killing us**

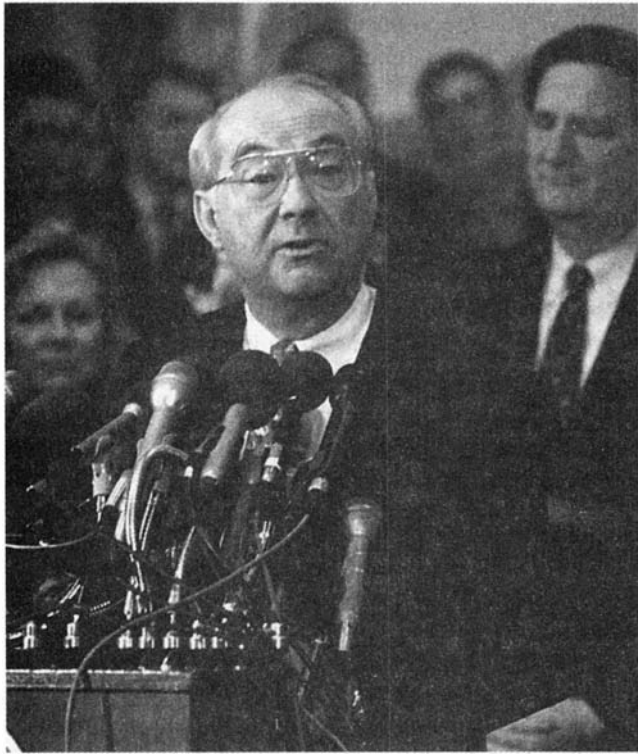
So the point is, "popular policies" are adopted; so-called environmental policies. People say, "Well, DDT *was* dangerous." "There's global warming"—which is not occurring, there's actually global cooling. About 10,000 years from now, this whole area might be under a glacier. That's the way we're headed. This is determined by the Sun, not by anything else. There is no ozone hole in the sense of being "caused by CFCs."

Virtually every policy that we have adopted as a government, through no-good organizations (as I call NGOs, actually), is fraudulent. These policies are killing us, they're killing people. But we say they're sacred, we've got to protect the environment. "Oh, lots of people want to protect the environment. All the squidgy-squirmy little animals have to be protected!" Where does a human being line up to become an endangered species?

What happens, then, is, you say, "But there are these *policies*, and we have too many people. And we have to face reality. We have to get our taxes down. We have to have smaller government. And therefore," they say, "we must do this."

But you say, "But what you're proposing as the solution to defend this policy, is Nazi. Therefore, let us *re-examine* the policy which demands you to become a Nazi. That if there's any policy interest that forces us to become Nazis, obviously, that policy is going to have to give way."

Why do we accept these policies? They're all fake any-



Sen. Phil Gramm (R-Tex.) announces his withdrawal from the Presidential race. "What Phil Gramm represents," says LaRouche, "is no different than Adolf Hitler. None. And people who are afraid to say that . . . are in trouble. They're not facing reality. . . . You have to say that, because if you're afraid to say it, you're not going to think it, and you're not going to act on it."

way. This forces us to look at the *assumptions which underlie our opinion*, and to realize that these things that are happening to us, the fact that we tolerate a Gingrich and don't send him into court to be tried as a Nazi or something; this demonstrates to us, or should, that there are prevailing, generally accepted assumptions which people don't even think about, which cause them either to promote or to tolerate things which, if confronted with the consequences, they would consider abhorrent.

### The Socratic method

Now, to go to geometry. Most of you have had some exposure to it. In geometry, you have sets of propositions. And if any set of propositions is not inconsistent, each and every one, with an underlying set of what we used to call axioms and postulates, you are permitted to call these assumptions, each and every one, theorems. And it's a theorem lattice.

Now that's the way opinion works, at least in a formal sense. The society has opinions. Now some people say, "This is my opinion." But we, like Socrates, say, "That's not good enough." Someone will say, "My opinion is as good as yours." I say, "No, that's not true. Your opinion stinks." "Well, I'm

just as good as you are." "I don't think you are. I would like to *have* you be at least as good as I am, but you're not. Maybe I'll help you. Mind a little evangelization?"

What happens is, we are not permitted, in an other-directed society, in the name of democracy, to challenge the sincerity or the competence of the beliefs and opinions of our fellow-citizens. We can shoot them if we don't like their opinion, but we can't challenge their opinion.

But that's *precisely* what we must do. That's what Socrates did, in each of these dialogues, Platonic dialogues. Someone says, "This is a proposition." And Socrates said, "Well, obviously, that's absurd. Let's see what opinion *underlies* that belief of yours. Let's see if the *axioms which underlie your beliefs* are defensible. And then let's look at the beliefs which underlie those beliefs, and see if they're defensible. Maybe everything you believe is absurd."

Now, this is a common problem in mathematics, mathematical physics, where every discovery that man has made in science has taken the form of an overturning of certain axiomatic assumptions which have been proven to be false. Scientific or rational work, or reason, consists in ignoring the propositions that people adopt as opinion, and, instead, looking at the assumptions which underlie those opinions, to see if the assumptions themselves are faulty. And thus, we find that all of the beliefs which are based on faulty assumptions, are based on false beliefs! And it is by purging ourselves of false beliefs, and correcting our assumptions, that we're able to solve certain classes of problems.

The human being's mind, as I shall indicate, is capable of all kinds of good things. There is no truth which, ultimately, is hidden from us. It's all accessible to us, as a human species. Not all at once: We have to keep working at it constantly. Sometimes this takes the form of scientific progress, it also takes the form of *artistic progress* as well. We make steps, we advance. Man's power over nature is increased. I'll discuss again the economic side of this crisis, which is my particular topic, how bad economics is killing us, and why.

But all of our progress is based on the fact that something like cultural and scientific discoveries which have been adopted by society, which have been institutionalized by society, and, on the basis of using those discoveries of principle, we come up with new ideas, new responses to problems, new responses to challenge, and we're able to increase the productive powers of labor, to enable people to live longer, to enable us to control sickness, and so forth and so on. And, also, to free people from oppression, so we don't reduce most of the human race—95%—to a bunch of coolies who are totally uneducated because they are slaving away, emptying the toilets and so forth for the rest of us, who are otherwise living more privileged lives.

We believe that *all people* should have these privileges, this education. And that's made possible by this kind of progress, scientific and technological and cultural progress, which is realized by discoveries, discoveries which overturn false



assumptions, or ignorant assumptions which we have made in the past, and we've come to adopt.

### What Hamlet was afraid of

Now this is the Hamlet problem. Hamlet was a jock, I must admit it. Terrible guy. Look at the play; it's all in the play. What's he doing when he's not scampering around the palace, shoving a sword into Polonius from behind the curtain, even before he knows it's Polonius? He doesn't care, he just slaughters him. This is a jock!

Now, what's he doing when he's away from the palace? He's on the field of the battle. What's he doing? He's slaughtering people. How does he go out? Engaged in one of these slaughters. You think our little teenagers on the ghetto streets are tough? These guys are nasty! These are real jocks!

What's Hamlet's problem? He's not a coward. He's a coward of the form that I knew among those fellow veterans of mine who returned to the United States in the late 1940s. The typical American was not a coward in war; he was a coward in face of threat of economic insecurity. When he came back and he got a Truman depression, and he thought the United States was going into a depression, he became the most disgusting coward you can imagine. He would look to the right, he would look to the left. You would think he was living under the Nazis, or under communism or something. Not expressing an opinion until he was sure it was safe to express it. Saying things he didn't believe, because he thought it was advantageous to do so.

He was worried about economic security, "not getting into trouble." He was a coward; and he trained his children to be cowards, which is part of the story about the Yuppies and the Yuppies and the people under 55 in this country today. And then, the Generation X that came after them—you see what happened to them, as a result of this same tradition of cowardice. Not cowardice in battle, but cowardice before some form of tribulation.

That was Hamlet. Hamlet was not afraid of war. He was not afraid to die. He *preferred* to die, rather than change false beliefs, false assumptions. And he died. And the audience that understands Hamlet, can come out of a good performance (not Laurence Olivier, the first rap artist, hmm? Some of you know what I mean by that), could come out of a play, seeing all the slaughter on stage, or in a Schiller drama; and the people come out of the theater better people.

Why? Because if the drama is well-written and effectively done, then it shows people a liberating idea. They say, "Well, Hamlet should have known he was going to die. He *should have known* he had to change his beliefs. He foresaw—just as he foresaw the prostitute character of Ophelia—he foresaw what was going to happen to him. He *preferred to die in the manner he died, rather than change the beliefs which led him to destruction, and his society to destruction.*

When a people realize that the great crises in society are not inevitable, that we have the chance to change, that we

require leaders who express for us the ability for the rest of us to make the changes in belief that we have to make, to get out of the tragedy. And so, by seeing this on stage, people say, "You know, that story is true. That's not fiction, that's true." Why is it true? It's true, because that's the way things work. That is, ordinarily, we all can foresee the troubles which are going to befall us if we cling to our old ways. We see that we're doomed. And, seeing a drama like that, you say, "But they had the chance *to change!* And to avoid that trouble."

And that's the problem we face in the United States today. We have to understand our sickness, what is destroying us. It's not Dick Nixon, nor is it even Newt Gingrich. What is destroying us, is the fact that we *tolerate* a Newt Gingrich. It's not Newt Gingrich who is to blame for that. It's *our toleration of him* which is to blame. Like the man, the unemployed man, watching his job go out in the ship, never to return. He's going to sit behind and starve. And he says, "I have to accept that." And he starves and suffers; and he blames somebody else. "Well, you can't fight the policy. 'They say' that free trade is good for us. 'They say' the nation-state is bad, we've got to get a global society."

If we can see that it is these kinds of things which destroy us, and also see that we are capable of changing that, then we have a just basis for optimism.

And so, in the case of Schiller, in his tragedies. As the accounts of the period state: People came out of the drama, of the theater, after a play which depicted a great catastrophe, and the people came out happier, because they knew they were better people. Because they had found in themselves *the potential for changing themselves for the better*. And the ability to change society, to turn it from the course of catastrophe, by changing their *own* false assumptions, and to recognize that they were false.

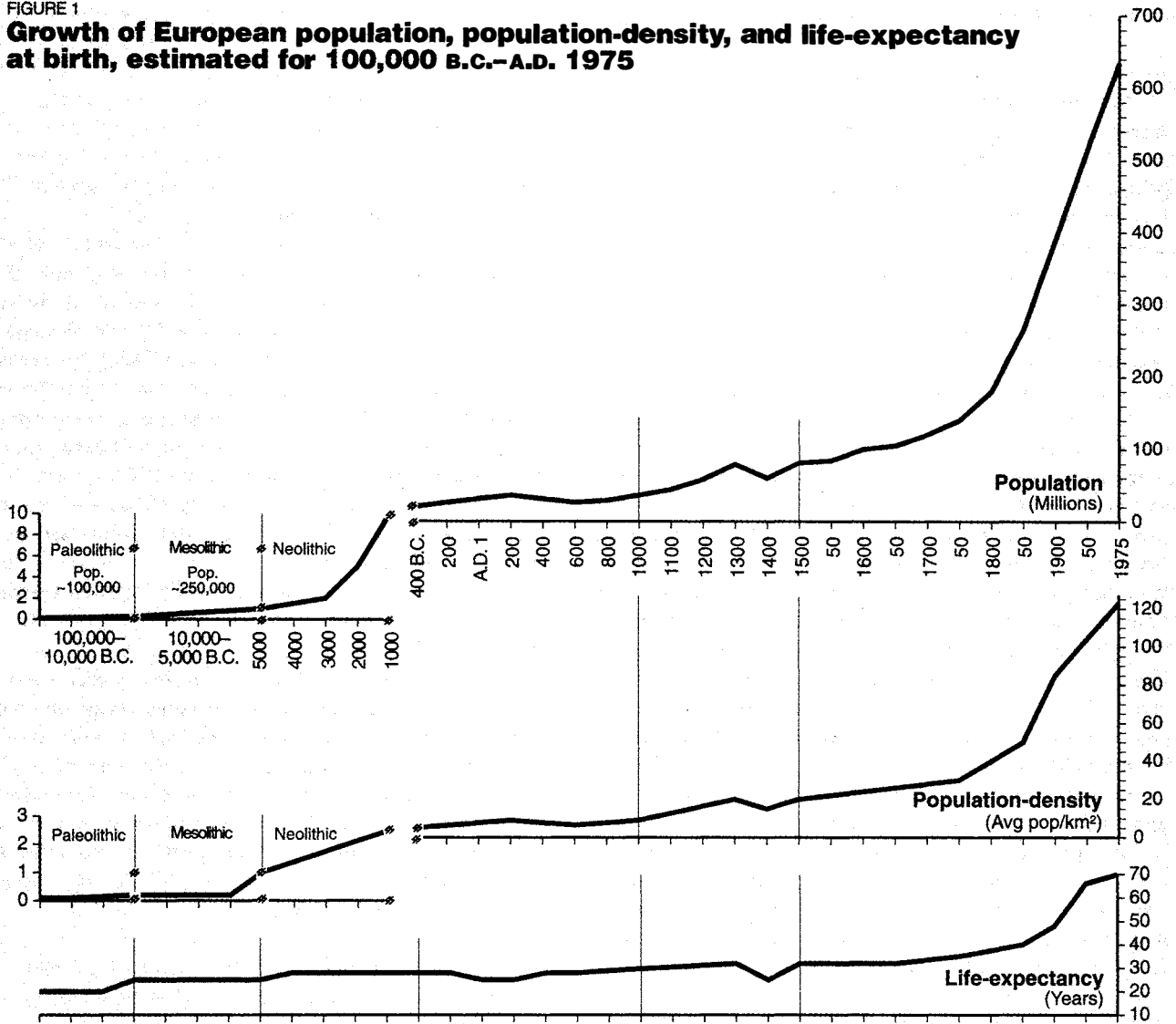
### The increase of potential population-density

So there are two things that we have to consider. We have to consider the fact, that in terms of our present crisis—we have, as I said, a two-stage crisis. One, the crisis which has built up since 1966, when we abandoned a successful mode of national existence, of commitment to scientific and technological progress as the way of improving the conditions of life, and the idea of a universal education available to all, which is consistent with that. That we went into a pessimistic mode which is highlighted by a kind of Nietzschean/Heidegger/Schopenhauer existentialist philosophy, which is what is taught in the universities today, in terms of philosophy. Nietzsche, Heidegger, and other Nazis, are the popular philosophies taught in the philosophy departments of most universities today. That is, *Nazi philosophy* is the common philosophy taught by liberal professors in universities, in philosophy today, around the United States. So we have Nazi universities, as in the tradition of Martin Heidegger. So we have this idea.

We also have environmentalism. Now environmentalism is one of the most evil philosophies ever invented; as a matter

FIGURE 1

**Growth of European population, population-density, and life-expectancy at birth, estimated for 100,000 B.C.–A.D. 1975**



All charts are based on standard estimates compiled by existing schools of demography. None claim any more precision than the indicative; however, the scaling flattens out what might otherwise be locally, or even temporally, significant variation, reducing all thereby to the set of changes which is significant, independent of the quality of estimates and scaling of the graphs. Sources for Figure 1: For population and population-density, Colin McEvedy and Richard Jones, *Atlas of World Population History*; for life-expectancy, various studies in historical demography including Gy. Acsádi and J. Nemeskéri, *History of Human Life Span and Mortality* (1970); Peter R. Cox, *Demography* (1976); Jacques Dupâquier, *La population rurale du Bassin parisien à l'époque de Louis XIV* (1979); Jacques Dupâquier, *Introduction à la démographie historique* (1974); D.V. Glass and D.E.C. Eversley, eds., *Population in History* (1965); T.H. Hollingswoirth, *Historical Demography* (1965); Roger Mols, S.J., *Introduction à la démographie historique des villes d'Europe du XIVe au XVIIe siècle*, (1955); Henry S. Shryock et al., *The Methods and Materials of Demography* (1976); E.A. Wrigley, *Population and History* (1967); E.A. Wrigley and R.S. Schofield, *The Population History of England, 1541-1871* (1981). Note breaks and changes in scales.

of fact, it also comes from the Nazis. If you look at the Nazi Party as it actually was, the first modern environmentalist party, the first modern ecological movement, was called the Nazi Party, of the 1920s and 1930s. Because it was a denial of something.

What are we looking at here [Figure 1]? You've seen

this before. We have three characteristics here. You have the *growth of population*, the *increase of population density*, the *increase of life expectancy*, and we could also talk about a *reduction of disease*. From the Fifteenth Century until 1966, the general trend on this planet was for an increase in population. Now, in the Fourteenth Century, the population on this

planet as a whole, had not reached more than 300 million people. And life expectancy was very poor, about the level of African life expectancy. But the population of Europe *alone* zoomed from the middle of the Fifteenth Century on.

Naturally, the population density increased, which means, forget ecology when it comes to man. What you call ecology in the study of animal populations, is only applied to man by quacks who don't know anything. Because man has no inherent—that is, the planet has no fixed carrying capacity for the human species. Because the human species, through technology, can transform the potential population density of mankind. Also, of course, life expectancy zoomed, from down around 35 and 40 years, the mean modal life expectancy rose to 70 and higher.

That was entirely a result of what happened in Europe in the period of the Fifteenth Century, until about 1966. Every part of this planet has benefitted from European civilization, without question. Because before European civilization, 95% or more of all parts of the human species, in every part of history, lived as slaves, serfs, or worse. The idea of human dignity as a practically realizable thing, is something which is introduced to this planet for the first time by the emergence of the modern nation-state in Europe in the Fifteenth Century. And that aspect of European civilization *has been good*. We've increased the human population, we've increased the standard of living, we've increased the population density, we've taken people, whole classes of people, who were treated mostly as human cattle or worse, and we have liberated them so they enjoy full dignity as citizens. They may not have all those rights, but that's our principle.

We went from a system in which virtually no one was educated—remember even Charlemagne couldn't read and write. He had to have things read to him every night, the Bible, and Augustine, and so forth. Today, the idea of universal education became, through Europe, a universal idea.

The biggest problem we have in Africa, Asia, and so forth, is breaking through the caste mentality, which still does not recognize, in these cultures, in full, the importance that every person is equally human. This is not understood, generally, in China, in Communist China. This is not accepted in India, this is not accepted in Southeast Asia. It's not accepted in whole parts of Africa. The idea that all people are created equal, that all people are individuals, are created in the image of God, is not an accepted idea throughout this planet, even today. But European civilization, which is based on that conception, the modern nation-state, has increased its benefit.

Now this demonstrates a number of things, which show how idiotic everything is that is generally believed, including ecology, which was introduced since the middle of the 1960s in the United States.

The characteristic of European civilization is *economic growth*. Now, economic growth breaks down, physically, into these kinds of terms: increase of population; increase of population density, naturally, with the improvement of land to

support more people; and increase in life expectancy, lowering of the death rate. Because we consume services such as education, health care, science. We consume things we have to live on. We produce children. And these households which consume these things, then go out and produce wealth.

And these households, under European civilization, produce more than they consume. They produce more than they must consume in order to maintain themselves. Out of this improvement, comes an improvement of the family condition, and comes something that's called profit. Profit and growth, in physical terms, are the same thing. That is, some people say that the profit is the sum of the profits of the individual firms. That's a lie, as you see in the United States today. The United States economy has been shrinking physically at a rate of more than 2% a year for the past 30 years, especially for the past 25. Physically, this economy has been shrinking. Where does the profit come from? It's largely fictitious; or it comes by—

For example, we don't repair infrastructure; we don't fix bridges. We let hospitals collapse into decay. We let our agricultural system, which had a tremendous investment in it, in improvements, decay. We loot the land. We don't repair it. We don't maintain our canal system.

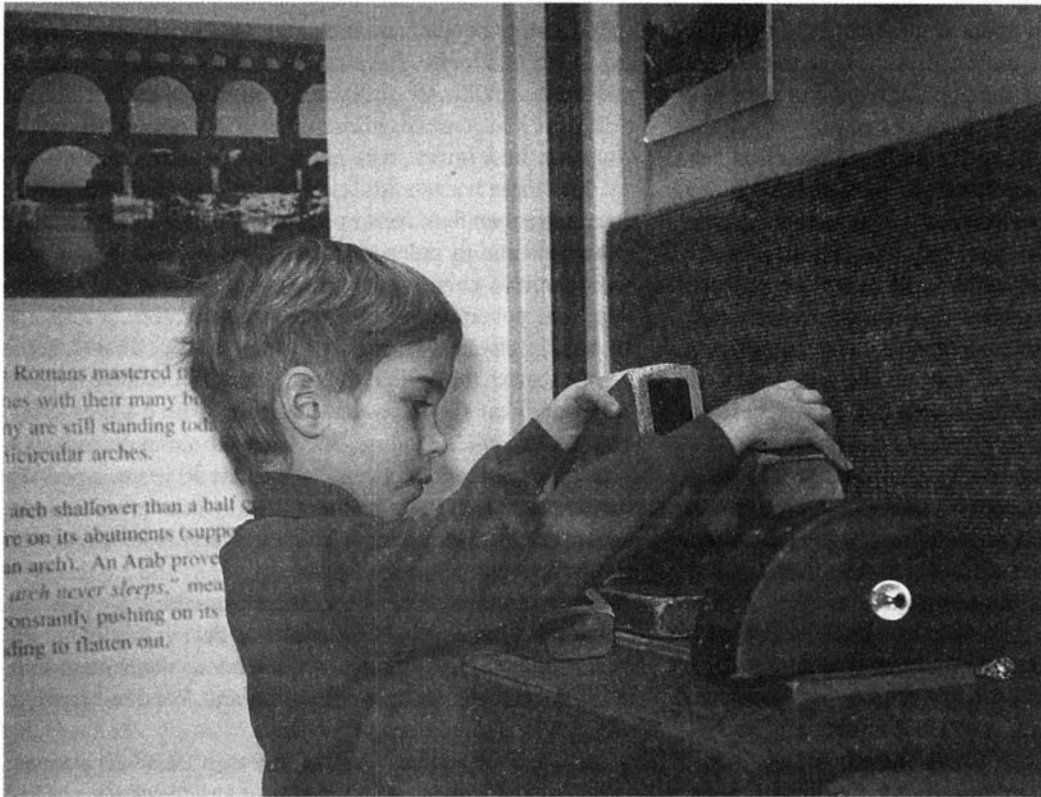
Look at the airlines. Any of you ever travel on airlines? Can you compare that with the kind of airline service you had 20 years ago, what you had 10 years ago, what you had 5 years ago, and today? You've had the Frank Lorenzo disease. You have these raiders that go from airline to airline to get profit. How? By looting the airline, like Genghis Khan looted the territories he raided. You have people on Wall Street who are making great amounts of money. They're not earning any money, but they're making it. They're getting it. But the *average person* in the United States, per capita, has about half the physical standard of living that the average person had, 25, 30 years ago. In physical terms, in education, health care, and so forth. The nearby hospital, and all these things.

So *growth* is a peculiarity of a successful human economy, the fact that human beings are able to produce more than it requires to maintain the level of skill and productivity to do this production.

