

# EIR

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Gore bombs at APEC, disgraces United States  
Starr fails to make the case for impeachment  
Blair hawks Gulf war to destroy Clinton

**LaRouche: Is western  
Europe doomed?**



*The issue of individual human freedom, is not the issue of "democracy."  
The essence of freedom, is the right to define oneself as a world-historical  
individual—to be a resident of the simultaneity of eternity—rather than  
some self-debased libertarian fool.*

—LYNDON H. LAROUCHE, JR.  
May 28, 1998

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## From the Associate Editor

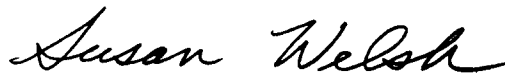
Why should our American readers know or care, what the 45-year-old twerp from England, pictured on our cover (left), says or does? If you don't know the answer to that question, you'd better find out fast—and this issue of *EIR* is thematically devoted to helping you understand how Tony Blair and his “Third Way” have brought the world to the dangerous strategic turning point at which we now find ourselves. And also, we tell you what has to be done to prevent a worldwide catastrophe from unfolding.

Start with our cover story, Lyndon H. LaRouche's “Is Western Europe Doomed?” The answer is, “Yes”—and the United States along with it—unless the axioms underlying Blair's policy offensive are repudiated. So far, LaRouche writes, evil governments, typified by that of Blair, “would rather destroy the world, than give up an inch of their habituated delusions of irrational blind faith in ‘post-industrial’ utopia, ‘free trade,’ and ‘globalization.’ Unless those insane habits are overturned, now, western Europe, the U.S.A., Canada, Australia, and New Zealand, are first on the list for a change of address, to Hell.”

In a challenging theoretical analysis, LaRouche explains why this has occurred, tracing it to the occult principles of empiricism, positivism, and philosophical liberalism, as taught by the 16th-century mephistophelean Paolo Sarpi and his followers.

Other articles in this issue document the current wrecking operations by Blair and his sidekick Al Gore, starting with our report on the Asia Pacific Economic Cooperation (APEC) Summit in Kuala Lumpur. While other nations were striving to put together an economic policy to prevent a descent into a Dark Age, Gore and the British did everything they could to sabotage that effort.

Leading the *International* section, is an analysis of Blair's continuing effort to propel President Clinton into war against Iraq, in yet another flank in the British oligarchy's assault against the American Presidency. Mark Burdman contributes a profile of Blair himself (p. 57), the modern-day version of Ramsay MacDonald, the Labour Prime Minister during the Great Depression, who imposed fascist austerity on his people.



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**Correction:** In *EIR* of Nov. 13, the article on “Brazil’s Cardoso: Double or Nothing on a Losing Bet” gave the wrong units in Figures 5 and 6, on p. 20. Both wheat reserves and corn reserves should have been shown in thousands of tons (not millions).

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## Gore bombs at APEC, as new economic order is on agenda

by Mary Burdman

Speaking in a region in which every nation, with the exception of China, is being devastated by the international financial crisis, the superstitious U.S. Vice President Al Gore had only one thing to offer the Nov. 12-18 Asia Pacific Economic Cooperation (APEC) Business Summit in Kuala Lumpur, Malaysia: the “magic” of the “free market.” In a most disgusting speech delivered on Nov. 16, Gore insisted that the Asia-Pacific nations adhere to his own “deconstructionist” Third Way ideology, and sacrifice all to “global financial architecture.”

Gore did not have it his own way, however.

In his statesman-like speech delivered on Nov. 18, Chinese President Jiang Zemin eloquently stated the truth. He laid the blame for the world crisis squarely on “globalization,” and demanded that every nation, however poor or underdeveloped, be able to determine how to rebuild its economy on the basis of its self-determined national situation and national interests. At the same time, Jiang Zemin demanded that each nation take full responsibility for its own condition, as China is doing — and that the “developed” countries take responsibility to cage the monster of international “hot money” speculation which they unleashed on the world.

Jiang Zemin came to APEC prepared to deliver a crucial policy statement. Days before he arrived, Beijing announced that he would deliver an “important speech” (see *Documentation*).

The two speeches were true to the conditions of economic policy in each country. China, still a developing nation, has in the past year responded to the effects of the world financial crisis, by launching a \$1.2 trillion “New Deal” for construction of infrastructure, industry, agriculture, and enhancing science and technology; the United States, which has already suffered a 50% collapse in living standards due to a “shock

therapy” as brutal as that imposed on Russia, has continued straight into the abyss of the past 30 years of industrial deconstruction.

In his speech, Jiang Zemin set out the essence of the policies China has been developing as the world plunges further into depression. The financial crisis seen already last year, is now affecting the entire world economy, he said. “This crisis has occurred in the context of the international background of accelerated world globalization. This situation has given people all over the world important revelations.” He added that this globalization “provides every country not only with development opportunities, but also creates very serious challenges and risks at the same time. It has also presented countries, especially for developing countries, a new subject to tackle: How to ensure national economic security.”

The only solution to this problem, Jiang Zemin said, is to establish a “just and reasonable new world economic order, in the interests of the common development of all nations.” Part of this must be a “new world financial order which conforms to the interests of all sides.”

### **Invasion of the ‘Third Way’**

Despite his intentions, Gore may perhaps have done something useful. His nastiness might well have shocked other APEC nations’ leaders into steps toward creating a level of cooperation, in pure self-defense, greater than all the previous months of economic devastation has done.

Asians have seen this all before. In January 1996, they were subjected to the “outing” of then-British Labour Party leader Tony Blair (since become Prime Minister), as he manically toured the region touting his “stakeholder society.” Blair’s term, which would appropriately put any literate person in mind of the bloodsucking tendencies of such as Gore

and Blair, has evolved into the “Third Way.” Asian leaders got another such sideshow, when U.S. Secretary of State Madeleine Albright led her State Department minions in a song-and-dance routine to defend mega-speculator George Soros, who had destroyed national finances throughout Southeast Asia, from the attacks of Malaysian Prime Minister Dr. Mahathir bin Mohamad at the Association of Southeast Asian Nations Regional Forum in Kuala Lumpur last July.

The “Third Way” crew came to Kuala Lumpur with a clear intention of breaking up the meeting. Already in early November, regional leaders were urging that the Kuala Lumpur APEC summit focus on the financial crisis and the “revitalization of the Asian economies,” rather than getting sidetracked into unproductive fights over trade liberalization issues. “We agree that the coming APEC meeting in Kuala Lumpur is a very significant one,” the spokesman of Japanese Foreign Minister Masahiko Komura said in Tokyo on Nov. 5, following his meetings in Canberra with his Australian colleague, Alexander Downer. The priority of the Malaysian summit, the Japanese official said, is “to focus on the revitalization of the Asian economies, and we should stimulate the international attention to this.”

Malaysian Prime Minister Mahathir spelled out the framework of this position in his keynote address to the APEC Business Summit on Nov. 15. Speaking on “Restoring Confidence, Regenerating Growth: Managing Globalization Better,” to an audience of 1,150 from countries representing 40% of world trade, Mahathir was explicit: “As host to APEC this year, Malaysia feels a strong sense of responsibility that the meeting should help tackle the current economic problems. As we approach a new millennium, it is imperative that we devise and put in place a better economic and financial regime,

now referred to as architecture, for the world. Some of these will be the result of technological progress, but others will reflect the emergence of new commercial and sociological ideas and values. With your indulgence, I would like to take this opportunity to discuss the present architecture or lack of it as manifested by the anarchical and unregulated capital flows in the international monetary system. In doing so we must not be tied down by fanatical beliefs which act as mental blocks to our recognition of the facts involved.”

In his conclusion, Dr. Mahathir took on the radical monetarists, epitomized by Dow Jones, Inc., and specifically by *Wall Street Journal* Editor Robert Bartley, who called on China to indulge in “creative destruction” of its economy in his Oct. 23 editorial. Mahathir said, “Creative destruction is not the way. We can build on what we have instead of destroying and expecting the phoenix to rise from the ashes.”

### **Gore’s shoddy-goods agenda**

But from the onset, the U.S. delegation, of Gore, Secretary of State Albright, and U.S. Trade Representative Charlene Barshefsky, supported by Canadian officials, insisted on liberalization measures so stark that even Japan, as integrated as it has been into the Group of Seven “bail out the mega-bubble” and radical free trade agenda, balked.

Barshefsky’s shrill Japan-bashing during the ministerial pre-meetings on APEC’s Early Voluntary Sectoral Liberalization, followed by Albright’s splashy, well-publicized meeting with the wife of fired Malaysian Deputy Prime Minister and Finance Minister Anwar Ibrahim, anticipated Gore’s public self-destruction before an audience including the Malaysian Prime Minister and top officials on Nov. 16.

Gore reiterated all the worn-out phrases — “poor transpar-

## **Al Gore suffers foot-in-mouth disease**

November 17, 1998

Gore goofs again. Vice-President Al Gore’s address to the recent APEC meeting, has been fairly described by one Malaysia official, as the “most disgusting thing I have heard.” Those familiar with Gore would caution Asians not to overreact to such vintage Gore diplomacy: “What better should you expect from a Cigar-Store Indian?” Others might argue that Gore is a notorious sufferer from a relevant childhood infection, foot-in-the-mouth disease.

As to the implications of Gore’s shoddy performances for the future, I would point out to Asians worried about

the implications of Gore’s pretending to become the next U.S. President, Clinton would beat pretender George W. Bush, Jr. hands-down, but Bush would easily humiliate Gore. Bush’s advantage would be, that he is smart enough, so far, almost never to repeat his father’s frequent mistakes, never to put himself in a quotable position before cameras, on an important issue of public controversy.

Next time President Clinton seeks a moment of sweet relief in the White House environment, by shipping both Al Gore and Secretary “Meddling” Albright out of the country, he might send them some place where the blow-back would be minimal, such as to promote the export of U.S.-grown bananas, and of U.S.-made turtle-neck sweaters, on the sunny Galapagos Islands. Those beaches, such as they are, would offer Ms. Albright the opportunity to sing and dance to her heart’s content, without inviting the international publication of embarrassing comments from the local music critics. — *Lyndon H. LaRouche, Jr.*



*China's President Jiang Zemin (left) and Malaysia's Prime Minister Dr. Mahathir bin Mohamad. At the Asia Pacific Economic Cooperation Business Summit in Kuala Lumpur, both leaders rejected the "globalization" policy, which is plunging the world economy into chaos.*



ency," "contagion," "cronyism," "corruption"—that have been used for more than a year to try to cast the blame for the world financial debacle on the nations most devastated by it, rather than on the insane financiers of the City of London and Wall Street, where it belongs.

Gore's central demand is for "free markets everywhere." He praised the International Monetary Fund (IMF), the World Bank, and the Asian Development Bank for their pathetic \$65-billion package (of which these grasping misers have disbursed only \$44 billion all year), to be shared into fragments among Asia nations, while Indonesia and South Korea alone are each burdened with well more than \$100 billion in bad debts. Like a voice from France's doomed *ancien régime*, Gore announced "let them eat cake," by proffering \$10 billion of "aid" and "trade financing" sponsored by the United States and Japan.

He then insulted leaders of nations, such as Russia, whose economies have been destroyed by years of murderous free-market "shock therapy." Gore proclaimed that "ultimately, our best hope is to allow free markets to work their magic." In Russia, that "magic" has already unleashed a holocaust, as the population has fallen by more than 1 million a year since 1992; many more could lose their lives this winter. Russian Prime Minister Yevgeni Primakov was, along with the leaders of Vietnam and Peru, participating in the APEC summit as a full member for the first time.

Gore demanded that Japan, whose machine-tool exports alone have dropped by at least 50% just since last year, carry

on its economic suicide, with "bank reform, . . . [by] deregulating key economic sectors, and by opening more markets."

### **'The market' rampant**

Gore then revealed what "Third Way" advocates mean with their demands for "transparency": That the "markets," the domain of such criminal speculators as Soros and the rest of the hedge-fund mafia, have the right to dictate policy to any and every government on Earth. As the past year has demonstrated in Indonesia, Gore's markets are killers.

"We need a global financial architecture that is as open and inclusive . . . as today's high-speed, hyper-linked information economy," Gore proclaimed. "Today's economy operates on the information standard. A *nation's economic power comes from votes of confidence cast constantly in markets around the world that evaluate every government's policies every day*, through billions of transactions. If investors think you're playing fiscal games, or if a nation's financial standing is hidden in a dense fog of secrecy or confusion, or distorted by corruption, then interest rates climb almost instantly.

"Our governments, banks, and businesses—as well as global institutions like the IMF, the World Bank, and the WTO [World Trade Organization]—must also open more of their activity to public scrutiny. Openness, transparency, and greater disclosure are the surest path to economic strength and investment from around the world" (emphasis added).

Finally, Gore outlined what must be called "Going down



Jakarta way,” betraying an ignorance or insensitivity to more than 1,200 victims of violent demonstrations and riots, in his fulsome embrace of “democracy.”

Gore concluded: “People will accept sacrifice in a democracy, not only because they have had a role in choosing it, but because they rightly believe they are likely to benefit from it. . . . The message this year from Indonesia is unmistakable: People are willing to take responsibility for their future—if they have the power to determine that future. . . . Democracy confers a stamp of legitimacy that reforms must have in order to be effective. And so, among nations suffering economic crises, we continue to hear calls for democracy and reform in many languages—‘people’s power,’ ‘*doi moi*,’ ‘*reformasi*.’ We hear them today—right here, right now—among the brave people of Malaysia.”

Gore promptly left the venue, adding insult to injury to the businesspeople and government officials who sponsored this special event, and brought down on the United States an official letter of protest from the Malaysian host government, issued by Foreign Minister Abdullah Badawi, in which Malaysia warned that the United States must be held accountable for its incitement to instability (see *Documentation*).

Malaysian Minister of International Trade and Industry Rafidah Aziz bluntly summed up Gore’s performance as “the most disgusting speech I’ve ever heard in my life!” (See *Documentation*.)

### **A just and reasonable new order**

Gore and company may have done their best to break up the APEC meeting, but the speech of Jiang Zemin raised a perspective for resolving the crisis.

As Lyndon LaRouche has stated in his “New Bretton Woods” proposal, well-known among the APEC nations, sovereign nation-states alone have the capacity, as well as the power, to reorganize the world financial system and launch the great projects which can re-start the world’s physical economy.

Jiang Zemin based his proposal on national sovereignty. He warned the industrial nations that they are not immune to the financial crisis. The only answer is to reform the “inequitable and irrational old international economic order.”

“A new world financial order which conforms to the interests of all sides,” must be established, Jiang said. Industrial nations must take responsibility to adopt financial policies to promote real economic growth, while also helping the crisis-stricken countries; the big nations, with the power to do so, must regulate capital flows and curb “hot money” speculation. And, this must be done on the sole basis of the sovereign decisions of the nations involved. “There is no, and cannot be, a fixed model or a similar remedy” for all nations, he said.

Jiang Zemin concluded by describing the importance of promoting economic and scientific and technological cooperation among the APEC nations, noting specific measures be-

ing taken by Malaysia and China. “Liberalization is also important for APEC,” he acknowledged, but only “at a pace and in a mode suitable” to each nation’s conditions, “on the basis of voluntarism, flexibility, and pragmatism.”

Indeed, under such conditions, the Asia-Pacific would have a real chance for the “broad and bright prospect” Jiang Zemin foresees.

China’s leaders have lost patience with such effrontery as Gore’s. In their meeting on Nov. 16, Jiang Zemin lectured Gore on the long-established principles of the U.S.-China relationship, based on U.S. recognition of Chinese sovereignty in Tibet and Taiwan. The Tibetan Dalai Lama had just been received in the White House, by President Clinton as well as Gore and Albright, at the same time that U.S. Energy Secretary Bill Richardson was in Taiwan, where he met with Taiwanese President Lee Teng-hui and other senior political officials. While calling for the United States and China to “seize the current opportunities and establish a constructive strategic partnership,” Jiang Zemin stated that the “so-called Tibet issue is a product of imperialist aggression against China. . . . Some anti-China forces in the world have been using the issue to exert pressure on the Chinese government and their intention is quite obvious.”

In Kuala Lumpur on Nov. 19, Chinese Foreign Minister Tang Jiaxuan ironically “welcomed” the proposed U.S.-Japanese \$10 billion joint aid package, adding, however, that “such countries should have made these contributions long ago. . . . This is their responsibility as developed countries, which should not be pushed onto others.” China itself announced a \$4.5 billion aid program of its own for APEC member countries on Nov. 18. Tang Jiaxuan then expressed his opinion of Gore’s behavior. The Chinese “think that countries should all deal with each other on a principle of mutual equality and not interfere in each other’s internal affairs. We think the things Gore spoke of, were the internal affairs of Malaysia,” he said. “While it’s not for China to comment on what Americans say, the Chinese government and the Chinese people will never, ever, make irresponsible comments on the internal affairs of other countries.”

### **Regional meetings**

The APEC summit will be followed by intense regional diplomacy. In this context of bilateral national meetings, it is possible that more fruitful discussions of a new, just world economic order could be undertaken.

Central to this diplomacy will be the visits of Jiang Zemin to Russia and to Japan. Jiang Zemin will visit Moscow beginning on Nov. 22, and will then go to Novosibirsk on Nov. 25, where he will visit the Institute of Nuclear Physics in the Akademgorodok. This visit to Russia is being seen as of extreme importance, in order to give specific content to the two nations’s established strategic partnership. Among other things, Chinese Foreign Minister Tang Jiaxuan said that the two nations’ leaders will discuss the financial crisis, imple-

ment existing economic agreements, and seek new outlets for growth through diversifying current trading structures.

Jiang will then go on directly to Japan Nov. 25 for a five-day visit, including to commemorate the 25th anniversary of the establishment of relations between the People's Republic of China and Japan. This is the first visit of any Chinese President to Japan.

At the APEC meeting itself, participating nations exchanged a number of invitations for bilateral meetings. Those already accepted for the coming period, are: Jiang Zemin to Australia and New Zealand; Japanese Prime Minister Keizo Obuchi to Malaysia and Thailand; Prime Minister Mahathir to Singapore; and Indonesian Prime Minister B.J. Habibie to Australia, his first bilateral visit since he took office. In addition, Russian Prime Minister Primakov will visit India, on Dec. 6-8.

Obviously, a key provision for the potential success of such meetings, is that no one invite Al Gore.

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## Documentation

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# China's President Jiang Zemin addresses APEC

*Here are excerpts from President Jiang Zemin's speech to APEC, on Nov. 18, as reported by People's Daily. Subheads have been added.*

... At the Vancouver [APEC] meeting last year, the financial crisis in some Asian countries aroused wide concern among nations among the members of APEC.

Now a year has passed, but the ramifications are still spreading out, not only bringing serious economic difficulties to some countries and regions in Asia, but also affecting the entire world economy. This crisis has occurred in the context of the international background of accelerated world globalization. This situation has given people all over the world important revelations.

Economic globalization has become a trend as the result of the economic, scientific, and technological development in the present world. It provides every country not only with development opportunities, but also creates very serious challenges and risks at the same time.

It has also presented countries, especially for developing countries, a new subject to tackle: How to ensure the economic security of a country.

The trend of economic globalization requires active participation of nations in international economic cooperation.

However, countries should expand their opening up programs in light of their concrete national situation, in an orderly and step-by-step manner. At the same time, nations must consistently increase their capability to prevent and withstand risks.

The trend of economic globalization has made national economies more and more interdependent and interactive. Once a financial crisis breaks out in certain countries or regions, not only will developing countries suffer immensely, but the developed countries will also find it difficult to stay out of the crisis.

A globalized economy calls for global cooperation. All members of the international community should work together to maintain steady development of the world economy in the spirit of sharing responsibilities and risks. The trend of globalization is emerging and developing in a context where there is no fundamental change in the inequitable and irrational old international economic order, which has not been reformed. This will inevitably widen the gap between the rich and poor countries.

The ultimate solution to this problem is to work for the establishment of a just and reasonable new world economic order, in the interests of the common development of all nations.

At the moment, the international community has a common concern about how to curb the ramifications of the financial crisis at an early date and prevent a world economic regression. In order to promote steady development of the international financial sector and establish a new international financial order, I would like to put forward three proposals:

### Three proposals

1. To strengthen international cooperation, prevent the spread of crisis, and create a favorable external environment for the economic recovery and growth of the crisis-stricken nations and regions. The developed industrial countries have to take the responsibility, to adopt financial and currency policies to promote economic growth, expand internal demand and imports by means of fiscal and monetary policies, and refrain from resorting to trade protectionism. At the same time, they should increase financial assistance to the crisis-stricken countries, and take appropriate measures to reduce their debt burden in an effort to help them stabilize finances and rebuild their economies. In this way, the industrial nations will not only help these countries tide over the difficulties, but also serve their own interests.

2. To restructure and improve the international financial system and ensure safe and orderly operation of the international financial markets, these big powers with influence in international finance are duty-bound to take effective steps to improve the supervision and regulation of international capital flows and contain the excessive speculation with international hot money, and establish warning and emergency measures.

It is essential to deliberate on the establishment of a new world financial order which conforms to the interests of all sides, through dialogue and consultation between developed and developing countries in compliance with the principles of equality and mutual benefit and on the basis of extensive participation of the international community.

I agree that the APEC Finance Ministers meeting should study the questions related to the restructuring of the international financial system and put forward relevant proposals.

3. To respect the independent choices made by any countries or regions on overcoming the crisis. The countries and regions stricken or affected by crisis differ in their level of economic development and historic traditions, and also differ in the causes and course of the financial crisis. Therefore, there is no, and cannot be, a fixed model or a similar remedy for them all to come through the crisis and revitalize their economies. Instead, they should be given support in taking measures in light of their own situation.

The international community and international organizations should respect the right of a country to make decisions

on its own, and help lift itself out of the difficulties as rapidly as possible, through consultation on an equal footing. Developing countries, and particularly countries and regions stricken by the crisis, should make the necessary realignments of their economic structure and policies in light of their own conditions, properly handle the large problems of their economic development, and increase economic dynamism by taking full advantage of favorable conditions, both internal and external.

### China's initiatives

The financial crisis has also brought negative effects and great pressure on economic development in China. The Chinese government has assumed a highly responsible attitude. China has provided assistance to the relevant countries within the IMF [International Monetary Fund] agreements and through bilateral channels. Proceeding from the overall interests of maintaining sustained economic growth and international economic development, China has made the decision to not devalue the RMB [China's currency], for which, China

## Neme Salum says, Clinton must bring in LaRouche

In his weekly financial column in the Mexican daily *Excelsior* on Nov. 9, José Neme Salum reiterated that President Clinton should appoint Lyndon LaRouche as his economic adviser.

"People have questioned those — among them, this columnist — who have joined the campaign calling upon Clinton to appoint as his adviser, the U.S. economist, physicist, geometer, musician, politician, and historian, Lyndon LaRouche," Neme wrote. "The answer as to why, is simple: that person has demonstrated over the course of the last three decades that he is capable of 'understanding the universe,' as his nine successful economic forecasts over that period prove, the last of them — presented in August 1994 — referencing the systemic crisis which oppresses, and threatens to finish off today's civilization."

When Neme refers to "understanding the universe," he is speaking of a quote from Gottfried Leibniz, taken from a letter to the Princess Elector Sophia on Nov. 4, 1696, with which he opened his column. The quote, Neme wrote, was written by the "philosopher, geometer, physicist, jurist, economist, and historian — that is, the genius! — Gottfried Leibniz." There, Leibniz wrote that the most elevated of all souls, are those capable of understanding true eterni-

ties, those capable of representing the universe, and having "distinct ideas" of its beauty and magnitude, and of God Himself.

Neme reminded his readers that one year ago, certain Mexican authorities, under pressure from Wall Street and other financial groups, had taken steps to prevent LaRouche from visiting Mexico, "despite the fact that he had been invited by industrialists, academics, students, journalists, and citizens in general." Neme added: "People had to be satisfied, after being stripped of their rights by the cowardly attitude of authorities, with having contact with LaRouche only by a telephone hook-up to a conference, and to having access to some of the man's wisdom through very few media, fortunately one among them, *Excelsior*." Had Mexicans at that time listened to the "advice of this genius of our day, on how to avoid these cutbacks and greater sacrifices of people," Neme argued, perhaps Mexico would be today in the lead of countries headed toward a New International Order, such as China and Malaysia.

Providing his readers with an update on LaRouche's evaluation of the current status of the world battle for global economic justice (in the course of which he strongly defended Malaysian Prime Minister Dr. Mahathir bin Mohamad, whose name, he wrote, has become synonymous with the struggle against today's colonialism, called globalization), Neme recommended that his readers get ahold of LaRouche's article, "Time to Tell the Truth," published in *EIR*, Oct. 16, 1998, and in No. 20 of *EIR*'s Spanish edition, *Resumen Ejecutivo de EIR*.

has paid a high price. Having won a battle against catastrophic floods this summer, we are now going ahead with more in-depth reforms, adopting active fiscal policies, increasing input for infrastructure construction and boosting domestic demand in an effort to achieve this year's objective of social and economic development. APEC, as the most important international economic organization in this region, must adapt to the new situation, persist in narrowing the gap and realizing the objective of common prosperity through economic cooperation, and make timely realization of the priority areas for cooperation, so as to better meet the needs of the developing members, which make up the majority of APEC's membership.

At present, it is more important than ever to stick to the APEC approach, characterized mainly by respect for diversity, voluntarism, and consensus-building. APEC should make its own contribution to increased regional stability and prosperity, by adhering to this approach.

Promoting economic and technological cooperation (Ecotech) among its members is a major task of APEC and a primary way to common development. In the world of today, science and technology are progressing with each passing day, and the knowledge economy is unfolding. To redouble the efforts to develop advanced and new technology, and speed up economic restructuring, are the only way to promote a long-term and steady development of the economies of APEC members. We are glad to see the formulation by APEC of the APEC agenda for Science and Technology Industrial Cooperation in the 21st Century, and Skills Development Action Plan this year, under the chairmanship of Malaysia, the host country. They represent a major step by APEC members toward enhanced Ecotech.

China attaches great importance to and supports the implementation of these two important documents. As an expression of this, the Chinese government has set aside US \$10 million to establish the China APEC Science and Technology Industry Cooperation Fund for the purpose of financing cooperation between China and the other APEC members in the field of science and technology industry. China has put forward a series of proposals on cooperation projects. China has also set up a China APEC Enterprises Assembly to promote enterprise participation in APEC activities.

Promoting trade and investment liberalization is another important task of APEC. Thanks to concerted efforts of all members, positive progress has been made and will continue to be made in this area. In the current circumstances, it is important to pursue an active and prudent policy, and its members should be allowed to make efforts toward the realization of this goal—trade and investment liberalization—at a pace and in a mode suitable to their own conditions and in accordance with the two timetables on the basis of voluntarism, flexibility, and pragmatism.

The current difficulties facing some Asia-Pacific coun-

tries and regions are temporary ones. I believe that there is huge economic vitality and development potentiality in the Asia-Pacific region. As long as we work together to increase cooperation and surmount difficulties, the economic and social development of this region will have a broad and bright prospect.

## Officials, businessmen protest Gore's outrage

**Malaysian Foreign Minister Abdullah Haj Ahmad Badawi**, from a statement released by the Ministry of Foreign Affairs on Nov. 17, in response to Vice President Al Gore's remarks on the internal situation in Malaysia on Nov. 16:

Malaysia rejects as most unwarranted the provocative remarks made by U.S. Vice President Al Gore and the White House. Malaysia views them as gross interference in the internal affairs of the country and a brazen violation of the basic tenets of relations between sovereign states. We view these remarks were based willfully on one-sided views of developments in the country.

Malaysia finds the incitement by the U.S. government to lawlessness by certain elements within the country to use undemocratic means in order to overthrow a constitutionally elected government, most abhorrent. The action by the U.S. patently is not to advance the cause of democracy and the rule of law, but to serve its narrow political agenda. All its preaching about democratic principles ring hollow and must be seen for what it really is.

Malaysia wishes to remind the U.S. that the system of government in Malaysia has evolved out of Malaysia's historical experiences and [has been] expressed through constitutional and democratic means. Malaysians do not take kindly to sanctimonious sermonizing from any foreign quarter, especially the United States, a country which is known to have committed gross violations of human rights.

Malaysians hold dearly the harmony and stability which they have painstakingly built up through the years in their multiracial nation. Malaysians would hold the U.S. accountable for any rupture of this harmony arising from this irresponsible incitement.

**Malaysian International Trade and Industry Minister Rafidah Aziz**, reported by *The Star Online* on Nov. 17:

"The most disgusting speech I have ever heard. . . . And I hope I never live to hear another one again like that. . . . We are doing our best in this part of the world. We do not play politics with economic recovery." Gore's speech "spoil the whole APEC meeting and ABEC functions. . . . I can imagine

the embarrassment of the U.S. community here, they are totally flabbergasted.”

“... There are narrow-minded people in this world and we have to expect it, but, certainly, it reflects unabashed intervention into local affairs and, unfortunately, he did not even understand what is going on in this country. And, to talk about people power when demonstrations are taking place in Indonesia, where lives were lost, and condoning that?”

“... For heaven’s sake, try to understand what is really going on in this country before you open your mouth and put your big foot into it.”

### **APEC businessmen react to Gore**

As reported by the *New Straits Times* on Nov. 20, Gore’s abrupt departure after his speech, prior to the closing dinner of the APEC Business Advisory Council, was also seen as a slap in the face to the more than 1,100 local and foreign CEOs who underwrote the three-day conference and much of the APEC conference itself.

Former Malaysian government official and Sungei Way Group of Companies corporate adviser **Tan Sri Ramon Navaratnam** could not contain his revulsion when asked by reporters to comment. He described Gore as “*kurang ajar*,” and then translating, said: “I cannot find a more suitable term in English other than bad breeding, arrogance and insensitivity.”

**Tan Sri Dr. Noordin Sopiee**, chairman of the Institute of Strategic and International Studies, Kuala Lumpur, took out a full-page ad in the leading daily, *New Straits Times*, on Nov. 18, as “A very personal statement”: “As a Malaysian, I am fed up with stupid, ignorant, *kurang ajar* idiots insulting my country. Mr. Gore should not only have left the meeting room immediately after insulting us. He should have got on the plane and left the country. And he should not come back until he has learnt some manners.”

**Richard Holwill**, co-chairman of the Asian Task Force of the U.S. Chamber of Commerce and International Affairs director of Amway Corp., apologized for Vice President Gore’s Nov. 16 speech, saying it was “ill-informed and indicative of an inexcusable ignorance of the objective facts of the situation here. His interference in an ongoing domestic political and legal dispute was unwarranted and absolutely inappropriate.” Holwill served as U.S. Ambassador to Ecuador during 1988-90. “Most disturbing,” Holwill added, “his decision to make those statements at an international forum where several international statesmen were prepared to discuss important issues, trivialized the power and influence of the U.S. In doing so, the Vice President demonstrated . . . that he is simply unqualified to represent, much less lead, the nation.”

**Philip Burdon**, co-chairman of the APEC Business Advisory Council: “I question the U.S. Vice President’s judgment in bringing a political debate into an economic forum.”

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## A Passion For Innovation

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# Russian editor’s views on publishing LaRouche

by Rachel Douglas

Members of a Schiller Institute delegation that visited Moscow in October noted that the Russian press is still remarkably quiet about the financial crisis abroad. Even after Aug. 17, when Russia was at the epicenter of a global financial earthquake, the media treated it as a “Russian” crisis, not a global and systemic one. An exception is the articles of Prof. Taras Muranivsky in the weekly *Ekonomicheskaya Gazeta*, issued under the editorship of Aleksandr Chekalin, who also puts out the newspaper *Razvitiye*.

*Ekonomicheskaya Gazeta* was the only Russian publication to publish a translation of Malaysian Prime Minister Dr. Mahathir bin Mohamad’s landmark address to the International Monetary Fund meeting in Hong Kong in September 1997, in which Dr. Mahathir reflected on the deceptions of the “free trade” model underlying the so-called Asian Tiger economies, and called for currency speculation to be banned. From *Ekonomicheskaya Gazeta*, Mahathir’s text came to circulate widely among Russian lawmakers, in the bulletin of the Federation Council staff’s Department of Information and Analysis. Muranivsky’s articles have dealt with the phenomenon of derivatives trading as a new dimension of the global “bubble” economy, the failure of leadership to address the systemic nature of the crisis, including in the new framework of the Group of 22 nations, and Lyndon LaRouche’s New Bretton Woods policy alternative. Most recently, *Ekonomicheskaya Gazeta* carried LaRouche’s eight-point “emergency action program,” written Sept. 27, titled “What Each Among All Nations Must Do Now.”

In the Nov. 5 issue, *Ekonomicheskaya Gazeta* presented the full text of an interview, in which Mr. Chekalin answered questions from Karl-Michael Vitt of the Schiller Institute and Professor Muranivsky. Chekalin explained his attraction to LaRouche’s ideas, as flowing from his education and journalistic career in the Soviet period. “The education I received in the Soviet school system, and then at Moscow University,” he said, “made me be always attracted to things new—to change, which is, if you will, the only constant factor in our life. As a newspaper man, I was in on the ground floor of most of the economic experiments, conducted in

the Soviet Union during its last two decades, before 1991. Innovation was, in general, an organic feature of Soviet life. For that reason, when one of the publications of the Schiller Institute came my way, and it presented LaRouche's ideas, I sought out the representative of this institute in Russia, Dr. Taras Muranivsky. It turned out that he and I had a mutual acquaintance, Pobisk Kuznetsov, who had tried to introduce in the U.S.S.R. a management system based on the 'millionik' [per million] principle. He had even developed a program of this sort for the Moscow region, using physical indicators, for the purpose of precluding the production of superfluous, unnecessary items. Some time later, I wrote an article under the somewhat pretentious headline, 'Kuznetsov Finds a Co-Thinker in an American Prison,' referring to the fact that he had found LaRouche, who was persecuted, in effect, as a dissident. We even published a special appeal to the Congress and the President of the U.S. in defense of this American scientist."

### **An independent publication**

Aleksandr Chekalin and some of his staff were veterans of *Stroitel'naya Gazeta*, a newspaper associated with former Soviet construction industry. He emphasizes the independence of *Ekonomicheskaya Gazeta*, which is published "with only the funds we receive from subscriptions. We have no financial support from banks, Gazproms, state institutions, parties, intelligence services—not directly, not indirectly (through share-holding or advertising). Thank God that we don't. This makes it possible to analyze objectively, without looking over our shoulders at some 'masters,' to analyze and evaluate what is happening with companies, banks, parties, in the country, and in the world at large."

The editor "confesses," as he puts it, that both *Ekonomicheskaya Gazeta* and *Razvitiye* exist "chiefly to provide a breath of oxygen—to allow certain contemporary Russian geniuses to be heard in public," among them the social theorists Andrei Shusharin and Spartak Nikanorov. "Today, we also have in our pages the original views and fresh, constructive ideas of the American economist and politician Lyndon LaRouche, and his Russian associate, Professor Muranivsky."

In politics, Chekalin calls himself a communist, referring to ideals that he cherished as a youth in the Soviet Union, and still does. His reflections on this background bring to mind LaRouche's essay "Russia's Relation to Universal History," a "Letter to a Russian Friend," which appeared in the Nov. 29, 1996 *EIR*, and has just been issued in Russian, in Bulletin No. 9 of the Schiller Institute for Science and Culture. LaRouche wrote, "Russians, especially old Bolshevik patriots, might argue, that Lenin was necessary, to the degree that the corrupt Czarist institutions had virtually destroyed the possibility that anyone existed, apart from Lenin's Bolsheviks, who could govern in the chaotic conditions created by Russia's foolish western alliance for the war against

Germany. They would argue, that Bolshevism, for all its faults, like Shakespeare's Othello, 'had done the state some service,' a fact, which in all honesty, honorable men, in Russia, or abroad, could not deny. Such Russian patriots would wish it to be said, that, Russia, in its so-called 'Marxist' incarnation, has also died. They would have it said, that Lenin's and Stalin's Russia died of the side-effects of the Bolshevik medicine which had saved it from dismemberment earlier. Those patriots would insist that the tale be told fairly, that it be granted, that there were certain achievements, some of heroic dimensions."

LaRouche had begun his in-person dialogue with representatives of the Russian intelligentsia on the same note, telling a seminar at the Institute for Scientific Information of Social Sciences (INION) in April 1994 (*EIR*, May 13, 1994) about the value of reflecting on the "period of intensive postwar reconstruction" beginning in 1945. "A great part of an entire stratum of the Russian population was destroyed in war," said LaRouche, "yet, despite all of the problems that this represented, there was in Russia, despite all of the horror, everything one can criticize, there was a spirit of reconstruction. . . . The spirit of reconstruction was maintained around the world, into approximately the middle of the 1960s."

