

# EIR

Executive Intelligence Review

January 23, 1998 Vol. 25 No. 4

\$10.00

Behind the Ron Brown 'bullet hole' campaign  
Tibet's Lamas: the old, and the new, dark ages  
Fidel Castro's French Connection

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*EIR* (ISSN 0273-6314) is published weekly (51 issues) except for the second week of July, and the last week of December by *EIR News Service Inc.*, 317 Pennsylvania Ave., S.E., 2nd Floor, Washington, DC 20003. (202) 544-7010. For subscriptions: (703) 777-9451. World Wide Web site: <http://www.larouche.com> e-mail: [eirns@larouche.com](mailto:eirns@larouche.com)

**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. Homepage: <http://www.eirma.com> E-mail: [eirma@eirma.com](mailto:eirma@eirma.com) Executive Directors: Anno Hellenbroich, Michael Liebig

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

**In Mexico:** EIR, Río Tiber No. 87, 5o piso, Colonia Cuauhtémoc, México, DF, CP 06500. Tel: 208-3016 y 533-26-43.

**Japan subscription sales:** O.T.O. Research Corporation, Takeuchi Bldg., 1-34-12 Takatanobaba, Shinjuku-Ku, Tokyo 160. Tel: (03) 3208-7821.

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Domestic subscriptions: 3 months—\$125, 6 months—\$225, 1 year—\$396, Single issue—\$10

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

## From the Associate Editor

**H**ow have we gotten to the point that Mexico, a strong and fiercely patriotic nation bordering the United States, is threatened with disintegration, by an insurgency against the nation-state that is widely supported by the international apparatus of UN non-governmental organizations?

How is it that the U.S. strategic partnership with China, the key to future world peace and prosperity, is being undermined by a gang of British Lords and Ladies, and U.S. Congressmen, who are backing Tibet's Dalai Lama, the representative of a history of vicious repression and backwardness?


Why is the United Nations encouraging the return to power in Cambodia of the murderous Khmer Rouge, which killed nearly one-third of that nation's people during the Pol Pot regime?

In this issue, we present a wealth of cultural and historical analysis, to answer these questions. There is a common thread running through each of the cases just cited, and it is that identified in Lyndon LaRouche, Jr.'s article, "Fidel Castro's French Connection": the operation that U.S. intelligence files from the 1920s through 1940s identified as "Synarchism: Nazi-Communist." LaRouche writes: "The common object of the forces behind Danielle Mitterrand, Fidel Castro, Bishop Ruiz, the World Council of Churches, and ultra-perverse George Soros, is 'the destruction of the existing society,' for a return to those more primitive forms of society which we had hoped we had left behind when western Europe and the Americas escaped from the nightmarish oligarchical state of mankind prior to the Fifteenth Century."

Our *Feature* presents the case of Mexico's Chiapas.

In the *History* department, Michael Billington, Paul Gallagher, and Mary Burdman document the horrendous cultural tradition of Tibet, from which Tibet's long-suffering people must finally be freed. In *International*, Billington provides a dossier on Cambodia's Khieu Samphan, the right-hand man of Pol Pot during the genocide of 1975-79, who is now being promoted as a "moderate" by the Western media and the NGOs.

And, in *National*, we feature a dossier by Edward Spannaus on the new escalation of British lies against President Clinton.



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**Photo and graphics credits:**  
Cover, Reforma/El Norte/Darío López. Pages 10, 21 (Mitterrand, Soros), 63, EIRNS/Stuart Lewis. Page 21 (Castro), United Nations/Saw Lwin. Pages 23, 24, 27, 44, EIRNS. Pages 53, 55, EIRNS/John Sigerson. Page 57, EIRNS/Christopher Lewis. Page 60, *The Struggle for Modern Tibet: An Autobiography of Tashi Tsering*.

**Correction:** *EIR* of Jan. 9, p. 79, misreported the Armenian foreign debt as almost \$690 billion, rather than \$690 million.

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## Biggest bailout in history won't save world economy

by Michael Liebig

On Monday, Jan. 12, events had once more come to a crisis-point: Once again, the world financial system was on the brink of meltdown. All over Asia, stock prices fell through the floor. Indonesia, like South Korea just three weeks earlier, was on the brink of insolvency. The bankruptcy of the Peregrine Investments financial house in Hong Kong pulled not only the Hong Kong market into the maelstrom, but the other Chinese financial markets along with it. Most of the Asian currencies were in free-fall. On the previous Friday, the New York Stock Exchange fell 220 points, at which point stock prices collapsed all over Ibero-America. And in Europe on Monday morning, the stock exchanges collapsed across the board. The Frankfurt DAX index lost 150 points; Paris, Zurich, and London registered similar results. Had the New York stock market continued its tailspin on Monday after the markets had closed in Europe, then the collapse of financial markets Tuesday morning in Asia, and then in Europe, would have gone out of control.

That was the situation in which the heads of the central banks of the ten leading economic powers, or their representatives, gathered in Basel, Switzerland, at the Bank for International Settlements (BIS). The majority of the central bankers were in agreement: Absolute priority must be preventing the meltdown of the world financial system. To do this, massive injections of liquidity, surpassing anything and everything which had been done before, and without regard to the inflationary consequences, had to be undertaken. These massive financial injections, so went the agreement, had to be carried out by the government of Japan in order to “stabilize” the Japanese financial system, buried under “bad”—i.e., unrecoverable—credits on an order of magnitude of at least \$1.2 trillion. Only on condition that the “front is held” in Japan, thereby buying more time, would there be any chance of

bringing the situation in the former “Asian Tiger” countries, and worldwide, back under control.

This position had been discussed some days earlier during the visit of the Japan’s Deputy Finance Minister Eisuke Sakakibara in the United States, England, France, and Germany. Before leaving Japan for this trip, Sakakibara had said that Japanese authorities should not have allowed the November 1997 bankruptcies of Hokkaido Takushoku Bank and Yamaiichi Securities, and he insisted that there be “no more defaults” in Japan’s financial sector. Around the same time, Jacques Santer, president of the European Union (EU) Commission, EU Commissioner Sir Leon Brittan, and British Prime Minister Tony Blair, the new president of the EU Council, arrived in Tokyo.

No sooner said than done: On Jan. 12, Prime Minister Ryutaro Hashimoto presented a bailout package for “stabilizing” the Japanese financial system, to the tune of about *\$500 billion!* This is no typographical mistake: the number is \$500 billion. Hashimoto told the Parliament that everything would be done to ensure that Japan would not be the trigger of a “world financial crisis” and a “world recession.” The Japanese financial system would be “stabilized,” so that there was “no cause for concern.” This gigantic bailout package, which will be debated in the Parliament in the coming weeks, has the following components:

- The national deposit insurance fund (DIC) is to be extended with \$130 billion (17 trillion yen) of public money in order to meet demands of financial institutions in cases of bankruptcy. Knowledgeable observers fear that much of this vast sum will not be used for legitimate compensation of small depositors, but rather for meeting all sorts of financial obligations of troubled or defaulted banks. It remains unclear how this money and the public funds, listed below, are sup-

posed to be made available. It is probable that this will occur via issuance of government bonds which have to be purchased by the state-controlled banks, particularly the Postal Bank.

- At the same time, a “Special Budget for Crisis Management in the Financial System” is to be established within the DIC, comprising about \$100 billion (13 trillion yen). This money is to be used to purchase the stocks of ailing financial institutions in order to improve their capital base.

Hashimoto also presented new official data on the extent of “bad” credits in the Japanese financial sector: It is now conceded that the volume of various categories of “foul,” “distressed,” or “endangered” credits amounts to some \$550 billion. That would be somewhat more than half of the actual volume, estimated at \$650 billion of “bad” credits in the Japanese financial system.

- The government is instructing state-controlled banks, and especially the Postal Bank, to make new credits at a volume of \$190 billion (25 trillion yen) available in order to balance out the shrinkage of credit issuance by private financial institutions. Theoretically, these credits could flow into the real economy and have a stimulating effect. It is feared, however, that the lion’s share of these credits will flow into the financial sector, because companies will not be making new investments or employing new workers, but will instead strive to reduce their debts to banks.

- The introduction of a capital reserve requirement of 8% of credits issued for Japanese banks which are active in international business, intended to go into effect on March 31, will be postponed. A 4% capital reserve requirement for institutions which are only active domestically, has likewise been dropped.

- Finally, private households are supposed to be granted tax breaks, totalling up to \$45 billion, which is supposed to stimulate domestic demand.

These measures, taken together, represent the *largest financial bailout in world history*. And it is important to keep in mind, that this mega-bailout is being launched with a view toward the entire world financial system; it is not just “national” policy for Japan. Since the Spring of 1995—some two years before the current “Asia crisis”—it has been clear to all informed circles that Japan’s financial sector—not its real economy—is the *Achilles’ heel of the world financial system*. Following the de facto state bankruptcy of Mexico, the bankruptcy of Barings in the United Kingdom, and the outbreak of the Japanese banking crisis, the world financial system was on the brink of collapse already in Spring of 1995. It was decided at the Group of Seven world economic summit in Halifax, Canada in June 1995, that a looming chain reaction-style collapse of the financial system would have to be prevented by means of an international policy of *liquidity pumping*. Private banks were permitted to cover themselves with easy access to ever more central bank money by means of an internationally agreed-upon policy of low interest rates. And the private banks speculated

with this money internationally, wherever they saw the best chance of quick profits. That is the background of the incredible financial-asset price inflation between Summer 1995 and August 1997, when the frenzied surge on the world’s stock markets came to a halt.

Japan always took center position in this period of liquidity-pumping. In the Summer of 1995, the Japanese central bank lowered interest rates to 0.5%, which is where they are to this day, and where they will stay. That means that the Japanese private banks obtained money from the central bank, against securities or commercial paper of whatever quality, at almost zero cost! The policy of liquidity-pumping bought the world a two-year “breathing space.” Over that period of time, the monetary and financial aggregates, which had already assumed untenable dimensions prior to 1995, further expanded enormously internationally, and especially in Japan. The chasm between the real economy and the accumulated financial titles, including their payment claims, opened ever wider. Time was “won,” but the underlying crisis of the Japanese—and global—financial system drastically escalated at the same time.

From August 1997 onward, it turned out that the overstretching of the international financial system, which had been generated by the liquidity-pumping, could no longer be sustained. The speculative attacks by the so-called “hedge funds” à la George Soros, against the currencies and the financial markets of Southeast Asia, were therefore the *trigger*, not the cause, of the rapidly accelerating and escalating financial crisis in Asia which broke out in the second half of 1997. But the so-called Asian financial crisis was, in turn, always merely the most exposed “front” or the “main theater of war” of the *worldwide* financial crisis.

In the late Summer of 1997, the majority of the international financial oligarchy reacted just as it had in the early Summer of 1995: In view of collapsing financial asset prices, which was intensified under the pressures of currency speculation, they concluded that the previous policy of liquidity-pumping had to be upgraded *by orders of magnitude*. Blow by blow, one International Monetary Fund (IMF) bailout package followed another: \$20 billion for Thailand, \$45 billion for Indonesia, \$57 billion for South Korea, and now the Japanese package of some \$500 billion.

### **LaRouche points the way out**

At the beginning of November 1997, Lyndon LaRouche presented a package of measures at an *EIR* seminar in Bonn-Bad Godesberg, Germany, for what had to be done in view of the world financial crisis, with its epicenter in Asia:

- As a first emergency measure, capital and currency controls would have to be established in order to stop the destructive activities of speculators and hedge funds. This policy should be oriented to the monetary policy of the 1950s in western Europe, when the principle of “limited convertibility” was in force.

- The principle of “it’s only paper,” vis-à-vis plunging asset values, must be enforced. The rapid devaluation of speculatively overblown prices for financial paper is not a disaster, but rather is desirable. The elimination of fictitious capital by devaluation should not be prevented. Public money is not to be used under any circumstances to counter the devaluation of fictitious capital which is not anchored in the productive processes of the real economy.

- Under the leadership of the United States, the world financial system must be reorganized and a new “Bretton Woods II” world financial system must be created by the political will and the decisions of governments.

In view of the events of recent days, the crucial importance of LaRouche’s second point has become quite evident. Everything points unmistakably to the fact that Hashimoto’s program for “stabilizing” the Japanese financial system with \$500 billion signifies a further escalation of the world financial crisis in the direction of *hyperinflation*. Public money and the savings deposits of the “little people” are being used to an enormous extent in order to balance out the losses of private financial institutions. The “bad” credits of the private banks — fictitious capital — are not being *surgically disposed of*. There is no thorough “value adjustment” to the cost of private financial interests. Instead, the “bad” credits are being “parked” longer term, that is, they carried into the future with the view to retire them over some unspecified, but lengthy period of time.

The total mass of financial aggregates is being extended even further by means of the continued policy of pumping

liquidity via the 0% interest rates of the central banks and the “injection” of immense volumes of public money, which will necessarily have hyperinflationary consequences. And the funds made available by the central banks and the governments are not flowing into an stimulation of the real economy, for national or transnational projects to increase productivity. Instead, they are seeping away into the bottomless pit of the objectively bankrupt financial system.

The Hashimoto program is one of a line of similar, but smaller, public mega-bailouts. At the beginning of the 1980s, the American savings and loan institutions were “deregulated,” i.e., the restrictive regulations for the investment and credit-issuance practices of the S&Ls were nullified. By the end of the decade, the ensuing speculation in real estate and financial paper had ruined the S&L system. President George Bush saw to it that an estimated \$200 billion was spent on the bankrupt S&Ls. The lion’s share of public money did not flow into protection of the deposits of the “smaller savers,” but into paying off *private claims*, in the aftermath of the speculation.

The bankruptcy of Crédit Lyonnais, the largest bank in Europe at the beginning of the 1990s, was similar, although in smaller dimensions. Credit Lyonnais suffered losses estimated at \$50 billion in real estate, bond, and derivatives speculation, together with bad debts. Instead of carrying out a surgical valuation adjustment, the losses and the bad credits were taken over by the state, i.e., by the French taxpayer.

But the crises of Crédit Lyonnais and the American S&Ls seem small and harmless in comparison with the current banking crisis in Japan.

## Hashimoto stricken by Anglomania

Immediately following a five-day Jan. 9-13 high-profile visit to Japan of British Prime Minister Tony Blair, Japanese Prime Minister Ryutaro Hashimoto took the extraordinary initiative of writing a signed commentary for the widely read, Rupert Murdoch-owned British tabloid, *The Sun*. Under the headline, “Britain and Japan Must Go Forward Together,” Hashimoto fawns that “I cannot recall a time when Japan’s relations with Britain were so good. Tony Blair and I are both determined to achieve a more compassionate yet efficient society and to take the tough decisions required.

“He is a new star on the world stage, and whether addressing our top businessmen or meeting the people of Tokyo, he has made a huge impression, which can only benefit our relations further.”

Hashimoto lists a number of Britons of the past, including that ideologue of British imperialism, Charles Darwin,

as among “my childhood heroes,” and goes on: “I always wondered what it was about Britain that gave birth to so much talent. I was also inspired by the Boy Scout movement. When I was young, I became a Scout, and impressed by the ideals of the founder, Lord Baden-Powell, I later made a special visit to Scout headquarters.” (Hashimoto was evidently not informed, before writing this article, that Baden-Powell was recently exposed on a British television program, as an active homosexual.)

After issuing an apology for the “tremendous damage and suffering” caused by Japanese treatment of British prisoners of war during World War II, Hashimoto writes that “I look forward to two visits to Britain later this year — first, for the Asia-Europe Summit in London, then to the G-7 Summit in Birmingham. . . . *We are working together in a number of areas, and these regular contacts can only help*” (emphasis in original).

“But the highlight for us of the Anglo-Japanese relationship will be the state visit to the U.K. of Japan’s emperor and empress in May. They are looking forward to seeing the new Britain. I welcomed Tony’s statement that they would be warmly welcomed by the British people.”



## Other, somewhat rational voices

The majority of the international financial oligarchy currently stands firmly behind Hashimoto's program of pumping liquidity and bailouts with public money. It is also becoming apparent, however, that some in the European and American financial and political elites are coming to understand that ever more comprehensive bailout packages are an untenable policy. The continuous injections of fresh liquidity into the financial system, supposedly in order to gain time, necessarily lead to galloping inflation. This faction emphasizes that one should not "socialize" the *private risk* of private financial institutions, and that *private* losses have to remain a central feature of a market economy.

In the opening days of the new year, several central bankers in Europe raised public accusations against the IMF's policy of ever more and ever grander bailout packages. The head of the German Bundesbank, Hans Tietmeyer, was cited in the Frankfurt financial publication, *Börsenzeitung*, at the turn of the year: "In my opinion, the IMF policy ought to be fundamentally reviewed," and he said he wanted to counter the impression that international organizations, such as the IMF, or other countries would always be standing by with big credits wherever a financial crisis breaks out. U.S. Treasury Secretary Robert Rubin expressed the point more sharply on Dec. 24, when he said that he would not make "a single nickel" available for private banks to compensate private creditors of South Korea for their losses incurred there. After all, the IMF money for bailout packages come from public funds that national governments are supposed to provide the IMF.

In a background discussion, a spokesman for the Bundesbank said that Tietmeyer's statements were intended to "deliver the message" that, while the IMF was not being "put into question," it was moving into "dangerous terrain" by continuously packaging new bailouts. It had to be emphasized, said the spokesman, that "private creditors" had taken a "private risk," and they could not count on being saved with public money. There is "complete agreement" between Rubin and Tietmeyer in this regard. On Jan. 7, in a commentary for the Copenhagen daily *Politiken*, the former governor of the Danish National Bank, Erik Hoffmeyer, criticized the conditionalities of the IMF for the \$57 billion bailout for South Korea because of the "immense" negative economic and political consequences. Hoffmeyer then asked: "There is a very great risk that the money which flows to South Korea will only be used to pay the loans of the most nervous [private] creditors [from Japan, Europe, or the United States]. Now, does that make sense?" But these views of Rubin's or Tietmeyer's, also now shared in the Swiss National Bank, do not currently determine policy. These views are also miles away from LaRouche's proposals for a "radical reform" of the world financial system.

For the moment, the agony of the world financial system will probably continue, but the worldwide and systemic nature of the crisis is becoming more obvious as each day passes. It can be assumed that there will be an extraordinary combina-

tion of three trends in the first quarter of 1998: 1) a continuation of the inflationary policy of liquidity-pumping and public bailouts; 2) a drop in stock values of up to 40% on the European and U.S. financial markets; 3) the shrinking financial values will go hand in hand with a shrinkage of the real economy in the U.S.A. and Europe. These three factors make an explosive mixture, and not only in monetary-financial respects, but also in social respects, and especially in political-strategic respects.

## Blair makes an offer Japan must refuse

by Our Special Correspondent

British Prime Minister Tony Blair could not have chosen a more opportune moment for his official visit to Japan on Jan. 9-13. The wild gyrations of the Tokyo currency and stock markets, the overall weakened Japanese financial situation, and the unwillingness of Japan to break from longstanding plans to deregulate its markets, left Japan particularly susceptible to Blair's pitch for a new Anglo-Japanese alliance, based on a series of financial and economic deals between Japan and Europe.

In Tokyo, Blair held a series of meetings with Prime Minister Ryutaro Hashimoto, Finance Minister Hiroshi Mizushima, and Emperor Akihito, and appeared almost daily on Japanese national television. As one Japanese observer told *EIR*, "It was Blair-mania" all over Japan.

Concretely, what Blair's trip was aimed at achieving was a full integration of Japan into Britain's global financial orbit. The day before Blair left for the Far East, he had met, in London, with 20 members of the European Commission. He told them that he would secure a commitment from Japan for full cooperation with the European Monetary Union (EMU). Given that Britain has already announced that it will not be among the first countries adopting the single currency, the euro, in January 1999, Blair's Japan gambit was aimed at giving Britain greater leverage on the euro arrangements than it would otherwise have.

In Tokyo, Blair pushed hard for Japan to move forward with the scheduled April 1998 "Big Bang" opening of its financial services sector—despite the fact that the Japanese Ministry of Finance had just released data showing that Japanese banks are carrying over \$575 billion in bad loans—more than double the previously acknowledged figure.

This deregulation push would open Japan's \$7 trillion in personal savings, for investment into the global markets—i.e., for unchecked looting. Those savings deposits, and the fact that Japan still has a large, high-tech industrial base, are the country's chief defenses against the looming assault by

currency speculators linked to the British monarchy's Club of the Isles. Under the current crisis conditions, for Japan to go ahead with the "Big Bang" would be suicidal. London, on the other hand, is anxious to get a big piece of this money to offset some of the big losses recently suffered by British financial institutions in the Asia turmoil.

### **The view from Tokyo**

If Japan foolishly proceeds with the radical restructuring plan and moves into a cooperative relationship with Britain, particularly the London-headquartered Club of the Isles, Japan will be finished—economically and politically.

So, why are the Japanese so short-sighted? The answer, according to one U.S. intelligence source, is that the Japanese believe they need access to Britain's and Europe's markets before the EMU goes into effect, in order to compensate for anticipated losses of Asian export earnings, due to the currency collapses that have rocked such traditional Japanese export markets as Thailand, South Korea, and Indonesia. Japan is trying to become involved in joint ventures now, and to export to Europe—before the other Asian countries with devalued currencies can corner the market.

Unfortunately, the Hashimoto government seems to be accepting the British offer without fully grasping the consequences of its actions. The Japanese have themselves been the target of a massive speculative attack on their currency and markets, over the last several months, and until the week of Jan. 12, the Tokyo Stock Exchange and the yen were both sliding rapidly. Some policymakers in Tokyo reportedly believe that if they continue to support the International Monetary Fund's (IMF) conditionalities and cut a deal with the British, then they can go ahead with the so-called deregulation and survive.

What this short-sightedness leads Japan to ignore, is who was responsible for triggering the Asian currency devaluation in the first place. The global offshore hedge funds and British and European banks launched the Spring 1997 attacks on the Asian currencies, with the aim of weakening Japan to the point where Japan is no longer the dominant economic force in Asia. Moreover, as Japan continues to drift in a morass of internal factional warfare, the British and their allies see the opportunity of turning Japan into just another Asian country, vulnerable to what is being described in some British circles as the "recolonization of Asia."

The ongoing Japanese internal political faction fighting is yet another complicating factor. Despite the announcement of the Hashimoto emergency economic plan, which goes before the Diet (Parliament) later this month, there is not yet any consensus on how Japan will deal with the "Asia contagion." The political and financial institutions are openly split on the issue of using public funds for any bailout of failed banking institutions. Hashimoto's public insistence that no bank will fail is fueling a massive behind-the-scenes battle among the various forces. The so-called "domestic

stimulus package," if it involves a simultaneous bank bailout, could lead to an inflationary spiral.

One hopeful sign that some forces in Japan are willing to look at reality, comes from the office of Finance Minister Hiroshi Mitsuzuka. During the week of Jan. 5, Mitsuzuka announced two regulatory actions to stem the speculative activity of foreign financial institutions. Both came following the visit to Washington by Vice Minister for International Affairs at the Finance Ministry Eisuke Sakakibara, and Economic Planning Agency chief Omi. During the trip, the United States and Japan worked out plans to crack down on "short-selling" on bank stocks, and rumor-based price manipulation—two favorite weapons of the hedge funds that have been wrecking havoc on many Asian currency markets.

Additionally, leading Ministry of Finance officials have recently called for a slowdown of the reforms until the banking crisis is under control. This move provoked a series of hysterical attacks in the international financial press. It should be recalled that a few months back, U.S. Treasury Secretary Robert Rubin urged Japan not to proceed with the drastic deregulation measures, and, instead, urged Japan to concentrate on straightening out its domestic capital markets.

Blair spent much of his visit to Tokyo, attempting to break that emerging resistance to the further liberalization. At a press conference in Tokyo, where he was joined by European Union President Jacques Santer and European Union Vice President Sir Leon Brittan, Blair railed: "Though they [regulatory reforms] may be difficult in the short term, they do yield greater benefits, and the greater the credibility, the greater the transparency, the greater the accountability, then the better off in the long term the financial system is. It allows investors to have the confidence that the system is being run properly, it is being done in an open and transparent way, that they can see what the true situation is."

### **Japan's relation to the United States**

Another source of Japanese vulnerability to the Blair gameplan is the fact that the Japanese press has, for months, been blaming the United States—not Great Britain, the Netherlands, France, etc.—for the activities of George Soros and the other currency speculators who have pirated Asia. This vulnerability to anti-American propaganda is a big source of Japan's problems today.

Japan, like every other nation on this planet, is doomed, if the present floating exchange rate system remains intact much longer. Japan's survival lies in its adopting Lyndon LaRouche's call for a New Bretton Woods System, based on fixed currency exchange rates. Right now, this means working with a fragile, but well-meaning U.S. administration, and giving no licence to Blair and the British Club of the Isles to establish an even stronger beachhead in Tokyo.

"If the Japanese go with the full British plan," one senior U.S. official noted, "the U.S. would have to reassess its strategic relationship with Japan."

# Monetarist corpse floats in Brazil

by Lorenzo Carrasco

The high tides caused by the crisis of the Asian financial markets failed to respect the dike of lies so carefully constructed by the government of Brazilian President Fernando Henrique Cardoso, and are now flooding Brazil, forcing to the surface the fragility of the monetarist deception in this country.

As in the case of South Korea, what we are seeing is a pyramid of very short-term debt, whose total quantity is unknown to the country's own monetary authorities. "Globalization" has in effect erased the main differences between foreign and internal debt, making a rigorous accounting of actual finances impossible.

This paper pyramid has three major components: 1) the runaway growth of public bonds; 2) the growth of private foreign debt, both in bonds and direct loans, with the aggravating factor that foreign banks recently established in Brazil are now also lending directly on the domestic market, using the resources of their branches; and 3) the relationship of the two previous components to the Brazilian derivatives markets.

According to the January 1998 issue of the Central Bank's newsletter, domestic debt through November 1998 is now equal to \$228 billion, of which nearly \$200 billion consists of public, federal, state, and municipal paper. The majority of these loans are renewed every 60 days. In the first trimester of 1998 alone, \$60 billion will come due, and will be renewed only with great difficulty, despite the recent steep rise in interest rates. The Brazilian government had to offer an annual interest rate of 37.76% on bonds it floated during the first week of 1998. Furthermore, nearly \$35 billion of the total debt is in the form of dollar-denominated National Treasury Notes (NTN-Ds).

The Central Bank also reports that, as of September 1997, the official foreign debt reached \$188.4 billion, of which \$100 billion is private sector debt. As commentator Aloysio Biondi stressed in his weekly column in the Jan. 9 *Folha de São Paulo*, both the government and private companies are facing enormous difficulty in renewing their credit abroad, and are only getting extremely short-term bridge loans.

The Bank for International Settlements in Switzerland states that Brazil had, until mid-1997, some \$71.1 billion

worth of accumulated debts with private creditors, of which 62.2%—that is, \$44.2 billion—are short term. But, according to the BIS, with the recent changes in banking legislation in the United States, the U.S. Treasury is no longer demanding that banks with branches in Brazil count as part of their international credits, those dollars loaned to Brazilian companies through their branches. The BIS estimates that, as of June 1997, there was \$39.1 billion loaned to Brazil through the local subsidiaries of international banks, which are not included in calculations of the official foreign debt. Therefore, the BIS calculates that the total debt to private creditors is actually \$110 billion, and the foreign debt of the country on the order of \$230 billion.

Even so, to get a complete picture of Brazil's total real foreign debt, one must add to the BIS's own figure, the categories of other public bonds denominated in dollars (NTN-Ds), public bonds held by foreigners but denominated in *reales*, foreign investment in Brazil's stock markets, etc.

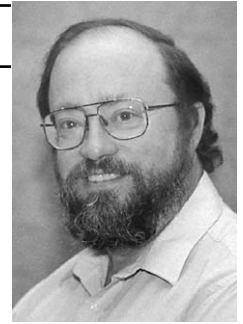
The third problem is the relation of all this debt to the Brazilian derivatives market, the fourth largest in the world, with a negotiated volume of nearly \$7 trillion in 1997. Here is where the real uncertainties emerge, because no one yet knows how much was lost by whom, with the sudden doubling of interest rates last October. According to the Jan. 5 *Wall Street Journal*, two months after the October crisis, no one knew how much Brazil's banks had lost. Even now, only \$800 million in losses are recognized. "Some of the derivative positions taken by Brazilian banking institutions still haven't closed, making a full accounting impossible," states the *Journal*. "If Brazil's attempt to defend the *real* fails and the country is forced to devalue the currency, then all bets are off for the banks."

## Cardoso's strategy

Of course, the Cardoso government is planning to survive until next October's elections, in which the government expects to be a shoo-in, by virtue of continuing to implement the same prescription: maintaining the net flow of foreign speculative capital, by offering extremely high interest rates; privatizing all infrastructure companies; and looting the population through unemployment and low wages, while industry suffers a collapse.

But time is running out on this little game. First, the unpayable debts of the private sector reached \$60 billion by the end of 1997, equivalent to 23% of all private sector loans. This will increase dramatically in the first months of 1998, because of the higher interest rates. Secondly, because of those same interest rates, employment and industrial production will fall, which will lead to a drop in tax revenues, in turn increasing the deficit that the interest rates hikes were intended to combat. The result will be an increase in government debt, at a minimum rate of \$6-8 billion a month.

All that is needed is some additional commotion on the international markets, for the entire pyramid to collapse.



# Radiation protection laws: It's time for a change

*Mr. Muckerheide is a founder and president of Radiation, Science, & Health, Inc. (RSH), a new international group of independent radiation health effects scientists and analysts. The group has been at the center of the battle to put radiation protection standards on a more realistic and scientific basis, exposing the propaganda, myths, and lies that have surrounded this issue (and everything else nuclear). They have assembled and publicized the vast scientific literature that contradicts the simple assumptions that are now used to justify extreme regulations regarding nuclear power, along with high public costs, and escalating public fears.*

*Muckerheide is the Massachusetts State Nuclear Engineer and a member of the Governor's Advisory Council on Radiation Protection. He has worked with the Advisory Council and the international science community to compile some of the voluminous data on the effects of low-level radiation. His articles, "The Hazards of U.S. Policy on Low-Level Radiation," and "How the Data Were Suppressed and Misrepresented," appeared in the Fall 1997 issue of 21st Century Science & Technology magazine.*

*He was interviewed by Marjorie Mazel Hecht.*

**EIR:** RSH has assembled scientific evidence demonstrating that the current, internationally accepted model for predicting radiation effects, and for setting standards for radiation protection, is wrong. You have also proven wrong the so-called linear no-threshold approach, which assumes that *any* amount of radiation causes damage, and that this damage can be calculated as a linear extrapolation from the known effects of damage from high-dose radiation. Can you discuss some of the biological evidence disproving the linear model?

**Muckerheide:** The so-called linear model has been justified by the biological concept that a single radiation ray or particle can damage DNA in a cell, which can later become a cancer. This is the only way the biological response can be linear and that cancer can be a "chance" event. However, molecular and cellular biology have recently disproved this concept. There are three fundamental changes, among others, in understanding the applicable biology.

In brief, the first is that even with 15,000 rays or particles per second hitting a human body from natural background radiation, this is thousands of times *less* than routine DNA

damage from normal oxidative metabolism and other stressors. Even though it is found that radiation causes a higher "double strand break" rate in DNA, this DNA damage is still trivial compared to that of normal metabolism, and the effects of heat, and exercise.

Therefore, even if natural background radiation is doubled, or increased tenfold, its effect on the body will still be very far below the rate of natural, metabolic DNA damage and repair.

The second fundamental change in our understanding of the biology, is that the process of generating a cancer is a multi-step process, with three to six steps usually described. This process includes active feedback mechanisms in managing repair, not only of the DNA, but also of the cells themselves, if the DNA is damaged. The known mechanisms, although they are not fully understood, result in a biological process that cannot be linear.

And the third fact is that radiation is shown to stimulate repair mechanisms, both at the molecular and DNA level, and mechanisms at the cellular level. Such biological stimulation effects, including lower cancer and successful cancer treatment, are wholly consistent with the evidence for beneficial effects of low-level radiation in animal studies and in humans. This is consistent with the extensive data that show also that organisms that have been exposed to *lower-than-normal* background radiation suffer physiological deficiencies in many growth and functional aspects of biological health. After all, if you have a plant that suffers in the direct summer Sun, you do not save it by putting in a closet.

**EIR:** You also have amassed startling epidemiological evidence from studies of populations exposed to vastly different levels of background radiation. It seems to be clear that people who live in areas where there is high background radiation have lower cancer rates.

**Muckerheide:** Yes, annual natural background from radioactivity in the Earth and cosmic radiation varies from a factor of 10 to 100. I was born on Martha's Vineyard, in Massachusetts. When President Clinton was vacationing there, it struck me that background radiation varied from tens of millirem, in places like Edgartown on Martha's Vineyard, to hundreds of millirem in places in Wyoming, where he had also vacationed.

Many areas of the world have even higher natural sources of radiation. Studies where significant populations can be compared have shown no adverse effects from these large differences. In fact, the data show consistently *lower* cancer rates in areas with high background radiation.

The Proceedings of the Fourth International Conference on the High Natural Radiation Areas, held in Beijing in October 1996, further document these results.

**EIR:** How do scientists explain this?

**Muckerheide:** Some scientists link the known stimulatory effects of radiation on biological functions and the immune system to the lower cancer rates. In Japan, the residents of the high-radon area of Misasa Spa have very much lower cancer rates than a similar, surrounding area, and both regions have lower cancer rates than those of Japan as a whole.

In the United States, lung cancer is much *lower* in areas with high radon levels than in areas with very low radon levels. But these results are misrepresented by the radiation protection establishment. In 1973, the U.S. government terminated work that it had initiated to assess effects of variations in background for Environmental Impact Statements, after preliminary results with coarse data showed no excess cancer, and, in fact, lower cancer rates, in the high background radiation area.

This is typical of many such studies, including the best study, which has been going on by health authorities since 1972, in China, between two large equivalent populations in Guangdong Province.

**EIR:** Based on the results of these studies, there is some work going on in Japan to test the benefits of low-level radiation.

**Muckerheide:** Yes, in Japan, in fact, the research evidence of immune system stimulation from low-level radiation has been used to successfully treat some cancers. Nasal cancers have been dissolved using X-rays to the trunk to stimulate immune response. Also, non-Hodgkins lymphoma patients treated with low-dose radiation to stimulate the immune system have a 90% survival rate after six years, compared with only 36% survival of patients (after four years) treated with normal high-dose radiation therapy alone. The patients treated with low-dose radiation were those considered hopeless. It is a tragedy that the research to confirm these results and apply this knowledge is limited by today's official radiation science policies, which assume that low-level radiation is harmful, and therefore prevent such research from being conducted and funded.

One interesting question is: When the evidence for treating and prevention of cancer is finally taken seriously, will the "story" be that the stimulatory effects of low-level radiation can successfully treat cancers, or that, for decades, the evidence has been ignored, because of control of radiation science policy by persons and organizations interested in so-called radiation protection, instead of radiation and health?

These issues have been known since the turn of the century. Yet, they have not been substantively considered, even with millions of people who have used radiation for health benefits, often without adequate scientific bases and controls.

I think people will eventually be angry to learn that half a million people die each year from cancer, many of whom might have been saved by new kinds of treatments that were known, but not developed.

One comprehensive study of the evidence comparing shipyard workers who were exposed to radiation and those who were not, estimates that as many as 200,000 people per year die of cancer prematurely, compared to persons who live with higher doses from natural or occupational sources.

**EIR:** You recently attended an international scientific meeting on this issue that marked a breakthrough of sorts on radiation policy. Do you think this indicates that policy changes are possible?

**Muckerheide:** Yes, this conference of leaders of organizations that determine health effects from ionizing radiation, "Creating a Strategy for Science-Based National Policy: Addressing Conflicting Scientific Views on the Health Risks of Low-Level Ionizing Radiation," was sponsored jointly by the Council of Scientific Society Presidents and the Johnson Foundation, at the foundation's Wingspread Conference Center in Racine, Wisconsin. The conference issued the surprising statement that *there is no evidence that there are any adverse health effects from ionizing radiation below at least 10,000 millirem for exposures in a short time.*

A millirem is a unit of energy. To give you an idea of what it measures, there are about 5 millirem for a chest X-ray or a transcontinental jet flight, and annual limits of exposure can be as low as 15 millirem. At the same time, annual radiation from natural sources in the Earth and cosmic rays varies in the United States from less than 100 millirem to more than 500 millirem, and up to 10,000 millirem in residential areas in some places in the world.

The conference was a real breakthrough in considering the scientific data on radiation health effects. Now this international group is in a position to challenge the huge and unjustified public costs for radiation cleanup at nuclear sites, which are expected to exceed \$2 trillion worldwide. It will also challenge those radiation science policy and regulatory interests that fail to consider these data in continuing to set radiation dose limits that are not based on evidence, and that cost the public billions of dollars.

**EIR:** What led to the statement adopted at this conference?

**Muckerheide:** Many of the scientists involved are distressed because the scientific work of the last several decades has been ignored, and misrepresented, by those who have set the rules for radiation protection, and, in this process, fostered unjustified fears of radiation. As a result, in addition to unnecessary costs, some people have been led to refuse valuable,

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*I think people will eventually be angry to learn that half a million people die each year from cancer, many of whom might have been saved by new kinds of treatments that were known, but not developed.*

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life-saving medical treatments. And in Europe, as a result of such unwarranted fears, more than 100,000 pregnant women who were exposed to trivial doses of radiation after the Chernobyl accident had abortions — out of fear that the radiation would cause birth defects. This was solely the result of misrepresentations of the risks of radiation. In addition, the radiation limits set for evacuating people from around Chernobyl were *below the average radiation in Norway*, and far below the high-background areas of Norway and other areas in the world. As one of the scientists supporting this effort asks: “Should Norway be evacuated?”