### **The process of discovery**

Where does this come from? This comes from a characteristic of the human intellect which exists in no animal: the same thing we were discussing earlier, in a different context. The individual person is capable of making fundamental discoveries of principles, which are like improved axioms which overturn old axioms. Just as we can get rid of bad ideas through discovery, we can also discover new principles which advance human knowledge and power over nature. We transmit this through education.

Now a certain amount of education occurs purely in the family, in the nurture within the household; or just osmosis, so to speak, social osmosis. Ideas, discoveries which are made



*Block play at the Maryland Science Center in Baltimore: construction of a Roman arch. "Instead of teaching children the 'right answer,' we attempt to get the child to go through the process of re-experiencing discovery."*

by previous generations are passed on to current generations. And they're able to use these ideas, which are the heritage of the human species, to improve the power of man in society.

But other ideas are of the nature of scientific discoveries, or of fundamental artistic discoveries. And these ideas produce revolutions in technology and in practice. For example, the very idea of the modern nation-state was a revolutionary discovery. No nation-state existed on this planet *anywhere*, prior to the Fifteenth Century. It was an invention, an invention whose history we know. Every scientific invention which has increased man's power over nature: the same thing.

Now, how do you do that? You do it through a process which is related to universal education. How? You ask the child not "to learn," that is, not to learn the right answer. You ask the child to re-experience the act of original discovery made by an original discoverer, such as Archimedes, or Plato, or Eratosthenes, or whomever. To relive that discovery, and thus *to know that discovery* with their own mind. Not to learn the right answer, but to be able to *generate* that answer, by knowing how to make that discovery.

We base a good education on that kind of process, of one discovery after another. We arrange these in the order so the student has the foundation for making the next discovery on the basis of the previous discoveries. And good education is based not on learning, but on *knowledge*. You don't *know* something, unless you have re-experienced the act of discovery of that knowledge, of that principle. If you learned it from

a textbook and rehearsed it, and made yourself familiar with it, you don't *know* it. You only *learned* it. It's only when you repeat the experiment, and discover the solution again, yourself, that you *know*, that you have called on the creative powers of mind, of cognition, to be able to discover. That's knowledge. And it's through knowledge, that man is able to increase his power over nature.

In order to have knowledge in general, in a society, you have to have something like universal education. You have to have a system of education which walks each child through that process. Of course, the child has already done that. As I've said repeatedly, when a child learns how, for the first time, to pile one block on another so they don't fall over, that, for a child, at a child's age, is a revolutionary discovery, akin in nature to a scientific discovery. The same principle of mind by which the child executes that discovery, is the same principle of mind which will carry him all the way through education, and lead him to become, perhaps, a scientific discoverer in his own right.

So what we do in education, instead of teaching children the "right answer," we attempt to get the child to go through the process of re-experiencing discovery, for two purposes. *Not only to know* what he needs to know, instead of learning it; but also, because when a child acquires knowledge in this way, a child becomes aware of the principle of creative reason; becomes aware of a faculty which is not formal logic, but a higher faculty, a faculty which is associated with the joy

of discovery. It's not an emotionless faculty. Creativity is the most exciting and most beautiful thing in all human work. Great art is based on this same emotion of great discovery. The experience of great discovery is a great, powerful emotion of a special kind, which the New Testament calls *agapē*, the same thing as the love of a child, the love of the child's mind, in seeing the child make discoveries. So that we become discoverers.

Now, when you have a society which is organized to assimilate, to transmit, and to apply, to generate, new discoveries, you get this kind of phenomenon. You suddenly get a society in which the rate of growth, which is an economic fact, a physical-economic fact, is made possible; because, instead of having less than 5% in society educated, you're now moving to 100% educated.

The more members of society which are educated in that way as young people, and the greater their degree of education, the greater the potential power per capita of that society. And that is growth: investment in the human mind, and providing the human mind with the materials and the improvements of land, which enable the individual human mind to *increase* mankind's power over nature.

Now, there's another spiritual side to this, which has to do with the rejection of things like Nietzsche and Heidegger and Schopenhauer. If I learn, that is, acquire knowledge in the way I've described it—which I did—then you have a sense of a very personal kinship, with people who died thousands of years ago. And you have an intimation of a similar kinship with people you don't know, but who you know must have existed in making language in its form available, and other things that we know.

For example, we don't know who made many of the original discoveries in astronomy. We don't *know* them, we just simply know the result: solar-astronomical tables. They existed thousands of years ago. Long before Babylon, long before Mesopotamia. While Mesopotamia was still under water, before it existed, great solar-astronomical tables existed in Central Asia, among other places.

We don't know these people by name. There's no book that tells us who they were. Yet we know we have a heritage from them. So I can live today, and, on the basis of what I know, in this way, I know that I have a personal debt and kinship with people who lived thousands of years before me, who have made what I know possible; who have made possible what our culture knows, and what it's able to do. I know the beauty of sharing with people the *transmission* of that knowledge among people who live today, to make society more powerful, better, to solve its problems.

I know that if we treasure that, and pass that on through an educational system and otherwise, to coming generations, and, as the New Testament says, if we can not only use this talent in that way, but use it in a way which adds something to it, so the talent which is our mortal life, its benefit is passed on to the next generation *enriched*, that *we benefit all people*

*who come after us*. That our mortal life is one of joy, because our life has a purpose. It's short. It comes and it goes, oh so quickly. As you get older, you realize how quickly it's going. Just passing away—whizzing away at high speed.

But the whole life is beautiful. You have a sense of *goodness* in humanity, a sense of the beauty of living a mortal life. Because *in this mortal life*, you can do such wonderful things as to use your talent, preserve it, enhance it, and pass it on to the benefit of coming generations. And you feel good about being alive, feel good about having had a life. Joy in everything you can do.

So there is an optimism about living. There's an optimism in the eyes of a person who's dying of some disease, if they live so. Because they don't feel that their life is coming to an end with the end of this sensory experience. They sense that *what they've done that's good in life*, will be preserved, and will be of benefit to coming generations. And they have a sense, an anticipation, a prescience of anything good they've done, is somehow benefitting future generations. Just as, in a narrow sense, families used to sense that in what they were doing, their children, grandchildren, and so forth, were benefitting. And there's a confidence, an optimism, about being alive. There's a love for other people, because the sharing of ideas with them, *is the basis* for society. And with optimism, we plunge into doing things.

For example, let's take the case of the Kennedy space shot. Why did Americans respond with such joy to the idea of putting a man on the Moon within the decade, which is what Kennedy proposed? "Hey, this is *great!*" was the answer. "This is wonderful!" They didn't say, "How much profit do we get out of it?" They didn't say, "Is this going to lower my tax bill?" They said, "This is a wonderful thing to do, to live in a country that is doing a great thing!"

So there's a difference in attitude, as opposed to this environmentalist, so-called ecological attitude today. And that's what we've lost. We've lost it. We've become pessimistic, we're destroying ourselves. I'll come back to just one other aspect of this thing, too, in this sense, what this means. But let's go back to another aspect of this.

## The evil of the Enlightenment

Before then, before 1966, the disease was already there. It was placed there—and I've written a good deal about this, and there'll be more reference to it—by a fellow called Paolo Sarpi. After the nation-state was created, the forces which were threatened by the existence of the nation-state—which were two, essentially: the feudal landed aristocracy, which held serfs, and the financial oligarchy, as typified by Venice, for example, the bankers of Venice, the parasites of Venice—these forces were out to destroy the nation-state; and they did everything they could, in the latter part of the Fifteenth Century and Sixteenth Century, to accomplish that. But along toward the end of the century, a very clever fellow, an atheist monk by the name of Paolo Sarpi, the mathematics teacher of

his lackey, who was called Galileo Galilei, who was the teacher of Thomas Hobbes, the mathematics teacher of Hobbes, the patron and controller of Francis Bacon, and so forth, created what was called the Enlightenment.

And this Enlightenment was pure evil, because the distinction of Paolo Sarpi, was that he recognized that he could not defeat the nation-state with feudal forces, because the characteristic of the nation-state was increasing its power per capita, physically and in other ways. And therefore, old feudal nations, dragging their serfs to war, could not compete with an intelligent people, who would find ways to defend themselves through greater power. So Paolo Sarpi said, "We have to take over the nation-state, rather than trying to destroy it from the outside."

And Sarpi got control of Venice. He said, "We're going to take charge of the Netherlands and England, and we're going to create a new Venice, in the Netherlands and around London. We're going to plant an oligarchy of the Venetian model, a financier oligarchy, a maritime power which will dominate the world as Venice used to dominate the Mediterranean. And what we'll do, is we will accept the modern nation-state outwardly. We will practice usury. But what we will do, is we will *destroy* the fundamental principle upon which the nation-state depends: creativity."

And what they did in mathematics, and in mathematical physics and so forth, was all done to that purpose: to eliminate the idea that man is capable of creating knowledge, that man is capable of creating something new. They came up with something which is as old as Diocletian and older: the idea that man cannot change things, man can only loot nature, conquer nature, and distribute the results; that what one man gets, comes out of another man's pocket. To get more, you must take it away from somebody else. This is the zero-growth idea, or the entropic idea. And so they denied—

The characteristic of the Enlightenment, is that it denies the creative powers of reason, and substitutes an Ockhamite kind of logic, mere logic, in which there is no creativity, to replace reason. This has infected our teaching of mathematics and mathematical physics. This is what the difference is between one school of science and the other, that is, the school of Cusa, of Leonardo da Vinci, of Kepler, and of Leibniz, against the school of Sarpi, the school of Bacon, the school of Galileo, and the school of so-called Newton, that drug-pusher Newton, who used to get the witches out by night. So that's the difference.

So all along, we've had this idea of a form of society which would take the outward form of being modern society, but on the inside, was a modern form of society which is going to self-destruct. And that form was the Hobbesian form.

Thomas Hobbes, the mathematics student of Galileo, was a protégé of Sarpi. He wrote a number of books in which he proposed the elimination of creativity from society. He said that human nature is fixed, that man is intrinsically evil, he's governed by lusts, and society functions on the basis of the

kinematic interaction of the lustful impulses of individuals who act upon each other and thus produce the net result of society.

This idea of Hobbes was worked upon by various people, such as John Locke, who was also evil; famously by Bernard de Mandeville, who was *very evil*; by Adam Smith, who was evil; and Jeremy Bentham, who was evil; and the utilitarians and all the positivists, who were also very evil. And their idea was that society is based on what is called human nature, that man is by nature evil. Man is nothing but a creature of lusts, that the lusts of mankind can be quantified as to greater than, less than—that is, by extension and action of human beings upon each other: like the action of imaginary particles in a confined gas, they bounce against each other and produce a net result analogous to temperature, pressure, and so forth. These were the ideas of Hobbes: that man is limited by human nature; that man cannot willfully increase anything. Man can divide, in the way an animal, or an animal species, divides.

And thus, Hobbes said, eliminate the subjunctive, which is the language of hypothesis or creativity; eliminate metaphor, which is the form in which creativity occurs in science or great art; produce a mechanistic society, a form of society which is epitomized today by so-called information theory; a society which is epitomized by systems analysis; a society in which there is no increase, there is simply this mechanistic interaction. And that's the nature of the thing.

So they *do not believe* in a gross profit of society as a whole. They believe that the individual profit of the individual entrepreneur, added up among all the entrepreneurs, represents the profit of society as a whole.

For example, they will say, as they *do* say, that if we were to take an economy, take all the people who have low incomes, take all the firms which have zero or low profits, kill them; and all you'll have left are highly profitable firms, of people with higher incomes. That argument is made, in one form or another. That's the argument. They deny creativity. They say you shouldn't educate people "above their stations," as Diocletian said: These people are destined to be dumb.

### **Prevailing educational policy: the case of Ritalin**

For example. I wanted to come back to this Ritalin case, the example of this.

Now, for about 30 years, and very intensely in recent times, quacks, called teachers and school officials, have been doping bright students to make them stupid with a dangerous drug called Ritalin. This drug is comparable in its administration to cocaine or amphetamine. And what it does, is it produces a quietening by lapse; that is, a person relapses or recovers from an intense stimulant, and becomes quiet, by being, in a sense, exhausted. And this drug is administered to children who are hyperactive in classroom—which usually indicates, in most cases, that they're bored. And if you had the teachers they have, you'd be hyperactive too, if you had any

brains! So they dope the kid up with this drug, and the kid becomes quiet. "He seems to be paying attention." All right.

Now, it has recently been noted, as is inevitable, that we have, now, a major drug epidemic comparable to other drug epidemics, which is based on the circulation of Ritalin, which is imposed upon students *without the consent of their parents, by quacks who are called teachers, principals, and other schools officials*. And this is backed up by law. A very significant percentile of the student population of the United States is being drugged with a drug whose effects are analogous to those of cocaine or amphetamines, which are illegal, in our schools.

This dosing of people with Ritalin is part of a philosophy which is typified by an educational policy called "Goals 2000." It is the prevailing educational philosophy, introduced through governmental and other agencies into our public educational system today. We are in a way to produce a collection of zombies.

Now, when you see this phenomenon, and if you're a little older, suddenly you get a flashback: "Wait a minute. I've seen this before. There was a book in the early thirties, called *Brave New World*, written by Aldous Huxley, which described this. There was something similar described by George Orwell, of the same species, in a book called *1984*," which is called 1984 because it was written in 1948. "I know who did it: the people who associate with Huxley, are the people who developed this program. John Rawlings Rees. Julian Huxley, his brother, at the World Federation of Mental Health, this crowd. They're the ones who did it."

Now let me look a little closer and see what's behind this. What's the philosophy? Well, you come back to Gingrich again: the Third Wave. And you get the clear utterances of Gingrich's master, a British fellow by the name of Lord William Rees-Mogg, who is the former chief editor of the *London Times*, a Murdoch publication, which is the official voice, foreign policy voice of the British royal family and the royal oligarchy. As a matter of fact, the *London Times* often expresses the foreign policy of the British Empire, before the British Foreign Office knows about it. Because it comes directly from the horse's rear-end, that is, of the British oligarchy.

Rees-Mogg says, as the rest of them say, that in the so-called "Information Society"—called the society of lies—that in that society, we don't need production any more. We'll eat software. Information can be produced, says Lord William Rees-Mogg, on places like the Channel Islands. And a few people sitting there, less than 5% of the population, living as recluses in various places of refuge, can produce all the information from which the wealth of society will flow. And the other 95% are what? They are, as Jonathan Swift portrayed the image of a society ruled by horses' rear-ends, in his famous "Voyage to the Land of the Houyhnhnms": they are Yahoos! They are the Yahoos of *Brave New World*. People rutting in the ditch. Home-made pornography. People who

are below horses, or horses' rear-ends, in their cultural status, as Swift described it. He was actually describing the English population of the early Eighteenth Century under George I.

And these fellows say, "We have to keep them quiet. We have to keep them from overbreeding. Well, maybe if we get them to give up heterosexuality, that would help the overbreeding. Maybe if we can get them to change their sex fast enough, we can sort of confuse them on that point." Cut down the birth rate, break up the family, give them entertainment, dope them up, keep them stupid, so their ambitions *will not rise above their "destined station" in life*. That's what's in process. You see it. You see, by my standards of the 1940s, 1950s, 1960s, early 1970s, we are producing a Generation X, a population which is *not employable for any serious productive enterprise!* They never studied history. It was considered "enriched education" if they had a blab course called "Current Events"—a tale told by an idiot. They don't know anything. They're highly opinionated. All they can operate, the highest level is to operate a personal computer and get on the Internet, looking for pornography, perhaps; or whatever.

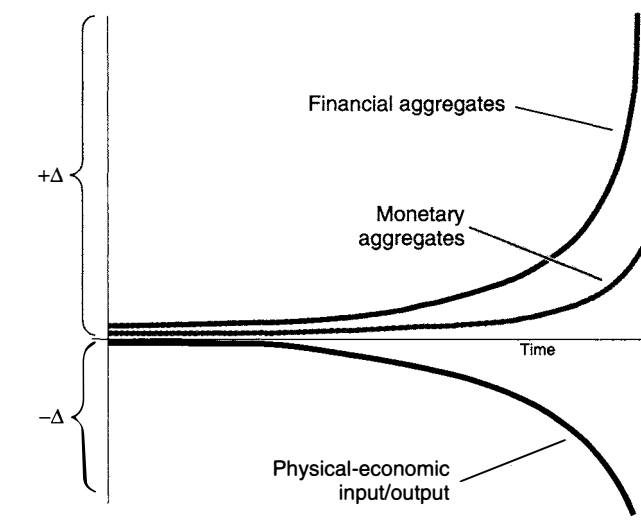
We are transforming the population of the world into a bunch of Yahoos. We are destroying science, we are destroying culture, we are producing entertainment; everything. We are at the end-phase of society.

### The onrushing economic and financial crisis

Now, let's get to this other curve, the triple curve [Figure 2].

So, as a result of this destruction, what we have, is, obviously, with this, we have, since 1966, a rate of about 2% a year or more, decline in the per household output and level of physical consumption, and so forth, in the United States. And this

FIGURE 2  
A typical collapse function



also corresponds to a general worldwide trend. Even though the figures may vary, the *direction of the curvature* is the same.

Until a few years ago, until the Clinton administration began, the first year of Clinton, we had a very rapid growth, accelerating growth, of monetary emission, which is called, in this country, M1 of the Federal Reserve System. So, we had an increase in *monetary circulation*, money in circulation, but a *decrease* in absolute physical values of goods in circulation.

The result is called, first of all, inflation. It's also called debt. Because of the nature of our Federal Reserve System, when you issue money, which is issued by the Federal Reserve System, it is done *through debt*; that is, the Federal Reserve System goes into debt. Now it charges to the Federal government, government debt, Federal debt, U.S. government debt. It gets the Treasury Department to issue bonds. These bonds are then used as security for the Federal Reserve System's printing of money. The money goes into circulation, in part, through the discount window of the Federal Reserve System, through loans. So, money is put into circulation.

Prior to 1966, the prevailing tendency was that money was put into circulation *primarily* for merchandise trade or for investment in physical production, or related things. And therefore, you had a certain degree of stability up until 1966, despite all the problems.

For example: The merchandise trade account of the United States, imports and exports combined, until 1966, represented about 75% of the foreign exchange turnover of the United States. After this, by 1976, the ratio had dropped to 23%. By the end of the Carter-Volcker measures, the first stage, it had dropped to 5% in 1982. By 1992, which is when the Bushes began to burn, it had dropped to 2%. It has now dropped to *less than one-half of one percent*.

We have comparable figures for monetary circulation, as against calculated GDP. Now you cannot go by the figures, because the figures are fake. But what you can go by, is the curvature, the direction and general relative rate of curvature. The curvature is up, the curvature is down; the ratio of the two curvatures is approximately, now, *hyperbolic*.

Recently, on the basis of the election campaign and otherwise, the Federal Reserve System has just increased monetary circulation spectacularly. And you've seen the stock market go up like a rocket. At the same time, Japan is trying to do a bailout to postpone its crisis; its system is totally bankrupt. So therefore, we have now a new surge in monetary aggregates internationally, which is feeding this other one, which is financial speculation.

The aggregate amount of financial turnover per day on the international markets, is over \$3 trillion a day, and rising. Which means we're going toward, approximately, *\$1 quadrillion* turnover, of financial turnover a year, which means somewhere between \$60 and \$100 trillion of financial obligations—debt. So we're going toward about a \$100 trillion of *net* financial obligations in this direction, superimposed upon

a smaller amount of the same kind of problem in the relationship between monetary aggregates and physical production.

The way the monetary aggregates are sustained, is by taxation or looting of physical production. Therefore, we have what's called austerity: the looting of payments of real things, such as the cutting of pensions, the cutting of medical care, the lowering of wages. All of these things are done as forms of looting, to sustain the monetary system. The monetary system, in turn, sustains the financial speculation. So the ratio of financial speculation to monetary aggregates, as against the ratio of monetary growth to looting of the system, the physical system, defines the crisis of the system; which means we have now come to the point that the entire system is ready to blow; that the entire system is inherently bankrupt, and *could not be reorganized or saved, in its present terms, in any way*.

Because to sustain the financial aggregates, you must continue to increase them. That's the way the system is: It's a bubble. To do that, you have to leverage more growth of monetary aggregates; to maintain the monetary aggregates, you must continue to loot the physical side of production, collapse the economy. This physical output per capita and per household is the source of all payments, ultimately, in the economy. So therefore, you are driving down, collapsing the basis of payments while you're increasing the financial obligations. Anything that is in that shape, is called *bankrupt*.

Every banking system of the world is *bankrupt*. The Federal Reserve System is hopelessly bankrupt. The British Bank of England and its system, is bankrupt. The German banking system is bankrupt. The Japan banking system is bankrupt. The French banking system is bankrupt. The Italian system is much better off: They admit it's bankrupt. And the other countries are being looted.

So, we now have a collapse of the system, which is on its deathbed. You don't have to know *when* it's going to happen; it's going to happen, and it's going to happen soon, and there's *nothing that can be done* to save this system.

Now that is not the cause of the crisis we've been talking about. That is a *product of the crisis*, which reflects the fact that we can not continue to do business the way we've been doing it, that the whole system is going under. Now we are forced to look back upon our policy and say, "How did we get into this mess?"

It wasn't done in one day." This part of the mess, since 1966, has been done drip by drip, and drop by drop, and day by day, and year by year; gradually, step by step, people have changed their values to accept things they would not have accepted before 1966. These things are now traditional. The Yuppie generation, which graduated from high school and university after 1966, doesn't know any better. Generation X doesn't even know.

So, because they don't *know* anything, what they experienced in their lifetime, as opinion, has now become tradition. "You can't go against tradition." But we know, also, or should



know, that the way this thing happened, was despite the fact we had a better economic system before 1966, we were already embedded with the Enlightenment. We did *not* appreciate the importance of educating every human mind. We were *not* ready to rid ourselves of the British system, which has still ruled the world since Roosevelt died: the British system; the Eighteenth-Century British system.

We accepted Enlightenment values. We lived in a Hobbesian universe. We accepted the idea of “human nature,” of man as intrinsically evil. We taught our children lies. We taught them in those days, unlike today; but they were lies.

So what has happened, is that we have made mistakes in policy. We have accepted things we should not have accepted, for a period of centuries, even in the best civilization that ever existed, European civilization, nation-state civilization. But it had this corruption in it. This corruption has now caught up with us. Since 1966, we have accepted a more serious form of the disease, and we’re now at a fatal condition.

So therefore, we’ve come to a point which you knew about if you studied history, in terms of the fall of entire civilizations and empires. This empire is doomed, like the Babylonian Empire before it, like the Persian Empire later, like the Roman Empire, the Ptolemaic Empire, the Byzantine Empire, and all the empires. This civilization in its present form, is *doomed*; which does not invalidate any of the accomplishments of this civilization, but only the false values we’ve accepted, in a cumulative way, layer on layer, over the past centuries. *Now*, like Hamlet, we are *doomed*, unless we can see that to be the nature of the problem.