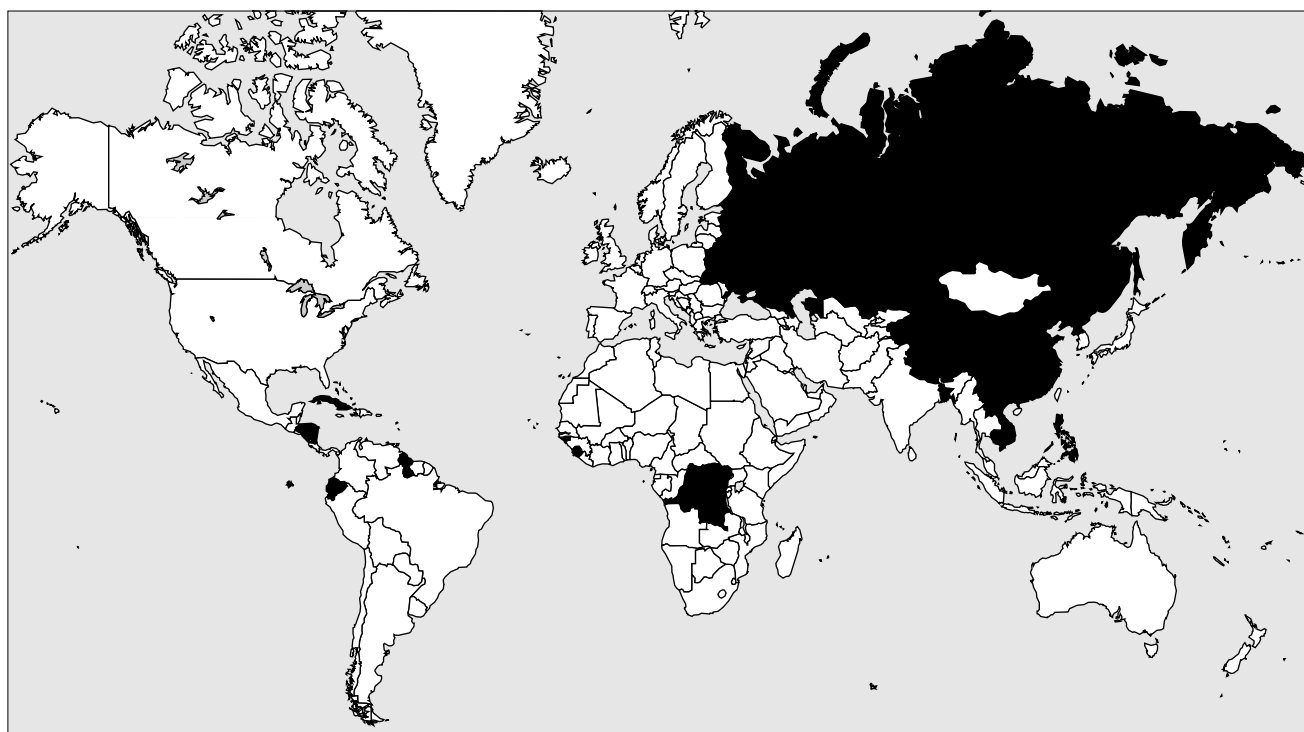
Chekalin talked in his discussion with the Schiller Institute representatives, about later echoes of that spirit. "As I said before, while working at *Trud*, *Stroitel'naya Gazeta*, *Pravda*, *Razvitiye*, and *Ekonomicheskaya Gazeta*, I often encountered innovators, and still do. In Soviet times, there were plenty of them. Just look at the fact that major, central newspapers would each receive a million or more letters from readers. Not only letters with complaints about various disorders and offenses, but—and there were many more of these—letters with proposals about how to improve the management of production in the Soviet Union, or science, or social relations, and many of these letters really did help to change life for the better. . . . I was always in contact with innovators and experimenters, and caught the spirit of change from them—a spirit of transformation. In general, communism and the practice of innovation, in my opinion, are inseparable things, things of the same order. As a communist, I try to seek out new ideas, wherever they might be put forward, and by whom. All the more so, insofar as I am editor-in-chief of the newspaper *Razvitiye* ["Development"], and development is probably a fundamental category."

In Chekalin's view, "The new Russian government could take LaRouche's ideas seriously—all the more so, in that some elements of his physical economy are genetically close to methods of management, which proved their effectiveness in several instances in Soviet economic practice. . . . Humanity is not so intellectually rich, as to overlook the pearls right in front of us. . . . In any event, LaRouche's ideas will not be wasted. If not in the U.S., then, perhaps, they may be used in Russia in one way or another."



FIGURE 2

**Poor crop prospects, fall 1998—22 countries**



**Poor harvests in 22 nations, fall 1998**

Location	Harvest date	Main contributing factor	Location	Harvest date	Main contributing factor
<b>C.I.S.</b>			<b>Africa</b>		
Belarus	July-Oct.	Adverse weather	Congo	Sept.-Oct.	Strife
Kazakstan	July-Oct.	Adverse weather	Guinea Bissau	Oct.-Nov.	Strife
Moldova	July-Oct.	Adverse weather	Sierra Leone	Sept.-Dec.	Strife
Russia	July-Oct.	Adverse weather	Suriname	Sept.-Oct.	Drought
Ukraine	July-Oct.	Adverse weather			
<b>Asia</b>			<b>Central and South America</b>		
Bangladesh	Nov.-Jan.	Floods	Cuba	Sept.-Dec.	Input shortages, drought, reduced plantings
Cambodia	December	Drought	Ecuador	May-Sept.	Poor weather, reduced plantings
China	Nov.-Dec.	Floods	Guyana	Sept.-Oct.	Reduced plantings, drought
Laos	Nov.-Dec.	Drought	Honduras	Sept.-Oct.	Hurricane, floods
Nepal	Nov.-Dec.	Floods, landslides	Nicaragua	Sept.-Dec.	Hurricane, floods
North Korea	Sept.-Dec.	Reduced inputs, poor weather			
Philippines	Aug.-Sept.	Drought			
Viet Nam	October	Drought			

Source: U.N. Food and Agriculture Organization.

Thatcher period. Output potential was undermined for crops (low rates of fertilizer application, and other inputs), for live-stock (numbers have fallen by 30-45%), and import-dependence was enforced. Then, as of Aug. 17, with the devaluation of the ruble and other financial measures, imports suddenly stopped. At the same time, the nation was hit by severe drought early in the crop year, then fierce rains during harvest.

The 1998 grain crop is a 50-year record low!

If the United States follows up its food aid package for Russia, announced earlier this month, with a traditional Food for Peace approach of combining aid to build up Russia's agriculture, along with humanitarian relief, then a strategic path is shown to how nations can collaborate to reverse the breakdown process shown on these maps.



## Bloodbath for the hedge funds

*Federal Reserve Board Chairman Alan Greenspan is feverishly trying to salvage the unsalvageable.*

In a letter to shareholders dated Oct. 23, financial warfare specialist George Soros announced a restructuring of his \$20 billion Soros Fund Management hedge fund empire, following \$2 billion in losses, primarily on Russian investments. Soros announced that he was closing his Quantum Emerging Growth Fund, which has lost about one-third of its value this year, dropping it to \$1.5 billion in assets. Soros also announced that his Quasar International Fund, down 18% for the year to \$969 million in assets, would be merged into another Soros fund, the \$2 billion Quantum Industrial Holdings Fund. In addition, the London-based manager of Soros's Quota Fund, Nick Roditi, is stepping down due to "illness."

Soros Fund Management also lost heavily on its U.S. stock holdings, reporting in a filing with the U.S. Securities and Exchange Commission that its U.S. stock portfolio was worth \$3.9 billion on Sept. 30, 1998, a 50% decline from the \$8 billion value reported the previous quarter.

Julian Robertson's Tiger Management hedge fund also suffered heavy losses in the wake of the Russian crisis. Tiger's funds lost \$2.1 billion in September and \$3.4 billion in October, a two-month loss of \$5.5 billion, dropping the fund's assets to \$17 billion. Tiger lost nearly 10% of its value on Oct. 7 alone, when the dollar fell sharply against the yen.

The third quarter was a disaster for the hedge funds, and the financial system as a whole. MAR/Hedge aptly described August as a "bloodbath" for the hedge funds as a whole, with 75%

of the funds reporting losses. Most of the funds which managed to turn a profit, did so by going short, betting on falls in the markets.

Among the big funds, according to Managed Accounts Reports, Soros's Quota Fund declined 24% during the third quarter, followed by drops of 21% at his Quasar International Fund, 20% at his Quantum Dolphin Fund, 16% at his Quantum Industrial Fund, 13% at his Quantum Emerging Growth Fund, 10% at his Asian Infrastructure Development, and 5% at his Realty Trust fund; Robertson's Tiger Fund lost 7% and his Jaguar Fund lost 6%; and Leon Cooperman's Omega Overseas Partners lost 21% of its value. Quantum Fund lost 2.9%

Even harder hit were the Everest Capital funds: The Everest Capital Frontier LP and Everest Capital Frontier Ltd. funds lost 61% of their assets in the third quarter, and the Everest Capital International fund lost 42%. Other big losers among the funds with assets in the hundreds of millions of dollars, included the Oscar Investment Fund, down 54%; the Appaloosa Investment I and Palomino Funds, each down 43%; the Latinvest Fund, down 33%; the Apam High Performance Capital Fund, down 32%; and the Infinity Investors fund, down 28%.

In August, three hedge funds run by McGinnis Advisors filed for bankruptcy protection when they could not meet margin calls from their bankers. And numerous other funds were forced to liquidate significant portions of their holdings to meet similar calls.

The banks were also hit hard during the third quarter, with the market

capitalization of the top 100 U.S. bank holding companies dropping \$242 billion (23%) during the quarter, and the market cap of the world's top 100 financial services institutions dropping \$635 billion (22%) over the same period, according to *American Banker*.

These losses, along with the Sept. 23 Fed-sponsored \$3.6 billion bailout/foreclosure on Long-Term Capital Management, have once again raised the issue of increased regulation of the hedge funds and the global derivatives market.

Federal Reserve Chairman Alan Greenspan predictably defended the role of hedge funds, and the Fed's role in saving Long-Term Capital Management, in testimony before the House Banking Committee on Oct. 1. "If somehow hedge funds were barred worldwide, the American financial system would lose the benefits conveyed by their efforts. . . . The resulting loss in efficiency and contributions to financial value added and the nation's standard of living would be a high price to pay—to my mind, too high a price," Greenspan stated.

To head off a growing demand for increased regulation of the hedge funds, the Bank for International Settlements is considering, in the words of William McDonough, the chairman of the Basel Committee on Banking Supervision and the president of the New York Fed, "regulating them [the hedge funds] indirectly through a closer control of their counterparties—the securities firms, banks, insurance companies."

With three interest rate cuts in seven weeks, the Fed is desperately trying to lure the suckers back into stocks, junk bonds, emerging market paper, and asset-backed securities, and the derivatives based upon them. It won't work, and further shocks are on the way, far beyond anything experienced to date.

# Business Briefs

## Belarus

### Government takes direct control over economy

President Aleksandr Lukashenko announced that the government has taken direct control over the economy, in a nationally televised address on the economic emergency, Agence France Presse reported on Nov. 12. Lukashenko took the unusual step of "apologizing to the people of Belarus for what has been happening lately," admitting that the administration has failed in its duty to halt the people's slide into poverty.

The specter of poverty and malnutrition looms for about half of the Belarus population. A recent survey by the Zerkalo polling institute, for example, found that 42% of the people interviewed in Minsk, the capital, said the quality of their meals has deteriorated since the Russian crisis of Aug. 17.

A Lukashenko spokesman said that an emergency economic program has been drawn up by the President, including the appointment of cabinet ministers to oversee market management and institute price and currency controls.

## Philippines

### Bangko Sentral bucks plan to tax hot money

Philippines Bangko Sentral (central bank) Governor Gabriel Singson is fighting a proposed plan of the Department of Finance to impose taxes on portfolio investment. Such a plan should be studied carefully, Singson said recently, the *Philippine Star* reported on Nov. 12. He added that the imposition of any type of capital control may be "a disadvantage at present, particularly when we are trying to revive our stock market."

Singson claimed that while Malaysia and Chile had imposed some form of capital controls, they have now abandoned them because they had a disastrous impact on their stock markets. Philippines Commercial International Bank president Rafael Buenaventura agreed, saying it will be difficult to distinguish "hot money" and the proposal may scare away portfolio investors. In fact,

Malaysia, which, under Prime Minister Dr. Mahathir bin Mohamad, has led the fight to curb speculators, has found the controls effective in limiting damage to its physical economy.

Philippines Finance Secretary Edgardo Espiritú, during his confirmation hearing at the Commission on Appointments on Nov. 11, revealed that the Department of Finance is studying the possibility of imposing a tax on portfolio investment as a form of check on so-called "hot money." Espiritú explained that foreign exchange speculation involves the inflow and outflow of hot money managed by so-called international hedge funds.

## Europe

### Review Maastricht, says Italian leader

Italian Prime Minister Massimo D'Alema proposed allowing "public investments to stimulate growth" in the euro-zone, in an interview with the Nov. 11 *International Herald Tribune*. "Those investments can be excluded from the calculation of the Maastricht deficit targets," he said. "This is not scandalous or heretical. I am not proposing that we print money. All I am saying is that if necessary, Europe could decide to reinterpret the stability pact."

D'Alema also pushed for a stable international currency system. "It would be illusory to think of a system that is too rigid, but on the other hand a completely unregulated system would also be dangerous," he said. He added that the International Monetary Fund and the World Bank "need a less monetarist approach." In the Asian crisis, "The sick patient had the flu, but they amputated the foot."

On Nov. 12, the German newspaper *Süddeutsche Zeitung* reported that a "breathtaking shift" has occurred in the "Euro Club," "shaking the very foundations of the Maastricht Treaty." A majority of European governments are now for lighter budget discipline, but "the most daring one was Italy's Premier Massimo D'Alema." A collaborator of D'Alema told *EIR* on Nov. 13 that D'Alema "had reviewed many of his ideas on the international economy" after his trip to China earlier this year.

## Petroleum

### Unocal suspends work on Afghan pipeline

Work on the \$2 billion pipeline project through Afghanistan will be suspended until the political situation there is resolved, the Iranian newspaper *Ettela'at* reported on Nov. 11, based on comments from the coordinator of Unocal Bharat Ltd., Ashwin Channa, from New Delhi. Channa says that he was quoting Unocal president John Imle. The pipeline is to go from Turkmenistan, through Afghanistan, and Pakistan, and from there to India.

Unocal, based in California, has a 54.11% share in the Central Asia Gas Pipeline Ltd., which was supposed to build the project. Other participants are Russia's Gazprom, Delta Oil of Saudi Arabia, and Rosgaz of Turkmenistan.

*Ettela'at* also reported that talks between Iran and India have resumed on an undersea pipeline project that would bypass Pakistan. Talks were held in Capetown, South Africa, on Oct. 29-31, between Indian Minister for Petroleum and Natural Gas V.K. Ramamurthy, and his Iranian counterpart, Bijan Namdar Zanganeh. They also discussed a gas swap option, whereby Iran would receive oil from Gazprom, and deliver a corresponding amount of its oil to India; this has been discussed between Iran and Russia as well.

## Kazakstan

### State oil company used to help build nation

The government of Kazakstan intends to maintain control over its oil, and to develop Kazakoil, the national oil company, the firm's president, Nurlan Kapparov, announced on Nov. 9. Oil provides 37% of state revenues.

The government will give Kazakoil, which is two years old, 25% of each new oil development project. This will ensure the viability of the concern, which the government also wants to use to regulate the activities of foreign firms coming into the region. For-

**UKRAINE'S** Parliament is trying to limit the government's increase of state debt, and has ordered an investigation into possible wrongdoings concerning contracting of state debts. Parliament Speaker Oleksander Tkachenko said: "The Parliament considers the government's constant increase of the state debt inefficient and dangerous to the economic security of the country."

**THE BULGARIAN** government should buy up the wheat surplus of 600,000 metric tons from this year, in anticipation of a bad harvest next year, the Bulgarian Agriculture Chamber has recommended. The planting of winter wheat this fall (the 1999 crop) has fallen behind schedule by 44% as of Nov. 3.

**CHINA'S** exports fell sharply in October, the official press reported on Nov. 12, the result of the economic crisis in Asia. Exports fell 17.3% on a year-on-year basis to \$14.73 billion, the third monthly consecutive decline. China's trade surplus fell 38.1% in October, due to the drop in exports. Imports fell 9.2%.

**CARGILL, INC.,** the world's largest grain-trading company, is in talks to acquire Continental Grain, which handles about 20% of all U.S. grain exports. This merger is grounds for anti-trust action, but the Department of Justice Anti-Trust Division in recent years has not crossed any commodities cartel restructuring, no matter how blatantly monopolistic.

**IRAN'S** oil revenues, which account for 80% of earnings, for the six months beginning in March, were \$5 billion, down 39% from the previous year. The government is negotiating with Japanese, German, and Italian creditors for \$3 billion in loans. The Nov. 12 *Wall Street Journal* mooted that Iran could default.

**1 MILLION PEOPLE** in the Horn of Africa face food shortages, according to a recent UN World Food Program report. The area worst hit is southern Somalia.

ign investment will be welcomed, especially in exploration, but the state's portion of the company will not be sold. This is a refreshing change from the trend toward privatization that the International Monetary Fund has been imposing on Central Asian Republics, which means selling out to foreign predators.

Comparing the Kazak oil company to the national company in Norway, which also grew thanks to state help, Kapparov said, "The importance of the oil sector for Kazakhstan is large and will grow. Since such a large part of the budget is from the sector, the government needs to control it. . . . In the U.S., the budget does not depend on the oil sector."

Kapparov said that Kazakhstan will produce 200 million tons of oil by the year 2015. The national pipeline company, Kaztransoil, is in the process of completing a study for construction of a pipeline to China, and the China National Petroleum Co. is considering participating in the project; it took over another Kazak oil firm, Aktobemunaigaz, last year. Kaztransoil has just been given over to Kazakoil.

## Agriculture

### Europe in worst farm crisis since 1930s

The steep decline in farm prices, which has been ongoing since the beginning of this year and accelerated in August with the outbreak of the financial crisis in Russia, is contributing to the worst farm crisis in Europe since the 1930s. All commodity prices are extremely low, and most do not even cover the cost of production. This year, hog prices have collapsed by more than 50%; prices for piglets are down by two-thirds. Beef is down 35%; sheep, 45%; milk, 25-30%.

Very bad weather conditions are contributing to the general misery; in many regions, weeks of heavy rains have transformed fields into lakes. Most crops have been harvested, but a portion of the potato, corn, and sugar beet crops, which are harvested late in the year, are either lost or, in the case of sugar beets, will lie in the fields until frost makes the ground hard enough to bring tractors into the fields.

Crisis meetings of farm organizations and state and national governments have been going on in the past weeks in all member countries of the European Union. Parallel to that, there have been many farmer protests, with more planned for the winter. The biggest demonstration, in Ireland in late October, drew 35,000 farmers in front of Parliament.

## Machine Tools

### Germany, Japan suffer declines in exports

Germany and Japan, the world's leading exporters of machine tools, are suffering severe declines in exports. Machine tools are a key indicator of the potential for future production.

According to the Federal Association of German Machine Builders (VDMA), foreign orders fell by 35% in September, compared to the year before. For the third quarter, foreign orders were down 21%. The decline was particularly strong in Asia, but demand has started to weaken also in Ibero-America, the United States, and member-nations of the Organization of Petroleum Exporting Countries. VDMA has lowered its 1999 growth forecast from 4% to -2%. Meanwhile, the German Economics Ministry announced a sharp decline of German industrial output in September, falling by a seasonally and price-adjusted 3.2% compared to August.

In Japan, machine-tool orders were down 35% in September. The Japanese machine-tool industry, still number-one in exports, is facing an ever-bigger drop in new orders. Since February, growth rates have been negative. In the first eight months of 1998, orders were down by 20% compared to the year before. In September, the decline of orders was 35%. While exports to China rose by 68% in the first eight months, exports to South Korea, Taiwan, and Hong Kong were down 36%, and exports into Southeast Asia were down 47%. According to figures presented by the Economic Planning Agency on Nov. 10, the September orders for the overall Japanese machine-building sector were down 18.2% compared to the year before.

## Is western Europe doomed?

by Lyndon H. LaRouche, Jr.

November 10, 1998

Is western Europe doomed? After such indicators as the initial phase of the recently elected government in Germany,<sup>1</sup> and the omens of early doom for Tony Blair's British government,<sup>2</sup> it would appear that western Europe's electorates are currently incapable of electing a viable government. With signs like Vice-President Al Gore's recent rant against the U.S.A.'s European partners, on trade matters, it appears that the government of the U.S. is suffering the same potentially fatal condition which now grips western Europe.<sup>3</sup>

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1. The lead editorial in the *Frankfurter Allgemeine Zeitung* on Nov. 11, by economics editor Hans Barbier, a devout neo-liberal, was on the fact that Gerhard Schröder's inauguration speech the day before, was an eclectic composition of concepts that had been borrowed from partially, even contradictory theories in economic policy. A government program based on such a mish-mash, Barbier wrote, is a bad omen for this government, and for what it might be able to achieve. The weekly *Die Zeit* on Nov. 12, noted that this new government has tumbled into the cabinet chairs, without knowing what it would be faced with, nor knowing what to do—a government that still had to define what it actually is, apart from being “red-green.”

2. Relevant commentaries in the British press include: “Storm Clouds Gather Over Blair,” *The Independent*, Oct. 23; “Is This the Most Dangerous Man in Britain?” editorial, *The Sun*, Nov. 13; *The Independent*, Nov. 13, reveals that Blair's New Labour has secretly set up a “dirty tricks” unit to “undermine” the opposition Liberal Democrats; *The Guardian*, Nov. 13, writes that the Labour leadership is imposing a “gag” on the Party's national executive committee, and is “preparing to crack the disciplinary whip” on potential rebels. The 33-person executive committee also includes trade unionists hostile to Blair's austerity and Thatcherite approaches.

3. “America Threatens Europe with New Trade War,” *Frankfurter Allgemeine Zeitung*, Nov. 9. The article reports on speeches by Vice-President Al Gore, Commerce Secretary William Daley, Trade Representative Charlene Barshefsky, and Deputy Treasury Secretary Larry Summers at the recent Transatlantic employers conference in Charlotte, North Carolina, all blaming the European Union for the rising U.S. trade deficit. Daley is quoted saying the United States is not the “garbage can” for exports from countries in crisis, and that if Europe doesn't open its markets, the resulting American uproar would unleash “protectionist fires.”

Can you imagine, watching a flywheel, or a jet-engine, disintegrate, while it spins at top speed? Or, perhaps a flywheel, or jet engine, tearing loose from its moorings, and running wildly amok, threatening everything and anyone in its immediate vicinity? In one moment, the flywheel seems to present nothing so much as a sheer power of monumental orderliness, with unshakable self-confidence to match. In the next moment, one may sense a brief shudder, and, then, doom breaks loose. The doom of a once-awesomely great political power, sometimes comes in a similar way. The question at this moment, is whether, or not, western Europe and its U.S.A. and Canada partners, are now hovering at the threshold of that kind of disintegration of a formerly awesome power.

In such cases, tragedies never occur without some forewarning. Sometimes, the warning is ignored; sometimes, it is overlooked, or not recognized as such. It is usually expressed clearly, in some way, just before the moment of doom; but, delusions are the common anaesthetic of the doomed. In all such matters, one must appreciate the awesome importance harbored, within what an ill-fated, currently prevailing opinion often chooses to deprecate, as either very small problems, or, as worries which might be readily managed with no more than a little fixing. When doom comes, most of the fools will be greedily anticipating what they choose to believe is the coming great year ahead. So, it is with our subject here, as the mere shudder of doom is now being felt within western Europe and among its North American partners.

“Oh, you mean the ‘Asia Crisis.’ Don't worry, a guy I know in Washington says it won't really come here. Did you hear what Helmut Schmidt said about it? You'll see! Try this; it's delicious. It will take your mind off those worries.” Did some party-spoiler mutter something about “Mene, Mene, Tekel, Upharsin?” “Forget it; I don't believe in conspiracy theories.” Meanwhile, in the streets outside, the storm is building.

Now, a little more than a year after the arrival of China's



*Lyndon H. LaRouche, Jr. addresses a conference on Jan. 17, 1998. LaRouche's method, as applied in the report published here, "is premised upon a virtually life-long opposition to the then-prevailing opinion respecting educational policies, among most educated persons of his own and later generations. It is precisely his alleged egregiousness on this account, the which has been the source of his consistent successes in long-range economic forecasting, relative to nearly all other economists of today's world."*

President Jiang Zemin for his Autumn 1997 meeting with U.S. President Clinton, only the wishfully self-deluded, still consoles himself with so silly a belief, as faith in the immortality of either the IMF or the Dow-Jones Index. The same year later, with China's President now scheduled to meet with Russia's President, in Moscow, we have reached the point, that nothing could delay the disintegration of the present world financial system for anything more than a very short time. That financial system, to which too many people are still, credulously entrusting their savings and pensions, is already as good as dead.

Only the doomed of Western civilization still believe that this is an "Asia crisis." The question thus posed to China now, is whether its prospective economic partner, the United States, itself, will disintegrate as a nation, and partners in western Europe and Japan, too: all as a result of the now inevitable collapse of the present world financial system.

Unless President Clinton abandons, soon, the policies set forth in the recent G-7 Washington conference, the United States itself is doomed to go down into the same rubbish-bin of history as what may soon be called the "Davey Jones Index." If our helmsman-President continues to "stay the course," continuing to risk inevitable ruin, by his following such suicidal choices of channels as the IMF, "free trade," and "globalization," he, crew and passengers alike, are soon going to dive all the way to the bottom, where all the politically self-doomed nations, including Canada and all of west-

ern Europe, will also soon repose.

Nonetheless, despite the continuing silly babble about a so-called "Asia crisis"—rather than a global financial collapse, the fact is, that in the case, that they refuse to eliminate those policies, which lead, inevitably, toward early collapse of the world's financial system, both the U.S.A. and western Europe would disintegrate politically. Under these special circumstances, it were conceivable that, civilization *might*, nonetheless, survive, but only in some large part of Asia. In the latter case, the ironic outcome of what western fools continue to call an "Asia crisis," would follow the pattern set during several, terrible dark ages of past history, when some parts of the planet have been crushed by their own follies, while other parts survived.

It should be obvious, that the only possible candidate for survival, under conditions of mass-cultural suicide performed by North America and Europe, is represented by a number of nations of Asia, centered around China, and possibly, perhaps even probably, including Russia.

This, latter group of nations might decide, not to join western Europe and English-speaking North America in the present, G-7-led march toward the rubbish-bin of history. The heroic and successful response, by China's government, to the great flooding experienced earlier this year, presents that nation to us as one far better disposed to survive, than any among the governments of western Europe today: a nation, unlike any among those of today's western Europe, which



*British Prime Minister Tony Blair with President Clinton at the White House, Feb. 6, 1998. "Unless President Clinton abandons, soon, the policies set forth in the recent G-7 Washington conference, the United States itself is doomed to go down into the same rubbish-bin of history as what may soon be called the 'Davey Jones Index.' "*

enjoys a quality of leadership matched to an efficient cultural commitment to survive even awesome catastrophes. Under certain conditions, those nations grouped around China, could, with proper leadership, maintain the continuity of civilization during the half-century or longer, during which North America and western Europe collapsed demographically, as well as economically.

There is, at least, a significant possibility, if, admittedly, only a possibility, that an Asia world emerging out of the collapsing ruin of western Europe, could become precisely the pattern of events shaping up during the coming months.

In any case, whether or not China survives more or less intact as a nation, if, during the weeks and months just ahead, the U.S.A. and western Europe continue the policy-shaping trends of the recent three decades, such a collapse of civilization in western Europe, Canada, and the U.S.A., and perhaps Australia and New Zealand as well, is already the virtually inevitable outcome of a continuation of present U.S. policies. In that case, putting the worst cases, of Japan and Indonesia, to one side, whatever the result for the world as a whole, the most endangered part of the present world economy, is not, speaking generally, the nations of Asia, but, rather, those of western Europe, the U.S.A., Canada, Australia, and a New Zealand which has been already virtually self-destroyed over the course of the recent ten years.

The subject of this report, is to show how, as a matter of scientific principle, that seemingly inevitable doom of this Western group of nations might actually be avoided. The only alternative to catastrophe, is the right choice of policy-changes made "in the nick of time." To see the present chal-

lenge more clearly, we must free our minds from those childish delusions typified by the racist's impulse to refer to Asia as a region of "emerging markets." To see the alternative of survival, we must, so to speak, look the Devil directly in the eye, and stare that notoriously liberal British gentleman<sup>4</sup> into retreat, as I aim my efforts in this present report.

### **1. What keeps a flywheel together?**

The most significant thing about a flywheel, is, that when performing its assigned function, it performs that function very well. If one seeks to define how it might continue to perform that function, perhaps at even higher speeds, without exploding, or running murderously rampant, one is confronted with the leading question: What keeps the system together? The answer to that question, is located within the analytical characteristic of the physical function which de-

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4. Satan today is an extremely liberal British gentleman of sinister Venetian ancestry. Long before Monica Lewinsky, Anne Boleyn was introduced to an English head of state by this same spirit, he, then, a citizen of Venice. Awful times for England began then, in the time of mephistophelean Cardinal Gasparo Contarini, and have not ceased since. The same spirit appears as the character Mephistopheles in Christopher Marlowe's *Dr. Faustus*, and as the author of such works as Thomas Hobbes' *Leviathan*, John Locke on "human understanding," Bernard Mandeville's *The Fable of the Bees*, and former U.S. Secretary of State Henry A. Kissinger's shameless confession to a May 10, 1982 Chatham House audience. The same Venetian spirit took English citizenship in the time of King James I, and ran William of Orange from the curtains behind the throne. It was the same gentleman who arranged to have William of Orange's choice, George I, put, most liberally, on the newly created British throne, in 1714, whence most of the looting of this planet has been conducted, most liberally, ever since.

scribes that system as a whole. For this purpose, a simple kinematic model will not do; as we shall show, for the case of a national economy, at an appropriate place below, the crucial expression of that relevant characteristic is located within an infinitesimally small, and always non-linear, interval of the action associated with that function.

Admittedly, the binding forces which hold together a modern political economy's processes, present a far different quality of system than our case of the disintegrating flywheel. Nonetheless, taking the problem we have just posed in its first approximation, there are important, and, speaking pedagogically, extremely fruitful similarities between the case of the exploding flywheel, and that of the imminent disintegration of the economies of western Europe. Noting those similarities, prepares us to proceed, next, to examining the problem of the disintegrating political-economy, such as those of today's western Europe or the U.S.A., on that higher level, where the apparent similarities to the flywheel problem are no longer sufficient analogy.

We now proceed accordingly.

Concentrating on the flywheel's problem, the first thing to be emphasized, is that the analytical function we must define, represents the extreme case of a function which is common to all types of flywheels. For the extreme case, none of that cheap-shot, classroom rhetoric used to argue the specious limit-theorem of Augustin Cauchy's calculus, is permitted. None of the usual, hand-waving at the blackboard, "for all practical intents and purposes," is allowed. Smooth no curves; these are the extreme conditions, under which, to the consternation of many, all smooth curves are apparently shredded, twisted, and knotted, into sub-microscopic, non-linear strings. In defining any extreme condition, for any kind of process, we are focussed upon those seemingly anomalous circumstances, in which all ordinary classroom notions of a simply calculable engineering function, break down. This is the case in which the insight of the experimental physicist, is to be greatly preferred to the positivist follies of mathematical formalists such as the Nobel Prize swindlers Merton and Scholes.<sup>5</sup>

In all such cases, we must focus upon those extreme conditions, in which (usually) hitherto unsuspected physical principles of our universe express themselves. All really serious science, especially the science of physical economy, is focussed on nothing but such extreme cases, cases which defy Cauchy-like linearization in the infinitesimally small.

Consider the sudden, shock-wave-like breakup of a modern political-economy in these terms of comparison.<sup>6</sup>

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5. John Hoefle, "One Derivatives Disaster After Another; Will They Never Learn?," *Executive Intelligence Review*, Oct. 9, 1998.

6. The so-called "Harvard economics" introduced, beginning 1990-1992, to destroy the economy of the former Soviet Union, is an example of shock-wave methods used with the calculated intent to cause a disintegration of a national economy. In that case, the effect was voluntary, intended: not as

A modern political-economy is, superficially, a monetary and financial system of administrative allocation of assets otherwise produced, as this allocation is superimposed upon the underlying, real, or physical economy beneath. The superficial financial garments of the monetary and financial aspect peeled aside, we uncover the naked, living, breathing tissue of the real economy. The characteristics of an economic process lie within processes which are located entirely outside the attached monetary and financial systems; those characteristics are located solely in the physical side of the economy (including under "physical," education and science as such, as among matters expressing physical cause and effect). The monetary and financial processes considered in so-called money theories, have nothing to do with the internal characteristics of the underlying economic processes as such; they represent not the vehicle, but only the possibly good administrator, or, these days, usually, a greed-deranged, Mont Pelerin-intoxicated fool, behind the wheel.

Outstanding among the characteristic features of that real economy, are energy-density, capital-intensity, infrastructural development (including education), and (physical) productive powers of labor. The characteristic form of *physical action* in the real economy, is properly measured as the anti-entropic rate of change generated through investment in scientific and technological progress, that to the effect of increasing the relative (physical) productive powers of labor.

Thus, to understand today's global, systemic breakdown crisis, we must pin-point the change whose influence has brought about the present catastrophe. For that, we must go back more than thirty years, to a time when the per-capita, net physical output of the economy was still growing, and the policies of governments were still more or less sane.

Therefore, we must begin before 1966, before the present world crisis began to take over economies such as those of the U.S. and leading continental European nations, when those physical economies represented a tremendous, and still growing accumulation of *net* physical investment in improvements of basic economic infrastructure, in development of the agricultural potential of land-areas, in the ongoing throughput of energy-density, in (physical) capital-intensity, and in accumulation of investment in benefits of scientific and technological progress. These accumulations are to be measured in per-capita and per-square-kilometer terms. *The characteristic action in that economy, is rightly measured as the rate of anti-entropy relative to the level of accumulated investment in the physical conditions of production and household life. Measure the application of the relative rate of anti-entropy, to the physical, total capital-intensity of the economy, per capita and per square kilometer.*

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fast as the kind of implosion-collapse which immediately threatens western Europe and the U.S.A. today, but fast, nonetheless. My use of "shock waves" follows the broader implications of Riemann's "On plane air waves of finite magnitude" (e.g., the general notion of isentropic compression).



*Before 1966, when the world crisis began to take over, the physical economy of the United States represented a tremendous accumulation of net physical investment in improvements of basic economic infrastructure, as well as in the economically crucial area of machine-tool production. Here, precision-cut gears receive quality inspection.*

The magnitudes of such flows, and their interrelationships, represent the economy's "flywheel in motion." It is study of the functional nature of the changes in the rates of such flows, which show us the meaning of the "flywheel's" recently increasing propensity to shudder.

In first approximation, the difference between a healthy and a dying physical economy, is the difference between one which is following an anti-entropic, as opposed to an entropic form of trajectory.<sup>7</sup> That relatively disastrous choice of trajec-

7. This "anti-entropy" is not equivalent to the use of the term "negentropy" by "information theory" charlatans, such as the late Professor Norbert Wiener. In physical terms, such as the biology of living processes, "anti-entropy" corresponds to the case in which the density of the effective energy of the system is increased, but the ratio of free energy to energy of the system kept above a constant, positive value. The original use of the term "negative entropy," was forced upon physicists by biologists, as a way of forcing recognition of the fact, that the ordering which is characteristic of living processes, is not the ordering associated with such ordinary non-living processes as gas systems. The popularization of Wiener's fraudulent use of the term "negentropy," has compelled us to use a different term, "anti-entropy," to indicate our meaning. The fraudulent definition of "information" concocted by Wiener et al., is derived from the "limit theorem" hoax which Augustin Cauchy dumped upon his simplistic revision of Leibniz's calculus. Cauchy's hoax was used to assert the Nineteenth-Century version of the occult-forces dogma, the dogma derived from the presumption that all physical action is linear in the infinitesimally small. This occult reading of mathematics, was then relied upon by such as Grassmann, Clausius, Lord Kelvin, and others, to cook up the so-called Second Law of Thermodynamics. The same dogma was expressed, using the same aprioristic reliance upon faith in the occult, for Ludwig Boltzmann's construction of the H-theorem. Wiener, whose penchant for dubious or outrightly dishonest practices in the name of science, had been strongly remarked upon by Hilbert and Courant earlier,

tory, is the state of the physical economy which corresponds to the case of the exploding flywheel; this is the state in which cumulative entropic changes in the physical economy, have become irreversible, for some combination of physical and cultural reasons. Under that latter condition, in which the economies of western Europe and North America have been trapped since about 1966-1968, continuation toward a point of irreversibility, converges asymptotically on the point of an implosive disintegration of the physical economy. We are at that point today.

It is impossible to define such a point of economic collapse adequately, in purely physical (non-cultural) conditions. In every known case in history, the collapse could have been corrected, and reversed, had it been politically feasible to correct, early enough, that flaw in the culture which caused it to cling to that tradition of administration of physical-economic practice, which was the cause of the process of physical-economic collapse. That, as I shall indicate, is the core of the threat to continued existence of the nations of western Europe and English-speaking North America today.