**EIR:** What’s the next step?

**Muckerheide:** This effort is only beginning to get the attention of the wider science and policy community, but will continue until a new, open evaluation of the evidence from the scientific literature, and common sense, is achieved. We are confident that we will be able to force discussion of radiation standards to be based on scientific data, instead of fear.

For example, the Environmental Protection Agency and the Nuclear Regulatory Commission are now arguing about whether annual radiation cleanup limits should be 15 millirem or 25 millirem. Obviously, both agencies are backing limits that are much less than the variation in normal background radiation, so these limits cannot possibly provide any health benefits, even if radiation were harmful at such low doses! If these levels were harmful, the people in the high-dose areas of Wyoming and Colorado would be substantially harmed, simply by living there.

If we use the EPA and NRC standards, perhaps these agencies and the Martha’s Vineyard Chamber of Commerce should have advised President Clinton not to vacation in Wyoming the last two years! Or the Department of Energy, the EPA, and NRC should recommend the evacuation of Denver, because this would reduce radiation exposure for more people at much less cost than their current cleanup programs. And perhaps they should remove the Congress and government agencies from some high-radiation-source granite buildings.

On the other hand, the U.S. Centers for Disease Control could have advised the population that health conditions in Colorado and Wyoming are better than in the low-radiation-dose areas of the southeast.

**EIR:** The cleanup issue isn’t a trivial matter. We’re now spending billions of dollars to make former nuclear sites su-

per-clean. . . .

**Muckerheide:** The United States will spend more than a trillion dollars to meet the current, official clean-up standards, yet these standards have absolutely no health protection benefits. This overreaction to normal radiation levels warrants a new assessment of the data, including data showing low-level radiation for health benefits.

Millions of people throughout the world use radiation supplements, including radon spas and treatments. The few medical studies demonstrate some beneficial effects. Workers and residents in such areas, who get much more exposure than patients who come for only a few days, show beneficial effects, including lower rates of cancer.

But research is not funded for the groups doing these studies, nor for the millions of people who receive moderate doses in medical procedures. In a thallium stress test, for instance, my dose rate was 20 millirem per hour, on my chest, which would be less than my internal dose. It was measurable for weeks. It’s certainly very much greater than 15 millirem in a year. A million healthy people get this treatment every year, and the study data show *there are no adverse effects*.

A million people a day get some form of nuclear medicine and radiology treatment. The limited studies of these patients, from nuclear medicine and radiology treatments, including much higher doses than regulatory limits, show no adverse effects (except for a few special circumstances from early high-dose treatments). But research to confirm these results has not been supported. The research programs are funded and controlled by radiation protection interests, which have no interest in radiation and health.

**EIR:** I think the emphasis has been on funding studies looking for adverse results of radiation from nuclear projects during and after World War II, with the idea that people were “victimized.” The pressure for such studies comes from the greens. . . .

**Muckerheide:** Yes, although the greens are mostly instigators for the agencies and others who benefit from the billions of dollars a year spent chasing non-existent radiation risks.

One such example of the funding of non-scientific research is the effort to find health effects from releases of iodine-131 in the “downwinder” populations from the Hanford nuclear reservation in Washington state from 1946 to 1972. Iodine-131 has an eight-day half-life. One-half of the materials decays away every eight days, so most is gone

within two months, and essentially all is gone in three months. The most significant dose is to children, because iodine-131 collects in the thyroid, and children have smaller thyroids, and ingest relatively more milk than adults do. It is assumed that released radioactive iodine falls on a pasture and is eaten by cows, which then produce the milk that is drunk by children. This is then a “thyroid dose,” not a general dose to the body.

On the other hand, since the 1950s, iodine-131 has been used extensively for thyroid diagnosis and treatment, so there are millions of people who have received high and moderate thyroid doses from medical use of iodine-131. These have not been found to cause cancer (although there is no experience in very young children).

I’m a Hanford “downwinder.” I lived in the 75,000-square-mile study area, in Moscow, Idaho, from 1946 to 1949, so I’ve kept up with the work there. It seems that, beyond the government effort to estimate doses, the effort to find health effects essentially provided \$10 million for scientists who claimed they could find results — and no funds for the qualified scientists who said it is impossible, and who then went on to other things.

The greens and other political, non-scientific groups are funded to participate and instigate public concern and support, combined with those who are interested in seeing billions of dollars spent, whether there are any public benefits or not. No one really speaks for the public.

**EIR:** This skewing of the research is not a new phenomenon. I think that RSH has begun to pull together the historical research on previous projects that were squelched because they didn’t fit the propaganda line that “radiation is harmful.”

**Muckerheide:** Radiation use in health benefit applications has been known but constrained since the 1930s, when the gruesome death of industrialist and socialite Eben Byers, by the degeneration of his bones (not from cancer), from massive overdoses of radium, enabled the Food and Drug Administration to have Congress grant it regulatory control of radiation. Initially, Mr. Byers found the use of radiation to have very stimulating effects, but the FDA never acknowledged that this sensational case was the result of an *enormous* overdose condition. Nor did it argue that he did not die of cancer. Also, the FDA never studied the effects of radiation on tens of thousands of people who had been using radium and various radiation sources for health benefits.

In the 1950s into the 1980s, substantial work was started at the Massachusetts Institute of Technology, by the world-renowned Dr. Robley Evans. He had been evaluating cases since the 1930s, in a program that became the Center for Human Radiobiology in 1970. Dr. Evans showed that the linear model used by the standard-setting organizations, the International Commission on Radiation Protection (ICRP) and the Biological Effects of Ionizing Radiation committee (BEIR) 1972, ignored the data from the MIT program.

Eventually, Dr. Evans found and studied the cases of several thousand persons who had ingested radium, mostly those who worked with luminous radium paints, and who put the brushes in their mouths before 1925. Only a few of the persons with doses far above roughly 3 million millirem had a bone cancer or a nasal cancer (from exhaling radon decay products, from the decay of radium in the bones). The thousands of persons with less than 3 million millirem had no cases of bone or nasal cancer. They also had no other adverse effects, except a slight increase in breast cancer in the radium dial painters who worked long hours at studio benches exposed to luminous radioactive compounds. And even these women are living longer than other women workers of the 1920s.

In the 1980s, after an international conference reported that there were still no adverse effects at less than 3 million millirem, this program, sponsored by the Department of Energy, was shut down, while other programs were funded which expend hundreds of millions of dollars for “research” that can produce no credible results, because of flawed premises, biased analysis, and misrepresentation of results, often simply to contribute to public fears.

In the shutdown of the Center for Human Radiobiology, scientists and program managers were reminded that funding depends on the political correctness of the answers produced. This has been true of radiation health effects “science” since the 1950s.

**EIR:** Certainly, today, millions of dollars are poured into environmental research that does not benefit anyone except the environmentalists doing and promoting the research.

**Muckerheide:** Yes, well, hundreds of millions of dollars have gone to the “research” efforts to foster public fear, with extensive outreach programs that do not consider the real data. Instead, non-scientific activists are funded, who are convinced that small amounts of radiation cause cancer, notwithstanding the evidence. But the real public costs are not for the research, and do not just benefit the researchers. The rules that are promulgated serve the purpose of large bureaucracies and the expenditure of hundreds of billions of the public wealth, while constraining the public benefits of nuclear technology.

A case in point is the several billion dollars spent every year at the Hanford nuclear reservation (and other sites) on “cleanup,” at the same time that the nuclear technology research facilities have been de-funded and shut down.

Since the 1970s, and probably earlier, it has been known that if the site were not “cleaned up,” except to stabilize the most significant waste sources, the *worst case* of possible releases to the environment would be *thousands to millions of times less radioactivity* than was released from site operations in the 1940s to 1970s, and *millions to billions of times less radioactivity* than is being “discharged” by Mother Nature to the air and the nearby Columbia River.

It’s like being concerned about the additional risk of

drowning from adding a gallon more water to a swimming pool. And being convinced to pay a contractor to remove that water—not just to remove a gallon of water, but to remove those same molecules of water. And perhaps, if you were told not to use the swimming pool while this operation was going on, indefinitely, you might wonder about the justification the contractor used to sell you this one.

**EIR:** What are your next steps in trying to reverse this situation?

**Muckerheide:** Clearly, the most significant step is to organize and distribute the credible data with the most senior scientists in the world, who do not have a conflict of interest. These data and the message of biological and epidemiological science must be recognized by the larger science and public policy communities, outside the narrow, controlled, radiation protection interests. The basis for the statement by Dr. Gunnar Walinder [a Swedish radiation expert], that “I do not hesitate to say that this is the greatest scientific scandal of the 20th century,” must be recognized and understood by the wider science community.

We must continue to introduce this evidence into legislative assessments and investigations, and into regulatory and public policy forums and in scientific and professional societies, in association with industry and non-governmental institutions that have an interest in responsible public policy. We must also formally challenge arbitrary and capricious decisions by government agencies, including the egregious misrepresentation of the data by some committed self-interested advocates.

When responsible science and industry initiatives have been developed, we can undertake legal and legislative efforts that can engage the public in discussing the role of natural radiation. This can enable clarification of the insignificance of radiation contributions, and the magnitude of the costs that some government institutions, and supporting individuals and organizations, have imposed on the public for no public benefit.

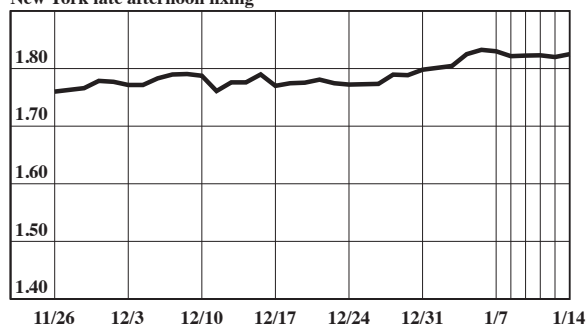
We encourage people to support the Radiation, Science, & Health efforts to obtain the support—financial, technical, and administrative—necessary to organize and present the evidence, and to participate in formal proceedings. It is appalling to realize that millions of dollars are committed to defend the linear no-threshold approach, while the most knowledgeable senior scientists in this field are not funded; their work is ignored, and they are often unable to travel to scientific meetings, except at their own expense.

Many nuclear technologies and medical applications are of enormous significance to the growing world population, and can be realized, once the highly burdensome and unjustified economic constraints are lifted. This will be an important path to preventing oil, food, and resources conflicts from overtaking the world in the early 21st century. This is for the world our children and grandchildren will inherit.

## Currency Rates

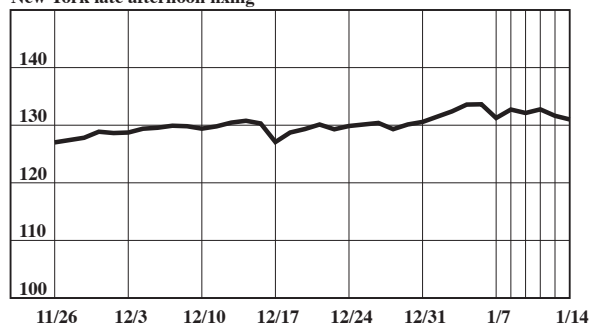
### The dollar in deutschemarks

New York late afternoon fixing



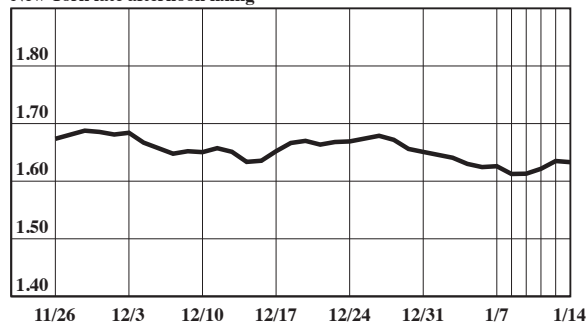
### The dollar in yen

New York late afternoon fixing



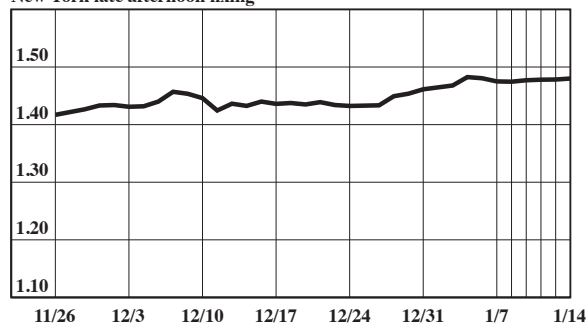
### The British pound in dollars

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing





## No future for the 'euro'

*Four economists have brought a legal case before the Constitutional Court against the European Monetary Union.*

On Jan. 13, in Frankfurt, Hans Tietmeyer, the head of the German central bank, told an American delegation led by U.S. Sen. Pete Domenici (R-N.M.), that the monetary integration of Europe will definitely occur, and the European Union's new currency, the euro, will begin to compete with the role of the U.S. dollar, once it comes into being in January 1999. Private banks, the political establishment, the overwhelming majority of the media, and even the leaders of the labor movement, are saying the same thing.

With the single currency, all of them argue, the European Union (EU) and its 400 million population will be safe against currency speculators, and it will be spared the costs of currency transactions (several tens of billions of dollars annually) among its 15 member countries.

Recent opinion polls claim that 70-80% of the German population favors the euro, but, at the same time, more than 60% fears that the new currency will bring disadvantages, while only 14% believes it will have benefits. Thus, the population is actually against the European Monetary Union (EMU), but has resigned itself to it. This impotent view has a lot to do with the media, which keep asserting that the euro must be implemented.

The government, well aware that the population is rejecting its policy, has spared no efforts, since the signing of the EMU treaty in February 1992, to prevent a broad public debate about the euro.

But the EMU stands on feet of clay. The nervous hyperactivity by pro-euro propagandists, to play down

a legal move by four prominent plaintiffs against the project before the Constitutional Court, shows how very soft the clay is, underneath the government's position. On Jan. 12, the four plaintiffs went to the Constitutional Court in Karlsruhe, to present a legal case against the EMU on the grounds that it violates the German Constitution.

The plaintiffs charged that four articles of the Constitution are violated by the EMU and its envisioned transfer of financial and monetary sovereignty to the envisioned European Central Bank: Article 14 (guarantee of property), Articles 20 and 28 (guarantee of the social welfare system), and Article 38 (sovereign, democratic rule).

The plaintiffs are four prominent representatives of the economic and judicial elite of Germany: former German central bank council member Wilhelm Noelling; former Hesse state central bank director Wilhelm Hankel; and two professors of international and public law, Joachim Starbatty and Albrecht Schachtschneider.

The main argument of the plaintiffs is that fraudulent or, as they are called nowadays, "creative" bookkeeping methods, of the sort the new system requires, run against a Constitutional Court ruling that the European Union's Maastricht Treaty can only become German law, if it is guaranteed that the euro will be as stable as the deutschemark. This, the plaintiffs say—and many agree with them—is not guaranteed by the trick of "creative" bookkeeping.

Germany's sovereignty is undermined and threatened by the EMU

design, Noelling explained on Jan. 12, after the case had been filed in Karlsruhe. The euro will bring more inflation, more devaluation of property, more joblessness, less social welfare, and will deprive Germany's national institutions of the means by which to fight these developments. To put it plainly: The monetary union will push Europe into a full-scale economic depression and destabilize the economies of the European Union countries.

The response from the German establishment and the media has been largely hostile and arrogant: "Who are these four professors anyway?" But most commentaries have been hysterical, because the legal case comes at a moment of great political uncertainty, as the last few weeks of Asian financial collapse have revealed a systemic crisis of the global financial system. In other words, it is not the legal case as such which threatens the EMU; it is the ongoing world financial collapse.

None of the many political designs, such as the euro, that were formulated in the early 1990s, can hope to survive the current financial and economic crisis; just as the Soviet bloc went under after 1989, so the "Western" system of monetarism will go under as well. This magazine, and its founder, Lyndon LaRouche, have always said, what most experts have claimed is not the case: that this monetarist system is doomed.

Meanwhile, some analysts are coming closer to LaRouche's view. In a discussion on Jan. 13 with this author, Beate Reszat of the Hamburg World Economic Archive, one of Germany's leading econometric institutes, said that if the Asian crisis worsens, the thunderstorms will come to Europe and blow the whole euro project away, even before the Constitutional Court has ruled on the case of the four plaintiffs.

## Indian market responds to Asian crash

*Burdened by an industrial slowdown and a large trade deficit, the Indian market cannot insulate itself from the crisis.*

On Jan. 12, the Bombay Stock Exchange 30-scrip indicator buckled under pressure of selling by foreign institutional investors. The Indian rupee, which has been losing ground steadily over the last two months, lost marginally. The collapse of the Peregrine parent company in Hong Kong also helped to make investors jittery. It is abundantly clear that the firestorm which has turned the debt-ridden Southeast Asian markets to ashes will continue to threaten the Indian market as well.

At the same time, the health of the Indian economy cannot be judged fully by the scrip prices posted at the Bombay stock exchange. The size of India's capital market is extremely small, compared to the overall size of the economy. Most of the blue chip companies are part of large industrial houses and all these companies have been affected by the industrial recession.

Nonetheless, India has now become more vulnerable to global financial events than ever before. There are two primary reasons for this: India has a large foreign debt, and a perpetual trade imbalance, caused by its weak export capabilities.

Since 1991, when the country began to reform its financial sector, India has received about \$10 billion in foreign direct investment. But most of the foreign exchange that the country posts as its reserves is in the market and is invested by foreign institutional investors. At present, forex reserves amount to about \$27.4 billion. That is sufficient to meet six months' import requirements, but most of those re-

serves can vanish in no time. Now, with the financial meltdown occurring in Southeast Asia, this capital may leave India's shore very quickly. Indian investors, worried as well about India's political uncertainties, have begun to respond to this new reality.

India's central bank and Finance Ministry, aware of the danger of dollar flight, had been steadily eroding the value of the Indian currency. Citing the rock-bottom price of Southeast Asian currencies, following their collapse, India's Finance Ministry is insisting that the rupee is overvalued, and hence it is under pressure to lose some of its value. The authorities claim that the only way India can keep up exports, in light of fresh competition from Southeast Asian nations, is by lowering its currency and making the cost of its exports more attractive to foreign buyers.

A recent report by the Ministry of Commerce, however, gives a different picture, and a truer one. The report said that India's export growth fell by 0.95% in November, largely due to rupee depreciation. The export inelasticity of some of the Indian goods caused the slowdown, it pointed out. Bringing down the value of the rupee did not help, and, in fact, did harm. Subsequently, Finance Minister P. Chidambaram announced that the rupee will not be devalued, because a cheaper rupee is no solution.

It is difficult to imagine that India's Harvard-trained Finance Minister was not aware of happenings on the ground, and needed the Commerce Ministry report to change his mind. The fact is that New Delhi is

less than honest in stating why it has tacitly approved the steady devaluation of the currency.

One does not have look far to see what New Delhi is trying to hide. India's infrastructure is in shambles, the physical economy has become less productive, and the world is in recession. There is no way India can enhance its export capability in the short term. What the authorities do not say, is that foreign investors are eyeing the cheaper Southeast Asian assets greedily, and may take their money away from the Indian market to invest in the Indonesian or Thai market, however temporarily. In order to keep the funds parked in India, New Delhi is cooperating in bringing down the rupee, in an attempt to make Indian assets equally attractive to foreign institutional investors.

The only solace at this dangerous hour is that India has not made its currency convertible on capital account and more than 95% of India's foreign debt lies with the government. A large amount of that is non-institutional, long-term, bilateral debt. In fact, unlike in South Korea or Indonesia, India's foreign debt has almost no private component. By keeping the rupee non-convertible on capital account, the government has ensured that large-scale capital flight or dollarization of the economy, are not immediate threats.

On the other hand, it is not difficult to see through the brave front put up by authorities at the Finance Ministry and the central bank, who are harping on the theme that the Southeast Asian financial disaster will not further affect India. These statements are issued primarily to "assure" the Indian voters, who will be choosing a new government in another six weeks, that New Delhi has kept the Indian economy insulated from outside disasters.

## New assault against labor

*The government plans to emasculate the Industrial Relations Commission and to break the Maritime Union.*

Australia's unique industrial relations system is headed for a shake-up, following the Howard government's announcement of a "second wave" of industrial relations "reforms." The announcement was made by Workplace Relations Minister Peter Reith on Dec. 30, the eve of the first anniversary of the government's Workplace Relations Act. The WRA, which established the practice of "individual employee contracts" with employers, was the first wave in the government's campaign to smash trade unions in Australia. The targets of this "second wave" are the Maritime Union of Australia (MUA) and, it is widely rumored, the Australian Industrial Relations Commission (AIRC), the independent arbitrator between unions and employees. Both the AIRC and the MUA have posed obstacles to attempts by the government, multinational mining companies, and the Mont Pelerin Society's anti-union front, the H.R. Nicholls Society, to deunionize the Australian workforce.

The AIRC is the umpire in the Australian industrial relations system. Under law, it has the power to approve wage rates and conditions, intervene in disputes, and impose settlements. It is the AIRC's power to intervene, for instance, to order unions and a company to continue talking in an attempt to settle differences, which is rumored to be specifically under threat by Reith. In 1997, the AIRC ordered Rio Tinto and the Construction, Forestry, Mining and Energy Union (CFMEU) to resume discussions, after Rio Tinto provoked a strike at its Hunter Valley No. 1 mine in New South Wales. That intervention enraged both the govern-

ment and Rio Tinto, which had intended to use the strike as a test case for the new Workplace Relations Act. The government had appointed Rio Tinto executive Mike Angwin to the three-person panel which drafted the Act in the first place; Angwin then was dispatched as Rio Tinto's chief executive to Hunter Valley, where he provoked the strike.

The government has already moved to weaken the AIRC from within, even before the second wave of reforms. In December, Reith announced the appointment of industrial relations lawyer Jeff Guidice as the AIRC's new head. As a lawyer, Guidice had represented Rio Tinto in industrial disputes on no less than 17 different occasions; now, the fox will guard the chicken coop. Coinciding with Guidice's appointment, the full bench of the AIRC voted on Dec. 23 to "simplify" the industrial award—the agreements that detail the benefits employers are obliged to provide their workforce—covering the hospitality industry, by stripping numerous benefits, such as extra pay for working Sundays and holidays. The government applauded the decision as "an encouraging start" to stripping awards in all industries, while the Opposition Labor Party condemned it as "a lousy Christmas present for 3 million Australian workers."

The government has made clear that its other main industrial relations focus for the coming year, in the name of "waterfront reform," is to crush the Maritime Union of Australia. The model for this is New Zealand, where the Labour government and the Mont Pelerin Society's

Business Roundtable smashed the Waterfront Workers Union in 1989. Now, according to the *Sydney Morning Herald* of Jan. 6, "The men must now work any hour of the day, any day of the week, and are paid a flat hourly rate. The closed shop has been busted open, and perks, penalties, and strikes are things of the past." As part of his plan to crush the MUA, Reith also announced that he was prepared to confront the 5 million-member International Federation of Transport Unions, one of the most powerful industrial organizations in the world. The IFTU provided crucial backup to the MUA in a dispute on the wharf in Cairns in September, when a Freeport McMoRan and Rio Tinto subsidiary tried to bring in nonunion labor to unload ships, and then again in November-December to stop a plan to employ SAS mercenaries on the Melbourne docks, instead of MUA members. In both cases, the IFTU threatened international boycotts, and overturned the strikebreaking plans.

A key player in the Howard government's fanaticism to eliminate Australian unions was revealed on Dec. 22, when the Australian Electoral Commission (AEC) forced the mysterious Cormack Foundation—the chief source of funds for the ruling Liberal Party—to declare where its money comes from. Prominent amongst the formerly anonymous donors are Rio Tinto's former Australian subsidiary (now merged into Rio Tinto), CRA, and Rupert Murdoch's News Corporation, notorious for smashing the printers union in England. AEC records also show that, besides funding the Liberal Party, Cormack pours funds into three local fronts of the Mont Pelerin Society, the chief economic warfare body of the British Crown, which designed the Thatcherite union-smashing policies in Britain, as well as in New Zealand.

# Business Briefs

## Health Care

### Epidemics, drug use in former Soviet Union

The collapse of health in the former Soviet states was presented in horrifying detail by *Newsday* journalist Laurie Garrett at the National Academy of Sciences Distinguished Lecture Series, in Washington, D.C., on Jan. 8. Highlights are:

- There is an explosion of the HIV virus, driven by intravenous drug use and the sex industry. Narcotics are cheap, because the drug traffickers are building up clientele.

- Of the 10 known strains of the AIDS virus, there are 8 circulating in Russia. In Africa, there are only three strains.

- The problem of alcoholism is growing. The average Russian consumed 3.7 liters a year when Mikhail Gorbachov began a campaign against drinking, in 1985. Today, the average Russian consumes 17 liters per year.

- Young women from the former Soviet Union are lured to eastern Europe with promises of jobs; once there, their papers are taken from them and they are forced to work as prostitutes. They line the sides of highways in small towns in the Czech Republic, for example.

- Tuberculosis has reached epidemic proportions, described as “genocide” by the TB director of Mongolia.

- The ratio of deaths to births is 1.6 to 1, and infant mortality is high. By the end of the century, the population may decline to the same level that it was in 1917.

## Speculation

### Gold price at lowest level since 1979

The price of gold was fixed at \$278.80 per troy ounce in London on Jan. 9, the lowest level since June 1979.

This is most unusual in a world financial crisis. In addition, according to Gold Fields Mineral Services, world gold demand rose by a hefty 16% during 1997.

During 1997, the Reserve Bank of Australia (Australia’s central bank) sold 167 tons of gold, while Argentina’s central bank sold 124 tons. Overall, “official institutions,” which consist primarily of central banks, sold 393 tons of gold.

But, a representative of the World Gold Council in New York told *EIR* that even the sales of official institutional gold would not, by themselves, have depressed the price of gold. He stated that the real culprits are “the hedge funds, including George Soros. They have been shorting gold.” The hedge fund leases, i.e., borrows, gold—usually at a very low lease-borrowing rate of 1-2%—either from a central bank, or from a “gold bank.” A gold bank is a commercial bank that leases gold from a central bank, and then, in turn, leases it to borrowers, such as hedge funds. The official stated that this brings extra gold flooding onto the market.

In an address, entitled, “The Hedge Funds,” to the Tenth Nikkei Gold Conference in Tokyo on Nov. 5, 1997, World Gold Council Manager George Milling-Stanley stated, “I am confident that we have experienced unprecedented levels of short selling by speculators this year. This is what has done the damage to the gold price. And the largest speculators are without any doubt the hedge funds.”

In December, *EIR*’s editorial called for governments to assert their sovereign power by burning the gold speculators. Russia, for example, could put a tax on gold exports, or Switzerland could announce that it would not sell its gold reserves.

## Currency Markets

### Asian nations debate dirigist measures

Many people in Southeast Asia are considering solutions to the financial crisis that were unthinkable just a few weeks ago, according to the *Sunday Times* of London on Jan. 11.

“We are at a point of dramatic action,” says Niles Jasani, of SocGen Crosby. According to the *Sunday Times*, a paper co-authored by Jasani and Manu Bhaskaran suggests that Indonesia, Thailand, Malaysia,

South Korea, and the Philippines may have to abandon floating currencies for pegs or capital controls. “At current levels the economic damage that could be caused by the market has reached proportions that cannot be tackled by simple liberalization of foreign-ownership rules or monetary/fiscal tightening,” they argue. “Governments, most particularly in Indonesia, and to an extent in Thailand and Malaysia, need to not only stem the fall, but pull the currencies back up by at least 20% for economic survival.”

Jasani and Bhaskaran warn that desperate governments may introduce capital controls or full exchange controls to save themselves from disaster—and they claim that such measures could doom Asia to a decade of lost growth; in fact, such measures are the minimum necessary step to defend national sovereignty, against the speculative sharks.

On Jan. 9, notes the *Sunday Times*, Thailand took the first steps toward tightening curbs on speculation by raising penalties for currency-trading violations and saying its central bank would “monitor” transactions by commercial banks.

## Infrastructure

### Maglev link proposed from Germany to Italy

A proposal for a trans-Alpine maglev line from Germany to Italy, through the Brenner Pass, has been made by Georg Brunnhuber, Christian Social Union member of the German parliament, according to the daily *Frankfurter Allgemeine Zeitung* on Jan. 5. A decision in principle to support the Brenner route for an Alps railway crossing, has been taken by the governments of Germany, Austria, and Italy, and the European Union as well, but there has been no decision on the technology or the funding.

So far, most of the debate among experts about the much-delayed project, has been around options for wheel-rail, high-speed technologies like TGV or ICE. The first proposal for a maglev connection was made in mid-1997, by Eckard Rohkamm, the chair-

**PRIVATE SECTOR** lending to infrastructure projects fell by almost one-third last year, due to the Asian currency crisis, the *Financial Times* reported. The value of financial deals for infrastructure projects completed last year fell to \$151.47 billion, down from \$223.9 billion in 1996. For the Asia-Pacific region alone, the fall in private bank funding to infrastructure projects fell by over 50%, from \$76.26 in 1996 to \$34.47 billion in 1997.

**FRENCH UNEMPLOYED** were evicted by police from protests at welfare agencies in almost a dozen cities on Jan. 10, but announced that they would continue a nationwide protest against the government. Socialist Prime Minister Lionel Jospin is faced with growing anger over double-digit unemployment and the budget cuts required for France to join the European Monetary Union in 1999.

**'IMF CRIMES'** are on the rise in Korea, according to the Jan. 10 *Korea Herald*, which reports that "economic turmoil" and layoffs have led to an increase in theft, burglary, violence, and suicide. "Coined 'IMF crimes,' these include the murder by a 30-year-old man of his wife, after their business in Seoul recently racked up 30 million won in debts," the paper reported.

**NEW 'SUPER RICE'** will increase rice production by up to 40%, the *Herald Sun* of Australia reported. Scientists in the Philippines made a breakthrough, solving a "plumbing problem" to allow rice stalks to carry enough nutrients to support twice as much grain.

**CREDIT LYONNAIS** is the French bank most heavily exposed in South Korea, according to a spokesman for the Société Générale. He told EIRNS that the Société had been chosen to represent French banks in the current international negotiations on the bailout of South Korea, not because it is the most exposed in South Korea, but because Crédit Lyonnais is, and its credibility is "below zero."

man of the Thyssen Industrie group, which is producing the main components of the German Transrapid maglev system.

Brunnhuber, who met with Rohkamm in December and discussed the project in detail, argues that a maglev system along the Brenner route, beginning in Austria at Kufstein, via Wörgl and Innsbruck, to Bressanone, Italy and on to Bolzano and Trento, could be built at half the price (14 billion deutschmarks, instead of 28) of a conventional train system, which requires a lot of tunnel construction and, therefore, will take longer to build.

The maglev train has a higher maximum ascending grade, 10%, and is therefore not dependent on tunnels, but can run along the natural contours of landscape, even in very mountainous areas. Most important, it can run at speeds of 200 kilometers/hour, and therefore provides an ideal vehicle for high-speed commodity transfer across the Alps. The 45 million tons that are expected to be transferred through there, by the year 2010, cannot be trucked across the trans-Alpine route, because of the limited capacity of the tunnels and highways. Therefore, it has been apparent for years, that a new rail link must be built, to shift commodity transport from road to rail.

Brunnhuber declared that the state government of Bavaria, where the maglev line would start, is backing the proposal, and that it has contacted the respective regional governments of Austria and Italy, to enter serious talks on a maglev option.

## Central Asia

### Presidents discuss regional cooperation

The Presidents of five former Soviet republics in Central Asia met behind closed doors in Turkmenistan on Jan. 5, to discuss greater cooperation in their oil- and gas-rich region, the *Times of India* reported on Jan. 7. The Presidents of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan were expected to sign a joint statement on regional cooperation, the Interfax news agency said.

The leaders discussed cooperation in the oil and gas industries, transportation, aviation, and communications.

Turkmenistan had opened a gas pipeline to Iran the week before, intended to be the first link in a larger chain. Turkmenistan, which has huge natural gas reserves, is desperately seeking a pipeline network, to export its gas to the rest of the world. Until the new pipeline opened, Turkmenistan's only export pipeline ran through Russia, and Moscow is reluctant to have Turkmen gas compete with its own exports.

Those taking part in the summit were Saparmurat Niyazov of Turkmenistan, Nursultan Nazarbayev of Kazakhstan, Asker Akayev of Kyrgyzstan, Emomali Rakhmonov of Tajikistan, and Islam Karimov of Uzbekistan.

## Protectionism

### 'Russia should study work of Friedrich List'

What German economist Friedrich List said 150 years ago, is also relevant for Russia today, said Wolfgang Kartte, the former head of the German Anti-Cartel Agency, in an interview published by the Berlin daily *Tagespiegel*, on Jan. 6. Kartte is now a private adviser to the Russian district government of Vladimir, east of Moscow.

"What benefit, for example, would the unbridled free market have for Russia? They would be forced to import everything from the West, for 100 years, and would never develop production of their own. Friedrich List, the father of the German Customs Union [Zollverein], already said: If we do not protect ourselves from the cheap textile and steel imports from England, we will never be able to build up an economy of our own. It simply does not work without any customs."

"The homage which is paid to free trade, is mostly meant for the others, in the sense that you have access to cheap raw materials and then pump back the finished products for good money into the countries that are exporting raw materials," Kartte said.

## London's drive to manufacture 'failed states'

by Dennis Small

On Dec. 8, 1997, Danielle Mitterrand, the widow of former French President François Mitterrand, visited strongholds of the Zapatista National Liberation Army (EZLN) in the state of Chiapas in southeast Mexico. Long a fervent supporter of the British-sponsored EZLN uprising in oil-rich Chiapas, Mitterrand proclaimed that the Zapatista-dominated municipality of Chenalhó (population 30,000) "is similar to Kurdistan."

Kurdistan is a cross-border area of Iran, Iraq, and Turkey, where the British have fomented an insurgency among the Kurdish inhabitants to try to carve out a separate, ethnic-based state. Like Chiapas, Kurdistan is swimming on a sea of oil.

Madame Mitterrand is not considered a friend of Mexico by patriots of that country. The national daily *Novedades* responded editorially to her "Kurdistan" provocation, by charging that she was trying to create a fraudulent "Mayan nation" out of parts of Mexico, Guatemala, and Belize. She should be declared *persona non grata*, they argued, and expelled from Mexico.

About two weeks after Mitterrand's visit to the Chenalhó region of Chiapas, the village of Acteal in that same municipality was the scene of a cold-blooded murder of 45 people, 15 of them children.

Coincidence? Not if you know Mitterrand's historical and philosophical pedigree, as Lyndon LaRouche explains in his feature piece below. And not if you know her British masters' ultimate strategic objectives. In the following pages, *EIR* explores these deeper aspects of the Chiapas story, which has been so prominently, and misleadingly, featured in the international media over recent weeks.

Chiapas has been invaded from abroad, and has become a laboratory for a policy which the London-centered financial oligarchy is implementing globally. This policy can be summarized as *intentionally manufacturing "failed states"*, in order to justify the elimination of national sovereignty, and the takeover of their natural resources by London-run supranational institutions. If successful, this will transform these nations into a no-man's-land of marauding narco-terrorist bands, private mercenary forces, and supranational invading armies—with the gravest of



*Leading lights of the Anglo-French operation to destroy Mexico (top left, bottom left, right): Fidel Castro, George Soros, Danielle Mitterrand. The French Synarchist belief-structure was summed up by intelligence agent Jacques Soustelle: "It is difficult for us to understand what human sacrifice meant to an Aztec. . . . Human sacrifice among Mexicans was not inspired by cruelty or hatred" (in Daily Life of the Aztecs, 1956).*

security consequences for the United States as well.

The British strategy has three main components, all of which are on display in Chiapas, and in the other case study we present here, that of Colombia:

1. *Manufacture ethnic, narco-terrorist and other insurgencies to balkanize the targetted nation or region, and establish self-proclaimed "autonomous zones."*

To this end, the oligarchy has deployed millennia-old religious cults and slightly more modern indigenist movements, through the likes of Mitterrand and her friend Fidel Castro. The Castro-run São Paulo Forum is the umbrella organization for the EZLN and like-minded narco-terrorist groups across Ibero-America. Mitterrand, following in the footsteps of French "Action Anthropologists" Jacques Soustelle and Paul Rivet, spends much of her time shuttling between Chiapas, Havana, and the northeast of Brazil, where she plays god-mother to the Zapatista-like insurgency of that country's Landless Movement (MST). She says of the EZLN, "The world which they wish to build, is the world I believe in," and her France Liberté Foundation (which bankrolls such movements worldwide) describes the pro-EZLN mayor of Mexico City, Cuauhtémoc Cárdenas, as a "friend and partner."