### **An opportunity**

If we can understand that these beliefs which are popularly accepted are not only absurd but dangerous, are poisonous; and can see in ourselves, that a society that accepts Dr. Kevo-rian, Newt Gingrich, the Mont Pelerin Society, and so forth; which can accept neo-Nazism in a so-called liberal democratic form; that this society is doomed, is Nazi. If we can see what the Ritalin phenomenon means, in terms of our destruction of the minds of our children—which means the *death* of our civilization—then we are forced to ask ourselves: What’s wrong with us, that we continue to tolerate these ideas, on whose basis are we destroying ourselves?

If we can do that, if we can ask ourselves that question, as Socrates in Plato’s dialogues so often asked the same kind of question, in his time, then we have the resources to solve the problem. What we must do in this time, is we must develop leaders whose function is that of a Socrates, a person who goes around annoying people, by asking them to examine their beliefs, to examine those beliefs that are destroying us, those beliefs that people have wrongly treasured, or have protected, because they believe they’re inviolable.

If we can do that, if we can rejoice in the fact that what we’re doing is the kind of thing which was done in *every successful challenge* that mankind faced before, that everyone

who got man out of the mess of a fallen civilization to a higher form of civilization, did the same thing, and we have to act like philosopher-kings, as Plato described it. We have to develop leaders who are called Socrates, who question these things, who are willing to call things into question that have to be called into question; who can recognize in Newt Gingrich not the scapegoat we want to burn alive, but rather a symptom that we are so disgusting that we can support and tolerate something like him. If we can accept that, and say, “What’s wrong with us? Why do I watch that stupid television set, with that kind of stuff? Why do I watch Ted Turner’s Stomach-Turner system?” You know, God has punished Ted Turner already for his sins. He forced him to marry Jane Fonda!

If we can free ourselves of that, if we can do the things that we should do, we can survive. Thus, I would suggest to you—and we’ll get to other aspects of this (I’ll just go through a couple of points), but I suggest to you, the crucial thing is, let’s not look at this catastrophe, as “*a Catastrophe*.” Let us not hold a wake. Let us look at this as an opportunity.

We have been weighted down for hundreds of years by the failure to realize the great civilization which European Christianity gave to mankind in the search to create a form of society which is consistent with the principles which we learned at the feet of the Gospel of John, the Epistles of Paul, and the writings of St. Augustine. That’s the great thing that we had. We have not used it properly. We have betrayed it.

So let us take that gift, take it back into the workshop, remove the corruption which was added to it, and come forth again in saying, “That which was good about our civilization was good. We will defend it. But those ideas which we also adopted, which have caused this civilization to collapse, which have almost destroyed the noblest state that was ever created, the United States Federal Republic in its constitutional form, that those things have to be corrected. And we in our time, will take our misery, our disappointment, our frustration, and we’ll turn it into something wonderful.”

Here we are. We’re not much. Compared to some of the greatest people of former times, we’re nothing. But *we have one thing they don’t have*: We have an opportunity to empty the garbage.

So, what we’ll be doing in the other sessions, and we can get into other aspects of this in the question and answer period, I have a lot more to do, but I think this is enough for the moment. What we’ll be doing, is we’ll be looking at some aspects of this cultural problem, so that instead of looking at things the way Joe Jerk on the street corner answers the inquiring television reporter about the hot-button issues, our attention will be focussed in a different place: on what we have to know, and what we have to understand, in order to understand Hamlet, in order to understand what we have to do to straighten out, for example, the President, and get him back on the right track, and things like that. What we have to know to see the mission before us in our time, and to learn to enjoy emptying the garbage.

## 'We have a moral obligation to save Bosnia's children'

The Schiller Institute and Georgetown University's Center for Peace Studies jointly sponsored a press conference on Feb. 20, calling for a "Marshall Plan" to save the children of Bosnia-Herzegovina. The press conference, held at the National Press Club, was addressed by Schiller Institute founder Helga Zepp LaRouche; Dr. Jozef Miklosko, who was the first vice prime minister in post-communist Czecho-Slovakia; and former U.S. Congressman John Dow (D-N.Y.). A statement was read on behalf of Father Richard T. McSorley, S.J., director of the Center for Peace Studies, and greetings were sent by former Congressman Frank McCloskey, both of whom were unable to attend. The speakers stressed the moral imperative for a Marshall Plan-style reconstruction of the country, to save the children of Bosnia-Herzegovina from the genocidal conditions of war, and the equally genocidal conditionalities now being imposed by the World Bank and the International Monetary Fund (IMF).

Father McSorley's brief statement recalled his four years as one of 2,500 American POWs of the Japanese in the Philippines during World War II. He compared the depravity of the IMF, which would impose brutal austerity and debt collection on Bosnia, to the moral depravity of one of the American POWs, who sold chocolate bars for \$85 to other, starving prisoners. Father McSorley called on the international community to condemn the IMF for this "crime against humanity."

Dr. Jozef Miklosko, who has been travelling across the United States, warned that a new bloody conflict can come quickly unless there is a change in policy on the part of the nations which stood by and tolerated genocide. Dr. Miklosko also called for the cancellation of Bosnia's foreign debt, referring to the call of Pope John Paul II for a Jubilee in preparation for the new millennium.

Former Congressman Dow condemned IMF and World Bank policies and their "atrocious" attempt to "wring payments" out of the hellish situation in Bosnia.

Endorsers of the coalition's call include Italian member of parliament Roberto Formigoni; Dr. Marijan Brajinovic,

president of the Austrian-Croatian Society, Vienna; former U.S. Congressmen Clare Callan (D-Neb.) and Jeffery Cohelan (D-Calif.); Chor-Bishop Elias El-Hayek, Maronite Diocese of Canada; and Msgr. Robert P. Hupp, Director Emeritus of Boys Town, Nebraska.

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### Statement by Helga Zepp LaRouche

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I have issued this call to save the children of Bosnia. Why do I focus on the question of the children, and not on Bosnia in general?

I hope that if there's any morality left in the West at all, that maybe the horrible condition of the children will evoke that remaining humanity which is necessary to turn an intolerable situation around. I hope that how we treat the children of Bosnia, will be the way we treat our own future—that is, if we are to have one.

For four years, Western governments have tolerated genocide; and, from a standpoint of natural law and international law, these governments by condoning something which has been clearly established as in violation of international laws, have already lost the legitimacy of power, from a higher standpoint. Now, there is the true danger that to the atrocities which have already been committed, more horrible ones will be added, implying the immediate danger that a new phase of the war could potentially erupt.

What is the situation on the ground?

After four years of war of aggression against Bosnia, 90% of the roads, railways, telecommunications systems, gas, and water pipelines, power stations, and other such crucial ingredients of infrastructure have been destroyed. Whatever remains of the State-sector industry, only 10% is right now in a position to produce. Fifty percent of all homes of the people have been destroyed; 90% of all mosques; nearly all libraries,

museums, and theaters. Ninety percent of all people are unemployed.

Half of the population of Bosnia has been killed or displaced, or turned into refugees in this war. And one has to see the situation of the children in this general economic context. Because one not only has to consider the children who were killed, but many of these children who have lived through this atrocity, have lost one parent or two parents; they had to watch the horrible experiences of their fathers being mutilated, their mothers being raped. They have been through bomb terror, sniper terror, for four years. And many of those are traumatized, and urgently need a perspective—a hope—which, under the present non-existing economic perspective cannot exist.

### **World Bank blackmail**

Now, the problem is that the World Bank and the European Commission have forced the Bosnian government to accept the old debt of Yugoslavia as a precondition for any new loans. After the two-day conference on the reconstruction of Bosnia, which was formally a part of the Dayton Agreement, the foreign minister, [Muhammed] Sacirbey, basically called the policy of the European Union and the West in general towards Bosnia treason.

Now, why is this a legitimate way to talk about this?

The Bosnian government has estimated—and this is a very conservative estimate—that the damage caused by the war is, at minimum, \$47 billion. The World Bank decided to allocate \$518 million for the immediate future for reconstruction purposes in the next three months, and \$5.1 billion total. That's about 10% of the conservative estimate of the Bosnian government. But that's not its worst aspect.

The worst thing is the conditionalities which have been attached. The victim of the genocide—the Bosnian government—has to agree to take over the debt of the aggressor, of former Yugoslavia. *So they have to finance the debt of the war machine which nearly destroyed half of their population, committed genocide, mass rape;* I mean, this is just a scandal beyond belief.

The World Bank conditionalities also say that the Bosnians must abandon any defense of the Bosnian currency. It also says that, basically, there must be no restriction on privatization programs of the remaining economy, an economy which has been 80% destroyed. And we have seen what similar privatizations have done in Russia, and in the East in general.

It also demands limiting the use of funds for domestic purposes, which means that the funds available are supposed to be used to pay the foreign debt of former Yugoslavia. It also has a clause limiting the use of "scarce resources" to help the poor, because "a bloated social assistance budget would undermine fiscal prudence needed for long-term stability."

Now, these formulations are *absolutely cynical*. I mean, you cannot talk about the poor, the whole country is poor, and to talk about "bloated social assistance" at a point where the

whole country is lying on the ground, is just beyond imagination.

The World Bank also demands that the head of the Central Bank not be a Bosnian, which is a complete violation of the right to national sovereignty of this country. This also constitutes cynicism beyond belief. Enver Boskovic, the vice president of the Bosnian Central Bank, in November had said that Bosnia needs an immediate minimum of \$10-12 billion right away, to begin the postwar reconstruction.

### **A new Marshall Plan is needed**

Now, the Schiller Institute calls on all international aid organizations which have been involved in trying to help Bosnia; because presently, the humanitarian aid, as important as it is, is only a drop in the bucket; and I'm appealing to the international aid organizations to become a lobby to demand a *real reconstruction program*, not just what is going on right now. I'm appealing, also, to the churches, the trade unions, and especially the governments, to agree on a change of policy towards Bosnia; to agree on a kind of Marshall Plan for reconstruction, in a way similar to what was done in the postwar period in Germany. Basically, I'm calling upon all of these organizations to form a lobby to put pressure on the governments, to reverse their course.

What we need, is an integrated infrastructure program. We have prepared press packages which detail the kinds of immediate infrastructure measures which are the absolute precondition for any development of the economy or agriculture. We demand that the Bosnian government be given the right to have their own sovereign national bank under Bosnian sovereignty, to help the financing of the reconstruction program.

The Dayton Agreement was, in our view, a necessary step, and I agree with President [Alija] Izetbegovic, who said that this Dayton Agreement, even though it does not constitute a just peace, was better than the continuation of the war. The problem is, however, that especially with the injustices of the Dayton Agreement, which forces the victim to sit at one table with the aggressor, this cannot hold. And I see a great danger that this situation can explode.

We are in contact with many people on the ground in Bosnia, in Croatia, and, from the standpoint of the population, the mandate of the IFOR troops does not look much different than the Unprofor. In other words, they do not see a change in their horrible economic plight; and they regard that President Clinton, being well-meaning and being well aware, did try to end the war. But they see the IFOR troops as just one other occupation troop; and the desperation of the population can lead to horrible things, and I think that if this is not changed, dramatically and rapidly, that this remains one of the Achilles' heels for the Clinton Presidency in the coming year.

Therefore, I think it is a question of living up to our moral responsibility of trying to undo at least some of the horrible crimes that the West has loaded on its own shoulders in trying to now change the policy, and save the children of Bosnia.

# LaRouche economic program at center of Asian policy fight

by Kathy Wolfe

Anglo-American media headlines in February about supposedly escalating hostilities between China and the United States, Taiwan, Japan, and Korea, obscure a much more fundamental development in East Asia. During the beginning of 1996, economic planners in Asia have been debating *EIR* Founding Editor Lyndon LaRouche's proposal, to ditch International Monetary Fund "shock therapy," for the high-technology infrastructure plan known as the "Eurasian land bridge."

For example, Dr. Soogil Young, president of the government Korea Transport Institute in Seoul, South Korea (see interview), told *EIR* on Feb. 8 that the Eurasian land bridge, the center of LaRouche's program for world economic recovery, is "our great vision for Korea's future," and that of North-east Asia.

In fact, London knows, that if U.S. President Bill Clinton is re-elected, the United States, and all these Asian nations, have the potential to work together for an economic Renaissance, modeled on LaRouche's ideas. It is more likely that, if left to themselves, the United States and East Asian nations will be lobbing technology and investment at each other, rather than bombs. Both President Clinton and his Commerce Secretary Ron Brown reiterated on Feb. 9, that trade with and economic development of China, are far more important than any military confrontation.

Against even the potential for this, London is reacting violently. The London *Times* and *New York Times* would have readers think, for example, that China, Taiwan, and the United States are headed for war. A sensational front-page article in the Jan. 19 *New York Times*, entitled "China Threatens Taiwan," asserted that China is prepared to launch a missile attack on Taiwan, and that Beijing has threatened U.S. officials that any attempt to intervene in Taiwan's defense, could cause China to bomb Los Angeles. A London *Times* editorial on Feb. 6 warned that China "could decide on a preemptive strike" against Taiwan. George Bush's former ambassador to Taiwan, James Lilley, who is willing, like Bush, to toe London's line, told a U.S. Senate committee hearing on Feb. 7 that the United States must place military force in the Taiwan Straits, using "deterrence" against China, as against the U.S.S.R.

Meanwhile, South Korea and Japan, the Anglo-American media assert, are about to cancel diplomatic relations, if not

come to blows over the Tokdo-Takeshima islands, a few pieces of rock in the Pacific halfway between the two allies, long claimed by both. Japan, China, and Taiwan are also purportedly in a "major diplomatic row," according to the British news service Reuters on Feb. 13, about China's oil drilling near the Senkaku-Diaoyutai islands northeast of Taiwan.

## 'One China' policy

In a Feb. 8 radio interview with "EIR Talks", LaRouche characterized the attacks on China as "hype." "The Brits want a civil war in China," he said. "The British are out to destroy China. They're building up potential warlords among the secret societies" to start civil wars, were China to be isolated, while provoking rancor between China and the United States. If unchecked, he warned, the situation could become serious, but only because of British manipulations.

As LaRouche has stressed, the United States under President Clinton continues to uphold the "One China" policy of President Franklin Roosevelt, who opposed the British plan to break up China through civil war. Roosevelt sought to revive Dr. Sun Yat-sen's policy, for a U.S.-China alliance to kick the British Empire out of Asia, by industrializing China.

LaRouche's "Eurasian land bridge" program for high-speed rail, power, and other infrastructure development of China and Asia, would fulfill that promise, by "building China together" as a sovereign nation.

President Clinton, besieged by reporters about the "China threat" on Feb. 9, said that he was confident that tensions between China and Taiwan would not come to military conflict. "We have so much good going on in Asia in economic growth and opportunity. . . . I don't believe the leaders will let that turn around," he said.

Commerce Secretary Brown told the press on Feb. 9 that he is committed to Clinton's plan for multibillion-dollar trade with, and technology investments in China. "I think that being disengaged from China commercially gives us no opportunity to have an impact," he said, noting that U.S. businesses have "substantial" interest in China, "arguably the fastest-growing economy in the world."

Leaders in Korea and Japan recognize that LaRouche's ideas will also create a united effort for a rise in living standards across East Asia. During a Washington visit, Seoul

transportation chief Soogil Young made clear that “such high-technology infrastructure programs” as China’s Silk Road, the high-speed rail grid under development in Korea, and connections to Europe, “will be the economic future for the 21st century, the most important growth-leading sector not only for the economy of Korea, but for Japan, China, and our entire region.”

Also, LaRouche’s call for the bankruptcy reorganization of the world financial system is under study, particularly in Japan, where LaRouche briefed leaders during a December 1995 trip to Tokyo. Japanese Prime Minister Ryutaro Hashimoto will make an early, unscheduled trip to the United States, to visit President Clinton on Feb. 23-25, Tokyo said on Feb. 9, despite the fact that Clinton is already scheduled for a State visit to Japan on April 16-18. “The rumor in Tokyo is that Hashimoto wants urgently to discuss the Japanese and international banking crisis with Bill Clinton,” Japanese financial sources told *EIR*.

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## Interview: Dr. Soogil Young

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# Eurasian land bridge: the economic future of the 21st century

*Dr. Soogil Young is president of the Korea Transport Institute (KOTI) of the Transportation Ministry in Seoul, South Korea. Dr. Young, a graduate of Johns Hopkins University, served at the Korea Development Institute from 1981 to 1993, when he assumed his present post. He was interviewed in Washington on Feb. 8 by Kathy Wolfe.*

**EIR:** How are South Korea’s new high-speed rail lines progressing?

**Young:** The Republic of Korea is very interested in high-speed rail, both domestic and international lines. In 1994, we decided to import TGV technology from the Alstom Company in France. Our Line No. 1, the “Seoul to Pusan High-speed Rail Line,” which is already under construction, is scheduled for completion in 2001. This is only the first of five major high-speed rail lines planned, to be completed by 2010. This year we’re initiating Line No. 2, from Seoul to Mokpo in the southwest, called the “Honam High-speed Rail Line,” being designed by my institute. Next will be Line No. 3, from Seoul near Korea’s west coast, due east to Kangnung on the east coast, called the “East-West High-speed Rail Line.” Line No. 4 will run from Pusan in the southeast, to

Kwangju in the southwest. Line No. 5 will run from Pusan in the southeast, up the eastern coast to Kangnung—the “East Coast High-Speed Rail Line.”

**EIR:** Will they all be TGV lines, or will you also use magnetic levitation (maglev) technology?

**Young:** Of course, the French would like us to choose French TGV technology for the entire national system, but we could also introduce German or Japanese high-speed technology. It’s still under negotiation, for the later lines. Regarding magnetic levitation, or maglev, our understanding is that it is not quite commercially available right this year, but we have many Korean engineers arguing for the use of maglev as soon as possible. Possibly it will come into play during construction of the later lines, Lines No. 3-5.

Now, we also hope, that progress in peace talks with Pyongyang, and economic integration with North Korea, will allow us to extend Line No. 1 from Seoul, northwest to Pyongyang and Shinuiju [on the North Korean-Chinese border]. Then, we would also like to extend Line No. 5, the East Coast High-Speed Line, all the way up the east coast of Korea, to Rajin-Sanbong near the Chinese and Russian borders, which could also link up to the Trans-Siberian Railway at nearby Vladivostok. We call these the “Trans-Korean High-Speed Rail Lines.” From there, we hope to link these up to Beijing, and then directly to the Trans-China Railway, or “Silk Road,” and the Trans-Siberian Railway. From there, we can go directly all the way to Paris and Amsterdam.

**EIR:** Lyndon LaRouche, our magazine’s founding editor, has called this the “Eurasian land bridge.” It is the center of his plans for world economic development.

**Young:** Yes, the Eurasian land bridge: That is our great vision for Korea’s future.

Now, high-speed rail will be the most important mode of inter-region transport in the 21st century, but it must be supplemented with a network of high-speed roads. We’re also interested in the U.N.’s ESCAP program for a Pan-Asian Highway, and we plan to build roads to connect up with it.

We also plan major port expansions, starting with Pusan, which is our largest modern container port, but now severely congested. We will expand it significantly. We’ve also begun a major expansion of Kwangyang port, in the center of the south coast. We plan Pusan and Kwangyang to be twin superports, which become international points of concentration of freight and other shipping. They would concentrate shipments from Japan and the Pacific to our east, and from the Mideast, Southeast Asia, Shanghai, etc. to our west, from all these sea lanes, upon the Korean Peninsula, and then we will ship the goods up the peninsula to the Eurasian continent.

We hope in this fashion to build Korea into the Amsterdam and Rotterdam of Northeast Asia, the transportation hub of the entire Northeast Asian region.

Then we are building a super-airport, the New Metropoli-

tan Airport, on Youngjon Island off Inchon, the port for Seoul. As with the new Osaka Airport, this is on land reclaimed from the sea. It will accommodate 100 million passengers a year by 2020, with four runways, the first to be completed by the year 2000 and the fourth by 2020, making it the largest airport in Northeast Asia. It will expand beyond the new Osaka Airport, because there is no other location in the region like this; its area can be extended indefinitely, by reclaiming more land from the sea, and it is far less earthquake prone than sites in Japan. Korea, in general, has far fewer earthquakes than Japan, so few that it is not comparable. This should increase the international competitiveness of Seoul as a major business hub for Northeast Asia.

**EIR:** Can you estimate the cost of the airport?

**Young:** About 14 trillion won [\$20 billion].

Now, the basic assumptions of all these projects, are two. First, we are assuming economic integration will come with North Korea, if not political reunification.

**EIR:** You seem very hopeful about reunification.

**Young:** Yes, we hope very much that Korea will be reunified. We are quietly, but reasonably, quite hopeful about the prospects. The second assumption is that financing will be available. I'm hopeful of this as well.

**EIR:** As you know, LaRouche originated such plans back in 1989, when Germany was reunified. He proposed a "European Productive Triangle," based on high-speed rail lines between Paris, Berlin, and Vienna, with connections into Russia, China, and the Pacific. Are you projecting such a growth triangle in Northeast Asia?

**Young:** Yes, this is a wonderful idea. We can say that Northeast Asia contains such a triangle, a growth pole for all of Asia, which Prof. Choe Sang-chul at Seoul National University has already named the "Bei-Se-To Development Corridor," taking the first syllable each of Beijing, Seoul, and Tokyo.

For example, there is already talk about a major regional bridge-tunnel project from Pusan at the southern tip of Korea, to Fukuoka in Japan.

**EIR:** I had no idea this was a concrete plan. By the map, it would seem to require two 60-kilometer undersea tunnels, longer than the world's longest, the 54-kilometer tunnel from Honshu to Hokkaido in Japan.

**Young:** It's quite concrete, but for now it's the Japanese who are promoting the Pusan-Fukuoka bridge and tunnel. There's a lot of discussion about it in Japan. But it's unpopular in Korea, and has many opponents. We have a difficult history, with Japan's occupation of Korea, and many Koreans are still worried about Japan. You know our old saying: "A shrimp is often crushed between two whales," meaning Japan, and China. By the way, there is a Japanese study of the plan, financed by Rev. Sunmyung Moon. But regardless of all this,

it's only natural that the Japanese would want to be connected to the mainland, and I personally don't think it's a bad idea.

**EIR:** Would Koreans feel stronger and more confident about this after reunification?

**Young:** With Korean reunification, in the 21st century, anything is possible.

**EIR:** Will extending the high-speed rail lines into North Korea mean that lines can also be connected into Manchuria, which is now landlocked? This would allow China's two big northeastern provinces, Heilongjiang and Jilin, access to the sea for the first time.

**Young:** Yes, this has tremendous potential for expanding trade and production. We believe the northeast provinces of China will be highly developed in the 21st century, and that's the enormous value of our projected East Coast Line. Manchuria is very rich in mineral resources and raw materials.

**EIR:** What kinds of sums does all this involve?

**Young:** A ballpark figure for Korea's five-line, high-speed system is about 360 trillion won, about 4% of our Gross National Product annually, between now and 2010, at 780 won per dollar [\$460 billion]. This means that all such high-technology infrastructure construction programs will be the economic future for the 21st century, the most important growth-leading sector, not only for the economy of Korea, but for Japan, China, and our entire region.

**EIR:** The International Monetary Fund's "shock therapy" policy has certainly not permitted such growth in eastern Germany, Russia, and Poland, but has ruined the economies completely. What have Koreans learned from Germany's bitter experience?