What threatens the very early doom of the nations of western Europe, the U.S.A., Canada, Australia, and New Zealand — like Japan — is a combination of two related developments of the middle to late 1960s. These developments were the pseudo-scientific assumptions underlying that "cultural-paradigm shift" associated with the New Leftists of

plundered Boltzmann's H-theorem to hook the credulous into accepting his lunatic "information theory" as a product of physical science.



1968, combined with changes lumped together under the functionally interconnected, anti-nation-state rubrics, of “free trade” and “globalization.”

That much said thus far, for the moment, we put the elaboration of the flywheel simulation to one side. We shall return to it at a later appropriate point, here. Turn now to the method required for the analysis employed here.

## 2. The author’s method

For reasons to be made clear in this report, the nature of the presently ongoing collapse of a failed Western civilization, requires identification of the methods by means of which the correctable causes of the collapse might be reversed, and a genuine economic recovery launched. Since the present author’s methods have been uniquely successful in foreseeing, consistently, the nature and probable outcome of a collapse which began more than thirty years ago, those methods must now be emphasized here.

The author’s method, as applied in this report, and in all the work with which he is associated today, is premised upon a virtually life-long opposition to the then-prevailing opinion respecting educational policies, among most educated persons of his own and later generations. It is precisely his alleged egregiousness on this account, the which has been the source of his consistent successes in long-range economic forecasting, relative to nearly all other economists of today’s world. To understand those scientific successes, one must take into account the exceptional advantages intrinsic to that allegedly egregious method by which they were generated. To understand this method, it were better that facts be situated in the relevant, normalized frame of reference, the first person singular.

To sum up the most crucial point to be made on this account, throughout my adolescence, my interest was centered upon studies of the most notable writings of the celebrated philosophers of England, France, and Germany from the Seventeenth and Eighteenth Centuries, from Francis Bacon through Immanuel Kant. Midway, I adopted an accurately informed view of the work of Gottfried Leibniz, rejecting most emphatically the teachings of the English empiricists, Descartes, and Immanuel Kant’s *Critique of Pure Reason*.<sup>8</sup> In the course of that, from the age of fourteen, I recognized, and hated, by name and deed, the pernicious influence of the educational policies of John Dewey, and like-minded doctrines, in shaping the policies of education I found despicable classroom practice, as intolerably shallow, unrigorous, and morally repulsive.<sup>9</sup>

8. The accuracy of my adolescent reading of Leibniz, Kant, et al., was confirmed decades later, by my parents turning up notebooks dating from the 1935-1936 interval.

9. This was during my sophomore year at Lynn English High School. I not only declared my aversion to the influence of Dewey on the shaping of the pedagogy in wide use, but made a bit of a campaign on the issue. My argument against Dewey then, as against Kant more than two years later, was that such doctrines were untruthful in conception, and decidedly contrary to the very

The later knowledge of more than half a century’s experience, has vindicated this standpoint, first adopted during my adolescence, as well-founded, and superior, as a method of knowledge, to the well-known, more popular alternatives preferred by most professionals then, and much more so, today. This choice of method, is not only preferable; it confers advantages not available from any different standpoint. Those advantages, including the related views on educational policy, are crucial for understanding the why and how of the global breakdown-crisis currently in progress.

To summarize the point: my method is that of thinking *epistemologically*, a principle which I first learned from my adolescent defense of Leibniz against Kant’s *Critique of Pure Reason*. It is the method I later came to know better, as derived by Leibniz, directly and indirectly, from his work as an avowed follower of Plato, Leonardo da Vinci, and Johannes Kepler. Its quality of advantage over the known alternatives is crucial, unique.<sup>10</sup> As I have said, and as the reader will be able to confirm this in the course of this report, the following several considerations are relevant in the present context.

By *epistemology*, I mean *the science of knowledge*. As I shall indicate here, this science of epistemology is the indispensable foundation for all competent varieties of so-called social and political science, and also for what we term, conventionally, physical science.

This approach can be applied in two degrees of precision. In its most general application, we trace all ideas with the manner in which they have been derived from the basis implicitly defined by some predecessor array of ideas. Such an array of ideas, so ordered, corresponds roughly to what British philosophers, for example, prefer to term a “mind set.” Among all kinds of “mind sets,” there is the most rigorous epistemology, Socratic epistemology, which demands that all ideas be tested by standards of truthfulness and justice, as Plato’s Socrates, in *The Republic*, contrasts the quality of *agapē* to the despicable, various alternatives proposed, in that

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essence of Christian morality. Some teachers were amiably amused by this; more were decidedly not at all amused at that time. On the good side, it was from some of the teachers at the same school, that I first acquired that special affection for Paul’s *I Corinthians* 13, which has been something of a hallmark of my world-outlook, against sterile formalism, ever since.

10. My own discoveries in the science of physical economy have a result best illustrated by aid of an extended application of those discoveries by Bernhard Riemann, which carried the earlier work of Carl Gauss and Lejeune Dirichlet, on multiply-connected manifolds, to an appropriate outcome. Cf. Bernhard Riemann, *Über die Hypothesen, welche der Geometrie zu Grunde liegen, Bernhard Riemanns Gesammelte Mathematische Werke*, H. Weber, ed. (New York: Dover Publications reprint edition, 1953). My own use of “unique,” as alternative to the more customary use of “crucial,” is my affirmation of my debt to the work of Riemann on this account. The presentation of the relevant methods of crucial experiment, have been elaborated in a pedagogical program which I attempted to launch for training of my associates, in 1981-1982, but whose realization has waited until the most recent years. See the book-length illustration of this method, by Jonathan Tennenbaum and Bruce Director, “How Gauss Determined the Orbit of Ceres,” *Fidelio*, Summer 1998.

same location, by the characters Thrasymachus and Glaucon.

The notion that the believable ideas of a culture might form a knowably coherent whole, presumes that there is a method by which such coherence can be tested and demonstrated. In that limited sense, a coherent array of ideas represents a “system,” in the broad usage of that term. If the system is truthfully defined, nothing is allowed in that system for which a conclusive proof either simply does not exist, or can not be shown.

Of all such relatively truthful systems of ideas, only two types are known. Today’s more commonplace, inferior, often unreliable notion of such a system, is defined by a principle of deductive consistency; the only known alternative to this, is the non-deductive, Socratic method of Plato et al., the method employed by Leibniz, for example. The crux of scientific method, is recognition of the inherently occult forms of falsehood and mystification inhering in relying entirely upon deductive lattices.

What should be readily recognized as the incurable error of all deductive systems, is that these systems each depend upon a set of arbitrary definitions, axioms, and postulates, a set of imaginary presumptions, whose existence depends upon an occult authority entirely outside the system itself. On this account, no deductively consistent system can be either complete, or truthful.<sup>11</sup> The definitions, axioms, and postulates employed, are adopted on the premise that they are deductively needed assumptions, *a priori* (e.g., occult) assumptions which may be adopted on blind faith, as more or less “self-evident,” but for which no scientific proof exists.<sup>12</sup> These dubious, aprioristic assumptions, are included with the argument, that these are needed to make the system implicitly completable, if never actually complete.

The Socratic system of Plato et al., my system in epistemology, has an entirely different architecture. This may be thought of as the principle of negation: whatever is generally, popularly, believed, must often be suspected of being a dangerously mistaken idea, on the basis of that evidence, alone.<sup>13</sup>

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11. This is the simple fact argued by Kurt Gödel, an argument which neither Bertrand Russell, nor Russell’s protégé, the fanatical positivist John von Neumann, would ever accept. The rabid (“radical”) quality of unreality permeating von Neumann’s pathetic systems analysis, is a systemic expression of the influence of the radically crude, Ockhamite axiomatics of Russell’s *Principia Mathematica*. The mania which gripped so many of the world’s leading bankers in the case of the Long Term Capital Management swindle, is a reflection of the popularization of lunacies of von Neumann among so many leading business schools and kindred institutions.

12. See Riemann, *op. cit.*, for what has become the modern classic argument on this point.

13. There could be no failures of societies, which were not the explicit, or implied fruit of opinions which were generally accepted as authoritative. So, the failures of scientific practice can usually be traced to some part, or, in some cases, even all of today’s generally accepted classroom mathematics. The errors responsible for such failures are of two classes: first, something claimed to exist, according to authoritative opinion; second, something relevant implicitly denied to exist, according to the same quality of authority.

We, like all good modern scientists, must accept the principle of what are usually termed crucial experiments, as the means for determining which hypothesized physical principles are true. We must do as they must do; we must base scientific knowledge on the principle of incompleteness of our knowledge of the principles actually governing the universe, which was the method of Carl Gauss and Bernhard Riemann, for example.

This method emphasizes going outside the present limits of experience and knowledge, to find the paradoxical evidence which prompts us to discover validatable, new principles of our universe, principles we never knew before.

This method requires that we always go to the extremes. Go further than ever before, toward the limits of the universe: astrophysics. Go further than ever before, toward the limits of smallness: microphysics, and beyond. Go higher. Go deeper. Probe more intimately than ever before, all of the boundaries where living and non-living processes intersect and interact.

Discover things, of course; but your purpose should not be to discover mere things. Our purpose must be to discover new physical and other principles of the universe, and, thus, to create a new order among things in the universe, an ordering more consistent with man’s nature, an ordering which goes beyond, and is better than anything we have ever done until now.

Strain the envelope in every way possible, always in the search for knowledgeable practice which is truer than we have ever practiced until now.

Our system of knowledge, my choice of epistemology, Plato’s Socratic dialectic, replaces the more popular, misplaced confidence in mathematical and similar forms of mere consistency, with reliance on the method which coheres with generating crucial-experimentally validatable forms of discoveries of universal principles. The types of principles we discover are two: physical principles, and those principles of relations among sovereign individuals’ cognitive processes, by means of which man is able to change the characteristics, for us, of that universe in which we live and act.

This brings us to the issue of what is properly, strictly defined as the occultist principles of the empiricists and philosophical liberals. My principal, central contribution to modern scientific knowledge, has been to recognize the indispensable role of that method of the Socratic dialectic in defining the basis for a non-occult science of physical economy, a replacement for the usually taught dogmas.

As I have just emphasized once more, this discovery involved the relationship between two other discoveries which are of elementary significance for a science of physical econ-

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As the reader might have already anticipated, this same point, respecting a society’s generally accepted, authoritative opinions, is the essence of the lack of moral fitness of Western civilization, currently, to survive. This moral unfitness, is the root of the immediate, implicitly terminal, existential crisis of Western civilization now.



*The Schiller Institute Trio performs a work by Beethoven on Nov. 15, 1998, in Reston, Virginia, on the occasion of Friedrich Schiller's 239th birthday. "Any great Classical composition in fine arts, often begins its existence in the composer's sudden, virtually timeless moment, a momentary flash of cognitive insight, an insight which anticipates the later, fulsome elaboration of the finished performance."*

omy. First, how discoveries of crucially validated new physical principles are translated into those technologies by means of which man's physical power over the universe is increased, per capita and per square kilometer of the Earth's surface. Second, how those similarly discovered principles of Classical art-forms are indispensable for both the fostering of new physical principles, and for the social coordination upon which the process of discoveries and their applications is given general expression for society as a whole.

Consider the pedagogical form of the discovery and validation of a physical principle. Since I have elaborated this in a significant number of published locations, a summary here will suffice.

A probably crucial error of inconsistency is either provoked or merely encountered by a discoverer. No deductive solution for the paradox so posed can be generated. By no other means, than a leap of the mind, a cognitive flash of insight, the discoverer must identify the new physical principle which would overcome that paradox. The discoverer must also define, and conduct a crucial experimental test to refute or confirm the choice of new principle.

The same connection between paradox and validated discovery of new principle, appears in the domain of Classical art-forms, and in those studies of social processes which are derived from mastery of those principles of the individual mind, otherwise adduced in connection with Classical art-forms. Any great Classical composition in fine arts, often begins its existence in the composer's sudden, virtually timeless moment, a momentary flash of cognitive insight, an insight which anticipates the later, fulsome elaboration of the finished performance. Classical motivic thorough-composi-

tion in music requires, that the completely elaborated composition contain nothing which does not cohere with that flash of insight, that spark, which the perfected composition realizes.<sup>14</sup>

In the appropriate forms of education, the student learns little of much importance. Rather, for each principle considered in the curriculum, the student re-creates the experience of the paradox, must personally generate the suitable principle which solves the paradox, and tests the validity and appropriateness of that principle as a solution for that paradox. So, in a decent form of education, the student learns little; he, or she has little time to waste on such relative trivialities. Rather, the student relives the act of discovery of principle, for each relevant case. The student relives the act of original discovery of valid principle, thus becoming a living repository of the legacy of much of mankind's ideas to date. In such an education, the student matures as a true world-historical personality, living, essentially, in the simultaneity of eternity. Instead of the idiot-savant's screaming "I learned," the properly educated student smiles, "I know."

The functional connection among such forms of education, scientific discovery, and economy, is located in an exemplary way in the fact, that the perfected form of crucial experimental design which validates a discovered principle, features a model of a kind of machine-tool-design principle which can then be applied to relevant categories of practice. This connection among education, science, machine-tool-design,

14. Lyndon H. LaRouche, Jr., "The Substance of Morality in Science and Statecraft," *Executive Intelligence Review*, June 26, 1998.

— — —, et al., "The Case of Classical Motivic Thorough-Composition," *Executive Intelligence Review*, Sept. 4, 1998.

and production, is the kernel of the manner in which the successful increase of the productive powers of labor is effected in a capital-intense, power-intense mode.

Those principles, both physical principles and principles of Classical art-forms, constitute an epistemological system, a system expressed in economically relevant practice, as a multiply-connected manifold of the Gauss-Riemann form. The expression of this system, in an appropriate capital-intense, power-intense mode, is the means by which we are able to know the source of the anti-entropic changes upon which the continued success of the economy depends.

The effect of this ordering of anti-entropic gains in the productive powers of labor, is to underscore a crucial, essential, elementary difference, between the individual person and all lower species, including the so-called higher apes. Animals can learn, but they can not willfully generate the kind of increase in their species' potential relative population-density, which man achieves in the physical-economic development of any non-pathological form of society. It is the increase of the productive powers of labor (i.e., potential relative population-density) through the application of valid expansion of the multiply-connected manifold of human knowledge, which is the source of the human species' willful increase of its species' power in, and over the universe.

We have, thus, two, multiply-connected systems. The first, is the epistemological system, as the indicated, recommended policies of education define a lattice of principles and theorems, for the student's mind.<sup>15</sup> The second, is the social action which applies the first, epistemological system, to the increase of man's per-capita power over the universe. Thus, we have the reciprocally developing relationship between the physical process and the epistemological system, which defines the physical economy as a coherent system. It is from that standpoint, that the "flywheel problem" can be comprehended for the purpose of defining solutions.

This, most characteristic feature of physical-economic processes, is the core of my original discoveries within one of the several branches of physical science first established by Leibniz, the science of physical economy. To summarize the principles which my discoveries have contributed to Leibniz's science of physical economy, list the following.

1. The anti-entropic characteristic of physical-economic progress. A characteristic typified by the connection of validated discovery of physical principle, first to the principles of machine-tool-design implicit in successful crucial experiments, and, second to the application of such machine-tool and related practice to de-

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15. Lyndon H. LaRouche, Jr., "Russia Is Eurasia's Keystone Economy," *Executive Intelligence Review*, March 27, 1998, pp. 47-50.

— — —, "The Substance of Morality," *Executive Intelligence Review*, June 26, 1998.

— — —, "An 'American Century' Seen as a Modular Mathematical Orbit," *Executive Intelligence Review*, July 24, 1998.

signs of products and improvements of productive processes.

2. The proper definition of anti-entropy. First, that this corresponds to changes, in which the density of relevant energy of the system is increased, but that the consequent ratio of free energy to energy of the system is either constant, or increased. Second, that this principle of anti-entropy corresponds, in mathematical forms, to the efficient principle expressed by transition from a multiply-connected Gauss-Riemann manifold of order "n," to a superior manifold of the order "n+1."

3. The cognitive principle which distinguishes the human individual from all animal species, is, first, the anti-entropic character of discovery of both validated physical principles, added to enlarge a pre-existing multiply-connected manifold of the Gauss-Riemann form, as, second, combined with validated discoveries, produced by the same principle of cognitive action, in the domain of Classical forms of artistic composition and study of history. This distinction between the developable, sovereign cognitive processes of the human individual, and the characteristics of all lower forms of life, is the only permissible definition of "human nature." All topics of morality and political-economy can be resolved only within the terms of such a definition of individual "human nature."

Although the presently imminent disintegration of Western civilization, can be demonstrated to be a simple matter of fact by other means, my original discoveries are indispensable for understanding the inner dynamics, and cure, of the process which the presently ongoing collapse represents. From this vantage-point, it is feasible to show, as is not possible otherwise, not only how and why the present form of civilization is doomed, but what well-defined kinds of action offer immediate remedies against the collapse as such.

### 3. Belief in the occult can be fatal

Honest ignorance put aside, the immediate root-cause for all of the economic problems of each and all nations, and of today's mankind in general, is literally an occult dogma introduced to modern Europe at the close of the Sixteenth Century. The author of that doctrine was the mephistophelean Paolo Sarpi, in his time the most powerful figure of Venice. This was the same Sarpi who trained his personal lackey, Galileo Galilei, in certain new principles of mathematics. These were the principles which Galileo taught, in turn, to his own student, Thomas Hobbes. These are the principles passed down to the present day under the interchangeable technical terms of *empiricism*, *positivism*, and *philosophical liberalism*.

The most influential figures on economics policy among the English and French, Seventeenth and Eighteenth Centuries' followers of Sarpi, were John Locke in his hedonistic

principle of property, Bernard Mandeville in defense of unchecked licentiousness, David Hume, François Quesnay's pro-feudalist, anti-nation-state cult of *laissez-faire*, Adam Smith's explicitly anti-U.S.A. dogma of "free trade," and satanic Jeremy Bentham's cult-worship of universal degeneracy.<sup>16</sup>

Every leading economic problem of humanity in today's world, must be traced to those occult principles of empiricist/liberal economics, taught by Sarpi, which underlie all of today's official versions of "free trade" and "globalization" dogma. The indispensable precondition for halting the presently ongoing global collapse of civilization, is the early, abrupt, and uncompromising eradication of that body of empiricist economics dogma from official practice among nations. Your nation's, and your family's survival depend upon that happening, very soon; otherwise, put yourself down as the kind of person who, at best, only pretends to care whether or not his family and nation survive.

We shall now focus on defining the usage of those terms and their connections. We begin by defining the usages of the term "occult" itself.

The term "occult," is frequently associated with so-called "mystery religions." Typical is the cult known variously by the names Shakti-Siva, Ishtar, Astarte, Isis-Osiris, Cybele-Dionysus, Gaea-Python, Apollo, Moloch, etc., of which the nastiest varieties are associated with ancient Tyre. The Albi and Rhône-based, neo-Manichean cult of "the elect," variously known, in France, as the Bogomils or Cathars, and, in England, as "the buggers," is also representative. These religions, in their sundry guises, say, in effect, the universe is actually run by invisible, infinitesimally little green men, who are implied to be very clever at hiding inside walls, or dwelling in fictional places ontologically akin to "Middle Earth."

From among the grand masters of such cults, you may hear such things as: "Although you can not see them [the little green men], our grand masters have been given very secret, insider's knowledge of such matters, and, sometimes, we are

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16. The so-called "moral philosophy" of David Hume, Adam Smith, and Jeremy Bentham adopts as its principal axiom the same "hedonistic principle" presented as the doctrine of licentiousness of Mandeville. The peculiarities of Smith's *Wealth of Nations* are two. First, that that work was produced as a British East India Company project, intended to design practices for destroying the economies of both English-speaking North America and France; second, that Smith's work relies chiefly on copying (some French said plagiarizing) the French Physiocrats, both the teaching of Quesnay and large chunks of the text of Turgot. The only important difference between Smith's and Quesnay's argument, is that Quesnay premises his *laissez-faire* dogma upon the French *Fronde*'s defense of the institution of feudal serfdom against the nation-state, whereas Smith premises his adoption of Quesnay's *laissez-faire*, and also his doctrine of the Invisible Hand, solely upon Hume's, Smith's, and Bentham's radical version of the "hedonistic principle." This same hedonistic principle is the central axiom in the teachings associated with von Neumann; it serves as the chief, controlling occult principle of all of the defective policy-shaping practice underlying today's doomed world financial system. Smith's occult principle, as I shall emphasize here, is the central moral flaw responsible for the threatened immediate doom of the nations of western Europe, the U.S.A., et al.

taught, they have even talked with these mysterious creatures. If you will accept certain rules, which our grand masters have been given special authority to transmit to those who pass certain exotic tests, the secrets of how to decode the symbolic messages, through which you may discover how the universe is actually run, can be imparted to you." The kinds of secret messages allegedly found in the Bible by hucksters who are devotees of the self-described "British Israelite" varieties of "fundamentalist" cults, express the carnival side-show version of such occultism.

Behind the usual such mumbo-jumbo, there is a simple principle. Those who have studied the writings conventionally attributed to Aristotle, especially those who understand the swindle which Aristotle's methods have superimposed upon so-called Euclidean geometry, can readily appreciate the most essential features of this entire business of the occult. Not only is conventional classroom mathematics often saturated with this form of the occult; it is from that clinical standpoint, that the mechanisms of occultism generally can be most readily demonstrated, and thus extirpated from practice.

Although the systematic features of the influence of belief in the occult, are rather readily demonstrated, it has been oftentimes very dangerous to do so publicly. Clever real-life mephistopheleans have succeeded so much, like the ancient Babylonian pagan priests, who inserted Akkadian myths into the sacred writings of their Hebrew captives, in slipping elements of the pagan occult, syncretically, into sundry political factions of modern forms of nominal Christianity and Judaism,<sup>17</sup> that the tradition of the Inquisition was concocted and maintained for centuries, by relevant political authorities acting to enforce these cultish delusions, authorities acting thus in the tradition of the Roman emperors' persecutions of the Christians. This form of ideological terrorism modelled upon the doctrine of law associated with the character Thrasymachus,<sup>18</sup> as typified by the Venetian institution of the Inquisition, maintained that traditional popular fear of the kinds of lynch-terror unleashed in the name of popular opinion, which has often driven truth from the streets.

For example. Behind the Sixteenth and Seventeenth Centuries' Inquisitions, and the English Inquisition against Jeanne d'Arc earlier, is the central political and religious issue of all times: the issue, whether it were permissible, to hold as much as ninety-five percent of the population in the condition of slaves or worse, as virtually mere Yahoos. To maintain a state of affairs in which ninety-five percent or more of the

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17. The mass-murderous fascism, shared between the Zionist and "Christian Fundamentalist" followers and accomplices of butchers Ariel Sharon and Benjamin Netanyahu, is exemplary. The occult "God gave us this property title" version of Zionism, owes much to the satanic cults of ancient Babylon, but is clearly antithetical entirely to the Mosaic heritage of *Genesis* 1's definition of man's nature, as of man and woman equally made in the image of the Creator, to rule the universe under God. The Mosaic tradition is that of the Apostles Peter, John, and Paul, the tradition of the great Moses Mendelssohn, not the Nazi-like "Temple Mount" fanatics.

18. Plato, *The Republic*, Book II.



*Statue of Jeanne d'Arc in Paris. "The case of Jeanne d'Arc coheres with the whole sweep of the struggle by modern civilization's republican intelligentsia, against the landed-aristocratic and financier-aristocratic forces of the feudal and earlier oligarchical traditions."*

population was held in the brutish intellectual condition of human cattle, ignorance was favored, and cultish barbarisms supplied to fill the holes left by the hoofprints of ignorance. It was not simply "the English" who martyred Jeanne d'Arc; it was also France's King Charles. The issue was the same which motivated the Seventeenth-Century *Fronde*, and, later, the Physiocratic dogma of François Quesnay: the feudal oligarchy's struggle to maintain the system of serfdom.

The case of Jeanne d'Arc coheres with the whole sweep of the struggle by modern civilization's republican intelligentsia, against the landed-aristocratic and financier-aristocratic forces of the feudal and earlier oligarchical traditions. As has been pointed out by some among my collaborators, the modern military science associated with the revolutionary changes introduced by Lazare Carnot and Gerhard Scharnhorst, took its roots within the two military arms, the artillery and engineering, which were most distant from the dismal quality of intellectual life typical among the landed aristocrats whose appointments were in the officer corps associated traditionally with the cavalry and infantry. Thus, the superiority

of the modern nation-state, to oligarchical society, has always coincided with moral and intellectual superiority of the intelligentsia and literate citizen to the relatively brutish aristocrat and his serfs and lackeys. Thus, stupefying society, and returning, away from the sovereign nation-state, to feudalist schemes for "globalization," have been the chief cause for oppression of once-freed populations, and the ruin, as since the rise of the "68ers," of the once prosperous, productive classes of societies.

This republican principle is most directly illustrated in the domain of military science. Like the engineering tradition of Commandant Sylvanus Thayer's West Point Military Academy, the superiority of the German Nineteenth-Century and early Twentieth-Century officer and non-commissioned officer to those of other nations, was located in the principle of *Auftragstaktik*. The officer and non-commissioned officers so trained according to republican principles, were assigned the opportunity, and responsibility to think, rather than the "Third Wave"'s brainwashed, Yahoo-like illiterates deployed by the U.S. military into that adolescent Arcade-style warfare known as "Desert Storm," trained by the "become the worst you can be" school of the U.S. military, to become the Yahoos who simply, blindly "followed orders."

The continuing root of the susceptibility to the influence of the occult, is that political, oligarchical interest, which relies upon "dumbing down" the population, the better to rule, and loot it: the better to rid the oligarchy of its most capable, most dangerous opponent, that form of sovereign nation-state established under Franklin's, Washington's, John Quincy Adams', and Abraham Lincoln's design of a constitutional republic. Look for the crucial symptoms of willful dumbing-down of the post-1965 U.S.A.:

1. The step-by-step destruction of the remnants of a former Classical humanist form of education, as typified by the influences of American pragmatists, such as John Dewey, the joint influence of the London Tavistock Clinic's Freudians, of the radical positivists generally, and of the "Frankfurt School" of Theodor Adorno, Hannah Arendt, et al. This process, combined with the role of popular mass entertainment, has dumbed-down the U.S. population, in particular, step by step, generation by generation, throughout the course of the Twentieth Century. Also exemplary, is the virtual menticide perpetrated against the "post 1968" generation, by the so-called "Brandt reforms" in education, whose effect has been to make most among the recent generations of German graduates almost a different, inferior species, relative to the standard of literacy and sanity set by earlier generations.

2. The shift in the composition of employment, away from the more skill-intensive, more productive occupations rooted in Classical scientific and artistic culture,

toward jobs designed as make-work for cheap-labor Yahoos. [“He don’t need no fancy education.” He is going to work the farm by traditional methods more friendly to the environment.] So, the productive powers of labor, per capita, drop at an accelerating rate, especially since 1964-1972.

3. This is paralleled by a shift in fiscal, monetary, and financial policies, away from capital-intensive, power-intensive investments in infrastructure and workplaces, to much dumber, less productive modes of employment and production. The combined effect of “deregulation” and “globalization,” has been to make the U.S. population dumber, ever less productive, and more brutalized economically, bringing U.S. labor down toward the level of cheap, unskilled labor in the poorest parts of the world.

There is much more along the same lines; but, this is sufficient to illustrate the general point. The processes, unleashed during 1964-1972, of dumbing-down the populations of the U.S.A., western Europe, etc., have been a key factor in bringing the world to the present brink of an imminent, implosive collapse and disintegration of the nations of this group of nations. The use of the occult factor, in promoting these changes in policies of practice, is to be situated accordingly.

It is of several-fold importance, to emphasize, in these ways, that the actual, as opposed to purely mythical significance of occultism, is that the fight against the occult defines the line of battle drawn between republican and oligarchical forms of societies, since such celebrated figures as Solon of Athens, and since the relevant issues of law were rigorously defined in Plato’s *The Republic*, in contrasting the republican view of law, that of Plato’s Socrates, to the opposing, oligarchical notions of law, as associated with the characters Thrasymachus and Glaucon. The resistance by the profoundly corrupt forces within the U.S. Department of Justice’s permanent bureaucracy, to the McDade-Murtha reform, confronts us with the fact that the irrationalist, literally Romantic misconception of law now ruling that Justice Department bureaucracy,<sup>19</sup> is the notion of law associated with the *Republic*’s character Thrasymachus, the enemy of the principle of reason.

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19. By “Romantic,” we mean the Romantic, neo-Kantian, occult school of law of G.W.F. Hegel’s Berlin crony, K. Savigny. “Romantic,” so used, means the same thing in law as the proposition of the character Thrasymachus in Plato’s *Republic*. It also means the same principle of irrationalism as we associate with Richard Wagner’s proto-Nazi Romantic school in music, or the code of law, defined by Carl Schmitt, used to establish the Nazis in power. Actually, as leading international law authority, Professor Friedrich Freiherr von der Heydte emphasized in a communication to me during early 1989, the form of fascist irrationalism implicit in the philosophical liberalism of John Locke, is more savagely extreme than even the law which the Nazi regime adopted from both the legacy of Savigny and the work of Carl Schmitt.

Republican forms of society demand notions of law which are premised on the principle of reason, as Plato’s dialogues define reason in political affairs, as also in science and art. The occult, as typified in the extreme by mystery religions and Sarpi’s philosophical liberalism, is the hallmark of oligarchical practice in statecraft, religion, science and artistic composition. Empiricism (philosophical liberalism) is the “mask of anarchy,” calling itself “reason.”

Those historically situated definitions, and examples supplied, now focus attention more sharply upon the forms occultism assumes in the departments of politics, economics, mathematics, and physical science.

In modern times, although the general nature of this problem of occultist corruption of taught science, has been more or less well known by the leading minds of modern European civilization, it was not until Riemann’s 1854 habilitation dissertation, that the occult corruption of the teaching of geometry was explicitly, and quite rudely unmasked in public.<sup>20</sup>

This same problem of the influence of the explicitly occult principle, of linearity in the infinitesimally small, is at the center of the systemic, epistemological causes for the collapse of Western civilization today. The influence of Sarpi’s Ockhamite doctrine of empiricism (a.k.a. philosophical liberalism), as expressed in the cult of “free trade,” typifies the nature and effect of this occultist, anti-science corruption which, in such guises as the irrationalist, anti-truthfulness cults of “ecologism,” “globalization,” and “New Age” campus speech-codes,<sup>21</sup> has stripped Western civilization’s govern-

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20. op. cit. See the exchanges of correspondence among Carl Gauss, Farkas Bolyai, and Janos Bolyai, on Gauss’ decades-long suppression of any published report of his original discovery of a “non-Euclidean geometry.” Although the approximate date of Gauss’ first discovery of this principle can be adduced as implicit in published work from as early as the 1790s, and is also implicit in his discovery of the asteroid orbits, during the first decade of the Nineteenth Century, Gauss declined to bring the matter of an actually “non-Euclidean geometry” explicitly into the public domain, until his examination of the work of a fellow member of the St. Petersburg Academy, N. Lobatchevsky. Although Lobatchevsky’s work is useful, and important, it does not lay down the principles of an actual non-Euclidean geometry as the Gauss-Riemann principles of multiply-connected manifolds do. The otherwise brilliant Hermann Minkowski’s included error, in applying Lobatchevsky’s work to the formulation of a notion of physical space-time, typifies the blunders arising from any effort to oversimplify the meaning of the term “non-Euclidean geometry” to signify something other than a Gauss-Riemann type of multiply-connected, expandable manifold. The basis for Gauss’ fears was purely political, and well-founded. Not only had Leibniz-haters Euler, Lagrange, Laplace, and Cauchy decreed the existence of a non-Euclidean geometry impossible, in the latter’s insistence that physical action in the universe is linear in the infinitesimally small; Gauss lived as a subject of the British monarchy’s Hannover, where political persecution of Newton’s critics was notorious practice. It was not until Alexander von Humboldt was able to provide protégés such as Gauss, Wilhelm Weber, Dirichlet, and Riemann better scientific protection, in Gauss’s later years, that a larger degree of political freedom for scientists was allowed at Göttingen University.

21. In the Palo Alto region of California, and elsewhere, this lunacy has been carried to an extreme, with the assertion of student’s rights to be freed from obligations to study the ideas of DWEMs (Dead, White, European Males), a



Statue of Commandant Sylvanius Thayer at West Point. Thayer embodied the republican principle in military science, which today has been replaced by the “become the worst you can be” school of the U.S. military.

ments today of most of even that moral fitness to survive which older generations had formerly still possessed.

Look at Paolo Sarpi’s English empiricism as the prototype of the modern pathology of occultism. Look at this subject-matter from two points of contrast: ancient solar astronomy, and the legacy of Plato’s Academy up to about the time of the deaths of Archimedes and Eratosthenes. Look at the issue of the axiomatic reign of the occult in today’s now customary mathematics instruction, and in those issues of economic and financial policies associated with the influence of *laissez-faire* / “free trade.” Situate Sarpi’s role to this effect historically.

The earlier high-point of scientific and related cultural progress in the Mediterranean region, was reached during a period of approximately two hundred years, from the death of Socrates, through the time of the deaths of Archimedes of Syracuse and his correspondent, the Cyrenaican Eratosthenes

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policy which is fairly described as a return of civilization to the stone age. Nothing could be more ironically indicative of a strain of culture which has lost all connection to the moral fitness to survive.

formerly of Athens, and later of Alexandria. During this period, the pinnacle of scientific culture was located in the continuation of Plato’s Academy, of which Eratosthenes, in his time, was the world’s leading figure. Although important work, but of diminishing relative significance as to principles, was done by Hellenistic culture even after Eratosthenes’ death, during all of the subsequent centuries, the general quality of scientific work and artistic culture, in the Mediterranean region, was eroding, even often collapsed, until the belated revival of ancient Classical Greek science, in Italy of the middle of the Fifteenth Century.

Exemplary of this decline, is the fact, that existing records show, that the recorded discovery of South America, was effected by an Egyptian expedition, which claimed South America for Ptolemy III of Egypt, in a document astrophysically dated, by the navigator of the expedition, to August 5, 231 B.C., at a site near modern Santiago, Chile. The point is, that 1723 years later, Christopher Columbus discovered the Caribbean by aid of maps derived from the same scientific work, done by Eratosthenes of Plato’s Academy, which had guided the Egyptian trans-Pacific voyage to the coast of South America. The methods used by Columbus were scientifically inferior to those used by the Egyptians, 1723 years earlier.<sup>22</sup> Such and other evidence taken into account, as Dante Alighieri would have agreed (privately), the Latin culture of Ancient Rome were better known for its gore, than its glory. Byzantium, and western European feudalism up to the Fifteenth Century, must be situated as continuously backward, relative to the high points of Hellenistic Platonic culture circa 200 B.C.

The Augustinian tradition transmitted via Irish monks to Saxon England and Charlemagne, prompted a hotly resisted renaissance in western Europe, through the Twelfth Century, a pattern of gradual, if uneven progress, which continued until the death of Frederick II’s heir Conradin in Sicily.

Even the noble effort of the patriotic “Sicilian Vespers,” failed to reverse the degeneration of Europe under the hegemony of the Venice-steered Welf League. The mid-Thirteenth Century triumphs in “globalization” under that ultral oligarchical Welf (“Black Guelph”) League, plunged Europe into the outcome known as the New Dark Age of the mid-Fourteenth Century, a decline which began with the formation of the Welf League against Frederick II. What followed marks a period of approximately a century, a disastrous period whose characteristic quality is typified by the fact, that during this century, the number of parishes in Europe collapsed by half.

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22. Lyndon H. LaRouche, Jr., “Go with the Flow: Why Scholars Lied about Ulysses’ Transatlantic Crossing”; Marjorie Mazel Hecht, “A Voyage around the World in the Third Century B.C.”; Timothy Rush, “The Navigators of the Golden Renaissance”; Bruce Director, “Eratosthenes’ Sieve”; Muriel Mirak-Weissbach, “Wilhelm von Humboldt and the Study of the Kawi Language”; Laurence Hecht, “Ice Ages and Glaciation”; Ken Kronberg, “Sea Level Changes Since the Last Glacial Maximum,” all in *Executive Intelligence Review*, Nov. 20, 1998.





*U.S. troops in Saudi Arabia prepare for war against Iraq during Operation Desert Shield, 1990. Under a republican military policy, officers “were assigned the opportunity, and responsibility to think, rather than the ‘Third Wave’ ’s brainwashed, Yahoo-like illiterates deployed by the U.S. military into that adolescent Arcade-style warfare known as ‘Desert Storm.’ ”*

It was the Platonic revival, launched during the Fifteenth Century, by the followers of Dante and Petrarch, and, therefore, the heirs of Charlemagne and Frederick II, which enabled western Europe to reach levels of scientific competence and other civilized life comparable to the time of Eratosthenes. The great educational movement, typified by the Brothers of the Common Life, unleashed a spreading process of recruitment and education of adolescent boys in Classical humanist methods, a process which created the new plebeian intelligentsia associated with the Fifteenth Century, Platonic Golden Renaissance. The revival of what was, in effect, Plato’s Academy, was the well-spring of that Golden Renaissance, including the establishment of modern science, and the founding of the first modern nation-state, under France’s Louis XI.