2. *Destroy the targetted nation's sovereign capability for dealing with the assault, by discrediting and then dismantling its military and police institutions.*

Non-governmental organizations such as British intelligence's Amnesty International, Prince Philip's Transparency International, and George Soros's Human Rights Watch, take the lead, by running campaigns which charge the military and

police with "human rights" violations and institutional hostility to "democracy." *EIR* has extensively documented this aspect of British strategy in its 1994 book, *The Plot to Annihilate the Armed Forces and the Nations of Ibero-America*.

3. *Demand UN or other multinational troop deployments, and/or British-run private security company involvement, to "solve" the crises thus manufactured.*

A 1994 report issued by the United Nations Development Program (UNDP) was among the first to present the notion of "the failed state," and included Mexico on a list of nations where they claimed to see "early warning signals of the risk of national breakdown." Curiously, a UNDP team had visited Chiapas and carried out an in-depth study there, seven months before the Zapatista revolt of Jan. 1, 1994.

This policy is not without opposition in the Americas. One indicator, is the level of vitriol and hysteria employed by London's minions in their repeated slanders against LaRouche and his influence in Ibero-America. For example, the Mexican daily *El Universal*—which has editorially called for UN troops to be deployed into Chiapas—on Jan. 6 ran an article denouncing LaRouche because he "asserts that in Ibero-America there is a satanic and pagan movement out to destroy Western culture." And on Jan. 12, Teresa Jardí, an ally of Bishop Samuel Ruiz, the real "Comandante" of the Zapatistas, and one of Mexico's most prominent drug legalizers, complained in *Crónica*: "*EIR*, LaRouche's magazine, enjoys particular support in Mexican military circles. I know this, because I saw it in a general's office. . . . Already [back in 1994] it had become something like a 'bible' of the national Army."

# Massacre in Chiapas furthers British plot to destroy Mexico

by Marivilia Carrasco and  
Hugo López Ochoa

On Dec. 22, 1997, in Acteal, a hamlet in the municipality of San Pedro Chenalhó in the northern part of Mexico's south-eastern state of Chiapas, unknown assailants brutally murdered 45 defenseless people, including 15 children. The intellectual and material authors of the crime, which bore the marks of a satanic ritual, are still unidentified. Yet, well before the Attorney General's office began its investigation, the narco-terrorist Zapatista National Liberation Army (EZLN) accused the government of President Ernesto Zedillo, the Army, and the ruling PRI party of having ordered the massacre. In a Dec. 23 communiqué, Sebastián Guillén, the EZLN's so-called "Subcommander Marcos," charged that "Zedillo has already gone down in history as the murderer of Indians, and his hands are stained with Acteal's blood." Citing no evidence, "Marcos" affirmed that "60 PRI paramilitaries, sponsored by the Federal and state governments, murdered 45 Indians with high-caliber weapons."

Almost immediately thereafter, Raúl Vera, the Co-Adjutor Bishop of San Cristóbal de las Casas (Chiapas), left for Europe to seek support for the EZLN's cause. He declared there that "ex-military and ex-police officers are the ones who train paramilitary groups in Chiapas. . . . Some PRI deputies sponsor weapons trafficking." Using EZLN rhetoric, Vera said that "this war is an attempt to halt the profound change already taking place in the region; this will undoubtedly affect the interests of the *caciques* [large landowners] who up until now have wielded economic and political power" in the region.

When the Attorney General's office asked Bishop Vera to substantiate his charges, he could not do so. Nonetheless, the non-governmental organizations (NGOs) and media controlled by the British oligarchy organized an international campaign focussed on the following points:

1. Disarming all paramilitary groups, except the EZLN.
2. Withdrawal of the national Armed Forces from Chiapas.
3. The resignation of President Ernesto Zedillo.
4. The resignations of Government Secretary Emilio Chuayfett, and of Chiapas Gov. Julio César Ruiz Ferro (they have already resigned).

5. Reform the Constitution, to concede territorial "autonomy" to 56 supposed ethnic groups, the "Zapatista" interpretation of the so-called San Andrés Larráinzar agreements between the government and the EZLN.

The Acteal massacre was timely for the EZLN, giving it the opportunity to wash its hands of the massacres and crimes it had committed prior to this time, and to retake the political initiative for a final offensive to break the Zedillo government's resistance to the British plan to balkanize the country through the creation of autonomous indian regions. This would make the country ungovernable, and would quickly destroy the nation-state. The British vultures in the NGOs and the media immediately jumped on the Acteal massacre, to orchestrate the international side of the operation.

The British offensive against Mexico took off on Jan. 1, 1994 with the EZLN's violent eruption in Chiapas, and the unleashing of an increasingly open civil war against Mexico's national institutions: the Presidency, the Army, and the Catholic Church. The country's destabilization gained momentum with the still-unresolved political assassinations of the PRI's Presidential candidate, Luis Donaldo Colosio, in March 1994, and of the PRI's Secretary General, José Francisco Ruiz Massieu, the following September. Coming on top of the May 1993 assassination of Cardinal Juan Jesús Posadas Ocampo, these murders provoked profound unrest among the population, preparing it psychologically for the ensuing steps of Britain's irregular warfare.

Despite the fact that it never disavowed its original declaration of war against the Mexican government and Army, in the course of 1994 the EZLN was formally recognized by the government of Carlos Salinas de Gortari as the interlocutor for Chiapas's indians, and implicitly, as a national interlocutor, as a result of pressure exerted by the international apparatus which spawned it.

In March 1995, with Ernesto Zedillo now President, the government decreed a Law for Dialogue, Reconciliation and Dignified Peace in Chiapas, which conferred de facto belligerent status on the EZLN, and created a Legislative Commission for Concord and Pacification (Cocopa). Absurdly, since EZLN sympathizers were a majority in Cocopa, it became simply a chorus for the narco-terrorists. This is confirmed by the bill presented by Cocopa, interpreting the agreements signed by the government and the EZLN in San Andrés Larráinzar, Chiapas. The bill proposes a constitutional reform to grant legal status to autonomous indian zones, and was immediately backed by the EZLN, which demanded it be approved in Congress with no changes.

In December 1996, the Zedillo government rejected the bill because of its obvious unconstitutionality, and offered a counter-proposal which was immediately rejected by the EZLN and its mouthpieces. The EZLN obstructed negotiations and accused the government of betraying the San Andrés Larráinzar agreements. It then made any new negotiations contingent on passage of Cocopa's bill in the Congress, black-

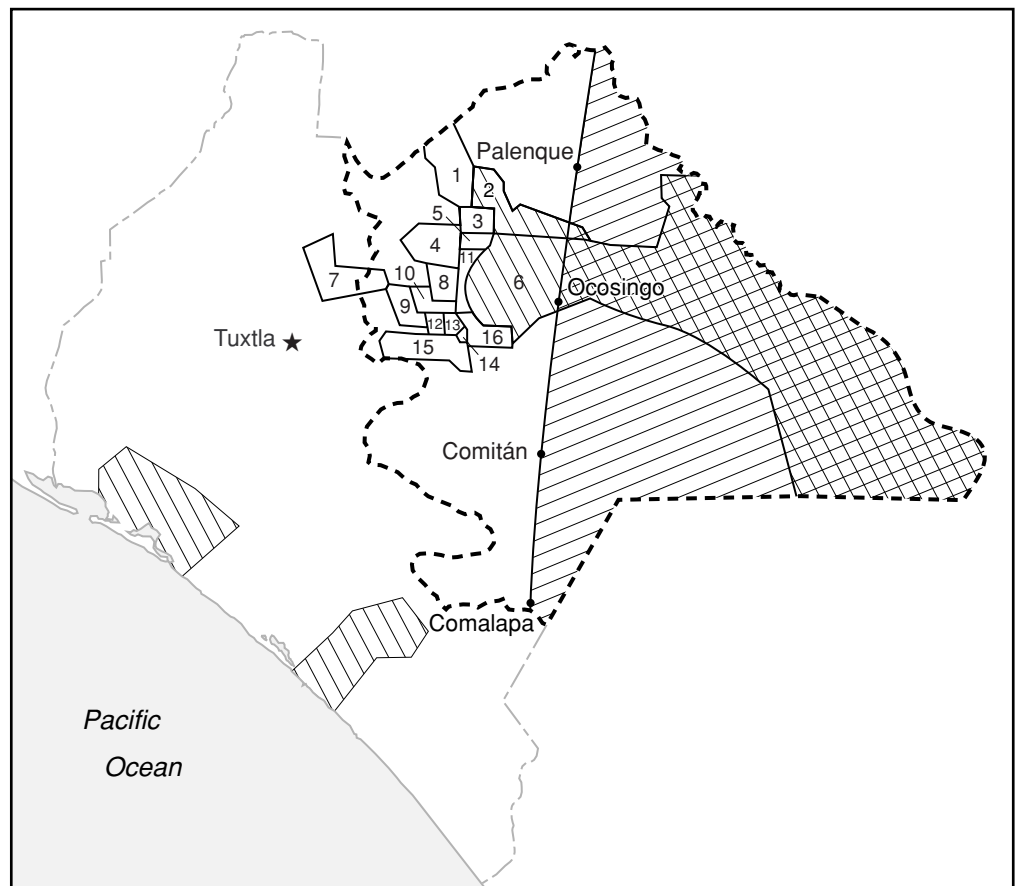


FIGURE 1  
**The EZLN is on the move in Chiapas**

- Bishop Ruiz's diocese
- ▨ 'Liberated territory'
- ▨ Municipalities of heavy drug eradication activity in 1992-94\*
- ▨ Municipalities with EZLN 'autonomous zones' (population, in thousands)

1. Tila (49)
2. Tumbalá (22)
3. Yajalón (22)
4. Simojovel (28)
5. Chilón (67)
6. Ocosingo (121)
7. Bochil (15)
8. Pantelhó (13)
9. Larráinzar (16)
10. Chenalhó (30)
11. Sitalá (7)
12. Mitontic (6)
13. Tenejapa (27)
14. Huixtán (18)
15. Oxchuc (35)
16. San Cristóbal (89)

\* official information



mail which is fully backed by the British-controlled international apparatus behind the EZLN.

During the past four years of conflict, a multitude of international meetings have been held in support of the EZLN, while national "civilian" networks coalesced into the so-called Zapatista National Liberation Front (FZLN).

At the beginning of 1996, an EZLN clone, the Popular Revolutionary Army (EPR), emerged in the poppy-growing regions of Guerrero and Oaxaca states. Irregular warfare intensified against the nation-state, while the EZLN kept up the farce of negotiating with the government. In the July 1997 mid-term elections, the EZLN's electoral wing, the PRD (Party of the Democratic Revolution), protected by the George Bush-Salinas mafia within the PRI (including the powerful former Government Secretary Fernando Gutiérrez Barrios), won key positions nationwide: It took almost one-third of the Chamber of Deputies, and the post of Mexico City Mayor, which was handed to Cuauhtémoc Cárdenas.

### 'Autonomy' and oil

The EZLN and its real commander, San Cristóbal de las Casas Bishop Samuel Ruiz, cynically confirmed that their expanding "autonomous" regions were the direct cause of the Acteal violence in December 1997. In an interview with the

Argentine daily *Clarín*, published Dec. 29, Ruiz said that "violence erupted in Chenalhó after the creation of autonomous settlements of the Zapatistas' civilian base, an autonomy centered on indian customs. Dual power developed, and traditional political leaders resorted to violence to halt that process."

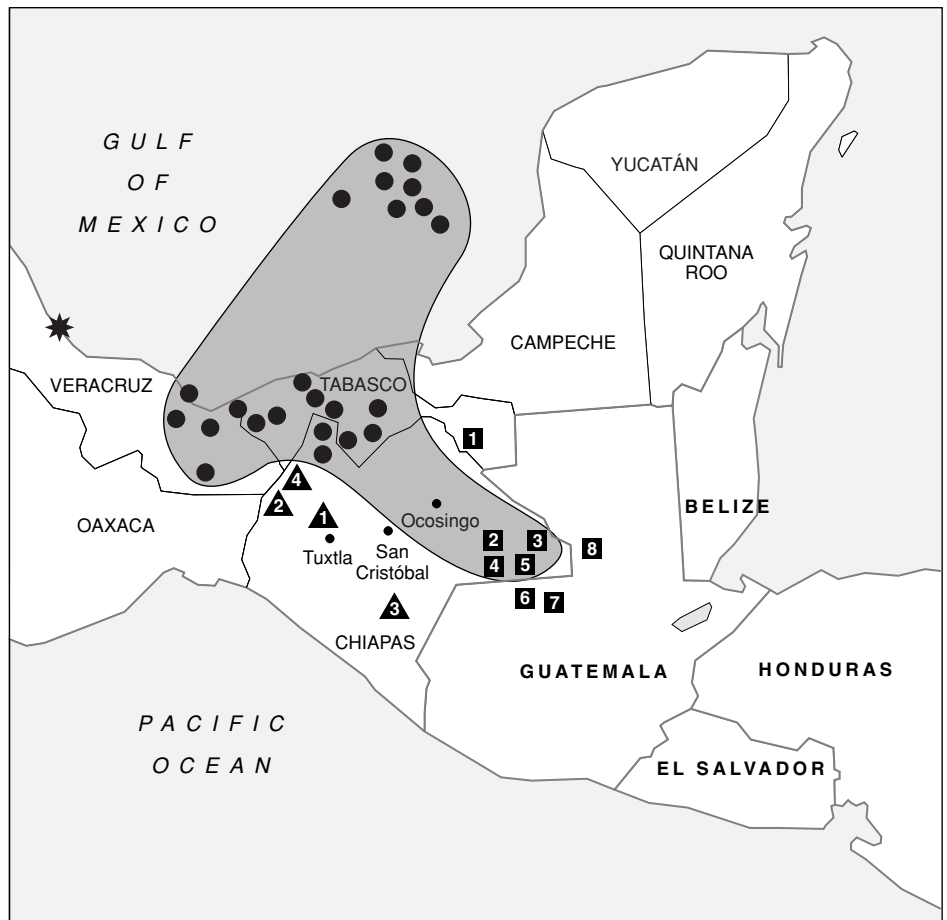
Such "autonomous" zones are part of the EZLN's strategy of territorial expansion, a deployment outside of the area that the government had already foolishly ceded to them, for the duration of the negotiations. The EZLN considers these areas to be "liberated territory," and they are located in the eastern region of Chiapas, including the major ecological reserve of Montes Azules. The new Zapatista expansion zones are in the center-west of the state, in the direction of the state capital, Tuxtla Gutiérrez, passing through the important city of San Cristóbal de las Casas, the seat of the Catholic diocese headed by Bishop Ruiz, in whose jurisdiction the vast majority of the Zapatista operations are concentrated (see **Figure 1**).

The "autonomous" municipalities are political artifacts which have led to conflicts with the communities and the legitimate authorities which are being displaced by them. In these areas, the EZLN is also recruiting among the population through sheer intimidation and terror. Notwithstanding the international uproar in support of these zones, there is nothing

FIGURE 2

## Mexico's Southeast: energy resources

- = oil fields
- = potential oil deposits
- ★ = Laguna Verde nuclear plant
- ▲ = hydroelectric plants
  1. Chicoasén (1,500,000 MW)
  2. Malpaso (1,080,000 MW)
  3. La Angostura (900,000 MW)
  4. Peñitas (420,000 MW)
- = planned hydroelectric plants
  1. Usumacinta
  2. Jataté
  3. Lacantún
  4. Tzacanejá
  5. Santo Domingo
  6. Chixoy
  7. Ixcán
  8. De la Pasión



democratic about how they are being set up, nor do they represent any kind of majority among the population. What they boil down to, is a bunch of “civilian” Zapatistas, organized into paramilitary groups, who do not respect the prohibition of the use of firearms established by the “Law for Dialogue.” This law states that the hooded Zapatistas can keep, but not use, their weapons, and can do so only within their existing “zones of influence.”

As might be expected, this situation has encouraged the formation of opposed paramilitary groups, since the presence of government forces of law and order in these regions is almost non-existent.

But the Zapatista strategy of territorial expansion has another purpose as well. The “autonomous” municipalities are being established on top of extraordinary potential reserves of oil and other natural resources. **Figure 2** indicates the energy resources of the southeast of Mexico, including this potential oil zone. Within this zone, the Reforma-Pichucalco structure, in the northernmost part of the state of Chiapas, is today the third largest producing field in the country; specialists believe that its potential reserves are surpassed only by the gigantic Persian Gulf deposits of Bergen in Kuwait, and Ghawar in Saudi Arabia. In the center of Chiapas, in the area around

Ocosingo—hard-core Zapatista territory—there is another major oil structure, although it is not yet in production. And in the southeast of the state, along the border with Guatemala, there is another large, unexploited structure in the Landantún region. These reserves make Chiapas one of Mexico’s leading states, in terms of oil potential.

Chiapas is also home to four major hydroelectric plants, which generate 55% of the country’s hydroelectric output, which amounts to about 20% of the country’s total energy generation. These four hydro plants supply energy to 17 different states, as well as 50% of the electricity needs of the 20 million inhabitants of Mexico City, the country’s capital. In short, the British strategists behind the EZLN are out to seize control over nothing less than the energy reserve of Mexico.

Under Zapatista control, the mentioned areas are also becoming “liberated zones” for the drug trade. The insistent demand for the Mexican Army to be expelled from these areas is clearing the way for the drug trade, which has taken over large parts of the state in recent years. The EZLN has managed to significantly neutralize the aggressive government drug eradication programs that had existed in the municipalities of Ocosingo and Tumbalá, in particular, before the Zapatista uprising (see Figure 1).

## Zedillo: 'We must break the perverse cycle'

The international media have gone out of their way to cover up this strategic reality of the Chiapas conflict, while at the same time publishing, along with many national media outlets, endless accounts on the sub-human conditions in which "Zapatista" refugees are forced to live. They constantly accuse the Mexican government of not addressing the needs of that part of the population, but they fail to report that the Zapatistas themselves fanatically refuse to allow any official aid to enter their "autonomous" zones. President Zedillo referred to precisely this on Jan. 10: "This is a perverse cycle which we will break with the fundamental instruments of the state, the instruments of legal justice, and the instruments of social justice."

In order to execute this Presidential commitment, it will be necessary to put an end to the impunity with which the EZLN has imposed its evil control in parts of the state, and to reverse the arbitrary establishment of "autonomous" municipalities. The new Government Secretary, Francisco Labastida, identified precisely this point, along with the existence of armed groups, as the fundamental causes of the violent confrontations in the state:

"Social and political tension in the state has been worsened by the creation of autonomous municipalities, and by turning one part of society against another. . . . Today this region is worse off than it was before the appearance of the EZLN," Labastida stated recently. On another occasion, he announced that "the Mexican state is obligated to stop this fratricidal struggle which is going on, [because] nobody has the moral authority to call for the law and justice to be applied only to the other side. . . . [Violence] will only be solved with the strict application of the law, without any distinction regarding ethnic groups, or political persuasion or groups. . . . It is indispensable to stop the possession, transportation, and illegal use of weapons by any group or person. . . . Insofar as there are armed groups, there will be aggressions among them," he concluded.

Labastida announced the government's firm decision to not approve any constitutional reform which would legitimize the existence of autonomous territories, and he explained that the problems of the country's different ethnic groups can be dealt with "without falling into autonomy, as the armed group demands, because that would imply the beginning of the balkanization of the country. . . . That would imply disputes or conflicts over control of the riches that those municipalities have—water, minerals, oil, land—which would lead to confrontations not only with government agencies, but also with other Mexicans."

The EZLN, Samuel Ruiz's diocese, and the PRD answered the government with a vitriolic defense of the "autonomous" municipalities, and the EZLN's supposed right to bear arms. These groups also called for the removal of the Mexican army from the entire area, and the disarming of civilian groups which are opposed to the EZLN.

On Jan. 9, Gen. José Gómez Salazar, the commander of

the Seventh Military Region, with headquarters in Chiapas, asserted, speaking in a personal capacity only, that there were documents which proved beyond a doubt that there are links between Bishop Samuel Ruiz and the EZLN. Readers of *EIR* will recall that the friends of Lyndon LaRouche in Mexico, the Ibero-American Solidarity Movement (MSIA), distributed a poster in 1994 which identified Samuel Ruiz as the actual "comandante" of the EZLN. At the time, Ruiz's minions answered this MSIA exposé by slanderously accusing the MSIA of issuing alleged death threats against some members of the Society of Jesus, who were supporters of Ruiz. At the end of 1996, this same slander was retailed by Father David Fernández, S.J., the director the Miguel Agustín Pro Juárez Human Rights Center, who gets money from George Soros. Simultaneously, the Fray Bartolomé de las Casas Human Rights Center, run by Bishop Ruiz, began to spread other slanders against the MSIA and LaRouche.

Now, in the context of the ongoing international offensive surrounding the Acteal massacre, these same Anglophile agents have once again slandered LaRouche and the MSIA, this time accusing them of "ideologically inspiring" the paramilitary groups in Chiapas. Such slanders are an attempt to neutralize the influence of LaRouche's ideas and analysis, which have played a major role in ripping the mask off the Zapatistas and their British masters, exposing them for what they are: paid agents of British imperialism, out to destroy the nation-state.

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# Fidel Castro's French Connection

by Lyndon H. LaRouche, Jr.

January 14, 1998

For some very sick people, even today, Louis Pasteur's "germ theory of disease," is just another "conspiracy theory."

The current role of the widow of former French President François Mitterrand, Danielle, in supporting the Zapatista terrorists' invasion of Mexico, should surprise no one who has studied the documented investigations of Fidel Castro's continuing, long-standing French connection. The deeper implications of that French connection are brought into focus by "triangulation:" the coincidence of two other, intersecting aspects of the Zapatista efforts to bring about the disintegration of the Republic of Mexico: the intersecting role of an apostate priest, Bishop Samuel "Samiel" Ruiz, and the links to both the British Privy Council's pro-paganist World Council of Churches, and Britain's pro-drug-trafficking asset, megaswindler George Soros.

First, focus on one of the three legs of this triangle, Fidel Castro's "French Connection."

The openly declared mother organization behind the deployment of the Zapatista (EZLN) terrorists into an attempted takeover of Mexico's oil-rich state of Chiapas, is the international narco-terrorist association known as the São Paulo Forum, headed by Cuba's perennial Fidel Castro. The 1950s backing of Castro's revolutionary career, by Houston, Texas-based Jean de Menil, is, to the present day, a key, deep, historic link to important backers of François and Danielle Mitterrand, and to the same British-directed, Permindex organization which both French officials had identified as targetting France's President Charles de Gaulle for assassination, and which New Orleans prosecutor Jim Garrison later identified as targetting U.S. President John F. Kennedy.

Official U.S. military intelligence files, and also French intelligence files obtained by U.S. intelligence, trace the origins of Castro's French connection to as far back as the 1920s and 1930s, including the Jean de Menil married to the just-recently deceased Schlumberger heiress, and Bogomil enthusiast, Dominique (née Schlumberger) de Menil.<sup>1</sup> The official

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1. The Bogomils, aka "Cathars," aka "the Buggers," were a neo-Manichean, pro-satanic, gnostic cult promoted among the Bulgarians by a decaying Byzantine Empire. This cult was spread from the Balkans, via Venice, into northern Italy and southern France. Its famous centers of concentration in France, were in the Pyrenees, the Toulouse-Albi region, and along the Rhone, from

title of these U.S. files from the 1920s through 1940s, is "Synarchism: Nazi-Communist." The key French nationals operating in this "Latin America" ring, during the 1930s, were Paul Rivet, the intellectual father of Peru's Sendero Luminoso "narco-terrorist" gang, Jean de Menil, whose target of operations then was Venezuela, and Rivet's former student, whose target was Mexico, Jacques Soustelle, he, later a key ring-leader of the Permindex assassination bureau's targetting of President de Gaulle.

During World War II, British intelligence foisted these three, temporarily, onto the intelligence staff of General de Gaulle's Free French organization. Later, according to a formerly secret French intelligence report which was made available to me during the early 1980s, a special counterintelligence investigation of the Synarchists was conducted on behalf of de Gaulle.

Now, examine the connection of this to the cases of Chiapas's apostate Bishop "Samiel" Ruiz and that Church of England offshoot known as the one-worldist World Council of Churches.

## 'The church from far, far below'

Next, focus upon the considerations which place Ruiz in bed with Fidel Castro.

To understand what motivates "Samiel" Ruiz and the World Council of Churches, go back about 2,000 years, to the roots of modern nation-state republics, such as the U.S.A. and Mexico, in the ministries of Jesus Christ and his apostles. The Gospel of John, and Epistles of Paul are most directly to the point. In that time, Christian and other literate Jews recognized their principal adversary to be the pagan imperial Rome of Augustus Caesar and his successors, an enemy which they rightly identified by such names as the "New Babylon," or "The Whore of Babylon."

Christ's ministry, for the first time in all known human existence, gave actuality to the Mosaic principle, that all persons are to be recognized as equal in the respect that each man and woman is made in the image of God, this in a manner

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Geneva down to the Mediterranean. The odious connotation of the word "bugger" [Fr. *Les Bougres*] comes from the sexual practices commonplace among the "elect" of the Bogomil cult in France. The Bogomils are otherwise a key original source for the doctrines of *laissez-faire* and "free trade" associated with the teachings and influence of François Quesnay, Adam Smith, the late Friedrich von Hayek's Mont Pelerin Society, and Mont Pelerin devotee Margaret Thatcher.

consistent with mankind's exertion of dominion over all other things and creatures in this universe. This new, anti-racialist, anti-ethnicist conception of the human individual, found a fertile cultural basis in the Classical Greek heritage of Solon of Athens and Plato.

So, in the course of time, beginning Europe's Fifteenth Century, a new, anti-feudal form of society emerged, dedicated to the principle of Christianity, that there are no races among men and women; all are equal, each the same in nature and needs, by virtue of that divine spark of cognition, that potential for valid creative discoveries of natural principle, which sets all persons apart from, and absolutely above all inferior species of living things. Therefore, such institutions as slavery and serfdom are satanic by their nature; the principal function of society is to recognize, nurture, and foster the realization of that divine spark of creative reason, which defines each man and woman as made in the image of the continuing Creator of this universe. To that purpose, the Fifteenth Century's "Golden Renaissance" gave birth to a new kind of society, consistent with Christian principle, the modern European model of sovereign nation-state republic.

The Christian impulse expressed by King Louis XI's revolutionary reconstruction of France as the first modern nation-state, has met with continuing bloody resistance, since the Fifteenth-Century Council of Florence. This feudal, one-worldist reaction, echoed the satanic tradition of that "New Babylon" under Tiberius, Caligula, and Nero, through Diocletian, which had murdered and persecuted Christ and Christians earlier. The feudal and other dominant classes of paganist society, the landed aristocracy and financier oligarchies, resisted, bloodily, the efforts of Christianity to overturn such institutions of usury as slavery, serfdom, and financial speculation.

In that time, the center of evil was the "new Tyre," the malignant, imperial power of the financier-oligarchy of Venice. More recently, that Venetian tradition of Pietro Pomponazzi, Gasparo Contarini, Paolo Sarpi, et al., has been continued by an Anglo-Dutch financier oligarchy modelled explicitly upon the tradition of old Venice (and evil Tyre before it).

So, as a mixed form of modern European civilization, so afflicted with this internal conflict, has come to dominate the world since, it has carried that unresolved, ancient struggle between the good of the republic, and the contrary evil of slavery, serfdom, and usury with it, a continuing struggle centered politically between the proponents, e.g., Christians, and those opponents fairly recognized as the new Babylonian pagans. The typical political expression of this issue, is the defense of the modern, republican form of sovereign nation-state as defended by U.S. President Abraham Lincoln, against the efforts of the London-centered, neo-Venetian financier oligarchy to eliminate the institution of the modern nation-state republic.

In the case of the battle around the state of Chiapas, we

# SE BUSCA



"Comandante" Samuel Ruiz

## Por traición a la Patria

<p style="text-align: center;"><b>Crímenes:</b></p> <ul style="list-style-type: none"> <li>• Separatista.</li> <li>• Propició invasión a México por fuerzas extranjeras para romper el pacto federal y la integridad territorial.</li> <li>• Encargado político y de relaciones internacionales de Sendero Luminoso Norte (EZLN).</li> <li>• Corruptor de monjas, seminaristas y sacerdotes.</li> <li>• Promotor de la violencia, usando a indígenas como carne de cañón.</li> </ul> <p style="text-align: center;"><b>Disfraces:</b></p> <ul style="list-style-type: none"> <li>• Se disfraza de cura, a veces de obispo, pero no oculta su ambición de poder temporal.</li> <li>• Usa pasamontañas cuando se esconde bajo las enaguas de Rigobertha Menchú.</li> </ul>	<p style="text-align: center;"><b>Doctrina:</b></p> <ul style="list-style-type: none"> <li>• Existencialismo a la Heidegger o Teología de la Liberación. Eventualmente degenera en marxismo.</li> <li>• Busca una Iglesia autóctona de ritos paganos precolombinos.</li> <li>• Adoración: Satanás.</li> <li>• Frase célebre: ¡El vértice soy yo!</li> </ul> <p style="text-align: center;"><b>Compinches:</b></p> <ul style="list-style-type: none"> <li>• El "sub Marcos"</li> <li>• Cuauhtémoc Cárdenas</li> <li>• Departamento de Estado de E.U.</li> <li>• Diálogo Interamericano</li> <li>• Foro de Sao Paulo</li> <li>• Las ONGs.</li> <li>• Organos de difusión: La Jornada y Proceso</li> <li>• Mensajero: Manuel Camacho Solís.</li> </ul>
<p style="text-align: center;"><b>Recompensa:</b></p> <p style="text-align: center;">La paz nacional, la soberanía y unas Fuerzas Armadas íntegras</p>	<p style="text-align: center;"><b>¡Peligroso!</b></p> <p>No intentes detenerlo si no estás armado con un crucifijo, agua bendita y un estandarte de la virgen de Guadalupe al frente de un movimiento de masas nacionalista</p>

### Movimiento de Solidaridad Iberoamericana

An MSIA poster shows apostate Bishop Samuel Ruiz, "wanted for treason to his country." To understand what is happening in Mexico today, study the reasons for the perverse symbiosis of "Samiel" Ruiz and Fidel Castro.

situate the influence of such as a Jean de Menil, a Paul Rivet, a Jacques Soustelle, as French "synarchist" heirs of neo-Roman Emperor Napoleon Bonaparte's pretenses as a pagan Pontifex Maximus, a new pagan "Sun King." Apostate clerics turned pagan, such as "Samiel" Ruiz and the brutish World Council of Churches, typify the same abominations which Lord Palmerston and his flunky, France's Napoleon III, aided by treasonous U.S. bluebloods, Manhattan bankers, and slave-owners, inflicted upon Mexico, almost a century and a half before this time.

So, today, Cuba's Fidel Castro walks in the tradition of earlier, Nineteenth-Century, Spanish-speaking, neo-Jacobin compradores for the British Foreign Office's Jeremy Bentham, Lord Palmerston, and Palmerston's Napoleon III. Since Napoleon III is already long dead, like Jeremy Bentham, this pretender posing as "Fidel Egalité" Castro, had to make do with alliances to such creatures as the moldy remains of a

mere stuffed image of Napoleon III, the recently deceased François Mitterrand.

That said, now shift attention once more. Focus upon the origins of those classes which, the New Testament perceives, can rarely pass the test of the “Eye of the Needle,” the oligarchical classes. What is the hateful tradition of Babylon which the brutish likes of Margaret Thatcher and Tony Blair have represented, each in their turn? How has this pro-satanic, oligarchical corruption disguised itself, repeatedly, from within the clergy, as apostate Bishop “Samiel” Ruiz and his clerical allies echo that tradition today?

To understand this, we must begin no later than six to eight thousands years ago, two to three millennia before Mesopotamia acquired quasi-civilized forms. Then, the dominant known form of civilization in that vicinity was centered in what the shards indicate to have been a culture of “black-headed” peoples, referred to today as “Dravidians,” inhabiting the region of the Indian Ocean. This was the culture, typified by the city-sites of Mohenjo-Daro and Harrapa, which established such maritime colonies as Sumer, Yemen (Sheba), and Ethiopia, and, according to Herodotus, also the maritime culture of the Canaanites. This importance of the Indian Ocean littoral should not astonish us, since, during those millennia, much of the northern hemisphere of this planet was emerging, once again, from a long Ice Age.<sup>2</sup>

What is of particular interest to us, bearing upon the case of Bishop “Samiel” Ruiz, is the leading form of religion which was spread into the Middle East, Africa, and the Mediterranean region from this “pre-Semitic” culture. In fact, we have

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2. As referenced in the author’s *The Toynbee Factor in British Grand Strategy* (New York: Executive Intelligence Review, July 10, 1982), the earliest traces of civilization date to polar astronomical calendars which situate the relevant cultures as living within the Arctic region during the period of the last Ice Age. These cultures are the predecessors of the later central Asia cultures, based upon remarkably valid solar-astronomical calendars, which dominated that region during a period the vernal equinox was in Orion, approximately 6,000-4,000 B.C. These were the Vedic calendars which featured an equinoctial cycle of somewhat less than 26,000 years, a fact which shows a relatively high degree of cultural development, way beyond that of later Mesopotamian cultures based upon lunar calendars. Whereas the British ideologues have created the myth, in which civilization is traced to riparian cultures such as those of Semitic Mesopotamia, the principles of physical economy show that the spread of riparian cultures was a product of maritime cultures originally based upon fishing in the seas and oceans. The notion that the Ice Ages spread from the Arctic seas to the adjoining continents, is a piece of pseudo-scientific folly: floe ice does not generate glaciers; it is on the land-masses that astrophysically-determined earthly weather-cycles plant and grow great glaciers, which, under certain special conditions, such as the atypical circumstances of the Antarctic continent, spread into adjoining ocean regions. It was under these circumstances of human existence, during, and immediately following Ice Ages, that maritime cultures, include those located in certain polar regions, become a main line of continuity of mankind’s civilized development. Hence, the importance of the Indian Ocean cultures for the spread of relatively more advanced technologies, during the period from approximately 10,000 B.C. onward. Hence, the ancient cultural roots of modern China.

principally two branches of development of Semitic culture, each adopted in germ by primitive Semitic tribes from non-Semitic cultures far more advanced than their own. One of these is associated with the evil, usually bestial, usually polymorphously perverse, “mother/whore-goddess” religions of the Shakti-Ishtar-Athtar-Astarte-Gaea-Isis matrix, which gave us the image of a serpentine Satan, such as that of the incestuous Gaea-Python-Apollo cult of Delphi, Greece. The other, the Mosaic heritage, is traced to monotheistic currents of Egypt.

The case of Semitic Babylon is paradigmatic for dealing with the polymorphously perverse symbiosis of Fidel Castro and Ruiz. As Classical Greek sources emphasize, the type of culture found in historic, pre-Alexander the Great, Mesopotamia, is identified as “the oligarchical model” of society, the same model which the Christian Apostles recognized in the imperial Rome of Augustus Caesar, the same model met in Byzantium, and also in feudal Europe. The manner in which imperial Rome and Byzantium, like Babylon and the Cult of Apollo before them, used the institution of a polymorphous, pagan pantheon, to manage the specific quality of social conflict inhering in the Mesopotamian form of “oligarchical model,” is the key to understanding the evil symbiosis of Castro, his “Bogomil”-scented French connections, apostate Ruiz, and that modern pagan pantheon operating under the trade-style of the brutish Church of England and its one-worldist World Council of Churches. Any ancient priest of Abraxas would recognize both Castro and Ruiz as the type of fools used as instrument of mass social manipulations by such pagan pantheons, down through the millennia since Sumer, and, obviously, even much earlier.

Throughout history, and as much of pre-historic barbarisms as can be discerned from archeological evidence, the characteristic condition of life of most of ancient humanity was brutishness. As barbaric forms of society emerged, until modern times, throughout this planet, more than ninety-five percent of the population, under virtually every culture, lived as slaves, serfs, or—as under Aztec rule—worse. The subjugation of an often varied assortment of such subjugated persons, from sundry cultures, became the meaning and central problem of practice of all forms of empire. The idea of nations expressing the “natural interest” of a people, or of ancient cultures as “natural” to the victims of such cultures, is an idea which only swindlers, oligarchs’ lackeys, or half-wits would defend.

In short, to rule from above, the Babylonian model of oligarchy relies upon a pagan form of “church from below,” frequently, as in Ruiz’s case, far, far below. So, when the Babylonians had conquered Jerusalem, they assigned Jewish scribes to rewrite the sacred Hebrew writing, to incorporate Akkadian pagan mythologies, and also the bits of homilectic enlightenment which might reconcile the Hebrews to the enjoyment of their subjugation to their new masters. When the

Achaemenids subjugated the Jews, later, the same kind of editing of sacred writings was reenacted, for the same purpose.

Under imperial society, such as the present day British monarchy, there is no constitution.<sup>3</sup> The principal constraint upon the hereditary or other chosen form of tyrant, apart from the internal processes of the oligarchy itself, is custom, especially religious and related custom. In the Babylonian model, as in the pagan pantheon of the Delphi Apollo-cult, the Roman pantheon, or that of Constantine's Byzantium, the pantheon constitutes the body of "legalized religions," whose customs are to be respected.

In the history of Christianity, the principal challenge has been to defend Christianity from being degraded into an instrument used by an emperor, king, or oligarchy, for purposes of social control. For example, in the theological and divinity curriculum in the U.S.A. today, one of the dominant corrupting influences in the training of the clergy, is the use of Harvard Professor William James' *The Varieties of Religious Experience*, a textbook which reduces the function of religious belief to the purposes of the kind of social control over legalized religions, which used to be exerted over the pagan pantheon (within which legalized Christianity was established) by the authority of a Roman or Byzantine ruler in his capacity as Pontifex Maximus. This is the ideology practiced by the Church of England's spawn, that terrorist fellow-traveller organization known as the one-worldist World Council of Churches.