**Young:** Such policies are not for us. We must be careful to learn from their unfortunate experience.

**EIR:** For financing, will you borrow expensive Euromarket foreign debt, or use domestic sources?

**Young:** I'm in favor of using the international capital markets where feasible, but I think that Korea can finance 90% of its needs domestically. It can be done through taxes, and through Korean banks and brokerages, which are growing every day. We should be cautious about incurring a big foreign debt.

**EIR:** How will Korea power such a huge program?

**Young:** Much of it will be nuclear power, of course. Korea is already heavily dependent on nuclear power, for more than 40% of our electricity. The increment of power expansion needed for these projects must come from nuclear power. It's the obvious choice. We have no great fossil fuel resources, and nuclear power is environmentally far more friendly, in any case.

# Britain's new U.S.-China 'war'

A chronology of the scare now flooding the U.S. and British press, alleging that the United States and China are about to go to war over Taiwan, shows that the story is largely British hype. Spokesmen for the British-controlled Heritage Foundation in Washington, D.C. have repeatedly said that they plan to attack President Clinton for being "soft on China" during the Presidential campaign.

**Jan. 11:** The *Far East Economic Review*, founded by the London *Economist* and now owned by the Hollinger Corp.'s pals at AP Dow Jones, accuses U.S. Defense Secretary William Perry of illegally permitting sales of military-grade fiber optics to a Chinese Army firm. House Speaker Newt Gingrich (R-Ga.) ally Rep. Floyd Spence (R-S.C.) demands a National Security Committee investigation.

**Jan. 24:** The *New York Times* runs a front-page story, "China Threatens Taiwan, Makes Sure U.S. Listens," asserting that former Bush Assistant Secretary of Defense Charles Freeman told a National Security Council meeting on Jan. 4, that Beijing "has prepared plans for a missile attack against Taiwan." It asserts that Freeman quoted Chinese officials saying that "China could act militarily against Taiwan without fear of intervention by the U.S., because American leaders care more about Los Angeles than they do about Taiwan." The *Times* states that Freeman called this "an indirect threat by China to use nuclear weapons against the U.S."

**Jan. 31:** U.S. Trade Representative Mickey Kantor, a British asset, threatens China with \$1 billion in trade sanctions for "piracy" of Hollywood movies and CDs, in a speech in Washington. China must not become "another Japan," he demands. Kantor's deputy Lee Sands announces plans to travel to China on Feb. 8 to "inspect" factories for piracy.

**Feb 4:** Reports from Taiwan say that there is no concern at all there, and that everyone in Taipei is wondering what the hysteria in the Washington press is all about.

**Feb 4:** Taiwan and China will resume high-level talks after Taiwan's Presidential elections on March 23, Shi Hwei-yow, deputy secretary general of Taiwan's Straits Exchange Foundation, tells state radio.

**Feb. 4:** Taiwan President Lee Teng-hui announces that if re-elected in March, he will no longer travel to the United States, removing a major source of China-Taiwan friction.

**Feb 4:** Chinese Prime Minister Li Peng tells newspapers

that China will not follow the "capitalist" model (as practiced by the International Monetary Fund in Russia) of reform of State enterprises, and will not allow bankruptcies and layoffs, for fear of mass unemployment. "If China were to use such capitalist methods, it would shirk its responsibility to the people and it would trigger social unrest," Li said. "There was one firm that cut more than 100,000 jobs in one shot. Obviously, we could not do that."

**Feb. 4:** Chinese Vice Foreign Minister Li Zhaoxing, the former ambassador to Washington who has a good personal relationship with President Clinton, arrives in Washington to discuss strengthening ties.

**Feb. 5:** The British-controlled *Sing Tao Daily* in Hong-kong reports that China will begin a mass-scale military exercise that week involving 400,000 infantry, Air Force, and Navy personnel in coastal areas opposite Taiwan, to last more than a month.

**Feb. 5:** Every major U.S. and British newspaper picks up the *Sing Tao Daily* story, and run front-page stories, such as the *Washington Post's* "China Planning Maneuvers off Taiwan." The article, completely unsourced, cites "U.S. officials" saying that China plans massive military exercises in the Taiwan Straits. It claims that a decision to form a "Pentagon-led task force" was made at a Jan. 19 White House meeting to assess "how Washington might respond to a direct attack on Taiwan."

**Feb. 5:** State Department spokesman Glyn Davies, under an hour of questioning by reporters on China's plans for war, denies any such threat. "It's our understanding that the Chinese have not announced any military exercises in the Taiwan Strait region," he states. "I don't have any information that would indicate there's evidence of preparations."

**Feb. 6:** A London *Times* editorial, "Stand By Taiwan," charges China is menacing the world and "could decide on a preemptive strike" against Taiwan, "forcing a rupture between China and America with global implications."

**Feb. 6:** The London *Financial Times*, in an op-ed entitled "China's Uncomfortable Embrace," devotes a full page to depicting a menacing Chinese panda strangling Taiwanese President Lee Teng-hui. It quotes David Shambaugh of the London School of Oriental Studies (the East India Company's current form) saying that China's aging leaders have decided they must retake Taiwan by force before they die.

**Feb. 6:** A.M. Rosenthal, a mouthpiece for the Anti-Defamation League, in a *New York Times* op-ed, says that China is a military and a commercial dumping threat to the world. Rosenthal has recently penned several editorials denouncing Chinese "genocide" in Tibet.

**Feb. 6:** Defense Secretary Perry tells a Washington press conference: "I do not see the prospects for military confrontation between China and Taiwan in the foreseeable future, but I am concerned about the military buildup that's going on in China today. . . . However, I do not see this as a threat. I do not anticipate military conflict."

# Colombia certification battle at fever pitch, as deadline approaches

by Andrea Olivieri

As the March 1 deadline approaches for President Clinton's decision on whether or not to certify Colombia as a "fully cooperating partner in the war on drugs," a battle royal is ongoing in Washington. Rumors of policy splits between various branches of government abound. Pro-certification pressure from such Washington think-tanks as the pro-drug-legalization Inter-American Dialogue and the Forum for International Policy, is intense. And several legislative initiatives have been undertaken on Capitol Hill, designed to influence President Clinton's March 1 decision in favor of certification.

At the same time, drug-tainted Colombian President Ernesto Samper Pizano is doing his utmost to cling to power, by lobbying for a pro-certification vote in the United States which would give his administration a new lease on life. His vice-president, Humberto de la Calle, appealed to U.S. counterpart Al Gore in favor of certification. So, too, did a letter to President Clinton from five former Colombian Presidents. Colombian Ambassador to the United States Carlos Lleras de la Fuente has been dragooning delegations of Colombian businessmen to come to Washington and lobby for certification. One such group, however, was snubbed by Assistant Secretary of State for Narcotics Affairs Robert Gelbard, who is considered a key voice in influencing how Clinton will decide.

## Why Samper must be decertified

Also in Washington for ten days was Maximiliano Londoño, the head of the Colombian branch of the Ibero-American Solidarity Movement (MSIA), and a veteran fighter in the war on drugs. Londoño met with congressmen, administration officials, and others, on the urgency of withdrawing U.S. support for Samper, in the form of an unequivocal decertification decision. During his visit, Londoño ran into universal sympathy, but also two arguments against decertification: 1) Samper will fall anyway, and 2) why "punish" all of Colombia for a few "rotten apples" like Samper.

Londoño emphasized that Samper has no intention of resigning, as indicated by his widespread use of terror against his opponents and his elaborate efforts to bribe, threaten, and

cajole members of Congress and other relevant institutions regarding his case. The only thing Samper fears, insisted Londoño, is withdrawal of U.S. support and the kind of financial and trade sanctions that would trigger an immediate revolt inside Colombia against his reign. Londoño also pointed out that Samper is but a puppet for powerful political and financial interests, both in Colombia and abroad, which are deeply entrenched over decades. Decertification would send an unequivocal message that their criminal reign of terror will no longer be tolerated by the United States.

If, however, the Clinton administration grants certification, this would give Samper's Presidency a seal of approval, and a new lease on political life that would have devastating consequences for Colombia and its people. Decertification, on the other hand, is a sovereign U.S. decision, in fulfillment of U.S. law, which would strip Samper of his legitimacy in the eyes of the world, while allowing Colombians to clean up their own act. "Take away Samper's international props, and we'll take care of business at home," said Londoño.

## Samper's U.S. 'props'

While President Clinton struggles to come up with the right policy toward Colombia, his administration has been hit by at least two Congressional initiatives designed to yield a decision in favor of Samper's certification. One is an open letter to Secretary of State Warren Christopher by a group of congressmen, urging U.S. backing for the appointment of a United Nations "human rights rapporteur" to monitor the situation in Colombia. The letter relies on the information of such pro-terrorist non-governmental organizations as Amnesty International and Human Rights Watch, to attack Colombia's Armed Forces and police—the final bulwark against narco-terrorism in that country—as violators of human rights, while praising President Samper for his efforts to address the problem! The initiative is co-sponsored by, among others, Rep. Tom Lantos (D-Calif.), who is closely identified with speculator George Soros, a leading financier of drug-legalization causes worldwide.

A second initiative is the bill proposed by New York Republican Sen. Alfonse D'Amato and California Democrat



Sen. Dianne Feinstein, demanding that President Clinton decertify Mexico. The bill, while identifying a very real problem of drug trafficking and corruption in Mexico, nonetheless functions as a deliberate diversionary tactic at a moment when all eyes are on Colombia, as a test case for whether Clinton's war on drugs is going to proceed, or not. As Lyndon LaRouche put it in a radio interview with "EIR Talks" on Jan. 27: "It's simply that the Mexican government is not a puppet of the drug lords in the way that the Colombian government is. That's the difference."

A memorandum issued by *EIR* on why Clinton must decertify Colombia has circulated extensively in Washington and abroad, and has already drawn blood. Samper's ambassador to Mexico, Gustavo de Greiff, an avid lobbyist for drug legalization who used his position as General Prosecutor in the previous Colombian administration to whitewash pre-election evidence against Samper, received a copy of the *EIR* memo, and sent its editors a letter of protest at the supposed "string of lies" presented therein. *EIR*'s response identifies in detail the involvement of both De Greiff and his daughter Monica, in the drug cartel's conspiracy to buy the Colombian Presidency. Both letters are reprinted below (see *Documentation*).

### **Samper's 'war on drugs' is a farce**

There are also arguments, such as that published in the *Wall Street Journal* of Feb. 23, by Terry McCoy, director of Latin American Studies at the University of Florida, to the effect that "the war [on drugs] is being vigorously prosecuted, and outright decertification would undermine Colombian efforts." Nothing could be farther from the truth. Despite the courageous efforts of many, such as National Police Chief Gen. Rosso José Serrano, to run down the cartel leaders and put them behind bars, Samper's "war on drugs" is a farce.

Not only are imprisoned traffickers operating their business from their prison cells, and walking away from them when they choose, but the courts are not even able to impose serious jail sentences on those still behind bars. For example, the number-five leader in the Cali Cartel, Victor Patiño, was just given a nine-year prison term, with possibility of parole after just four years. It turns out that Patiño had plunked down a cool \$100,000 at a \$20,000-a-plate fundraiser for Samper just three days before the June 1994 Presidential elections.

Cartel assets, both illegal and illegitimate, are still virtually untouched in Colombia, with a few exceptions. The banking system continues to function with impunity as a laundry for the cartel's drug profits, despite recent stern warnings by General Prosecutor Alfonso Valdivieso. All State intelligence agencies are now concentrated in the hands of Interior Minister Horacio Serpa Uribe, who is one of Samper's controllers. Serpa is deeply implicated in the scandal of cartel financing of the Presidential campaign, and is currently under investigation by Prosecutor Valdivieso, as well.

Daily, there are more revelations on the extent of the corruption in Colombia, ranging from the political police, or DAS, which has been implicated in harassing Council of State magistrates and witnesses against Samper, to the Comptroller's office, whose deputy director has resigned to protest the use of State funds to buy political support for Samper. Congress is even planning to vote itself an amnesty so that its 120 members suspected of corruption by the cartels can escape investigation.

Samper's use of violence and terror to eliminate his opponents inside Colombia continues unabated. The latest victim is the son of Army Gen. Ricardo Emilio Cifuentes, who resigned his commission in January, announcing that he could not serve under Samper's corrupt regime. His son, a medical doctor visiting Colombia from the United States, was assassinated mafia-style on Feb. 16, with one bullet to the head. Similarly, death threats have been renewed against Londoño's MSIA, which has been organizing anti-Samper demonstrations in Bogotá. One caller to MSIA offices, who phoned after a university rally, asked provocatively, "Is this the movement to overthrow Samper?" When told it was the MSIA, the caller threatened, "You're going to die from the little bullets we're going to shoot you with."

And, only days after his return to Colombia from Washington, Londoño himself received an anonymous letter, "warning that we are giving you a deadline of 48 hours to write: Yes to certification; No to extradition; Yes to legalization," or he and his family would be murdered. Londoño and his associates have been the victims of death threats, assaults, robberies, and intimidation for over a year and, despite repeated appeals to the authorities, have been denied security protection for themselves and their families.

## **EIR answers De Greiff: Cali Cartel ties exist**

*In February, the editors of EIR received a letter from Colombian Ambassador to Mexico Gustavo de Greiff, who is a former General Prosecutor of Colombia. In that letter, dated Feb. 7, from Mexico City, De Greiff complained that a memorandum published by EIR (see EIR, Jan. 26, p. 40) had contained "a string of lies" about Colombia, and about himself personally, and he demanded rectification. That EIR memorandum urges U.S. President William Clinton to deny Colombia certification as a full partner in the war on drugs, because of the Ernesto Samper Pizano government's collusion with international drug cartels. We include below the full text of De Greiff's letter, and EIR's Feb. 15 response,*

*in which each of the points raised by the Colombian diplomat is addressed.*

Feb. 7, 1996, Mexico City  
Executive Intelligence Review  
Mexico City, Mexico  
Dear Sirs,

The Embassy of Colombia has received a copy of a document edited and distributed by you, entitled "Memorandum: Why Colombia Must Be 'Decertified' by the Clinton Administration," in which a string of lies about Colombia and its government is published, and which includes various references to the undersigned.

The unfolding of events will deal with the lies; however, for now, permit me to say the following with respect to myself:

1. It is untrue that my daughter Mónica de Greiff was "the first treasurer of the Samper Presidential campaign . . ."

2. It is absolutely false that "it was later discovered that she is linked to the Cali Cartel." I challenge you to prove this infamy.

3. It is also absolutely false that when, for a very brief period of time, I was a partner in an airline company (Aerolíneas El Dorado Ltda) at the same time as Mr. Miguel Rodríguez Orejuela, that the latter "had already been identified as a drug trafficker." On the contrary, both the Commander of the XIII Army Brigade, as well as the National Narcotics Council certified that there did not exist at that time any drug-trafficking charges against that person. Is this a case where—as happened with the infidels during the Spanish Inquisition—having legitimate dealings with a drug trafficker makes one into a drug trafficker?

4. As for the rest, ask Mr. Joseph Toft, who is mentioned in your publication and who was director of the DEA [Drug Enforcement Administration] office in Colombia, whether it is true or not that in August 1994, he sent me a letter in which he lamented my retirement as Prosecutor General, and in which he said that his office never received such collaboration in the fight against drug traffickers as that which I offered?

5. It is absolutely false that under the government of Dr. Samper, there has not been "any attempt to confiscate the properties of the jailed cartel chiefs. . . ." On the contrary, these properties are confiscated. Further, if they had not been, it would not be the fault of that government, but of the Prosecutor General's office, headed today by Dr. Alfonso Valdiveoso, who would be the person in charge of decreeing these "confiscations." However, I repeat that he could not be blamed either, since he did order it.

I trust in your good faith and therefore I respectfully invite you to research what you publish with more depth, and I know that if you do so with all due honesty and profundity, you will have to rectify what is stated.

Gustavo de Greiff R.

## **EIR's reply**

Mr. Gustavo de Greiff, Ambassador of Colombia to Mexico

Thank you for your letter asking us to rectify what we published in the memorandum "Why Colombia Must Be 'Decertified' by the Clinton Administration." We thank you because, for the last year, our correspondents in Colombia have been receiving death threats by phone or in writing, in response to what *Executive Intelligence Review* has published internationally. We feel that written responses, signed with first and last names, are a far more civilized way of debating these matters.

In your letter, you mentioned five points, referring to yourself, your daughter Mónica de Greiff, and the government of Ernesto Samper which you represent in Mexico. We respond to each of them.

1. You deny that your daughter was "the first treasurer of Samper's campaign." Although we know from several sources who participated in Ernesto Samper Pizano's Presidential campaign that Mónica de Greiff was indeed its treasurer, we limit ourselves only to quoting from the July 28, 1995 interrogation of subsequent campaign treasurer, Santiago Medina, by a commission of prosecutors: "The campaign initially operated normally with relatively limited financial resources, due to the fact that Dr. Mónica de Greiff, who handled finances, worked as the president of Shell Oil, and therefore couldn't dedicate herself full time to that task. That was the situation going into the first round of elections. . . ."

We should also like to remind you that in the Accusations Commission of the House of Representatives, a criminal suit was filed against you by former minister Enrique Parejo González, for not having recused yourself from the investigation of the notorious narco-cassettes, given that your daughter worked in the election campaign referred to in those tapes as the recipient of enormous sums of money from the Rodríguez Orejuela brothers, Gilberto and Miguel.

2. You say "it is absolutely false that it was later discovered she (my daughter) is linked to the Cali Cartel." May we remind you that on Aug. 22, 1991, your daughter, as the person in charge of the Salinas Concession (working under then-Development Minister Ernesto Samper Pizano), signed a contract with Exposal, Ltd., under cover of which, said company shipped cocaine to the United States, disguised as salt. In a July 1992 raid, Panamanian authorities confiscated five tons of cocaine which that company was about to ship.

Your daughter claims that at the time, she told you (then serving as General Prosecutor) about her suspicions. Now that you've written us, we would be grateful to learn what happened to the investigation you supposedly initiated, after your daughter expressed her concerns. Exposal's legal representative, Julian Murcillo, is currently in prison, accused of illicit enrichment and of acting as a [cartel] front man, and named by the National Police as one of the important leaders of the Cali Cartel group.

In fact, the General Prosecutor opened the now-famous Case No. 8,000 after analyzing several documents found in July 1994 by the "Search Squad" (or Special Joint Command) in Exposal's offices, and those of its accountant, Guillermo Pallomari.

You could say that your daughter signed the Exposal contract in "good faith." Nonetheless, authorities are still investigating business your daughter had with Julian Murcillo, which led him to call her from his cellular phone at the end of 1994 and beginning of 1995.

3. You also say it is "a total falsehood" that when you were Miguel Rodríguez Orejuela's partner in the Aerolíneas El Dorado, Ltda. company, he had been identified as a drug trafficker. In the first place, our information indicates that you were a partner of Gilberto Rodríguez Orejuela. So, although they are brothers, Miguel and Gilberto are two different individuals. According to our information, Gilberto Rodríguez has been sought by U.S. authorities since 1979, in which year he had cases pending against him for drug trafficking in Miami, New York, and Baltimore. Despite Colombian drug traffickers' ability to clean up their police records, it is the case that Gilberto had been arrested on other occasions for running an auto theft ring and for kidnapping foreigners. And even if it were true that he had no charges pending against him, anyone dealing with him could readily see that he had access to sums of money totally disproportionate to his legal business activities. To quote Msgr. Pedro Rubiano, archbishop of Santafé de Bogotá and president of the Colombian Bishops Conference, who discussed the drug monies which entered Samper Pizano's electoral campaign, "some things cannot be hidden. That is, if there's an elephant in your house, you have to see it."

4. You say that Joseph Toft, former director of the DEA's office in Colombia, sent you a letter of congratulations when you left office in August 1994. We would be happy to confirm that with him, once we locate him. In the meantime, may we remind you that you accused Toft of having taped the famous "narco-cassettes," and tried to force him to testify at your office as someone suspected of taping conversations without legal authorization. Recall too, that it has been clearly proven that the conversations in the "narco-cassettes" did occur, and in which Gilberto and Miguel Rodríguez, as well as their interlocutor Alberto Giraldo, refer to you by your alias, "El Viejito."

5. We will concede that some drug traffickers' assets have been confiscated under the Samper Pizano government. Nonetheless, this has occurred in spite of the Samper government; and because of legal obstruction, authorities haven't yet been able to determine the extent of traffickers' control in this area. With the exception of the Anti-Corruption Statute, the Samper government has done nothing to correct this problem. Worse, in 1995, the government introduced a tax reform bill to Congress which stipulated that anyone's assets could

be legalized regardless of their illicit origin. The General Prosecutor's office has told us that the value of confiscated assets cannot be revealed due to the "confidentiality of the case." Despite our many phone calls, we haven't yet been sent official information from the National Drug Council.

However, unofficial information indicates that 74% of the drug traffickers' confiscated assets, has been returned to their owners, and that the tax amnesties approved by successive administrations have allowed innumerable traffickers' assets to be legitimized. It has been calculated that, over the last ten years, the Cali Cartel has invested at least \$6 billion in real estate. Does the government have those \$6 billion in assets? Isn't it interesting that the Samper government has shown a great interest in claiming drug traffickers' assets confiscated abroad.

6. You only indicated five points, but we'd like to add a sixth. You made no mention of the fact that you, "like Samper, are a fervent advocate of drug legalization." We can state that the campaign on behalf of drug legalization led by Ernesto Samper from 1977 to 1980, encouraged the climate of connivance in which Colombian society accepted these criminals and viewed them positively, with unfortunately tragic consequences. The same can be said of the fact that you took advantage of your position as General Prosecutor to dispute existing legislation and demand drug legalization, echoing the arguments of Britain's Jeremy Bentham, author of *In Defense of Pederasty*.

Advocates of drug legalization use the sophism that drug traffickers oppose legalization because "that would be the end of the business." Nothing could be farther from the truth. Both the Cali and Medellín cartels have defended drug legalization, as has international financial speculator George Soros, who finances the world's drug legalization lobby. We mention the curious fact that in 1991, a book, entitled *A Drug Trafficker Confesses and Accuses*, written by kingpin Pablo Escobar Gaviria, circulated in Colombia. In it, Escobar defends drug legalization, and uses as an example of the "courage" to apply that policy, the letter written by your daughter Mónica in 1989 when she resigned as justice minister.

We don't know to what extent your campaign, carried out from your important position as General Prosecutor, influenced the Constitutional Court to legalize drug consumption, or whether this were secretly coordinated with then-candidate Ernesto Samper, as several sources have suggested. What we do know is that Samper promised to amend the Constitution to recriminalize consumption, but has yet to do so. We also know that right now, you are using your influential diplomatic post in Mexico to organize for drug legalization internationally. Is this the official or unofficial policy of the Samper government?

Finally, like you, we await the "unfolding of events." But it appears that, with each passing day, that process of unfolding proves us right.

