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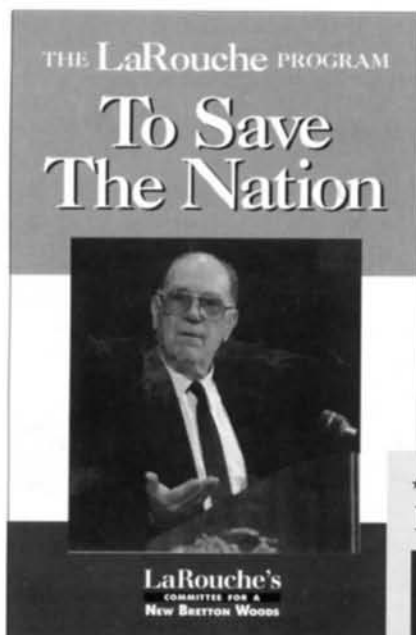
LaRouche says Cox Report is a fraud
Attack on U.S. schools: How will they survive?
Revolt in Colombia shows the 'Kosovo effect'

**London launches a new
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From the Associate Editor

The indictment of Serbian dictator Milosevic by the UN war crimes tribunal in The Hague is but one of a series of “coincidences” that are bringing the world every day closer to the brink of a third world war. Since at least 1991, everybody has known that Milosevic was a war criminal; why is it that only now, in the midst of highly sensitive diplomatic negotiations, brokered by Russia and UN Secretary General Kofi Annan, has a move been taken that is guaranteed to wreck any possibility of a negotiated settlement?

Why is it that in Italy, the NATO country that has been most outspoken against a ground war against Yugoslavia, a high official was assassinated, one week prior to the indictment of Milosevic?

Why is it, just at the moment that India and Pakistan were making great strides toward improving their relations, that the conflict over Kashmir is suddenly being heated up?

Why is it that in the aftermath of the NATO bombing of the Chinese Embassy in Belgrade—a *war crime* under international law—the Cox Report now grabs the headlines instead, accusing China of every imaginable crime?

In this issue, we examine the answers to these questions, providing irrefutable proof that the London-based oligarchical grouping is playing its insane geopolitical games in each of these situations. See the *Editorial* for an overview. Our *Feature* documents the British control of terrorism, historically and today, as a weapon to destabilize nations and beat them into submission.

Yet, on the positive side, never has Lyndon LaRouche’s influence been greater than it is today. See the report in *International* on a most extraordinary seminar at the Russian State Duma. On May 26, the Schiller Institute held a conference in Paris, which we will cover in next week’s issue. In a message of greeting to it, former Mexican President José López Portillo wrote: “Today, when, at times, it seems that the worst threats to the peaceful coexistence among nations are becoming reality, it is even more urgent that efforts be redoubled to open the way for good sense and sanity. . . . I share with you the concerns of the moment and, as I stated a half year ago: it is now necessary for the world to listen to the wise words of Lyndon LaRouche.”

Susan Welsh

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Soros threatens Argentina: 'Your life, or your money!'

by Gerardo Terán

On May 21, megaspeculator and prominent drug legalizer George Soros gave the green light for a speculative attack against the Argentine peso. Fully aware that his remarks would produce an effect, Soros launched his broadside in the middle of rumors that were already swirling around international financial markets that, in order to maintain the “competitiveness” of its exports in the face of Brazil’s 30% devaluation in January of this year, Argentina would have to abandon its renowned “convertibility” or currency board system, and devalue the peso.

At a Chicago conference on “The Global Financial Crisis and Economic Development,” Soros said: “Brazil and other countries have devalued. The fact that the Argentine peso is tied to the dollar has likely turned it into an overvalued currency, for which they will pay with a recession. . . . Argentina is paying a high price for the stability of the peso.”

Ironically, the author of the “convertibility” plan, former Argentine Finance Minister and Soros associate Domingo Cavallo, had unleashed the storm a few days earlier, when he stated, according to the London *Financial Times*, that “Argentina should float the peso, rather than maintaining the current system, in which the peso maintains a one-to-one convertibility with the dollar.”