Within the actual, or nominal Christian churches, there is a corresponding tendency toward alien penetrations of the sort which are intended to use influence over the church's doctrine and related practice; this represents the same kind of tactic of social control managed by the pagan pantheons of old. As oligarchical families contribute members to the ranks of the clergy, and funds to church charities, there is a kindred tendency to introduce the oligarchical philosophical standard, or to allow feudal or feudalistic oligarchs to exert some degree of veto power over those key appointments which tend to introduce a non-Christian conception of man, and man's relationship to power over nature, into the influence exerted by the church within society.

Hence, such oligarchical pollutions of the ranks of the clergy, have always been a focus of potential destruction from within, of the church and of religious belief. "Samuel" Ruiz is but another example of this. Ruiz, however, typifies something much more specific.

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3. Credulous dupes insist, of course, that the "Magna Carta" represents a stepping-stone toward the U.S. Constitution, rather than the cutthroat barons' swindle which it was in fact. The only constitutional law of the United Kingdom is the Act of Settlement, and the oligarchical rule which the act reflects. On these matters, see H. Graham Lowry, *How the Nation Was Won*, Vol. I (Washington, D.C.: Executive Intelligence Review, 1988).

## Religion, reason, and education

Focus upon Europe's Fifteenth Century once more. The characteristic of western European, or so-called "Augustinian" Christianity, is the emphasis upon what came to be termed, generically, "Christian humanist" modes of education. Notable are those medieval teaching orders which extended such forms of education to orphans and boys from poor families. Notable, during a period from the late Fourteenth Century through the middle of the Sixteenth Century, is the case of Groote's and Thomas à Kempis' Brothers of the Common Life, which supplied us such graduates as Cardinal Nicolaus of Cusa (the founder of modern physical science), Erasmus of Rotterdam, and Hieronymus Bosch, and was used by France's King Louis XI as a model for a state-promoted public school. It was the development of a popular, secular intelligentsia, outside the ranks of the oligarchical classes, which created the possibility for the modern form of nation-state republic.

The distinction of Christian Classical humanist modes of education, as opposed to the miserable classroom provided to U.S. pupils today, is that the pupil is aided in reliving the mental experience of reenacting great, valid discoveries of the past, rather than merely learning to recite approved answers, or merely to learn accepted formulas. In the humanist mode of education, typified in the Humboldt reforms in Nineteenth-Century Gymnasium education in Germany, and by the related introduction of the Classical high school into the Nineteenth-Century U.S.A., it is the pupil's natural power for discovering and proving valid principles of nature and Classical art-forms, which is the focus of the educational program. The convenient name for such a developed power of discovering and proving principles is called "reason."

The distinction of Christianity, especially in the tradition of St. Augustine, is emphasis upon this principle of reason. This quality of reason is associated with a passion which we may identify as the "joy of discovery," or, as Plato's Socrates and the Apostle Paul emphasize, that passion for truth and justice which is termed *agapē* in the Classical Greek of Plato and the New Testament. This passion called *agapē*, is otherwise known as "happiness," as the 1776 U.S. Declaration of Independence adopts Leibniz's meaning.

Not so with strange religions, especially the very, very strange, populist forms of pseudo-Christianity and other doctrines, found among the churches from far, far below. These are "mystery religions," otherwise known as sexually oriented and other forms of gnostic cults, such as Madame de Menil's Bogomil protégés, sharing much, on the one hand, in common with the irrationalism of contemporary U.S. textbook education in today's classrooms, all blended in with the pathos of a rock concert or the yahoo populist's whines and wheezes of a Nashville Agrarian's "country music" festival.

Reason unifies society around the Christian's conception

of every individual person as made in the cognitive image of the Creator, as impassioned by love for truth and justice for all, including the departed and the unborn. Yahoo populism, and yearning for mysterious tricks with use of drugs or other means to bring on altered mental states, and with incantations, sow the seeds of mass lunacy, as we should recall from the roaming pestilences of flagellants during the depths of Europe's Fourteenth-Century "New Dark Age." It is the destruction of reason itself, its replacement by populist forms of mass madness, irrationalist superstition, which is the essence of the return to barbarism sought by Fidel Castro's São Paulo Forum everywhere in the hemisphere, as by the gnostic apostate "Samiel" Ruiz in Mexico.

The common object of the forces behind Danielle Mitterrand, Fidel Castro, Bishop Ruiz, the World Council of Churches, and ultra-perverse George Soros, is "the destruction of the existing society," for a return to those more primitive forms of society which we had hoped we had left behind when western Europe and the Americas escaped from the nightmarish oligarchical state of mankind prior to the Fifteenth Century. This nightmare of unreason is what Jacques Soustelle represented, what Jean-Paul Sartre, Frantz Fanon, and similar degenerates represented, and all those like them.

You wish to experience Apocalypse? Allow degenerates such as these to continue what they are doing, and your family will experience the full horror of something you would be content to call "apocalypse," quite possibly before the end of this century. Allow Fidel Castro's narco-terrorist and related gangs to proliferate in Mexico, as they have already almost obliterated Colombia, and the destruction of every nation-state of the Americas, including the U.S. itself, is not far behind. Some things, like diseases, must be checked before they destroy mankind.

## Dossier: Synarchists and Nazi-Communists

by Jeffrey Steinberg

A thorough search of U.S. military archives, covering the period 1938-63, reveals an extraordinary continuity of anti-American treachery. During the years of the Hitler-Stalin Pact (1938-41), U.S. Army Intelligence maintained a file, titled "Synarchist/Nazi-Communist," which tracked the activities of a network of anthropologists, who were, in reality, important intelligence agents of the combined Nazi and Bolshevik intelligence services, working in the Western Hemisphere against the United States. At the peak of the Nazi-Bolshevik intelligence collusion, a "War Plan B" was devised, which

featured extensive sabotage operations against the United States, staged from northern Mexico. U.S. Army Intelligence managed to penetrate the network and obtain details of the Plan.

Two of the individuals prominently featured in the U.S. Army's "Synarchist/Nazi-Communist" dossier, were Frenchmen Jacques Soustelle and Paul Rivet. Both were in Mexico during much of the Hitler-Stalin Pact period, during which time they founded the Société des Americanistes. In the 1960s, Soustelle wrote a book about his years in Mexico, full of praise for the Aztecs, who practiced human sacrifice. The efforts of Soustelle, Rivet, and their school of French anthropology, centered at the Sorbonne University, later would spawn a modern-day Aztec horror, the narco-terrorist Sendero Luminoso (Shining Path) in Peru.

During World War II, Soustelle's path first crossed with two other individuals with whom he would enjoy a murderous collaboration well into the 1960s: Jean de Menil and his wife, Dominique Schlumberger de Menil. Dominique Schlumberger came from an old Swiss-French family that had made a fortune in banking and in the development of oil drilling technologies, beginning at the turn of the century. Her father, Conrad Schlumberger, was the French equivalent of Armand Hammer, a Western businessman who made his fortune working for the Bolsheviks. Jean de Menil was from an old Russian family. He fled to France after the Bolshevik takeover, but maintained strong ties to Russian-based Solidarist networks.

Soustelle and the de Menils, at British urging, were given prominent positions in Gen. Charles de Gaulle's anti-Nazi Resistance, in effect coordinating operations in the Western Hemisphere. According to U.S. Army Intelligence files from the early 1940s, while de Menil was the chief source of funds from the Western Hemisphere to the Free French, he was also frequently seen in the company of the Vichyite fascist intelligence chief in Caracas, leading U.S. intelligence to suspect that de Menil was hardly a de Gaulle loyalist.

De Menil had, by 1953, established ties in Cuba, working with American organized crime circles in the lucrative Havana casino business. He reportedly established particularly close ties to Carlos Prio Socarras, President of Cuba from 1948 to 52.

In 1957, de Menil and his wife moved to Houston, Texas, where they established an American branch of the Schlumberger Corp., with de Menil as its president. That same year, de Menil joined the board of the Montreal firm Permindex ("Permanent Industrial Expositions"), which would be later exposed by General de Gaulle as the funding conduit for a number of early 1960s failed assassination attempts against him; it also played a central role in the November 1963 assassination of President John F. Kennedy.

By the late 1950s, de Menil and his "business" associates had a falling out with Cuban dictator Fulgencio Batista, and de Menil became a big backer of Fidel Castro. The Houma, Louisiana facilities of Schlumberger were used as a secret



weapons cache for Fidel's rebels. But, de Menil's collusion with Castro would not last beyond the early years of the Cuban Revolution. By 1961, the very same Houma facilities were being used to secretly arm the Cuban exiles working to overthrow or assassinate Castro. Among those involved in the anti-Castro shenanigans in Louisiana and Texas were former FBI Division V figure Guy Bannister, mobster Roy Cohn, Lee Harvey Oswald, David Ferrie, Clay Shaw, and the entire Permindex apparatus that would later be the target of New Orleans Parish District Attorney Jim Garrison's grand jury probe and criminal prosecution of Clay Shaw, for the conspiracy to assassinate President Kennedy.

De Menil, during this period, also rekindled his collaboration with Jacques Soustelle. By the late 1950s, Soustelle had shown his true colors, by breaking, violently, with General de Gaulle, and leading the Secret Army Organization (OAS) terrorist revolt against de Gaulle's decolonization policy in Algeria. Soon, de Menil, using British and organized crime conduits, such as the Caribbean Anti-Communist League, was funneling hundreds of thousands of dollars into the OAS, for the purpose of assassinating General de Gaulle.

De Menil died in 1973, but his legacy was carried forward by his wife, and by their intimate allies back in France, François and Danielle Mitterrand. Dominique de Menil (who died on New Year's Eve, 1998), became the leading financier and political patron of syncretic separatist-terrorist networks from Mexico to the Middle East. Her legions — protected by British intelligence — were behind the 1981 assassination of Egyptian President Anwar Sadat, and her daughter spent years running around Chiapas, as part of the "action anthropology" apparatus that gave birth to the Zapatista terrorists.

## MSIA answers slander against LaRouche

On Jan. 6, the daily *El Universal* of Mexico City published an unsigned, slanderous article, which lyingly asserts that Lyndon LaRouche "might be" involved in financing the "Peace and Justice" anti-Zapatista group in Mexico's southernmost state of Chiapas — the which, it is rumored, *might* have carried out the massacre in the village of Acteal, Chiapas on Dec. 22.

The article also links two former Congressmen from Chiapas, Walter León and Alí Cancino, to paramilitary squads, on the mere grounds that they have demonstrated that they have "very clear ideological reasons" to support such squads, because they have collaborated with the LaRouche-associated Ibero-American Solidarity Movement (MSIA) in Mexico.

The entire argument of the article's "LaRouche=paramilitary" fraud hangs on a series of "might be's," which follow

the one truthful thing in the article: that Congressmen Cancino and León made presentations against the British and the Zapatistas at Schiller Institute events in France and Germany. "According to the human rights defense groups," *El Universal* wrote, "this fact shows that the two PRI members have a close relationship with 'ultra-right-wing groups financed by Lyndon LaRouche,' among which the paramilitary group Peace and Justice might be found."

What the *El Universal* slander conveniently failed to report, is that Cancino and León, who were accompanied on their European tour by Mexican MSIA President Marivivia Carrasco, were violently assaulted by Zapatista support networks in Paris. On June 20, 1995, a seminar and press conference by the three Mexicans was disrupted by 20 hooded Zapatistas and their supporters, who sprayed the room with chemical irritants, and threw stink bombs and firecrackers. Before leaving, they painted slogans on the wall: "Land Liberty: EZLN" and "Viva EZLN." Journalists, diplomats, and other guests were struck by the fascist squadristi.

On Jan. 7, 1998, the Mexican MSIA issued a public response to the *El Universal* slander, which we reprint here in full:

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### What have David Fernández and Samuel Ruiz been smoking?

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- The only promoters of paramilitary groups in Chiapas are they.
- The MSIA doesn't issue death threats, nor does it advise others to do so.

David Fernández, in his characteristic lying fashion, has accused the Ibero-American Solidarity Movement (MSIA), the U.S. economist Lyndon LaRouche, and the former congressmen from the state of Chiapas, Walter León and Alí Cancino (these, for supposedly following the "reactionary doctrine of LaRouche"), of being the promoters of paramilitary groups in Chiapas.

Such lying charges are all the more absurd given that the only protectors and promoters of paramilitary groups in the state of Chiapas have been Bishop Samuel Ruiz (a.k.a. "Commander Sammy") and his followers, such as David Fernández. Under their protective mantle, there has been a proliferation of illegal actions carried out by the main paramilitary group in Chiapas, the Zapatista National Liberation Army (EZLN) and their supporters: land seizures, establishment of so-called "autonomous areas," theft of cattle, and torture and murder of their political opponents. All of this has opened the door to many other forms of violence and abuse in the state.

The accusations of the Jesuit David Fernández are to be found, according to a newspaper account in the Jan. 6 edition

of *El Universal*, in a report prepared jointly by the Miguel Agustín Pro and the Fray Bartolomé de las Casas human rights centers, headed by Fernández and Bishop Ruiz, respectively.

Samuel Ruiz and David Fernández have been the beneficiaries of substantial financial, publicity, and material support from international operatives coordinated by British intelligence, such as the World Council of Churches, Greenpeace, Amnesty International, the National Endowment for Democracy (NED), Inter-American Dialogue, and mega-speculator and narco-legalizer George Soros, among others.

In the context of the ongoing British geopolitical offensive in the Western Hemisphere, Commander Sammy and associates such as David Fernández are nothing but traitors to Mexico, and paid mercenaries at the service of British imperial strategy. This strategy promotes the territorial dismemberment of Mexico, including transforming Chiapas into an “independent” banana republic sunk in fratricidal warfare and ethnic divisions, in order to steal the oil and other strategic resources that abound in the southeast of Mexico. As the MSIA has amply documented, that is the sole objective of the EZLN’s and Ruiz’s Anglo-American sponsors. Those are the interests which they defend by viciously slandering the MSIA and Lyndon LaRouche—for the umpteenth time.

British intelligence, through the World Council of Churches, is the actual international sponsor of Commander Sammy. The World Council of Churches, also known as the Ecumenical Council of Churches, was denounced in June of 1997 by Joseph Cardinal Ratzinger, “for having financed, over the last decades, subversive movements in Latin America . . . [with] very harmful consequences for the path of the Scriptures.”

The World Council of Churches was founded in England in 1937 as an instrument of the British Empire for promoting religious, cultural, and moral relativism, and for combatting what its founders called “the diabolic influence of national sovereignty.” This explains not only their support for every imaginable kind of religious cult, but also their financing of the so-called Theology of Liberation movement, of which Samuel Ruiz and David Fernández are parts, and which is today promoting separatist movements in Mexico, Brazil, and other nations of Ibero-America.

That Commander Sammy is a British agent was underscored by his participation in the founding of the Inter-Faith Peace Council, which was set up by British intelligence and had its founding meeting at Windsor Castle in 1996. The protective mantle of Queen Elizabeth II, the head of the Anglican Church, is the main political cover for the Satanic evil which Commander Sammy and his followers spread, in their defense of a return to paganism and pre-Colombian religions, all of which have nothing whatever to do with apostolic Christianity or the Catholic Church.

## Drugs and subversion

At the end of 1996, David Fernández received a generous

award from the mega-speculator George Soros, through his front organization, Human Rights Watch/Americas, a group established for the purpose of providing protection and cover to narco-terrorists, and to attack the armed forces of Ibero-America, especially those armies most actively involved in fighting drugs and terrorism. Soros, in addition to being one of the founding money-bags of Human Rights Watch and a member of its board of directors, is also the leading financier of the worldwide campaign for the legalization of drugs. In 1996, the head of the Drug Enforcement Administration, Thomas Constantine, speaking before a U.S. congressional committee, stated that “Soros finances various foundations with hundreds of thousands, if not millions of dollars,” which come in part, according to a source cited by Constantine, from “drug money.” Could it be that the dirty money which the Jesuit Fernández received from Soros was also a payment for the highly visible campaigns of Fernández’s lieutenant, Teresa Jardí, in favor of drug legalization?

Furthermore, over the last five years, the National Endowment for Democracy (NED), which is part of the parallel government of Sir George Bush, has handed out almost \$3 million in Mexico, supposedly to “promote democracy” and to “defend human rights.” The money has mainly gone to the leading organizations which defend the narco-terrorist gang known as the EZLN. The beneficiaries include: the human rights centers of Samuel Ruiz and David Fernández, which specialize in slandering the MSIA and LaRouche; the Mexican Commission for the Defense and Promotion of Human Rights, of Mariclaire Acosta (who is also a member of Inter-American Dialogue); Civic Alliance, of Sergio Aguayo and Emilio Alvarez Icaza; and the Council for Democracy of Julio Faesler.

Given their documented service on behalf of London’s narco-legalizers, the only question is: What have David Fernández and Samuel Ruiz been smoking, when they go around accusing Lyndon LaRouche, the MSIA, and former congressmen Walter León and Alí Cancino of what they are solely responsible for? Who, if not Samuel Ruiz and the EZLN, launched paramilitary groups in Chiapas? Was it not the unconstitutional act of extending their rule over so-called “autonomous areas” which exacerbated the conditions for bloody conflict in the region, which now all of Mexico laments? The only leaders of paramilitary groups that exist in Chiapas are Samuel Ruiz and his swarms of narco-terrorists.

They must be disarmed, and the Constitution’s rule must be reestablished over the entire national territory, putting an end to the so-called “autonomous areas.”

As we have repeatedly stated, ever since David Fernández and other leaders of the Society of Jesus in Mexico a few years back began spreading the lying fraud that the MSIA was somehow involved in death threats, which he and his group claim they have received: The MSIA doesn’t issue death threats, nor does it advise others to do so, a fact which Fernández and Samuel Ruiz know perfectly well.

# British prepare to fragment Colombia

by Gretchen Small

Colombia today provides a classic case of how London manufactures “failed states,” assaulting the institutions of a nation until they disintegrate, and then demanding that supranational institutions move in to pick up the pieces. Here can be seen how, exactly as Lyndon LaRouche warned over the spring of 1997, the British Empire is deployed to bring about the disintegration of the nations of Ibero-America, using the same methods and, often, even the same personnel, as are deployed to set up the genocide in the Great Lakes region of Africa.

London’s Colombian operation constitutes an immediate security threat to every nation in the Americas, including the United States. It was British support, directly, which allowed the cartel-run government of President Ernesto Samper Pizano to survive the sanctions placed upon it by the Clinton administration in 1996. Under Samper Pizano’s cartel reign, the narco-terrorist armies expanded the territory under their control to the point that Colombia faces disintegration.

Congressional elections are scheduled for March, and Presidential elections for May. The drug cartels own various candidates, including the current frontrunner, Samper Pizano’s former Interior Minister, Horacio Serpa. One leading contender for the Presidency, Gen. Harold Bedoya (ret.), however, is rallying Colombians for a fight to drive the drug cartels and their narco-terrorist armies from Colombia. Bedoya has repeatedly called for United States support, particularly for economic aid, so that Colombians can take on the cartels.

Should Colombian efforts to defend their nation fail to receive such aid, Britain’s projected disintegration of Colombia, under United Nations rule, will succeed, and entire chunks of the Andes/Amazon region of South America will fall to the marauding armies of the drug cartels.

## The real drug lords speak

The key features of Britain’s “shatter Colombia” operation were laid out in an Oct. 15, 1997 debate in the House of Lords.

The debate was called by Viscount Waverley, one of the Lords most active in 1996 in blocking international action to save the lives of millions in Congo-Zaire. Waverley opened the debate with the following declaration of war: “My Lords, let there be no misunderstanding. The internal political and security situation in Colombia has the potential to escalate in

its enormity and tragic viciousness, placing it alongside the conflict between the Israelis and Palestinians, Kashmir and Afghanistan.”

Multilateral intervention is required in the case of Colombia, he argued, because “the Colombian political system has lost the ability to resolve its internal difficulties by itself.” The purpose of said intervention? “To press for peace negotiation” with the very FARC and ELN terrorists, whom Waverley freely admitted protect the drug trade and threaten democratic institutions. The “single most important assistance” Britain can give Colombia, Waverley insisted, is to use its “influence over the United States and other consuming nations” to develop “a new attitude to the problem of drugs,” a formulation favored by drug legalization advocates.

Waverley, and the other five Lords and Ladies who followed him in the debate, including Foreign and Commonwealth Office Undersecretary Baroness Symons, all agreed on two points: 1) that Her Majesty’s government must continue to back the Samper government against “unjust” U.S. pressure on the narcotics front; and 2) that the Colombian military—not the drug cartels—is the real threat to “democracy.”

It is precisely the support given by Her Majesty’s government which has kept Samper’s regime alive, against U.S. pressure. Samper turned to Britain for increased aid, investment, trade, and, vital to them, diplomatic pressure against the United States, when President Clinton decertified Colombia in March 1996, as non-cooperative in the fight against drugs. One month later, then-Overseas Development Minister Lady Lynda Chalker declared Samper’s government “a spectacular success” in fighting drugs. Britain’s minions in the European Union, the Canadian government, and various non-governmental organizations (NGOs)—the Inter-American Dialogue, most prominently—set to work organizing a regional bloc within the Western Hemisphere, in opposition to U.S. efforts to toughen and coordinate actions against the dope trade.

Waverley played his own quiet role in ensuring that the United Kingdom remain a “close ally” of Colombia, deepening its economic, political, military, and intelligence cooperation with the Samper government. He likes to tout his “close association with Colombia,” and his personal visits to its oil regions and coca fields, to meet with “a wide range of local NGOs, community representatives, and elected officials,” reporting that he plans new visits, “to play our small part in trying to help the process” of a “peaceful solution.” (Waverley’s activity in the Western Hemisphere also includes a close interest in Belize, where his wife was British High Commissioner. Waverley seeks an expanded British military presence in that country.)

British financial interests, of course, did not fail to profit from this “deepening” of relations with the cartels’ government. Symons reported to the Lords in the October 1997 debate, that the U.K. is now the number-one foreign investor in

Colombia, an assertion so startling—the United States has long been, by far, the leading investor in Ibero-America—that the folks at Canning House, Britain’s leading business think-tank for Ibero-America, did not believe it possible, when first asked about it. After making inquiries, however, Canning House reported that, indeed, the British now claim the top position, citing British Petroleum’s investments in Colombian oil as what tipped the balance.

### Murderers of Africa

In their debate, Waverley et al. wept crocodile tears for human rights in Colombia. Two of the most outspoken were Lord Colin Moynihan, an Undersecretary of Energy during Margaret Thatcher’s government who later served as privatization adviser to the Sánchez de Losada government in Bolivia, and Baron Nicolas Rea. The latter was identified by *EIR*, in its Aug. 29, 1997 issue, as the leading drug legalization advocate in the House of Lords.

Moynihan singled out General Bedoya by name as an obstacle to peace, and praised Samper for sacking him last July, because Bedoya “defiantly refused to capitulate to the guerrillas.” Moynihan specified that peace talks will require concessions such as “the Army’s withdrawal from certain areas” of the country.

For his part, Rea admitted that he has never visited Colom-

bia, but said he knew all about it, from reading Amnesty International’s reports. He denounced the war on drugs as a “smokescreen,” and urged the British government to “strongly encourage” the Colombian government to curb its military, and force through the elimination of military justice.

Who are these Lords to speak of “human rights”? They have the blood of half a million dead Africans on their hands today!

In November 1996, Baron Rea joined Viscount Waverley in a campaign to block any international mission to save the lives of 1 million Rwandan and Burundian refugees huddled without water and food in camps in eastern Zaire. Instead of aid, Rea demanded that the international community use the refugee crisis as the excuse to “re-examine the entire structure of the nations of the Great Lakes region” of Africa. That is: to carve up the nations of Zaire, Rwanda, Burundi, Uganda, and Tanzania. (See *EIR*’s June 1997 Special Report, *Never Again! London’s Genocide Against Africans.*)

No mission was carried out, and while the exact number casualties will never be known, a minimum of 500,000 people in those camps were killed in the months after Rea’s demand was issued, as the London-sponsored “guerrilla liberation army” of Laurent Désiré Kabila marched to power in Kinshasa. And who moved into Congo-Zaire, once Kabila was in power? The same British companies now moving in on Colombia.

### Soros spreads ‘failed state’ lie

Other instruments of British policy are busy pumping out the lie that Colombia is “a failed state,” whose “crumbling” will require some form of UN intervention, to force upon it “peace” with the narco-terrorists.

Intelligent people will draw the appropriate conclusions from the fact that this propaganda campaign was kicked off by an instrument of the world’s biggest promoter and financier of drug legalization, Britain’s favorite megaspeculator, George Soros.

On Aug. 17, 1997, the *Washington Post* ran an opinion column by Roger Weiner of the Lawyers Committee for Human Rights. With the blazing headline, “Colombia Emerges as the Bosnia of South America,” the article proclaimed that Colombia “is tearing itself apart. It is fast becoming a Bosnia, or the closest thing to it in this hemisphere.”

If the Clinton administration does not want to be held responsible for this calamity, Weiner’s argument went, it must intervene in Colombia’s upcoming elections to ensure the defeat of General Bedoya, to thereby defeat any Colombian mobilization to stop the drug trade militarily. Hysterical that the Clinton administration might support such a Colombian effort, Weiner wrote that the alleged “spread of this ‘dirty war’—not the country’s drug cartels—is the greatest threat to Colombia, its neighbors, and the interests of the United States.”

By his job, it would indeed appear that Weiner does not

## DO YOU KNOW

- that the American Revolution was fought ~~against~~ British “free trade” economics?
- that Washington and Franklin championed Big Government?
- that the Founding Fathers promoted partnership between private industry and central government?

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consider the drug cartels a threat. He is the coordinator for the Latin American and Caribbean Program at the Lawyers Committee, an influential NGO headquartered in New York City, closely involved in United Nations operations, and funded by George Soros, every which way: by his Open Society Institute, by executives of Soros Management Fund, and personally. Soros and his wife are listed among the largest financial sponsors of the Lawyers Committee.

In a conversation, Weiner explained that the key to his crowd's policy, is to use a "human rights" campaign to "limit options of the U.S. government, to either fight the drug war, or help the Colombian Army fight the insurgency."

By publishing in Washington's leading daily, Weiner put on the table what the British-loving crowd around the Inter-American Dialogue has promoted privately. The Dialogue's Viron Vaky is reported to be most vocal on the urgency of multilateral intervention in Colombia. Edgar Dosman, board member of the Canadian Foundation for the Americas (FOCAL), a Canadian government dependency busy organizing for hemispheric drug legalization (see *EIR*, Aug. 29, 1997, p. 40), puts out the line that it is the Clinton administration's refusal to consider drug legalization which has led to the imminent "fragmentation" of Colombia. Former U.S. Ambassador to Colombia Charles Gillespie, from Brent Scowcroft's Forum for International Policy, argues that while he prefers the Haiti analogy to that of a Bosnia, it must be assumed that Colombia faces "fragmentation, fracture." He, too, angrily rejects any proposal that the United States aid Colombia in defeating the cartels and their narco-terrorists, calling General Bedoya, "nuts."

### Shell's 'Flight of the Buzzards'

In February, a new phase of the assault on Colombia is set to begin, this one run inside the country, and directed by the networks of Royal Dutch Shell, one of the British Crown's leading instruments of global economic and political power. Portraying itself as just "a neutral group" of Colombians, an outfit called Destino Colombia is preparing to launch a national debate on the future of Colombia, as a complement to Britain's desired "peace" negotiations with the narco-terrorists.

Destino Colombia was set up in 1996 by Inter-American Dialogue Co-Vice Chairman Juan Manuel Santos (now a Presidential candidate in Colombia), and a businessman from Cali, Colombia, Manuel José Carvajal. The man running the show, however, is Adam Kahane, a Canadian national who comes out of Royal Dutch Shell's Scenario Planning Department. Kahane currently runs "scenario projects" in Canada, Cyprus, Japan, and other countries, out of his Center for Generative Leadership, co-founded with Joseph Jaworski, a former Director of Scenarios at Royal Dutch Shell.

During 1991-93, while still working for Shell, Kahane and Clem Sunter, right-hand man to Harry Oppenheimer of Anglo American Corporation, ran a brainwashing project in

South Africa known as the "Mount Fleur scenarios." Mount Fleur's purpose was to shape the transition to a post-apartheid government in that country, in order to best protect the long-term interests of the British Empire and its corporate agencies, Anglo American and Royal Dutch Shell.

The "scenario process" concocted by Shell in the early 1970s—Shell maintains a kind of patent on these scenario workshops, its proponents claim—is designed to give participants "the ability to re-perceive reality," as the founder of Shell's scenarios, Peter Wack, asserts. (Wack is a New Age nut, burning incense and meditating on puja sticks in his office, speaking in riddles and parables, etc.) The "process" starts with small T-Group sessions, run by a team of Shell controllers. Out of these groups, two to four alternative scenarios for future developments are concocted, packaged as simple "stories."

In the case of South Africa, Kahane's team came up with four "stories," which were then debated across the country: the Ostrich, the Lame Duck, Icarus (this one warned South Africans that if their country attempted to take off with "noble origins and good intentions," but neglected to take into consideration "economic forces," it would crash!), and, the Shell/Anglo American preferred outcome, "the Flight of the Flamingos." In the last, any group which did not agree to fly on the flock's terms, was held responsible for bringing down the flock.

What makes Shell's scenarios different from others, members of the Shell network explain, is that Shell shapes the "stories" to achieve a preferred outcome, by concentrating on changing *how* people think.

Shell "facilitators" discuss the South African Mount Fleur project as a dramatic example of how, through the propagation of carefully designed "stories," whole populations can be induced to put aside considerations of morality or truth, and instead argue the merits of one "story" over another. One facilitator explains that once people accept the stories as real, and not just propaganda, then people can be induced to discuss proposed policies on the basis of whether they "*fit*" the accepted story or not, not whether "it's good or bad. . . . You don't have to argue it on moral grounds. . . . When we argue on moral grounds, we have to make someone wrong. And that's a losing proposition. If you argue on the grounds of *fit*, then you don't have to be wrong."

In Colombia, Phase I, the T-Group sessions, has been completed. Participants included businessmen, trade unionists, two retired military, NGO representatives, paramilitary leaders, and leaders of the narco-terrorist groups (the latter, connected by speaker phone from jail or clandestinity!). Destino Colombia, under Kahane's direction, is now preparing for Phase II: the release of their "stories" about Colombia's future, through a big media splash in February. Videos and pamphlets are being produced, as well. What is to be eradicated from Colombia, if these Nazis succeed, is "intolerance," particularly toward narco-terrorists.

## Iranian President opens 'dialogue of civilizations'

by Muriel Mirak-Weissbach

That the President of Iran should take to the television to address the American people, borders on the unthinkable. That he should use this form of direct communication, to launch a dialogue with the "great American people," is even more extraordinary. The temptation is to think, either that his interview with Cable News Network on Jan. 7 was not honest, but was a clever piece of demagoguery, or, that the situation in Iran has changed so fundamentally, that the values and images associated with the 1979 revolution, have become a thing of the past.

Neither assumption is correct. President Seyyed Mohammed Khatami's address was the most straightforward, courageous articulation of his foreign policy orientation, that has been presented publicly thus far. At the same time, what the President said to the American people delivered a shock to his own population, whose relationship to the issues he discussed, is extremely complex. There is no simple way, in which the internal political debate in Iran will be concluded; yet, at the same time, the nature of the response which comes from Washington, to the dialogue which Khatami has offered, may go far in contributing to a fruitful outcome.

### **A message to the American people**

President Khatami's message to the American people officially opened the dialogue of civilizations he had proposed, at the summit of the Organization of Islamic Conference (OIC) in Iran in December. His concept is, that such a dialogue must proceed from the self-understanding of one's own past civilization, and the understanding that great civilizations have been guided by religious principles. At the same time, it must be rooted in present reality. Reviewing the past centuries, Khatami acknowledged that Islamic civilization, which had made great achievements for all mankind, had fallen into

passivity in recent centuries, while Western civilization had contributed fundamental advances to all mankind. To be able to benefit from Western civilization, he said, "we need to penetrate deep down below the surface, ignoring its superficialities to get to the root of the basis of its foundation, theoretical principles, and its values."

This is what Khatami did in his CNN address: He located the identity of American civilization, from which standpoint America should proceed in relating to another civilization, for example, that of Islam. Specifying that he wanted to present his "analysis of the American civilization so that [his] remarks would not be taken as political nicety or a mere play on words," he explained his respect for American civilization: "When we appreciate the roots of this civilization, its significance becomes even more apparent. As you know, in Plymouth, Massachusetts, there is a rock which is respected and revered by all Americans. The secret of American civilization lies in this rock. In the early 17th century, those 125 men, women, and children who left England in search of a virgin land to establish a superior civilization finally landed on this rock." He added, that the Puritans had come to America, because "they found the European climate too restrictive for the implementation of their ideas and thoughts." The Puritans were "a religious sect whose vision and characteristics, in addition to worshipping God, were in harmony with republicanism, democracy, and freedom."

Most important, Khatami went on to identify the opposite political faction, which has also maintained a continuity in U.S. history: "The American civilization is founded upon the vision, thinking, and manners of the Puritans. Certainly, others, such as adventurers, those searching for gold, and even sea pirates, also arrived in the United States. But the American nation has never celebrated their arrival and never considered

it to be the beginning of their civilization.” The moral outlook, he said, “clashed with certain evil trends which caused slavery in certain states and ultimately succeeded in abolishing slavery. There were numerous martyrs who gave their lives for this cause, the most famous of whom was Abraham Lincoln, the strong and fair-minded American President.”

The main point stressed, was that the true tradition of America was based on the notion that “religion and liberty are consistent and compatible.” He went on: “I believe that if humanity is looking for happiness, it should combine religious spirituality with the virtues of liberty.” Khatami pointed to the Enlightenment, as “one of the biggest tragedies in human history,” because it was a “confrontation between religion and liberty which is to the detriment of religion, liberty, and the human beings who deserve to have both.”

Moving then to his own country’s tradition, Khatami reached back in history, from ancient Persia to Islamic Iran. Over the last 200 years, he said, “the Iranian nation has striven to establish liberty, independence, and a noble way of life.” He pointed to the Constitutional Movement at the beginning of this century, which waged “an incessant struggle with colonialism,” and, passing to the Islamic revolution, asserted that it “had—and should have—two directions: first, an interpretation of religion which couples religiosity with liberty,” which, together with justice, are the “assets and aspirations of the Islamic Revolution as it enters the 21st century.” Then, “second, there is the issue of independence. The American nation was the harbinger of independence struggles, the initiator of efforts to establish independence, for whose cause it has offered many sacrifices, leading ultimately to the Declaration of Independence, which is an important document on human dignity and rights.” Khatami compared this to Iran’s struggle for independence, and liberation from the “humiliation” which had been imposed on it through foreign domination over centuries.

The point emphasized, is that Iran’s fight for independence and for a society based on religious principles, should be comprehensible to Americans, on the grounds of their own experience.

The problem in relations between the two civilizations has arisen as a result of the fact that “policies pursued by American politicians outside the United States over the past half a century since World War II are incompatible with the American civilization which is founded on democracy, freedom, and human dignity. We ardently wished that those who enforced this foreign policy were representatives of the prominent American civilization, a civilization which was achieved at a heavy cost, and not the representatives of those adventurers who were defeated by the American people themselves.”

This “flawed policy,” he went on, damaged the “deprived and oppressed nations,” it “dashed the hopes of the people of the colonized world who had placed their trust in the U.S. tradition of struggle for independence,” and, “when the policies for

domination were implemented in the name of the American people, the nations lost their trust in the Americans.”

Although the Iranian President did not name the two opposing traditions in American history, as the British System and the American System, the phenomenon he laid bare corresponds precisely to the fundamental problem in U.S. foreign policy. The essence of his proposal to Washington was: Return to your own noble past tradition, and deal with the rest of the world from the standpoint of the moral principles which informed that achievement.

## **Iran today**

Following this masterly introduction, Khatami was subjected to questions by interviewer Christiane Amanpour, who focussed on “hot button” issues: the 1979 hostage-taking at the American Embassy in Teheran, and the allegations hurled at Iran today, that it supports terrorism, develops weapons of mass destruction, and undermines the Middle East peace process.

Khatami rejected the allegations, referring to Iran’s signing the Nuclear Non-Proliferation Treaty, as well as its cooperation with inspections by the International Atomic Energy Agency. Iran considers the current peace process as unworkable, but is “prepared to contribute to an international effort to bring about a just and lasting peace in the Middle East.”

The more important points raised by Khatami in response, should help explain to Americans, why the anti-American mood in Iran has endured. Khatami listed several outrages, including the downing of an Iranian airliner with 300 passengers, the reported allocation of \$20 million by Congress, to overthrow the current government in Teheran, and the infamous D’Amato sanctions.

His treatment of the hostage-taking, was central. Asked whether this were an “excess” of the revolution, he answered: “The feelings of our people were seriously hurt by U.S. policies. And as you said, in the heat of the revolutionary fervor, things happen which cannot be fully contained or judged according to usual norms.” In contrast to that time, he said, “With the grace of God, today our new society has been institutionalized, and we have a popularly elected powerful government, and there is no need for unconventional methods of expression of concerns and anxieties.” Asked then, whether he thought things might have been handled differently, he replied, “As I said, everything must be analyzed within its own context. The events of those days must be viewed within the context of revolutionary fervor and the pressures to which the Iranian nation was subjected, causing it to seek a way to express its anxieties and concerns.”