# British escalate 'special operations' war in Northern Ireland

by Mark Burdman

With each passing day, the situation in and around Northern Ireland seems more and more like a sequence of events being played out from a written script. On the evening of Sunday, Feb. 18, a bomb exploded on a double-decker bus in London, on a busy street not far from the headquarters of the BBC World Service. One person was killed, and several wounded. This bomb, like the earlier one on Feb. 9 in the Docklands-Canary Wharf area of London, was reportedly claimed by the Irish Republican Army (IRA). In between the two events, a bomb that was near to detonation, was defused in London's West End. Service on significant sections of the London Underground (subway) was interrupted for hours, and other activities in the city were severely disrupted. Police later said that the bomb contained 11 pounds of Semtex explosive, and would have caused hundreds of casualties, had it detonated.

An endless array of commentators has popped up over the past day, to declare, in unison, that "it's back to war" in Northern Ireland. British government ministers, typified by the minister for Northern Ireland, Sir Patrick Mayhew, have been issuing ice-cold declarations, that any further steps in the "peace process" would exclude the Sinn Fein political party.

This, of course, has been the British policy from the beginning. Among the more elaborated variants of "the line," was the lead article of the Feb. 20 London *Independent*, written by Northern Ireland-based correspondent David McKittrick. He claimed that what is now happening, has "the inexorability of a nightmare." The Docklands bombing was "the start of a series. . . . We are in the middle of a phased escalation, with attacks in Belfast next on the agenda." Before too long, there will be a "resumption of loyalist violence" by Protestant paramilitary groups. And so on.

To an increasing number of informed experts and observers in Europe and in the United States, however, all of this, seems a bit too "set-piece." Hints are filtering out in some of the continental European press, that the hypothesis of "IRA responsibility" for the bombings, must be tempered by the known, long-standing, and curious relations of the

British secret services to the IRA military structure. Certain spokesmen for Ireland's Sinn Fein political party are suggesting that the readiness to immediately blame the IRA might be misplaced, that the responsibility for the bombings must be further investigated, and that certain "hard-line" elements in the British establishment have been looking for a "pretext" to up-end the peace negotiations.

## 'These are typical British methods'

Indeed, if the scenario now unfolding in Britain-Northern Ireland seems to take on the appearance of what one American wit once called "déjà vu all over again," there is good reason for it. As *EIR* founding editor Lyndon LaRouche stressed in a Feb. 15 interview with the "EIR Talks" radio program, the whole process is being "orchestrated" by the British themselves.

In LaRouche's view, the Northern Ireland conflict is typical of "British policy for the post-World War II period," based on "managing conflict" through what came to be known as "special operations," or "special forces operations." Such "operations" have been "generally orchestrated by the British psychological warfare institution known as the Tavistock Institute. And one of the key figures in this, whose books are bible for both the British Strategic Air Services [SAS] and the forces on the British side in Northern Ireland, is Brigadier Kitson." This "doctrine" has dominated British operations in Northern Ireland since 1969-70, from the time when "the Irish resistance, the Catholic resistance people" were put in Long Kesh prison, and "tormented, tortured, in crimes against humanity by the British."

According to LaRouche, what was done, was modelled upon what Brigadier Frank Kitson did, in particular, "in Kenya, in the so-called Mau-Mau insurrection of the 1950s." This insurrection was "created in London, by British intelligence, created out of the Tavistock Institute associations." Under British direction, the Mau-Mau operation of Jomo Kenyatta et al. was launched, while, "in the same process . . . the British MI-5, working with Tavistock and with Kitson's involvement, set up what was called the counter-Mau-Mau. That is, you had people who *simulated* being Mau-Mau, run-

ning terrorist operations against the villages, which had been heretofore political sympathizers of the actual Mau-Mau. Because the people of Kenya could no longer tell the difference between the real Mau-Mau, and the counter-Mau-Mau, on this basis, the villagers shunned the Mau-Mau; the Mau-Mau were driven into one area of Kenya, where the British forces, military and paramilitary forces, could easily round them up and eliminate them as a force, even though the residue of this operation still lingers on.”

LaRouche continued: “That’s what they did in Northern Ireland. They created the IRA Provos by these same methods that were used to create the Mau-Mau. They used Long Kesh in order to create this kind of operation, that is, fanatics. They controlled them. They knew how to manipulate them. And therefore, they created *controlled, deniable assets*: terrorists. They did the same thing on the Northern Ireland Ulster Protestant side. They created terrorist gangs, with Provo-like elements in them, which would commit atrocities. And under these circumstances, British elements of the Paras and SAS, could insert themselves and commit atrocities in the name of either the Ulster Protestant extremist groups, or the IRA Provos. And, on that basis, this horror show in Northern Ireland has been orchestrated since the beginning of the 1970s.”

The Feb. 9 Docklands-Canary Wharf bombing was “obviously orchestrated” by the British, “by a combination of provoking the IRA, and using units, counter-Mau-Mau units, which were called sleeper units,” in order to commit terror in London, in an area where there would be maximum “havoc,” in order to “get things going there,” LaRouche said. “*These are typical British methods: gang-and-countergang operations, divide and conquer. . . . You’ve got British assets, who, for various similar reasons, Tavistock reasons, can be used and manipulated to do anything against their own cause, simply by having somebody pull the right wire or push the right button; and that’s what happened.*”

### ‘Almost too authentic to be true’

Knowledgeable sources on both sides of the Atlantic may not be prepared to go as far as LaRouche, but certainly do not accept at face value, the British “party line” on the IRA. One retired U.S. military officer, who was posted to the American embassy in London in the 1980s, told *EIR*, that there was extensive discussion on the diplomatic circuit, at that time, that there was British SAS control over, or manipulation of, IRA terrorism.

A cautiously worded article in the German daily *Frankfurter Allgemeine Zeitung* on Feb. 12, by London correspondent Bernhard Heimrich, pointed to certain curious features of the British secret services’ relationship to the IRA. When, after the first bomb explosion on Feb. 9, the IRA claimed authorship, “everything was almost too authentic to be true,” he asserted. “Nobody knows whether the British secret services really were taken so much by surprise, or whether . . . they

just pretend to be.” There are “hints” that the secret services “know more” about the nature of IRA operations than they publicly let on, wrote Heimrich. He pointed to one tell-tale, curious practice: “In its telephone contact with the authorities, the IRA makes use of the insertion of a code word, which only it and the enemy know. The system of arranging this code is one of the best-guarded secrets of this war in the dark.”

### Slap in the face for Clinton

As *EIR* reported last week, and as LaRouche emphasized in the Feb. 15 interview, the most important purpose of the bombings, is to “defeat Clinton internationally,” by “*destroying* the peace in Northern Ireland.”

This has been virtually acknowledged by a senior commentator in France who is a mainstay of the anglophile Entente Cordiale branch of the French political class. Writing in the daily *Libération* on Feb. 20, Jacques Amalric described the “IRA bombings” as a “serious slap in the face for the President of the United States.” According to Amalric, the recent developments in and around Northern Ireland represent a greater threat to the ambitious Clinton foreign policy than either the volatile Middle East, where matters are relatively stable for the moment, or Bosnia, where a “real tragedy” may occur, but where American troops are enforcing a fragile peace, at least for the moment.

Northern Ireland is where Clinton was hoping, more than elsewhere, “for a breakthrough initiative,” wrote Amalric. The President was even willing to “anger [British Prime Minister John] Major a bit,” by extending “gestures of understanding” for Sinn Fein and its leader Gerry Adams, “who was received with honors at the White House.” What is now happening, can “tarnish the image as a man of peace that Bill Clinton has been building up over the past months.”

### Seeing through the British charade

LaRouche further emphasized that a key factor in the “orchestration” of the Northern Ireland irregular warfare, is “to save Major’s candidacy.” Major has a perilously small majority in the Parliament, and urgently requires the support of the Ulster Unionist Party, to stay in power. As a concession to the Ulster Unionists, Major suddenly proposed in late January, without prior consultation with the Irish or American governments, that the precondition for “all-party peace talks,” be elections for a Northern Ireland Assembly, the which Assembly would take the place of the traditional parties.

In an interview with *Libération* (given seven hours before the bus bombing, and later published on Feb. 20), Sinn Fein leader Adams declared that he was “outraged” that “narrow and personal” considerations of the British prime minister, concerned with “protecting his own interests,” could “take the peace process in Northern Ireland hostage.” Adams charged that “London has reneged on its commitments,” and that it was the “obstacle” thrown up by Major, rather than the

Feb. 9 bombing, that “shattered the peace process, and led to the breaking of the cease-fire.”

Similarly, in a Feb. 17 interview with the German daily *Frankfurter Rundschau*, parts of which were reprinted by the *Berliner Zeitung* and Austria’s *Die Presse*, Sinn Fein Vice Chairman and Chief Negotiator Martin McGuinness charged that the bombings were a pretext welcomed by London “hard-liners” to disrupt the peace process, and that Major “broke his promise. His commitment for peace is nonexistent. . . . The British prime minister was offered a golden opportunity to cut through the knot of the entire conflict, and he wasted this opportunity. . . . What else can be said about it, than that the Irish peace process has been sacrificed on the altar of British calculation?”

The *Berliner Zeitung* version of the McGuinness interview added the observation, that there is suspicion in certain Sinn Fein circles about the automatic readiness, without further investigation, to hold the IRA responsible for the terror bombings.

### A Mountbatten-Windsor ‘Reichstag Fire’?

For the skeptics and empiricists who will object that what we have outlined above is, as one London strategist put it, “over-conspiratorial,” a couple of other important considerations must be kept in mind.

Certain British spokesmen, most explicitly such as Sir Peregrine Worsthorne of the Hollinger Corp.-owned London *Sunday Telegraph*, in his Feb. 4 column, are screeching that Britain must move rapidly toward establishing the infrastructure of an overt (rather than traditional low-intensity) police state, at a time when the welfare state must be dismantled, and when mass protests from the poorer elements of the population can be anticipated.

Since Feb. 9, security is being reinforced throughout the United Kingdom, supposedly in response to new bomb threats from the IRA, not only in London but also in Britain’s provincial cities. Highest-level meetings of Britain’s police, security, and intelligence officials have been taking place. Obviously, this provides a perfect occasion for implementing the infrastructure that Worsthorne and co-thinkers desire.

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One “IRA threat” being reported by British security officials, is to the British royal family. In the current mood of a British establishment aware that the U.K. itself is entering a period of grave constitutional crisis and that the global financial system is on the brink of major shocks, it is not to be excluded that what were formerly “unthinkable,” might now become “thinkable,” and that an attack on a leading royal would be “arranged.” It need be recalled, that Lord Mountbatten was assassinated in 1979. Certain British planners might think it useful, to then blame leading adversaries of the Crown for this, in what could be likened to the Nazis’ cynical use of the Reichstag Fire for political ends. The British secret services have, previously, exploited high-profile assassinations of leading public figures, to accomplish political goals.

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## Reviews

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# Chatham House pushes new strategy for Empire

by Mark Burdman

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### **Economic Opportunities for Britain and the Commonwealth, Discussion Paper 60**

by Katharine West

Royal Institute of International Affairs, London, 1995

66 pages, £7.50

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On March 29, 1995, London’s Royal Institute of International Affairs (RIIA), often referred to as Chatham House, sponsored a conference entitled “Britain in the World.” Various British government ministers and senior establishment policymakers were joined by the soon-to-be-knighted Henry Kissinger and others, to discuss how Britain might escalate its neo-imperial offensive around the world. *EIR* was among the few publications outside Great Britain at the time, that assessed the importance of that conference (see *EIR*, March 31, 1995, “British Elites Gather to Reverse ‘Inevitable Decline’”).

One of the polemics, was that British policymakers have been too narrowly focussed on problems in continental Europe. Now, they said, they must instead play the “globalist” cards that Britain has, capitalizing particularly on the areas of the former Empire that today comprise the (British) Commonwealth.

The criticism of the “Euro-focus,” was largely premised on a view that continental Europe would be destroyed. Western Europe, caught in the stranglehold of a Maastricht Treaty that was, in large part, architected by the British-allied late French President François Mitterrand, was adjudged, not incorrectly, to be heading into economic and political collapse, while eastern Europe and Russia would be destroyed by International Monetary Fund “reforms” imposed by Margaret Thatcher and George Bush.

The “Commonwealth as the new face of Empire” polemic confirms what *EIR* and its founding editor Lyndon LaRouche have repeatedly stressed: The “Empire” never, in fact, died, but today exists in a somewhat modified form from its heyday of the 1688-1940 period. Great Britain exercises vast control

over global strategic raw materials, energy resources, and food production and distribution. It also controls, primarily via the City of London, but also through de facto City of London subsidiaries in Asia and elsewhere, a significant percentage of international financial flows.

### ‘An extensive networking capacity’

The “neo-imperial Commonwealth” perspective has been promoted by a number of British Conservative Party spokesmen, including the outgoing chairman of the House Foreign Affairs Committee, David Howell, and by “Euro-skeptic” Conservative parliamentarian William Cash. From the government, Foreign Secretary Malcolm Rifkind has been increasingly on Howell’s wavelength, while from the opposition Labour Party, so has party head Tony Blair and several of his advisers.

The Commonwealth-centered approach is elaborated in a new report of the RIIA, “Economic Opportunities for Britain and the Commonwealth,” authored by Katharine West. Based in Australia, West wrote the report while a fellow at the University of London’s Institute for Commonwealth Studies (ICS). The ICS complex also includes a Sir Robert Menzies Center for Australian Studies. Sir Robert was the pre-World War II prime minister of Australia, who stripped Australia’s national defenses at the behest of British Prime Minister Winston Churchill. The British-Australian “special relationship,” as a pillar of the Commonwealth, is a subject dear to West’s heart.

West acknowledges that she received significant help in writing the report from “diplomatic, commercial, and other representatives of many Commonwealth countries, as well as a large number of people associated with the diverse commercial activities of the City of London.” One such figure in the latter category, Warwick Lightfoot of the Royal Bank of Scotland, praised her thesis, in an article in the *Wall Street Journal-Europe*.

While the report is laden with jargon common to the academic think-tank world, and is replete with neologisms popularized in British and U.S. “New Age” circles of the type that generated U.S. Speaker of the House Newt Gingrich, West’s report is an unabashed call for Britain to assert its global imperial power, via the Commonwealth. As she sees it, the Commonwealth is a unique instrument for Britain to penetrate all corners of the world.

For one, the Commonwealth has “the real advantage of transregionalism,” because it is “a link between regional and global elements in the international relations system.” This makes it a “third kind of influence, strengthening the other two by supplementing but not competing with them. Instead of being seen negatively as an in-between association lacking the clout of either regional or global systems, the Commonwealth can be more positively analyzed in terms of its potential to exercise a constructive transregional influence on a wide range of policy issues affecting the economic futures of

member states. These issues involve not only the obvious areas of investment and trade, but also related areas such as environmental and climate control, human ecology, and human rights.”

This, she says, gives the “modern Commonwealth” an “extensive networking capacity.” She quotes a May 10, 1995 speech by Commonwealth Secretary General Chief Emeka Anyaoku of Nigeria: “In the language of modern mathematics, outside the United Nations, the Commonwealth is the next largest intersection of the many sets represented by regional organizations. It cuts across regional bodies and helps indirectly to draw them together.” According to Anyaoku, the Commonwealth has a “web of relationships with a wide range of multilateral organizations.”

West argues that, thanks to the array of Commonwealth member-countries, it has significant influence in the Group of Seven, the Organization for Economic Cooperation and Development, the developing sector nations’ Group of 15 and Group of 77, and so on. She speculates that the Commonwealth could even provide an alternative, in the future, to an increasingly discredited United Nations.

## The vast extent of the Commonwealth

Commonwealth Secretary General Chief Emeka Anyaoku of Nigeria boasted, in 1992, that the Commonwealth represents “a cross-section of the international community, with its nearly 1.5 billion people inhabiting all the continents, living in one-third of the world’s nations, and constituting one-quarter of the human race.”

Including the dependent territories of Britain, Australia, and New Zealand, the Commonwealth includes over 28% of world population, and over 23% of world land-area.

The members of the Commonwealth are: Antigua and Barbuda; Australia; Bahamas; Bangladesh; Barbados; Belize; Botswana; Brunei; Canada; Cyprus; Dominica; Gambia; Ghana; Grenada; Guyana; India; Jamaica; Kenya; Kiribati; Lesotho; Malawi; Malaysia; Maldives; Malta; Mauritius; Namibia; Nauru; New Zealand; Nigeria; Pakistan; Papua New Guinea; St. Christopher (St. Kitts)-Nevis; St. Lucia; St. Vincent and the Grenadines; Seychelles; Sierra Leone; Singapore; Solomon Islands; South Africa; Sri Lanka; Swaziland; Tanzania; Tonga; Trinidad and Tobago; Tuvalu; Uganda; United Kingdom; Vanuatu; Western Samoa; Zambia; and Zimbabwe.

This “transregional” character and “extensive networking capacity” overlaps a second point, namely, that because of its vast size across the planet, one Commonwealth country can easily provide, for another, “an effective jumping-off point” for activities in a “geographically distant part of the world.” Her pet example is the role that Australia can play for Britain in Asia, but other possibilities could be “South Africa for the rest of Africa, Cyprus for the Middle East, Britain for the European Union, or Canada for NAFTA [the North American Free Trade Agreement].” This, again, can be enhanced by “creative networking.”

### **‘An informal financial empire’**

The roots of West’s ideas lie in the legacies from the heyday of the British Empire. Hence, she supports those British strategists and planners “who maintain that ‘globalism’ is Britain’s natural and logical style, and that the world as a whole, including the Commonwealth, is Britain’s natural economic territory.” West endorses the view of Bill Jamieson, economics editor of the *Sunday Telegraph*, the newspaper owned by the imperialist, Canada-based Hollinger Corp. West praises Jamieson as “one of the most forceful advocates of a global Britain,” and quotes him stressing Britain’s “marked pre-disposition to trade and invest worldwide. . . . Her island history, the growth of sea trade in the 17th and 18th centuries, the global market requirements of the industrial revolution, the experience of empire and the *dynamics of an informal financial empire that maintained its vibrancy long after the formal empire went into decline*” (emphasis added).

West says that the “result” of what he is describing, is “Britain’s huge portfolio of overseas assets, spread globally, with a gross total which, at the end of 1994, exceeded £1.4 trillion, up 20% from the level of 1992.”

Throughout her pamphlet, the Commonwealth is put forward as the organization which most embodies that worldwide neo-imperial capability, and those British policymakers are chided, who have “sought to ignore or deny the potential of the Commonwealth in the international arena.” She is happy about “encouraging signs in Britain of a change of mood about the Commonwealth.” But “until the recent signs of a renewed and positive interest, the preceding three decades of British comment on the Commonwealth had far more often than not been negative, concentrating on what the association could not achieve rather than what it could. . . . Critics continued to stereotype (and sometimes caricature) the Commonwealth as a modern (and powerless) version of the old British Empire. . . . After three decades of being either criticized or ignored, the Commonwealth is being reassessed and is now coming to be valued. . . . The potential influence of Commonwealth links should not be underestimated.”

### **‘Positive feelings’ toward Mother London**

Particularly important in this regard, West writes, is the “shared Commonwealth business culture,” otherwise referred

to as the “‘English-speaking’ business culture.” This is reinforced by “the inheritance of English common law” in Commonwealth countries, the which “provides a unifying element of the legal systems of most member-states of the Commonwealth.”

The broader point about this “shared culture,” is argued in the following way: “As well as strong criticism of Britain from some in the Commonwealth, there is from others much affection and respect for aspects of Britain’s cultural and institutional influence. These positive feelings should not be underestimated, nor their value ignored, as highly constructive building blocks for Britain’s future bilateral and multilateral economic relations with Commonwealth countries. . . . It is equally important to be aware, that in today’s world, the attachment of Commonwealth countries is not to the original British ‘homeland’ as such, but rather to valued linguistic and institutional legacies from that ‘homeland.’ Each Commonwealth country has selected from the English-speaking culture those practices and institutions it wishes to adopt and often to adapt.”

### **The ‘Anglo-Saxon empire’ and its ‘British diaspora’**

One of the more astonishing features of West’s argument is her plea for the recognition of a so-called “British diaspora,” which represents a special imperial capability, if exploited effectively. This is a metaphor adapted from the notion of the “dispersion” (“diaspora” is the Greek word) of the Jews into many lands, after the destruction wrought by the Roman Empire. Today, West notes, the term “diaspora” is used less exclusively for the special Jewish case, but as an expression of the “vocabulary of transnationalism.”

For a group to qualify as a “diaspora,” is to be “scattered over a wide part of the Earth’s surface.” Writes West: “In this respect at least, the British diaspora approximates the Jewish idea-type.” She quotes from a 1950 book by one Charles Carrington: “The majority of the British race have abandoned the British Isles and made their homes elsewhere, a diaspora which in its effect upon the progress of mankind can be compared only with the Dispersion of the Jews.”

West gets quite carried away: “In today’s global economy, there is real value in emphasizing one of the most positive legacies of ‘the Anglo-Saxon empire’ or ‘the British diaspora.’ . . . Whatever the negative aspects of British imperialism, it provided the now obvious advantage of exposing one-quarter of the world’s population to varying degrees and kinds of contact with a transnational and transregional common culture, based on the dominant form of communication in international trade and commerce: the English language.”

The Commonwealth provides a special vehicle, with its widely used English language, and its British diaspora interacting with “other” diasporas, such as the “Indian diaspora.” She writes: “The constructive association of multiple diasporas *within the context of a uniting British diaspora* offers



dramatic opportunities for the economic and social enrichment of the Commonwealth by productive cross-cultural relationships in the modern global economy. . . . In being host to a number of economically successful diasporas, the Commonwealth has a unique asset it should seek to use in the most creative ways possible" (emphasis in original).

### The shift toward Asia

West's construct is centered on a necessary (and, she claims, ongoing) "shift" in British emphasis, away from Europe, and toward Asia. "Whatever the rhetoric," she proclaims, "Britain's trade and investment overseas are in fact growing fastest not with Europe but with the successful economies of Southeast Asia and the Pacific Rim. . . . Whatever the British government's political preoccupation with the European Union, the balance of British trade is tilting heavily away from Europe." She presents various figures, charts, and tables on "net cross-border equity flows" and "foreign direct investment by destination," to back up this "Asia directionality" of British activity.

Asia is to be the prime looting ground for Britain over the coming period. The so-called "Asian tiger" members of the Commonwealth (Malaysia, Singapore) are fondly evaluated, but two other countries receive special attention: India and Australia.

From reading West, and speaking to several of her co-thinkers in Britain as well as to certain influentials from the Indian subcontinent, one would think the British Raj had never been replaced by an independent nation of India. West writes: "With a population three times greater than the whole of Europe, and projected to equal China's population by 2020, India is profoundly important to the economic and political future of the Commonwealth, half of whose total population lives within India's borders. . . . Already, India has begun to realize, on a small scale, some of the huge potential which many believe it possesses, to become a major global center for information industries. If India manages to maintain the pace of internal economic reform required for a breakthrough to sustained rapid development (of the kind achieved in smaller East Asian economies), the overall economic and political clout of the Commonwealth would be dramatically increased. To a lesser extent, the same could be said to apply to post-apartheid South Africa."