This Fifteenth-Century change, centered in the 1439-1441 sessions of the great ecumenical Council of Florence, was thus the high point of a Christian Platonic renaissance, to which all of the later accomplishments of Western civilization are genetically indebted. Unfortunately, the Venice-led forces which the Golden Renaissance had defeated, at the Council of Florence, were soon able to regain much of their former power, especially following Venice’s success in the 1510-1511 setbacks and defeat of the League of Cambrai.

Venice’s partial success in defeating the League of Cambrai, unleashed a sickening orgy of Paduan forms of Byzan-

tine neo-Aristoteleanism upon the bloody Sixteenth and early-Seventeenth Centuries. From that time to the present, the ancient life-death struggle between the republican forces of Plato’s Academy and the oligarchical faction of Aristotle’s masters, became the intellectual issue—the epistemological issue—which has shaped all of the history of modern European civilization. For specific historic reasons, the radical version of neo-Aristoteleanism, the Ockhamite form adopted and promulgated by Venice’s Paolo Sarpi, has emerged as the dominant oligarchical influence within all of European civilization, since the close of the Sixteenth Century, to the present date.

Thus, it is the form of occultism general for Byzantine and Paduan Aristoteleanism, and, most emphatically, that derivative of Aristoteleanism specific to Sarpi’s philosophical liberalism (empiricism), which has been the most corrosive form of occultism, since then, until the present date. It is the virtually unchallenged hegemony of Sarpi’s empiricist policy, as this emerged during the recent thirty-odd years, which is the direct source of the present, immediate threat of collapse and disintegration of western European civilization today.

*The distilled essence of all branches of Sarpi’s influence, is the cult-doctrine which asserts, that physical action in the universe, is characteristically linear in the infinitesimally small. All significant forms of occultism popular within Western civilization are reflections of that fraud, the fraud of linear-*

ity in the infinitesimally small. The dogmas of “free trade” and “globalization,” are typical of the mentally deranged behavior consequent upon empiricists’ cult-belief in linearity within the infinitesimally small.

This occult belief of Sarpi’s choice, can be fatal to the entire civilization which has the misfortune of adopting it. That is the effect we are witnessing in those shudders of doom now foretelling the imminent doom of western Europe and the U.S.A. Now, focus attention upon the expression of this occult belief in mathematical-physical terms.

#### 4. The mathematics of madness

So far, the foundations are laid for what is yet to be said in proof of our argument in chief. Thus far, we have referred often to the topics, science, economy, and culture. Now, we must deliver on these promises. So, after we have completed this present section of the report, which we have begun here, we shall show how the influence of empiricism on scientific practice, has contributed in a crucial way to shaping those economic and cultural policies which have caused the present financial crisis; but, we must first settle those issues of science which are directly relevant to that flywheel problem with which we began. That said, we now enter the domain of science proper, focussing first on what might be termed the “inorganic” setting of the problem to be considered. With this step, we enter a domain of profound human tragedy, which is called “modern science.”

Science?! What a world of pathos we have just entered! On one side, almost nothing could claim greater honors than science, for the accomplishments of modern civilization, or be more urgent for the survival of humanity itself. Few callings could be more noble. Yet, the same science which, in one part, partakes of an almost sacred mission, is a domain not only of great achievement, but also great frauds, of small minds bending under the burden of gigantic vanities. It is a pit of monstrous chicaneries and pompous hypocrisies; it is also a living theater, where needed recuperative sleep is often prevented by much braying among the loud-mouthed jackasses of the mass media, from the courtyard.

Let the unwary be informed. In this so-called market of ideas, there are some precious things, but there are also many footpads. Murders have been done here. This place, with its virtual Count Ugolinos, and in similar respects, should frequently remind the alert visitor of Dante’s tour through the Inferno. It is a place where one must be on one’s toes, a place, like Venice, notorious for stiletto-studded, elaborate masquerades. Here, no simple country-boy should romp unprotected. Take nothing you hear said by the locals at face value; beware, especially, of technicolor displays of impassioned sincerity, or of feigned righteous indignation.

One must be particularly wary, out of respect for the fact, that if we turn the conversation to the matter of the widespread faith in the linearity of the infinitesimal, the reaction in these quarters might be: suddenly, seemingly sedate, rational, and genial Dr. Jekylls, might turn into savage Mr. Hydes. There

are some really slick Burkes and Hares lurking around here, waiting to bag the brains of the unwary.

As the reader will see, much more clearly, at the close of this report, *the essential, politically motivated, fraud in the application of a doctrine of linearity in the infinitesimally small—to science, more immediately, and, most emphatically, to economy, is that, in an economic policy shaped by empiricist methods, the human individual does not exist as human. More immediately, the vital role which the human individual plays within economic processes, is denied even to exist.* Thus, when science is corrupted by evils such as the philosophical liberalism of the empiricist, the political result of such pseudo-science, is to deny the existence of that relationship between man and nature, upon which the continuation of civilized human life depends absolutely.

This denial, if incorporated in economic policy-shaping, as the Heritage Foundation devotees of the Mont Pelerin Society cult do, as former Speaker Newt Gingrich’s “Contract with America” cult did, and as Ariel Sharon typifies evil within the policy-making of today’s Israel, has the same quality of result as making an Adolf Hitler the dictatorial Chancellor of Germany: the return of modern society to that denial of the simple universality of true human nature and rights typical of feudalism, leads directly toward the gross violation, and ultimate eradication of civilized expressions of modern human existence, to results even far worse than feudalism, toward results such as the earlier collapse of the always evil Roman Empire of the Caesars in the west.

To situate these practical, political implications of policies premised upon the presumption of *a priori* linearity, look at the implications of that cult-belief from the standpoint of the history of reasonably accurate solar astronomical calendars, as the work of Gauss illuminates the principle expressed by such calendars.

The earliest known, reasonably valid forms of calendars, are consistent with a solar astronomy in which the Earth orbits the Sun. A highly sophisticated solar calendar, based upon a remarkably accurate cycle of the vernal equinox, existed in a Central Asian, Vedic culture thousands of years before the barbaric Semites of Mesopotamia were first partially civilized, by Sumer, a much earlier Dravidian maritime culture. Related ancient solar-astronomical calendars, attracted Johannes Kepler’s interest. Recent decades’ investigations of the records left by the Egyptian discovery of the Pacific coast of South America, circa 231 B.C., give us a more precise insight into the state of ancient astrophysics and navigational methods, as these already existed, many centuries before the anti-heliocentric hoax fabricated by Claudius Ptolemy.<sup>23</sup>

For as far back in time as we know, sundry artifacts show that very ancient maritime cultures, dating from long before 10,000 years ago, had developed navigational methods based

23. Robert R. Newton, *The Crime of Claudius Ptolemy* (Baltimore: Johns Hopkins University Press, 1977).



*Statue of Johannes Kepler in Weil der Stadt, Germany. "The work which Kepler bequeathed to his successors, provided the foundations for all leading actual achievements in modern mathematical physics since."*

upon kinds of observations similar to those which Johannes Kepler employed in creating the first comprehensive form of experimentally based modern mathematical physics. The trend in development of methods of long-ranging oceanic navigation used over this period, is of the following general type.

Imagine that we are navigating long oceanic distances on a planet which is orbiting our Sun. Measuring observations along the apparent stellar ecliptic, a very complicated set of mixed regularities and apparent irregularities confronts us. It is necessary, as a matter of first approximation, to take the Sun, together with some key stars, rather than merely our position on Earth, as our first benchmarks of reference; we must normalize each of our observations of anything, and everything, from our planet Earth, according to those benchmarks of reference.<sup>24</sup> That Solar System, set within the apparent ecliptic, was explored by Johannes Kepler, with the net result of producing a preliminary conception of the governing interrelationships among the trajectories observed within the system as a whole.

The work which Kepler bequeathed to his successors, provided the foundations for all leading actual achievements

24. Tennenbaum and Director, op. cit.

in modern mathematical physics since.<sup>25</sup> The most important of the achievements directly traceable to promptings by Kepler's work, are the contributions by Leibniz, and the later contributions in the same area as Kepler's work, by Carl Gauss and Riemann. In summary, as Tennenbaum and Director have outlined the nature of the most crucial proofs, the Solar System of Kepler, Leibniz, and Gauss, is a part of a universe in which the interrelations among the trajectories followed by the relevant bodies, are governed by a principle which Leibniz identified as "non-constant curvature." This principle of Leibniz, which was later supplied additional, crucial proof by Gauss, is the heart of Leibniz's calculus of "non-linearity"<sup>26</sup> in the infinitesimally small.

Among the nominally leading figures in the history of modern European science, the only significant opposition to the Kepler-Leibniz-Gauss-Riemann calculus, is that premised upon the Newton-Euler-Lagrange-Cauchy presumption, that physical action must be assumed to

be linear in the infinitesimally small. That controversy, is the key issue which renders the virtual inevitability of western Europe's early collapse implicitly a near certainty—unless some very radical policy-changes are made, very suddenly.

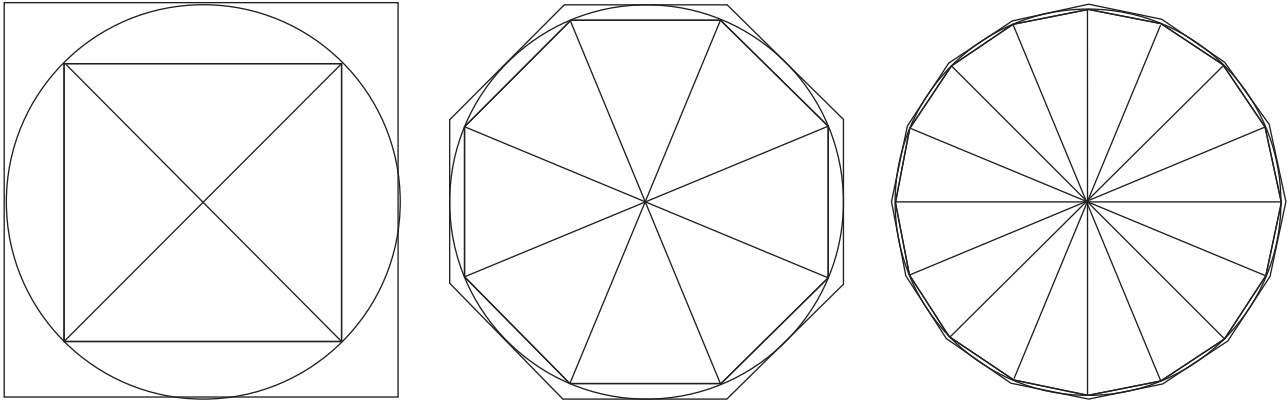
This brings us to the first prominent, scientific exhibit to be considered in that particular connection, the case of the bag-man Sir Isaac Newton. One should be forewarned, in approaching this queer fellow, that his chest of laboratory papers, once opened, proved to be chiefly a virtual Night on Bald Mountain, a lunatic collection of papers devoted to worship of black magic.<sup>27</sup> Be cautious, this addled rogue, Newton, is a true follower of Sarpi.

Whether Newton himself did it, or the exercise was

25. A fuller acknowledgment of the sources of Kepler's work would elaborate the significance of the fact, which Kepler himself emphasizes, that his work depended chiefly upon preceding contributions by (the founder of modern experimental science) Cardinal Nicholas of Cusa, and Cusa followers Luca Pacioli and Leonardo da Vinci. Kepler also gives much credit to a like-minded contemporary, the English scientist William Gilbert of *De Magnete* fame. It was Cusa who first discovered a species of higher cardinality than the Greek irrationals, what we term the transcendental today. This discovery by Cusa contributed a key part to the successes of those who followed him.

26. "Non-linearity"=Non-constant curvature.

27. John Maynard Keynes, "Newton the Man," in *Essays in Biography* (New York: The Norton Library, 1951).



Nicholas of Cusa demonstrated, that no matter how many times its sides are multiplied, the polygon can never attain equality with the circle. The polygon and circle are fundamentally different species of figures. Cusa's discovery showed that "the lack of congruence, in the infinitesimally small, between the spherical and plane mappings, corresponded to the existence of a geometrical-numerical series whose cardinality is of a higher (i.e., transcendental) order."

conducted by Hooke, for example, in Newton's name, Newton's most famous, alleged accomplishment, was actually a mean little fraud, in which he claimed for himself both the discovery of a principle of universal gravitation, which he did not discover,<sup>28</sup> and, later, he claimed the discovery of a calculus, a discovery which simply never happened; there never was a Newton calculus, before, simultaneously with, or after Gottfried Leibniz's 1676 Paris announcement of the discovery.

These two frauds by Newton are closely interconnected; focussing upon that evidence, and re-examining that evidence in the light of later work by Gauss and Riemann, for example, makes clear the way in which the Sarpi hoax of "linearity in the infinitesimally small," came to function as it does still today. Once those connections are understood, the foundations are provided for tackling the principal issue of this report: What feature within the mind-set of currently adopted official economic and related cultural policies, now virtually dooms western Europe and the U.S.A.?

The issue of the so-called Leibniz-Newton controversy has the following principal, relevant origins.

Formally, the most elementary among the systemic evidence against Sarpi's Galileo, Newton, et al., has its roots in the ancient recognition of the fact, that one can not map a spherical surface simply and consistently to a flat surface. The

28. Lyndon H. LaRouche, Jr., *The Science of Christian Economy* (Washington, D.C.: Schiller Institute, 1992), Appendix V. The discovery of a principle of universal gravitation was by Kepler, who compared it to the principle of magnetism developed by William Gilbert. The summing up of that discovery is found in Kepler's *The New Astronomy*. What was done later, in the effort to create the fiction of Newton's discovery of gravitation, was an elementary algebraic manipulation of what are often misnamed "Kepler's Three Laws." In fact, Newton knew far less about gravitation than Kepler did, and Newton's plagiarizing of Kepler carried with it some terrible, elementary ontological errors added, gratuitously, by black-magic devotee Newton.

historically known apprehension of the deeper implications of this fact, begins with the work of Plato and his Academy, on the interrelated subjects of the Golden Section and the uniqueness of the five (regular) Platonic solids.<sup>29</sup> The second feature of the same problem of mapping curved to plane surfaces, was first addressed by Cardinal Nicholas of Cusa, notably in his book which founded modern European science, *De docta ignorantia*.

Cusa used an elementary argument, addressing the mapping problem, as proof that the ratio of the circumference to the diameter of a circle does not correspond to an irrational number, as irrational numbers were defined by Plato's Academy, and as Archimedes adopted that notion of irrationals respecting the quadrature of the circle.<sup>30</sup> Using Nineteenth- and Twentieth-Century terms, Cusa's relevant discovery of the transcendental nature of *pi*, was to recognize, that the lack of congruence, in the infinitesimally small, between the spherical and plane mappings, corresponded to the existence of a geometrical-numerical series whose cardinality is of a higher (i.e., transcendental) order.<sup>31</sup>

This element of Cusa's writings on science, together with

29. E.g., Theaetetus, Eudoxos, et al.

30. Professor Haubst, the leader of the Cusanus Gesellschaft, confided to Helga Zepp LaRouche, that, within part of a collection of his sermons, Cusa had made special reference to his own correction of Archimedes quadrature theorems: commending Archimedes, but stating that his own (Cusa's) solution for the problem was qualitatively better. One would hope that those sermons were soon published, since they would afford an enriched insight to one of the greatest, most influential minds of modern history, Cusa.

31. Lyndon H. LaRouche, Jr., "On the Subject of Metaphor," *Fidelio*, Fall 1992. This treatment of geometrical series, according to the model developed by Eratosthenes ("sieve"), was developed by Georg Cantor, providing the alternative to the fraudulent definition of the "transcendental" associated with the work of Leonhard Euler and such apologists for Euler as Hermite, Lindemann, and Hegel-apologist Felix Klein.

Cusa's insistence on the heliocentric principle, had a crucial influence for both Luca Pacioli and Leonardo da Vinci, most notably for their emphasis upon the implications of the Platonic Solids and Golden Section. This locates the main line, leading through Cusa, Pacioli, and Leonardo, to the method which permeates Kepler's work in mathematical physics, his astrophysics, most notably.

Two leading features of Kepler's own work, pointed to Leibniz's subsequent development of the calculus: 1) The Mars case, showing the lawfulness of orbits of primitively non-constant curvature, as opposed to the simply circular/spherical ratio to plane surfaces; 2) the fact that the interaction among planetary orbits lies in the efficiency of the immediate relationship among orbits as such, rather than the orbits being defined by simply kinematic forces acting immediately, pairwise, among individual moving bodies in space. These two facts were crucial in defining not only what became the fabrication of the Newton-Leibniz controversy, by Leibniz-hater, and Newton sponsor Abbot Antonio Conti, but also in prompting the fraudulent representation of the work of Kepler by devotees of the Galileo-Newton hoax, a fraud against even simple literary scholarship, which has dominated most of recent centuries, even in shameless defiance of the most recent series of long-delayed published English translations of Kepler's principal works.

Once Kepler had proven that the Mars orbit was essentially elliptic, and showed good estimates from data for the case that the equal-areas rule applied to elliptic orbits, as it had been assumed for more nearly circular orbits, Kepler recognized, and identified publicly the need for the future development of a calculus of the type which was first actually developed by Leibniz. That defines the crucial issue underlying the Newton-Leibniz controversy, to the following effect.

Such a calculus must define the characteristic motion of a trajectory in its whole sweep, as Gauss did in adducing the Keplerian orbit for the asteroid Ceres: from measurement of the non-constant [e.g., axiomatically non-linear] curvature of that trajectory in a characteristic, infinitesimal interval of action.

This point is crucial. Understand it clearly in your own mind. Two successive illustrations of the point are indispensable at this juncture.

Think, first, of an infinitesimal area of a surface of uniform curvature (or, in the alternative, straightness). At the beginning, you are informed only that the bending, or non-bending, involved is constant. For purposes of reference, think of the attempt, which we referenced earlier here, to map an infinitesimally small area of a spherical surface onto a plane surface.<sup>32</sup> Ask yourself: Does the person inhabiting, and familiar

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32. Any person with a good secondary-school education, and a smell for machine-tool types of constructions, can demonstrate this apparent paradox to the point of developing a clear conception of the notion of principle we are pointing to here.

with, only that small area, such as an astronomer at work, have a way of knowing, as Gauss did, whether the surface is plane or spherical—or, elliptical, or hyperbolic, or of the characteristics of Leonardo da Vinci's and Leibniz's catenary/caustic?

Then, think of a second case, like that of the Mars orbit, in which a constant rate of change of the curvature of the orbit prevails. Is such a constant change of the orbit potentially measurable to a person inhabiting that small area? Think of this as the anteroom to the idea that physical space-time might be curved in some knowable way. That is what is intended, by the notion that any detected constant, or semi-constant rate of change of curvature observed within an infinitesimal interval of that trajectory, enables us to determine the orbit of the entire trajectory from a valid measurement of the rate of change of curvature in an infinitesimally small interval of that action: situate the observed action as normalized for the relevant Gauss-Riemann type of multiply-connected manifold. This type of infinitesimal interval of action, is the characteristic feature of the actual derivative of Leibniz's calculus.

As Tennenbaum and Director show, it was this Leibniz tactic, as used by Gauss, which enabled Gauss to discover, uniquely, as no other scientist could solve the problem until Gauss had shown them how, the orbits of the orbit of Ceres, and to show that these were the harmonically ordered orbits specified by Kepler for a missing, exploded planet, which Kepler had situated in the defined orbital position between Mars and Jupiter.

In the meantime, the fraudulent attack on Leibniz's calculus had been launched. The attackers, directed by Newton's controller, Abbot Conti, make the occultist argument, still today, that Euclidean abstract, *a priori* space as such (as defined in aprioristic, Aristotelian terms), is axiomatically structured, to such effect that physical action in the infinitesimally small must converge on the perfectly linear. Look! There is the dirty, lying finger of the occult, caught in the act!<sup>33</sup>

Such was already the continuing argument against reason, made by Newton's faction, until the 1815 aftermath of the Congress of Vienna. Until that latter time, the leading hoax in the fraudulent attacks upon Leibniz's work, was the argument of Newton's local controller, Conti-controlled Dr. Samuel Clarke, as this fraudulent argument was restated in a hoax published by Leonhard Euler. After the Vienna Congress, the forcible imposition of Cauchy's fraudulent "limit theorem"

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33. This, for example, was the argument used by J. Clark Maxwell, in defense of his fraudulent treatment of those preceding discoveries, by Ampère, Gauss, Wilhelm Weber, and Riemann, upon which crucial features of Maxwell's own treatment of electrodynamics depended. Maxwell replied to a criticism of him on this account, by stating that we (the British school) declined to consider work involving "any geometries other than our own." See L. Hecht, et al., on the matter of the crucial experimental proofs against Maxwell's fraudulent assertion, in the work of Wilhelm Weber: "The Significance of the 1845 Gauss-Weber Correspondence," *21st Century Science & Technology*, Fall 1996; pp. 21-43.

upon a castrated version of the Leibniz calculus, became the standard, aprioristic, preferred choice of reference for the same, fraudulent criticism of Leibniz, and defense of Newton's claims, which had been put forward by Antonio Conti network of salons during the Eighteenth Century. So, the controversy is posed by the reductionists, to the present day.<sup>34</sup>

On the contrary side of the argument, it must be emphasized that the mathematical-physical basis for Leibniz's monadology, is taken from Leibniz's work in developing a calculus which fit the requirements specified for this by Kepler. The simplest expression of the monadology's relevance to Kepler's astrophysics, is the crucial proof of Kepler's specifications for a yet undetected but stipulated set of asteroid orbits. The corresponding significance of Gauss' crucial-experimental proof, is that it demonstrates that the trajectory of any regular motion, including motions of non-constant curvature, is defined by a measure of an infinitesimally small, non-linear interval of that trajectory.<sup>35</sup> The fact that the universe (e.g., the Solar System) is so composed, demonstrates the relatively simplest expression of that which Leibniz presents as part of his monadology.

The complementary implication of the combined work of Kepler, Leibniz, and Gauss, is to show that the orbital trajectories are not defined by pairwise attraction of individual bodies, but, rather, by the interactions among all orbits taken each in its entirety. In other words, we are thus confronted with a more general, higher expression of the same paradox of mathematical cardinality posed, primitively, by the effort to map a spherical surface consistently to a plane. This is notable as reflecting the kind of thinking which Kepler maintained, to the end, about the crucially significant implications of harmonic orderings subsumed by the set of Platonic solids.

Thus, as we have said above, the general outcome of the anti-Kepler, anti-Leibniz frauds, has been to split the ranks of official science between, primarily, two schools. The first of these two schools, the standpoint of epistemological rigor, is that traced through Plato's Academy, Cusa, Leonardo, Gilbert, Kepler, Leibniz, Gauss, Riemann, et al. The second, opposing school, sometimes called "the reductionist school," bases itself upon the implicit insistence, by Sarpi, Galileo, et al., on the primacy of linearity in the infinitesimally small. The reductionist view is traced from Aristotle-Sarpi-Galileo,

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34. Lyndon H. LaRouche, Jr., *The Science of Christian Economy*, Appendix. Euler's insistence upon the axiomatic existence of nothing but linearity in the infinitesimally small interval of action, represents not merely a mistake, but an elementary, thoroughly willful fraud. His conclusion, the existence of perfect linearity in the small, is derived from his choice of a set of axioms which presume that theorem *a priori!* The same willful fraud is perpetrated by Cauchy's "limit theorem." The entirety of the structure of the Nineteenth and Twentieth Centuries assertion of a Second Law of Thermodynamics, and related hoaxes, rests absolutely upon taking the hoaxes of Sarpi's Galileo, Newton, Euler, and Cauchy on blind faith.

35. Tennenbaum and Director, op. cit.

through the Newtonians, Lagrange, the neo-Aristotelian irrationalist Immanuel Kant of the "Critiques," Laplace, Cauchy, Clausius, Kelvin, Rayleigh, Russell, et al., and the cult-priests of the "Second Law of Thermodynamics," and of such derived, subsequent frauds as "information theory" and von Neumann-style "systems analysis."

The financial and related political backing for the high priests of the reductionist faction, has turned the academic apparatus of internal administration of the science profession, and of its certified publications, into a kind of Babylonian style in pagan priesthoods, regulating authorized scientific opinion according to Walter Lippmann-like, Goebbels-style "popular opinion" rules of *Gleichschaltung*.

Stress must be placed upon the fact, that the arbiters of academic tastes in science, constitute a kind of Babylonian style in priesthood, a social caste of sophists, which has, in fact, little care for science itself, but only for the defense of the authority of their caste. They are remarkably like the present permanent, customarily lying, fraud-ridden bureaucracy of the U.S. Department of Justice, its ironically named "Criminal Division" most notably. That Justice Department permanent civil-service bureaucracy, which has been crafted into its present form as an enemy of the U.S. Federal Constitution, was developed in imitation of the British monarchy's permanent civil service bureaucracy,<sup>36</sup> and, therefore cares not the proverbial "fig" for either truth or justice. It is a bureaucratic caste in the Babylonian tradition, a mob of filthy, pornographic "Leporellos," a pack of pimps, like Special Prosecutor Kenneth Starr, who take their sado-masochistic pleasure, and their career-profit, from serving the "Don Juans" of the Anglo-American-Canadian financial-oligarchical establishment.

The Babylonian-style science-priesthood, which dominates the process of preparing candidates for terminal degrees, approving scientific papers, and crafting preferred appointments in the field, really does not care what is right and what is wrong, what is useful or what is destructive. Their primary concern, like the monstrously corrupted permanent bureaucracy of today's Thrasymachian U.S. Department of Justice, is to uphold the authority of their caste over the administration of the area of affairs consigned to their mercies. Like their cousins of the Nobel Prize committee, they are not concerned with the truthfulness or usefulness of the science doctrines which they endorse; sometimes they will lend support to an

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36. This corruption of the U.S. Department of Justice has been orchestrated chiefly through that rabidly Anglophile set of Wall Street law-firms brought together under President "Teddy" Roosevelt and his Attorney-General Charles Bonaparte. The recent *EIR* review of the role of a Plattsburgh veteran, U.S. High Commissioner for Germany John J. McCloy, in orchestrating the outcome of both the 1962 Cuba Missiles Crisis and the Warren Commission proceedings, typifies the process by which a British design for an anti-constitutional permanent bureaucracy was inserted into the U.S. Department of Justice and a large part of the Federal Courts' functioning.

actual accomplishment, but often they will seek to destroy the career of a figure whose work they know to be worthy, but which they do not consider it in their current political interest to tolerate.<sup>37</sup>

Generally speaking, they have no personal wont to do evil for evil's sake. They are much worse than criminals; they are British-monarchy-style bureaucrats. Most of them would, doubtless, prefer to be honored for good deeds done. The less mention of the shameful things they do, the more pleasant things are for all but the victims of that affair. Nonetheless, when the special interest of the caste requires a crime against science to be committed, or even against simple honor, they will perpetrate that crime with the quality of zeal which only cornered rats in the attic might muster, or faceless bureaucrats conducting reenactments of Franz Kafka's legendary *Trial*. If they have a conscience, they will bury it on that potentially embarrassing occasion. "Nothing personal," they will point out, "I am just doing my job." They might add, "It is really all your own fault; you should not have gotten in our way." Special interest, and matching notions of expediency, not concern for truth, shapes their policies and practices.

Nonetheless, these Suckfists and Kissbreeches of our academic priesthood, often call themselves scientists, or, worse, administrators, and strut their vanity as paragons of learned opinions.

In science, the crimes of the bureaucrats are covered over by precedents. Definitions, axioms, and postulates rooted in *a priori* arbitrariness, and a few diversionary theorems to boot, are the preferred precedents. If Göttingen's Bernhard Riemann had achieved nothing else, he, like the boy in Andersen's "The Emperor's New Suit of Clothes," had the great honor to point to the reigning emperor of definitions, axioms, and postulates, "But, he has nothing on!"<sup>38</sup> The capital evidence of the crimes of today's still generally accepted classroom mathematics, is to be found in the axioms. Riemann abolished the *a priori* assumptions of both the neo-Aristotelians and the empiricists, and, thus, made way for unmasking the occult.

Focus again upon Sarpi and his lackey Galileo. The essential crime of Sarpi and Galileo, and all of the empiricists, positivists, and other philosophical liberals after them, was to purport to reduce everything in the universe of scientific inquiry, and morals, to percussive (or, at-a-distance) interaction among conjecturable particles contained within the bounds of *a priori* notions of space and time.

All of the crimes of generally accepted classroom mathematics today, are found in that original sin of Sarpi and Galileo.

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37. The worst is the Nobel Prize committee for economics, which only very rarely selects a candidate who is not a despicable charlatan, with, like Professor Milton Friedman, a long record of achievements as a self-discredited ass in that field.

38. *op. cit.*

leo. The abomination of the name of science, by the spread of the corruption of philosophical liberalism into both the popular definition of "physical," and the notions of economics principles, is the source of those influential ideas through which today's European civilization is being self-destroyed from within.

The key issue to be emphasized, from this point on, until the conclusion of this report, is that there is no characteristic feature of reductionist mathematics, which is not also expressed in the form of empiricist sociology. Contrary to Immanuel Kant and Karl Savigny, in the reality of practice, there is no dichotomy which separates empiricist physical science, and choice of mathematical methods, from empiricist sociology.

Exemplary is the case of Galileo's mathematics student, Thomas Hobbes, who used the principles of Galileo's empiricist mathematics to construct the sociological system of his *Leviathan*. To understand the English and later empiricists, one must read Hobbes' *Leviathan* as a dissertation on the mathematical principles of a philosophical-liberal form of social theory. Even Hobbes' featured hostility to the existence of metaphor has, as I shall show, a very precisely mathematical meaning, a meaning of the most critical significance for understanding the intrinsic insanity of today's economic doctrines of "free trade" and "globalization."

We are confronted thus, in science, with the same kind of challenge portrayed by Poe's "The Case of the Purloined Letter." If we are looking for the origins of empiricism within science, we have doomed our inquiry to hopeless failure from the outset. We must, like Poe's Dupin, rather seek the evidence where it was actually, obviously placed. The origins of empiricism are located not in physical science, but in social and political dogma, and in correlatable aspects of gnostic religious dogma. The issue which underlies all of these controversies, is the issue of human nature.

It is the issue posed by the definition of man and woman, as made in the image of the Creator, as specified in *Genesis* 1. For the opposition to this Christian, this Mosaic definition of human nature, the issue is the pagan, Aristotelian doctrine of so-called "mortalism," as argued by the teacher of the mephistophelean Cardinal Gasparo Contarini, Venetian Padua's Pietro Pomponazzi, and by Pomponazzi's, Contarini's, and Sarpi's Sixteenth and Seventeenth Centuries gnostic followers thereafter. It is the issue of the Code of the evil Diocletian, and the Emperors of Byzantium later. It is the issue which motivated Venice and its Welf League. It is the issue which motivated the inquisition against France's Jeanne d'Arc; it is the issue which motivated the assassination of France's Henri Quatre, motivated France's Seventeenth Century *Fronde*, and motivated the Physiocrats and Adam Smith after that. It is the issue of defending the oligarchical form of society against policies consistent with those expressed as Leibniz's anti-Locke principle of "life, liberty, and the pursuit of happiness,"

in the U.S. Declaration of Independence, and as the “general welfare” clause in the Preamble of the 1789 U.S. Federal Constitution.

The essential struggle between good and evil, continues to be the fight over the implications of the relevant passages from *Genesis* 1. On the one side, we have man and woman endowed with a quality, a divine spark of reason, which sets all persons apart from and above the beasts, a mankind which is mandated to exert increasing dominion over the universe. On the opposing side, the side of original, essential evil, is dogma which places mankind implicitly no higher than the beasts, which thus bestializes the human individual, which, often in the fraudulent use of the mere name of “democracy,” bestializes the social relations among persons within society.

The issue is, that an oligarchy, wishing to preserve itself as an oligarchy, relies upon re-creating a pack of lackeys to aid it, in reducing ninety percent or more of humanity to the status of virtual human cattle. On this account, the oligarchy and its “Leporellos” place great importance on disallowing a policy of commitment to generalized forms of the benefits of scientific and technological progress, even to the extreme of reversing scientific and technological progress already effected. The motive is always to eradicate the existence of any institutionalized practice which defines all human individuals as participants in discovering, and in employing principles which increase mankind’s power in the universe. This ban against the fostering and development of the human creativity of the whole population, was the pivotal element of the Code of Diocletian, and of the Thrasymachian law of the Welf League’s European feudalism. This was the motive for the U.S. Confederacy’s adoption of John Locke’s racialist defense of the treatment of man as a form of property.

At the most, the kind of science tolerated politically by the oligarchy, is a fruitless tree. It is a science of the Babylonian slave-master, which insists, that there are no new ideas to be found under the Sun, that the set of available principles is already fixed. Thus, the advocates of such zero-technological-growth policies, seek to establish a limit beyond which change will not be tolerated. It is the misconception of science, and of morals, argued by the evil Immanuel Kant, in his famous “Critiques.” For all among these present-day advocates of British (e.g., “brutish”) liberalism and the like, there are no human beings any better in principle than the beasts; women can make love only with hogs, and men find union only with the British or like dogs—or, hogs—beneath them.

For science, that issue of human nature is posed as follows.

Among those functions by means of which the relative ecological potentials of living species are estimated, the human species is, as we have said, unique. The human species is the only case, in which the species is capable of willfully increasing its own potential relative population-density.

This differentiation of the human species has four characteristic types of interconnected expressions. First, that the

population is not only increased, but that its demographic characteristics are improved. Second, this occurs by means of an increase in the *net* physical output of human labor, as measured per capita and per square kilometer of our planet’s surface. Third, that these advances are prompted by an increased application of the number of validated physical and other principles discovered. Fourth, that the correlated feature of a successful process of this type, is an increase of the required density of the physical input, per capita and per square kilometer, but with no reduction of the ratio of net increase of physical output, with respect to increase of the required amounts of inputs produced.

The crucial feature of this process of increase of the anti-entropy of the human population, is the role of those faculties of the individual human mind, by means of which validated discoveries of principle are generated by one mind, and then replicated in the minds of others. These principles can not be transmitted from one person to another as mere “information;” they can be transmitted only through prompting the replication of the process of validated original discovery in the mind of another person.

The source of the anti-entropy which the human creativity of individuals supplies to society’s continued and improved existence, is that principle of *metaphor* intrinsic to individual human cognition, the principle of metaphor which Thomas Hobbes proposed to ban from language.

In the domain of physical science, metaphor is expressed by those undeniable paradoxes which reflect the existence of some fatal contradiction in existing conceptions of the physical principles governing the universe. It is the sovereign cognitive powers of the human individual which, alone, can prompt the generation of validatable flashes of insight, thus introducing those newly discovered physical principles which resolve the contradiction.

In the domain of Classical art-forms, the same kind of contradiction is expressed as a contradiction in meaning which can not be surmounted by any means but the creative discovery of some new Classical-artistic principle. This we recognize as a true metaphor of the type which Hobbes wished to ban. This use of the term “metaphor,” is the form in which new principles are prompted within the domain of Classical artistic composition. All valid notions of principles of history, including valid notions of political principle, are derivatives of this notion of metaphor.<sup>39</sup>

Hence, as I have stressed from the beginning of this report, the Classical humanist mode of education, as opposed to transmission of mere “information,” is crucial for continuing a successful mode of human existence. Hence, the systematic suppression of the Brothers of the Common Life, through virtual inquisitional methods by Aristotelian fanatics, during the middle of the Sixteenth Century, is a marker of the relative

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39. Lyndon H. LaRouche, Jr., “The Substance of Morality in Science and Statecraft,” op. cit.



decline of European civilization from the levels to which it had risen at the close of the Fifteenth Century. Hence, the rise of the Oratorian teaching-order, which gave science Monge and Lazare Carnot in France, as a continuation of the same principles as the earlier Brothers of the Common Life, was a crucial factor in the progress of civilization. Thus, the kindred educational methods introduced to North America's Massachusetts Bay Colony, prior to 1684, and the continued promotion of those educational policies by Cotton Mather and Benjamin Franklin, were a key to the success of the United States relative to the Ibero-American states. Thus, the Classical humanist methods of education introduced into Germany by Friedrich Schiller and his friends the Humboldt brothers, are crucial for the achievements of Nineteenth-Century Germany.

These Classical-humanist methods of secondary and higher education, have the effect of honing the naturally embedded cognitive powers of the individual mind. In brief, those effects are achieved in the following way. Think of the manifold of all validatable known, physical and Classical-artistic principles, combined, as a manifold of the Gauss-Riemann hypergeometrical type. Next, turn to the example of the Classical motivic thorough-composition, which W.A. Mozart developed, beginning 1782-1783, with such works as his six "Haydn quartets," a development to which Mozart was prompted, both by a suggestion from Haydn's Opus 33 quartets, but also, more crucially, J.S. Bach's *A Musical Offering*.