## **The debate inside Iran**

If President Khatami’s interview launched a dialogue with America, it provoked a ferocious debate within Iran. Even before the broadcast had taken place, voices had been raised in Iran, through the press, against the very idea that an

Iranian President should address Americans. *Jomhuri Islami*, for instance, a daily reflecting the views of the opposition clergy, wrote on Jan. 4, "Any positive signal toward the Americans means betraying the legacy of the late Imam Khomeini." It recommended, "The officials of the Islamic Republic must keep the fury and grudge against America alive in the people's hearts." On the day of the scheduled interview, the paper published a list of grievances against the United States, and stated, "Any hands which reach out to America should be cut off," and "Our officials should know that we have not given them a [government] post for them to seek friendship with the enemy of our people." Even the *Teheran Times*, which reflects the views of government layers, ran a banner headline saying the Supreme Leader, Ayatollah Seyed Ali Khamenei, was the "only authority to decide on resumption of ties with the U.S." An opposition paper, *Kayan*, warned, "It is simple-mindedness if we imagine the hand the U.S. has extended toward us for friendship is not holding a dagger," and "The U.S. is still the enemy number one and Great Satan for our nation."

What President Khatami did in his interview must have confirmed the worst fears of this faction. Not only did he praise America, but his explanation of the anti-American protests was considered by many, to be tantamount to a betrayal of the revolution. What he said about the hostage-taking affair, was interpreted as an apology. This action, it should be recalled, had been hailed by Khomeini as the "second day of the revolution," and has remained impressed in the popular image of the revolution.

Many among those in the population who were responsible for voting him into office last May, were also dismayed. Khatami won a landslide victory, because he promised to improve economic conditions, and to liberalize "cultural life," meaning the internal social, administrative, and political climate. His promotion of press freedom, which has been translated into the licensing of numerous new newspapers and magazines, was a leading issue. In foreign policy, he had campaigned for a dialogue with "the West," but not with America specifically. Even among those most ardent supporters of Khatami, are people who consider America the Great Satan. At the August confirmation hearings in Iran's parliament, the nominees who were most hotly contested by the opposition, were those who had had experience in the United States, as students or diplomats. The most controversial was Ayatollah Mohajerani, Minister for Culture and Islamic Guidance, who, as Vice President under Rafsanjani, had launched a trial balloon in 1990, proposing direct talks with the United States. The balloon had been shot down, and no mention of such rapprochement was made thereafter.

The new President has thus taken an enormous risk, laying his political life on the line. Although he was cautious in formulating proposals for dialogue, rejecting political relations at the present time, and suggesting the "exchange of professors, writers, scholars, artists, journalists, and tourists,"

still, the overall import of his message constituted a *fundamental challenge to the axioms governing the ideas and behavior of many of his citizens, and leading political figures and institutions.*

CNN's interviewer addressed this issue head-on, when she asked him if he had the "authority and room to maneuver" to fulfill his promises, against a strong opposition. "Surely," he answered. "After being elected, one should abide by one's promises and not retract on them. I am determined to fulfill my promises, and *I believe the atmosphere is conducive and would improve day by day.* Each person will carry out his tasks in his legal capacity. The President shoulders the important task of enforcing the constitution. I have set up a constitution monitoring group for the first time ever, and this group is actively working to locate instances of violations or incorrect enforcement of the constitution. And *we shall succeed.* Iran has *one government* which makes decisions on domestic and foreign policies within the framework of its duties" (emphasis added). He continued, clarifying the relationship between the Supreme Leader, Ayatollah Khamenei, who determines overall policies, and the government, which enforces them.

Khatami defended the right of the opposition to exist, while drawing the line between legal and illegal protest: "When we speak of democratic government, or government of the people, it means that we accept opposition. We cannot possibly have a society with no opposition at all. . . . We should learn not to allow such differences to turn into confrontation, but to direct them into their legal channels."

Khatami hammered away at this theme, insisting that his majority vote was decisive, and that no dual power situation would be tolerated. "Of course," he said, "there are various tendencies, which were present during the elections as well. *The people have made their decision.* What I have said and continue to insist on is that rule of law should be paramount, and no one should consider himself above the law and try to impose his views on others. . ." (emphasis added).

### **How will Washington respond?**

President Khatami, leader of the most important country in the Persian Gulf-Central Asian region, has broken the rules governing Iranian-U.S. relations, or, to be more precise, he has changed them. In so doing, he has also redefined the parameters of the political process inside Iran. If the response which comes from the U.S. President—and it should come at that level—is not appropriate, the very delicate balance which exists in Iran, could be jolted. This is no time for inflammatory statements out of the State Department or precipitous actions by people like Rep. Tom Lantos (D-Calif.), who thrust himself forward, uninvited, as a candidate to visit Iran right away. The moment requires extremely sensitive, thoughtful steps. If President Clinton takes up the invitation to initiate a dialogue of civilizations, among "thinkers," this will be decisive in strengthening the process inside Iran, which President Khatami has started.



# CNDD demands international inquiry into slaughter of Burundi villagers

by Linda de Hoyos

The National Council for the Defense of Democracy (CNDD) of Burundi has called for an international commission of investigation to determine the responsibility for the massacre of 500 Hutu civilians in Burundi on Jan. 1 who were living in the village of Rukaramu.

The CNDD, led by Leonard Nyangoma, has been involved in a protracted war with the military junta of Pierre Buyoya, who took power in a coup on July 26, 1996. Under Buyoya's leadership, the mono-ethnic Tutsi military of Burundi, joined forces with the Rwandan Patriotic Front and the Ugandan Popular Defense Forces of dictator Yoweri Museveni, to invade Zaire on behalf of the British Privy Council and its mining combines, which followed in the wake of the marcher-lord force.

Nyangoma was the former Interior Minister under President Melchior Ndadaye, the first Hutu and the first elected President of Burundi. But, elected in June 1993, on Oct. 21, 1993, Ndadaye was brutally murdered in an attempted coup orchestrated by Buyoya. From that point onward, the Tutsi military waged a campaign of assassination and intimidation against the elected government, murdering scores of provincial governors, cabinet members, and parliamentarians, until Buyoya destroyed any last vestige of democracy in Burundi with his coup of 1996.

The slaughter of 500 Hutu men, women, and children in Rukaramu village was first reported by the Buyoya regime, which blamed the CNDD for the massacre.

However, the CNDD contends, the destruction of the village was the Burundi military's retribution for a stunning attack by CNDD's military wing, Forces for the Defense of Democracy (FDD), on the international airport at Bujumbura, the nearby Gakumu military camp and police detachment.

The surprise attack awakened the Tutsi troops, "while they were in a deep sleep, after a year-end drinking bout and, more importantly, after hearing the speech of the head of the apartheid regime in Burundi, Maj. Pierre Buyoya, in which he told the population that our FDD forces had been conquered, and that his military men could indulge in New Year's celebrations with no fear," notes the CNDD declaration of Jan. 6. The military operation extended over six hours, and, according to independent sources, resulted in the death of 300 troops of the Burundian military; the destruction of three

small airplanes at the airport; the destruction of the military barracks at Gakumbu; the destruction of the main electrical unit to Bujumbura; and the seizure of the weapons and military equipment at the warehouse of the Tutsi military's brigade headquarters in the area.

It is by far the most successful military action carried out by the FDD in its three-year campaign against Buyoya.

Immediately, Buyoya ordered the entire area to be sealed off, with no foreign reporters or other agencies permitted into the region around the airport, including the village of Rukaramu.

In Rukaramu, the military, "rather than courageously confronting our combatants, or recognizing they had lost this battle, as well as several others previously, chose instead to launch a criminal attack in full daylight against the village of Rukaramu where the only inhabitants are *Hutus* repatriated from neighboring countries in the '80s and '90s."

In a replay of the Nazi liquidation of the village of the Czechoslovak village of Lidice in revenge for the resistance's assassination of Gestapo chief Reinhard Heydrich, the Burundi military wreaked revenge by murdering civilians. "Over 500 people, mainly women, children and old men, lost their lives, first shelled, then killed by bayonet. At the time of this writing, the army is still carrying out systematic massacres of civil populations in the zones of Maramvya, in the Mutimbuzi commune, outside of Bujumbura."

The Buyoya regime then issued a report claiming that the FDD had carried out the slaughter in Rukaramu. The CNDD declaration points out that the officers who officially issued this claim, Lt. Col. Mamert Sinarinzi and Lt. Col. Jean-Bosco Baradangwa, were the same people who announced the Oct. 21, 1993 declaration of the army's coup attempt against President Ndayaye. That is, the putschists against Ndadaye are now the official spokesmen for the Buyoya's Tutsi military.

The battle in the suburbs of Bujumbura continues, with attacks on military installations carried out by the FDD on Jan. 6 and thereafter.

## Buyoya's record

As the CNDD declaration of Jan. 6 states, the wanton slaughter of Hutu civilians is not only completely detrimental

to the political campaign being waged by the CNDD-FDD, but coheres with *Buyoya's* record of atrocities against civilians.

Since he took power in 1996, Buyoya has incarcerated more than 800,000 Hutu civilians into so-called resettlement villages, which are no better than concentration camps. In a statement issued on April 9, 1997, the U.S. State Department protested the concentration-camp policy: "The United States finds Maj. Pierre Buyoya's self-declared Interim Government's policy of forced regroupment to be highly objectionable. Regroupment camps located in at least six of Burundi's 15 provinces house more than 150,000 Burundians, both Hutus and Tutsis.

"The forced resettlement of civilians into camps disrupts traditional rural life and places an already vulnerable population at risk of violence, malnourishment, and disease."

On March 11, 1997, the World Health Organization had reported that the camps were now the site of the most serious outbreak of typhoid since World War II, with up to 1,000 people dying daily of the disease.

On July 15, 1997, Amnesty International decried the regroupment policy, stating that hundreds of men, women, and children had been "extrajudicially executed during the process" of "resettlement." According to Amnesty: "Scores of children who could not possibly be suspected of being members of armed groups are reported to have been killed in massacres during regroupment and counterinsurgency operations. Moreover, the majority of killings of civilians during counterinsurgency operations appear to have been deliberate and targeted killings, sometimes in reprisals for attacks by armed groups."

The execution of children is a hallmark of the Burundian Tutsi military, which in 1972, under military dictator Michel Micombero, carried out a campaign, particularly in southern Burundi, to murder every male Hutu attending school. This remains a favorite tactic of the Buyoya regime. According to the CNDD, between Oct. 15 and 21, in the province of rural Bujumbura, the Buyoya military killed 161 Hutu civilians, including children, and burned down 18 primary and secondary schools in the communes of Kabezi, Mutambu, and Kanyosha.

Yet, despite this, the Buyoya regime continues to have credibility in the international community, while the duly elected government of Burundi is either dead or has joined the CNDD. The international community, the CNDD notes, continues to overlook Buyoya's record:

- "Massacre of over 80,000 civilians by an army following his orders, since his return to power on July 25, 1997.
- "Destruction of basic infrastructure throughout the country, during the war that the army has imposed on the population since Oct. 21, 1993 and which it will certainly not win. No one can overcome a people determined to free themselves from the yoke of a militaro-fascist dictatorship.
- "Creation of several Nazi-style concentration camps,

which hold only citizens of the Hutu ethnic group, accused by the apartheid regime of collaborating with FDD combatants.

- "Militarization of the entire Tutsi ethnic group, by distributing firearms to civilians belonging to his Tutsi ethnic group, as stated by the Cabinet Director of the Interior Ministry, Mr. Salvator Mikumbi, and as was the case during the 1972 genocide."

Given the past and current actions of the Buyoya regime, therefore, the CNDD declaration states: "We would request from everyone, especially the UN and the OUA [Organization of African Unity], that an international commission of investigation, the composition of which would be approved by both warring parties, be set up to investigate these massacres and determine the army's responsibility, and to thus clear our FDD combatants of the unspeakable slanders against them by the genocidalist army of the apartheid regime led by Maj. Pierre Buyoya."

### **The CNDD's political campaign**

Although the CNDD is often described as "Hutu rebels," or "Hutu extremists," the National Council for the Defense of Democracy has never been a mono-ethnic group representing Hutus, but is a principled political organization whose leadership is composed of both Tutsis and Hutus, who are committed to eradicating the apartheid regime of Tutsi overlord rule that has dominated Burundi, especially since the 1962 murder of Prince Louis Rwagasore. Although a Tutsi prince, Rwagasore, who was married to a Hutu and was expected to be independent Burundi's first President, was dedicated to forging an integrated Burundi.

Today, the CNDD is active in 60% of the territory of Burundi, according to CNDD spokesman Jerome Ndiho of Brussels. Currently, Ndiho said, the CNDD has "control of" the rural areas of the entire provinces of Cibitoke, Bubanza, Makamba, Ruyigi, Kayanza, Gitega, and all of the province of Cankuzo, including the cities. In addition, it controls half of the province of Muyinga and most of the province of Bururi. Ndiho clarified that these areas are not "liberated areas"—that is, there is no peace in these regions, but the FDD controls the secondary roads, and in some cases, the primary roads of the province.

In those areas under its control, the CNDD has established a "parallel administration," including a parallel police, a parallel judicial system, and designated local officials. The CNDD, Ndiho said, is working to ensure training or education of prosecutors, and working to improve the knowledge of the laws, "in order to reduce any popular justice without judgment"—that is, to avoid Jacobin retribution. The code of laws to be used, he said, is the Constitution of Burundi of March 9, 1992, by which the last and only national elections were held. In addition, all members of the FDD are under orders to strictly observe the United Nations 1948 Human Rights Charter.

# Rowland and the Royals are furious at EIR exposés

by Jeffrey Steinberg

On Jan. 7, 1998, *EIR* Associate Editor Susan Welsh received a letter from Mrs. Josie Rowland, the wife of former Lonrho executive R.W. “Tiny” Rowland, ostensibly complaining about recent *EIR* exposés of her husband’s nefarious activities over the past 50 years on behalf of the House of Windsor. She was particularly distressed by an eight-page story, appearing in the Dec. 19, 1997 issue of *EIR*, in her words, “attacking Tiny as a homosexual Nazi who was at the same time violently

pro-Soviet and perpetually employed by ‘the British crown’ to do their evil will, whatever that is.”

It is noteworthy that Mrs. Rowland made no effort to dispute the accuracy of the information included in the *EIR* story. She chose, instead, to focus her complaints on the erroneous assumption that the information about her husband had been provided to *EIR* by Mohamed Al Fayed, a longtime business rival of the ex-Lonrho chief, and the father of Dodi Fayed, who was murdered, along with Princess Diana, in an Aug. 31, 1997 automobile crash in Paris.

In the aftermath of the deaths of Princess Diana and Dodi Fayed, Tiny Rowland has once again surfaced, on behalf of the British monarchy, to attack the Al Fayed interests, through a series of writs, charging that Al Fayed and several of his employees broke into a Harrods Department Store safe deposit box, owned by Rowland (see *EIR* Dec. 19, 1997 for further details).

The attacks against Al Fayed are aimed, in part, at driving the owner of the House of Frasier out of Britain, and, ultimately, at bankrupting him. The assault against the Al Fayed interests, what Rupert Murdoch’s *New York Post* described as a “blood-sport,” ordered by the House of Windsor, is very much tied to the ongoing efforts by the British Royals and their friends inside the French bureaucracy and the Jospin government, to cover up crucial evidence that the car crash that took the lives of Princess Diana, Dodi Fayed and driver Henri Paul, was an act of sophisticated vehicular homicide—not the drunk-driving traffic accident portrayed in most of the world media, through the steady stream of French police “official” leaks. It is widely believed in the inner circles of the House of Windsor, that the successful coverup of the Paris murders requires the destruction of Mohamed Al Fayed.

## EIR’s investigation of Rowland

As Tiny Rowland is well aware, Mohamed Al Fayed was not the source of the *EIR* material on his 50-year career as a thug for the monarchy. *EIR* has been tracking Rowland’s activities on behalf of the British Crown and their Club of the Isles apparatus for the past decade. In 1993, the editors of *EIR* published a book, *Tiny Rowland: The Ugly Face of Neocolonialism in Africa*. The Rowland dossier in the possession of *EIR* was developed through exhaustive investigative work

From Mrs R. W. Rowland  
HEDSOR WHARF  
BOURNE-END-ON-THAMES  
BUCKINGHAMSHIRE SL8 5JN  
(016285) 25331

29th December 1997

Dear Mrs Welsh,

Over the last few years copies of your magazine have been sent to us anonymously, whenever you print material given to you by Mohamed Fayed, and therefore today we have two copies of your December 19th issue, containing a 'conspiracy' story about the death of the Princess of Wales, clearly all sourced from Fayed, and immediately abutting that, eight pages attacking Tiny as a homosexual Nazi who was at the same time violently pro-Soviet and perpetually employed by 'the British crown' to do their evil will, whatever that is. (It is not very clear as to the objectives.)

I would not bother to write, but I always feel sympathy for women who manage to get responsible posts in journalism, and since you signed the 'Associate Editor's' introduction, you must have merit and training of some kind.

It would be wise to look into the matter of Fayed a little more, if you hope to build up the reputation of what at the moment appears to be the eccentrically named Intelligence Review. Or it might be wise to find another field to exercise your talents, if *EIR* is under obligations to print such things. It's not creditable to you to sign off such articles.

Yours sincerely,

Josie Rowland

Enclosed: Original envelope  
Photocopy of last week's leader from  
The London Evening Standard and  
supporting article.

Mrs. Josie Rowland, wife of former Lonrho executive Tiny Rowland, gives *EIR* a piece of her mind—on behalf of the British monarchy.

over many years, and with the assistance of dozens of sources in Africa, the United Kingdom, the United States, and elsewhere.

In fact, one year before the crash that claimed the lives of Dodi Fayed, Princess Diana, and Henri Paul, *EIR* was prompted to reopen the Rowland file, by revelations coming out of the South African Truth and Reconciliation Commission.

On Sept. 26, 1996, Col. Eugene de Kock, who headed a covert death squad unit of the South African paramilitary police during the apartheid era, told a South African court that one of his former agents, Craig Williamson, had been responsible for the Feb. 28, 1986 assassination of Swedish Prime Minister Olof Palme. Several days later, another former officer of the police unit, Brig. Dirk Coutzee, corroborated de Kock's testimony, and named a second member of the Palme hit-team, James Anthony "Ant" White.

After formally retiring from the South African paramilitary police, Williamson and White had joined forces with a Seychelles Islands-based gangster, Giovanni Mario Ricci, to form several "private security" firms, including GMR and Longreach, both housed in the same Pretoria, South Africa offices. White also created a security firm in Mozambique called Flocon International, which was employed by Tiny Rowland to provide "security" for the Baira corridor mining and other ventures of Lonrho. The man named as the assassin of Palme was thus a full-time employee of Rowland and Lonrho at the time. The allegations against Williamson and White are still being pursued by Swedish and South African investigators.

In October 1996, *EIR* published its own findings about the charges against Williamson and White, in a widely circulated 86-page *Special Report*, titled "George Bush and the 12333 Serial Murder Ring." The report profiled the British Crown-directed private assassination apparatus that not only was responsible for the murder of Olof Palme, but was also behind the killings of Uwe Barschel, the Minister President of the German state of Schleswig Holstein, and several other prominent world figures, during the 1980s. During the 1980s, when Vice President George Bush was the man in charge of U.S. covert operations, through the so-called "secret parallel government" structures, spelled out in Executive Order 12333 and other Reagan administration national security directives, the British Crown's intelligence services enjoyed an enormous degree of influence over U.S. covert operations.

The *EIR* report included previously unpublished details about Tiny Rowland's intimate dealings with the notorious East German secret police, the Stasi, in covert international arms deals, and joint irregular warfare operations in southern Africa. The *EIR* report highlighted a January 1986 meeting in London among an aide to top Stasi "commercial" officer Alexander Schalck-Golodkowski, Rowland, and two of Rowland's leading Lonrho patrons, Allan Ball and Edward du Cann. Ball's father, Joseph Ball, a longtime senior British

intelligence figure, former deputy head of British MI5, was one of Rowland's early intelligence case-officers.

The *EIR* report also identified Rowland's African covert operations as overlapping those of the recently deceased British "businessman" Sir Jimmy Goldsmith, who ran Royal Consort Prince Philip's World Wildlife Fund deployment of former British Special Air Services (SAS) personnel in southern Africa, through a project known as Operation Lock. Ostensibly aimed at combatting ivory poachers, Operation Lock actually provided cover for hit-teams that targeted South African anti-apartheid leaders for elimination. Operation Lock was partly financed by money from the British Queen Mother.

Both Rowland and Goldsmith were, throughout their careers, high-level assets of the unit of British Secret Intelligence that reports directly to the monarchy, through the security committee of the Privy Council. Although Rowland is widely known as a scoundrel with a checkered background of pro-Nazi activities, and petty criminality, his career, post-1960, was personally sponsored by Angus Ogilvie, a member, by marriage, of the royal family, and by Ogilvie's boss, the Crown's private financial manager, Harley Drayton.

This brings us back to the issue of Mrs. Rowland's recent correspondence, and the ongoing investigation into the death of Princess Diana.

Accompanying Mrs. Rowland's letter were two attachments from the *Evening Standard*: a Dec. 23, 1997 editorial, complaining bitterly that the Blair government had announced that it was reconsidering Mohamed Al Fayed's application for British citizenship; and an accompanying opinion piece, slandering Al Fayed, by *Vanity Fair* magazine contributing editor Christopher Hitchens.

At the same time that *EIR* received the communication from Mrs. Rowland, well-placed sources in Washington alerted this writer that a series of complaints were recently lodged with the U.S. government, by representatives of the House of Windsor, over *EIR*'s coverage of the deaths of Princess Diana, Dodi Fayed, and Henri Paul. A second source, who formerly held senior positions within the U.S. national security establishment, suggested that the complaints were likely passed through standing "informal" channels between British intelligence personnel, posted at the embassy in Washington, and designated liaison officers within the U.S. Executive branch. Such back-channels do not require any paper trail.

It is not surprising that the Rowlands and the Windsors would be upset at *EIR*'s in-depth coverage of the death of Princess Diana. *EIR*'s Nov. 21, 1997 detailed account of the final hours of Princess Diana and Dodi Fayed has been substantially corroborated by new eyewitness accounts and forensic tests that have come to light in recent weeks—bearing out *EIR*'s charges that the French are covering up evidence of murder. Details of the new eyewitness and forensic evidence will be reported in next week's issue.

# Swedish prosecutor opens new chapter in cover-up of Palme assassination

by Torbjoern Jerlerup and Lotta-Stina Thronell

In the first week of December 1997, Sweden's national prosecutor, Klas Bergenstrand, in collaboration with the chief prosecutor in the Olof Palme murder case, Jan Danielsson, delivered a formal application to the Supreme Court, asking to reopen the case against supposed "lone assassin" Christer Pettersson. This is nothing but a new, desperate attempt to suppress any serious investigation of the actual conspiracy by the international weapons cartel to kill Prime Minister Palme.

The cover-up started on the evening of Feb. 28, 1986, when the prime minister was shot and killed as he walked home from the cinema with his wife. Instead of a competent murder investigation, a huge disinformation campaign was started by the Communist East German secret service, the Stasi; the main target was *EIR* Contributing Editor Lyndon LaRouche, along with his co-thinkers in the European Labor Party of Sweden.

The cover-up has threatened to crack several times during the 12 years since the murder took place, involving the unmasking of various lies concerning the Swedish arms producer Bofors and its dirty business with the East German weapon smugglers of IMES Import-Export GmbH. When the secret Stasi files were scrutinized after the reunification of Germany, some of the lying was exposed. A new trial against Bofors, on the basis of the Stasi files, will be opened this Spring.

In 1985, it was Palme who gave a green light to the Swedish Customs, which had been tipped off by West German sources, to raid the offices of Bofors. In 1997, another clue was given to the Swedish police: An anonymous letter writer claimed that Swedish journalist Cats Falck, who had mysteriously died in 1984, was killed by the Stasi, because she had started to track down the dirty business deals between Bofors and IMES. In June 1997, Manfred Kittlaus, the head of the German police unit investigating the crimes of the Stasi, confirmed that the Falck case is one of 12 cases he is investigating, involving murders carried out by the Stasi outside of East Germany.

Before that, in September 1996, massive evidence of a broader international conspiracy behind the assassination surfaced with the so-called "South Africa track." Former South African intelligence officers were accused of being responsible for the murder. In October 1996, an *EIR* Special Report, *George Bush and the 12333 Serial Murder Ring*, summarized

the links between the former U.S. President, the Iran-Contra affair, and a series of unsolved murders.

Seen in this light, the move by the national prosecutor to open a new trial against Pettersson takes on a tragic-comical character: Bergenstrand has chosen a dead end, in claiming that "new witnesses" have provided strong proof that it was indeed Pettersson who killed Palme. Some of the "new witnesses" have changed their testimony several times, and are therefore not trustworthy. Reliable witnesses, whose evidence goes against the official cover-up, are still not being called to testify. An example is Goesta Soederstroem, the first policeman on the scene after the assassination, who insists that someone must have falsified the reports of the timing of the murder, to judge by his own notes taken on the crime scene. Another witness, policeman Aake Rimborn, affirms that Palme's wife, Lisbeth Palme, did indeed say that she had seen at least two men, as the bullets were fired against her husband—a statement that she later changed. The prosecution is even going so far as to "call in" two dead people as witnesses—an unheard-of occurrence, and, according to the European Union Court, illegal: If the defense cannot hear the witnesses, they must be invalidated.

## What 'new evidence'?

Christer Pettersson was tried for the murder of Prime Minister Palme at the district court of Stockholm, and found guilty on July 27, 1989. On Nov. 2 of the same year, he was released on the order of the court of appeals, for lack of evidence. The case against Pettersson was entirely based on circumstantial evidence. The prosecutor could not, according to the appeals court ruling, prove that Pettersson had a weapon on the evening of the murder, nor that he had *ever* possessed a weapon. Nor was the prosecutor able to show a plausible motive for the murder. Concerning Pettersson's criminal character, the appeals court decided that he was too labile to have been able to plan and execute such a sophisticated murder. (He is drunk or drugged most of the time.) The prosecutor did not attempt to appeal the case to the Supreme Court at that time.

But now, the national prosecutor delivers almost 3,000 pages to the Supreme Court, in the application to reopen the case against Pettersson. The prosecution must claim to have "new evidence," compared to the two trials in 1989, otherwise it would be impossible to reopen the case. What is known so



Swedish Prime Minister Olof Palme in 1982. His assassination in 1986 was subjected to an enormous cover-up, and officials are still desperately scrambling to keep the lid on the case.

far about the witnesses who are providing this “new evidence,” stinks. Two of them have been dead for years, and they are the ones who supposedly testified that Pettersson possessed a weapon—which, even if it were true, does not prove that he shot Olof Palme. One of these witnesses, the “bomb man” Tingstroem, a chronic liar and criminal, died in 1993. In December 1996, after the South Africa track again came under discussion, his lawyer, Pelle Svensson, had such a “bad conscience,” that he went to the police with what he said was Tingstroem’s “last will and testament.” According to Svensson, Tingstroem had “confessed” to him before he died, a “confession” which included a story about how Pettersson possessed a weapon similar to the one that killed Palme. Now, after about 1,000 pages of the application for retrial have been made public, it is apparent that the “last will” consists of some ten mostly blank pages, provided only with headlines and some notes from the lawyer—not written by his client. One wonders why the lawyer went to the police only in December 1996, after the revelations began to appear about the South Africa track.

Another question which is overdue concerning the events of Autumn 1996, is how it was possible for a former chief of the criminal police, Tommy Lindstroem, to travel to South Africa, at the expense of the social democratic rag *Aftonbladet*, and to be the first person to interrogate a former South African colo-

nel, Eugene De Kock, who had claimed to the South African Truth and Reconciliation Commission that he knew who assassinated Palme. Lindstroem was the chief of the criminal police between 1981 and 1994, and part of the time he headed the investigation of the Palme case. In 1992, he was removed from active duty because of his gangster methods: For example, when criminals were caught stealing works of art, Lindstroem simply offered to buy back the stolen goods!

### Critics speak out

Two critics of the “lone assassin” theory are the brothers Kari and Pertti Poutiainen, who in 1994 published a book, *Inside the Labyrinth*, which systematically shows the flaws in the police investigation, and implies that some highly placed police officials must have been involved in the cover-up. On Dec. 28, 1997, the Poutiainens got an article published in the daily *Dagens Nyheter*, “Prosecutor Hides Proof in the Palme Court Case,” in which they harshly criticize the unfair and untruthful methods of the prosecutor.

More than 11 years after Palme was murdered, the first policeman to arrive on the scene, Goesta Soederstroem, stated in an interview published in *EIR* of Aug. 15, 1997: “I do not believe that the Swedish authorities could have acted as insanely as they did in this investigation, if they had not been influenced, or rather ordered, to impede the investigation, from abroad. Look at the international drug- and weapons-dealers around former U.S. President George Bush and Oliver North, that is what I mean. Look at the South African revelations, and—why not?—the Swedish part of the international illegal arms trade around Bofors. The people organized in these operations were nothing else than murderers. Do you think they want ordinary people to know the truth about what they have been doing?”

Another voice of domestic opposition has been raised by a film team, which in March 1998 will release the movie “The Contract,” produced by one of the most popular directors in Sweden, Kjell Sundvall. The screenplay and the book on which the movie is based were written by a person with the pseudonym John W. Grow. The book is already on sale.

The plot centers around a mercenary with experience in Africa, who has the alias Gales. He travels to Sweden with the aim of assassinating Prime Minister Palme. Gales hires another mercenary, who lives in Norway, and together they plan the operation. The two men make two unsuccessful attempts to kill Palme, but on the third occasion, Palme is shot by the Norwegian. Gales tricks various criminals to come to the scene, the same evening as the murder took place, in order to get the police investigators going on a completely wrong track.

The “hero” is the policeman Roger Nyman, who works for the Swedish secret police. He finds out about Gales’s plans, and tries to stop the assassination, but in vain. The leadership of the Security Police does not want to save the life of the hated prime minister, and the only result of Nyman’s effort to save Palme, is that he himself is shot at the

end of the book.

In the story, Gales is hired by a Swedish businessman by the name of Lennart Holmstroem, a multibillionaire in the banking business belonging to “the most influential business family in Sweden,” as Grow describes it. (When the book appeared, Swedish media pointed out that this was a clear reference to Peter Wallenberg.) Holmstroem is angry at Olof Palme, because Palme is a socialist and wants to “nationalize the Swedish banks,” something which he sees as a threat to his interests. However, Holmstroem does not act alone, he is encouraged by two influential Americans: the first, Jack Pallon, a billionaire and childhood friend of Holmstroem; and the second, Bertrand Norris, is involved in secret intelligence operations, and gives Holmstroem the address of a “bureau” where Holmstroem can hire a mercenary.

The American billionaire is portrayed as belonging to an influential family, dealing with food production worldwide. He himself is a “born again” Christian, who wants to kill Palme because he threatens the secret political and business operations of the Pallon family in Latin America, by “supporting” regimes led by “communists.” The author also describes his religious fundamentalism as one of the motives: Jack Pallon thinks it is his “almost holy” responsibility to oppose “friends of the communists,” such as Palme.

The other American, Norris, is a tall, conservative, “born again” Christian, who works for the government in secret intelligence operations, and who also works with Pallon in Panama. Rather like Oliver North, perhaps.

### **The 12333 serial murder ring**

The only ones who so far have linked Oliver North’s “Iran-Contra” intelligence operations to the assassination of Palme, are the co-thinkers of Lyndon LaRouche. *EIR*’s Special Report, *George Bush and the 12333 Serial Murder Ring*, delved into the secret political operations of this network, involving, among other things, the secret arms trade to Ibero-America and the Middle East. This report circulated extensively in Sweden.

Grow’s book points to the same network, even if it wrongly implies that Palme was the “good socialist” who fought against the evil Americans. Reality was more complex: The communists in East Germany helped Palme’s “socialist” regime to smuggle explosives to Iran and Iraq, in cooperation with the “capitalists” of the Bush-North Iran/Contra apparatus. The move in 1985 to stop the Swedish involvement in this secret trade, by allowing the Swedish Customs to raid Bofors, clearly threatened the cooperation between East and West that the European arms cartel and the Iran/Contra group had established.

The book and the film can help to crack the cover-up around these operations. In fact, sources close to the film team claim that one of the motives of those calling for a new trial against Christer Pettersson, is a desperate attempt to suppress the expected effects of the book and the film.

# Terrorist dangers intensify in Pakistan

by Ramtanu Maitra and Susan Maitra

The sudden outburst of “sectarian violence” in the second week of January in Lahore should serve as a signal to Pakistani Prime Minister Nawaz Sharif, that his recent victory over the Presidential-judiciary combine was a small one, compared to the dangers he continues to ignore. The nature of the violence, although it contains all the necessary ingredients of continuing Shia-Sunni conflicts within Pakistan, nonetheless was clearly a terrorist act. The Islamabad government must look in the right places to find the cause of this burst of terrorism.

The graveyard massacre of 23 Shias who were attending the funeral of one of their slain leaders was claimed by a little-known Sunni group, Lashkar-e-Jhangvi, which has gone underground since. Several Shia leaders, including those who belong to the militant Tehrik-e-Jafriya, blamed Anjuman-e-Sipah-e-Sahaba—a better-known militant Sunni group that has been linked to assaults on Shias in Pakistan. Lashkar-e-Jhangvi, meanwhile, from underground, has blamed Teheran for backing Shia militants in Pakistan.

The Shia-Sunni conflict in Pakistan is well established by now. It is quite easy to provoke shadowy militant factions within either sect to commit insane acts of violence. This has been the modus operandi in Karachi where violence between Shia and Sunni, or MQM and PPP, or Pathan and Sindhi, can be triggered in no time. Islamabad has spent years trying to impose law and order in Karachi and Sindh. In the process, the entire law and order machinery, including the Army, has been discredited, and Karachi, the commercial hub and the only major port-city in Pakistan, remains vulnerable to total disruption.

Despite the Karachi experience, Islamabad continues to deal with the Shia-Sunni conflict, centered mostly in the province of Punjab, as an independent sore which needs law and order medicine to cure. This shortsighted approach has made Karachi extremely vulnerable to terrorist attacks.

In Karachi, the MQM, a non-political, ethnic-based grouping, has been involved in terrorist acts and has emerged as the powerhouse among the terrorists in the city. MQM’s supreme leader, Altaf Hussain, resides in London, under the protection of the British government. Britain has so far refused the Pakistan government’s requests for his extradition.

Anjuman-e-Sipah-e-Sahaba, the group blamed by the Shia militants for the graveyard massacre, is active all over Punjab and the Pakistan-held part of Kashmir. Its leader, Zia Rehman Farooqi, went on a month-long tour of Britain in



*Pakistan's Prime Minister Mohammed Nawaz Sharif, if he wants to stop "sectarian" violence, should follow the example of Egypt's President Mubarak, and identify the British role in harboring terrorists.*

1995, looking for money and recruits, claiming afterward that he had gained 40,000 recruits at rallies, etc., according to the London *Sunday Telegraph*.

Along with the Anjuman-e-Sipah-e-Sahaba, Ahle Hadith, a militant Sunni group, has been working under the umbrella of Harkat-ul-Ansar, a hard-core terrorist group. Harkat has been recently acknowledged by the United States as a terrorist organization. Harkat collects donations from individuals and groups functioning in Saudi Arabia, the Gulf, and other Islamic states.

### **What is at stake?**

The reason that Pakistan has become a target of ethno-religious and sectarian violence, is that the country, which once was corrupted by those who used it as a frontline state against Soviet expansionism, stands at the crossroads linking South-Southeast Asia, Central Asia, and East Asia with Europe. Pakistan, in other words, is part of the battleground for the new Great Game.

Although the Cold War is over, Pakistan remains a very important state, but for an altogether different reason. A stable Pakistan means the linking up of Europe with Central Asia and East Asia, and of Europe with South and Southeast Asia, through modern high-speed railroads and highways. Such a linkage would provide the necessary impetus for economic development all along the transport corridors and areas feeding into those corridors. Such a massive project, which will encourage exploitation of resources and building of new work facilities, will need peace and tranquility and cooperation among nations. This is a difficult task, particularly due to various artificial conflicts sparked between the neighboring countries during the Cold War period, created and nurtured by the colonialist forces led by Britain; but, the effort promises a great reward. Its success would mean large-scale development of

countries in the impoverished areas of South and Central Asia.

Since the electoral victory of Mian Nawaz Sharif in the 1997 elections, Pakistan had taken a number of steps to create the ground for cooperative relations among neighboring nations. Islamabad, after playing the colonialists' Great Game in Afghanistan for years, has taken actions which indicate a better understanding of realities. It is this understanding which was displayed when Pakistani leaders had a meeting with former Afghan President Rabbani recently. Rabbani represents the Tajiks in the Afghan conflict, and Islamabad's recognition of the necessity of Tajik involvement in bringing about peace in Afghanistan is a positive shift. Earlier, Pakistan had recognized the Pushtoon-led Taliban as the only legitimate ruler of Afghanistan.