West promotes Australia's key role as a potential "regional headquarters" for British "multinational groups": "There are the obvious . . . advantages of its geographical proximity and wide range of increasingly close ties to the Asia-Pacific region. Australia is also a leading international financial center, ranking second after Tokyo in Asian equities and futures markets, and with the eighth largest foreign-exchange market in the world. . . .

"As far as British companies are concerned, Australia also offers the significant advantage of a familiar environment with the norms and practices of the Commonwealth business

culture. An increasing number of British companies are appreciating the major advantages of being able to launch their activities in culturally unfamiliar Asia from a culturally familiar Australian base. This cultural aspect of Australia's competitive edge is now being widely recognized as a key selling point in the country's 'Australia as Asia-Pacific Regional Headquarters' marketing drive. . . .

"While Australia has proved to be a significant market and location in its own right for British trade and investment, the country will increasingly be used as a jumping-off point for British companies to launch their business activities in the Asia-Pacific region."

West concludes: "Its relationship with Australia provides Britain with a classic case study of how, in the modern global economy, shared experience of the Commonwealth business culture can facilitate and consolidate mutually beneficial bilateral economic relations across regional and other kinds of boundaries. In parts of the Commonwealth where cultural differences are even more marked than those between Britain and Australia, the Commonwealth business culture has been correspondingly more important as a unifying force. In the ethnically heterogeneous Commonwealth, its common business culture is now widely considered to be *the most positive legacy of the British Empire* or what is now often called 'the British diaspora' " (emphasis added).

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# 'Zones of turmoil' theory behind abuse of African diplomat

by Stephen Brawer

The call for the founding of an African Civil Rights Movement, in the spring of 1995, by Godfrey Binaisa, former President of Uganda, was a long overdue intervention into the fight against the imposition of the International Monetary Fund's structural adjustment policies in Africa. The murderous economic hardships and social upheaval, caused by IMF policies, have catalyzed the military conflicts and civil wars that have destroyed Somalia, Liberia, Angola, Rwanda, and Sierra Leone. It is in the context of these injustices, that the case of Tinga Seisay, the former Consul General to the United States from Sierra Leone, highlights the necessity for an African Civil Rights Movement.

Mr. Seisay was Sierra Leone's Consul General in the United States between 1968 and 1974, and he received permanent residency in the United States in 1982, where he lived until 1986. From 1986 until 1994, he lived in Sierra Leone, as the president of Hermes International Business, a U.S.-Sierra Leone partnership dealing in precious metals. In the summer of 1994, his town of Moyamba was attacked by rebel forces of the Revolutionary United Front. They occupied his house, seized all his possessions, and forced Seisay to flee for his life.

It is at this point that Air France intervened directly and illegally against Seisay. In July 1994, Air France sold Seisay a ticket to the United States and approved his travel documents. However, the French airline then acted to prevent him from completing the journey. During the flight's stopover in Paris, the Air France supervisor refused to accept the same travel documents that had been approved by Air France authorities in Guinea, where the flight had originated. Seisay was thrown off the plane in the Paris airport, and left penniless, without food or a place to stay.

He was forced to remain in Paris for nearly two weeks against his will, and was eventually only helped by family members in Sweden, who managed to send him money, find him food and shelter, and secure a visa and an airline ticket which could allow him to finally travel to Sweden. As for Air France, they refused to honor their own food voucher which they had issued to Seisay, to eat in their restaurant. Seisay was treated like a fourth-class citizen with no rights and no dignity.

This mistreatment of a former African diplomat is an eye-opener in showing the ongoing plans for destabilization and destruction of the continent of Africa. It is likely only one of many examples of how black Africans are mistreated and abused in a hobbesian world of "each against all," and in which the name of the game is "survival of the fittest."

The blueprint for Africa's destruction was made official in 1993 in a publication of the Royal Institute of International Affairs (Chatham House) by Max Singer and Aaron Wildavsky, entitled *The Real World Order: Zones of Peace, Zones of Turmoil*. The geopoliticians argue for separating the world into two strictly divided parts: The first is the "zones of peace, wealth, and democracy," comprised of North America, western Europe, Japan, Australia, and New Zealand. The other is the "zones of turmoil, war, and development." Evidently, in the eyes of Air France, Seisay belongs to the latter, permitting abuse against him with impunity.

Singer and Wildavsky write: "Neither we nor anyone else is going to make that part of the world stable or peaceful in the next few decades. Millions of people will die unnecessarily in the next century—from starvation and disease, from war, and from government murder—and we cannot stop these horrors from happening. . . . The fundamental conditions that now exist in the zones of turmoil, as well as the lessons of history, make it clear that these zones will be the scenes of war and revolutions, and of mass murders, famines, and epidemics caused by governments or by wars. Stability would be an impossibility."

## Turmoil in Sierra Leone

It is not irrelevant to Seisay's case that his country Sierra Leone, a small nation in West Africa, is being torn apart by civil war and armed conflict. Over 90% of Sierra Leone is presently controlled by rebel forces led by Foday Sankoh and his Revolutionary United Front (RUF). The RUF war against Sierra Leone is an offshoot conflict of the invasion of Liberia in 1989 by Charles Taylor's National Patriotic Front of Liberia (NPLF). The NPLF invasion was based out of Ivory Coast, under the hopeful eye of France, particularly Christoph Mitterrand, son of the late French President François Mitterrand. The Taylor-allied RUF then seized the opportunity to maraud Sierra Leone in 1991. Today, only about 10% of Sierra Leone is under government control, including the capital city of Freetown and the airport of Lugi. The brutal conditions of pillage and wanton destruction inside the country are comparable to, and in some sense as grim as, the destruction of Rwanda.

But for French- and British-allied oligarchical networks, Sierra Leone's real importance is that it possesses the largest diamond mines in Africa outside of South Africa, as well as enormous, untapped gold mines.

Since approximately spring of 1995, when the British elites were themselves admitting the hopeless condition of their financial system, there have been major moves into raw

material markets, especially targetting Africa, which although hopelessly poor and underdeveloped when it comes to modern infrastructure, is one the world's richest areas in raw material wealth. In May 1995, Sierra Leone brought in the South African mercenary force Executive Outcomes to lead the fight against the RUF. As payment for this service, it was agreed, the government would give Executive Outcomes rights to mine one of the country's richest diamond mines.

On the other side of the game, the French-backed RUF rebels are often illiterate, uneducated youth, who grow up with an AK-47 in hand, rather than a book. They even practice cannibalism, to terrorize the population into submission. They survive as mercenaries by looting and selling raw materials, in exchange for weapons. The game between the government and the rebels is a cynical theater-managed affair, which the population has come to call "sorbels," meaning rebels and government soldiers working together for loot.

On Jan. 13, Brig. Mada Bio carried out a palace coup against Sierra Leone's chairman of the National Provisional Ruling Council, Capt. Valentine Strasser. Strasser had ruled from 1992, but his popularity was thought to be insufficient to keep the Council in power after scheduled elections at the end of February.

Tinga Seisay is an outspoken opponent of this game. In fact, he had resigned his position as Consul General in 1974,

in protest, against both submission to the IMF policy to phase out the railway system in Sierra Leone, and the decision of then-President Siaka Stevens to execute Minister of Finance Dr. Mohammed Fornah. President Stevens also executed Seisay's cousin, Brig. John Bangura, who was Army Chief of Staff, and who had turned the country over to civilian rule. Seisay wrote his masters thesis at Long Island University in 1975 on why the phasing out of railway was wrong.

### Suit against Air France

He has now filed a multimillion-dollar lawsuit against Air France, which is pending in U.S. District Court, Southern District of New York. However, Seisay sees the unjust and abusive treatment that he received at the hands of Air France, more as an issue of civil rights violations specifically directed against black Africans, and emphasizes his support for the growing African Civil Rights Movement, founded under the initiative of Godfrey Binaisa, together with the Schiller Institute. He fully supports Lyndon LaRouche's call to build an intellectual elite in Africa, which can join hands to turn the weapons of ideas against the British and defeat them at their evil game. He has, therefore, added his name to the growing list of international diplomats and parliamentarians who call for the full exoneration of Lyndon LaRouche and his associates.



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# March against terror is a march for Spain

by Katharine Kanter

On Feb. 19, over a million people marched from the Plaza Colón to the Puerta del Sol in Madrid, under the slogan, "Down with the Assassins! Freedom!" Tens of thousands marched in Valencia, where Tomás y Valiente, the latest victim of ETA, the Basque separatist terrorist organization, was born.

On Feb. 6, in San Sebastián, the lawyer Fernando Mugica, brother of the former Socialist interior minister, was shot before the eyes of his son and daughter-in-law as he left chambers. One week later, Prof. Francisco Tomás y Valiente, a renowned constitutionalist, was shot in his office at the university. His murderer, Jon Bienzobas Arretxe, was recognized by students as he fled, because the Interior Ministry had put up 20,000 "wanted" posters with his picture. Both Mugica and Tomás y Valiente were personal friends of Spain's Prime Minister Felipe González.

The march was marked by great dignity. A group of right-wing revolutionists carrying banners in favor of restoring the death penalty, were thrown out of the demonstration. Centrist (UCD) and Conservative (PP) leaders marched in the second row, alongside the leaders of the Socialist government. In the first row, were the sons and widows of those who have been murdered by ETA.

Only the United Left, successor party to the Communist Party (PCE) chose not to be associated with the march: Its former secretary general, Santiago Carrillo, was found lurking among a gaggle of bystanders, and forced, albeit reluctantly, to march. The current secretary general, Julio Anguita, flew off to electoral events in Saragossa, declaring that "terrorism is not going to stop me from campaigning."

The march was no expression of sentimental pity for the victims and of revulsion against the aggressor. One million people demonstrated for their country. It was above parties, above policing, and above politicking, as such. In that, this march was much like the mass strike that seized France last December. A sizable fraction of the European population has arrived at a state of mind, able to understand that "the leadership" is unwilling or unable to solve the existential problems facing the continent, and that the individual citizen is going to have to go out and force them to decide, by voting with his feet.

In the Basque provinces, over a hundred demonstrations

took place the day after the murder of Fernando Mugica, several thousand people in San Sebastian alone. The Mugica brothers, incidentally, were the most prominent Jewish political figures in Spain. José María, Fernando's son, who had run into the street barehanded to try and seize the murderers, said, "My family was in the concentration camps. What happened then is what is happening now. Neither should one forget, that in a country very close by, mass murder has just taken place. So fascism exists. . . . But my father was a deep optimist, convinced that this country can yet be saved, and that the seed of evil can be rooted out. I believe that. I believe it is written in history that, no matter how high the price now, evil will be crushed."

## Wrestling with Herri Batasuna

Were it not for these mass demonstrations, which have placed the political debate onto a fresher plane, ETA would have become the centerpiece of the electoral campaign. As it is, things are already bad enough. The ETA electoral front, Herri Batasuna, which is running candidates in the Basque provinces in the March 3 elections, has been escalating tension in the run-up to the election, trying to provoke the government into over-reacting. Since Herri Batasuna has been allowed to take over the streets with impunity, and build up a violent youth movement, called Jarrai, the iron fist has gone rusty for lack of use. Earlier in February, Herri Batasuna, in a calculated move, presented regional public television with an electoral spot, on which masked ETA members read out ETA's program for "national liberation."

To suddenly move toward repression only one week before the general elections, is hazardous, because the government has dithered over outlawing Herri Batasuna for a decade, in the shade of which hesitancy, the movement has grown to control 15-20% of the Basque vote. Nevertheless, on Feb. 21, Instructing Magistrate Garzón issued an arrest warrant for Jon Idigoras, the secretary general of Herri Batasuna. He is now in jail awaiting bail, accused of collaborating with a terrorist group. At the time of writing, riots have already broken out in various Basque cities.

## A gift of great value

It seems almost certain at this point, that the Socialist government will lose the elections, after losing so many opportunities to turn the Spanish economy around. But the González team has left both Africa and Spain a gift of great value: On Feb. 6, the governments of Spain and Morocco signed an agreement to build a railway tunnel under the Straits of Gibraltar. The tunnel, which has been under discussion since the 1920s, will be 40 kilometers long and cost about \$20 billion. All African countries north of the Equator, save for Ethiopia and the Central African Republic, will directly benefit, as, of course, will Spain. Although history may consider the tunnel to be President González's only real achievement, that alone will be something to be proud of.

# German Resistance leader exposes 'strategy of tension' by the PDS

by Edward Carl and Our Wiesbaden Bureau

Speaking to a Feb. 15 forum in Berlin, the life-long social-democratic Resistance leader Hermann Kreutzer gave a detailed intelligence profile of the Party of Democratic Socialism (PDS), the "post-communist" successor to East Germany's former ruling party, which is now emerging as an important political force in reunified Germany. The PDS is not really a new party at all, he stressed, but the old Socialist Unity Party (SED), in a new guise.

The forum was sponsored by the political party Civil Rights Movement-Solidarity (BüSo), whose chairman is Helga Zepp LaRouche. It was convened to present a newly released German-language *EIR* Strategic Study, titled "Strategy of Tension: PDS, Narco-Terrorism, and the Post-Communist International," whose principal author, Angelika Beyreuther-Raimondi, also spoke. One of the principal components of the new report is a 23-page interview with Kreutzer, whose life has been dedicated to the struggle against both the Nazi and communist dictatorships, which existed virtually continuously in the eastern portion of Germany from 1933 through the 1990 reunification of Germany.

## Who and what is behind the PDS?

Kreutzer attacked the PDS as an "artificial project," not a real party, which had been created in 1987-88 by high-ranking members of the Soviet KGB. He described the recent history of the collapse of the Soviet empire, the most crucial event being the American Strategic Defense Initiative, authored by *EIR*'s founder Lyndon H. LaRouche, and the Soviet rejection of it. Then he developed the plan of the Soviet leadership in 1986 to "Finlandize" the Eastern European countries, in order to be able to squeeze them economically even more, after being economically strengthened by close economic partnership with Western Europe. Part of this plan was the propaganda of Mikhail Gorbachov for a "common European house"—under a Soviet roof.

Key people in the planned reorganization of East Germany, Kreutzer explained, and later in the creation of the PDS, were **Markus Wolf**, who headed the East German foreign intelligence service for 30 years, resigning in September 1986; **Gregor Gysi**, the first leader of the PDS and a top lawyer under the East German communist dictatorship (main-

ly responsible for "political cases"), and today a Member of Parliament in Bonn; and **Hans Modrow**, then head of the Dresden SED, who had known Gorbachov since they were roommates in Moscow during their student years. For a few months in 1989-90, Modrow was prime minister of the communist German Democratic Republic (G.D.R.), and is now a Member of Parliament in Bonn and honorary chairman of the PDS.

Kreutzer described KGB operations to create and/or infiltrate the leadership, not only of the PDS, but also of most of other organizations and parties in the G.D.R., especially in 1988-90.

## The historical problem put in focus

Kreutzer focussed on one of the unsolved problems posed since Germany's reunification: Why does the PDS receive so many votes in Germany's east? The population there lived under dictatorship since 1933, and has difficulty comprehending the idea of a *Rechtsstaat*, or constitutional state; the western politicians, on the other hand, with their "free-market" policies of wholesale privatization of industry and "downsizing" of the workforce, do not help this process. A tremendous flood of 4.5 million refugees left East Germany between 1945 and 1989, and these included many of those most energetic individuals, those who dared to take up the challenge of a starting life "from scratch" in the West.

On top of that, 340,000 people were imprisoned in the G.D.R. from 1945 until 1989, of which 90,000 lost their lives in prison. Kreutzer emphasized, that especially in later years, politically active and independently thinking minds were jailed in East Germany and then "ransomed" by West Germany for huge sums. Kreutzer himself was involved in many of these "deals" from the West German side, after his own release from prison and emigration to the West.

This became a major revenue source for the bankrupt G.D.R., and the communist leadership there also profited politically, since it enabled them to get rid of all potential resistance. Because of this political "cleansing," it has been difficult to form an alternative elite in the eastern part of the country since reunification, an elite which could challenge the negative aspects of the policies coming from Bonn.

In these difficult times, "when a long historical epoch is coming to an end," Kreutzer said, it is "all the more urgent to have real politicians," which, tragically, are nowhere in sight. After 1945, Germany had great statesmen like Konrad Adenauer, who had "a compass in his head and was guided by this." Today's politicians, on the other hand, have "a radar-system in their head," which signals them where problems might occur, and which "problematic" areas are to be avoided. Those are *not* real politicians. "Only people who have a lot of scars, have fought unjust persecution, and come out of really tough battles alive: Only such people can become good politicians," Kreutzer said. He identified the Resistance movement against Nazism and communism in Germany as "the real foundations of our democracy."

With the upcoming economic and financial problems, the PDS most likely will win a lot more influence in Germany, he predicted. The PDS, as a communist party, is trained to intervene in exactly such times of crisis, and their only aim is to regain State power. Kreutzer referred to 1945, when the communist leadership returned from Moscow to East Germany. At that time, two booklets were the first to be published: the *Communist Manifesto* and Ivan Pavlov's physiological behaviorist tracts. When the young Kreutzer at that time asked a leading communist, why they had published precisely those two writings, he was answered that the *Communist Manifesto* defines the *aim* of the movement, and Pavlov defines the *method*; and regardless of whether a dog or a human being is being considered, the method of training is the same. The PDS nowadays has mastery of such methods, and all other parties are apparently falling for their manipulations, it seems.

### Biography of a freedom fighter

Kreutzer had experienced political persecution since 1933, when he and his family, all social democrats, were persecuted by the Nazis. Right after 1945, Kreutzer worked with the Americans in Thuringia, and fought against the Soviet-enforced "unification" of the communist and social democratic parties into the so-called Socialist Unity Party, which was to then rule the country as a dictatorship for 40 years.

He became involved in disputes with SED leader Erich Honecker over the historical role of the communists in destroying the Weimar Republic in the 1930s, and so helping Hitler to power. In the spring of 1949, he, his father, and his wife were arrested and each sentenced to 25 years of forced labor in prison, by a Russian-speaking court, where obviously no defense was possible, since they were not able to understand the Russian language, translators were not provided.

Kreutzer survived seven and a half years of arduous imprisonment in the concentration camp of Bautzen, where hundreds of prisoners died. They were kept with 400 people in relatively tiny rooms, without daylight, very little food, together with many other people, who already had been in prison under the Nazis for years prior to 1945! Many of his friends

died under these circumstances.

In 1956, he was released and went immediately to West Berlin, where he started to work with the leadership of the Social Democratic Party (SPD), which at that time still was a strictly anti-communist party. In 1966, he became head of the political department in the All-German Ministry (Gesamtdeutsches Ministerium) in Bonn, under the leadership of Minister Herbert Wehner, and from 1969-70 until 1980 he was head of the influential and politically highly sensitive Berlin Department of the ministry in West Berlin. In this period he became a political insider and got to know politicians such as Franz Josef Strauss, and Egon Bahr, the architect of Chancellor Willy Brandt's *Ostpolitik*, whom he describes as Brandt's "Mephisto." In this period, he was also president of the association of the people who had fled the G.D.R., a powerful association of 500,000 people at that time (the Bund der Mitteldeutschen).

In 1980, he and thousands of former political prisoners (Social Democrats) left the SPD because of their opposition to *Ostpolitik*, and the compromise with the communists. Kreutzer subsequently also left the government. He became the principal political adversary to the policy represented by Egon Bahr. Since that time, he has been quite active in the Kurt Schumacher Circle, and has been involved in all kinds of political initiatives, mainly in Berlin.

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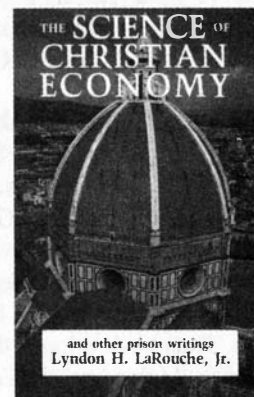
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## Perfidious Albion

*Some among the German elites are breaking the taboo on publicly exposing British dirty tricks.*

German politicians and media commentators have long been extremely reluctant to criticize the British in any way, shape, or form. Even former British Prime Minister Margaret Thatcher's nasty remarks, in her memoirs, about the alleged danger of German reunification, provoked scarcely a word of protest on the part of Germany's media and the political parties.

This is the result of the Allied "re-education" of Germans in the immediate postwar period, and of the fact that many influential journalists got their start within the British occupation zone, e.g., in Hamburg, or were trained by journalists who subscribed to British liberal ideology.

Although publicly, the Germans have not made much of President Clinton's June 1994 declaration of the end of the Anglo-American "special relationship" and the beginning of a new era of U.S.-German cooperation, the mere fact Clinton is generally pro-German, while his predecessor, George Bush, was not, gives the Germans a certain amount of leeway to—as Chancellor Helmut Kohl put it—"even be in a position to risk some controversy with our dear European partners."

While criticism of the British role is still the exception, some recent events would have been unimaginable before 1994.

One example is in the sensitive domain of secret intelligence: On Jan. 22, the Munich-based weekly *Focus* leaked that three agents of a Nuremberg-based undercover unit of German foreign intelligence (BND) were caught selling "explosive data" on the

Russian military to a British MI-6 (foreign intelligence) agent. The affair created a big headache for the BND. *Focus* wrote: "Do we blame the friendly Secret Intelligence Service? Finally, BND chief Porzner flew to London and asked his British counterparts to drop such James Bond operations in the future. As a sign of goodwill, the German Federal Prosecutor dropped plans to put the English spy on trial." The Hamburg weekly *Der Spiegel* followed with a similar report, even naming the MI-6 official as Rose Sharpe. The British media were quite embarrassed by this leak.

In another unprecedented move, Johann G. Reissmüller, one of the chief editors of the daily *Frankfurter Allgemeine Zeitung*, used a front-page editorial on Jan. 22 to attack the British media's leading international role in a German-bashing campaign around an alleged "neo-Nazi" hand behind the Jan. 19 arson attack that killed 10 Africans in Lübeck. Reissmüller singled out the London *Times* and the *Guardian*. On Jan. 20, the latter claimed that the Lübeck incident was the "worst racist inferno in postwar Germany." By Jan. 21, the Lübeck police investigators had already found evidence that the lethal fire was not set by neo-Nazis, but rather by a Lebanese resident of the building. The media stories were thus pure propaganda.

Then, on Jan. 24, Bavarian Gov. Edmund Stoiber attacked London's economic warfare methods in an interview with the daily *Frankfurter Rundschau*: "For me, it is a crucial point that Great Britain also has to join the [European Union] Social Protocol.

We cannot allow an individual country in Europe to say: 'Let's open the borders, but we won't join the Social Protocol,' and that is how we are now luring German firms into England: Welcome, Siemens, BMW, you'll only have half the labor costs here. Why? Of course we don't have the same costs for labor, since we don't pay for health insurance costs. And in Germany, the social welfare State is overburdened by this."

Anti-Kohl British circles took revenge a week later, when the notoriously Germanophobic media, such as the *Daily Telegraph* and *Daily Mail*, distorted a speech given by the chancellor on Feb. 2 at the University of Louvain, Belgium, in such a way as to claim that he had threatened all of Europe with war, early in the coming century.