That principle of Classical motivic thorough-composition, as further developed by Mozart, Beethoven, Brahms, et al.,<sup>40</sup> presents a great conductor, such as the late Wilhelm Furtwängler, a conception of a musical composition as unified as a whole as if by a single flash of insight within the composer's mind. The span of the unified composition of those physical and artistic principles, which are integrated through a process of knowing conducted according to Classical-humanist principles, becomes, in effect, the kind of coherent, motivic thorough-composition toward which the relevant efforts of strictly Classical composers such as Haydn, Mozart, Beethoven, et al. yearned.<sup>41</sup>

The cumulative effect of a strictly Classical-humanist approach to education, is to train the mind of the young to mistake no conceit for knowledge, if that conceit is acquired by merely learning. The mind must be trained to accept nothing—absolutely nothing!—as a matter of principle, which has not been generated as knowledge through validation of cognitive-insight solutions for well-defined paradoxes of the form equivalent to strictly Classical notions of metaphor. Learning such as textbook learning, must never be afforded

40. op. cit.

41. For Romantic composers, such as Carl Czerny's Franz Liszt and his imitators, such lucidity does not exist. The substitution of pyrotechnical sensuous effects, for a unifying cohering principle, is intrinsically irrationalism, with no place in the realm of actual knowledge and knowing.

the social authority, to be regarded as a substitute for conceptions of metaphor.

Under the conditions of strictly Classical-humanist methods of education—and, of self-education, all knowledge of principle, both in matters of physical and of artistic principle, becomes a unified single whole. The result is the same for knowledge in general, as an appropriate performance of the most compactly composed works of Beethoven express this for musical knowledge. On this account, the Classical musical repertoire has a benefit to both the development of the intellectual powers of the mind, and the moral character, which is never reached in any other choice of way.

Thus, a seasoned, scientifically trained mind, trained in conformity with the Classical-humanist method of education, represents a power for reason lacking in any other class of persons. In such a happy case, there is a certain, specific quality of result achieved, through the entirety of the mind's training in the acquisition of that integrated, multiply-connected manifold composed of coherently integrated arrays of both physical and artistic principles. The result is that that mind's creative potential is expressed as a single idea, comparable to the singleness of idea expressed by appropriately performed, Classical-musical form of motivic thorough-composition.

*EIR* has used a comparison of the special principle of composition employed for Beethoven's Seventh Symphony, with the use of the same principle by Brahms for the composition of his Fourth Symphony. This illustrates for music, the principle of trained creative cognitive potential (which Kant denied flatly to exist) which is essential to produce competent scientific and artistic thinkers today. For such minds, all knowledge of principle is expressed in a single, recallable flash of insight, the trained creative powers of that individual mind.

For these and related reasons, there could be no competent definition of science, or of political-economy, from any standpoint other than such notions of Classical-humanist modes of education.

Thus, the first principle of all physical science, and of both physical economy and political economy, or, even any form of existence itself, is, as Heraclitus and Plato said earlier: *change per se*. Nothing, anywhere in physical space-time, is constant, but change. Any doctrine which purports to define science or economy in terms of choosing presumably "repeatable," fixed kinds of relations, as a standpoint for definitions, as Karl Marx, Adam Smith, and John von Neumann did, for example, is to be recognized by all literate minds, as self-evidently not merely false, but an expression of *petitio principii* which ensures absurdity from the outset.

What produces human existence, in each instance? Change! Existence is produced by changing man's relationship to nature, thus, changing the meaning of nature for man. Existence, experience, are produced by willfully changing man's relationship to the universe, thus changing the universe's relationship to mankind.

These changes must be measured in terms of anti-entropy. In other words, anti-entropy defines the units of measure by which all things, all processes are to be measured. Thus, anti-entropy is the only universal principle in this universe.

This principle of universal anti-entropy as fundamental, has the following notable implications for our discussion here. Life on Earth could not have survived, unless the effect of living processes taken in their functional totality, increased the potential for the existence of living processes in their totality. Man could not continue to exist on this planet, unless the impact of man upon both the inorganic and living processes of this planet, including mankind, taken in totality, were anti-entropic. All existence must enhance the existence of its own preconditions for continued existence. Should any species, including man, violate that principle, the lack of anti-entropy so promoted, would destroy the practice which produced the entropic effect, as the entropic principle of “free trade” and “globalization” has reached the point of destroying all cultures which adhere to such policies. So, said Leibniz: *This is the best of all possible worlds*, in which evil (e.g., entropy) brings its own condemnation down upon itself.

Processes are perpetuated to the point that they cease to produce new conditions which are better than the conditions upon which they had previously based their existence. Producing the same, is not the standard of measure; producing better, is. Thus, anti-entropy has a self-reflexive characteristic, in this sense.

In physical science in general, the notion of anti-entropy which we have just so summarized, is otherwise recognized as *a universal evolutionary principle*.

For example, the evolution of the Solar system. Consider the result of a “back of the envelope” set of calculations in which I participated, during some sessions of the Fusion Energy Foundation’s multi-disciplinary science-advisory board, which I headed during the early 1980s. Start some billions of years ago, with a Sun which was rotating much faster than today. How did such a Sun generate a Solar system? Gravitational thermonuclear fusion would not produce a Solar system with the periodic table we associate with it. Iron is about as high as we could have reached.

Ah! But the fast-rotating Sun was shedding rotation according to Kepler’s principles! The result must be a highly polarized set of rings of spun-off matter, rings effectively at a much higher temperature-equivalent than the Sun itself, rings inundated by polarized radiation from the Sun. Polarized thermonuclear fusion would take us out of the bounds of simple models of gravitational fusion, by more than an order of magnitude, to the top of the periodic table in question.

This product would be subject to something like “fractional distillation,” distributing the product into specific channels corresponding to predetermined orbital pathways of a Keplerian-like series. Shock-wave-like effects would transform that material, initially distributed more or less uniformly

throughout the Keplerian orbital channel, into planets and moons.

That scratch-pad argument, is not presented here as a settled account, but as an illustration of the kinds of hypotheses which must be set up for inquiry. Whatever the result, in the end we will have an evolutionary picture of the history of our Solar system, down to the present time. The point is, that the universe does not exist in states of fixed, homeostatic stability. The universe of change exists through action through which it changes itself for the better, from a less organized, into a more highly organized mode of existence. The characteristic state of change in the universe, is from relatively lower anti-entropic states, to higher ones. It is a very good universe, as long as we respect that principle of anti-entropic change. As Plato reduced the Eleatic and other reductionists of that time to a state of ridicule, in his *Parmenides* dialogue, the primary principle of all existence, is nothing but anti-entropic change itself.

That said, we must emphasize now, that physical science is not the study of objects and their interactions. The state of mind of science is never that of contemplation. Science is knowledge of the means of human practice, by means of which man’s power over nature may be increased, that anti-entropically. Scientific knowledge is knowledge of those principles of change, by means of which this anti-entropic increase of power, per capita and per square kilometer, may be increased by mankind.

In a world committed to mere contemplation of zero-technological growth, no science is possible.

This brings us to the crucial point, respecting both the fundamental principles of science in general, and physical economy in particular. *What is the action which defines change? If change is the trajectory, what is the action, taken in its infinitesimal expression, which defines that trajectory? This can be nothing other than that sovereign act of cognitive creativity, by means of which an individual generates a validatable, validated physical or comparable principle of change in the universe at large. It is that replicatable act of discovery of validated principle, whose very existence Immanuel Kant, in particular, staked his miserable life’s reputation on denying to exist, which defines science. It is the anti-entropy expressed uniquely by that quality of cognitive act, which defines the process of physical economy within which the action of discovery and its application for change are situated.*

Why should one deny what should have been obvious? What possible motive could prompt such folly? Look at the social implications, and the answer is clear. If we admit this principle of science, then we can permit no one, no class of people, to be degraded to the status of virtual human cattle. If we accept that to be true, how then could oligarchs and their lackeys continue to rule? It is simply that elementary; it is simply a matter of good versus evil.

Finally, on the subject of science as such, the matter of the occult.

The occult comes into existence within the body of purported scientific practice, through the introduction of some arbitrary principle of argument used to avoid a true principle, or to cover up the lack of principle in one's argument. The crudest form of occultism is the sophistry of Babylonian origin brought into Athens by representatives of the Achaemenid Empire's priest-caste. The form of sophistry on which we have concentrated attention here, is the systemic form of the occult we associate as the interchangeable common quality of empiricism and philosophical liberalism. The most common form of the occult projected by empiricism is what we recognize today as statistical argument.

Take a recent typical expression of the form of the occult associated with today's popular statistical sophistry. In the effort to deprecate the role of Senator John Glenn in the most recent manned orbital flight, some lame-brained wisecracker blurted out the inanity, "But, that is only one data-point." Typical of the same folly, is the commonplace, knowing leer of the idiot who would wish to appear to be very professional: "Isn't that merely anecdotal?"

Even the late Dr. Sigmund Freud, who was not usually so fastidious when he had a little sophistry to push, would not be as silly as that. He said, in one rather celebrated debate conducted in London: "If I take a man down to the Thames and hold him under water until he drowns, it is not necessary to repeat that experiment in every river of the world." A better demonstration, is the case of Gauss' discovery of the orbit of Ceres, in which three points sufficed to prove an elementary principle of all experimental scientific investigation. So, all valid fundamental discoveries of principle are proven by a single crucial case: the work usually involves a massive effort, as in Gauss' treatment of the orbit of Ceres, to find the crucial solution.

People who utter the word "anecdotal," with an accompanying, "all-knowing" leer, usually turn out to be the kind of people who would rather fake their answers than actually think. The most popular form of fakery today, is statistics; the mass bankruptcies of many of the world's leading financial houses, and numbers of governmental institutions, too, caused by a single, anecdotal case, the Merton-Scholes "pyramid club" hoax, referenced here earlier, is a fine anecdotal (and, also, statistical) demonstration of the nature of statistical hoaxes.

The popularization of statistical hoaxes begins with that Sarpi-licking lackey Galileo Galilei. Galileo, who had become acquainted with Kepler through Kepler's discussions of music with Galileo's father, was directed by Sarpi's Venetian circles to seek to discredit Kepler's work.<sup>42</sup> The result in-

42. Galileo's father, "Bill" Galilei, was, at the time, a rather famous musicologist of the Venetian school of the opponents of the tradition of Leonardo da

cluded Galileo's famous, but highly suspicious report of an experiment involving the leaning Tower of Pisa. Galileo was the conduit for at least several influential hoaxes, including the popularizing of the notion of "action at a distance," and pioneering in the use of empiricist statistical methods.

It was through Galileo, that the empiricist dogma of statistical kinematics was introduced to England by Thomas Hobbes' *Leviathan*. This was the actual origin of what became the doctrine known under such rubrics as *laissez-faire*, "free trade," "Say's Law," and so on, continuing to the terminal phase of insanity represented by John von Neumann's "systems analysis" and the "chaos theory" popularized out of von Neumann's work. This view of causality, read in the sense of Adam Smith's Invisible Hand, as essentially statistical, is the ultimate occult, the ultimate in pseudo-scientific hoaxes and lunacies.

The empiricist's occult notion of a statistical principle, was added to the older, Aristotelian elements of pseudo-scientific occultism. These older elements are typified by the notions of matter, space, and time as poor classroom practice presents so-called "Euclidean geometry" and the occultism of René Descartes. As I have stressed earlier, the problem here is that these elements are introduced as "self-evident." Particles as such are considered self-evident, "time" is viewed self-evidently as a matter of simple linear extension, hence the popularization of lunatic notions involving the words "infinity" and "infinitesimal." "Space" is also viewed as "self-evident."<sup>43</sup>

Even the development of the notion of isochronic path-

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Vinci, and also of the famous Zarlino whose work on the modes was studied by Beethoven in preparation for the composing of the late string quartets. "Old Bill" Galilei was a contemporary and rival of the theosophical "Richard Wagner" of that time, Claudio Monteverdi of *Coronazione di Poppea* notoriety. These Sarpi-linked musical circles in Italy of that time were allied with England's Francis Bacon, in the effort to drive the English composer John Bull out of England, just as Bacon was used by the same Sarpi circles to suppress the work of William Shakespeare. Kepler's connection to Galileo, through "Old Bill," came about through Kepler's researches into music. In a resulting correspondence with Galileo himself, Galileo obtained material which Galileo later misused publicly as part of his effort to concoct a hoax against Kepler.

43. The unification of empiricist statistical occultism with the older pseudo-Euclidean occult, was effected through the founder of the Eighteenth-Century "Enlightenment," Venice's Paris-based spy-master Abbot Antonio Conti. Conti, an avowed defender of Descartes against Leibniz, adopted Newton as a vehicle for introducing a variant of Cartesianism into England. The network of salons directed by Conti, which continued to operate in England, France, Germany, and elsewhere, even long after Conti's death in 1749, were the core of the European Eighteenth-Century "Enlightenment." It was through this Conti connection, that David Hume's and Adam Smith's roles in Scottish "moral philosophy," and the puppet-master's role of Smith's and Jeremy Bentham's patron, Lord Shelburne, emerged as the standard-bearers of the British branch of that "Enlightenment." Hence, Bentham's role, as Shelburne's head of the British Foreign Office, in training and deploying Danton and Marat for the terrorist's roles they, like Fouché later, performed, under British direction, in Paris.

ways by the work of Christiaan Huyghens, et al., and the notion of “least time” as found along a distance greater than “shortest distance,” by Bernouilli, Leibniz, et al., did not discourage the true believers in the axiomatically “self-evident” nature of space and time. Even after Riemann had removed axiomatic notions of matter, space, and time, with his 1854 habilitation dissertation, J. Clerk Maxwell would cling hysterically to the worthless “Euclidean geometry,” in defiance of already existing, crucial experimental evidence to the contrary.

Even when Kurt Gödel had independently proven what, unknown to him then, others had already proven before, that Bertrand Russell’s principal thesis was worthless, ever-smiling “Johnny” von Neumann, Russell’s fanatical devotee, would profess to hear Gödel out most amiably, while, as he later admitted, screaming inwardly, and hating every minute of it, leaving the premises, in flight from science, into his “theory of games,” out of which he later derived his lunatic cult of “systems analysis.”

So, today, the savages roam, wilder than ever, throughout the madness of that jungle they customarily misname “science.”

## 5. The flywheel explodes!

Within the spinning flywheels of modern national economy, the forces at play are all of the form and substance produced by the accumulation of anti-entropy, as I have defined anti-entropy, here and in earlier locations. The source of that anti-entropy is the realization of validated principles of our universe which have been discovered, and set into motion by the cognitive powers of individual minds, the same cognitive powers on whose attempted general eradication the wretched Immanuel Kant expended the whole of his miserable mortalist’s life. Were Kant to succeed, now, posthumously, the forces of destruction unleashed would be apocalyptic in their effect.

To turn the forces of anti-entropy against themselves, to replace growth by an insatiably growing appetite for economic and cultural self-destruction, as Western civilization has done these past thirty-odd years, is the most horrible form of mass-suicide a culture can perform upon itself. Given the intensity and scale upon which this process is now deployed, the result, unless prevented very soon, must be the greatest catastrophe in known human existence to date.

In his *Religion and Philosophy in Germany*, Heinrich Heine smelled Kant out from the down-wind side of the Eighteenth Century, as Schiller had sensed, and warned against the problem represented by Kant, earlier. During the period of World War II, some British commentators on Heine’s book, had praised Heine as a prophet who had foreseen the embryo of Adolf Hitler in what might pass for Kant’s womb.<sup>44</sup>

44. *Works of Prose, by Heinrich Heine*, Hermann Kester, ed., Ernst Basch, trans. (New York: L.B. Fischer, 1943).

Strictly speaking, the latter commentators were not wrong. Take away a man’s soul, and passion becomes soulless lust; for such a man, like Bertrand Russell, only evil is possible. By profession, mortalist *Schlimihl* Kant had no soul; his personality was, as he described himself, nothing but a negation of a negation.<sup>45</sup>

In truth, Kant was the forerunner of Arthur Schopenhauer. He was also the forerunner of that state philosopher of Metternich’s Nazi-like Carlsbad *Beschlüsse* [Decrees], G.W.F. Hegel, and of Hegel’s Berlin neo-Kantian accomplice Professor Karl Savigny. In that sense, Kant was the forerunner of musical proto-Nazi Richard Wagner, and of Friedrich Nietzsche, Adolf Hitler, and Professor Martin Heidegger, in addition to being a forerunner of Georg Lukacs’ offspring, the so-called “Frankfurt School” of Adorno and Arendt. The common strain among them all, and others like them, such as today’s anti-science “ecologists,” is deep cultural pessimism, profoundly entropic pessimism. However this quality of pessimism expresses itself, it is very nasty, to be fairly regarded as “satanic” in its predictable effects.

The essence of true optimism, sometimes identified by the terms “cultural optimism,” “historical optimism,” or Plato’s and the Apostle Paul’s *agapē*, occurs always as the fruit of a cultured degree of individual cognitive creativity, the quality of creativity which generates groundbreaking progress in the human condition, through validatable discoveries of physical principle, or the creative passion to act nobly, as a passion best inspired by development of valid, Classical-artistic principles.<sup>46</sup>

Thus, an optimism in contrast to that psychotic quality of pessimism, permeating the pages of Hobbes, Locke, Mandeville, Hume, Voltaire, Adam Smith, Bentham, and Kant. Like

45. I. Kant, “Dialectic of Practical Reason,” *Critique of Practical Reason*. Sigmund Freud’s attempt to define individual conscience was nothing more than a parody of Kant’s neo-Aristotelian “dialectic of practical reason”: negation of the negation.

46. One of the best examples of this connection, is the role of the richly contrapuntal, religious music of J.S. Bach, W.A. Mozart, and Beethoven, music which truly incorporates a Christian quality of religious inspiration, in contrast to the banality of otherwise popular hymns and musical settings of liturgy. One of the best examples, is the *Vier Ernste Gesänge* of Johannes Brahms, especially the concluding setting of the Apostle Paul’s *I Corinthians* 13. The crux of the matter is, that Classical motivic thorough-composition, as Mozart et al., adduced this principle from Bach compositions such as *A Musical Offering*, demands immediate evocation of the cognitive principle, thus evoking, through musical composition, that quality within the performers and audience which is the true nature of the individual person as made in the image of the Creator. All great Classical art, composed in coherence with the same Platonic principles employed by Mozart and Beethoven for thorough-composed polyphony, evokes this same sacred quality of passion. This principle also applies to certain elements of folk-music, notably from the domain of the so-called Negro Spiritual, as the collaboration of Harry Burleigh and Antonin Dvořák applied Brahms’ principle for folk-song treatments to such Negro Spirituals. The work of Burleigh and Dvořák shows, that the Classical treatment of the best folk-song material of this sort lends itself to additional touches of perfection by aid of Classical principles.

Kant, all among the, latter, depraved creatures, and their like, from the Seventeenth and Eighteenth Centuries, are the true forerunners of the likes of Bertrand Russell, and of the proto-Nazi, Nazi, and Nazi-like cultists such as Lady Margaret Thatcher's Mont Pelerin Society, and of the Mont Pelerin Society's Heritage Foundation and International Republican Institute, of the Nineteenth and Twentieth Centuries.

There is nothing accidental, nothing properly surprising about the fact of such correlations and connections. The essential qualities of cultural optimism, versus those of cultural pessimism, are defined as expressions of man's view of individual human nature. Through European civilization, as we have parallels from the history of the culture of China, optimism expresses the republican view of the human individual's intrinsic, inborn nobility and worth as a human individual; whereas, the root of cultural pessimism is found in that oligarchical outlook which defends the arrangements under which as much as ninety-five percent of humanity is degraded to the status of virtual Yahoos, virtual human cattle.

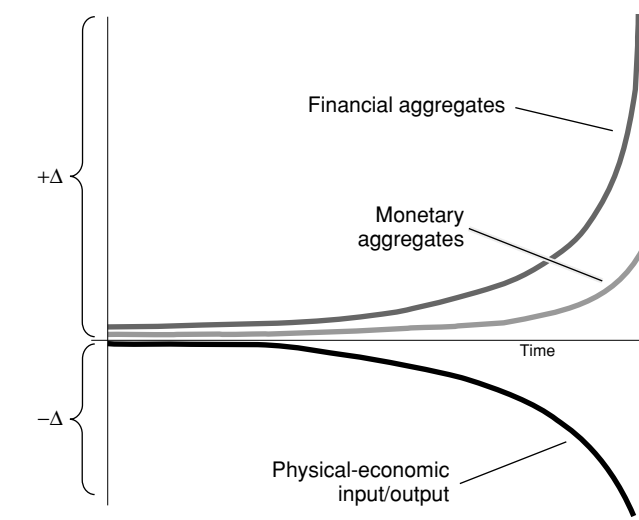
The person who accepts the status of human cattle, may show his pessimism, his depravity, in the fact that he may desire only such learning as will enable him to secure the pleasures afforded by a certain choice of employment. He is, thus, typically, a loyal subject of Byzantium, under the terms of the Code of Diocletian: If his father and grandfather before him were professional jackasses, he will seek the learning necessary to qualify for the traditional employment of a jackass. He is a mean-spirited cultural pessimist; he has no compelling passion for the joy of knowing for the sake of knowing. He finds little, even nothing in himself which he might love and nourish on the premise that he recognizes humanity in himself on this account.

The worst is not such poor yahoos, but the "Leporellos," the dissolute oligarch's lackeys, the in-house pimps of the world's aristocratic "Don Juans." The lackey is nothing by profession; he, like the Sir Henry Kissingers of the world, is merely a poor, disgusting lackey, a professional *Schlimihl*. He is fit only for roles comparable to that of the designated fox of the day, for the oligarch's amusement at "fox and hounds;" he is, so, eminently best qualified to play the part of Oscar Wilde's feral inedible, who lives only to be bred, and culled, for the always sadistic amusements of the oligarchical incredible. A world of oligarchs, they attended by such lackeys, lackeys who occupy themselves chiefly in herding, and occasionally culling, beaten and battered flocks of poor human cattle, poor rutting yahoos: where is there any humanity in such an arrangement?

The oligarchical quality of cultural pessimism, so illustrated, may be termed "the spirit of doom." That said, we focus attention next upon the matching "substance of doom." In these two aspects of the matter, we meet the forces driving the spinning flywheels of western Europe and the U.S.A. today, toward early doom. Consider the impulses of spirit and substance which point to that looming doom, and then focus

FIGURE 1

### A typical collapse function



on the explosive consequences which confront us in this terminal phase of Western civilization's attempted mass cultural suicide.

The substance of doom is to be recognized by its shadow, my now widely circulated, and somewhat celebrated "Triple Curve" [Figure 1]. This figure is to be appreciated as corresponding to three principal factors: the functional composition of the division of labor, the functional composition of consumption, and the role of money and finance in mediating the relations among the several categories of labor and consumption.

The first step in that study, is to consider the composition of employment over the intervals 1945-1965, and 1966-1998. Four categories of employment are to be highlighted. **First:** physical output, as from agriculture, industry, transportation of goods, and maintenance and improvement of basic economic infrastructure. **Second:** services necessary to maintain the productive potential of the population and the processes of production, distribution, and maintenance and improvement of basic economic infrastructure. **Third:** necessary overhead expense. **Fourth:** employment for redundant and parasitical forms of activity, especially employment in parasitical forms of financial services and associated functions. (The takeover of health care by the Dracula-like, mass-murderous HMO financiers, and the various forms of gambling, prostitution, and pornography industry, are typical of the worst parasites.) Compare the changing ratios, 1946-1998, of these compositions of employment, first in numbers, and second in portions of national income absorbed by each category and sub-category.

The result is a clear demonstration of the fact, that since 1965-1972, the U.S. economy (our exemplary case) has been in an increasingly morbid, degenerative phase, now in the

terminal agonies of its financial system, presently at the brink of doom. The odors of the decay of ancient Rome, as echoed from no later than the period of the Gracchi reforms onward, are very pungent ones. Comparisons based upon figures for composition of employment of the total labor-force are horrifying; comparisons in terms of rations of national income flowing through these channels, presents an image far beyond disgusting.

The picture is clearer when we add capital factors to the picture. Two features of this comparison are outstanding. First, the geometric growth of demands upon national income, on account of combined overhead and outrightly parasitical activities, and the even higher rate of shrinking of the portion of per capita national income supplied to maintain direct and semi-direct capital costs of production, infrastructure, and the lower 95% of the total population.

The picture is much bleaker than that, when we examine the effects of so-called "globalization," a phenomenon classed, more candidly, as an extreme, rabid expression of what was formerly termed "neo-colonialism." Since 1971-1972, international economic relations have been dominated, increasingly, by a process fairly described as virtually the export of U.S. and western European employment to NAFTA and like-minded employment of virtual slave-labor in what present-day racists call "emerging markets." Much of the internal income of the economies of the U.S.A., Canada, and western Europe, is derived from net looting, virtually slave-labor operations, in so-called "emerging markets." Some of this looting is done through so-called wage differentials; an even larger portion of the looting is semi-disguised in arbitrarily lowered prices of currencies, and artificially pyramided debt-service obligations of the so-called "emerging markets." When one-way, uncompensated looting of raw materials, is taken into account, the global picture is a disastrous one.

Next, attention must be focussed upon the measurement of shifts in capital- and power-intensity, when these categories are measured in physical-economic, rather than merely the intrinsically misleading role of mere financial statistics. When these categories are considered in functional terms of physical-economic relations of production, infrastructure, and distribution, there is a correlation between rise of both capital- and power-intensity and productivity of labor per capita and per square kilometer. At a certain point, continued lowering of capital- and power-intensity results, functionally, in a step-wise sequence of irreversible collapses in productivity.<sup>47</sup> The results of willful devolution of the levels of capital-

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47. This step-wise devolution was the subject of the 1979-1983 series of *EIR* LaRouche-Riemann Method Quarterly Reports, the most accurate by far of any public forecasting published during that interval. For a graphic comparison of those published reports, see "LaRouche-Riemann Model Debunks the U.S. Recovery," *Executive Intelligence Review*, Nov. 2, 1982; Lyndon H. LaRouche, Jr., "Truthful, or Merely 'Factual'?", *Executive Intelligence Review*, Jan. 9, 1998, p. 19.

and power-density, and in scale of productive and related capacity, in western Europe, as in the U.S.A. and Canada, have driven these economies, physically, way below the break-even point. Under present levels and trends, these economies are caught in spirals of virtually irreversible physical-economic collapse, from which they could not recover within a period as long as a generation or more.

Those kinds of statistical assessments provide the gross picture of conditions and trends. Two considerations must be added. First, we must take into account those additional factors which show the connection between the kind of simply auto-cannibalistic collapse just summarized, and the shock-front effect we have compared to the image of an exploding flywheel. Second, we must look at the ruling institutions of western Europe, the U.S.A., and Canada today, as like packs of legendary lemmings, which, for reason of behavioral modification, are committed to diving from the cliff, into the sea, even if they have no perceivable objective motive, but only lunatic financial ones, for doing so.

On the first of those accounts, we must contrast the measurement of capital ratios in today's, nominalistic, financial terms, to capital ratios measured in physical-economic terms, the latter per capita and per square kilometer. As the Triple Curve illustrates, the 1971-1998 curve contrasts an upward spiral of capital ratios, as measured in nominalistic, financial terms, to a spiralling decline in capital factors as measured in physical-economic terms.

However, an accurate view of this process demands that we adjust the physical-economic scale, to reflect the principle of anti-entropy. In other words, we must measure all changes in physical-economic capital ratios as the cumulative integral value generated by an anti-entropic function.

From that vantage-point, we obtain a truer picture of the doom in process. Compare the process of growth of the financial capital ratios, as driven by financial leveraging, to the connected process of accelerating decline of the capital-ratios expressed in physical-economic terms of the indicated anti-entropic function. *The result of this combined function, taking the intermediating, monetary processes into account, is the generation of a Riemannian shock-front, defining the point at which our proverbial flywheel explodes. The world, especially the so-called "developed" economies of western Europe, the U.S.A., et al., are presently at that point.*

The spectre of doom thus defined, forces our attention to three political factors tending to ensure that the governments of those so-called developed economies will tend to refuse any actions of the type by means of which this doom might be averted.

The first such consideration to be stressed, is the fact that the anti-entropic element of the shock-wave function just identified, is those sovereign cognitive processes of the individual mind by means of which validated principles are discovered, and these discoveries replicated (as by Classical-

humanist methods of education) in other individual minds. This relationship of these sovereign cognitive processes of individual persons, to the process of physical-economic capital formation, is the subjective factor at the root of all so-called "objective" economic considerations.

This role of this subjective (i.e., political) factor is typified, for modern industrial society, by the machine-tool principle. To restate this crucial point, the machine-tool factor is the point in the economic process, at which the subjective side of anti-entropy, the validation of discovered principles, is expressed as either machine-tool-design principles, or an analogous function.

*At this juncture, competent economics locates the crucial, virtually infinitesimal interval of non-linear action which determines the trajectory of the economic process as a whole. Any attempted economic analysis, which does not lay this emphasis upon this function of non-linear action in the infinitesimally small, is bankrupt economics, by definition. Hence, the crucial importance of the principle of non-linear action in the infinitesimally small, which we have stressed respecting both science in general, and in pointing to the inherently evil implications of that empiricist method otherwise known as philosophical liberalism.*

The second subjective consideration, is the cumulative, structural effect of destructive policies, such as those which have dominated the policy-shaping of western Europe, the U.S.A., etc. since thirty-odd years ago. The accumulated structural changes in the categorical composition of the employment of the labor-force as a whole, of educational practices, and capital- and power-intensity (per capita and per square kilometer), and development of basic economic infrastructure, those changes which have occurred under the past thirty-odd-years of cultural-paradigm shifts, have drastically lowered the effective potential relative population-density of the world, especially of the nations of western Europe, the U.S.A., Canada, Australia, and New Zealand, and also the former Soviet bloc. The potential relative population-density, per capita and per square kilometer, of those parts of the planet are far lower today than they were thirty years ago.

At that breaking-point, when the shock-front is formed, the intensity of the shock produced by the indicated global collapse-function, will hit these formerly developed sections of the world with qualitatively relatively greater, more destructive force, than other parts of the world generally.

Without a drastic, sudden and rapid, reversal of the policies of "structural reforms" of those economies, now, there is no possibility for preventing a virtually immediate, sudden, shock-wave type of collapse of not only the economies of those formerly leading nations, but also a plunge of their political and social integrity into a generation or more of genocidal chaos and Flagellant-like madresses.

Thirdly, during the same thirty-odd years, the "superstructure" of ruling opinion has been greatly altered, "structurally,"

to effects paralleling the structural changes in the categorical composition of capital formation, employment, and incomes. Thus, the political, and implicitly political institutions of society have accumulated a bias which tends to prevent institutions represented by present governments, and other presently entrenched policy-shaping authority, from tolerating any of those kinds of remedial action which might prevent the sudden and immediate doom of western Europe, the U.S.A., et al. combined.

We see clearly, already, a lunatic quality of reaction to the ongoing collapse of the global derivatives bubble. We see that entrenched policy-shaping authority would much rather defend the reputations of those policies which have caused the present global collapse of physical economy, than consider the measures upon which the survival of those nations now depends absolutely. The immediate causes for the present global crisis are chiefly the "post-industrial" utopianism which has seized controlling positions in policy-shaping, during the past thirty-odd years, combined with, and greatly exacerbated by the lunatic policies known as "free trade" and "globalization."

So far, typified by the government of Britain's Tony Blair, rivalling Uganda's and Rwanda's dictators Museveni and Kagame for the rank of the worst governments of the world today, bad and evil governments would rather destroy the world, than give up an inch of their habituated delusions of irrational blind faith in "post-industrial" utopia, "free trade," and "globalization." Unless those insane habits are overturned, now, western Europe, the U.S.A., Canada, Australia, and New Zealand, are first on the list for a change of address, to Hell.

The alternative to doom may be summarized in three measures. 1) To eradicate those policies, introduced beginning thirty-odd years ago, which have been the continuing cause for the degeneration of the world's civilization and economies over this period. 2) To reverse the changes in structural composition of employment, investment, and income, which have become today's institutionalized expression of the policies which have caused the degeneration of the world's economies during this period to date. 3) To replace in positions of policy-shaping authority, those political currents which remain committed to perpetuating the mental and economic diseases expressed as "post-industrial" utopianism, "free trade," and "globalization." On condition that all those three actions are taken now, there exists the possibility, even the probability that western Europe and the U.S.A. might escape the doom which now awaits them.

The question is, are you, personally, willing to change your political and related behavior, to bring about those three changes on which the future existence of civilization depends? You may say, "But, I am only an infinitesimally small person in this larger scheme of things." It is in precisely that infinitesimally small, that the trajectory of human history as a whole is determined.

## Blair hawks Gulf war to destroy Clinton Presidency

by Jeffrey Steinberg

With “friends” like British Prime Minister Tony Blair, President Clinton hardly needs independent counsel Kenneth Starr to make his life miserable. For the past ten months, Blair has been doing everything in his power to lure the President into a no-win military action against Iraq, intended to isolate the United States from Russia, China, and the majority of nations of the Islamic world and the developing sector—precisely the combination of sovereign states that the President must align with, to implement the New Bretton Woods global financial reorganization, that is urgently required to lead the world out of a looming dark age.

Blair is currently starring in a tragicomic replay of Baroness Margaret Thatcher’s successful effort to lure George Bush into the Persian Gulf War of 1991, a war that was no small factor in Bush being voted out of office 16 months later.

But, as Lyndon LaRouche warned early this year (see *EIR*, Feb. 13, and an *EIR* video Special Report, “Assault on the Presidency”), the consequence of President Clinton being lured into the Anglo-Israeli Iraq trap would likely be his early impeachment.

The Bush-Thatcher 1991 “brave new world order” war on Iraq set a geopolitical trap that has been repeatedly used by London to distract the Clinton Presidency on almost every occasion that the President has either: moved to box in the war-crazy Netanyahu regime in Israel; attempted to focus on a solution to the global financial crisis; or intervened to advance any one of a number of U.S. regional peace initiatives that threatened flanks of Britain’s imperial “Great Game,” in the Balkans, Northern Ireland, or the Great Lakes region of Africa.

### Blair’s war cries

On Nov. 14, as President Clinton was meeting with his national security advisers at the White House to assess Iraqi’s

promise to allow United Nations Special Commission (UNSCOM) weapons inspectors to resume their work, the British Prime Minister spoke with Clinton *nine times*, imploring him to go to war, according to the British Broadcasting Corp.

The President had already given orders to begin the bombing and missile attacks, but had called off the action moments later, when an Iraqi letter to United Nations Secretary General Kofi Annan arrived at the White House.

The previous day, according to one news account, President Clinton, in his capacity as rotating president of the United Nations Security Council, had asked Secretary General Annan to contact the Iraqi government, and offer them one last chance to reverse its Oct. 31 decision to no longer cooperate with the UNSCOM inspectors. The Iraqi letter to Annan was, thus, a direct response to President Clinton’s last-minute effort to avert use of force. The President had been told by Joint Chiefs of Staff war planners that an estimated 10,000 Iraqi civilians would be killed in the bombing and missile attack that had been planned. While this was of no concern to Blair, the issue of more innocents dying was a matter of grave concern for the President.

Blair stormed out of 10 Downing Street, upon learning of the President’s stand-down order, and howled at British reporters that Saddam’s letter was “unacceptable.” Several hours later, President Clinton’s National Security Adviser, Sandy Berger, told a packed White House press gallery that Saddam’s letter contained “conditionalities” that were “unacceptable” to the United States. The crisis was back on, and several hours later, President Clinton again approved the launching of an attack on Iraqi sites—only to once again receive a communiqué from Saddam, this time unequivocally reversing the UNSCOM expulsion. On Nov. 15, the President, in a brief nationally televised address from the White House, pronounced the Iraqi “clarification” acceptable.





*President Bill Clinton (left) and former President George Bush. The Bush-Thatcher 1991 war against Iraq has been used repeatedly by London to disrupt the Clinton Presidency and divert it from actually vital world issues.*

## **Try, try again**

For the fourth time in twelve months, the British and their Israeli cohorts had failed to lure President Clinton into the “Iraqi monkey trap.”

Nevertheless, Blair was unrelenting. On Nov. 18, the *Daily Telegraph*, flagship publication of the Hollinger Corp. media cartel that has been in the forefront of the assault on the U.S. Presidency, published a blood-curdling commentary by British Foreign Secretary Robin Cook, vowing that Britain was “ready to bomb not bluff,” and that Britain was also prepared to back a “Contra”-style secret war to overthrow the “dictator of Baghdad.” In the same issue, the paper’s Washington correspondent Hugo Gurdon noted that, over the previous weekend, as President Clinton was deciding whether to bomb, Blair had been the “most hawkish” of the world leaders with whom the President had conferred. Blair gave an interview to the *New York Times*, also on Nov. 18, reiterating his “tough on Saddam” posture.

While it would be a mistake to say that Tony Blair was the only player pressing President Clinton to push the button

and launch the most serious military action against Iraq since the close of the 1991 Persian Gulf War, Blair’s role in the ongoing effort to sink the President in an Iraq quagmire has been pivotal.