At the same time, despite intermittent terrorist acts within Pakistan which involve both Shia and Sunni militant groups, Pakistan has maintained a close relationship with Iran, and Prime Minister Sharif has helped to improve relations further. Sharif's continuing efforts to sort out problems with India have also been noted in New Delhi, as well as in Washington.

It is precisely these developments which make Pakistan a prime target for terrorism. The jailbreak in Dera Ghazi Khan (the town bordering Punjab and the North West Frontier Province, and where Aimal Kasi, the killer of three American intelligence officers, was safehoused) a few days before the graveyard massacre and the escape of a known Sunni terrorist, is indicative of the internal problems that Islamabad faces.

But, at the same time, Prime Minister Sharif must identify the source of terrorist acts, as Egypt's President Hosni Mubarak has done. On Nov. 23, following the terrorist killing of 62 tourists and others at Luxor, the Egyptian President told a press conference in Aswan, that the terrorists "live in Britain, Afghanistan, and other countries, where they plan and finance their crimes. If these states had cooperated in eliminating these criminals, such crimes would not have happened. . . . The terrorists live in England, and in other countries, like Afghanistan. They have committed crimes, and some of them have been sentenced. Despite all that, they are still living on English soil, and raise money, and plan." In a Dec. 8 interview with the German weekly *Der Spiegel*, Mubarak charged: "I do not understand, why people on whose hands there is blood, are granted asylum in England. Why they are being granted the freedom to call, in interviews and newspaper articles, for the assassination of people who think differently. Why is the convicted assassin of a girl, Yasser al Sirri, being allowed to move and act freely? London asked us for documents on his criminal record. Well, we sent those documents, but nothing has moved, so far."

Prime Minister Nawaz Sharif, who is fully aware of the MQM machinations behind the killings at Karachi and the role of the Sipah-e-Sahaba, should also point out that Britain is harboring the terrorists involved in trying to bring down his government, turning Pakistan into a violent state, and threatening to destroy all possibilities to develop the country.



# The Sorbonne, Khieu Samphan, and the ‘Pol Pot International’

by Michael O. Billington

“Forget the Khmer Rouge—There is no Khmer Rouge. There are no hard-liners, just one Cambodian people.” The speaker is Sam Rainsy, the founder of the opposition Khmer Nation Party, addressing a rally in Cambodia on Dec. 4, 1997. Rainsy, who returned to Cambodia from self-imposed exile on Nov. 27, went on to incite his audience to virtual insurrection against the nation’s military forces: “I urge all people to stop sending their sons to war to kill other Cambodians,” he said. The Royal Cambodian Army is at war against the remnants of the infamous Khmer Rouge, which now enjoys the support of a few thousand renegade government troops who are loyal to the deposed First Prime Minister, Prince Norodom Ranariddh. Ranariddh remains in self-imposed exile. Rainsy, who has formed an alliance with Ranariddh and the Khmer Rouge, against the government, also followed the historic Khmer Rouge script by launching a racist attack on the Vietnamese people. “And we must band together to prevent the *yuon* thieves,” he said, using a derogatory term for the Vietnamese people, “from stealing our land and timber.”

Who is Sam Rainsy, this fire-breathing “democrat,” crusading for a return to the genocidal hell of the Khmer Rouge? Rainsy’s father had served in early governments of King Sihanouk, but following a political falling-out with the monarch, which led to his father’s untimely death, Sam Rainsy’s mother moved her family into exile in France, when Sam was a teenager. French-educated, he served briefly as the Minister of Finance under co-Prime Ministers Prince Ranariddh and Hun Sen, following the 1993 elections. Dismissed from that post, Rainsy became Cambodia’s most flamboyant “opposition” politician, founding the Khmer Nation Party, with generous financial and public relations support from foreign-funded non-governmental organizations, which proliferated in Phnom Penh under the protective auspices of the UN’s mandate. In particular, Rainsy is the darling of the U.S. Congress-funded National Endowment for Democracy’s “Project Democracy” and the International Monetary Fund (IMF). Rainsy and his wife were interviewed in the Aug. 20, 1997 *Bangkok Post*, where they spoke of the personal sacrifices they had made in giving up the good life in Paris to pursue this current crusade. Madame Rainsy had been managing director of a British bank, based in Paris.

With “Brother No. 1” of the Khmer Rouge, Pol Pot, dis-

creetly (and allegedly) pushed aside, this “new” Khmer Rouge that Rainsy is campaigning for, is under the leadership of Khieu Samphan, who was Pol Pot’s right-hand man throughout the bloody years of Khmer Rouge power, 1975-79, and also during the subsequent years of civil war. Khieu Samphan, like Rainsy, was an economist, educated at the Sorbonne in Paris in the 1950s, and was the Minister of Commerce in the government of then-Prince, now King Norodom Sihanouk, in the 1960s. He was among the founders of the Cambodian Communist Party in 1960, but did not leave the government and join the Khmer Rouge in the jungles until 1967.

Sam Rainsy and Khieu Samphan are both fraudulently portrayed as “moderates” by the global apparatus of UN non-governmental organizations (NGOs) and the Western media. Nothing could be further from the truth. Rainsy, like his ally Prince Ranariddh, who struck a deal in July to join forces with Khieu Samphan’s Khmer Rouge, is more than willing to see his country returned to bloody chaos in order to impose the will of London and Wall Street. Khieu Samphan, for his part, is now, and always has been, the primary architect of genocide for the Khmer Rouge. Just as Hjalmar Schacht was the agent of the Bank of England who provided Adolf Hitler with the economic blueprint for looting the muscle and blood of the German people, so Khieu Samphan was the “Hjalmar Schacht” to Cambodia’s Hitler, Pol Pot. As we document below, Khieu Samphan, in his 1959 doctoral thesis at the Sorbonne, laid out in gruesome detail the destruction of Cambodia, which was actually carried out during the Khmer Rouge reign of terror in the 1970s.

A brief sketch of the background to the current crisis is necessary.

## The July ‘coup’

Although the Western press repeatedly accused Cambodia’s co-Prime Minister Hun Sen of carrying out a coup last July against the other co-Prime Minister, Prince Norodom Ranariddh, the clearly documented fact is that Hun Sen successfully *prevented* a coup, which was being prepared by the Prince in open collaboration with the historic leaders of the Khmer Rouge. (See “Dow Jones Supports Return of Cambodia’s Khmer Rouge,” *EIR*, Sept. 1, 1997). Prince Ranariddh

fled the country with a score of his allies, while a small faction of the military deserted to join forces with the Khmer Rouge in the jungles along the Thai border.

The unusual co-prime minister arrangement had been set up in 1993, after UN-directed elections partially ended the civil war which had existed since 1979. Hun Sen had led the nation since soon after the 1979 defeat of the Khmer Rouge by Vietnam-led forces. Despite the horror throughout the world at the revelations of genocide under the Khmer Rouge, the United Nations continued recognizing the Khmer Rouge as the official representative of Cambodia right up to the 1993 elections. Prince Norodom Sihanouk (now King Sihanouk) and his son Prince Ranariddh remained allies of the Khmer Rouge throughout the years of the “killing fields,” continuing through to the elections.

Prince Ranariddh’s political party, the Funcinpec, and Hun Sen’s party, the Cambodian People’s Party, won a nearly equal share of the votes, with Funcinpec holding only seven seats more than the CPP. The UN then brokered the agreement between the two to serve as co-prime ministers, with Sihanouk enthroned as King in a constitutional monarchy. The Khmer Rouge, which had rejected all proposals to renounce violence and join in the elections, was outlawed by the new government.

Sam Rainsy, before his resignation as Finance Minister in the new coalition, tried to ram through the shock therapy policies demanded by the International Monetary Fund (IMF) and the World Bank. He is proudly sponsored by the International Republican Institute (IRI), the Republican Party branch of the congressionally funded National Endowment for Democracy, which, under the banner of advocating “democracy,” promotes the worst Thatcherite free-trade ideology. Rainsy is a classic example of an Anglo-French agent advocating British monetarist policies, being passed off as an “American” agent, thanks to the “Project Democracy” networks. The purpose of this British operation is to undermine the emerging U.S.-China relationship being carefully constructed by President Clinton and President Jiang Zemin, and which has been promoted by Lyndon LaRouche and *EIR* over the past years. Continuing efforts to perpetuate destabilization of Cambodia are part of the British “ring of fire” along China’s periphery. While the British and IRI openly support Rainsy, they must be far less overt in their support for Khieu Samphan and the Khmer Rouge after the 1970s “killing fields,” in which up to 2 million of 7.5 million Cambodians were killed. The Clinton administration, to its credit, has not capitulated to the British/IRI ploy, but has been outspoken in refusing to tolerate any role for the Khmer Rouge in running Cambodia.

The British have, therefore, created an elaborate ruse, that Pol Pot and the Khmer Rouge “hard-liners” are gone, and that “moderate” Khieu Samphan is leading the Khmer Rouge in a metamorphosis to “democracy.” This fraud was run through the offices of one of London’s mouthpieces in Asia, the *Far Eastern Economic Review* in Hong Kong. The *Review*’s Nate

Thayer was “invited” to record a staged trial of Pol Pot on July 25, 1997—not for his acts of genocide against the Cambodian people, but for killing fellow Khmer Rouge leader Son Sen and his family in an internal feud. Pol Pot was politely “condemned” to house arrest. The *Review*’s Thayer then paid another visit to the Khmer Rouge jungle redoubt of Anlong Veng, where he interviewed the top leaders, declaring Khieu Samphan, and even Ta Mok (nicknamed “The Butcher”) to be peace-loving democrats. For his pains, Thayer is rumored to have been paid around \$600,000 in selling his videotape of the fraudulent trial to ABC’s “Nightline.”

The situation in Cambodia today is extremely tense. The majority of Funcinpec party leaders were not so sorry to see Prince Ranariddh go. Several factions of the party had called for his ouster for over a year, because of his dealings with the Khmer Rouge, as well as other accusations. The vast majority of the Funcinpec did *not* flee, and a new party leader was elected to replace Ranariddh in the First Prime Minister’s post, Foreign Minister Ung Huot. Frantic efforts by Ranariddh, Rainsy, and their allies to prevent international recognition of Ung Huot’s selection have generally failed, although the UN has refused to recognize the current coalition. Co-Prime Ministers Hun Sen and Ung Huot have persuaded most of those Funcinpec parliamentarians who fled the country with Ranariddh after the July events, to return.

There appears to be a deal in the works with Prince Ranariddh, as well, whereby he will be tried *in absentia* for his illegal deal with the Khmer Rouge, and other charges, but will be officially pardoned by the King (with Hun Sen’s blessing), so that he can return and stand for the election.

This is the gauntlet spelled out by the UN in order for the Phnom Penh government to win international support for elections that are now scheduled for July 1998. Meanwhile, the economy is in shambles, due, in part, to a cutoff of aid from the United States after the July crisis, but also due to the financial collapse of Southeast Asia, and the region more generally, since July.

If disaster falls on Cambodia over the coming months, in some form of a reconstituted Khmer Rouge, the impact on the rest of Asia would be catastrophic. To find even a rough comparison, one must view the current situation in Central Africa, where, in a few short years, a small group of British-sponsored leaders, who can justifiably be declared to be part of a “Pol Pot International,” have conducted genocide.

*EIR*, therefore, as a warning, is publishing this brief outline of Khieu Samphan’s pedigree, and the *common interest*, *the common mother*, and *the common policy* represented by Khieu Samphan, Pol Pot, and the current butchers of Central Africa.

## Khieu Samphan

In 1955, Khieu Samphan arrived in France to study economics at the Sorbonne. This was an era of growing cultural pessimism in Europe, made manifest in the existentialist mo-

rass of Jean-Paul Sartre, and Sartre's mentor, Nazi ideologue Martin Heidegger. Sartre's protégé, Frantz Fanon, wrote his *Wretched of the Earth*, with an introduction by Sartre, in the late 1950s, which became the handbook for "Third Worldist" revolutionaries under the direction of British intelligence. This "Nazi-Communist" ideological amalgam found its most developed expression at Dar Es Salaam University in Tanzania, set up and directed by British intelligence networks centered around Bertrand Russell, to train potential insurgents in "revolutionary violence," using the existentialist nihilism of Heidegger and Sartre, the genocidal rage of Fanon, and a Maoist variety of Marxism. (See Dennis Speed, "Nyerere's 'Kindergarten': Dar Es Salaam University and the Black Faces of the New British Colonialism," *Fidelio*, Winter 1997.)

The purpose of this project was located in the "Winds of Change" policy, enunciated by British Prime Minister Harold Macmillan in the late 1950s. The British recognized that they could not sustain the Empire in its 19th-century form, and set about creating the conditions for asserting even greater control, but by different means, over ostensibly "liberated" colonial holdings in the Third World. This included British control over the economies of these nations, through the power of the international banks and the British raw materials cartels. But it also required controlled, anti-technology, anti-development insurgency movements, to be used against any nationalist leaders who attempted to assert sovereignty over their nation's economic potential.

It was Dar Es Salaam University that created today's genocidal "nationalists" in Central Africa: Uganda's Yoweri Museveni, Congo-Zaire's Laurent Kabila, and Rwanda's Paul Kagame. While butchering their own populations, these pseudo-nationalists are controlled by the British Foreign Office, and financed by the British mineral cartels. Their IMF-approved economic policies are based on scrapping the dreams of industrialization (which motivated the best of Africa's nationalist leaders throughout the 1950s and 1960s), while turning over the mineral wealth of the region to British mining interests.

Khieu Samphan's training at the Sorbonne was from the same mold as that of Dar Es Salaam University's leading lights. In addition to the existentialist environment, Khieu Samphan was immersed in the economics of "under-development theory," a construct designed to justify anti-technological and anti-urban policies, based on accumulating wealth from primitive forms of agricultural communalism. One of Khieu Samphan's associates in Paris was the Egyptian communist Samir Amin, an advocate of "under-development theory," whose works were required reading at Dar Es Salaam University.

Khieu Samphan's doctoral thesis of 1959, entitled "Cambodia's Economy and Industrial Development" (translated by Laura Summers, Data Paper #111, Southeast Asia Program, Cornell University, Ithaca, N.Y., 1979), became the

theoretical basis of the Khmer Rouge reign of terror. The Khmer Rouge seized power in Phnom Penh only shortly after the U.S. military withdrawal from Saigon in 1975. Couched in the Marxist rhetoric of class warfare, Khieu Samphan's thesis adopted the extreme "Third Worldist" posture characteristic of Anglo-French insurgency training. While claiming to be in favor of industrialization in the long run, Khieu Samphan argued: *All investment from the West—especially from the United States—was counterproductive; infrastructure, such as roads, ports, and railroads, served only the foreign exploiters in distributing their imported manufactured goods and in looting domestic raw materials; cities, both the capital of Phnom Penh and the provincial cities, were parasitical, and the population would best be moved to "productive" employment in the countryside; and, collectivization of the peasantry was essential to accumulate wealth from the agricultural sector, without the need to improve technology.*

These were the general policies imposed after the Khmer Rouge seized power in 1975. Khieu Samphan's "autonomous national development" translated into the forced expulsion of the population from the major cities, the elimination of all private property, the elimination of education other than political indoctrination, the elimination of money and banking, and the creation of communalized labor forces for agriculture and "handicraft" industries. Hundreds of thousands died through starvation and disease. In the guise of concern for the "little people" against their oppressors, Khieu Samphan stripped the population of all human worth, by eliminating any potential for improvement, for the mastery of new technologies, or for the education of their children.

We shall quote from Khieu Samphan's 1959 thesis on several key points, all emphasis added:

1. Although Khieu Samphan acknowledges that most Cambodian peasants owned their own land, farm implements and animals, he nonetheless calls for inciting the peasantry against landowners. "Reductions [in rent] will be obtained only if peasants themselves, encouraged and aided by the government, take action. This is not, moreover, just a matter of reducing rents, but of removing vestiges of feudalism and serfdom from the countryside, vestiges which paralyze peasant initiative and enthusiasm for work. The government must in particular make every effort to support and encourage peasant associations so as to arouse peasants to take action."

2. Such "action" however, must not be allowed to include demands for more technology, more infrastructure, or even more consumption. "Methodical organization of the peasant force, into mutual aid teams and then into cooperatives, will magnify its effectiveness ten times over and make possible the clearing of new land, its irrigation, and its draining, *without upsetting current technology and without absorbing too much capital.*"

"Domestic demand is met by small industry and national handicrafts. It could even be met *without requiring too much*

*investment* by organizing producer and consumer cooperatives, which enhance labor productivity. . . . The national market would continue to be an agglomeration of units functioning in a more or less ‘closed economy’ *without an effort to build transport networks*. In most cases, the work can be done through ‘community projects’ *using voluntary peasant labor*.”

One result of this approach emerged in 1977, when the irrigation systems constructed since 1972 in Khmer Rouge-controlled areas by “voluntary peasant labor,” and with incompetent engineering, collapsed under heavy flood conditions. The crop was lost, and rice consumption fell by about one-half, causing widespread starvation.

3. The result, as described by Khieu Samphan, sounds like the Nazis’ “strength through joy” and “labor makes you free,” or like the deadly communalism of Mao’s “Great Leap Forward,” which was taking place at the time that Khieu Samphan wrote his thesis. Khieu Samphan writes that the government must “make peasants gradually accustomed to working cooperatively. This is fully consistent with contemporary Khmer peasant thinking. It is not unusual to see our peasants organizing themselves into teams of several families to help each other with transplanting and harvesting, all while singing well-known songs. The task is to *generalize this practice in a systematic way*.”

## List and the American System

It is most ironic that Khieu Samphan quotes repeatedly from the work of the great American System economist Friedrich List, *The National System of Political Economy* (1841). List, a German citizen, became one of the foremost allies and collaborators of Mathew and Henry Carey in America, the leading proponents of the American System of Political Economy, who built Abraham Lincoln’s Republican Party. List returned to Germany in 1832, and provided the intellectual leadership for building the modern German industrial economy, based on the American System. List and his followers worked with their co-thinkers in the United States to plan the extension of American System methods throughout the world, using government-sponsored industrialization and rail-centered infrastructure development, with the aim of crushing the British Empire once and for all.

Khieu Samphan totally misrepresents List, by quoting his attacks on the *British* system as a justification for his own attacks on Western capitalist economics in general, *especially* the Americans. He presents List as an advocator of “autonomous development,” referencing his attacks on free trade and liberalism, *but without mentioning the British System or the American System*.

Khieu Samphan argues, correctly, that the industrialization of the Western nations took place under *protectionist* policies, not free trade, and he notes that the only real development within the advanced sector nations in the 20th century “arose during periods of world war.” However, he credits this,

not to the application of “American System” types of directed credit, but to the fact that war “reduced foreign competition and cut off foreign capital.” He then asserts that the restriction of free trade requires the complete elimination of international “integration,” and concludes that Cambodia should proceed *without foreign capital*, and thus, effectively, without any capital whatsoever. This is not List’s “National System,” but precisely the British/French colonial policy of enforced backwardness, adapted to the post-World War II “Winds of Change.” Rather than List’s American System, Khieu Samphan’s national socialism was a blueprint for genocide, as carried out under Pol Pot with Khieu Samphan as Commander-in-Chief during the insurgency, and head of state during the Khmer Rouge reign of terror.

## The future

While the British-dominated UN and NGO apparatus is demanding that Sam Rainsy and Prince Ranariddh be allowed free rein in their treasonous effort to revive the Khmer Rouge under “moderate” Khieu Samphan, the rest of Asia is not so blind. China, Japan, and Cambodia’s Southeast Asian neighbors, while encouraging peaceful resolution of the crisis, and calling for “free elections” as scheduled under the UN mandate, have otherwise de facto recognized the legitimacy of the current Hun Sen-Ung Huot government, and criticized the pro-Khmer Rouge activities of Rainsy and Prince Ranariddh. The Chinese, especially, who were the primary *sponsors* of the Khmer Rouge in the past (dating to the Gang of Four era during the Cultural Revolution), have made clear that they have completely cut off assistance to the Khmer Rouge, while offering both economic and military support to the government in Phnom Penh. The Association of Southeast Asian Nations (ASEAN), which postponed the planned admission of Cambodia into ASEAN at their summit at the end of July 1997, due to the crisis, has announced that admission should proceed in 1998, pending the success of the elections in May.

Similarly, President Clinton—despite the howling of certain congressmen and their IRI cohorts—has instructed the State Department to work with the Hun Sen/Ung Huot government, and to refuse absolutely any role for the Khmer Rouge in running Cambodia.

Nonetheless, the planned elections create a political opportunity that can be easily manipulated by London’s destabilization experts. Under the wing of UN peacekeeping operations, Cambodia is now awash with foreign-funded NGOs—and the drugs, prostitution, and AIDS that are the camp-followers of such operations—while the economy reels under cuts in international aid and the collapse of the regional economy. Under these conditions of economic strife and hardship, the re-emergence of the Khmer Rouge in Cambodia would be a threat to all of Asia. The “Africanization” of Asia must not be tolerated either by Asia, or by the West.

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# International Intelligence

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## ***FAO: food emergencies in 20 African states***

According to the latest assessment of the food supply situation and crop prospects by the UN Food and Agriculture Organization (FAO), 20 African countries continue to face exceptional food emergencies. FAO's Global Early Warning and Information System (GIEWS) reports that problems are particularly acute in several countries in eastern Africa, in the Great Lakes region, and in Sierra Leone.

A severe drought at the beginning of 1997 substantially reduced secondary-season food production in Kenya, Tanzania, Uganda, Somalia, and large parts of southern Ethiopia, while late or erratic rainfall later, led to reduced main-season harvest in Tanzania and Uganda. The latest estimates for these two countries suggest that cereal production will be down by about 30% compared to 1996, while food prices remain high. The Tanzanian government estimates that about 3 million people are facing severe food shortages, and it has recently appealed for 76,000 tons of emergency aid. In Ethiopia, it is officially estimated that 4.6 million people are in need of food aid. In Somalia, severe flooding in October, combined with three consecutive years of poor harvest, have exhausted farmers' stocks, according to the FAO report. Since the Sierra Leone coup in May, food prices have increased sharply and serious shortages are reported leading to spreading malnutrition.

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## ***Netanyahu reneges on next troop pull-out***

Israeli Prime Minister Benjamin Netanyahu, continuing his provocations, announced in an interview on Jan. 9, that he would renege on agreements previously made with Washington, regarding troop pull-outs from the occupied territories. Netanyahu told the daily *Ma'ariv*, that Israel would make one withdrawal from the occupied territories, instead of the three promised by mid-1998. "You can't ask us to fulfill all our commitments concerning the

pullbacks," he griped, "when they [the Palestinians] haven't fulfilled a single one of their commitments," referring to his provocative demand that the Palestinian Authority guarantee the security of all Israelis, even inside Israel.

According to the Oslo and subsequent agreements, Israel is supposed to give up over 80% of the occupied West Bank. The Palestinian Authority now controls 27%, and is expecting another 60%, in three phases of withdrawal, as negotiated, including 40% in the next stage. Netanyahu has said that he might be willing to hand over 10%. His interview coincided with the conclusion of the failed visit by U.S. Mideast envoy Dennis Ross.

Israel plans to construct 30,000 new units of Jewish settlements in the Gaza Strip and the West Bank, by the year 2020. This is part of the demographic policy, to counter the possible construction of a Palestinian state.

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## ***More Sudan rebels quit Garang's forces***

Newspapers in the Sudanese capital of Khartoum reported on Jan. 8 that more than 7,000 members of the southern Sudan People's Liberation Army (SPLA) of John Garang in Bahr Al-Ghazal province, abandoned their positions to pro-government forces and sought refuge in the south of the country. *Al-Jumhuriya* daily quoted Sudanese Army Brigadier Abdul-Rahman Sirr-el-Khatem, that "this is a historical turning point towards peace and unity." *Al-Jumhuriya* reported that 6,000 of the SPLA members, over 48 hours, fled to areas under government control in Tung, Kwajina, Awel, and Waw. Meanwhile, a force of 1,000 rebels camping around Waw, contacted the military commander of the town, to declare their surrender.

This major development started in late December, when the government army and its southern allies launched a large-scale attack on the SPLA bases in Bahr Al-Ghazal region. Sirr-el-Khatem, a spokesman for one of the SPLA units in Waw, told *Al-Jumhuriya* that Karbino Kwanin, a former

southern rebel leader who signed a peace treaty with Khartoum in June 1997, had convinced him to join the peace process. He also stated that "these developments confirm [that] the wall of war has completely collapsed in the face of the continuous calls for peace." He asserted that the SPLA will suffer many such losses in other parts of south Sudan.

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## ***Soros leans on Croatia to end actions vs. OSI***

According to the Dec. 31, 1997 issue of *Nacional*, Zagreb's leading opposition weekly, U.S. Vice President Al Gore "personally requested the Croatian government to stop harassing the operations of the Open Society Institute (OSI), financed by George Soros. An American diplomat has confirmed to *Nacional* that the number-two in the most powerful state in the world also insisted on the urgency of removing all legal obstacles regarding the registration and continuation of the OSI operations." In December 1996, President Franjo Tudjman launched a strong attack against the Open Society and Soros for undermining national sovereignty; shortly afterward, OSI operatives in Croatia were arrested for illegally smuggling money, used to fund anti-Croatia operations.

According to *Nacional*, Gore's request received immediate attention, and on Dec. 22, the Minister of Administration, Davorin Mlakar, informed the Croatian legal authorities that there was no longer any conflict between Zagreb and the OSI.

The *Nacional* investigation also detailed Soros's heavy-handed effort to stop the Croatian legal moves: After his operatives had received suspended sentences, the U.S. State Department issued what *Nacional* called an "unusually scathing statement denouncing the court decision as 'a serious violation of human rights and fundamental principles of a democratic system.'" Soros then mobilized members of the European Parliament to rush through a resolution, demanding Croatia suspend all proceedings against OSI; this, at a time when Zagreb had applied for membership to the European Council and to the European Parliament.

## Tibet's Lamas: the old, and the new, dark ages

by Michael O. Billington and Paul B. Gallagher

Construct in your mind's eye two contrasting images. Keep in mind that, although both of these images have specific referents in history, one in the past, the other in the future, nonetheless, each is universal in nature and in time, as potentials imbedded in current history.

The first image is the great Eurasian Land-Bridge, sometimes called the New Silk Road. Picture multiple, rail-centered development corridors, arising out of China, and winding through Asia, Central Asia, India, the Middle East, and on into Europe to the north and Africa to the south. Picture the statesmen and the scientists of the three great cultural centers of Eurasia—the Christian West, the Islamic world, and Confucian China—holding great councils, poring over maps, and formulating projects to solve the scientific and technological problems which will arise as the Land-Bridge unfolds. Picture also new universities, in the center of new cities which have appeared along the various prongs of the Land-Bridge, where professors and students from all cultures are gathered to investigate the science and art of Classical civilizations, and are probing the frontiers of knowledge.

Now set a new stage, for a very different drama. Picture several mounted armies of nomads sweeping out of the Mongolian steppes, along the Silk Road, south through China, southwest through the Islamic nations, and east through Russia and into Europe, leaving ancient cities along the way burned to the ground, the population butchered, canals and irrigation systems destroyed, while eliminating every sign of civilization's progress. Note that the hordes stop short of invading Venice, and that Venetian traders, under Mongol protection, are carrying on "free trade" among the carnage of Christendom, Islam, and Confucianism, transporting gold from Baghdad and China, and slaves from

Russia, to fuel the Mongol Empire. Note also the stench of renewed death, 100 years after their conquest, as the bubonic plague follows the trail of the Mongol armies, sweeping across Eurasia, reducing the already weakened population by nearly one-half.

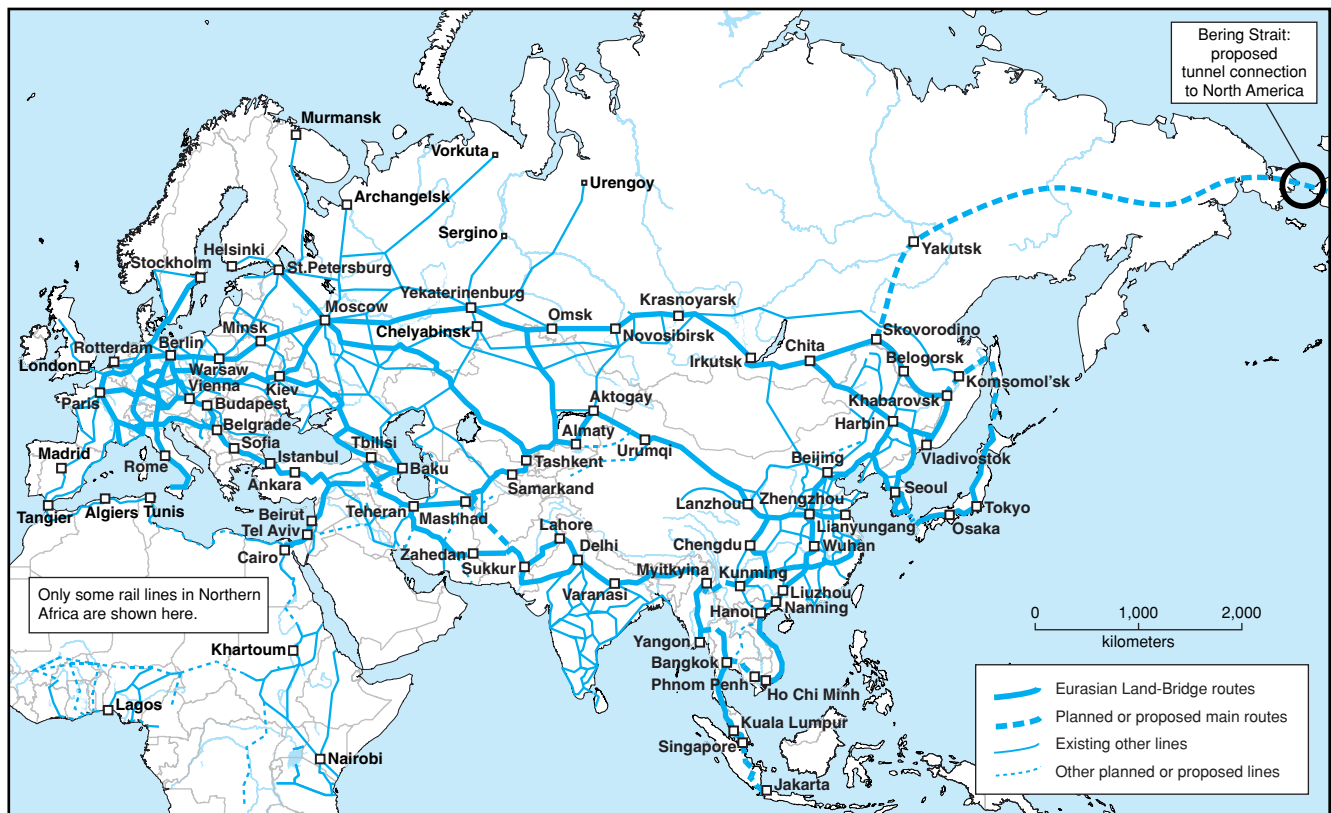
The first image, the Land-Bridge (see **Figure 1**), although not an entirely new idea, is now in process in several parts of Eurasia, and has, for the first time, the potential to become a reality, as is well known to readers of *EIR*. The second image, that of the Mongol scourge of the 13th and 14th centuries (see **Figure 2**), is an historical event, but one which is already "in process" again today, in only somewhat altered form, as the "Four Horsemen of the Apocalypse" are spreading death across the globe, and preparing for a final, devastating assault. As in the 13th century, today's horsemen are guided by the Venetian oligarchy, although it has moved its base of operations to London.

It is therefore no accident that London is intent on disrupting the Land-Bridge, by undermining the unity of the Chinese nation, and sabotaging the growing alliance between China and the United States. Nor is it accidental that a major focus of the attack on China is the London-centered campaign to "defend the traditional culture of Tibet from the oppression of Chinese occupation." As we shall demonstrate, that "traditional culture" of Tibet, as practiced under the theocracy of the Dalai Lama, was, in fact, the last surviving remnant of the Mongol-Venetian terror which nearly wiped out the three great centers of Classical civilization.

It is not necessary to imagine Mongolian or Tibetan hordes again laying waste to Eurasia—the British have other means of carrying out such physical destruction. But the ideology represented by so-called "traditional Tibetan cul-

FIGURE 1

**Eurasia: main routes and selected secondary routes of the Eurasian Land-Bridge**



ture” is a valuable tool in the hands of the new barbarians in the House of Lords, a tool which has been carefully nurtured over the centuries by the oligarchical powers. So, today, the nest of non-governmental organizations running the destabilization of China, with help from the whores of Hollywood, are under the control of the same British intelligence apparatus which sponsors world terrorism, as has recently been exposed by the leaders of several nations, and documented in *EIR* (see *EIR*, Jan. 2, 1998, pp. 60-69).

**The Eurasian Land-Bridge**

Before delving into the history of Tibet’s “traditional culture,” let us review briefly the two major efforts in modern history to rebuild the ancient Silk Road, bridging the Eurasian continent, and uniting the cultures of Confucianism, Islam, and Christianity. The first of these efforts was that of G.W. Leibniz and his associates at Jean Colbert’s Royal Academy of Sciences in Paris at the end of the 17th century. In collaboration with the Jesuit missionary-scientists in China, Leibniz campaigned to ally Europe with China, under the great Qing Dynasty Emperor Kang Xi, in both cultural and economic joint projects. Venetian intrigue within the Catholic Church succeeded in sabotaging that effort, leaving China isolated

and, ultimately, vulnerable to British warships and opium dealers in the 19th century.

A second attempt was made at the end of the 19th century, when the leaders of the American System in Abraham Lincoln’s Republican Party moved to end the British colonial destruction of Asia (and much of the rest of the world). The primary weapon in their arsenal was transcontinental rail development, based on the model of America’s transcontinental railroad and city-building projects after the Civil War. They wanted to “girdle the globe with a tramway of iron,” in order to “advance civilization [and] develop the material wealth of people.”<sup>1</sup> They proposed single-gauge rail lines across Russia, into China, along with telecommunications systems and industrialization. Again, the “Venetian” party in London succeeded in crushing the initiative, although the Trans-Siberian Railroad was completed, in fits and starts, by 1917. The father of the Chinese Republic, Dr. Sun Yat-sen, a strong supporter of the American System of physical economy, took up the fight in the 1910s and 1920s, and is a key inspiration for the Chinese leadership’s renewed efforts today.

1. U.S. Gen. Joshua T. Owen, 1869, cited in Anton Chaitkin, “The ‘Land-Bridge’: Henry Carey’s Global Development Program,” *EIR*, May 2, 1997.

## Tibet and the Mongol hordes

The connection between Tibet's "traditional culture" and the Mongols' devastation was not tangential, but central to the functioning of the Mongol Empire. Genghis Khan solidified control over the various Mongol tribes in 1206, burning and looting his way across northern China. But *before* he entered China, he first carried out, in 1207, the only *peaceful* conquest of the entire Mongol era: that of Tibet. Genghis Khan sent envoys to Tibet, offering political protection in exchange for religious guidance. Ogadai Khan, his son, strengthened these ties by forming a "priest-patron" relationship with the leading Lama of Tibet (this predated the emergence of the Dalai Lama's sect). This "priest-patron" arrangement meant that in matters of politics and military affairs, the Khan sat higher, while in matters of religion, the Lama sat higher.

In other words, the official priesthood of the greatest genocide of history was that of the "traditional culture" of Tibet!

The Mongols seized northern China in 1210, then turned their armies westward. Their policy was to leave no organized population or economic capacity behind them which could potentially threaten their flanks. Thus, nearly every city which fell to the Mongol hordes, whether surrendering without a fight or not, was burned to the ground, and the population annihilated. Waterworks and irrigation systems which had, over centuries, created agriculture and cities out of deserts, were destroyed. Several areas, such as parts of present-day Afghanistan, have never recovered.

In the 1220s, the Mongols conquered Persia and the areas around the Caspian Sea. In 1238, the Mongol commander Subotai and his chieftains met with Venetian emissaries at the Venetian trading city of Tana on the Sea of Azov (the northern extension of the Black Sea), and signed a treaty: full freedom for Venetian intelligence and trade operations in the Mongol Empire, including their projected thrust into Europe, while the Mongols would destroy the trading cities of Venice's opponents. Subotai's forces immediately crossed the Sea of Azov on the ice and destroyed Genoa's trading city, Soldaia. Two years later, in 1240, the invasion of Europe commenced, beginning with the destruction of Kiev and Budapest, two major riverine trade centers not under Venetian control.

In 1258, Baghdad was razed and the population butchered. In 1260, the hordes reached the gates of Jerusalem, only to withdraw due to the death of a leading Khan.

Kublai Khan (the fifth ruler of the Empire after Genghis) finished the conquest of China in 1278, crushing the Southern Song Dynasty, which had been the center of the greatest era of science and culture in Chinese history.

The Mongols moved their global headquarters to present-day Beijing, ruling China under a strict racial caste system. Kublai Khan was convinced by Chinese collaborators that more Chinese wealth would be available in the form of loot and taxes if he discontinued the practice of destroying everything and everyone in his path. The gold and other wealth of the Song Dynasty was carted off to the West to sustain the

conquests of the various divisions of the Empire. Over the 150 years of Mongol rule, the population of China collapsed from 115 million to 75 million.