The German response to these allegations came in the form of another exposure of certain peculiarities in Britain's secret intelligence. The *Frankfurter Allgemeine Zeitung*, which often serves as a semi-official mouthpiece of German government views, voiced skepticism on Feb. 12 about London readings of the latest "IRA" bombings. When the IRA claimed responsibility following the first bomb explosion, "everything was almost too authentic to be true," correspondent Bernhard Heimrich wrote.

Heimrich revealed that "in its telephone contact with the authorities, the IRA customarily inserts a code word, which only it and the enemy know. The system of arranging this code is one of the best-guarded secrets of this war in the dark." Britain's secret services know more than they would like to tell the public, Heimrich added (see article, p. 52).

These cases indicate, however, that there are also some Germans who "know more than they would like to tell the public"—so far, at least.

# International Intelligence

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## **Cuba decorates Puerto Rican terrorist**

The Castro regime used the 30th anniversary of the Tricontinental Congress to decorate a Puerto Rican terrorist, once again flaunting its ongoing, active, sponsorship of international terrorism.

More than 150 foreign delegates from 41 countries met in Havana on Jan. 12-14, in a conference on "Solidarity with the Third World, Challenges before the Third Millennium," held to commemorate the founding, 30 years ago, of the Cuban-led terrorist international, known as the Tricontinental. According to Miami's *Diario las Américas*, among the prominent "names" attending, were Tanzanian ex-President Julius Nyerere, U.S. black activist Stokely Carmichael, and Porfirio Muñoz Ledo, the president of the Mexican pro-terrorist party, the PRD.

During the event, the Cuban government bestowed its "Ben Barka" award upon Nyerere, Vietnam's Nguyen Bhen, and a Puerto Rican, Rafael Cancel Miranda. The latter is one of the Puerto Rican nationalist-terrorists who fired shots on the floor of the U.S. Congress in 1954. The resolution honoring Cancel reads in part: "holding in esteem the untamed courage demonstrated by Rafael Cancel Miranda in 1954, when he and other Puerto Rican nationalists attacked the U.S. Congress, and proclaimed to the world the truth of Puerto Rico's colonial system; resulting in their incarceration for 25 years and becoming the oldest political prisoners in the western hemisphere."

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## **Brazil's President seeks 'debate' on legal drugs**

Brazil's Fernando Henrique Cardoso became the first sitting President of one of the world's largest nations, to issue an official call for drug legalization to be debated. President Cardoso made his call after his sociologist wife announced that she favors "decriminalization." Cardoso is an executive committee member of the Inter-American

Dialogue, the Wall Street-sponsored elite group which promotes legalized drugs.

The other Inter-American Dialogue member who serves as President, Bolivia's Gonzalo Sánchez de Losada, has stated that, as an economist, he believes there is no alternative to legalization, but as a President, he cannot act upon it.

Miami's *Diario las Américas* ran an AFP wire Feb. 16, quoting Cardoso's spokesman, Sergio Amaral: "The President believes that the most important thing, is that the idea [of marijuana legalization] be broadly debated in society and Congress, so that public opinion can form its own opinion on this matter, which is complex . . . and so that he himself can form his opinion."

Speaking to dozens of adolescents Feb. 8, on a television program, First Lady Ruth Cardoso declared that she is "in favor of decriminalization, but not legalization. . . . The majority of responsible people, or of public opinion, are in favor of marijuana legalization."

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## **Czechs are patsies in anti-German psywar**

The unabated campaign in British media and intelligence circles, to portray Chancellor Kohl's Germany as the power that is "too big for Europe," has won collaborators in the Czech Republic, where attacks on Germany have become frequent.

For weeks, the Czech media—including those of the opposition—have picked fights with the Germans over issues of economic and cultural influence of Germany over the Czechs, or the question of the Czech expulsions of Germans after 1945. The Czech attacks have begun with a campaign for compensations from the united Germany, for damages and persecutions during the seven-year Nazi occupation. The Germans have signaled basic openness on the issue as such, though not on the scope of the Czech claims, but linked this to a sign of good will on the Czech part to denounce the "Benes Decrees" of 1945, which were the basis for the mass expulsion of the Sudetenland Germans from

Czech territory.

The Czechs have maintained their post-war view that the expulsions were backed by the 1945 Potsdam Allied Decrees and are legal under the code of international law. The German government argues that injustice cannot be tolerated as "international law."

The journal *Lidove Noviny*, often chosen as a mouthpiece of Prime Minister Vaclav Klaus's views, has become a key voice of "warnings against the true nature of the Germans" and has drawn a propagandistic line from the "annexation" of the East German state by Bonn, to alleged plans in Bonn for the downgrading of the Czech Republic into a "Euro-region" adjunct of Chancellor Kohl's "Federal Republic of Europe." Klaus himself has adopted a habit of demagogic attacks on the "Super-Brussels" of the European Union. Klaus, a radical free-market epigone of Friedrich von Hayek, has been mocked by opponents inside Czechia for his attempt to blame "Europe" for the disaster wrought by his economic "reforms."

In the controversy over the Potsdam issue, the Czech government succeeded, on Feb. 14, in collecting statements of support for its view from the Prague embassies of the United States, Russia, and Britain, but not France.

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## **Food relief too slow for North Korea**

Michael Ross, of the World Food Program, reported to a press conference on Feb. 14 in Washington, D.C., that fundraising efforts to provide aid to victims of devastating floods in North Korea, last year, are proceeding slowly.

WFP's immediate goal, Ross said, "was to provide a little less than 21,000 metric tons of food and oil, mostly rice, to feed 500,000 flood victims for 90 days." Because of funding problems, WFP has only sent about a quarter of that amount. Due to new contributions from the United States and other countries, the WFP is preparing to send another 10,000 tons to North Korea, but still



## Briefly

**THE DUTCH**, who were the hosting government, called off a five-nation European anti-drug summit on Feb. 14, because the French government decided to boycott in protest of the "liberal drug policy" of the Netherlands. French President Chirac is reported to have told Dutch Prime Minister Wim Kok by phone that he sees no sense in meeting.

**IMPRISONED** Laith Shubeilat was reelected as president of the Jordanian Union of Engineers by a massive 81% of the vote, in a Feb. 17 contest. The French paper *Le Monde*, reporting the vote, stressed that this is the most important professional association in Jordan, with 30,000 members, and that the result can be seen as a "test case," after King Hussein attacked the politicization of professional associations.

**CANNABIS**, the plant from which marijuana and hashish are derived, is being grown in the Royal Mews at Buckingham Palace on an "experimental" basis, according to the Feb. 11 *Sunday Telegraph*.

**THE SEYCHELLES** government was denounced by the Financial Action Task Force, which brings together high-level government officials from 26 nations, for a new law which they describe as a money-launderer's charter. The new rules, they said, "pose a serious threat to the integrity of the world's financial systems," according to the London *Business Standard* of Feb. 5.

**BANGKOK** will host an Asia-Pacific security dialogue on March 19-22, bringing together 18 senior defense and security officials from the region and five non-Asian observers, it was announced Feb. 16. A security specialist explained that "uncertain situations in the region are one of the reasons for each country building up its forces and for everyone increasing their budgets to buy the weapons."

this won't be nearly enough to meet the 1.6 million ton requirement the WFP says is needed. According to the U.N., 5.2 million people live in the flood-damaged areas and almost a half-million of them are homeless.

Dr. Stephen Linton, member of the board of directors of the Eugene Bell Centennial Foundation, slammed any notions that food aid should be withheld from flood-stricken areas of North Korea for political reasons. "I don't think any nation was ever starved into a democratic system," he said, "and I think to use food as a weapon of diplomacy is something the world should've abandoned a long time ago. You might be able to justify it in time of war, but certainly not in a time when you are negotiating with another power. I think we have everything to gain and nothing to lose by showing the North Koreans that people who are not ideologically sympathetic to their system, who do not believe in their way of government, are nevertheless concerned enough about their citizens to extend at great expense to themselves humanitarian aid."

### **WJC critic tarred as 'anti-Semitic Jew'**

Michael Wolffsohn, the well-known historian, is being branded as an "anti-Semitic Jew," as part of a weeks-long smear campaign against senior adversaries of the World Jewish Congress and the U.S. Office of Special Investigations, in Germany and Austria.

Wolffsohn, a critic of WJC head Edgar Bronfman's exclusive ties to the former East German regime and of the WJC's campaign against Austrian President Kurt Waldheim, recently published a book, *The Germany Dossier*, which deals with the "phony anti-Nazism" of the former East German regime.

This book has come under fierce attack from the side of leftists, pro-G.D.R. literary circles, and members of the post-communist Party of Democratic Socialism. Wolffsohn struck back, in an op-ed in the weekly *Focus*, on Dec. 30, taking up the case of a certain

Prof. Werner Bergmann, a non-Jew who works at the Berlin-based Center for Anti-Semitism Research and charged Wolffsohn with "misusing his role as a Jew, for breaking taboos." Bergmann confessed to not having read Wolffsohn's book, but claimed to know what it is about; this ominous method was continued, when Bergmann and others of this Berlin "center" organized a seminar late last year on the theme "Anti-Zionism in East Germany." This seminar featured Peter Kirchner, once chairman of the Jewish Community in East Berlin under the communist regime, whom Wolffsohn in his book described as an informant of the hated former East Germany secret police, the Stasi.

Wolffsohn in *Focus* also mentioned a book review in the Berlin *Tageszeitung* daily, which charged Wolffsohn with "inciting anti-Semitism," and even called for his expulsion from the German Association of Historians. Wolffsohn likened this campaign by non-Jews against him to the strange practice of the Nazis in the 1930s, like Hermann Goering—who once declared that the Nazis would decide "who is a Jew and who isn't."

### **Climate in Israel like that before Rabin killing**

Israeli cabinet ministers are in danger of being killed by Jewish extremists, Internal Security Minister Moshe Shahal warned at a briefing to the cabinet Feb. 18, which was reported in major European press the next day. He said that intelligence reports indicate that Jewish militants are planning attacks against Prime Minister Shimon Peres and other ministers.

The cabinet was also informed, that the political climate in Israel is now similar to that before the assassination of Prime Minister Yitzhak Rabin last Nov. 4. Said Shimon Shetreet, the Religious Affairs Minister: "Information [was provided at the meeting] that the murder of Mr. Rabin did not end the violence and extremism, but left it alive and well, and some say, even opened the door for further assassinations."

## Buchanan victories shake up Conservative Revolution mob

by Edward Spannaus

Pat Buchanan's victory in the New Hampshire Republican Party primary on Feb. 20, following his strong showing in Louisiana and Iowa, has thrown the "Conservative Revolution" crowd, centered around House Speaker Newt Gingrich, into an uproar. Buchanan's outspoken attacks on the dogma of free trade have utterly destabilized the Mont Pelerin Society crowd, which believed that they had a lock on the GOP after the November 1994 mid-term elections.

The Buchanan phenomenon reflects something much broader, which is the dramatic shift away from the "post-industrial society" ideology which has dominated both major political parties for past several decades. What Lyndon LaRouche has been talking about for years—economic stagnation, the collapse of real production, declining real wages—is now being picked up, albeit in diluted form, by political leaders in both parties. Sen. Ted Kennedy's (D-Mass.) speech on Feb. 8, warning that we are in a "Quiet Depression," is one sign of the shift; the initiative by Senate Minority Leader Thomas Daschle (D-S.D.), around the concept of "stakeholder capitalism," is another (see *EIR*, Feb. 23, p. 44, and this issue, p. 69).

All of a sudden, no one is talking about the balanced budget anymore, and almost everyone is talking about "economic insecurity" and the merits of free trade versus protectionism. The terms of discourse of American politics have undergone a fundamental shift over the past couple of weeks.

### Mont Pelerinites go berserk

Buchanan's protectionist proposals, termed "economic nationalism" in much of the news media, have drawn hysterical attacks from the British-run think-tanks spawned by the Mont Pelerin Society, which were the main force behind Gingrich's Contract with America (something that was scarcely

mentioned in the final stages of the New Hampshire primary campaign). For example, Ed Crane, president of the Cato Institute, declares that Buchanan "appeals to the economic ignoramuses that have been the mainstay of the Democratic Party for most of this century." Doug Bandow, a senior fellow at the Cato Institute, sputters that Buchanan "has no sense of what makes capitalism work. He would wreck the economy." Ed Feulner, president of the Heritage Foundation, calls Buchanan's proposals "goofy," and intones that Buchanan is "outside the mainstream of conservative economics." John Goodman, president of the Center for Policy Analysis in Dallas, says, "It's scary. It's obviously not traditional conservatism. This is a nationalist agenda that is very anti-free market."

Gingrich himself has been keeping his mouth shut about the Buchanan upsurge. But his number-two man in the House, Majority Leader Richard Armey (R-Tex.), has announced that he will make a major speech at the Heritage Foundation on Feb. 26, to try to redefine the debate in "Buchananesque" terms—but stripped of Buchanan's attacks on free trade. Gingrich's number-three, House Majority Whip Tom DeLay (R-Tex.), labelled Buchanan as being "from another planet," protested that the GOP stands for free trade and open markets, and declared that Buchanan's economic theories are "poison" to most Republicans.

Buchanan himself clearly has some definite ideas about his economic proposals (which, as U.S. history shows, need not be accompanied by immigrant-bashing and isolationism). Not only does Buchanan cite the brilliant 19th-century German-American economist Friedrich List (whose writings, up until recently, were only discussed in publications associated with LaRouche), but Buchanan has also proclaimed that economic conservatives "read too many dead Austrian economists"—a direct hit on the "Austrian School" ideologues

around whom the Mont Pelerin Society was formed: Friedrich von Hayek and Ludwig von Mises.

## What happened in Louisiana

“Pat Buchanan shows that sometimes God works in very mysterious ways,” Lyndon LaRouche observed following the recent primaries. LaRouche, himself a candidate in the Democratic Party primaries, said that a very interesting thing had happened in Louisiana, between the “social conservatives” and the “economic conservatives.”

“Pat was floundering around and, really, not ostensibly getting much of any place, though he was having some impact just from campaigning,” LaRouche said in a Feb. 21 radio interview with “EIR Talks.” “You know, people look owlily at candidates without really committing themselves. And what the candidate says, may, at a later stage, register with the voter, and they may make a decision on the candidate where, previously, they’ve just registered his passing through, like an owl watching the parade of mice at night, or something.”

In Louisiana, LaRouche continued, Buchanan did something which turned things around, in a very significant way. “You had this so-called split between social conservative and economic conservative. And Phil Gramm, ugly as he is, was a paradigm of the so-called economic conservative, sort of the Gingrich of the Senate, who was being pulled down considerably because people did equate him with Gingrich, and *did* consider him somewhat the Gingrich of the Senate. So he was suffering some of the Gingrich blowback.

“But then, in Louisiana, you had people who were persuaded to be economic conservatives—with some degree of reluctance—because they believed that the axioms of free trade, as preached by Milton Friedman and the Mont Pelerin fascists generally, that these things had to be accepted even if you didn’t like them. Like castor oil: You had to take it even if you didn’t like it.

“Then along comes Pat Buchanan, with real drive in his campaign. And what he said implicitly, was that if you’re a social conservative, you don’t have to accept this economic conservative view. That God permits you to reject free trade, in favor of protection, and tariffs, and protecting jobs, and protecting the economy.

“So, at that point, the Christian Coalition type of voter, who was a prominent part of the conservative potential vote in Louisiana, switched away from a Phil Gramm, who had them fairly well in his tent, and they walked over to the next tent, which was Pat Buchanan, where Pat was saying, implicitly: ‘God permits you to reject this economic conservative thesis. You don’t have to live in this kind of economy, you don’t have to live in a Gingrich world.’ ”

This resulted in a sudden mass desertion from the camp of Gramm and a sudden boosting of Buchanan, LaRouche remarked. “He reduced Phil Gramm from Phil Gramm to Milli Gramm, to Micro Gramm and, now, to Nano Gramm—vanishing Nano Gramm.”

## Brits join in

Since his New Hampshire victory, the attacks on Buchanan have intensified. Top Republican Party circles are desperately trying to figure out some combination of Bob Dole, Bush-baby Lamar Alexander, and even Colin Powell, which could stop the Buchanan movement.

From the other side of the Atlantic, the controllers of the U.S. Conservative Revolution are also in a panic. Ambrose Evans-Pritchard, the Washington correspondent of the Hollinger Corp.’s *Sunday Telegraph*, warned on Feb. 18 that Buchanan’s “Fortress America” program is being used “to tear down the edifice of economic orthodoxy that has defined the Republican Party for two generations,” and that it “could destabilize the whole international system created after the Second World War.”

Lord William Rees-Mogg, writing in the London *Times* on Feb. 22, denounced Buchanan as “the wrong kind of conservative.” In a column entitled “Merchants of Fear,” Rees-Mogg wrote that “many of my friends are Adam Smith conservatives; their core values are those of Jeffersonian liberalism. . . . Pat Buchanan is not that sort of conservative at all. . . . Pat Buchanan’s constituency believes in national protection behind a slogan of ‘America First.’ ”

Rees-Mogg asserts that the greatest threat from Buchanan is that he could “create a new coalition of forces in American politics, as Franklin Roosevelt did in 1932, by allying depressed industrial workers with the poor white South.” In the course of his diatribe, Rees-Mogg draws parallels between Buchanan and 1930s populists such as Father Coughlin and Huey Long, remarking ominously that the latter, then governor of Louisiana, was only stopped by an assassin’s bullet.

Rees-Mogg has also made only slightly more subtle intimations toward President Clinton, who has been the object of hateful attacks from Rees-Mogg over the past few years. In his Feb. 19 column, Rees-Mogg began: “Steve Forbes is not going to be the next President of the United States. Bob Dole might be, Lamar Alexander might be, Pat Buchanan might be, by the nature of his position, Vice President Al Gore might be.”

The omission of President Clinton from this list is extraordinary, and security analysts are warning that this could constitute a not-very-veiled assassination threat to the President. Particularly when taken in the context of an item in the Feb. 14 issue of Rees-Mogg and James Dale Davidson’s *Strategic Investment* newsletter, which suggests that President Clinton might stage a phony assassination attempt on himself. “In order to gain sympathy with the voters, the rumor goes, Clinton will arrange a staged attempt on his life this summer or fall, an ultimate ‘October Surprise.’ Key Congressional staffers affirm that the Secret Service is now on a state of high alert.” Such a “phony” assassination—staged not by Clinton, of course, but by his enemies—is exactly the type of situation into which a “live” assassination operation can be plugged.

# LaRouche movement meets: 'New epoch requires challenging axiomatics'

by EIR Staff

The semi-annual conference of the International Caucus of Labor Committees and the Schiller Institute convened in Reston, Virginia Feb. 17-19. Approximately 900 people, including many international guests, participated in the deliberations on the theme, "How Hobbesian Mathematics Misshaped Modern History: New Epoch Requires Challenging Axiomatics."

Lyndon H. LaRouche, Jr., the founder of the ICLC, defined the tasks facing the conference in his keynote speech (published in full as this week's *Feature*). "We now have a civilization," he said, "a worldwide civilization, which is doomed, in its present form. Over the next months or years, this civilization which people talk about—their opinions, their culture, their prejudices, their way of life, their traditions—are all gone! Nothing can save it. And it's like clinging to a stateroom on the *Titanic*: If you cling to those traditions, you'll go down and drown with it. We have to get the people *off* the *Titanic*, off traditions, into the lifeboats, so they may be saved."

The theme of all the presentations at the conference was that put forward by LaRouche in an article in the Spring 1996 issue of *Fidelio* magazine, titled "How Hobbes' Mathematics Misshaped Modern History." LaRouche demonstrated that the empiricist axiomatics of Thomas Hobbes's (1588-1679) mathematics have distorted every branch of culture taught in universities today, and that this same axiomatic impotence of the academic mind has trickled down to permeate the mind of virtually all of today's citizens.

LaRouche and the other conference speakers emphasized that the problem is *not* bad policies sneakily imposed upon innocent people by their leaders. The people themselves are guilty: They have allowed their pleasure-seeking to turn them away from the pleasures of creative discovery, into adoption of the axioms of Hobbes, John Locke, Bernard de Mandeville, Adam Smith, and such degenerates. It is this corruption which prompts the people to select the leaders they do. Unless the people give up their soap operas and their populism, there is no possibility that this civilization will survive.

This is the principle of great tragedy, including Shakespeare's *Hamlet*. A society which adheres blindly to tradition,

out of fear of the unknown, LaRouche said, will be doomed by the fatal flaw which is inherent in any traditional set of formal rules of behavior. That fear of "strange ideas," which is related to the fear of death, is the fault which causes a people to doom itself to the catastrophe which is characteristic of those axioms underlying any fixed set of formal rules of behavior.

Challenging the participants to look inside themselves first of all, and to overturn the axioms that are crippling their own mental processes, LaRouche underlined that, in any crisis such as that facing the planet today, the possibility of survival lies with a few egregious persons, even a single such person, who has the capacity to introduce the new axioms overturning all of the fatal, but generally accepted beliefs which fatally pollute both the academic and popular will.

## Socratic confrontation

The conference determined that two primary issues will be the focus of organizing efforts in the United States in the coming period. First, is the demonstration that Speaker of the House Newt Gingrich (R-Ga.) and his cohorts are *Nazis*, according to the strict standards of the Nuremberg Tribunal. Second, is the issue of Ritalin, the dangerous stimulant which is being given, by prescription, to over 2.5 million Americans, including 1 in every 30 school children. The belief that these children suffer from Attention Deficit Hyperactivity Disorder (ADHD), and require Ritalin to "calm them down," is a cover for the fact that our schools are not providing quality education. If the drug laws are interpreted equitably, the teacher who administers Ritalin should earn five years in prison for each dose he or she doles out.

Mobilizing the American people to understand these issues, through a method of Socratic confrontation, will sharply challenge the axioms that are leading to the nation's destruction. This will make it possible to defeat the fascists of the Conservative Revolution, and build a constituency for policies of economic development and cultural renaissance.

## The lessons of universal history

On the second day of the conference, Helga Zepp LaRouche, the founder of the Schiller Institute, opened the



Helga Zepp LaRouche addresses the Presidents' Day conference on the theme of "Pre-Christian Cults vs. the Principle of the Renaissance."

first panel, "The Lessons of Universal History for Today," with a presentation on "Pre-Christian Cults vs. the Principle of the Renaissance."

She divided her speech into three parts: The first examined the cults of pagan antiquity, shot through with a tragic, ultimately horrible view of man and life, the antithesis of the concept of man as created in the image of God. The second part investigated the 12th-century battle of ideas and world-views between Peter Abelard and Bernard of Clairvaux—a clash which mirrored the conflict between Platonic and Aristotelian views of man—the view of man as capable of knowing, and hence participating in, the work of God—as opposed to the idea of man bereft of reason. The third section considered the highest expressions of the concept of man as made in *imago Dei*, the conception of man expressed in part in Plato's work, and fully with the advent of Christianity—the idea of the limitless self-perfection of man; the idea that man, through creative reason, participates in the ongoing process of creation.

This idea, said Zepp LaRouche, lived on in Augustinian tradition, but became politically effective only with the Renaissance. The highest expressions of that idea, can be seen in the Renaissance, and in the figures of men like Friedrich Schiller, with his notion of *universal history*.