Blair, from the day he was installed in office by the British Crown and the Privy Council, has been cultivating a personal tie to President Clinton, aimed at reviving an Anglo-American “special relationship” that had been all but buried during the first years of the Clinton Presidency. After British Prime Minister John Major had been caught red-handed, illegally funneling British intelligence dossiers on Clinton to the 1992 Bush re-election campaign, Clinton’s long-standing dislike for the British Establishment, nurtured by his personal unpleasant experiences as a Rhodes Scholar at Oxford in the late 1960s, turned to outright political animus toward “Perfidious Albion.” Blair was chosen, as if out of central casting, to repair the damage.

Thus, for the past two years, Blair has been built up by the British and American media as Clinton’s “soul mate” in the “Third Way” political camp. LaRouche, by contrast, has identified Blair as a political reincarnation of Britain’s most overtly fascist political leader of the 20th century, Prime Minister Ramsay MacDonald. Blair’s every move has confirmed LaRouche’s assessment. (See article, p. 57.)

Unfortunately, President Clinton has not always seen the Ramsay MacDonald parallels as clearly as he should. Were it not for President Clinton’s apparent soft spot for the British Prime Minister, it would have been far more transparent, that everyone pressing him to launch a new Persian Gulf adventure to get rid of Saddam has been a long-standing enemy.

## **All the President’s enemies**

The case of Richard Perle is exemplary. The former Reagan administration Defense Department official was long suspected of being a member of the “X Committee,” the yet-to-be-identified network of Israeli spies inside the upper echelons of the U.S. defense and intelligence establishment, which helped direct the espionage efforts of convicted Israeli spy Jonathan Jay Pollard. Pollard was steered, from Tel Aviv, by Ariel Sharon, the current Israeli Foreign Minister and leading war-hawk.

Perle is a director of the Hollinger Corp., the de facto London “war room” and chief propaganda organ for the six-year effort to destroy the Clinton Presidency, through “Troopergate,” “Filegate,” “Monicagate,” and so on. Hollinger’s *Sunday Telegraph* Washington bureau chief (1992-97) Ambrose Evans-Pritchard was the most out-front Clinton-slayer, fabricating and spreading every piece of filth that could be conjured up against Clinton. Evans-Pritchard boasts of his involvement in building a “Get Clinton” underground movement, and acknowledges that, all the while, he was a stringer for British secret services.

Perle has been the most outspoken critic of the Clinton administration’s failure to dump Saddam Hussein. In the

weeks leading up to the President's latest showdown with Iraq, Perle told an audience at the American Enterprise Institute (AEI) that the CIA's chief of operations should be fired because he failed to mount a successful covert campaign to overthrow or assassinate Saddam.

Perle is also a leading adviser to Israeli Prime Minister Benjamin Netanyahu, through the Institute of Applied Strategic and Political Studies, a Jerusalem- and Washington-based think-tank. Shortly after Netanyahu came into office, Perle drafted a policy study on how the Israeli government could subvert and overturn the Oslo peace accords. And recently, the London *Independent* revealed that Perle was the chief foreign policy adviser to Senate Majority Leader Trent Lott (R-Miss.).

Grouped around Perle is the entire Washington-centered neo-conservative apparatus, including AEI, the Heritage Foundation, the Zionist lobby's Washington Institute for Near East Policy, the *American Spectator*, the Center for Strategic and International Studies, and other "X Committee" suspects including Frank Gaffney, Michael Ledeen, and Douglass Feith. All receive regular generous cash flows from Richard Mellon Scaife, the "Daddy Warbucks" of the anti-Clinton insurgency. Also not to be overlooked in the "Kill Saddam" lobby is the Christian Evangelical apparatus of fanatical "Temple Mount Christian Zionists," led by televangelists Pat Robertson and Jerry Falwell.

Every one of these institutions and individuals, apart from their public hostilities to the President, has been deeply involved in the effort to destroy the Israeli-Palestinian peace process, from the moment that Prime Minister Yitzhak Rabin and Palestinian leader Yasser Arafat signed the initial Oslo Accords at a White House ceremony in September 1993.

Left to their own devices, these notorious Clinton-haters could not convince the President to leave the deck of the *Titanic*.

Hence, the pivotal role of "Tinny" Blair. Hence, the urgency of President Clinton breaking, immediately and decisively, with the British, if he is to ever step out of the Persian Gulf "monkey trap."

## The 'Bibi' and Saddam show

*EIR* has prepared a detailed chronology of the past ten months, which demonstrates conclusively that the ongoing "Iraq crisis" has been orchestrated from London, with the Netanyahu government in Israel and other Israeli assets playing a pivotal role in baiting the trap for President Clinton. The fact that the most recent phase of the Iraq showdown kicked off just days after President Clinton successfully boxed in the Israeli Prime Minister and extracted his signature on the Wye Plantation Accords, reviving the Oslo peace process, provides a clue as to the finger-tip control that the Anglo-Israeli apparatus has over the Iraq business.

When President Clinton scored a dramatic Election Day victory on Nov. 3, severely setting back the London-directed

impeachment attack, the Iraq war gambit became a matter of urgency for the President's enemies in the London Club of the Isles, the hub of the international financial oligarchy.

How was the trap sprung? A series of ham-fisted Israeli provocations were launched, from within the UNSCOM inspection team, that were calculated to provoke a predictable reaction from Saddam.

The grid shows that, from the beginning of 1998, one of the most active "props" in the Anglo-Israeli scheming was UNSCOM inspector Scott Ritter. Ritter has openly admitted that he is an asset of Israeli intelligence, and a conduit for Israeli-cooked intelligence into the UNSCOM inspection apparatus.

On Oct. 11-12, the *Washington Post* published an exhaustive dossier on Ritter, detailing his recruitment by Israel, his betrayal of U.S. policy interests, and his emergence, in August 1998, as the provocateur of the current Iraq standoff. The dossier is widely believed to have been provided to reporter Barton Gelman by sources inside the Clinton administration, who have been furious at Ritter's Israeli-directed dirty tricks.

Zbigniew Brzezinski, the mentor of Secretary of State Madeleine Albright, went on national television in the United States in October, as the crisis was moved toward a showdown, to denounce Ritter as an Israeli agent and a betrayer of American interests in the Gulf.

Ritter, a 1991 Gulf War veteran and now in the Marine Corp. reserves, has been with UNSCOM since its inception.

In addition to Ritter's Israeli pedigree, which is itself a provocation, UNSCOM director Richard Butler staged another dirty trick in the weeks leading up to the Oct. 31 Iraqi cutoff of cooperation with UNSCOM. Butler, according to Iraq's Deputy Prime Minister Dr. Tariq Aziz, allowed three or four top Israeli military intelligence operatives, all well-known Iraq specialists, to enter Iraq under phony papers, including false UNSCOM identification cards. This was tantamount to allowing UNSCOM to be used as a cover for Israeli espionage!

This action by Butler was no act of naivete. In fact, the Iraq crisis that began a year ago could not have been staged without Butler's active involvement.

A career Australian diplomat who had served in sensitive ambassadorial posts before representing Australia at the UN disarmament talks in Geneva, Butler became Australia's Permanent Representative to the United Nations in 1992. On July 1, 1997, Butler took over as head of UNSCOM. Almost immediately, he violated all protocols and began issuing inflammatory statements to the Israeli press, charging that Iraq had massive stockpiles of biological and chemical weapons, and enough delivery systems to "blow away Tel Aviv." Butler's waltz with the Israeli media was done behind the back of the United Nations Security Council, and should have resulted in his immediate dismissal from the UNSCOM post. But, by that point, the Israeli and British media were already off and running.

## Kissinger gaffe repeated

With Butler as a source of inflammatory and highly dubious “evidence” of Iraqi weapons violations, the British Foreign Office has been churning out a steady stream of war propaganda since February. This produced one serious gaffe which reopens the question of British Foreign Office penetration of the U.S. State Department. On Feb. 4, British Foreign Secretary Cook released a white paper, titled “The Iraqi Threat and the Work of UNSCOM,” which began with a litaney of Butler’s wild, unsubstantiated claims of Iraqi biological-chemical weapons of mass destruction. Eight days later, the United States Information Agency (USIA) released a document, “Fact Sheet: Iraq’s Record With UNSCOM,” which began with two pages, virtually taken verbatim, but without attribution, from the Cook white paper. Not since the days of Secretary of State Henry Kissinger has the British

intrusion into the U.S. State Department been so flagrant.

As we go to press, President Clinton is travelling in Asia, and the Iraq showdown has subsided. But, British and Israeli propagandists, and their agents in Washington, are continuing to press ahead, for bombings, and for a full-scale “Contra” campaign on the ground in Iraq. As one of his last acts as Speaker, Newt Gingrich, Netanyahu’s close ally on Capitol Hill, had rammed through a bill providing \$97 million to fund an Iraqi “Contra” movement to overthrow Saddam. Some \$2 million of the fund has already been allocated to USIA, to launch “public diplomacy” in support of the currently non-existent Iraqi “Contras.” If terms like “Contra” and “public diplomacy” don’t send chills down the spines of national security planners in the Clinton administration, then they ought to take a refresher course on the lessons that should have been learned from the Iran-Contra fiasco.

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# How the British Israelites sprang the Iraq trap on Clinton

by Michele Steinberg

From the moment of the diplomatic settlement of the first Iraq crisis of 1998 in February, the government of British Prime Minister Tony Blair, acting on behalf of the British Empire’s Privy Council, has been the primary provocateur stirring up an Iraq crisis, not to destroy the regime of Saddam Hussein, but to wreck the government of President Bill Clinton.

This chronology provides a picture of how the British have run their propaganda, lies, and penetration of the U.S. policy apparatus to provoke an Iraq showdown. The two key British assets are, first, Israeli intelligence, which runs a vicious pressure campaign through the American side of the Likud/extreme right wing, allied with the so-called Christian televangelists of the Pat Robertson and Jerry Falwell stripe; and, where that falls short, espionage, with operatives such as convicted spy Jonathan Pollard. While a pressure campaign mounts for Clinton to free Pollard, his yet-to-be-identified controllers in the United States continue to develop new Pollards, through a network of think-tanks, publications, and recruitment of active duty military personnel. And, second, the media empires, led by the British giants, the Hollinger Corp., and the Rupert Murdoch chain, interfaced with *New York Times* and the *Washington Post*.

Their aim: a Middle East war, preferably now, which can serve to 1) keep the Clinton administration politically off-balance; 2) provide a pretext for Israeli Prime Minister Benja-

min Netanyahu to back out of the Wye Plantation agreement, and, ultimately, the Oslo Accords entirely; and 3) paint any chosen Third World country, through their propaganda outlets, as the new “boogeyman,” against whom the United Nations’ club of sanctions and military strikes can be wielded.

For the first time in decades, the British manipulation is not an “invisible hand”; it is out in the open, including assets such as their Hollinger Corp. empire, the Israeli Temple Mount Likud Party fanatics, the UN Special Commission (UNSCOM), and the U.S. neo-fascist network of Newt Gingrich and the Conservative Revolutionaries in the U.S. Congress.

The events of Nov. 14 encapsulate the British role: After Clinton had temporarily aborted the military strikes on Iraq, it was Blair who rushed out of 10 Downing Street sputtering to the news media that the Iraqi communiqué received by UN Secretary General Kofi Annan was “unacceptable.” Blair’s pressure on the White House to act was constant: The Prime Minister’s office announced that Blair had been on the phone with Clinton eight times that day; the British Broadcasting Corp. (BBC) said it was nine times. And, the more Blair ranted for the United States to bomb Iraq, the more Iraqi voices from Baghdad blamed the United States for abusing them.

While the attack on Iraq has been momentarily averted, it is clear that the British are increasing the pressure on the

Clinton administration. The British Israelite lobby in the United States, the same warmongers who take money from Clinton-hater and Kenneth Starr financier Richard Mellon Scaife, have declared that Saddam was “the winner” in this war of nerves. At the same time, the reports that Defense Secretary William Cohen and Secretary of State Madeleine “Meddling” Albright insisted that Clinton order the attack no matter what the Iraqi government did to meet the UN Security Council terms, have verisimilitude.

It useful to know how important the Blair government considers this Iraq matter. According to a communication from the British Embassy in Washington, a “British Government Website” on Iraq has been operational for some time (major statements were posted beginning in February 1998) to get out the British line. Available in English and Arabic, this “special Iraq Website . . . has been set up jointly by the British Foreign Office and Defense Ministry.” The news release also says, “Updated regularly with *news items* on the developing situation from a variety of U.K. government sources, the site also carries a *background dossier* on the work of UNSCOM in both English and Arabic. . . . The page also has links to related Websites worldwide.”

British intelligence briefing papers on “obstruction of UNSCOM” and “Iraq’s Weapons of Mass Destruction,” are clearly, by content analysis, the basis for the standard arguments for attacking Iraq with a severe, sustained bombardment. As for the United States, it is apparent that the state of policymaking is similar to that Sir Henry Kissinger described in his 1982 Chatham House speech—that, when he was National Security Adviser during the Watergate attacks on President Richard Nixon, his policies were drafted by the British Foreign Office.

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## A Chronology

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**Feb. 4:** British Foreign Secretary Robin Cook authors a policy paper on UNSCOM, and the ongoing threat from Saddam Hussein to build and deploy weapons of mass destruction (WMD), including those using VX, anthrax, and botulism biowarfare agents. He puts out the official line, that no one will ever be safe from this as long as Saddam remains in power. This is released to all media, and to all Members of Parliament. Eight days later, this document, rewritten but largely lifted verbatim, appears as a U.S. Information Agency paper, without any mention of Cook or its British origin.

**Feb. 14:** Yossef Bodansky, research director of the Congress’ Republican Task Force on Terrorism, and a former Israeli Air Force officer and Jonathan Pollard handler, issues a report to justify new military assaults on the nations of Sudan, Yemen, Libya, and Algeria (before, during, or after a

strike on Iraq). The 40-page report claims that “400 Iraqi Scud missiles that could deliver chemical or biological weapons” have been “shipped to Sudan and Yemen.”

**Feb. 17:** Deputy Speaker of the British House of Lords Caroline Cox, the most vocal proponent of a full-scale *American* war against Sudan, declares in the House of Lords that Saddam has transferred Scud missile delivery systems, and other weapons of mass destruction, to Sudan, citing Bodansky and his report prepared for the Gingrichites in Congress as her source.

**Feb. 20:** The London *Times* says that Iraq has relocated its top missile scientists, and chemical and biological warfare experts, to Libya and Algeria, and that Iraq has done this both to protect its programs from an impending military strike, and to aid Libya’s and Algeria’s WMD programs. The hoax, traced to Sharon mafia warrior Bodansky, that Iraq has secretly dispersed its WMD, is put forward to justify the targeting of states in addition to Iraq. In August, Sudan is bombed by the United States “in retaliation” for the bombing of U.S. embassies in Africa, on the basis of this disinformation.

**February 1998:** In the United States, when it appears that a diplomatic solution to the Iraq crisis is possible, a fallback option is put into place to broaden and intensify the next war against Iraq. Richard Perle, Hollinger Corp. director and suspected member of the “X Committee” of Israeli intelligence moles in the United States, issues a plan to destroy Iraq through a “Contra”-type long-term operation.

On Feb. 8, Perle (labelled the shadow “Foreign Minister for Sen. Trent Lott” in the Nov. 12 London *Independent*) publishes his program in the *Washington Post*, entitled “No More Halfway Measures.” It begins, “Given the prospect of chem/bio weaponry in Saddam Hussein’s murderous hands, military action is long overdue. . . . The more fundamental threat is Saddam Hussein himself. . . . That is why even a massive bombing campaign will fail—unless it is part of an overall strategy to destroy his regime by helping the nascent democratic opposition in Iraq to transform itself into Iraq’s new government.” This is a very detailed plan that is the basis for the Iraq Liberation Act of 1998, that was rammed through Congress in October 1998.

On Feb. 20, Perle, under the auspices of the “Committee for Peace and Security in the Gulf,” emerges as the leading figure in a new anti-Iraq operation. In a letter signed by Perle and about 40 other officials of former U.S. administrations, they argue against bombing Iraq, unless the bombing is accompanied by a “total surrender” war plan. Former U.S. Rep. Steven Solarz (D-N.Y.) joins Perle in presenting this perspective.

**March 3:** Scott Ritter, a former U.S. Marine who boasts of his friendly relationship with the Israeli and British intelligence services, emerges as the “Rambo” of UNSCOM. The British Israeli plan to use UNSCOM operative Ritter to exceed the authority in the UNSCOM agreements, now identified by Ritter as “Operation Shake the Tree,” causes UNS-

COM's Richard Butler to remove Ritter from the teams. But, after an alleged "staff revolt," Butler reinstates him.

**March 4-20:** Following an agreement arranged with UN Secretary General Annan, UNSCOM inspections begin at the Iraqi Ministry of Defense, one of the disputed areas. The crisis atmosphere abates, and inspections continue.

**June 23:** BBC reports a leak from UNSCOM that tests on Iraqi warhead fragments show traces of VX, a very deadly gas. One day later, UNSCOM chief Butler, an Australian whose tenure, beginning in July 1997, kicked off the escalation of tensions and confrontations with Iraq, tells BBC that tests by the U.S. military at Aberdeen Proving Grounds show the presence of VX. (Tests done a month or so later by French and Swiss laboratories yield inconclusive and conflicting results.) The VX allegation signals a new round of "Shake the Tree" operations by UNSCOM, according to Ritter's account.

**July 15:** UNSCOM allegedly plans an inspection of a military secretariat in Iraq that is a subject of dispute between Iraq and the UN Security Council. According to Perle, in a speech at the American Enterprise Institute (AEI), this inspection was "objected to" and blocked by a U.S. diplomatic official at the United Nations, thereby angering Ritter.

**Aug. 2-4:** The controversial "July 15" inspection is rescheduled, with Ritter scheduled to be on the team. Press accounts, including interviews with Ritter and a report in the *Irish Times* newspaper, say that U.S. officials, including National Security Adviser Sandy Berger and Secretary of State Albright, demanded that Ritter be taken off the job.

**Aug. 4:** The London *Times* states in an editorial that there will be a new Iraq crisis in October, because that is when a scheduled review of the lifting of sanctions against Iraq will take place according to a UN resolution; and because the Clinton administration will be too weak to deal with a crisis at a time when independent counsel Starr will be submitting his report on impeachment to Congress. The editorial by the *Times*, a mouthpiece for British intelligence, is considered a "signal piece."

**Aug. 5:** Iraqi officials suspend cooperation with UNSCOM, after delivering official protests regarding Butler's actions.

**Aug. 6:** A press campaign to free convicted spy Pollard begins. In a *Wall Street Journal* article entitled "Jailed Spy Was Right About Saddam," Angelo Codevilla, an associate of Perle with the Jerusalem- and Washington-based Institute for Advanced Strategic and Policy Studies, recounts the danger of Iraq's WMD capabilities, and attacks U.S. "softness" toward Iraq. He wildly claims that former deputy CIA director Adm. Bobby Ray Inman's decision to withhold U.S. satellite information about Iraq from Israel, was the motivation for Pollard to hand U.S. secrets over to Israel.

Sometime in August, Israeli Cabinet officials Sharansky and Edelstein demand of Vice President Al Gore, that the United States free Pollard.

**Aug. 7:** UNSCOM's Ritter resigns from his UN job,

claiming that officials in the Clinton administration were intervening to stop UNSCOM from conducting the inspections that Ritter's intelligence network wanted to carry out.

**Aug. 7-present:** Ritter is picked up by a conservative speaker's bureau, part of the Mellon Scaife/Hollinger network, to spread terror stories about Iraq and beat the drums for war.

**Sept. 9:** Citing Ritter's charges on Iraq, U.S. Sen. Sam Brownback (R-Kan.), chairman of the Senate Foreign Relations subcommittee on Near Eastern and South Asian Affairs, announces that he will hold hearings on Iraq, saying he finds Ritter's charges "credible, specific, and substantial." Brownback says that the Clinton administration has shown "little resolve in containing Iraq and removing Saddam Hussein from power." Brownback's committee is involved in writing and in lobbying for passage of the Iraq Liberation Act of 1998, which calls for a "Contra"-style war against the Iraqi regime—that is, adoption of Perle's February plan. Zionist lobby-funded Rep. Benjamin Gilman (R-N.Y.), chairman of the House International Relations Committee, announces that he will also hold hearings, based on Ritter's claim.

**Sept. 16:** At House National Security Committee hearings, Michael Eisenstadt, a fellow at the Zionist lobby's Washington Institute on Near East Policy (WINEP), attacks Clinton's policy of "food for oil," and "containment" of Iraq, as dangerously weak.

**Sept. 28:** The Israeli newspaper *Ha'aretz* interviews Ritter and publishes detailed accounts of his trips to Israel, where he is briefed and debriefed. Ritter says that he is under investigation by the FBI for security breaches in giving information obtained from the UNSCOM inspections to Israel.

**Oct. 1:** UNSCOM chief Butler admits in a public briefing that former UNSCOM official Ritter is illegally using confidential information against Iraq. This is one day after charges of UNSCOM abuse is aired by the Iraqi Ambassador to the UN General Assembly.

Within a couple of weeks, Butler issues an official UNSCOM report citing tests that show the Iraqis possess VX gas. According to news accounts, the report says that the French/Swiss reports which contradict the earlier American reports are unimportant.

**Oct. 11:** The *Washington Post* initiates a two-part series on Ritter entitled "Shell Games: The Hunt for Iraq's Forbidden Weapons: A Futile Game of Hide and Seek." The article details Ritter's contact with Israeli and British intelligence, and his history of demotions and trouble in the U.S. Marine Corps. The article reveals a close working relationship between Ritter and Iraqi "Contra" Ahmed Chalabi, the London-based leader of the Iraqi National Congress opposition group and a well-known fraud.

**Oct. 14:** Perle, in a keynote at an American Enterprise Institute forum on the Middle East, demands that CIA Near East chief Steve Richter be fired for gross incompetence, including because of his disagreements with Ritter; Perle de-

fends Ritter as a great hero. AEI constantly attacks Clinton policies, and, in 1996-97, it received about \$1 million from Richard Mellon Scaife-controlled foundations that also financed witnesses against Clinton for prosecutor Starr.

**Oct. 16:** The London *Independent* demands that Ahmed Chalabi get part of \$97 million in aid that Congress has mandated under the Iraq Liberation Act, that the U.S. government uses to fund the Iraqi opposition groups. Chalabi says that the Clinton administration opposed the money, but couldn't stop it because of the Starr investigation.

**Oct. 11-30:** Ritter is extremely active on the U.S. lecture circuit, right-wing radio talk shows, and think-tank conferences.

**Oct. 30:** Iraqi Deputy Prime Minister and Foreign Minister Tariq Aziz briefs the Iraqi Parliament on the penetration of UNSCOM inspection teams by Israeli nationals, i.e., intelligence operatives, travelling on false identity papers. The next day, Baghdad announces that Iraq will stop cooperating with UNSCOM weapons inspectors. Iraq claims that it has fulfilled the military conditions of the cease-fire, and demands that economic sanctions be lifted. The Iraqi government states that it will continue cooperation with the International Atomic Energy Administration, a second UN inspection body.

**Oct. 31:** The British government forces through a resolution against Iraq in the UN Security Council, which it chairs as part of the regular monthly rotation. (The British chairmanship expired at midnight.)

**Nov. 1-4:** The entire British cabinet, led by Blair, goes on a full-scale mobilization before the House of Commons, the House of Lords, and in the media, essentially declaring war against Iraq. Blair's line is that the threshold has already been crossed, and there is no diplomatic solution possible, or desired.

**Nov. 2:** Blair, at a news conference with German Chancellor Gerhard Schröder, gives Saddam "a stern warning" that he would use "any means that are necessary" to force Iraq to comply with weapons inspections. Blair and Schröder say that the European Union (EU) is united against Iraq.

**Nov. 3:** A major British psychological warfare ploy surfaces, with *Guardian* articles about an Iraqi defector, Abbas Al-Janabi, now in London, who claims to have worked for Uday Hussein, Saddam's son, for 15 years. In the article, entitled "Life with the Brute of Baghdad," Janabi boasts, "I know everything about his private life, his business deals, the places he goes and the people he meets. . . . Uday Hussein, his brother Qusay, and two other men form a secret committee that supervises the 600-strong special brigade charged with concealing Iraq's banned weapons from the UN inspection team. . . . Even Tariq Aziz doesn't now where the weapons are. He thinks they are finished. He [Aziz] is important outside Iraq, but he is nothing in his own country." The article says that Janabi was debriefed by top intelligence agencies, and he said, "The enemy of my enemy is my friend."

**Nov. 5:** ABC Nightline, a major outlet for British propa-

ganda in the United States, features Ritter on Iraq's weapons of mass destruction. Ritter says that the 1991 cease-fire agreement was far too soft, and that he aims to push the United States into action against Saddam.

**Nov. 5:** British Foreign Secretary Cook announces that he will travel to the Persian Gulf, together with Defense Secretary George Robertson and Foreign Office hit-man Derek Fatchett, to mobilize regional governments against Saddam. In telephone calls to EU colleagues, Cook begins attacking continental opposition to a new war against Iraq. Cook warns of "severest consequences" if Iraq continues to limit cooperation with the UN, and he claims full legal authority to mount military strikes, even though no such language is in the UN resolution. Cook's trip comes just as U.S. Defense Secretary Cohen is leaving the region.

**Nov. 6:** Various Arabic dailies report that Saudi King Fahd told Cohen during their recent meeting that Saudi Arabia would not allow its territory to be used as a launching pad for military ventures against Iraq. It is reported that Secretary of State Albright and Vice President Gore held phone conversations with Saudi Crown Prince Abdullah, to impress upon him the seriousness of the situation so that the Saudis would give permission.

**Nov. 6:** Russian Foreign Minister Igor Ivanov meets with Palestine Liberation Organization Executive Committee General Secretary Mahmoud Abbas in Moscow; following the talks, Ivanov says that he had emphasized his government's desire to find a diplomatic end to the UN/Iraq crisis. Ivanov held similar meetings with other Arab diplomats.

**Nov. 10:** An *EIR* limited-distribution report summarizes how British cabinet officials were involved in an intense schedule of visits to the Middle East, and were building up a propaganda barrage to prepare the public in Britain, Europe, and the Middle East for a military strike. Over several days, British Defense Minister Robertson was in Kuwait, and other British officials either directly met or held discussions with the leaders of the six-nation Gulf Cooperation Council. Special efforts were made to convince Saudi Arabia to allow U.S. war planes to use Saudi territory.

The *Jordan Times* reports on various "military sources" located in Kuwait, who claim that a U.S.-led strike is imminent.

"Robertson," says the *Jordan Times*, "who arrived in Kuwait on Sunday night [Nov. 8], has said the current crisis would not be allowed to drag into the new year."

"On Nov. 9," the paper adds, "the defense ministers of the six-nation Gulf Cooperation Council were also scheduled to meet," and that the six "have in the last few days given Washington permission to use some of their military infrastructure for strikes against Iraq, Gulf and Western military officials said."

The *Jordan Times* account reports opinions of unidentified "Western officers" (probably from Robertson's entourage), that "once the final decision is taken, it will be quick."

The *Jordan Times* also reports that U.S. National Security Council spokesman David Leavy said that Clinton had made no decision, and was waiting for feedback from his advisers. The *Times* adds that another “senior U.S. official, who asked not to be identified, told Reuters that two basic military attack plans had been prepared by the Defense Department, one of them ‘larger and more punishing than the other.’ ”

**Nov. 10:** While the British issue crisis statements, WINEP hosts a forum to offer plans for the overthrow of Saddam, presented by Maj. Gen. Fahad Al Amir, Deputy Chief of Staff of the Kuwaiti Armed Forces. Fahad Al Amir’s remarks are immediately picked up the *Washington Times*, the *Washington Post*, and by Perle’s “Contra” group, the Iraqi National Congress (INC), whose press service, which attended the WINEP event, issues a release entitled “Kuwait Supports INC Plan to Overthrow Saddam.” It reads:

“U.S. military strikes should target Saddam Hussein and his military machine with the objective of toppling the regime . . . [including] the ring close to Saddam which maintains his survival. . . .

“He said, ‘Kuwait . . . favors establishment of a wide enclave in southern Iraq, akin to one already in the north, in which Iraqi ground forces would be prohibited and Shi’ite rebels encouraged to actively oppose the regime. In the south, the revolution is there. . . . It’s underground, it’s ready.’ ”

**Nov. 10:** Senator Brownback demands, “President Clinton must implement the Iraq Liberation Act and support the INC.”

**Nov. 10:** The *International Herald Tribune* cites “official sources,” that the Clinton administration is preparing a major bombing campaign unless Iraq backs down on the weapons inspection question. According to these unnamed sources, and unlike previous threats, the administration is fully committed to a military option if necessary.

These sources claim that they have regional support among the Arab countries (although official statements from Russia, and countries in the region, do not support such action).

According to the article, the United States is planning a swift and heavy bombing campaign followed by extensive air patrols. Nevertheless, the article admits that many military planners remain skeptical of the plan.

**Nov. 10:** The London *Daily Telegraph* runs an article entitled “Britain Warns Iraq: ‘Time Is Running Out.’ ” British Defense Secretary Robertson tours the Gulf States, trying to drum up support for a military strike. In Kuwait, he says, “Don’t underestimate the resolution of the international community. We mean it.” Kuwait apparently assures him of its support. Foreign Secretary Cook visits Egypt and Saudi Arabia the following week. The article cites Foreign Office sources as saying that they will allow another two weeks for a possible diplomatic solution.

**Nov. 11:** The *Washington Post*, in an article entitled “Carrier, Marines Rushed to Gulf—Time ‘Running Out’ for

Iraq, Cohen Says,” pieces together one-line comments from four separate U.S. government events, that U.S. Defense Secretary Cohen said UN and U.S. credibility are on the line. The article details deployment of U.S. Navy ships which are replacements for those already in the Gulf, but whose deployment schedule was moved up; the article mentions that these are only replacements, not increases in the deployment.

Absent war-mongering statements from the Clinton administration, the article relies on British assets in the United States who are not in government to fan the flames. It reports that there is a plan, pushed by former Defense Undersecretary Paul Wolfowitz and Gen. Wayne Downing (U.S. Army, ret.), to overthrow Saddam, but says, “that idea is not under serious consideration” by the administration. The article also reports on Fahad Al Amir’s speech to WINEP.

**Nov. 11:** Statement from the London office of Ahmed Chalabi, president of the INC Executive Council: “Any campaign to bomb Saddam will be counterproductive if it is not accompanied by a serious attempt to overthrow him. . . . President Clinton has recently signed the Iraq Liberation Act which authorizes him to provide military aid to the democratic Iraqi opposition. We urge him to move quickly to implement this law which commits the U.S. to removing Saddam and his regime.”

**Nov. 11:** Editorial in the Murdoch-owned *New York Post*, entitled “Pretending to Stop Saddam,” says, “Someone high up in the Clinton administration owes Scott Ritter a public apology. . . . [The administration] leaked baseless accusations that he was illegally slipping classified information to Israel . . . [and] Ritter was absolutely on target [about Saddam’s weapons of mass destruction]. . . . [Ritter] also found evidence that Iraq lacks only enriched uranium to detonate nuclear weapons.”

The *New York Post* says President Clinton has been weak and confused, and any lack of international support for overthrowing Saddam is his own fault.

**Nov. 11-12:** Speaking at Veterans’ Day ceremonies, Clinton indicates the possibility of military action against Iraq, but says we “hope—indeed we pray,” that it will not be necessary. In London, Blair issues a series of ultimatums against Saddam, including statements that seeking a diplomatic solution is neither necessary nor desirable. President Clinton orders additional personnel and equipment to the Gulf region for strikes against Iraq.

**Nov. 18:** The Hollinger Corp.’s *Daily Telegraph* publishes a blood-curdling guest editorial by Foreign Secretary Cook, headlined “We’re Ready to Bomb, Not Bluff,” in which he states that he expects Saddam to renege on the pledge to cooperate with arms inspectors, and vows a brutal military response. He also cites British support for Iraqi “Contra” groups, and asserts, with no foundation in fact, that Saddam is still stockpiling and manufacturing biological and chemical weapons—despite the fact that UNSCOM inspectors have found no evidence of such a buildup.

The *Daily Telegraph* confirms that Blair was pressing the hardest for President Clinton to go ahead with bombing, despite Saddam's agreement to unconditionally allow UNSCOM weapons inspections to resume, unfettered. The *Telegraph's* Hugo Gurdon writes from Washington: "It has emerged that Mr. Blair was more hawkish than anyone when Mr. Clinton consulted allies last weekend after calling off the first bombing and missile raids with 15 minutes to spare. The Prime Minister insisted that Saddam's second letter to Kofi Annan, the UN Secretary General, was unacceptable and that the Iraqi leader could get off the hook only with a third letter explicitly renouncing his August and October pronouncements banning spot checks and then all searches by the inspectors. After Saddam responded to Mr. Blair's demand Mr. Clinton decided he could not go to war and kill thousands." The article predicts that there will still be a military confrontation with Saddam within days or weeks, because Iraq will not fully comply, and "it will leave the Anglo-American alliance with a choice described by one official here as a 'no brainer' between military confrontation and the demolition of Western credibility."

In short, although the immediate threat of military action against Iraq has abated, as the result of President Clinton's unilateral decision, London has not given up on forcing the United States into a militarily futile action.

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## More Netanyahu games in the Middle East

by Joseph Brewda

The Israeli government of Prime Minister Benjamin Netanyahu on Nov. 20 began the first phase of what is now planned as a 12-week redeployment process, for the withdrawal of Israeli occupation troops from the Jenin area of the West Bank. The pullout follows an Israeli cabinet vote on Nov. 19 accepting the Wye Plantation agreement which President Bill Clinton brokered between Israel and the Palestinian Authority in October, in yet another effort to revive the moribund 1993 Oslo peace accords.

According to the agreement, Israel would pull out of 2% of the territory now under full Israeli control in the West Bank. An additional 7.1% of the West Bank currently under Palestinian civil administration, but Israeli security control, would also come under Palestinian security control as well. If the three phases of the pullout go as planned, about 40% of the West Bank will be under full or partial Palestinian control by mid-February. This is the first time in two years that Israel has relinquished Arab lands.

But no one should think peace is at hand. For one thing, the disposition of a few acres of arid real estate has nothing to do with peace. Nor can it be said that the Clinton administration, in devoting vast resources to supervise real estate haggling between the Israelis and Palestinians, is, by so doing, playing the role of a peacemaker.

The unfortunate reality is that Netanyahu and his backers are as fully committed to provoking war in the region, as they were in 1995 when they assassinated the architect of the Oslo Accords, Israeli Prime Minister Yitzhak Rabin. Unlike Netanyahu, Rabin wanted peace. No sworn agreement on Israel's part, as long as it is ruled by Netanyahu, changes that fact. Moreover, showing the actual nature of his regime, Netanyahu has already lobbed several timebombs since Wye, each of which could blow up the Wye agreement, and provoke a new Arab-Israeli war.

### The Har Homa provocation

For one, the Israeli government on Nov. 12 issued a tender offer for the construction of more than 1,000 Jewish housing units in Har Homa in occupied Arab East Jerusalem. The project, which is part of a larger, multi-hundred-million-dollar plan to build a city with 6,500 residential units, is designed to provoke Palestinian violence, because it shows Israel has no intention of making Jerusalem's status an item of negotia-



tion, as mandated by the Oslo Accords.

This is vintage Netanyahu. When the Clinton administration finally forced Israel to pull out of Hebron in March 1997, as also demanded by the Oslo Accords, Netanyahu similarly chose that moment to hold a ground-breaking ceremony for Har Homa, provoking riots, as he intended to do.

The intent is to also build a hostile climate among Palestinians against Palestine Liberation Organization leader Yasser Arafat, who has increasingly been condemned as a “sell-out” because of his dealings with Israel. After all, under Wye, Arafat agreed to receiving only 40% of the West Bank, rather than the 90% promised at Oslo—and this, too, in several isolated enclaves, which Arafat’s critics have ridiculed as “bantustans.”

In a related provocation, the Israeli government also announced on Nov. 12 that it would pave 13 by-pass roads as part of its “West Bank settlement protection plan,” requiring further confiscation of land occupied by Palestinian farmers, forcing their expulsion. This project is meant to ensure that the illegal settlements are forever part of “Greater Israel.”

Similarly, Israel announced that it has complied with the first phase of a Wye provision on the release of Palestinian prisoners, by agreeing to release 250 prisoners of the 750 total agreed to at Wye. The problem is that, rather than releasing PLO political prisoners, Israel wants to release common criminals instead.

### ‘Jordan Is Palestine’

Worse, while Netanyahu is attempting to overturn the Wye agreement through such antics, he is continuing to attempt to sucker Clinton into bombing Iraq, to give him the needed maneuvering room to destroy Wye. In addition to further discrediting the United States through such a senseless war, a U.S. attack would go a long way toward breaking up neighboring Jordan, where King Hussein lies gravely ill with cancer. The idea is that in the chaos surrounding a strike against Iraq and a succession fight in Jordan, Israel and Britain can resurrect their old “Jordan is Palestine” scheme.

Under this scheme, the Israelis would simply declare the Palestinian problem “solved,” by insisting that Jordan, with its large Palestinian refugee population, is the real Palestinian state. To bring this about, the Israeli Army would be deployed to massacre Palestinians on the West Bank, stampeding as many Palestinians as possible across the Jordan River into Jordan.