By the time of Kublai Khan's reign, the leading Tibetan Lama was the Khan's personal instructor. The "priest-patron" relationship was further strengthened, lasting throughout the era of the Mongol destruction of civilization, East and West.

Western readers should not make the mistake of blaming the devastation of the 13th and 14th centuries entirely on "Asian barbarians." The "joint project" agreement signed between Subotai Khan and the Venetians in 1238 was not the first contact between the oligarchs of the West and the nomads of the Central Asian steppes, nor with the Tibetan Lamas. In fact, the various ethnic regions of Central Asia had, for centuries, been a primary center of activity for the gnostic cults and heretical Christian sects centered in Persia. These so-called Chaldean cults, described by St. Paul as the "Whore of Babylon," were used by the Western oligarchy against the influence of Platonism and Christianity. With the rise of Venice in the 10th century, the Venetian oligarchy inherited these Chaldean cults, incorporating them into their global trade and intelligence networks. It was this *Western* oligarchy which controlled the substantial influence of these cults along the Silk Road in Central Asia.

Between the 7th and 9th centuries, Tibet had a sort of empire of its own, ruling over parts of present-day Yunnan, Sichuan, Qinghai, and Xinjiang provinces in China, including areas dominated by the various Chaldean cults. The Tibetans, at that time, were not Buddhists, but practiced a religion called "Bon-po" (which is also the name used by Tibetans for their country), an admixture of primitive animism and magic. The Bon-po priests not only accommodated themselves to the Persian mystical religions (and to Buddhism and Daoism from India and China), but they also *adopted* many of their gods and rituals, assimilating them into their Bon beliefs. In fact, the mythical founder of the Bon-po religion was believed to have been born in Persia!

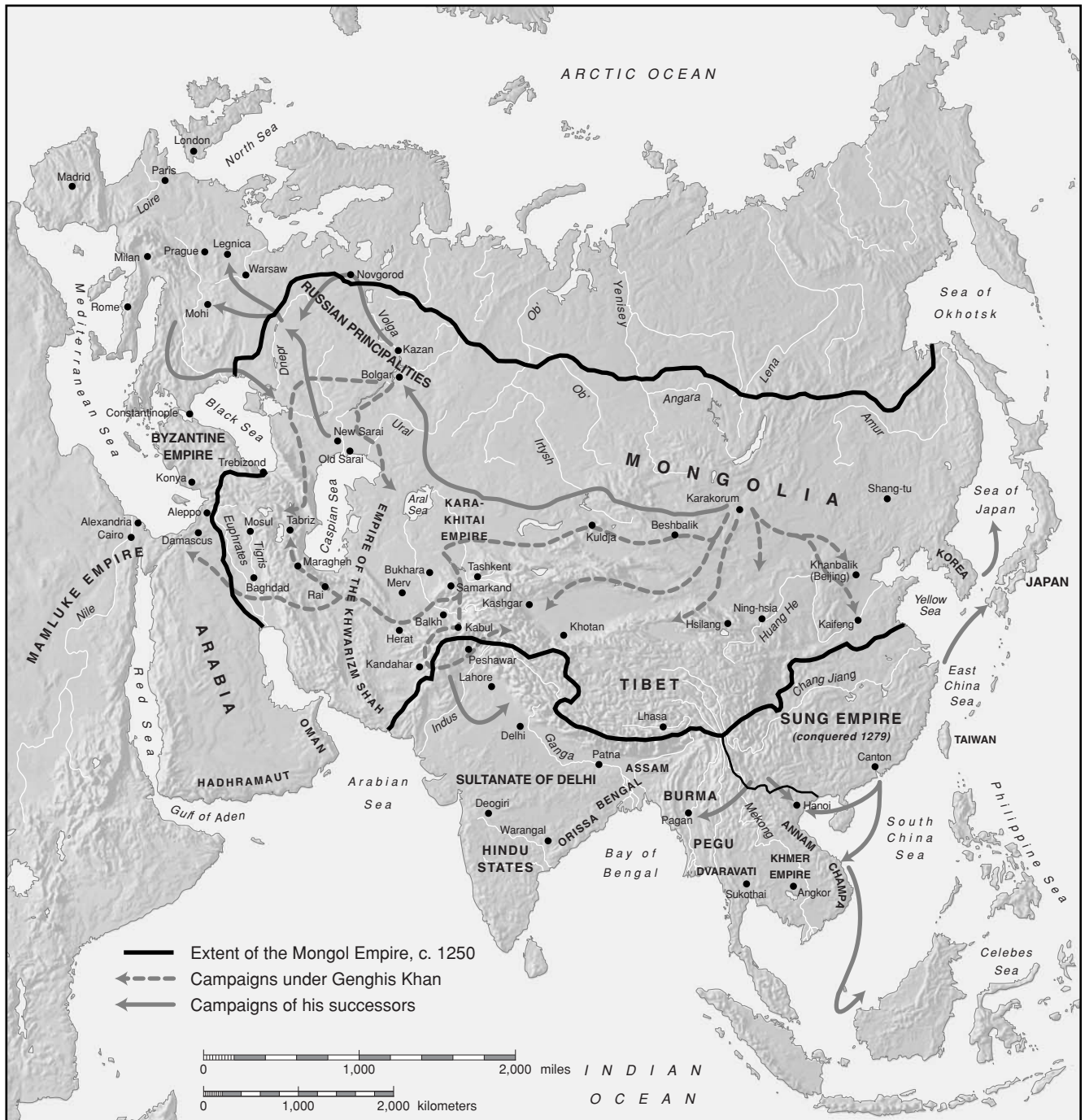
The largest and most pervasive of the Persian-based cults in Central Asia were Manicheism and Nestorianism. A review of the nature and influence of these two sects will demonstrate the *ideological unity* between the Western oligarchy and the Mongol Khans and their Tibetan priests.

## Mani and Nestorius

The Manichean cult was founded by Mani in the 3rd century A.D. in Persia. Perhaps the most famous adherent to Manicheism was St. Augustine, who had been a leading spokesman for the sect until his celebrated conversion to Christianity, under the guidance of St. Ambrose, in 386. Since that time, the term "Manichean" is often used not only for the followers of Mani, but for any of the myriad gnostic cults which preach a strict division of the world into a spiritual realm and a material realm. Such sects reject absolutely the Platonic-Christian view that the power of reason provides



FIGURE 2  
The Mongol Empire



man with the capacity to master the lawfulness of the physical universe, to “fill the Earth and subdue it, and have dominion over nature.” The gnostic sects insist that knowledge of the laws of nature were totally beyond mankind’s conceptual capacities, or (essentially the same thing) that such knowledge

were only accessible through magic or mystical ritual practice. Such an ideology served the purposes of feudal oligarchs, by conditioning the population to accept their lot as serfs or slaves, living a life not far removed from that of their cows and horses.

Mani himself was sponsored by Shapur, the Sassanid King of Persia, who also sponsored the dominant Zoroastrian priesthood of Persia—the same “Magi” (magician) who had been the common enemy of Philo Judaeus and St. Peter in Rome. Mani viewed himself as a chosen messenger of God, one of several such chosen people granted supernatural powers to guide the human race to enlightenment through mystical rites. He told Shapur: “Wisdom and deeds have always from time to time been brought to mankind by a messenger, called Buddha to India, in another by Zoroaster to Persia, in another by Jesus to the West. Thereupon this revelation has come down and this prophesy has appeared in the form of myself, Mani, the envoy of the true God in the land of Babylon.”

(Compare this to Ogadai Khan, the son of Genghis. At the height of the Mongol invasions of Europe, in 1240, Pope Innocent IV sent two Bulls via Franciscan friars to Ogadai. Ogadai replied: “What do you mean, we should become Christians? I am the instrument of your God. . . . We, worshipping God, have destroyed the whole Earth from the East to the West, in the power of God.” A later Khan, Mangu, wrote to Louis IX of France, “In heaven, there is but one eternal God. On Earth there is but one Lord Genghis Khan, the Son of God.” Mangu’s court was full of Manicheans and Nestorians.)

Manicheanism spread westward into the Christian world, and eastward into India, Central Asia, and China. By the 6th century, Manicheans dominated the trade routes, serving as both the traders and the diviners for most of the Central Asian tribes, recruiting large portions of some of these tribes to their beliefs.

## Nestorius

After the 5th century, the Nestorians became an even more influential force along the Silk Routes of Central Asia, often closely allied with the Manicheans. The Nestorians came from an explicitly Christian source, named after Nestorius, the Bishop of Constantinople between 440 and 450, who was declared a heretic and exiled to Persia. The sect emerged from a great schism in the Church in the 5th century, precisely over the issue of the nature of man and God.

The debate arose in the era of Roman Imperial domination of the Church, following the declaration by Emperor Constantine in 312 A.D. establishing Christianity as the official religion of the Empire. Church authority resided more in the Roman oligarchy than in the Church leaders themselves. Various heresies arose, with Imperial support, which satisfied the oligarchical view of a stratified society, with a small elite governing over the mass of peasants considered as little better than beasts, as property.

The battle lines were drawn. On the one side, St. Augustine, after renouncing Manicheanism and converting to Christianity, developed the notion of the Trinity, with Christ fully

God and fully man through the Holy Spirit. On the other side, Nestorius, the Bishop of Constantinople, argued that the eternal essence of omnipotent God, and the temporal, earthly, or sensuous nature of man were completely different, opposed, and incompatible, and that therefore the human being Jesus Christ could not partake of God’s nature (“image and likeness of God”) while yet being man. This was the Manichean duality in a new form, reducing man to a blob of protoplasm, devoid of the divine spark of reason (as seen today in the “low church” cults of Pat Robertson, et al., sponsored directly by the British oligarchy).

Pope Leo I (440-461 A.D.), basing himself on the works of St. Augustine and his mentor, St. Ambrose, mobilized Christendom against this new form of “the Whore of Babylon.” In the second half of the 5th century, the entire churches of Persia, Syria, and Arabia passed into a kind of captivity to the Persian throne and its oligarchical priesthood, the Zoroastrian Magi. This was the Nestorian heresy.

The Nestorians became a Persian “state church” in the 6th century, under the supervision of Zoroastrian priests. In tandem with the Manicheans, it spread across Asia into China.

## Tibet and the Mongols

Both Manicheanism and Nestorianism melded easily with the shamanist and Daoist ideologies of Asia. In China, the Confucian tradition had been severely weakened by the time of the Tang Dynasty (7th to 9th centuries), and Daoism prevailed. The Daoist Yin-Yang, cyclical view of history was practically identical to the Manicheans’ World of Light and World of Darkness, and Mani was accepted as one of the several reincarnations of Lao Tze (as was the Buddha).

Similarly, Chan (Zen) Buddhism, which emerged from the meeting of Mahayana Buddhism from northern India with Daoism in China, recognized Mani as the Buddha of Light, while Nestorianism was called the “religion of the sacred texts of Persia,” or “the religion of light.”

These were the influences assimilated into the Tibetan Bon-po religion during the 6th to 8th centuries, before the Tibetans relocated back into Tibet proper in the 9th century. At about the same time, a series of Buddhist tantric yogas from northern India travelled to Tibet, bringing with them the most mystical beliefs and practices of Buddhism, often mixed with rituals and gods of the Hindu cult of Shiva. The Bon priests learned these beliefs and rituals, but also retained their existing gods and rites, including those assimilated from Persia. (*EIR* will shortly publish a further examination of the roots of Tibetan Buddhism.)

Over the coming centuries, this synthetic form of Buddhism became predominant in Tibet, even as it disappeared in India. When Islam swept through India in the 11th century, Buddhism collapsed, leaving Tibet as practically the last repository of the extreme tantric mysticism of the Buddhist-Shiva cults of northern India. The official Chinese history of

the Tang Dynasty, compiled contemporaneously, described the Tibetans as follows:

“They sleep in unclean places and they never wash or comb their hair. . . . They worship the heavens and believe in sorcerers and soothsayers. They do not know the seasons, and their year begins when the barley is ripe. . . . Their music is conch shells and drums. They have no writing for official purposes. . . . For punishment, even for small faults, they take out the eyes, or cut off the feet or the nose.”

By the 11th and 12th centuries, the Nestorians and Manicheans had been expelled from China, as the Song Dynasty brought about a revival of Confucianism and a renaissance of science and culture. The Persian sects, however, remained predominant in Central Asia, and increasing numbers of the ethnic tribes of that region came under their influence. The Mongols, in particular, were *dominated* by Nestorians and their Manichean brothers. Genghis Khan, who created the Mongol armies and launched the destructive conquest of the civilized world in 1207, created an aristocracy which was largely made up of Nestorian Christians!

The Nestorians were also busy selling the glories of the Mongol “Christians” to the Vatican and to the nations of Europe. Working by this time with the oligarchical power in Venice, the Nestorians sent letters describing the Mongol Khans as “Prestor John,” the legendary Christian warrior king who would arise from the East and rescue the Holy Land from the Muslim infidels. Marco Polo, the Venetian, was sent to China during the Mongol reign of terror. His famous book heaped praise on the greatest butchers of history, while further feeding the “Prestor John” myth.

Several real Christians who were in China during the early days of Mongol power sent severe warnings to Europe to prepare for almost certain invasion by the Mongol hordes. The Franciscans condemned the Nestorians and Manicheans as a single, large, influential current within the Mongol administration.

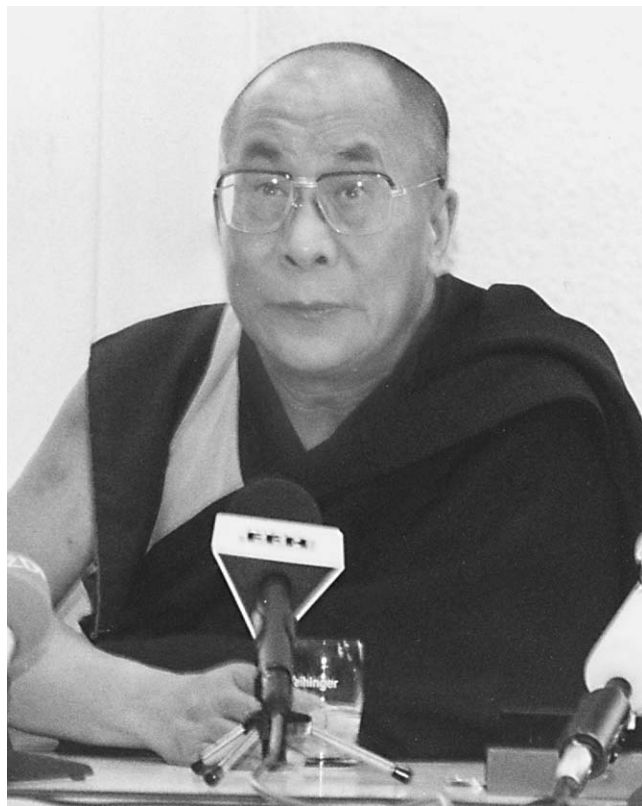
## The Dalai Lama

Thus did Venice, both through collaboration with the gnostic cults of Persia and through direct contact with the Mongol Khans, oversee the destruction of Christian and Islamic civilization, sustained by the loot from the destroyed Confucian culture of China.

In the 14th century, the Black Death spread out of the Tibetan border regions of China, carried by the Mongol armies, putting the final touches on the depopulation of China, Islam, and Europe.

Mongol control over China finally collapsed in 1368. The Tibetan Lama’s priest-patron relationship with the Mongol Khans survived the collapse of the Mongol Empire, but in a far more weakened form.

At the end of the 14th century, a new sect arose in Tibet, called the Geluk, or the Yellow Hats. The Geluk based their



*Today’s Dalai Lama in Germany, 1995. Tibet’s “traditional culture,” as practiced for centuries under the theocracy of the Dalai Lama, was nothing but a remnant of Mongol-Venetian terror.*

teachings on the same core of synthetic Tibetan beliefs, but founded their own monastery, and fell into civil and religious conflict with the other sects. After about 100 years, they adopted the tradition of choosing a “reincarnation” of their deceased head Lama, a practice which already existed in other sects.

In 1543, the third reincarnation of the head Lama of the Yellow Hats travelled to Mongolia, reestablishing the priest-patron relationship with the head Khan. They exchanged honorific titles: The Lama praised the Khan as the “King of Religion, majestic purity.” The Khan dubbed the Lama the “Dalai,” a Mongolian word for “ocean.” Henceforth, the Geluk chiefs were known by their *Mongolian* honorific, the Dalai Lama.

This Dalai Lama (the third, since they posthumously applied the title to his two deceased predecessors) lived out his life in Mongolia, and upon his death, lo and behold, he was reincarnated into the grandson of the Mongol Khan!

A Mongol army then escorted the new Dalai Lama back to Tibet, and declared him to be head of all Lamas, superior to the other sects. Other Lamaist sects resisted this imposition, and the King threatened to take action, recognizing that, with

the Mongol army behind him, the Dalai Lama represented a threat to the King's political power. A series of wars ensued, with different Tibetan sects aligning with different Mongol clans. In 1640, a Mongol army defeated the anti-Dalai Lama sects, captured and executed the King, and conferred supreme *political* authority over Tibet to the (Fifth) Dalai Lama. Henceforth, Tibet was ruled as a theocracy under the Dalai Lama or his regent, enforced by Mongol military power, although this arrangement was regularly interrupted with intrigue and war between forces connected to one or another Mongol clan.

### Kang Xi

In the late 17th and early 18th centuries, during the reign of the great Qing Emperor Kang Xi (the collaborator of Leibniz and the Jesuits), the Yellow Hats called in a particularly fierce faction of Mongols, the Dzungar, to reestablish Geluk power. The Dzungar proved to be most ungracious guests, however, when they proceeded to loot and pillage the country.

Emperor Kang Xi viewed the Dzungars as the only Mongol force with the will and the potential to challenge China. When reports of the Dzungar takeover of Tibet reached Beijing, Kang Xi sent an army into Tibet, where it was welcomed by the Tibetans. The Chinese created a protectorate,

stationing troops, while allowing continued rule by the Dalai Lama under Chinese oversight. Chinese troops and officials remained in Tibet until 1911, when the Qing Dynasty fell to the Republican movement led by Dr. Sun Yat-sen.

### The British role

In the closing days of the Qing Dynasty, with China under the effective control of British opium traders, the British moved into Tibet. A military mission from British India in 1903, led by Francis Younghusband, crushed all resistance, and imposed an "Anglo-Tibetan Convention," leaving a puppet Chinese leadership in command. The British nurtured the 13th Dalai Lama, and later the 14th (the current one), encouraging them to *prevent* development, to *prevent* even a single road from being built into Tibet. They wanted Tibet to be a total buffer between republican China and British India—but, even more, they wanted to retain the "traditional culture" of Tibet, of "Shangri-la," the "Valhalla" of the Nazis, as the last bastion of the ideology of the Mongol hordes.

### Tibetan monks under the Dalai Lama

This report will not discuss the details of the 20th-century British intrigue in and around Tibet. We will end instead with a brief description of the life of the Tibetan people under the Dalai Lama's theocracy.

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Before 1949, approximately 2 million Tibetans, an estimated one-fourth, entered the monkhood. The majority of those who were *not* monks were herdsmen or peasants, working as serfs on land owned by the government or by one of the thousands of monasteries. There was almost total illiteracy among the peasantry, and, even in the monkhood, only a small number were taught to read and write. Life was essentially unchanged from the era described above by the historians of the Tang Dynasty. Wooden plows and yaks were the only aid to a peasant's brute-force labor, and until the 20th century, there were no wheeled vehicles in the country. Justice was entirely at the whim of the nobility and the Dalai Lama, since there was no organized system of courts. Dismemberment was a common punishment for crimes. Polyandry was common, such that a wife was shared with all the brothers of a family. The corpses of the dead were cut up and fed to the dogs and the vultures, while human skulls and bones were used in rituals, as utensils and musical instruments. The art of Tibet reflects the fixation on death, subjugation of commoners by monstrous deities, and orgiastic "enlightenment."

But most revealing is the life of the monks themselves. At the age of about ten or twelve, young boys entered the monkhood. They immediately became the target of fierce competition between organized clubs of monks, fighting over who would get to use the boys for their homosexual pleasures. The clubs, rather like street gangs, with their own "colors" and costumes, were called *dob-dobs*. To get ahead rapidly in the religious hierarchy, a boy would need the "good luck" to be chosen by an older, established monk as his sex slave. This would assure advancement, although the boy would also have to service the friends of his owner/monk when so instructed.

The higher monks were pledged to celibacy, but that pertained only to restrictions against the penetration of females. Since the land was generally owned by the monasteries, or by the government-priesthood in the Dalai Lama's entourage, the monks would work as supervisors of the peasants and herdsmen, who belonged to their estates. Others ran businesses in Lhasa or in the villages, or were traders. The nation's wealth, although very limited, was entirely in the hands of the religious nobility.

The leading British Tibetan scholar and diplomat through the 1930s, '40s, and '50s, Hugh Richardson, took up the cause of "Tibetan independence" from China, after the flight of the Dalai Lama to India in 1959. Richardson cried that "a heavy curtain has descended upon Tibet . . . , a state of cultural degeneration [!] to which this whole people has now been reduced." What Richardson and the British prize most in the old Tibet, as a model for the world, is captured by the closing statement of his 1968 book, *A Cultural History of Tibet*: "Apologists [for Chinese policy in Tibet] may point to claims of material and mechanical progress, but even if these benefits ever reach the Tibetan population, the fact remains they were not sought by the Tibetan people themselves, and . . . represent the total negation of Tibetan civilization and culture."

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## Book Reviews

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### A Tibetan author exposes the Dalai Lama

by Mary Burdman

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#### **The Struggle for Modern Tibet: An Autobiography of Tashi Tsering**

by Melvyn Goldstein, William Sibenschuh,  
and Tashi Tsering

Armonk, N.Y.: M.E. Sharpe, 1997  
208 pages, hardbound, \$27.95

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The life of Tashi Tsering coincides with the history of modern Tibet. He now heads a project to build primary schools in villages, where, for centuries, all peasant children grew up totally illiterate. He was born in pre-1950 Tibet, which was, as Italian orientalist Fosco Maraini wrote, "the only ancient culture to have survived intact into the 20th century."

Why Tibet survived so is a complicated story — certainly, one part of this story is that there have been, and still are, many in the 20th century who wanted, and still want, to preserve Tibetan culture for their own ends. Among these are the rulers of the British Empire, their spawn in the occult societies which gave rise to Nazism, and certain types in Hollywood today, the direct descendants of Aldous Huxley, who frequented a Tibetan lama while he was a script writer in Hollywood in the 1930s and 1940s.

Tashi Tsering has some very apropos revelations. Most interesting, were his personal encounters with the clique of the Dalai Lama himself, in the period after the Dalai Lama had fled Tibet to India in 1959. Although Tashi himself had been in India for some time, had educated himself, learned English, and played a useful role in the early days of the Tibetan exile community in India, he was a commoner. As such, the "aristocrats and monk officials of the old school" were only interested in what he could do to serve them. "I wasn't one of 'them,'" Tashi writes. "From their point of view, I never could be." His efforts even to attend any meetings of the Dalai Lama's "privy council" were most rudely rejected. As the brother of the Dalai Lama, Gyalo Thondrup, once said, "In Tibetan society, there are only two types of people — the kind who'll eat *tsamba* [roasted barley meal], the



*Tashi Tsering and his wife in Xi'an, in 1981.*

Tibetan staple] and the kind who'll eat shit."

Tashi had spent his childhood in a Tibetan village, in a strictly feudal society—but one *in extremis*. It was common in Tibetan society for brothers to practice polyandry, and take a joint wife. This custom actually ensured population control, with the purpose to “conserve resources,” with only one wife and set of “joint” children per farmstead. Indeed, Tibet, before 1951, was a “steady-state” society: one where no progress was possible. The population, in an area the size of western continental Europe, hovered around a tiny 3-4 million people. This was ensured by the practice of polyandry, and the other social norm: that at least 10% of the population became monks or nuns.

The economy was maintained at the most primitive level. Any work beyond that of the peasant/farm household, was done by the primitive *corvée* (forced labor) system. Maintaining households of several brothers together, made more labor per household available for the *corvée* system. Peasants had to provide people and animals to transport goods and commodities for the government “transport” system—there were no roads at all, only tracks, until the Chinese began their building program in Tibet in the 1950s. The Dalai Lama owned the only automobile in the country.

Education also did not exist. Only by becoming a member of the Dalai Lama's special boy dance troupe in Lhasa (the

boys were regularly used by homosexual monks who ran the city), did Tashi even get the opportunity to learn to read. In 1944, the government had tried to establish a Western-style school in Lhasa, but groups of rogue *dobdo* monks claimed they would kidnap the boys if it were not stopped. “The powerful forces of conservatism in Tibetan society, especially the religious establishment, clearly saw modern education as a direct threat to the dominance of Buddhism and the old theocratic power structure,” Tashi writes. “Therefore, except for one or two isolated experiments, the old government had no commitment to broad-based education.” This problem is only now beginning to be solved.

When the Chinese People's Liberation Army entered Tibet in 1951, he recounts, they did not use violent measures. The Chinese allowed Dalai Lama and the government to exercise internal authority; and they disrupted neither religious life nor that of the monasteries. They did build roads, bridges, hospitals, and schools. They also disrupted Tibetan life in other ways. Being Chinese, they began to apply the same intensive agricultural and other methods which had allowed the development of China's vast population over millennia. These included, beginning in 1956, social and agrarian reforms in some ethnic Tibetan areas—not Tibet proper—in Sichuan province.

It was, actually, these reforms, which the regional Tibetan lamas and landowners opposed, which began the troubles between Tibetans and Chinese. Rebellion began, and rapidly became bloody, and many Tibetan rebels fled into Tibet proper. “Although no reforms had occurred in Tibet per se, the whole episode raised the larger issues of what the Chinese presence might eventually mean to our Buddhist religion and to the integrity of the native cultures,” Tashi writes. The monks, aristocrats, and even most peasants, wanted no change. Matters came to a crisis in 1959, when the Dalai Lama fled to India, but the rebels were no match for the Chinese: “Aristocrats and monk officials poured out of the country to join the Dalai Lama in northern India.”

Tashi himself was drawn into expatriate Tibetan activities. He began interviewing Tibetans who had fled to India, but most of the people he spoke to were illiterate, and had trouble expressing themselves. “Many had not even seen the actions of the Chinese army in Lhasa. They had simply been part of the general panic that gripped the country, and their stories were of the sufferings they incurred on the journey through the mountains, not at the hands of the Chinese. I had a hard time getting concrete evidence of Chinese atrocities,” Tashi asserts—not something you would hear at any of the Dalai Lama-run Tibet “support groups” these days, where Hollywood stars like to be seen.

The Dalai Lama's friends made other murky moves. Already in 1950, when a Chinese move into Tibet appeared imminent, the Dalai Lama's “substantial” stocks of gold and silver had been transported to Sikkim, and remained there, in

the storehouses of the Maharaja of Sikkim, even while the Dalai Lama remained in Lhasa. The Chinese had asked for its return, but did not make a big issue of it. Through his association with Gyalo Thondrup, who had gone to India already in 1949, Tashi was personally involved, when, after the Dalai Lama fled to India in 1959, the Tibetans in exile organized a massive operation to get the gold and silver out of Gangtok and to Calcutta. Millions of dollars' worth was trucked and then flown out. This treasure (Tashi himself spent a month guarding the silver; the gold was already safe in the bank) became the core of funds which supported the Dalai Lama's government in exile.

When Tashi ran out of money, Gyalo offered to employ him, but not to educate him ("at the time, I did not know that he was the chief Tibetan working for the American Central Intelligence Agency and really had substantial financial resources"). That ended Tashi's career with the government in exile. He got support to go to America, to educate himself. There, later, he again met Gyalo Thordup, who told him that "everything to be done for Tibetans goes through His Holiness the Dalai Lama and his exile government. There is no separate job for you. There is no separate Tibet."

It was such reactions, and his desire to help his nation enter the modern world, that prompted Tashi to return to Ti-

bet, despite opposition from Tibetans and Americans alike. He returned to China in 1964.

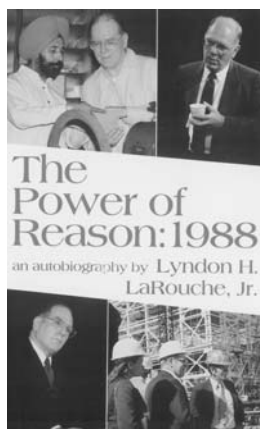
It was when Tashi was studying in China, to become a teacher in Tibet, that the Cultural Revolution broke out. Tashi was denounced, and spent years in prison. As a prisoner, he finally returned to Lhasa, where he was released in 1973. Back in China, he joined, five years later, the many thousands of victims of the Cultural Revolution who, after Deng Xiaoping came to power, flocked to Beijing to appeal their cases to the State Council. Here, Tashi was finally formally exonerated. He was then able to return to Tibet as he had wanted—as an intellectual, able and willing to teach his fellows about the great world outside Tibet.

With his characteristic initiative, Tashi was able to find the means to finally launch his current project, building schools in the impoverished villages of Tibet. For this he has found support, both in China and abroad. He found Chinese officials more open to policy-changing ideas than the Tibetan aristocrats, he writes. "I had found the Chinese in the post-Mao era to be willing to listen to complaints and opposing points of view—even those of ordinary citizens like me." With the aid of friends in America, he was able to write his spirited autobiography—which he also uses as a means to tell all about his life's purpose: educating the children of Tibet.

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—**Former U.S. Attorney General Ramsey Clark**

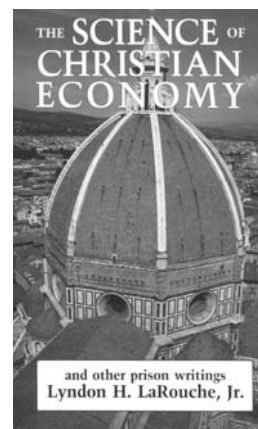


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## Who's behind the Ron Brown 'bullet hole' campaign?

by Edward Spannaus

Among right-wing Clinton-haters, on the talk shows and on the Internet, one of the hottest "underground" topics is the story that the late Commerce Secretary Ron Brown may have died from a bullet in the head, rather than from the plane crash which occurred in Croatia in April 1996.

A number of black activists and political leaders have also been drawn into the controversy, and are now asking for an investigation of the spurious "bullet hole" story.

How did this story get started? What has given rise to this bizarre, de facto coalition between groups which were on opposite sides during the "CIA crack-cocaine" controversy? How is it that many of the same people who were accusing Ron Brown of criminality, and even treason, in life, are now suddenly his biggest defenders in death? And why is a wealthy scion of the Mellon banking family, Richard Mellon Scaife, who was trained 25 years ago by British Intelligence and the CIA in news-media manipulation, spearheading the "bullet hole" campaign? And how has Scaife duped prominent African-American activists, even the head of the Congressional Black Caucus, into climbing on board this sinister endeavor?

These are some of the questions which will be explored in this article and those that accompany it.

### How the story started

Ron Brown, a longtime friend of Bill Clinton, a former chairman of the Democratic National Committee, and an architect of the Clinton administration's export strategy, died in a plane crash in Croatia on April 3, 1996, along with 35 others. As U.S. Secretary of Commerce, Brown was leading a trade mission, involving over a dozen major U.S. corpora-

tions, mapping out the post-war reconstruction of Bosnia and Croatia; strategically, this was a direct challenge to the long-standing Anglo-French policy of keeping the Balkans enmeshed in bloody religious and ethnic turmoil.

Within days and weeks, many theories were floating around that Brown was the victim of an assassination plot. One of the most elaborated scenarios was that circulated by Nick Guarino, a convicted fraudster, and fugitive, who publishes the mysterious *Wall Street Underground* newsletter which regularly accuses Clinton of carrying out treason with China, while promoting Guarino's trademark pamphlet, "How to Survive and Profit from the Clinton Crash." Guarino's imaginative scenario had White House agents using a false beacon signal to send Brown's plane crashing into a mountain and then burning, for the reason that Brown was about to go to jail, and had threatened to take Clinton down with him.

In Guarino's fantasy, Brown was, like Vincent Foster, a man who "knew too much." "More than any man in Washington," Guarino wrote, "he knew where all the money went for the payoffs, bribes, scams, money-laundering, cover-ups, participation fees, hush money, and side deals—all the way from one-man operations to vast multinational trade treaty fixes."

But it wasn't con-man Guarino who provoked the current contretemps. This role fell to Richard Mellon Scaife, publisher of the Greensburg, Pennsylvania *Tribune-Review* (which also publishes under name *Pittsburgh Tribune-Review*); Scaife has, since 1994, bankrolled much of the propaganda claiming that White House aide Vincent Foster was



murdered. Scaife's hired scribe Christopher Ruddy—who went onto Scaife's payroll after his Vincent Foster obsession became too much for even the *New York Post*—launched the Ron Brown “bullet hole” tale in a Dec. 3 story. Ruddy based his account on information provided by a deputy medical examiner at the Armed Forces Institute of Pathology, who cited a circular hole at the top of Brown's skull, discovered during the post-mortem examination, which was roughly the size of a .45 caliber slug. The medical examiner, Air Force Lt. Col. Steve Cogswell, referred to the hole as “an apparent gunshot wound.”

Cogswell never actually examined Brown's corpse, but based his theory on photos and X-rays. USAF Col. William Gormley, who did the examination, said the head wound was not caused by a gunshot, because it didn't completely penetrate the skull, and there was no exit wound. After seeing the skull wound, Gormley ordered full head and body X-rays, which showed no bullet, no fragments of either bone or of a bullet, and no bullet pathway. Gormley determined that the cause of death was “multiple blunt force injuries” resulting from the plane crash.

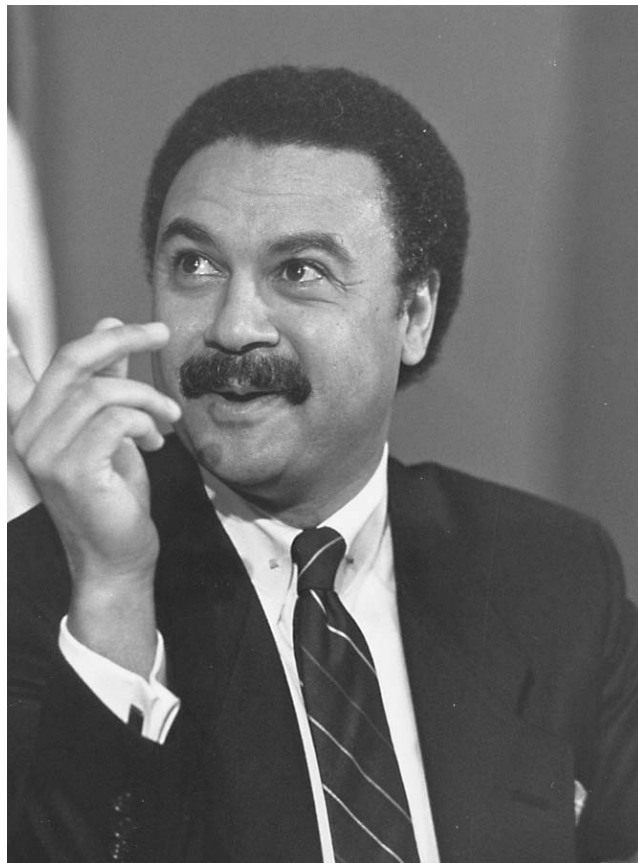
(Ruddy's fans have made much of the appearance of what they term a “lead snowstorm” on one of the X-rays, which give the appearance of being metal fragments in the brain. However, the Air Force has concluded that this resulted from a defect on the reusable X-ray film cassette, and that the same feature appears on other X-rays, not pertaining to Brown.)

Ruddy's Dec. 3 article, and his follow-up pieces, took the talk show circuit and the Internet talk-groups by storm. While Ruddy was careful not to directly accuse President Clinton of murder, those who repeated and embellished the story were not so cautious.

One of the first publicists to pick up and retail Ruddy's story was Joseph Farah, of the Western Journalism Center—another Mellon Scaife-bankrolled outfit which has distinguished itself in recent years by taking out full-page ads in many newspapers reprinting Ruddy's articles on Vincent Foster from the *Tribune-Review*. “Counting Vincent Foster, this is the second death of a high-ranking administration official under suspicious circumstances in Clinton's first term,” Farah wrote in his daily Internet newspaper. “Both figures were intimately involved in key administration scandals—Foster in Whitewater and Travelgate, and Brown in the fund-raising and kickback controversies. Coincidence? Or is this one of the ways the lid is kept on administration scandals?”

### Who were Brown's enemies?

The so-called “donorgate” and “Chinagate” scandals, which were the subject of many Congressional hearings last year, have their origin in 1993-94, when the “Judicial Watch” organization, headed by former Justice Department attorney Larry Klayman, began targeting Ron Brown and the Clinton



*The late Commerce Secretary Ron Brown. Look behind the latest anti-Clinton conspiracy theories about him, and you'll find conservative moneybags Richard Mellon Scaife.*

Commerce Department. In September 1994, shortly after Brown's trade mission to China, Judicial Watch filed a Freedom of Information Act request to find out who was on each of five trade missions, how they were selected, etc. In January 1995, Klayman filed a lawsuit, and a year later, in February 1996, Klayman subpoenaed Ron Brown himself to give testimony.

Now, Judicial Watch is attacking Attorney General Janet Reno for refusing to investigate the Ron Brown death. In a Jan. 9 press release, Judicial Watch and Klayman stated: “At the time of Brown's death, he was scheduled to be deposed by Judicial Watch in its landmark case against the Clinton Commerce Department. . . . This case uncovered John Huang . . . and sparked the current campaign finance scandal.”