Essentially, Zepp LaRouche said, in the culture of Mesopotamia (ancient Sumer, Akkadia, Babylon); in the culture of ancient Egypt and of the Hittites, there is a tragic view of human existence. The gods are demonic, and man is created

to serve the gods. This is a totally pessimistic idea: Man is already condemned through his genesis; the distance between the gods and man is insurmountable.

The significance of all these theogonies and cosmogonies was an image of man and his role in the universe characteristic of the oligarchical society, in which a ruling set of families behaved as if they were gods, acting out their irrational will, over the mass of more than 95% of the population.

That is the tradition of Mesopotamian and Babylonian culture, of Tyre, of Egypt, of the Roman and Byzantine empires, of European feudalism, of Venice, and of the financial oligarchy dominated by London today.

In contrast, in the form of society attempted by Solon, by Aeschylus, by Plato, those creative powers of reason which manifest themselves in valid fundamental discoveries, lead to an increase in man's power for dominion over the universe.

The Platonic method of thinking, which takes the principle of change of the Higher Hypothesis or a higher degree of reality than the concrete set of knowledge, which each of these hypotheses produces, represents the fundamental characteristic, upon which the continued success of any culture depends.

As Augustine pointed out, the essential idea existed in Plato, but it was the power and authority of Christianity, especially with the added concept of *agape*, which put the Platonic tradition on an undebatable foundation.

This is well perceived by the international oligarchy. The reason why Prince Philip wants to "replace" Christianity with

the pagan cults, and to subvert monotheistic religions, is because Christianity forcefully and forever broke with the cyclical nightmare of nature and established the idea of limitless progress and limitless self-perfection of man in the image of the Creator, Who is the Good, and Who is increasingly intelligible for man, who participates in God's creation.

That was a revolution! That was a watershed in human history! That underlay the birth of modern science in the 15th century with Nicolaus of Cusa, the birth of the nation-state with Louis XI of France, the Renaissance itself, and all that European civilization has brought to the human race.

### The power of great poetry

Next, Muriel Mirak Weissbach, of the European Executive Committee of the ICLC, spoke on "The Power of Great Poetry to Shape Character and Build the Nation: Dante, Humboldt, and Helen Keller."

In order to discuss Dante Alighieri and the role of his *Divine Comedy* in transforming the vernacular language of Italians into a tool for expressing the highest conceptions concerning man and nature—a tool, that is, for statecraft and nation-building—Mirak Weissbach examined the origins of the poetical forms Dante used, tracing these back to the Arab Renaissance in Spain in the ninth century and forward, and pointing up the emphasis which Arab-Muslim culture and religion placed on the Word—books, literacy, education.

Mirak Weissbach took her audience through the *Divine Comedy*, through the experience of Dante who, having lost his way in life, finds that the love of another, of his beloved, Beatrice, is actively organizing the process of his salvation.

This poetry, this language, was nation-building, Mirak Weissbach explained. This is central to what it is to be human. This is essential to the education of the child into the human adult.

Briefly reviewing Wilhelm von Humboldt's philological work, his understanding, and love, of the multiplicity of ways in which various human languages express the same concepts (in many ingenious ways, as Humboldt said), the speaker then raised the question: But how do you educate the child who cannot see, nor hear, nor speak?

She then turned to the story of Helen Keller, the American child who, at the age of 19 months, was rendered blind, deaf, and dumb by illness. Unable to be reached, unable to be taught, she was like a wild beast—until, when she was slightly over six, her teacher, Anne Sullivan, came into her life. Sullivan's writings, and Keller's own autobiography, describe the teaching process whereby Sullivan gave the child *words, language*—and her prison was suddenly broken open.

Mirak Weissbach discussed the process whereby Keller came to understand abstractions, and the words for those abstractions, and painted a picture of these two wonderful women, the student and the teacher, in all the girl's curiosity and liveliness, her desire to know all that there is, and the teacher's teaching through play, through beauty, through introducing

her charge to the beauty of nature, and thence human history, and art.

### The axioms of the American System

The next panel was on "The Axioms of the American System."

Webster Tarpley, ICLC National Executive Committee and president of the U.S. branch of the Schiller Institute, spoke on "Paolo Sarpi and the Venetian Roots of Locke." He opened with a brief reprise of the accomplishments of the Council of Florence and the France of Louis XI, history's first nation-state. The evil city-state of Venice, center of modern oligarchism, decided to pervert the nation-states of Europe from within, by destroying their natural impulse toward scientific, technological, and material progress for populations, with the epistemological corruptions known as the British Enlightenment and the French Encyclopedists school of René Descartes. The godfather of this effort was the Venetian monk Paolo Sarpi, who was personally responsible for, among other atrocities, the assassination of Henry IV of France, and the Thirty Years' War. Sarpi was the creator and controller of Galileo, Hobbes, and Isaac Newton. The evil British empiricist John Locke—so often misidentified as the father of the American Constitution—was nothing more than a second-rate plagiarist of Sarpi.

The next speaker was historian Philip Valenti, author of "The Anti-Newtonian Roots of the American Revolution" (*EIR*, Dec. 1, 1995). Drawing on the research that produced his recent *EIR* cover story, he demolished the myth that Locke and Hobbes were the formative intellectual forethinkers of the American Founding Fathers.

Historian Graham Lowry, author of *How the Nation Was Won* (Washington, D.C.: *EIR*, 1987), then described the process by which the American colonists—the world's most literate population of that time—self-organized to accomplish the revolution against Great Britain. Deepening degeneracy in Britain following the 1714 death of Queen Anne, and the death of the Leibniz-educated Sophie of Hanover whom Leibniz, Jonathan Swift, and their allies had hoped would succeed Anne, led to such abominations as the Iron Act of 1750, which forbade the colonists from establishing their own manufactures.

In the closing presentation, Anton Chaitkin, author of *Treason in America* (New York: New Benjamin Franklin House, 1985), spoke on the subject of his recent *EIR* cover story, "Leibniz, Gauss Shaped U.S. Science Successes" (*EIR*, Feb. 9, 1996). Chaitkin explained how the American Revolution and the science breakthroughs, the important inventions and the great industries from the 1700s to the beginning of this century were all the deliberate projects of a single "Promethean" leadership faction, associated with Benjamin Franklin and later nationalist leaders, using government protection and promotion to accomplish every significant element of human advancement.

# Dems, labor rally to Kennedy policy shift

by Jeffrey Steinberg

In the aftermath of Sen. Edward Kennedy's (D-Mass.) Feb. 8 speech before the Center for National Policy in Washington, D.C., in which he called upon the Democratic Party to return to the pro-growth economic policies of President John F. Kennedy, a number of leading Democratic Party elected officials, as well as the leadership of the AFL-CIO, have joined in the drive to turn the 1996 election into a national plebiscite on reversing the past 30 years' paradigm shift into the post-industrial society.

In early March, Senate Minority Leader Tom Daschle (D-S.D.) is scheduled to unveil an ambitious program, aimed at reviving America's collapsed industrial base, and improving the standard of living for America's working majority. The proposal is the outgrowth of a year-long "high wage task force," which Daschle co-chaired with Sen. Jeff Bingaman (D-N.M.). The Feb. 26 issue of *Business Week* featured a column by Robert Kuttner, which gave a preview of the plan, which its authors have labeled the "stakeholders society."

"The idea," Kuttner wrote, "is to reward corporations that invest in employees and communities instead of pursuing relentless downsizing that boosts short-term profits," while increasing layoffs. These corporations, federally chartered R-Corporations ("Responsible Corporations"), would receive investment tax credits and other benefits, on the basis of meeting a series of criteria, to be spelled out in new legislation, which will be a major feature of the election campaigns of many Democrats seeking House and Senate seats this fall.

The draft legislation would replace the corporate income tax with a "business activity tax." Kuttner reports that "this tax applies a fixed rate to all receipts, subtracting payments for most inputs. Employee training and R&D expenses would be tax-deductible, while wages, dividends, and interest would not. Under this plan, an R-Corp would be taxed at 11%, compared to 18% for conventional corporations. It would also pay reduced payroll taxes and be able to self-certify in several areas of regulation. To qualify, a corporation would have to meet several tests. It would be required to contribute 3% of payroll to a portable, multi-employer pension plan, devote 2% to employee training, pay half the costs of a qualifying health plan, and have a profit-sharing plan or employee stock ownership plan with employee trustees."

An R-Corp would also have to be open to unions, and maintain at least half of its labor force inside the United States.

According to Kuttner, "The Bingaman plan includes a tax of a sort long proposed by Yale University economist James Tobin on the profits of short-term securities trades. The proceeds would finance a social capital fund for worker training, school-to-work transitional programs, industrial extension, export promotion, and technology research and development."

In 1993, Lyndon LaRouche issued a call for a 0.5% transaction tax on all derivatives trades. In fact, many of the other features of the "stakeholder society" plan now being advocated by Senators Kennedy, Daschle, Bingaman, and others, are based on ideas that LaRouche has been advocating for years, geared toward reversing the past 30 years' devastating collapse of the U.S. physical economy, as the result of free trade, deregulation, and the onslaught of the counterculture.

Democratic Party sources on Capitol Hill have told *EIR* that a growing number of Congressional Democrats have come to agree with LaRouche's admonition that it is not sufficient to just defeat Newt Gingrich, Phil Gramm, and their Conservative Revolution legions; but that an aggressive approach to reversing the post-industrial paradigm is also urgently needed.

## Workers losing ground

In the same issue, *Business Week* also ran a four-page feature, entitled "Is America Becoming More of a Class Society?" It examines several surveys which follow workers and their wage levels over decades.

More than 25% of all American workers have earnings that fall below the \$15,000 annual poverty line. This does not include the unemployed, who, if included, would raise the above figure to more than 30%. A study by economist Stephen Rose that tracked the same people for two decades, found that men in the bottom fifth of all male wage earners saw their 10-year average pay lag behind inflation by 11% during the decade of the 1970s, and by a stunning 34% during the 1980s. A study by the Economic Policy Institute, a Washington-based think-tank, shows that the proportion of families constituting the middle class (those earning between \$15,000 and \$50,000 in constant dollars), has shriveled. It fell from 61% of all families in 1969, to 50% of all families in 1992.

Meanwhile, a study by a team of economists that included Greg Duncan of Northwestern University, found that America now has almost no upward mobility. During the decade of the 1980s, only 17% of poor American families left the status of poverty within a year, versus a comparable rate of 25% for Ireland, 26% for Germany, and 44% for the Netherlands.

Subsuming these studies, *EIR*'s Market Basket Index, which gauges real purchasing power as measured by the input-flow of capital and consumer goods, per household and per capita, fell by almost 40% during 1967-90.

# National News

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## Riverboat gambling bill sunk by Virginia House

The Virginia House of Delegates on Feb. 13 rejected a bill to introduce casino gambling in the state, by a vote of 69-28. The resounding margin of defeat has reportedly killed the scheme for the foreseeable future, as even proponents of the measure have conceded.

Casino-style gambling has been defeated in several states over the past few months, as the negative effects on the population and the economy have become painfully obvious. Last November, Washington state voted down a proposal to open casinos on Indian reservations. Casino projects have gone bankrupt recently in New Orleans and Mississippi. In Massachusetts, four out of five local referenda rejected casino gambling last year; and the scheme was defeated in cities in Rhode Island, Michigan, and Wyoming.

Nevertheless, Americans spent more on gambling in 1994, than they did on recorded music, movie tickets, video games, live entertainment, and sporting events combined, according to the gaming-industry consulting firm of Christiansen/Cummings Associates. A national pro-gambling lobby has recently been established, called the American Gaming Association, headed by former Republican Party Chairman Frank Fahrenkopf, Jr.

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## State Dept. puts focus on environmental issues

The State Department announced on Feb. 14, that Secretary of State Warren Christopher has issued a memo to all undersecretaries and assistant secretaries, declaring that "environmental issues ought to now be a focus of our diplomacy."

Press Secretary Nicholas Burns reported that Christopher has "asked our bureaus to take at least seven important steps. First, to integrate environmental and population goals into their work; second, to incorporate environmental issues into trip preparations; third, to include these initiatives in all of our conversations with foreign leaders; fourth,

to designate a deputy assistant secretary responsible for global affairs issues; fifth, to incorporate the bureaus in our ongoing global environmental programs . . . ; sixth, to have each of our embassies overseas designate a senior officer responsible for leading that mission's environmental team; and last, to try to focus public attention on this issue, on ways that environmental issues contribute to the overall health and security of the United States."

Burns added that Christopher "plans to be personally engaged on this in making this a big part of our foreign policy. For instance, environmental issues will be one of the major issues in our trip to Latin America in just a couple of weeks; and the secretary will also be making a major environmental policy speech in early spring."

Burns was asked by *EIR*'s Bill Jones, "Can you give an indication why that is occurring now? As far as I know, global warming this year has not been quite as warm as people have thought, especially in this area. Have you discovered that the ozone hole has gotten bigger, or is there some specific reason for why this is now becoming a major issue?"

Burns repeated that Christopher "felt personally very strongly that it was high time for the United States to publicly declare, for the first time, that international environmental issues should be core, vital issues for American foreign policy."

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## Green Scissors Coalition: 'Cut off the future now'

The Green Scissors Coalition, a fascist amalgam of environmentalists and Conservative Revolutionists, held press conferences in 60 American cities on Feb. 15, to issue their latest demands for shutting down "wasteful government programs." Their targets include many of the most crucial infrastructural and scientific development programs funded by the federal government.

The coalition was created three years ago by James Dale Davidson, founder and chairman of the National Taxpayers Union; and Friends of the Earth, an umbrella organization for environmentalist saboteurs serving Britain's Prince Philip. Leaders of the

coalition also sport such names as Jill Lancelot, Gawain Kripke, and Phil Knight—conveying a touch of the old feudal magic.

Gawain Kripke, of Friends of the Earth, told a press conference at the National Press Club in Washington that "environmentalists actually have a lot in common with fiscal conservatives who are trying to balance the federal budget. We are united by the belief that Americans should not borrow from the future. Future generations should not be burdened with unbearable fiscal debt."

This year's Green Scissors' hit list includes funding for the Tokamak fusion reactor; the advanced light-water nuclear reactor; the plutonium pyro-processing program (essential to the next generation of liquid-metal nuclear reactors); deep-water oil and gas drilling; the Boll Weevil eradication program; the Wellton-Mohawk irrigation project in Arizona; and the Three Gorges Dam project in China.

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## Gov't report links money laundering and gambling

A Government Accounting Office (GAO) report claims that the rapid spread of legalized gambling across the nation, has expanded opportunities for illegal money laundering, according to an Associated Press wire Feb. 14. The GAO undertook the study at the request of Sen. Sam Nunn (D-Ga.). Nunn, the ranking Democrat on the Senate Governmental Affairs Subcommittee on Permanent Investigations, said he was "concerned that we do not have adequate resources in place to regulate these rapidly growing areas of the legal gaming industry, to prevent illegal money laundering."

The GAO cites gambling casinos as the prime target for money laundering, because they handle more than 80% of money bet legally nationwide. As a partial safeguard, the report recommends considering federal limits on casino transactions.

The orgy of annual cash betting in casinos has grown from \$117 billion in 1984, to \$407 billion in 1994—with 60 riverboat operations launched from 1991 through March 1995. American Indian tribes set up



237 gaming operations, including 119 casinos, in the decade ending March 1995. Though federal laws require reporting of cash exchanges of \$10,000 or more, a gambler can now buy slightly less than \$10,000 in chips; do little or no gambling; and redeem the chips for a casino check without any record of the transaction.

Stanley Morris, director of the Treasury Department's Financial Crimes Enforcement Network, said the department wanted to focus on the reporting of transactions, rather than on placing limits on them. Individual states should make decisions on curbing transactions, said Morris, who claimed the report failed to prove "that prohibited transactions do in fact deter money laundering to any appreciable extent."

## Teachers rate computers over classics by 3-to-1

A new study by the Public Agenda Foundation, based on a poll of 1,164 secondary school teachers, claims that 72% believe that training in "computer skills and media technology" is "absolutely essential," while only 24% think as much of "classic works from such writers as Shakespeare and Plato." Other vacuous categories of "learning priorities"—such as good work habits, practical job skills, dealing with social problems, and good citizenship—were also rated above education in the classics.

The title of the Public Agenda report is *Given the Circumstances: Teachers Talk About Public Education Today*. According to co-author Steve Farkas, "Computer skills emerge from the pack because the teachers connect that with survival in the real world." After all, says a Savannah, Georgia, teacher quoted in the report, "that's where the money is going. Somebody has to be able to work these computers, and the curriculum needs to reflect that."

Only 21% of the teachers selected "an excellent academic education" as the factor which could determine career success—a third-place finish behind "persistence and inner drive" at 42%, and "knowing how to deal with people" at 32%.

The Public Agenda Foundation was set

up in 1975, by opinion-manipulator Daniel Yankelovich, and Trilateral Commission member Cyrus Vance. Funding sources for *Given the Circumstances* include the Carnegie Corp., the Rockefeller Foundation, Philip Morris, the National Education Association, and the American Federation of Teachers.

## AFL-CIO sets agenda for more political influence

At its annual meeting in Bal Harbour, Florida, the AFL-CIO Executive Council announced plans Feb. 19 to build union membership, particularly in the South; and to organize support for pro-labor candidates in the 1996 elections. The number of unionized workers in the United States has been dropping steadily for the past decade, and is now below 15% of the workforce.

AFL-CIO President John J. Sweeney said the new strategy is aimed at developing "a culture of organizing" within each union—similar to the one he created prior to his election last October. During 15 years as president of the Service Employees International Union, Sweeney was able to nearly double its membership to 1.1 million members.

Sweeney announced that the AFL-CIO will make good on its pledge to expand organizing efforts, because that is the only way to reverse the decline in real wages which most Americans have experienced over the past two decades. "We cannot bargain decent contracts for our members, nor can we obtain public policies that protect working families, unless we can build a substantially larger labor movement," Sweeney said.

Next year, the AFL-CIO will increase its spending on union organizing, focussed on the largely unorganized Southern states, to more than \$15 million, compared to \$2 million a year ago. For this year's Congressional elections, the AFL-CIO is planning to pour \$35 million into a campaign to support pro-union candidates. Union leaders intend to target 75 Republican-held House seats, train 100 activists as political organizers in each Congressional District, and deploy 2,500 activists in key districts during the final six weeks before the elections.

## Briefly

**WORK IN SPACE** moved ahead, with the Feb. 20-21 launchings of a Russian Soyuz spaceship and America's Space Shuttle—bound for the Mir, the Russian-built international space station. The latest missions, which include deploying the Italian Space Agency's tethered satellite system, bring the total of men in space to 12—four each from the United States, Europe, and Russia.

**WHITEWATER** prosecutor Kenneth Starr has new indictments, charging two board members of a small Arkansas bank with fraudulently funneling \$12,000 to Bill Clinton's 1990 gubernatorial campaign. Starr's Bush-league case relies on testimony against the two men by the bank's former president, previously indicted on five felony counts—who cut a deal with Starr for a sentence of two years' probation and a \$1,000 fine.

**MARYLAND** has become the first state to abolish prison courses for high-school equivalency diplomas, and for vocational training in auto repair, carpentry, and other skills. Gov. Parris Glendening (D) has ordered them eliminated, effective May 1, claiming the cuts were needed to preserve public programs for those not in jail. Last year, 3,700 Maryland inmates enrolled in these courses.

**EDUCATIONAL SPENDING** priorities are also off the mark at the University of Maryland. According to the *Washington Post* Feb. 21, its "parking office" has a \$5 million budget—and squeezes \$2 million a year from students and staff "through parking enforcement," including \$1 million for meter violations.

**CATO INSTITUTE** hack Doug Bandow blames Abraham Lincoln for the "mass death and destruction" of the Civil War, and for "the oppressive leviathan state with which we must contend today." In the Feb. 17 *Washington Times*, Bandow said that the "peaceful separation" of the Confederacy in 1861 "might have resulted in justice for blacks sooner than did coercive union."

### *The great train wreck*

Likening the ongoing collapse of the world economy to a train wreck in the making, is an appropriate metaphor. Tragically, it has turned into far more than a metaphor, as witnessed by two fatal rail accidents on the East Coast within the span of barely more than a week. It is the parasitical growth of the speculative economy which is derailing the physical economy; the collapse of infrastructure is one of the consequences.

While there may turn out to be an important element of operator error in both accidents, that is by no means the whole story. Rail safety systems should, after all, be virtually fail-safe; yet, in the past months, there have been four major train crashes in the United States.

On Feb. 1, a freight train with a cargo of dangerous chemicals derailed in a mountain pass near Devore, California and erupted into flames, killing two crew members and closing the main highway between Los Angeles and Las Vegas, Nevada. On Feb. 9, two New Jersey Transit commuter trains collided, killing two crew members and one passenger. On Feb. 15, a freight train slammed into a railroad office building in a freight yard in east St. Paul, Minnesota, injuring nine people.

On Feb. 16, the crash of a Maryland commuter (MARC) train and an Amtrak train in Silver Spring, Maryland, in which 11 people died, and many more were injured, exemplifies the process. All the casualties, including three crew members and eight passengers, were on the MARC train. Visibility was low due to snow conditions, and the engineer of the commuter train, which was apparently travelling at 63 miles per hour, went through a yellow warning signal without reducing speed.

Lacking was an "automatic train stop system," which automatically brings a train to a halt if it fails to heed a restrictive signal. These are in common use on tracks in the rail system on the East Coast of the United States, but were considered to be an unnecessary expense by the corporate management of the CSX rail system, from which MARC leases its track.

The Amtrak train's lead locomotive, which was

an older General Motors model, had tanks containing thousands of gallons of diesel fuel mounted beneath it in an exposed fashion. When the crash occurred, the exposed fuel tanks ruptured, and doused and incinerated the lead car of the MARC train. It was this which caused the death of the eight passengers on the MARC train, who died either from smoke inhalation or were burned alive.

By contrast, the second Amtrak locomotive, which was a newer General Electric model, had better-designed fuel tanks, which survived the impact without leakage. Had this modern locomotive been in use on the first Amtrak locomotive, it is likely the MARC passengers would be alive today.

The MARC train, after it apparently ran the yellow signal, then came to a red, stop signal. This signal could only be seen at close range because of a bend in the roadway. By the time the red signal became visible, there was only 1,800 feet in which to stop the train. There had originally been an additional signal placed at the bend in the road, but it was torn down, and CSX never replaced it.

In typical fashion, the media have been blaming the crew members of the MARC train, all of whom died, and, conveniently for some, can't defend themselves. While all the evidence is not yet in, what is known is that no alcohol was found in their bodies, each of them had more than 25 years of experience, and none of them had a blemish on their safety records.

The moral of the story, is that failure to maintain and modernize the nation's infrastructure takes its toll not only on the physical economy, by hindering the necessary flow of goods, but it also kills people. In circumstances in which monetary considerations (i.e., reaping short-term profits) are the priority, we can expect more and more train wrecks, as the physical economy collapses.

U.S. Department of Transportation investigators say they have found nothing linking the four crashes. The link is obvious: the collapse of U.S. infrastructure.

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