The British and Israelis also want to use a U.S. attack on Iraq to begin the breakup of that starving country. Their intent is also to use Iraq’s breakup to destabilize neighboring Turkey and Iran, as well as Saudi Arabia, as Turkish Deputy Prime Minister Bulent Ecevit has charged. Provoking a Turkish-Iranian conflict over the oil-rich Kurdish region in northern Iraq, is among several scenarios they are considering. This is part of the Israeli war plan for redrawing the map of the Middle East.

# Museveni in Congo and Sudan: Booty pays for the war

by Linda de Hoyos

The Chief of Staff of the Ugandan Popular Defense Forces (UPDF), Brig. Gen. James Kazini, a nephew of Ugandan dictator Yoweri Museveni, is at the center of charges against the Ugandan army of wholesale looting in Uganda and southern Sudan. As *EIR* reported in its last issue (see pp. 58-65), Kazini was also caught in a covert caper to smuggle arms to the Sudanese People’s Liberation Army of John Garang, operating in cahoots with Roger Winter of the U.S. Committee on Refugees, Daniel Eiffe of Norwegian Peoples Aid, and notorious gun-smugglers Michael Harari, formerly Israeli Mossad station chief for South America, and Alberto P. Herreros, formerly a prime contract for the illegal George Bush-Oliver North Contra supply operation of the 1980s.

The question now being raised is whether the covert supply of arms is being paid for by booty gathered by the Ugandan Armed Forces, which invaded the Democratic Republic of Congo on Aug. 2, and followed that with an invasion of Sudan in September. According to some sources, the money garnered from the sale of the gold, timber, and diamonds, being looted out of Congo and southern Sudan, is put into offshore bank accounts, and then used to buy the arms and other supplies to keep the wars going.

According to a South African intelligence source, Kazini was in command of the invasion of the Congo, the source having accompanied him during the campaign in western Congo, which failed. Kazini’s presence in Congo is not just military, but is also for business—a fact that came to light when Kazini’s brother, Col. Jet Mwebaze, was killed in a crash on Sept. 26 of a private plane, apparently on its way to the Congo. Soon after the rescue of some of the survivors of the crash, news began to leak out that pointed to far more than a technical failure or weather problems:

- The pilot of the plane was found with a bullet in his head.
- Colonel Mwebaze was reportedly also shot before or after the plane crashed.
- More than \$1 million in cash was found on the plane.
- Other passengers on the plane included Asian businessman Arif Mulfi and Israeli businessman Zeev Shif, a partner in the Eforte Corp., a company of Salim Saleh, half-brother to President Museveni and Museveni’s top military adviser.

Speculation is rife throughout Uganda that the plane was going to the Congo for a pick-up of gold in areas currently under the occupation of Ugandan troops.

### **UDPF a 'thieving gang'**

Corroboration of this idea soon came from an unexpected source: an article appearing in the Oct. 12 issue of *New Times*, the semi-official newspaper of the Rwandan government, a military satellite of Museveni's Uganda. The paper reported a "growing rift" between the Rwandan and Ugandan forces now occupying eastern portions of the Democratic Republic of the Congo, blaming the tensions on a "clique" in the UPDF centered on Kazini and Salim Saleh. Titled "Saleh Reducing the UPDF to a Thieving Gang," the article said, "When the war against [Congo President Laurent] Kabila broke out in the Congo, this clique saw it as a windfall—literally as a goldmine. . . . The clique now wreaking havoc in the Congo includes Maj. Gen. Salim Saleh, Brigadier Kazini, Colonel Kerim, Major Ikondere, and the late Lt. Col. Jet Mwebaze. The list reads like a who's who of the UPDF's top convicts."

The article charged, "A brave and personable officer, Colonel Mwebaze died on a gold mission in the company of elements of a murky international gold- and money-laundering syndicate, heading for the part of the Congo under the control of his own brother, Brigadier Kazini, in the service of General Salim Saleh, the overall warlord." The article was written by a Rwandan veteran of both the Rwandan Patriotic Army and Museveni's National Resistance Army.

The article further excoriated Salim Saleh for his involvement in privatization in Uganda, saying that he took a \$1.5-million commission on a recent purchase of defective army helicopters.

The paper prompted a visit to Kigali, Rwanda from Salim Saleh, and a trip to Kampala, Uganda to meet Museveni by Rwandan Defense Minister Paul Kagame.

Salim Saleh admitted to the press that he was retrieving business operations lost with Kabila: "I used to have business with Kabila, but that is now lost," Salim told *New Vision*. He also said that the Israeli businessman on Jet's plane was in the gold business for him. He also attacked the Rwandans for "washing the dirty linen in public," but said that the rift had been healed. "We have now established a new code of conduct for smooth running of our operations."

Salim Saleh has also come under scrutiny from the Ugandan Parliament for allegations that he is the hidden buyer of the Ugandan Commercial Bank, which is being privatized by the government.

### **SPLA complains too**

Before taking charge of the invasion of the Congo, Brigadier Kazini was commander of the fourth division of the UPDF, and in charge of operations in the north against the rebel Lord's Resistance Army and in support of the Sudanese

People's Liberation Army of Garang.

As the mystery surrounding Mwebaze's death was still swirling around, an article appeared in the Ugandan opposition newspaper, which quoted an unnamed official of the SPLA complaining that Jet had also been in charge of a company that was fleecing southern Sudan of its resources of gold and timber. "Jet was the managing director of the New Sudan Trading Corporation (NSTC), which was the company formed by the SPLA to help in facilitating trade in areas under its control," the SPLA official said. He charged that the company was in fact dominated by Ugandan army officers, government ministers, and businessmen. The SPLA official said that in return for their share in the company, the Ugandan government permitted the SPLA to have free rein in northern Uganda to recruit guerrillas and to conduct private businesses, especially trade in cattle.

The looting of southern Sudan and eastern Congo by the Ugandan military clique led by Museveni proceeds despite the fact that Uganda is being aided by outside sources as well. In hearings on July 29, U.S. Assistant Secretary of State Susan Rice, an enthusiastic supporter of Museveni, reported that the United States provided Uganda with \$3.85 million in military equipment last year, and will likely do so again in 1998, in addition to an International Military Education and Training Program. Under questioning, she admitted that the Ugandan military had "a lot of problems" of corruption and lack of discipline, which the government is not dealing with successfully.

The privatized looting is also evidently required despite a 26% increase in the Ugandan military budget announced for the 1998-99 budget by Minister of Finance, Planning, and Economic Development Gerald Sendaula—an increase which has caused protest among parliamentarians who represent Uganda's service-starved people. But Museveni was defended in this action by no less than the World Bank representative in Kampala, Randolph Harris, who proclaimed that the "security threats" to Uganda cannot be ignored.

Money to feed the war effort continues to roll in. The International Monetary Fund announced on Nov. 11 that it will hand over a \$46 million loan to support Uganda's 1998-99 "economic program."

It is the conjecture of Ugandans that most of this money, including a recent grant from the British government of £67 million, will be siphoned off to pay for Museveni's military operations in the region, wars which the Ugandan people do not support.

An additional question is: How much of a slice do Museveni and his relatives, including Salim Saleh, Kazini, and others who now dominate the Ugandan Armed Forces, get from the booty-grabbing and other money flows? No matter what the size of the slice, however, the British Commonwealth extraction companies that follow in the wake of the military triumphs of Museveni's mercenary army, will take the biggest share of all.

# Tony Blair: Britain's universal fascist

by Mark Burdman

During the current showdown against Iraq, British Prime Minister Tony Blair's primary agenda has been to manipulate U.S. President Bill Clinton into a disastrous war against Iraq. British sources indicate that there is another, second agenda: that Blair finds the strident war rhetoric useful, in deflecting attention away from the global financial crisis and the devastating effects it is having on the already-ravaged British economy. It is also certain that the British Prime Minister finds a war mobilization useful, as a means of providing an atmosphere of "national unity," that can be exploited for imposing new ratchets of austerity on the British population, as Britain's economic plight worsens.

To understand Blair's motivations, it is crucial to view him as the contemporary version of J. Ramsay MacDonald, the Labour Prime Minister elected shortly before the stock market crash of 1929, and a protégé of King George V. Under the growing social and economic crisis in Britain produced by the Great Depression, and under intense pressure from Bank of England Governor Sir Montagu Norman to impose draconian austerity, MacDonald worked out with the King, the formation of a new "National Government" in 1931. This included key figures from the opposition Conservative and Liberal parties, creating a cross-party "consensus" for brutal austerity, all in direct contradiction to the "pro-working-class" polemics of the Labourites. Simultaneous with these developments in Britain, Norman, a key influence behind Nazi Economics Minister Hjalmar Schacht, and his cohorts in Germany, were architecting the infamous emergency decrees declared by Chancellor Heinrich Brüning, the which prepared the way for Adolf Hitler's rise to power in 1933.

After the National Government experiment collapsed, MacDonald was made president of the King's Privy Council, an enormously powerful position. It is an open question whether Blair, himself a member of the Queen's Privy Council, will be granted such an honor some day.

The MacDonald parallel was made by Lyndon LaRouche and *EIR* during the course of 1997, starting before Blair's May 1, 1997 landslide election victory. On Jan. 20 of this year, Labour Party parliamentarian Tony Benn, a former Labour Industry Secretary, wrote a London *Times* commentary entitled, "Is Blair a New Ramsay MacDonald?" with a subtitle about the "ominous parallels with the 1931 National Government."

Benn recalled that, in 1931, "under pressure from the Governor of the Bank of England and bankers in New York and Paris, and to meet the strict criteria required for Britain to remain on the Gold Standard, Mr. MacDonald proposed a series of drastic cuts in public expenditure," and engaged in talks with opposition leaders to win support for these cuts. Benn charged that Blair's agenda is an "echo" of the MacDonald approach, especially with its "deliberate distancing from the trade unions," and its commitment to "severe public spending cuts, which are being presented to us in the guise of 'modernizing' the welfare state." Benn warned that a revolt was brewing within the Labour Party against this MacDonald-modelled direction.

## A 'New Age' variant

The 45-year-old Blair is a Ramsay MacDonald lookalike tailored for the late 1990s. He is a confirmed New Ager, who worships Rolling Stones degenerate Mick Jagger as his idol, who believes that the electric guitar is the most appropriate symbol summing up the 20th century, and who claims New Age psychologist C.G. Jung as one of the key influences on his thinking. He is a fanatical supporter of globalization and "global institutions," population control, the "Information Age," and ecologism. Typically, in a Jan. 5, 1996 speech to businessmen in Tokyo, he proclaimed that because of the "internationalization of culture, . . . in Tokyo and London, we are sharing the same rock music, the same designer clothes"; in the next breath, he exulted about the vast scope of the international capital markets.

One of Blair's so-called "New Labour" priorities has been to lower the age of consent for homosexuality; one-fourth of the males in his Cabinet are homosexuals, and his Welsh Secretary, Ron Davies, resigned in late October, following a bizarre nightly escapade that clearly involved homosexual encounters.

On ecologism, Blair has striven to put Britain in the lead of what his Foreign Secretary, Robin Cook, calls "ecopolitics." Blair's first major international address as Prime Minister was on June 23, 1997, in New York, before the "Rio 2" conference, convened to commemorate the fifth anniversary of the 1992 United Nations Earth Summit in Rio de Janeiro, Brazil. His speech put Britain's full weight behind the "global warming" hoax. On Dec. 4, Blair sum-

moned scientists, trade unionists, and business leaders to a “green summit” at 10 Downing Street, with five members of the Cabinet in attendance. In a signed *Times* commentary that day, Blair gushed about the “excitement” generated by the Rio Earth Summit.

### **A Thatcherite under a Labour Party facade**

Blair’s hatred for industrial society and scientific and technological progress is summed up in his favorite phrase defining his policy direction: “The Third Way.” This is a euphemism for the abandonment of traditional constituencies, labor union and otherwise, with the argument that these constituencies are not relevant to “globalization” and the “new realities of the Information Age.”

Like MacDonald before him, Blair attempts to implement policies hostile to Labour’s base constituencies, in a period of deepening economic crisis. In substance, Blair’s economics are no different than “Thatcherism”: a blend of privatization of state energy and infrastructure assets, phasing out of the welfare state, the subordination of economic and financial policy to the whims of the international bond markets, and fiscal austerity, i.e., making “fighting inflation” the highest policy priority.

Blair has repeatedly stressed his admiration for the “Thatcher legacy.” Soon after his election, he held a number of what the British press called “consultations” with Baroness Margaret Thatcher, on various policy issues. This led the May 26, 1997 London *Guardian* to editorialize that “Tony Blair’s political flirtation with Margaret Thatcher is one of his most deeply unappealing and dangerous characteristics.” The paper advised that, if Blair wants to “pick her brains, . . . he should do so with a very long spoon. . . . Mrs. Thatcher’s importance is matched only by the destructive effect of her period in office and the irrelevance of her prescriptions for the future. If there is one really serious criticism to be made of Mr. Blair, it is that he does not seem to understand what was so wrong about Thatcher.”

Blair has won kudos from the arch-Thatcherite Adam Smith Institute, for adopting the institute’s proposal to grant independence to the Bank of England, so that it can independently set interest rates, similar to what the Federal Reserve does in the United States. Blair recently defended Bank of England Governor Eddie George, when George provoked an outcry by saying that he was prepared to see higher rates of unemployment in the ravaged north of Britain, if that would keep inflation down in the south.

The Adam Smith Institute also applauds Blair’s moves toward implementing slave-labor welfare-to-work, or “workfare” schemes in Britain, and initiatives for privatizing pensions. The institute has worked closely with a number of New Labour influentials on “welfare reform.” Soon after Blair’s election last year, Adam Smith president Madsen Pirie exulted in an interview, that “Tony Blair is part of the Thatcherite system, he’s carrying Thatcherite views, under a Labour

Party facade.” Eighteen months after the election, Pirie said that “there are a whole raft of initiatives which the Adam Smith Institute was unsuccessful in having the previous [Conservative] government implement, which this government is promoting.”

Blair has done everything in his power to antagonize Labour’s traditional trade union base, in building “New Labour.” Already in July 1997, his government indicated its approach, by adopting a Thatcher-like, union-busting stance, when it refused to intervene in a bitter labor dispute between the Transport and General Workers Union (TGWU) and British Airways, a strike provoked by the firm’s draconian cost-cutting policies. Union-busting British Airways chairman Robert Ayling was a key Blair supporter during the election campaign.

Blair is also on a rampage against public sector workers. In early September, John Edmonds the head of the Trades Union Congress (TUC), Britain’s national labor confederation, told the Labour-linked *New Statesman* magazine, that public sector workers were being “pushed into a corner” by Blair’s continuation of the policies that had been fine-tuned by Thatcher. This, warned Edmonds, is likely to lead to “big trouble” in Britain and to widespread disruption in public services.

Edmonds told the September annual convention of the TUC that Blair’s policies would jeopardize the jobs of 300,000 public sector workers. He demanded that the Blair government take action against the “greedy bastards” among British chief executives, rather than insist on wage cuts for Britain’s 5 million public sector workers.

### **Dismantling the productive sector**

What remains of the British manufacturing sector is being dismantled by Blair government policies. In mid-August, Tony Benn wrote a letter to Chancellor of the Exchequer Gordon Brown, charging that the Blair government has “no industrial policy,” and “is content to see more and more manufactured goods bought from abroad where wages are lower, without any thought for the future of this country and its industrial base.” He asserted that “the protection of the rich is one of the government’s main objectives.”

The British Chambers of Commerce has repeatedly warned, since July of this year, that Britain is heading for a “manufacturing meltdown.” Estimates of job losses in manufacturing between now and the end of 1999—which don’t take into account further slides in the global economic situation—range between 100,000 and 400,000. In recent weeks, a wave of layoffs has hit the auto, electronics, and, most recently, the steel sector. An estimate made in October, is that employment in manufacturing will, in the next months, drop to mid-19th-century levels.

In a Nov. 16 speech before British businessmen, Blair insisted that only “hard-headed realism” is needed to deal with the worsening economy. He committed his government

to fighting inflation at all costs, proclaiming that “economic stability is a sexy thing.”

### Blair’s hit list

Meanwhile, the irony would not have escaped certain elements of the Labour Party and others in Britain, about Blair ranting against “the dictator Saddam Hussein.” Blair has demonstrated, since coming to power, that he qualifies quite well as a dictator, and is willing to use tactics that would be thought typical of the Soviet KGB.

Inside the Labour Party and among his staff at 10 Downing Street, Blair has become known as a “control freak,” intent on asserting his authority over everything he can get his hands on. Most recently, he has been attempting to veto prospective Labour candidates not to his liking, for upcoming elections to the Scottish and Welsh assemblies, as well as for mayor of London.

Repeatedly, he has tried to purge New Labour of constituency-based elements. In the lead-up to the September annual conference of the Labour Party, he and his cohorts were accused of stifling dissent within the party. At the convention, he tried to prevent several opponents of the “Third Way” from being elected to the party’s 33-member National Executive Committee (NEC). Failing that, Labour headquarters in London issued a “gag order” directive in mid-November, direct-

ing that no NEC member could talk to the media without prior consultations with the party’s central press office. Responding to this move, NEC member Liz Davies, who was voted onto the leadership body against Blair’s wishes, told the British Broadcasting Corp. that “it seems to be designed to stop the constituency members of the NEC, who were elected by ordinary Labour Party members, from speaking our mind, and we simply won’t do that.”

On Nov. 18, the London *Independent* ran a lead article, based on an internal document leaked from Labour Party headquarters, on Blair’s “secret purge” of Members of the European Parliament (MEP) who are representatives of “Old Labour,” i.e., not favorable to “New Labour”/“Third Way” policies. One Labour MEP labelled this “Blair’s hit list,” and told the *Independent*: “It is now crystal clear there is a purge.” Ken Coates, a former Labour MEP who was thrown out of the party last year, stated: “This shows the whole operation is run by control freakery. Anyone who is off message is being dumped.”

The lead article of the Nov. 13 *Independent* reported that Labour headquarters in London had set up a “dirty tricks” and spying operation targetting the opposition Liberal Democratic Party. Liberal Democratic activists charged that Blair is trying to “neuter” their party, to bring it more in line with his objectives.

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# British promote Chávez for Presidency

by David Ramonet

Ever since the current election campaign in Venezuela began, British Ambassador in Caracas Richard Wilkinson has been up to his ears in it, promoting the Presidential candidacy of former Army Lt. Col. Hugo Chávez Frías, who is backed by a coalition of leftist parties linked to the narco-terrorist São Paulo Forum. That coalition is known as “Polo Patriótico,” and includes Chávez’s Fifth Republic Movement (MVR), the Movement Toward Socialism (MAS), Patria Para Todos, the Venezuelan Communist Party, and other minor parties. This coalition came out ahead in the Nov. 8 regional and Congressional elections, capturing one-third of the vote and thereby becoming “the largest minority party” in the weeks leading into the December Presidential elections. It is now expected that this will prove sufficient to give Chávez the victory, because in Venezuela, it is usually the largest minority party which wins the Presidential election.

The candidates of “Polo Patriótico” won eight out of 22 state governorships, but took only one-third of Congress, both in the Chamber of Deputies and the Senate. In the Congress, the Acción Democrática (AD) party still reigns as the main Congressional bloc. In the November election, AD also captured eight state governorships, although in this case, it was a decline from the 12 it had held before the election. The ruling Convergencia party held onto the governorship of Yaracuy state, the home state of President Rafael Caldera, while the party Proyecto Venezuela, which is fielding Henrique Salas Romer for the Presidency, held onto Carabobo, where Salas’s son is governor.

In sum, of the 13 Presidential candidates who registered four months ago, only three remain in the running: Chávez, Salas Romer, and the veteran Luis Alfaro Uceró, head of the AD party. Alfaro can count on a solid 25% of the vote, but Chávez, with the support of the coalition, is expected to draw 35%, which would be sufficient to win the Presidency. Salas, with the additional backing of some governors from the Copei party, could probably draw 25%.

And here is where the drama of Venezuela’s political class enters: The only possibility for defeating Chávez lies with the joining of forces of Alfaro and Salas Romer. How-

ever, Alfaro has already declared that he will not release his votes to Salas Romer, while the latter does not have sufficient political control over his followers to turn them over to Alfaro.

Given this situation and barring some dramatic change, the probable next President of Venezuela—to London’s delight—will be the narco-terrorist São Paulo Forum’s man in Caracas, Hugo Chávez.

## Her Majesty’s candidate

For at least the past four years, the ambassadors of the British royal family have surrounded Chávez, with the intention of turning him into an instrument of the British monarchy in their plans to balkanize the continent. When Washington refused to give Chávez a visa to enter the United States earlier this year, the British flew him to Britain to meet the City of London’s captains of finance.

British Ambassador Wilkinson is running his own personal campaign for Chávez. According to pro-Chávez journalist José Vicente Rangel, Wilkinson has declared in discussions that “it is nearly a certainty that Chávez will be the next President” of Venezuela, and that “as President, he will be able to pleasantly surprise the markets,” since in his “personal experience,” Chávez is “a man with whom one can hold an intelligent conversation.”

Wilkinson suggests that “once in power, [Chávez] could turn out to be a Menem or a Fujimori”—that is, could end up imposing neo-liberal measures—and that “his popularity and his legitimacy” would help the globalization process, given that these are “indispensable conditions for the hard measures that the next President will have to order.”

Wilkinson confessed in a letter to the newspaper *El Universal*, that he had no reason to offer explanations for what he had said, and admitted that he had made these comments not recently, but two months ago.

According to various Venezuelan press sources, several U.S. officials and former officials known for their marked pro-British tendencies, have also been preparing for recognition of Chávez’s victory. Among these are Howard Glicken, a professional influence-trafficker linked to U.S. Vice President Al Gore. Glicken was accused of laundering drug-money three years ago, according to the Oct. 25 *Sonoma County Independent*, a California newspaper.

Glicken has organized meetings with U.S. Ambassador to Caracas John Maisto, a veteran of the Philippines and Panama, for the purpose of trying to modify Chávez’s radical image. Glicken has already received an offer from the Washington, D.C.-based Inter-American Dialogue to put Chávez on tour in the United States—once he obtains a visa, that is. The Dialogue is one of the organizations linked to the permanent bureaucracy of the U.S. State Department, which specializes in promoting “peace dialogues” as a pretext for interfering in conflicts around the continent, with the intent of reducing the role of the nation-state.

# Schiller Institute team visits Poland

At the end of October and beginning of November, the Schiller Institute organized a series of conferences and informal discussions in Poland with representatives of the Parliament, the Senate, the government, and various cultural, agricultural, and industrial organizations. On Oct. 28, there was a conference at the Warsaw Polytechnical Institute, on “The Answer to the Global Crisis: Economic Reconstruction on the Model of Roosevelt’s New Deal as the Foundation of an Alliance of Sovereign Nations.” The conference was led by the chairman of the Polish Schiller Institute, Anna Kaczor-Wei, as well as Prof. Jerzy Oledzki from Warsaw, and it was attended by more than 70 people, among them representatives of various foreign embassies, universities, and government institutions.

At the Sejm, the Polish Parliament, the Schiller Institute’s Elisabeth Hellenbroich and Frank Hahn discussed with a group of parliamentarians of the governing coalition the effects of the world financial crisis, and presented LaRouche’s eight-point program for emergency financial reorganization, “What Each Among All Nations Must Do Now” (see *EIR*, Oct. 9, 1998). LaRouche’s program had circulated in Poland in advance of the discussions, and it was published on the front page of the weekly *Mysl Polska* and in the trade union newspaper *Kurier Zwiskowe*.

Hellenbroich emphasized in her remarks that the world financial and economic crisis that began a year ago in Asia, had been transformed into a global “firestorm” with the outbreak of the Russian crisis in August. This crisis is now taking hold of the G-7 nations directly. The debacle of Long Term Capital Management (LTCM) alone—only one of several hedge funds—shows that the highly speculative derivatives bubble is beginning to implode and a reverse-leverage effect is beginning to take hold, leading to a global payments crisis, a credit crunch, and shrinkage of real economic activity. The central banks are playing for time with hyperinflation and global reductions of interest rates.

LaRouche, back in 1994, underlined the systemic nature of the crisis and its connection to the \$120 trillion derivatives bubble as the “Achilles’ heel” of the world financial system. His eight-point program is greeted with great interest internationally, in particular in Asian nations, but also in Russia. In this connection, Hellenbroich mentioned the importance of the developing strategic alliance between China and Russia, and the trend toward regulatory measures, such as in Malaysia, where Prime Minister Mahathir bin Mohamad introduced

capital and exchange controls on Sept. 1; similar steps were taken in Taiwan, Hong Kong, Japan, and Russia.

On the basis of LaRouche’s program, Frank Hahn described the example of President Franklin Delano Roosevelt’s New Deal as the model for today. With such measures as the reorganization of the bankrupt banking system and massive infrastructure programs such as the Tennessee Valley Authority, the American economy was led out of depression and millions of new jobs were created. Hahn emphasized that such a program can be the foundation of an “alliance of sovereign nation-states,” based on natural law and moral principles.

The discussions at the Sejm, the Polytechnical Institute, and also during a seminar organized by the Economic Association in Lodz, centered on the effect of the collapsing derivatives bubble and, in particular, the capital and exchange controls which LaRouche has proposed.

Fifteen of the participants at the various seminars signed the Schiller Institute’s call to President Clinton, to make LaRouche his economic adviser. Among the signers is a former adviser to the Polish government, several economics professors, and a former member of the Polish State Council.

## Effects of the Russian crisis

Despite attempts to discredit the work of the Schiller Institute with negative propaganda, LaRouche’s ideas are meeting with ever-greater recognition in Poland. Many observers had come to the conclusion in recent years that LaRouche’s economic prognoses about the systemic crisis, his proposals for the development of the Eurasian Land-Bridge, and for establishing a New Bretton Woods System, as well as his philosophical and cultural policy, and theoretical works in economics, have proven to be correct. The adversaries of the Schiller Institute have lost credibility in the meantime.

A heated debate on these issues has taken place in Poland in recent months: As in the other central European countries, the Polish stock market suffered severe losses with the intensification of the Russian crisis on Aug. 17. Stock values have fallen by more than 30%. Many Polish banks, which are closely intermeshed with Russian banks, are affected by the debt moratorium in Russia.

There has been a sharp contraction of Polish exports to Russia (food, household goods, furniture). Although Polish exports to Russia are only 8% of the country’s total exports (in comparison to 34.8% to Germany and only 2.9% to the United States), Russia is an important strategic factor for Poland. It is not in Poland’s strategic interest that chaos should erupt in Russia as a consequence of the food and economic crisis, since Poland understands itself traditionally as a bridge between eastern and western Europe. That is also why there is so much interest in the idea of the Eurasian Land-Bridge in Poland.

Finance Minister Leszek Balcerowicz, a cohort of international speculator George Soros, has forecast negative eco-



*A street market in Warsaw. A debate is raging in Poland today over economic policy, in which the views of Lyndon LaRouche and the Schiller Institute are playing an increasingly important role.*

conomic growth for 1999 and, with reference to the global crisis, demanded that Poland introduce still more drastic austerity policies and accelerate privatization, liberalization, and deregulation. In addition to the restructuring of mining and energy, which has been planned for years — with the aim of cutting 120,000 jobs — the steel and metallurgical sectors are also supposed to be restructured, deregulated, and privatized. British Steel, the Austrian Voest Alpine Stahl, the Dutch Hoogovens, and the Italian Danieli, are currently bidding to take over the Huta Katowice steel works, one of the 12 largest companies in Poland. In the steel sector alone, 40-90,000 jobs will be cut if Balcerowicz's liberalization and deregulation plans are carried out. These plans are meeting with stiff resistance from the trade unions. In addition to the steel industry, Peca Bank and the Polish Telekom Tpsa are slated for privatization.

One of Balcerowicz's leading advisers, Professor Gomułka from the London School of Economics, praised the austerity policies of the Finance Minister in an interview with *EIR*, and remarked that the austerity policies had negative effects only on "pensioners and Polish agriculture."

## National sovereignty at stake

In view of the current stage of negotiations on Poland's membership in the European Union, many in Poland are convinced that a policy of radical liberalization and globalization would destroy the sovereignty of the country.

The idea of the sovereign nation-state, derived from Christian natural law, concerns itself with social justice and the common good, and not ultra-liberal economic policy and the New Age culture. Pope John Paul II, who is looked upon as the moral conscience of the Polish nation, always situates this idea at the center of his encyclicals, as he had done in his speech at the United Nations in 1995, and during his several visits to Poland. Many Polish patriots are questioning whether it is not the time to develop a "Charter of the Rights of Nations," which would take account of the idea of a "Europe of the Fatherlands," basing relations between nations on the concepts of human rights, the rights of the family, and the inalienable right of each individual to development. Such a plan, in their view, could be a foundation for negotiations between Poland and the European Union, as well as other nations.

This idea of the nation has to be seen in contrast to a chauvinistic view, which makes countries susceptible to British geopolitical manipulations. Britain, as well as France, has always had a strong influence on the political elite in Poland. After the fall of the Berlin Wall in 1989, it was Britain's Margaret Thatcher and France's François Mitterrand who spoke of an "addiction" of Germany to swallow central Europe economically. The fears of the Polish government under Prime Minister Tadeusz Mazowiecki, that Germany could call into question the borders fixed in Europe after World War II — a fear which was defused with the 1972 treaty between the Federal Republic of Germany and Poland, and which was completely cleared away during the negotiations over German reunification in 1990 — were fueled by Thatcher and Mitterrand.

British geopolitical manipulation (shown by the great success in Poland of the books by British historian Norman Davis) attempted to fuel fears of many about an "over-powerful, all-consuming" Germany, but also to incite nationalist currents against Russia, aiming at the destruction of Russia along the lines of the propaganda spread by Zbigniew Brzezinski, George Bush, and Thatcher. This is clear in the attitude of many Poles toward the conflict over Chechnya (in early October, the President of Chechnya had been received with high honors in Poland), as well as in the conflict over the construction of an oil pipeline from the Caspian Sea to Europe.

As an antidote to the British manipulations, a group called the Weimar Triangle was founded last year, to intensify cooperation among Germany, Poland, and France. In the tradition of Classical Weimar, this is expressed in closer military cooperation, regular political consultations, and cultural exchanges.



# Pope John Paul II's new encyclical

*Faith and Reason: the two wings lifting the human soul toward consideration of truth.* By Elisabeth Hellenbroich.

In the context of the celebration of his 20 years as Pope, John Paul II has issued an encyclical entitled *Fides et ratio* ("Faith and Reason"). Building off the encyclical *Aeterni Patris*, which Leo XIII wrote 100 years ago, John Paul II, in the face of the urgent challenges which lie before mankind at the beginning of the third millennium, wants with this encyclical to "present the foundations and points of reference which I consider necessary in order to be able to again construct a harmonious and effective connection between philosophy and theology."

"Faith and reason," he says in the introduction, "are like the two wings, with which the human soul raises itself to consideration of the truth." Out of the radical traditionalism of a growing faith which the "mistrust of reason" brings you to, comes the danger of becoming fundamentalist. The same thing goes for the diverse modern philosophical currents of today, which, while they deny any metaphysical bond, make the truth into product of popularity and chance, and thus open the door to agnosticism, eclecticism, skepticism, relativism, positivism, and nihilism.

Common to all these directions of thinking, the Pope says, is the denial of "universal truth": While eclecticism refuses to consider ideas in a systematic and historical connection, historicism denies the eternal validity of universal truths. "Whatever was true in one epoch, the historicist maintains, doesn't need to be considered any more in another era."

Likewise, the Pope criticizes scientism, a current of thought which demands research "free" of religious, theological, ethical, and aesthetic values, bans all "values" as products of emotion, and thus denies mankind's moral personality. Like scientism, pragmatism also denies the moral dimension of man. So, for example, in the case when "great moral decisions of man" (as in the debate over euthanasia) have been made on the basis of a "vote of the parliamentary majority."

The Pope sees the greatest danger in nihilism, which, as the Nietzsche revival in eastern and western Europe shows, is exercising great influence on the thinking of intellectuals today. For the Pope, nihilism is the "denial of man's humanity and his identity." It creates the possibility of "wiping out of man's nature the truths which reveal his likeness to God, so that it drives him progressively either toward a destructive will to power, or into the despair of loneliness." This nihilism has found its confirmation above all in the horrifying experience of evil in this century.

Against this, the Pope, in the middle of his encyclical, presents the idea of the "splendor of truth," which he constructs out of the idea of *Dei verbum* (the word of God) and of man as *imago Dei* (the image of God). The idea of the universality of truth, which is accessible to all people—believers as well as non-believers—and which must, in the face of the tasks of the next millennium, be made accessible through the cooperation of philosophy and faith in ever-deeper understanding, runs through the encyclical as a basic idea.

## The cooperation of philosophy and faith

In compressed form, the Pope transmits in these 179 pages a history of the cooperation between philosophy and faith. He points to the influence which the fundamental truths contained in the Old Testament, in the book of Wisdom and the book of Proverbs, exerted, in the same way as Greek philosophy, especially Platonic philosophy, exerted in Christianity.

Already in its introduction, the encyclical establishes that there have been, since ancient times, common roots of knowledge, which, in turn, are the same expression for the uniqueness of human creative reason and underline the universality of truth:

"In both East and West, we may trace a journey which has led humanity down the centuries to meet and engage truth more and more deeply. It is a journey which has unfolded as it must within the horizon of personal self-consciousness: The more human beings know reality and the world, the more they know themselves in their uniqueness, with the question of the meaning of things and of their very existence becoming ever more pressing. . . . The admonition Know yourself was carved on the temple portal at Delphi, as testimony to a basic truth to be adopted as a minimal norm by those who seek to set themselves apart from the rest of creation as human beings, that is as those who know themselves.

"Moreover, a cursory glance at ancient history shows clearly how in different parts of the world, with their different cultures, there arise at the same time the fundamental questions which pervade human life: 'Who am I? Where have I come from and where am I going? Why is there evil? What is there after this life?' These are the questions which we find in the sacred writings of Israel, as also in the Veda and the Avesta; we find them in the writings of Confucius and Lao-Tze, and in the preaching of Tirthankara and Buddha; they appear in the poetry of Homer and in the tragedies of Euripides

and Sophocles, as they do in the philosophical writings of Plato and Aristotle. They are questions which have their common source in the quest for meaning which has always compelled the human heart. In fact, the answer given to these questions decides the direction which people seek to give to their lives.”

### **The work of the Apostle Paul**

With special devotion, the Pope enters into the work of the Apostle Paul, whose speech and metaphors are very closely related to the Pope’s method of thinking, as is the passionate expression of St. Augustine.

In contradiction to the heathen idolators and sophists, Paul proclaimed the elementary truth of the Christian faith on his many missionary trips, while he moved the understanding of the “love” of the Creator into the center of his instruction.

“Developing a philosophical argument in popular language, the Apostle declares a profound truth: Through all that is created the eyes of the mind can come to know God. Through the medium of creatures, God stirs in reason an intuition of his power and his divinity (cf. Rom 1:20). . . .

“According to the Apostle, it was part of the original plan of the creation that reason should without difficulty reach beyond the sensory data to the origin of all things: the Creator.”

Whoever has studied Paul’s letters, has clearly noted, as does the encyclical, that Paul points out a difference between the “wisdom of this world” and the wisdom of God revealed in Jesus Christ. This dilemma is raised especially at the beginning of the first letter to the Corinthians. “The true key-point, which challenges every philosophy, is Jesus Christ’s death on the Cross. . . . Where is the one who is wise? Where is the learned? Where is the debater of this age? Has not God made foolish the wisdom of the world? (1 Cor 1:20), the Apostle asks. The wisdom of the wise is no longer enough for what God wants to accomplish; what is required is a decisive step towards welcoming something radically new: God chose what is foolish in the world to shame the wise. . . . ; God chose what is low and despised in the world, things that are not to reduce to nothing things that are (1 Cor 1:27-28). Human wisdom refuses to see in its own weakness the possibility of its strength; yet Saint Paul is quick to affirm: When I am weak, then I am strong (2 Cor 12:10). Man cannot grasp how death could be the source of life and love; yet to reveal the mystery of his saving plan God has chosen precisely that which reason considers foolishness and a scandal. Adopting the language of the philosophers of his time, Paul comes to the summit of his teaching as he speaks the paradox: God has chosen in the world . . . that which is nothing to reduce to nothing things that are (cf. 1 Cor 1:28). In order to express the gratuitous nature of the love revealed in the Cross of Christ, the Apostle is not afraid to use the most radical language of the philosophers in their thinking about God. Reason cannot eliminate the mystery of love which the Cross represents, while the

Cross can give to reason the ultimate answer which it seeks.”

So Paul, as Augustine, the Bishop of Hippo, has arrived at the point of “establishing the first great synthesis of philosophical thought, in which the currents of Greek and Latin thought flow together.” The Pope writes about how in the Middle Ages, St. Anselm of Canterbury and St. Thomas Aquinas, who, not the least, was also able to conduct an important dialogue with Jewish and Muslim thinkers of his time and who placed harmony between faith and reason in the foreground of

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*Scientists are well aware that the search for truth . . . is never-ending, but always points beyond to something higher than the immediate object of study, to the questions which give access to Mystery.*

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his doctrine, both referred to Platonic thought as a constructive philosophy.