Judicial Watch also claims that Brown was about to be indicted by an independent counsel, and that he was about to “cut a plea and turn state's evidence against Clinton”—a slightly milder version of Nick Guarino's preposterous allegations. “Judicial Watch will now become involved to take steps to determine whether or not Brown's death was accidental,” the press release continued. “If not, his death could be part of an obstruction of justice and witness tampering, given

his likely indictment, his status as a material witness against the Clintons, and Judicial Watch's case against the Clinton Commerce Department."

Other sections of the "Get Clinton" gang were also quick to jump on the Scaife-Ruddy bandwagon. For example, take the so-called Clinton Investigative Commission (CIC). It has a front group called The Committee to Impeach the President, which is not only campaigning for President Clinton's impeachment, but has now added the accusation that the Clinton White House is covering up the murder of Ron Brown. A press release by this Committee to Impeach the President states that the new "evidence" (i.e., that circulated by Scaife's newspaper) "adds further proof to reports that Brown's plan crash was a 'planned' accident, and that Brown — along with the entire crew — were targeted for elimination."

On its Internet homepage, the CIC also features a page on Clinton's alleged "treason," which contains an article by one Jack Wheeler (a close collaborator of Lord William Rees-Mogg and James Dale Davidson in their *Strategic Investment* newsletter) which insists that Clinton should be impeached for treason as well as for other crimes.

Wheeler argues that Clinton and the Democrats sold "classified military secrets to the Chinese government in exchange for donations to the Democratic National Committee." Right in the middle of Wheeler's portrayal of this alleg-

edly treasonous conspiracy is, of course, John Huang, who has worked under Ron Brown at the Commerce Department.

### Some black leaders dive in

Into this treacherous mix, then jumped a number of African-American leaders, who should know better; the most visible of these have been Rep. Maxine Waters (D-Calif.), and comedian Dick Gregory. Both Waters and Gregory, along with others such as NAACP head Kweisi Mfume, have asked for an investigation of the Scaife-Ruddy allegations.

The "Impeach Clinton" crew at the Clinton Investigative Commission cynically took advantage of this opening to declare their support for the Waters-Gregory call for a Justice Department investigation. The CIC claimed to have collected 100,000 signatures in support of the Waters-Gregory call, which they attempted to deliver to Waters's Congressional office on Jan. 15. In an earlier press release, CIC declared: "We are asking both the Congressional supporters of Rep. Waters and Congressional backers of Rep. [Bob] Barr's impeachment inquiry of President Clinton to join together as an effective way to stop the apparent obstruction of justice on the part of the White House."

It is indeed ironic that Representative Waters — who has attacked the CIA for running crack cocaine into Los Angeles — is now following the lead of someone like Scaife

## A one-dimensional bullet that came from nowhere

A review of Ron Brown's post-mortem X-rays and photographs, as displayed by Christopher Ruddy on his Internet web site [www.ruddynews.com], discloses the following:

The photographs reveal a circular defect in the midparietal skull approximately 10 mm in diameter. Underlying brain is seen in the depth of the defect. The skin is retracted away from the defect and the area of skin which would overlie the defect is not seen, unless the skin was in that position when the body was found. If so, the skin defect is inconsistent with a gunshot wound. There is no evidence of fouling of the skull by powder residue.

On the antero-posterior skull X-ray there is a faint pattern of material which appears to form a track leading from immediately to the right of the midline further laterally toward the base of the skull. This faint material is not seen on the lateral film. There appears to be no gross defect of the base of the skull on the right or left, where a bullet

might have exited. The lateral film shows an indriven bone fragment of approximately the diameter of the inwardly beveled skull defect.

**Comment:** The defect on the X-ray is a depressed skull fracture with an indriven bone fragment. The indriven fragment is inconsistent with an inshoot wound of the skull. In an inshoot wound, the bullet would have drilled through the skull, fragmenting the underlying bone and not producing the large single fragment seen here. The inward beveling of the defect indicates that force was applied to the skull from the outside inward. The so-called "lead snowstorm" is more like a light flurry, and is not seen on the lateral film. There is no evidence of an exit defect on the X-ray and no residual slug within the skull. The material seen on the antero-posterior film is awfully light for metal fragments, its density being more consistent with bone or dense tissue, rather than metal, especially lead. I would suspect that sharp contact with a round, rod-like object produced this defect and that the material on the antero-posterior X-ray is an artifact. Obviously an autopsy would settle this issue, but from reviewing the material at hand, I can understand, though not necessarily concur with, the judgment not to perform one.

— John Grauerholz, MD, FCAP

on the Ron Brown matter. Scaife-financed operations, such as Accuracy in Media (AIM), were among the biggest defenders of the CIA and the drug-running Contras, and they ridiculed the *San Jose Mercury News* series on the CIA's links to the crack-cocaine epidemic. (AIM is now also dutifully retailing the Ron Brown "bullet hole" stories.)

Representative Waters's behavior in this matter is not surprising. Earlier, she willfully ignored the evidence that it was George Bush's "secret government" apparatus, operating out of the White House and National Security Council, which actually ran the Contra guns-for-drugs operation in the 1980s; Waters, Gregory, and many other black leaders preferred to focus on the easier and more "politically correct" target of the CIA—even after being warned that this would be a dead end, and that it would protect the real perpetrators around the Bush apparatus.

*EIR*'s documentation on the Bush "secret government" apparatus is well-known within the African-American community. To counter this, what surfaced in late 1996 was a network of self-styled "community activists" who mobilized to stop the spread of *EIR*'s proofs; an investigation showed that those leading that mobilization were in fact tied to Bush-linked "charitable" foundations and networks. Many of these were also targeting Nation of Islam leader Minister Louis Farrakhan, and were attempting particularly to drive a wedge between Farrakhan and Lyndon LaRouche. (LaRouche's recent comments on Waters et al. follow in a later section.)

## The policy issues

During his tenure as Commerce Secretary, Ron Brown had played a crucial role in laying the groundwork for what is now emerging as a U.S.-China strategic partnership, which coalesced around the Clinton-Jiang Zemin summit in November. Brown's strategy was to shift U.S. investment in China into major infrastructure projects, and to promote high-technology exports such as heavy capital goods.

Brown emphatically rejected the British free-trade approach, and the idea of leaving everything to the private sector, which was the dominant U.S. policy during the Reagan-Bush years.

Given Brown's critical role in the Clinton administration's global strategy, and the bitter British geopolitical opposition to Clinton's policies toward China, in the Balkans, and elsewhere, the possibility certainly cannot be excluded that Brown's plane crash in Croatia was the result of foul play. The deaths of Brown and the corporate leaders who died with him on the plane were unquestionably a serious setback to the cause of peace and reconstruction in Bosnia, following years of British-fomented ethnic and religious conflict. And it should not be overlooked that President Clinton himself was the target of a number of actual or simulated assassination attempts, particularly in the first two years of his Presidency.

If Ron Brown was targetted for assassination, the ultimate

target would have been President Clinton and his efforts to establish a strategic alliance with China, and to bring to a halt British-instigated genocide in Bosnia. The disinformation campaign now being conducted around Ron Brown's death, with the effort to blame it on the "Clintonistas" in the White House, can only be seen as a transparent effort to lay a false trail to protect those who did want Ron Brown out of the way, and who wanted his policy initiatives stopped. That African-American leaders have lent themselves to this cynical effort is nothing short of shameful, and an insult to the memory of Ron Brown himself.

## Richard Mellon Scaife: bankers' propaganda czar

by Edward Spannaus

Not the least of the ironies of the current frenzy of bashing the Federal government and its intelligence and law enforcement agencies, is that most of today's "conservative," anti-government activists, are getting their information from Richard Mellon Scaife.

Richard Mellon Scaife is not just "an eccentric multimillionaire": He is one of the most powerful behind-the-scenes operators in the United States.<sup>1</sup> His network of foundations and think-tanks provided the blueprints and much of the personnel for the "secret government" machinery set up in the early years of the Reagan-Bush administration. Did you ever hear of Executive Order 12333, the 1981 policy directive which "unleashed" the intelligence agencies from the restrictions of the Carter years, and which allowed covert operations to be conducted outside of the CIA, either by other Executive branch agencies, or by private contractors? Executive Order 12333 was a product of seminars and think-tanks all funded by Scaife.

Scaife is also a primary funder of a network of "conservative" social policy think-tanks which provided the "intellectual" justification for both the 1980s "Reagan Revolution," and the 1990s "Conservative Revolution" of Newt Gingrich and Phil Gramm.

Moreover, Scaife has also bankrolled many of the most virulent attacks on Clinton for almost as long as Clinton has been in office—financing, among other things, the *American Spectator*'s "Troopergate" article in late 1993. Scaife has also been the primary funder of the widely circulated accusations that White House aide Vincent Foster, who was found dead

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1. See *EIR*'s three-part series on Scaife, March 21, April 4, and April 11, 1997.

by suicide in July 1993, was actually murdered, and that the Clinton White House has been covering up the assassination ever since.

And now, Scaife is the principal sponsor of the Ron Brown “bullet hole” thesis, being used to rile up both right-wing activists and African-American leaders against the Clinton administration.

Scaife didn’t get into this business by accident.

Dickie Scaife’s use of the news media to defame and discredit his adversaries, is a product of his training by British and U.S. intelligence agencies. This is what he was groomed to do. (He also comes by political dirty tricks naturally, having given a million dollars to Richard Nixon’s Committee to Re-Elect the President—CREEP—which financed the Watergate shenanigans, among other things.)

During World War II, Scaife’s father, Alan Scaife, as well as many of his mother’s cousins (the Mellons), occupied high positions in the Office of Strategic Intelligence (OSS), the wartime predecessor of the CIA. Alan Scaife, a lieutenant colonel in OSS, was the deputy head of the Secret Intelligence (SI) branch of the London OSS office. Paul Mellon and his brother-in-law David Bruce also operated directly out of London during the war; Paul trained under British troops, and later worked under Allen Dulles in Berne, Switzerland. Bruce was put in charge of all OSS operations in Europe, and was based in London.

It was this family circle which tracked Dick Scaife into various British intelligence projects usually mis-identified as “CIA fronts” in the 1970s, both in the news media and in philanthropy.

In 1973, Scaife was permitted to take control of the Scaife family foundations, which were funded by his mother’s inheritances. He quickly changed the focus of the foundations, to emphasize British-U.S. cooperative political projects such as the Heritage Foundation, the Georgetown Center for Strategic and International Studies, and the National Strategy Information Center, a Harriman-Bush intelligence think-tank.

At about the same time, Scaife was put in charge of Forum World Features, a joint British intelligence/CIA propaganda operation based in London. This was an outgrowth of a CIA publishing operation set up by Kermit Roosevelt a decade earlier. Scaife ran Forum World Features until it was publicly exposed in 1975 as a CIA proprietary organization which was, according to an internal CIA memorandum, “run with the cooperation and knowledge of British intelligence.”

When the Reagan-Bush administration came into office in the early 1980s, Scaife-financed think-tanks provided much of the organization and personnel which developed into the “secret government” apparatus operating out of the NSC and the Office of the Vice President—doing the types of things which used to be done by the CIA before the demise of its clandestine operations, following the exposés and reforms of the 1970s.

One element of this in which Scaife took a direct, personal

interest was the “public diplomacy” unit in the National Security Council and State Department, a veritable U.S. government “Ministry of Propaganda” run by former CIA propaganda specialist Walter Raymond.

“Public diplomacy,” just like Forum World Features, was used to circulate articles and columns promoting the “secret government’s” projects—such as the covert, guns-for-drugs wars in Central America and Afghanistan—as well as to organize media attacks on the “secret government’s” opponents. Among the most prominent targets of a “Public Diplomacy”-organized campaign of news media defamation in the 1980s was Lyndon LaRouche. The coordinated media attacks against LaRouche were organized at a series of secret meetings in 1983-84, which included representatives of both major media outlets and U.S. intelligence agencies.

Today, Scaife is doing exactly the same thing to President Clinton. For the past four years, the principal sources of the Vincent Foster “murder” line have been Scaife’s own *Tribune-Review*, plus two other Scaife-funded organizations, the Western Media Center and Accuracy in Media (AIM).

The much-maligned 1996 report compiled by the White House, entitled “Communication Stream of Conspiracy Commerce,” put together one of the first overall profiles of the propaganda operations of the secretive, reclusive Richard Mellon Scaife, and the picture of the “media food chain” from the British tabloids into the U.S. press.

The first time that propaganda-czar Scaife himself ever received much national publicity was in early 1997, when Whitewater independent counsel Kenneth Starr announced his resignation in order to take a cushy “retirement” position at Malibu’s Pepperdine University. The charges of conflict-of-interest directed at Starr caused the special prosecutor to reverse himself and to promise to stay on until he had completed his effort to frame up the President of the United States.

But Scaife continues his pernicious activities behind the scenes. If you want to know how a lot of things really work in this country, Richard Mellon Scaife is someone you need to know more about.

## LaRouche calls it ‘disgusting!’

*In a radio interview with “EIR Talks” on Jan. 15, Lyndon H. LaRouche, Jr. commented on those who are claiming that Ron Brown was murdered at the behest of President Clinton:*

I think the most disgusting case of this is what’s happened with Maxine Waters and company. You recall, that when the evidence came out that George Bush, George Bush’s opera-

tion, had run crack cocaine into the United States, Maxine Waters took the point in deflecting attention from George Bush, and going after the CIA, which was not directly in the line of fire on this crack cocaine operation. So, what she did, is, she actually *protected* George Bush, and covered up for the actual crack cocaine dealers, with this particular tactic, where she *refused*, after being told again and again: “You’re on the wrong track, Maxine. These are not the facts. This was not run through the CIA as such. This was run through George Bush, the Vice President’s so-called Iran-Contra cover.” And the facts, the evidence, is all there.

So, now what happens is this: According to the experts, there is no factual basis for the charge that Ron Brown had a bullet hole in his head, in the course of the plane going down in the Balkans. That is, there’s no scientific evidence which even suggests that that ever happened, even though Richard Mellon Scaife has come out with this, another one of his hoaxes, like the Vince Foster hoax, which he created almost singlehandedly with the guy he pushes.

What is the channel that Maxine Waters is using for this? Its channel is the Republicans! What happened was, as you saw it in 1996: When President Clinton made the stupid mistake of announcing that he was not going to veto the welfare reform bill, the people around Kemp and so forth in the Republican Party, went to work, and *killed* the Democratic Party’s chances for re-winning at least the House of Representatives, during the 1996 campaign.

As part of that operation, the Republicans, including the Moon group, Rev. Sun Myung Moon, moved in heavily on African-American organizations, and began to, in a sense, buy them up, in the usual manner: either direct cash—and cash will buy a lot of people, particularly poor people—and with foundation grants, and this and that, and so forth.

Now you find Maxine Waters, presumably an African-American leader, the leader presently of the House, the Black Congressional Caucasians, as it’s called—taking money, in a sense, by using a Republican anti-Clinton funding operation, a Bush League operation, working for George Bush, Jr.’s Presidential ambitions, running a *fake* campaign on the Ron Brown issue.

This is absolutely disgusting, and it has to be exposed. You know, you can’t say that that’s because these are black people, or African-Americans, that they have their sentiments, and so forth, and they have a right to express. No; they have a right *to tell the truth!* And the trouble that African-Americans face, is that they have a paucity of truth directed against them, in terms of things said about African-Americans. And what we have to do, particularly when we’re the oppressed, is *we have to emphasize the truth and justice, more than those who are not oppressed.* Because that’s our only strength: truth and justice. And Maxine Waters has walked away from the truth, and she’s walked into something which bodes no good for the African-American, including the African-American Black Caucasians in the Congress.

## Why the British hated Ron Brown

by Richard Freeman, Kathy Wolfe, and Edward Spannaus

Commerce Secretary Ron Brown was committed to the idea that the mission of the United States should be to assist the developing countries in raising their own standards of living, through U.S. exports of capital goods and industrial equipment. This necessarily included the creation of millions of well-paying, productive jobs for Americans. To fulfill this dream of improving the lives of people around the world, Brown was committed to promoting trade on the basis of government-to-government relations, and was firmly opposed to the British free-trade approach.

The Clinton administration, Brown said on Aug. 29, 1994, “has junked a 12-year tradition of laissez-faire government,” and would now mobilize government funds “to fight for U.S. exporters in the global market.”

### The China mission

In August-September 1994, Brown travelled with a large delegation of government officials and heads of American companies to China and Hong Kong. His objective was to realize \$25 billion worth of trade. He proposed that over \$10 billion in U.S. Ex-Im Bank credits be allotted for exports to China—a proposal which Congress later killed; in fact, Republicans in Congress were attempting to dismantle the Commerce Department altogether.

Before departing for China, Brown said: “The U.S. has been lagging behind in the Chinese market, especially in infrastructure. In selecting the 24 companies in the mission, we chose telecommunications, transportation, and power generation. . . . There will be several hundreds of billions of dollars spent on infrastructure and development between now and the year 2000. I certainly am interested in American companies participating heavily in those infrastructure projects; that is clearly one of the purposes of the mission.”

### The National Export Strategy

Brown’s trade policy toward China was part of a broader Clinton administration strategy called the National Export Strategy (NES), which had been announced by the President in September 1993. At that time, the Commerce Department designated ten Big Emerging Markets (BEMs), all in the

Third World, of which China is the largest, “offering the greatest opportunity for U.S. trade expansion in the 21st century.”

The idea behind the NES was to pool all the resources of the different branches of the U.S. government, and to hone in on selected objectives. This meant concentrating exports on those markets with high levels of population, and great growth needs. These ten countries constitute about one-half the world’s population (their 1994 population is given here in parenthesis): China (1.19 billion), India (919 million), Indonesia (200 million), South Korea (45 million), Brazil (158 million), Mexico (92 million), Argentina (34 million), Turkey (62 million), Poland (38 million), South Africa (44 million).

Brown’s Undersecretary of Commerce for International Trade, Jeffrey Garten, outlined the National Export Strategy in a June 1994 speech in New York. He stated that in 1992, the United States had exported \$106 billion worth of goods and services to the BEMs, which was one-fourth of all U.S. exports in 1992. Garten said that the idea was to direct the government’s efforts “toward those areas in which Washington could have the greatest impact, the greatest bang for the buck.”

“When we looked to our traditional trading partners in Europe or to Japan, we saw a fairly grim picture in the near future,” with no significant growth projected, he said. But, the BEMs shared a number of important attributes, Garten said. “They were all physically large. They had significant populations and represented considerable markets for a wide range of products. Virtually all had strong rates of growth, or clearly held out the promise of economic expansion in the future. Virtually all had undertaken some significant program of economic reforms and seemed likely to expand on those programs in the future. Virtually all were of major political importance within their regions; moreover, they were what we call ‘regional economic drivers’ — their growth would engender further expansion. . . .

### **Infrastructure is key**

“Consider . . . what I said earlier about where government can help the most. It is in infrastructure—in mega-projects of the type that I was describing—that government and business often form the most successful partnerships. Often the bidding process is done through a government procurement system. Here the intercession of foreign governments in the process is essential and expected. This is where systematic, effective advocacy by Washington on behalf of our firms is critical. . . .

“Many of the big infrastructure projects which constitute the foundations on which these Big Emerging Markets will build their futures, are being bid out now. And if you build today’s Metro in Guangzhou, then you are more likely to get next year’s service contract or sell the additional trains they will need in five years or win the bidding for neighbor-

ing subways. Getting in early will offer returns for many years to come. That is yet another reason why it is essential that we begin implementing that strategy soon.”

Garten said that the United States viewed China as part of a Chinese Economic Area, which includes mainland China, Hong Kong, and Taiwan. “Take just one sector—infrastructure—and one market—the Chinese Economic Area. In the next six years, we expect that the governments of the CEA will spend over \$560 billion on infrastructure projects—power generations plants, airports, highways, telecommunications projects, water, sewage. If we get just our fair share of that—the proportion of projects we get today—that alone will create almost the same number of jobs—500,000—as are currently supported by U.S. exports to all ten Big Emerging Markets now. . . .

“Look to Asia more broadly and you see over \$100 billion of infrastructure projects in India—a country with 900 million people . . . and only 7 million phone lines. You will see over \$100 billion more of infrastructure projects in Indonesia—a country that is spread along an archipelago of 13,000 islands, all that must be linked together by telecommunications satellite and power lines.”

The infrastructure figures for the Chinese Economic Area, plus India and Indonesia, would add up to \$760 billion by the year 2000.

### **The British view**

A British view of the perceived threat posed by the Clinton-Brown economic strategy was spelled out by a British analyst, formerly with the (Scaife-funded) Heritage Foundation in Washington, during a discussion about one year ago. He contrasted the Clinton-Brown approach to that of Henry Kissinger. He said that what Ron Brown was trying to do “had very little to do with free enterprise. He was trying to negotiate these state-to-state mega-deals.”

“Brown basically was like Clinton, for big government,” the analyst complained. “He wanted the U.S. to do in the LDCs [less-developed countries], the kinds of things which the old welfare state did for poor Americans, or so he thought. He thought that the old-line Democratic welfare state policies were great for African-Americans, they would be great for poor Chinese. It was just more big government.”

Kissinger, on the other hand, “believes in the private sector,” the British analyst said. “He believes that government connections exist to serve the private sector.”

Asked whether Brown’s plans to build infrastructure in China might have created problems for Kissinger’s business, he replied: “Had a Democratic U.S. government gotten very involved in state-to-state direct deals with China, circumventing the private sector, no conservative businessman would have been delighted.”

While commenting that it’s “a terrible thing to say,” he said that Kissinger was likely “more or less relieved,” when Brown was no longer on the scene.

# 'Wisconsin Works' welfare reform isn't working

Under the direction of Gov. Tommy Thompson (R), Wisconsin is implementing the most draconian welfare "reform" plan in the nation. Called "Wisconsin Works," or W-2, the program has cut the number of welfare recipients by more than 50% in less than a year, and is lauded by Conservative Revolutionaries as the model for the nation. But at the December convention of the National Black Caucus of State Legislators, in Milwaukee, W-2 came under fire from Wisconsin legislators and other officials, who warned that it is actually a model for how *not* to run a welfare program. Two of those who spoke against W-2 at the NBCSL convention were Pat DeLessio, attorney for Legal Action of Wisconsin, and Wisconsin State Sen. Gwendolynne Moore, a leading opponent of W-2.

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## Interview: Pat DeLessio

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*Pat DeLessio, an attorney for Legal Action of Wisconsin, a federally funded agency, spoke with Marianna Wertz on Jan. 10.*

**EIR:** You spoke at the NBCSL convention about the devastation of Milwaukee by W-2. Could you give me the picture of what is happening in Wisconsin with the Wisconsin Works workfare program?

**DeLessio:** What we're seeing is lots of people who don't have any means of support. Primarily it's because of the way the state is implementing W-2. There are four rungs to W-2. The first rung (I don't even know why they have it in there, because it's just unsubsidized employment), is employment that you found either with their help or on your own, and there's no subsidy to the employer.

The second is trial jobs, where they pay the employer up to \$300 a month, and then the employer hires you for three months, or six months, or whatever.

The third is community service jobs, which is basically jobs in the community that they've assigned you to—workfare. That can be up to 30 hours a week, and you can have that coupled with ten hours of education.

Then you get a grant for \$673 (per month). We don't have

grants anymore, based on family sizes by category.

**EIR:** So, it doesn't matter how many children you have?

**DeLessio:** Right. So, the community service job is \$673. The trial job, of course, is whatever the employer pays you. It has to, of course, be minimum wage.

The lowest rung is W-2 Transitions, which is for people with severe barriers to employment, maybe mental health problems, drug- or alcohol-abuse problems, children that are disabled, they have to stay home and take care of them—you get \$628 in that. They can assign you to a job up to 28 hours, and they can put you in other activities like school or counseling up to 12 hours.

So, that's the basic structure. How the state has interpreted it—and this is not in the legislation, and we are having a number of individual cases that we're challenging this on—is that, if they find you "job-ready," that you could work, then you're not eligible for any cash position. So, you're at that highest rung, unsubsidized employment, even though you may really not have a job.

Under AFDC, the big bulk of people on AFDC were people who do work, have worked, they want to work. You reported your income and your AFDC went up or went down. It was not a very adequate income supplement, but you could look at it as an income supplement. [AFDC, or Aid to Families with Dependent Children, is the former name for welfare—ed.]

**EIR:** It was a safety net when you don't have a job.

**DeLessio:** Yes. What we're finding—and we're doing a lot of individual representation to get at the issue, so we can hopefully make a larger challenge—is that some of the agencies, in fact, most of them, are saying that if you have any job at all, you're not eligible. So, we have a lot of clients who work part-time who are not eligible.

Milwaukee is divided into six regions, and we have five agencies running six W-2 regions. Good Will is one of the agencies with a contract and they run two regions. They testified recently that if you're working one hour a week, you're done, you're job-ready; that's it—you're not eligible for any W-2.

So, the biggest groups we're seeing, that are coming to us with nothing, are the people that they either found job-ready or the people that have not continuously been on AFDC, but have been off and on, and have jobs, either at temp agencies or part-time jobs, or jobs where they were promised 40 hours, like at fast-food restaurants, motels, but they really don't amount to 40 hours and they fluctuate, and they may have lost the job altogether. Then they go back in and try to reapply and they can't get benefits.

What's so horrible about the Federal law is, of course, that states can design systems that really do leave out groups of people. Then you have to ask whether a court would find violation of equal protection. Frankly, given the state of the

law, probably you wouldn't do very well.

**EIR:** We spoke in Los Angeles with Bob Ehrlenbusch, executive director of the Los Angeles Coalition to End Hunger and Homelessness. He said that he believes the purpose of the welfare reform legislation is to make people homeless, because the end result is that there is a rising wave of homelessness.

**DeLessio:** We were just literally inundated before Christmas with people with no money, that were being evicted or whatever. A lot of this is unseen. We don't have people on the street dying. But we're seeing increasing numbers. Again, we can't document it. We can just count the people that come in here. But increasing numbers of our clients are doubled up. And we see people just saying, "I don't want anything to do with their system." People say, "Too bad, I'll just live with my mother"; or "I'll just try to survive on this part-time job because I'm not going to deal with them." That would be a success for the state.

**EIR:** What is happening in Milwaukee County with W-2?

**DeLessio:** We have about 70% of the caseload now. We used to always run about 40-50% of the caseload in Wisconsin, which is bad enough. We're the largest city, we have a very significant minority population and the rest of the state is pretty much white and rural. I suspect in the other counties, they just told people there's no more welfare.

**EIR:** So, people moved to Milwaukee.

**DeLessio:** Well, it's just "go away." We also serve other counties. We're seeing in Kenosha, south of here, large numbers of people were just taken off the rolls as job-ready. I went to a couple of hearings this week in Kenosha County and that's clearly what's going on.

The state has no way to prove what it keeps saying. Now, we have clients who've had no means of support for a couple of months, who don't have jobs and who've been found not eligible for W-2.

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## Interview: Kelly Bablitch

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*Kelly Bablitch, policy analyst for Senator Moore, discussed the W-2 program with Marianna Wertz on Dec. 19.*

**EIR:** What do you see as the problems that are arising now for the recipients of Temporary Assistance for Needy Families (TANF), as the welfare program is called?

**Bablitch:** There are a lot of problems that are arising. It's a new program and it's having a lot of trouble being implemented. We have 72 counties in Wisconsin and what we found out, when we did a case-by-case breakdown of where the money was going, Milwaukee gets the least amount of money

per case. We get \$23,175 per year, per case from the state. We have over 16,000 people on the rolls in Milwaukee. In Crawford County, there are two people that were on the AFDC caseload. They're getting, per case, over \$600,000 to get them off the rolls. And they have five caseworkers—two cases, five caseworkers, and over \$600,000. Obviously, in Crawford County, if you're unemployed, you're going to have a better chance of moving off the rolls, if you have five people helping you and \$600,000 to help you become job-ready and get some training.

**EIR:** So you have over 16,000 people in Milwaukee County. How many of them have actually found jobs?

**Bablitch:** We don't know. We don't have an evaluation of the program. A large number of people have dropped off the rolls. But where they go, and if they find jobs, we don't know. We herald Wisconsin performance because we've seen a mass reduction in the caseload. But, does that mean that they're in good jobs? No. Does that mean that they're in homeless shelters? Maybe.

**EIR:** There's no money to track what's happening to them?

**Bablitch:** There's money to track what's happening, but it's done by the state. They refuse to have something Gwen Moore had fought for very hard, which was to have a good evaluation of the program, to be conducted by an independent third party, and to ask questions like: Do we see a result in homelessness, in the increased use of shelters, as a result of W-2? That is not being done.

We have definitely seen an increase in the use of homeless shelters and in food pantries as a result of W-2 in Milwaukee County. There is definitely an increased need for it. Can you make the assumption that it's a result of W-2? Most of the homeless shelters and most of the people who operate the food pantries say yes.

**EIR:** What is Senator Moore proposing to do, or what can be done?

**Bablitch:** Gwen has fought very hard on the forefront, to help their reform work, as she says, making sure that there's things like education, wage-paying jobs versus grant-paying jobs, so you get the benefits of working, Earned Income Tax credit, and we have a state homestead tax credit. We have a Republican administration. We have a Republican Assembly. We have a very slim majority in the State Senate. We just finished our biennial budget proposal. We had a great package and we had to ditch it all. We got a couple things in the final bipartisan version of the budget, both the Assembly and the Senate voted to pass it, by overwhelming majorities, with 70 votes in the Senate out of 99. The Governor vetoed all the provisions that were there to improve W-2, except to increase the grant levels to minimum wage. Legislatively, there's not a lot we can do at this point, until, unfortunately, a tragedy occurs.



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# National News

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## Court rules GM can cut benefits to retirees

The Sixth U.S. Circuit Court of Appeals in Cincinnati ruled on Jan. 7 that General Motors has the right to cut the health benefits of 84,000 retirees, forcing them to pay for a share of their health-care costs. The ruling overturns an earlier three-judge panel decision. If it holds on appeal to the U.S. Supreme Court, it could open the way for U.S. corporations to slash health coverage and other retirement benefits, according to the Jan. 9 *Washington Post*. The Labor Department has sided with the retirees in the case, and is joining other cases across the country to help retirees win back coverage from numerous employers.

Horace Deets, executive director of the American Association of Retired Persons, said the decision gives employers "a free hand to break their promises of health benefits to retirees, assures that no retiree will ever be certain of his or her health benefits, and that no employer will ever have to fear the consequences of breaking faith with its retirees on health care." The decision comes in the context of President Clinton's announcement, earlier in the week, that he will seek to allow Americans who have lost their health insurance but are too young to qualify for Medicare, to buy Medicare insurance, a proposal which has been met with rabid criticism by the Conservative Revolutionaries.

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## Hollinger rag pushes 'new Confederacy'

London's *Sunday Telegraph*, owned by the Hollinger Corp., a British intelligence front, promoted a new Southern secessionist movement (like the last one, nurtured by Britain's oligarchy), in its Jan. 11 issue. Author James Langton fawned nostalgically: "The shadow of the Confederacy has returned to haunt the Deep South. Once again the talk is of freedom from Yankee cultural

imperialism and liberation from the yoke of Washington. The new separatists are the fastest-growing political movement south of the Mason-Dixon Line. Their dream is to weld the old Confederacy in a new nation of 80 million people that would be the third wealthiest in the world."

A map of this new "Confederate States of America," includes the 11 states of Britain's original Confederacy, plus Oklahoma, Kentucky, and Maryland.

Langton praises the Southern League, whose leader, Michael Hill, speaks proudly of what he calls the "Anglo-Celtic" heritage of the Old South, and tells Langton that he expects to see a reborn Confederate nation. The League plans to back candidates in at least a dozen state elections this autumn, and hopes to run a candidate for lieutenant-governor of Louisiana, early next year.

As *EIR* reported on Feb. 28, 1997, the Southern League of Michael Hill and Thomas Fleming were key participants in an event sponsored by the London-based Lord Byron Foundation, which, not surprisingly, also backs the separatist dictatorship of Bosnian Serb war criminal Radovan Karadzic.

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## Ollie North to stump for President?

Oliver North was introduced as a "possible Republican Presidential candidate in 2000," on ABC's "This Week" program by co-host Cokie Roberts on Jan. 11. North is going to New Hampshire this week, a trip he said is being made at the invitation of the Christian Coalition.

North was criticizing the present Republican leadership, claiming that the American people "are looking for somebody in the Republican Party that will stand up for the traditional family values that made our party great, stands up for conservative fiscal principles, and has the courage to stand up to this administration." Later he said that "they're looking for leadership that says, 'we want government off our backs' "—this from the guy who spent his first two years at the National Security Council working with

George Bush to draw up plans for "continuity of government" in the event of nuclear war, or of widespread internal dissent, which included plans for suspension of the Constitution.

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## Oklahoma City jurors score Feds' sloppiness

The foreman of the jury which deadlocked on the sentencing of Oklahoma City bombing defendant Terry Nichols, said in a press conference on Jan. 7 that "the government didn't do a good job of proving that Terry Nichols was greatly involved" in the bombing, and that the government had not made its case beyond a reasonable doubt. The jury had found Nichols guilty of conspiracy and involuntary manslaughter, but had acquitted him of first- and second-degree murder charges.

Niki Deutchman, the jury foreman, when asked about the other "John Does," the suspects who were originally identified, answered: "Thank you for asking about that. I think that the government perhaps really dropped the ball. I think that there were a large number of sightings right around—the week before and the days and months after the bombing—and sketches of people that were recognizable. In this trial, there even was a photograph of someone who may have been involved with mixing the bomb, was putting the bomb together. And that person—it was a photograph from a newspaper—obviously, that person's identity is known."

"I think there are other people out there," Deutchman continued, "and decisions were probably made very early on that Tim McVeigh and Terry Nichols were who they were looking for, and the same sort of resources were not used to try to find out who else might be involved." Later she stressed that the government has an obligation to find anyone else who was involved and to bring them to justice, adding: "I doubt very much that two people—if Terry Nichols was even greatly involved—that two people would have been enough to have been able to carry it off."

### *What Mubarak and Mahathir know*

High-level discussions occurred again the week of Jan. 12 between the governments of Egypt and Sudan. Sudanese State Minister for Foreign Relations Dr. Mustafa Othman Ismail, according to the official Egyptian daily *Al-Ahram*, said that the discussions between him and Egyptian Foreign Minister Amr Mousa, concerned “threats posed to Sudan’s territorial integrity and stability, normalization of relations, water and economic cooperation.” He also revealed that special groups from both Sudan and Egypt have started discussions on the problems between the two countries, especially in trade, irrigation, and security affairs.

The best laid plans of the British Crown, for creating war between the two nations, seem to have gone awry. Even worse for the British, the actions of the Mubarak government are part of an international thrust by moderate Islamic nations, to break free of the controlled environment which British control of terrorists and financial pirates has created.

It was a little more than a year ago, that the moderate Islamic states began to get together around the so-called D-8, or Developing 8, whose initial champion was Turkey’s Prime Minister Necmettin Erbakan. Despite Erbakan’s political demise, the momentum for establishing collaboration among Islamic nations, emphatically including Iran, has continued. The latest example was the summit of the Organization of Islamic Conference, which Iran hosted in December, whose major focus was the enhancement of economic ties, including the international mega-project called the New Silk Road.

The perspective of promoting economic infrastructure projects as a pathway to peace and cooperation within, and among, nations, has also been put forward by President Hosni Mubarak, as he has moved ahead with major water development projects in the last year.

It didn’t take a genius to realize that the British devotees of geopolitics were determined to abort the development perspective of these countries. True, many of the nations involved, even former British colonies, have a maddening susceptibility toward blaming the United States for everything that goes wrong. And, the British apparatus is notorious for

courting the anti-Americans, and exploiting the weaknesses in American policy. But, increasingly, the British role became clear.

The British played a very visible role in coordinating the opposition in Sudan, for example, and in claiming that the Sudanese were behind the 1995 assassination attempt against President Mubarak. At the beginning, the Egyptians relied on British intelligence, but, as time went on, it was clear that nothing that the British had to say, panned out. And every attempt at diplomatic resolution of the divisions in Sudan, was sabotaged by the parties who were taking their cues from individuals like Lady Caroline Cox. The question had to be raised: Was there a dirty game being played here?

The consequences of a threatened Sudanese breakup, in terms of the security of Egypt’s water supply, and the potential for Israeli geopolitical gains in Africa, also could not be ignored.

Add to this the fact that the Egyptians had known for quite some time, that the leaders of the major terrorist groups targetting their state and President, resided in London, and that protests and requests for extradition by the Egyptian government went unheeded—and the suspicions had to be deepened.

At the same time, Malaysia’s Prime Minister Mahathir bin Mohamad, who had been riding the crest of a wave of speculative investment into his nation, also ran directly into the British—specifically, front-man for British financial interests George Soros. Mahathir was for a long time considered acceptable by the Commonwealth, but he was fiercely committed to improving the well-being of his nation. So, when the Soros-led “markets” smashed his nation, he woke up.

Mahathir has subsequently begun to act as a spokesman for his fellow anti-colonialists, damning the immorality of currency speculators who blithely wipe out the hard-won gains of a nation in an orgy of profit-taking. In fact, he is damning the British Empire.

The courage of both men to tell the truth, should be an example to everyone who wants to save this world, finally, from the British imperial scourge.

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