On the threshold of the third millennium, John Paul II sees, as he expresses in the closing part of the encyclical, that it is *the* great mission of the church, to, in the spirit of this philosophical/theological tradition, put the challenge to mankind, and, with much stronger connections to philosophy, to embark on the ecumenical dialogue with other religions and cultures. Precisely in this intellectual dialogue lies a source of enrichment for the Christian faith. In order to resolve the tasks which lie ahead of us, and to contribute to the progress of humanity, the Pope turns at the end to admonish philosophers, and also natural scientists, that they must not lose sight of the “horizon of wisdom” in the course of their research.

“Finally, I cannot fail to address a word to scientists, whose research offers an ever greater knowledge of the universe as a whole and of the incredibly rich array of its component parts, animate and inanimate, with their complex atomic and molecular structures. So far has science come, especially in this century, that its achievements never cease to amaze us. In expressing my admiration and in offering encouragement to these brave pioneers of scientific research, to whom humanity owes so much of its current development, I would urge them to continue their efforts without ever abandoning the sapiential horizon within which scientific and technological achievements are wedded to the philosophical and ethical values which are the distinctive and indelible mark of the human person. Scientists are well aware that the search for truth, even when it concerns a finite reality of the world or of man, is never-ending, but always points beyond to something higher than the immediate object of study, to the questions which give access to Mystery.”

## Paradoxes of Germany's Russia policy

*The government wants to stay on the IMF policy course, but its own postwar recovery is the model to look to.*

Chancellor Gerhard Schröder's first visit to Russia on Nov. 16-17 could have been a breakthrough in relations, but it wasn't. The potential of these two days of about ten meetings with Russian leaders could not be tapped, because the German delegation insisted that the anti-crisis program of Russian Prime Minister Yevgeni Primakov get in tune with the International Monetary Fund (IMF). Schröder offered "support" for the Russians, saying that he would mediate between Russia and the IMF, and would try to modify the Fund's loan conditions.

Most of Schröder's Russian discussion partners—President Boris Yeltsin; Primakov; Foreign Minister Igor Ivanov; party leaders Gennadi Zyuganov (Communists), Grigori Yavlinsky (Yabloko); Yegor Stroyev and Gennadi Seleznyov (speakers of the upper and lower house of Parliament); and Krasnoyarsk Gov. Aleksandr Lebed—seemed to have stuck to the rules of diplomatic politeness, when the IMF issue came up. But most of the Russian politicians whom Schröder met with, are on the record for making very harsh statements against the IMF in recent weeks. The loans promised by the IMF are welcome in Russia, but the conditions are not. What Russia needs, is a new, workable policy without the IMF—and this is also what Germany needs.

It has to be recalled that after the Iron Curtain came down in autumn 1989, there was an intense debate in Germany about utilizing the existing export channels of the former East German state, to broaden economic

cooperation between Germany and the Soviet Union. However, as eastern German politicians and industry managers have reported to this author, the fact that the German government, then led by Chancellor Helmut Kohl, allowed the IMF and the "Harvard Boys" to design the "Russian post-communist economic reforms" from 1990-91 on, helped kill German exports to Russia.

Particularly machinery exports, including harvesting equipment and other farming machinery produced in eastern Germany, and traditionally exported to the East, suffered from the IMF's monetarist design. The "reform-oriented" new governments in Moscow were told not to "waste" any money on imports of "expensive" German machinery, but rather to "invest" in the liberalization of the Russian banking sector and other deregulation steps that would allow Russia to be flooded with "cheap" imports from other Western states. The case of the agro-machinery combine Fortschritt, near Leipzig, whose workyards for several years were stuffed with brand-new harvesters that had originally been produced for, but never purchased by the Russians, was an ugly illustration of this IMF policy of Russian disinvestment.

Even as Russian harvests got worse every year from 1991 on, repeated German probes to the Moscow elites about revitalizing agro-machine imports to rebuild the Russian farming sector, proved fruitless. The only results from Germany's probes in Moscow, were small market shares for select food products (yogurt, pudding,

cereals, and so on).

Even the German food products which Russia imported, collapsed when the big financial crisis broke out in Russia in mid-August.

Besides machine tools, rail technology and rolling stock, which were the dominant export products from eastern Germany to Russia before 1991, are, since the mid-1990s, no longer produced in quantities worth mentioning.

Paradoxically, Schröder told the Russians that new German loans would not be available, except for "concrete projects." But at the same time, he told his discussion partners to cooperate with the IMF—which means that no such projects would ever get off the ground.

Also paradoxically, Prime Minister Primakov told Schröder in their meeting in Moscow on Nov. 17, that what Russia is very much interested in, is the way West Germany rebuilt its economy after World War II. This, Primakov said, could be a model for what Russia should do now, to get back on its feet.

Primakov's reference is most appropriate, because the success that Germany had, turning the wartime rubble into an impressive industrial recovery in only 10 years, was only made possible by banking structures like the Kreditanstalt für Wiederaufbau (KfW), the Frankfurt-based Reconstruction Bank, which used money from the original Marshall Plan loans, for reinvestment in productive projects. The KfW did so on a long-term basis, at low interest rates, with long grace periods before loan repayments were to begin. And the deutschemark was not convertible during the first 10 years of its existence (1948-58).

If the German elites would refresh their memory of these reconstruction years, it would be to the benefit of Russian-German economic cooperation.

## Cartels attack national sovereignty

*The push for "Aboriginal reconciliation" is a racist fraud organized by Her Majesty's raw materials firms.*

On Oct. 3, after his Liberal/National Party coalition had won the federal election, Prime Minister John Howard stunned many people, when he announced that a major goal of the coalition's second term would be "Aboriginal reconciliation," a code word for Aboriginal land rights. Howard had generally been viewed as opposed to this scheme; he had even threatened to call an early federal election, if his program to limit the most radical "land rights" proposals were not passed through Parliament.

However, a key factor in Howard's opposition stemmed from the enormous political ferment generated by the One Nation party of former Member of Parliament Pauline Hanson, which (as its name implied) was unalterably opposed to land rights, and whose arguments were largely informed by the excellent research and mass propagandizing by Lyndon LaRouche's associates in the Citizens Electoral Council (CEC), about who created the land rights issue and why. But, on Oct. 3, Hanson's One Nation, which had been expected to win as many as 15 seats in the House of Representatives and several in the Senate, had secured, because of Australia's arcane "preference system" of voting, only one Senate seat and none in the House, notwithstanding that the party had received more than 1 million votes—9% of the total. Hanson even lost her own seat in Queensland.

So, with his political behind less exposed, Howard jumped on board the next phase of the land rights campaign, which is designed to create a separate Aboriginal "nation." The chief protagonist for this project during the past

two decades has been the world's largest mining company, the London-centered Rio Tinto, in which the Queen has invested a chunk of her own private fortune (estimated at more than \$25 billion).

The Council for Aboriginal Reconciliation (CAR), the vehicle for this phase of the land rights campaign, was established by Parliament in 1991, shortly before the High Court's 1992 "Mabo decision," which opened the door to land rights claims, by overturning the existing doctrine of *terra nullius*—that Australia was an "empty land" when the first European settlers arrived. Energized by a second major High Court pro-land-rights decision in 1996, the "reconciliation" process moved into high gear in May 1997, at the CAR-sponsored Australian Reconciliation Conference in Melbourne.

The two figures who dominated that conference were Robert Champion de Crespigny, chief executive of the Normandy Mining Co., one of Australia's largest, and a founding member of CAR; and Leigh Clifford, chief of Rio Tinto's energy division. Such prominence by the "miners" was lawful, given that Rio Tinto had been the chief financier of the major sponsor of land rights, Prince Philip's Australian Conservation Foundation (ACF), since the ACF's founding in 1963; that longtime Rio Tinto board member Sir Gustav Nossal was the deputy chairman and dominant figure in CAR; and that de Crespigny's career had been financed by Anglo American, a British mining giant (the second-largest in the world) with a history of supporting "liberation" movements in Africa, the

better to grab the continent's vast raw materials wealth.

According to its literature, CAR backs "self-determination, self-government and changes to the Constitution" to favor "indigenous rights," and plans lobbying campaigns with federal and state politicians over the next several years, together with a mass propaganda campaign, to culminate in a "reconciliation document" to be formally presented to the nation on May 27, 2000.

The contents of that document were foreshadowed in an Oct. 25 speech by David Buckingham, executive director of the Business Council of Australia, to a round table of community leaders and businessmen sponsored by CAR. Buckingham said it is "vital" that Australians understand that reconciliation ultimately means "having to consider the possibilities of sovereignty." "For some," he said, letting the cat out of the bag, "the real issue will be whether there is scope for a nation within a nation."

Buckingham's ardor for "reconciliation" is not surprising; he had once been executive director of the Minerals Council of Australia, a position controlled by Rio Tinto. However, that post is only one tiny strand in the far-flung web of Rio Tinto's control over Australia, as documented in the CEC's pamphlet, "Stop the British Crown Plot to Crush Australia's Unions." That breathtaking degree of control is exercised by current or former Rio Tinto executives, which include the chairmen or deputy chairmen of three of Australia's four major banks, key personnel in most major Australian companies, and the heads of the Australian Institute for International Affairs and the Australian Academy of Sciences.

All of this will now be deployed to carve one or more "indigenous nations" out of Australia.

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# International Intelligence

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## *New Kissinger panel to set U.S. Cuba policy*

Partisans of Sir Henry Kissinger's nation-wrecking foreign policy are proposing to revive the 1983 National Bipartisan Commission on Central America, better known as the Kissinger Commission, in order to manipulate U.S. policy toward Cuba. The original commission set up Project Democracy's strategy for Contras and free trade for the Americas, in which Central America was declared fit only for banana plantations and British colonial-style free-trade zones.

The recent initiative for a Cuban commission was organized by two members of Kissinger Associates, William D. Rogers and Lawrence Eagleburger, starting around Labor Day this year, according to William Ratliff of the Hoover Institution. Sen. John Warner (R-Va.) sent a letter in late October to President Clinton, urging the administration to convene such a commission. George Shultz, Howard Baker, Malcolm Wallop, Eagleburger, Rogers, Kissinger, and 13 other Senators signed the letter. The letter called for "a bipartisan list of distinguished Americans," to "conduct a thoughtful, rational and objective analysis of our current U.S. policy and its overall effect on this hemisphere." Rogers argues that it should be chaired "by someone as distinguished as Kissinger," and must be made up of people who have no known views on Cuba, so its conclusions can be accepted "as close to neutral as possible." As the Nov. 8 *Washington Post* noted, former Wyoming Sen. Malcolm Wallop is hardly neutral: He has represented Canada's Sherritt International Corp., which dominates Cuba's nickel mining, and is very tight with Fidel Castro's regime.

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## *Tony Hall gives status report on N. Korea famine*

On Nov. 17, Rep. Tony Hall (D-Ohio), who just returned from North Korea, described his fourth trip to that country, to provide President Clinton with an account of the continuing effects of famine there. He said the most striking feature is the sight of grave-stones on just about every hillside. He re-

ported that the countryside has been deforested, most factories are closed, there are very few cars and trucks on the roads, and most of those are military vehicles.

There's very little electricity or running water, and 95% of the water is contaminated. Hospitals have no heat or medicines, and staff even wash cottonballs for reuse in surgery. Disease control is non-existent. The food distribution center that Hall visited outside of Chongjin is distributing what they call "substitute food," made from leaves, grass, and tree bark, which is ground up and made into noodles. Among the "positives signs," Hall reported that food aid is making a difference, saving the lives of children, although they are still malnourished. But, he added, while there is more activity in Pyongyang than a year ago, "outside the capital, they have a health problem that is unbelievable," with a prevalence of water-borne diseases, tuberculosis, and respiratory problems.

As for the toll from the famine, Hall said, "I don't think anybody has an accurate assessment. North Korea admits to a million people dying. . . . I would say it's somewhere between 1.5 and 3 million people that have died."

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## *Euro-fanatics organize for fascist states*

Some fans of the European Union have dropped their mask, and are organizing for the destruction of the nation-state. In a lecture in Bologna on Nov. 7, Tommaso Padoa-Schioppa explained the paradox of a so-called single Europe, in which the traditional nation-states are going to be replaced by entities characterized by the "will to power." Padoa-Schioppa, a former director of the Italian central bank, co-authored the austerity conditionalities under the "Maastricht criteria" and is currently one of the six directors of Maastricht's European Central Bank.

Padoa-Schioppa begins, "The European adventure was intended to overcome and replace nation-states. . . . Today we see things in a different way . . . , the function of states is not only *allowed*, but even *necessary*" (emphasis in original). The role of the state is to push for "competition." And,

even when this is not explicit, but "originates from the will to prevail, the ancient will to power that has animated nation-states for such a long time," competition "is lawful and even useful." In other words, "protectionism is not allowed, but patriotism is." Padoa-Schioppa's concept of "patriotism" harkens back to the legacy of the 1815 Congress of Congress of Vienna, when European nations existed as impotent entities run by oligarchies motivated by will to power, and the British Empire could play one against another in fratricidal wars.

"By breaking the exclusive tie between state and nation, the European constitution marks a shift in the history of culture, as well as in the history of power," he said.

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## *Sudan foreign minister on official European tour*

Sudanese Minister of Foreign Affairs Dr. Mustafa Osman Ismaili toured Europe on Nov. 12-22, including official visits to Germany, Switzerland, Norway, and Italy. This is the first time in a long time, that such a high-level official has been invited for state visits, and expresses some relaxation in tensions with Khartoum.

Regionally, Sudan is also improving relations with its neighbors. A Memorandum of Understanding was signed on Nov. 10 between Sudan and Eritrea, through the mediation of Qatar, which ensures that neither country will support insurgent groups against the other, and that existing strife will be solved through negotiation. With Ethiopia, also, things are looking up, as the government closed down an office of the rebel Sudanese People's Liberation Army there, and resumed regular twice-weekly fights to Sudan, which had been suspended.

In Britain, however, Baroness Caroline Cox, a member of the ill-named Christian Solidarity International, has established the "Conservatives for Human Rights," to solve Sudan's problems. As presented to the House of Lords on Oct. 26, the Tory party group proposes that London promote the creation of an international committee, within the UN Security Council, to "solve" the war in southern Sudan—i.e., to undermine all existing African efforts toward peace.

## Starr fails to make a case for Clinton impeachment

by Jeffrey Steinberg

Independent Counsel Kenneth Starr's marathon appearance before the House Judiciary Committee on Nov. 19-20, failed to give new life to the British-directed impeachment drive against President Clinton. Even as the "\$50 Million Dollar Man" was finishing his televised diatribe, his own ethics adviser was handing in his resignation, in protest over Starr's violations of the Independent Counsel statute.

As of Nov. 20, Sam Dash, the former Watergate prosecutor who has served as Starr's ethics adviser throughout most of his tenure as independent counsel, resigned, in protest over Starr's decision to appear before the House Judiciary Committee as an advocate for the impeachment of President Clinton. "I resign for a fundamental reason," Dash explained, in a two-page letter. "Against my strong advice, you decided to depart from your usual professional decision-making by accepting the invitation of the House Judiciary Committee to appear before the committee and serve as an aggressive advocate for the proposition that the evidence in your referral demonstrates that the President committed impeachable offenses.

"In doing this," Dash continued, "you have violated your obligations under the independent counsel statute and have unlawfully intruded on the power of impeachment which the Constitution gives solely to the House. . . . By your willingness to serve in this improper role you have seriously harmed the public confidence in the independence and objectivity of your office. Frequently you have publicly stated that you have sought my advice in major decisions and had my approval. I cannot allow that inference to continue regarding your present abuse of your office and have no other choice but to resign."

The same day that Dash submitted his resignation letter,

the *Wall Street Journal* reported that the American Bar Association (ABA), which helped write the Independent Counsel statute, and has aggressively defended it for years, has prepared a task force report, concluding that the bill is "seriously flawed" because it fails to prevent prosecutors from pursuing "trivial or innocuous" matters, a clear reference to Starr's pursuit of intimate details of President Clinton's personal life, a pursuit he took up long before he was given the mandate to follow up the Monica Lewinsky matter.

"We conclude, therefore," the ABA task force document states, "that the act should be allowed to expire and should not be renewed." The act runs through March 1999. Joseph DiGenova, former U.S. Attorney for the District of Columbia, confirmed that the Independent Counsel law has been so contaminated by recent events that "it's dead. The statute has no constituency. Republicans and Democrats, uncertain of who will be the next President, will not want to foist this statute on their party's President." The ABA task force report, in citing the out-of-control nature of the system created by the Independent Counsel act, pointed out that Starr has spent more money than the entire annual budget of the United States Supreme Court!

### President is exonerated

During frequently heated exchanges between Starr and House Judiciary Committee Democrats, minority counsel Abbe Lowell, and President Clinton's personal attorney David Kendall, Starr was forced to publicly acknowledge, for the first time, that his investigation has exonerated President Clinton on two of the substantive cases brought against him: the "Filegate" probe of hundreds of FBI files that were found in the White House Office of Security; and, the "Travelgate"

probe of the circumstances surrounding the firing of the head of the White House Travel Office.

Although Starr's office had determined that there was no evidence of wrongdoing on the part of the President in either of these cases, Starr waited until after the Nov. 3 elections, until his appearance before the Judiciary Committee, to make the exoneration public. Starr also admitted that he has uncovered insufficient evidence to justify any indictment of the President or the First Lady, Hillary Rodham Clinton, on matters relating to the collapse of the Whitewater real estate deal or the Madison Savings and Loan. He said that on two occasions, in 1997, and again this year, he attempted to draft referrals on Whitewater, but, each time, concluded that there was not sufficient evidence to justify indictments.

### **Starr under fire**

Starr had a more difficult time answering questions about the ethical conduct of his own staff. Under repeated fire from the Democrats, Starr on several occasions lashed out, with angry denials that his office had leaked sealed grand jury material to select media, or had lied about the date that they first became aware of the Lewinsky affair.

In fact, evidence became public after the release of Starr's referral to the House of Representatives, that prosecutors in Starr's office may have been tipped off to the existence of the Linda Tripp/Monica Lewinsky tapes as early as November 1997. A law partner of Starr had called a top prosecutor in the Independent Counsel's office in early January 1998, to inform the office about the Clinton/Lewinsky affair. If confirmed, this might suggest a serious illegal collusion between the Starr office and attorneys for Paula Jones, to set a perjury trap for the President of the United States!

Yet, when Starr went to Attorney General Janet Reno to get permission to expand his probe, he neglected to mention these earlier reports, citing the Jan. 12, 1998 approach by Tripp as the first time he learned of the Lewinsky/Clinton relationship. He also neglected to inform the Attorney General that he had done *pro bono* work for a conservative women's group, preparing a friend-of-the-court brief in the Paula Jones civil suit against President Clinton, or that his law partner, Richard Porter, had helped Jones hire her lawyers, after Starr's own firm turned down the request to represent her.

When Rep. Zoe Lofgren (D-Calif.) posed a direct question to Starr, about early indications of the Tripp-Lewinsky tapes, he dodged the question:

**Lofgren:** In or about November 1997, did you discuss with any person the possibility that a tape recording might exist on which a woman claimed to have had sexual contact with President Clinton?

**Starr:** I am not recalling that. The specificity of your question suggests that there may be information and I'm happy to respond to information if that is—if that's—

**Lofgren:** Is there any possibility that the answer is yes?

**Starr:** I have no recollection of it, but I am happy to search

my recollection. This is the first time anyone has asked me such a question, and you are asking.

**Lofgren:** It was possible it was before January then?

**Starr:** Yes. But you said very specifically November of 1997, so that's—

### **'I love the Justice Department'**

In one of the most nauseating moments of the Starr testimony, especially for members of the Judiciary panel who joined in the fight to pass the McDade-Murtha Citizens Protection Act of 1998, the Independent Counsel launched into a defense of the Justice Department permanent bureaucracy. "I love the Justice Department," Starr began. "I served there two times, and I loved every moment when I was there, even during the rough times, and there were plenty of those, because it was a great department. And so I tried to create the Department of Justice [in the Independent Counsel's office], and, frankly, felt that I had. Unfortunately, a number of my prosecutors are being calumniated and criticized. It's one thing to criticize the Independent Counsel. It goes with the territory. But to criticize and calumniate the men and women with whom I'm privileged to serve, many of whom are on detail from the U.S. Department of Justice, is, I think, wrong, and I think it is unfair and it's unfortunate."

### **House Republicans oppose impeachment**

On Nov. 19, Rep. Peter King (R-N.Y.) told National Public Radio that he had already decided that he will vote against the impeachment of President Clinton, if the House Judiciary Committee votes out a bill to the full the House. King explained that he has studied the Starr referral and the thousands of pages of documents, and has concluded that, while there may be criminal misconduct by the President, it does not rise to the threshold of "high crimes and misdemeanors" set by the Founding Fathers as the criterion for impeachment.

King said that, to his knowledge, there are 20-30 House Republicans who have also decided that they will vote against impeachment if a floor vote is called. Many share his belief that the offenses cited in the Starr referral do not meet the constitutional standard. Others have been delivered an overwhelming mandate from their constituents not to support impeachment.

If King is accurate (and sources close to the White House and to leading Congressional Democrats concur with his assessment), then House Judiciary Committee Chairman Henry Hyde (R-Ill.) is going through an exercise in mud-slinging, aimed at doing as much damage to the reputation of the President as possible. At the close of the full day of Starr testimony on Nov. 19, Hyde tried to ram through a new series of subpoenas: to the attorney for Kathleen Willey, a Virginia Democratic volunteer who claims she was sexually accosted by the President; to White House deputy counsel Bruce Lindsey; and to President Clinton's personal attorney in the Paula Jones case, Robert Bennett.

# Controversy still swirls around McDade-Murtha bill to curb DOJ abuse

by Edward Spannaus

The controversy around the “Citizens Protection Act of 1998,” popularly known as the McDade-Murtha bill, has not at all diminished with the ending of the current session of Congress — as was recently shown by a contentious debate on the bill held in Washington, D.C.

Title I of the McDade bill, which declares that Federal prosecutors shall be subject to the same state laws and ethical rules of conduct as any other lawyer, was enacted into law at the end of the session as a provision of the omnibus appropriations bill. The U.S. Justice Department has vowed to kill that provision, and to prevent the rest of the bill from being enacted next year.

The section which became law is entitled “Ethical Standards for Federal Prosecutors.” It sounds innocuous enough, but the reality is that, since the infamous 1989 “Thornburgh Memorandum,” the Justice Department has arrogantly asserted that its prosecutors are not bound by the same standards and rules as are state prosecutors and other attorneys.

The day that the omnibus appropriations bill was passed, Oct. 21, the Justice Department planted a story on CNN, in which they called the new provisions “McDade’s revenge” — referring to Rep. Joseph McDade (R-Pa.), one of the bill’s original co-sponsors along with Rep. John Murtha (D-Pa.). CNN’s correspondent said, “McDade’s bill passed in part because of his popularity and because many of his colleagues are concerned about out-of-control prosecutions.” CNN concluded: “But the fight moves on. Justice officials persuaded lawmakers to delay implementation for six months. They hope that will be enough time to kill the provisions that may shackle their investigations.”

Asked by *EIR* about the CNN report, Justice Department spokesman Gregory King said that to have to follow the rules of the states, would impose an enormous burden on prosecutors in multi-state investigations. “We’re concerned that Congress may not have fully appreciated how damaging this provision can be,” King said. “The hope is that we will have an opportunity to fix it,” and that this would take place “within the first six months of next year.”

The same point was made by former Justice Department official Michael Shaheen at a forum on prosecutorial misconduct, held at the Federalist Society’s National Lawyers Convention in Washington on Nov. 12. “The Department of Jus-

tice takes it very seriously,” Shaheen said. “I know there is an army of lawyers trying to analyze in detail the profound effect this legislation will have on Federal enforcement efforts, both national and international.”

## The fight next year

But, while the Justice Department and its allies are hoping to kill the Citizens Protection Act altogether, its proponents are intending to fight for passage of the full bill in the next session of Congress. According to Capitol Hill sources, proponents of the bill have been assured that the Misconduct Review Board provision, which was taken out during the Senate-House conference, will be reintroduced next year.

According to these sources, one reason that proponents of the bill agreed to drop the Review Board provisions for this session, was that it became unworkable when it was tagged onto the Justice Department appropriations bill. The original strategy was for McDade-Murtha to be enacted as a stand-alone measure, with its own funding. If the funding for the Review Board were to come from the Justice Department budget, it would lose its independence — which would defeat the purpose of ensuring real oversight over the Department. Therefore, part of the compromise this session was to drop the Review Board, in return for assurances that the provision will be brought back next year as a stand-alone measure with hearings on it guaranteed. Although McDade will not be in Congress in the next session, it is expected that he will testify at such hearings.

Representative McDade spoke at the Nov. 12 Federalist Society panel, and he reaffirmed that the full Citizens Protection Act will be back in the next session of Congress. McDade, who himself was the target of a prolonged Justice Department prosecution — he was ultimately acquitted — said that he wants to be sure that what happened to him, does not happen to other citizens. “It [persecution] happens because the Constitution gets torn up,” he said.

McDade told the audience that a reporter had recently said to him, that since he is retiring from Congress after 36 years, “that’s the end of your efforts, isn’t it?” McDade answered, “No.” The reporter asked, “Why not?”

“Because *ideas* are what move people in Washington,” McDade explained — in a refreshing contrast to the usual cyn-



icism about politics and Congress. “And once an idea takes hold, it tends to keep going.”

“I believe it’ll be back in the next session,” McDade told the audience. “It’s an issue you need to address very passionately, and I hope we’ll be able to put it on the books as United States law.”

## The view from Justice

McDade was followed on the panel by Michael Shaheen, who headed the Justice Department’s impotent Office of Professional Responsibility from 1975 until late last year. (Shaheen is now conducting an investigation of the witness-tampering allegations surrounding independent counsel Kenneth Starr’s key Whitewater witness, David Hale, in Arkansas; that assignment was not discussed at the Nov. 12 forum.)

Shaheen began by saying that he’d had a long-standing interest in issues of prosecutorial misconduct, and he acknowledged that McDade has made some good points. But he quickly got to the subject of the McDade legislation, declaring that what was enacted this last term, even with Provisions II and III stricken from it, “will have a paralyzing effect on a whole host of cases . . . of increasing significance.”

Shaheen went through the usual Justice Department litany about how the McDade legislation will paralyze law enforcement efforts involving “transnational threats,” international terrorism, organized crime, and so on, and he commented that “to parochialize Federal law enforcement by subjecting Federal prosecutors to the laws and ethical provisions of 50 separate jurisdictions is not being terribly forward looking.”

Shaheen suggested the following scenario: “The next time an international terrorist act happens, and you want action yesterday, and the Attorney General appears on television and says, ‘We’ll get back to you in a week or two’—don’t blame the Attorney General, don’t blame the Federal prosecutors: Blame the proponents of the McDade legislation.”

When he had a chance to respond to this and other charges and warnings about the dire effects of his legislation, McDade characterized them as “hogwash.”

“The Constitution is being torn up,” McDade said. He described how the proponents of the bill had offered, during the negotiations over the legislation, a provision for a uniform standard of ethics for all the 50 states—to overcome the objections that there could be conflicting laws and rules between different states. McDade said he also offered to incorporate the American Bar Association’s model code of conduct. Both offers were rejected.

“You heard them attack me as somebody who wants to let a bomber loose,” McDade said. “Or a terrorist. Usually, you heard a child pornographer, too. That’s usually in there.”

Also on the panel was a top Senate aide, Stewart Verdery, who was working for Sen. Orrin Hatch (R-Utah), the chairman of the Senate Judiciary Committee, when the McDade legislation was passed by the House. As soon this happened,

Verdery said, “Hatch had me working the phones to prevent a similar effort in the Senate.” He described how they rallied 13 out of 18 members of the Senate Judiciary Committee to oppose it, and he cited the range of opponents of the bill, from the current and former Attorneys General, to the head of the FBI, to “our friends, the *Washington Post*.”

Verdery said that during the House-Senate conference negotiations over the bill, it became clear that some part of the bill was going to have to be included in the final appropriations bill. Verdery indicated that they were especially concerned to delete the provision for the Misconduct Review Board. In this respect, Verdery cited as this authority the *Washington Post*, which had said that the Review Board would be an administrative nightmare for the Department of Justice, and that it could too easily become a roving, unaccountable body, meddling in sensitive law enforcement matters. “So we were very happy to see that that provision was deleted as we reached the final negotiations,” Verdery said.

One of those in the audience who attacked the McDade bill was former Federal prosecutor Barbara Olson—the wife of Kenneth Starr’s close friend and associate Theodore Olson. Mrs. Olson accused McDade of wanting “to attack all prosecutors,” and to hamper Federal prosecutions.

McDade retorted that it is not an attack on all prosecutors “to put a requirement that they observe state ethics laws,” noting that prosecutors had always been required to do that. Earlier, McDade had pointed out that it was only in the past ten years that the Justice Department took the position that Federal prosecutors were exempt from state ethics laws and rules of conduct.

## Hearings needed on DOJ abuse

The passage of the McDade-Murtha bill was the result of an unprecedented popular mobilization, which was spearheaded by friends and associates of Lyndon LaRouche over the spring and summer of this year. At the time of the bill’s passage in the House, it had more than 200 co-sponsors—despite the opposition of House Speaker Newt Gingrich (R-Ga.) and an intense mobilization by the Justice Department, Federal prosecutors, FBI agents, and others. It passed the House on Aug. 5 by a vote of 345-82. Attorney General Janet Reno had said that she would ask the President to veto the bill—which the President did not do.

The mobilization by the LaRouche forces around the McDade-Murtha bill included a demand for full, comprehensive hearings on prosecutorial misconduct, which would feature the LaRouche case, the systematic targeting of African-American elected officials by the Justice Department, and other egregious cases of Justice Department tyranny and abuse. The fight for these hearings will be resumed next year, and Capitol Hill sources have said that hearings on Department of Justice misconduct are planned for the upcoming session of Congress.

### *The lessons of Hurricane Mitch*

In a Nov. 6 national address, Honduran President Carlos Flores summarized the situation facing his nation and its neighbors, in the wake of Hurricane Mitch: “We have before us a panorama of death, desolation, and ruin in all the national territory. There are corpses everywhere, victims of the landslides or of the waters.”

Two weeks later, that panorama is little changed. If international relief efforts do not quickly initiate *rapid, and large-scale, construction of key infrastructure* in Central America, new corpses, of people brought down by epidemic diseases and starvation, will start piling up, on top of the more than 10,500 already confirmed dead, and 8,850 missing and believed dead, from the storm itself.

Time is of the essence. Lakes of stagnant water, breeding grounds for disease-transmitting mosquitos, must be drained immediately. Already, 50,000 children in the slums of Honduras’s capital, Tegucigalpa, have been exposed to malaria, Health Minister Marco Rosa warned on Nov. 15. With almost 80% of Tegucigalpa still without water services, and an outbreak of cholera already reported in El Salvador, large-scale emergency water purification systems are urgent.

What are the lessons of this disaster? Waste no time bewailing the severity of the storm. The geography of Central America is such, that such storms have hit it for millennia, and will do so again in the future. Only as short a time ago as 1974, Hurricane Fifi left 10,000 people dead in Honduras.

Do not blame non-existent “demographic pressures” or economic activity, as are the people-hating ecological kooks (including the head of the United Nations Office for the Coordination of Humanitarian Affairs, Sergio Vieira de Mello), either. Mitch’s death toll is the foreseeable result of a *policy* to not develop the economies, infrastructure, and nations of the region. Remember Henry Kissinger and his 1983 Bipartisan Commission on Central America? The Commission’s report was explicit: Central America was fit only for plantation agriculture, drug-trafficking free trade zones, and sweatshops.

That same kind of thinking is now crippling interna-

tional relief operations in Central America—as it is the broader task of defeating the current global crisis with world reconstruction. The *Wall Street Journal*, for example, bemoans the fact that free trade “economic reforms could be delayed for years,” if Central American “governments dedicate resources to providing housing and building roads before anything else.” The International Monetary Fund’s (IMF) Michel Camdessus visited the region in mid-November, to extract promises from the governments that they would continue with devastating “structural reforms.” And Tipper Gore, the U.S. Vice President’s wife, went so far as to propose that one “solution” would be to use the disaster to spur implementation of one of her husband’s pet projects, the creation of an Internet registry for “private voluntary organizations.”

Compare this collective lunacy to the response of the Chinese government to the record flooding that nation suffered earlier this year, which, as Lyndon LaRouche writes in his article in this issue, “Is Western Europe Doomed?” exemplifies “a nation . . . which enjoys a quality of leadership matched to an efficient cultural commitment to survive even awesome catastrophes.”

The fact is that the Central American tragedy is a microcosm of what is happening around the world. The starvation spreading across North Korea, the killings and epidemics that are decimating Africa, the danger that tens of thousands of people could die of hunger and cold in Russia this winter—these are all markers of a civilization descending into a New Dark Age.

Central America’s ability to recover will be largely determined by what kind of aid, how fast, it gets from its foreign friends—emphatically including the United States. The governments of the region, like the United States itself, will need to take the kind of approach Franklin Delano Roosevelt would have adopted, and organize large-scale public works projects which put the millions left unemployed by the destruction of agriculture and industry, to work rebuilding the infrastructure, this time better. The countries’ foreign debt must simply be written off—and the IMF be damned.

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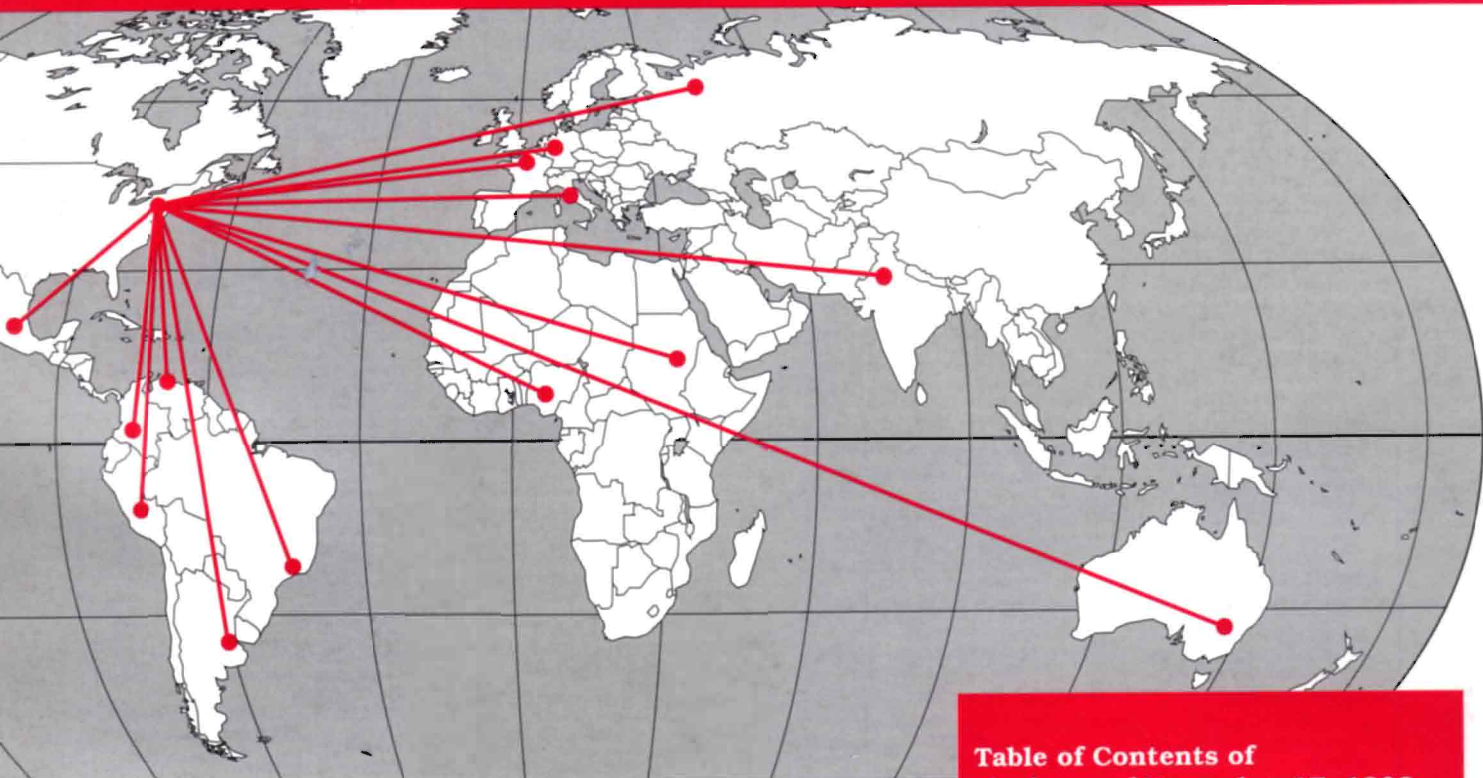
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