After these two interventions, by the end of the week, the Buenos Aires stock market had plunged 9.83% for the week, and government bonds lost between 1 and 2% in a two-day period.

Argentina’s main trading partner in the Mercosur bloc, Brazil, also felt the effects of the attack, and its Treasury bills fell by more than 3%. The Brazilian currency, the real, was devalued from R\$1.65 to R\$1.72 to the dollar, and the stock market dropped by 4.9%. The Mexican stock market also declined, as nervousness spread throughout the international

markets. In a word, the Soros offensive had reawakened the slumbering international financial crisis in this part of the world.

The speculative war against Argentina had been planned well beforehand. At a January financial seminar in Tokyo, Barton Biggs, president of Morgan Stanley Dean Witter Investments, had warned: “I fear that the crisis will claim other victims in Latin America. The most obvious one is Argentina. . . . The effects of the crisis which began in Thailand in 1997 continue to play out. Brazil was the latest victim. . . . And Argentina could be the next. If Argentina ends up devaluing the peso, speculators could decide to attack other currencies.”

Debt can’t be paid

The interesting thing about the destabilizing duet of Soros and Cavallo, is that it runs totally contrary to the song that both of them have been singing for years: a fanatical defense of convertibility and the Argentine model. Some analysts explain this about-face as a typical speculative maneuver by Soros in order to profit personally. Although this may well be a factor, there is more to it than that. The international financial oligarchy is sending a clear and direct message to Argentina and the government of Carlos Menem: Popular resistance that has spread across the country against the policies of the International Monetary Fund—an opposition so vigorous that it can only be compared to that of 10 years ago, which led to the early demise of the Raúl Alfonsín government—has got to be smashed, and promptly. If not, Argentina could default on its debt obligations, both foreign and domestic.

An editorial in the April issue of the Economics Ministry’s *Economic Report* admitted: “The Russian default, Brazil’s serious fiscal problems, and the fall of international prices for

export goods, led to a strong deceleration of the Argentine economy.” This produced an increase of the 1998 trade deficit of \$1.1 billion, despite the fact that the physical volume of goods exported was higher than 1997. This, in turn, led to the Menem government having great difficulties staying current on its foreign debt payments. For 1999, Argentina will be hit with \$34 billion in foreign debt obligations coming due, of which \$26 billion are private sector obligations, both of financial and non-financial companies. The non-financial companies, which are the ones that engage in export activities, have \$11 billion coming due, of which \$7 billion is short-term debt which was taken on to weather earlier financial crises. As for financial companies, they owe \$13.8 billion in short-term debt, which they contracted over the last six months to deal with the crisis.

The Argentine government claims that it has locked in an arrangement to cover all of its foreign debt service for 1999, which is more than \$7 billion, through a combination of loans from multilateral agencies, bonds placed on the commercial market, and by getting the IMF to agree to a larger budget deficit. But the problem of default looms largest over the private sector.

The problem here has been worsened by the profound crisis engulfing both the agricultural as well as the industrial sectors, whose output has plummeted significantly over the course of 1999 to date. Industrial production fell by 10.5% in April over the same month a year earlier; and the 30% devaluation of the Brazilian currency earlier this year has devastated innumerable areas of the Argentine economy, since about 40% of Argentina’s total exports are sold to Brazil. This is where the argument comes in about making Argentine exports “more competitive,” in order to obtain the foreign exchange needed to pay the private sector’s foreign debt.

Even before Soros’s provocative statements, economic consultant Ricardo López—a darling of the international banks and an economic spokesman for the opposition coalition known as *Alianza*—had rattled the country by pronouncing that it was necessary to cut the country’s wage bill by 10%, in order to maintain “competitiveness” without being forced to devalue and break the convertibility arrangement. Then, on April 25, the head of the Western Hemisphere division of the IMF, Claudio Losser, warned that, in order to achieve “competitiveness,” “an economy has to make adjustments, and in a system such as Argentina’s this somehow has to be accomplished through making prices and salaries flexible.” And in early May, Cavallo himself had warned that the only way to maintain “competitiveness” without devaluing, was by reducing “costs” (i.e., wages) by 20%.

In May, the Menem government tried to move forward on this IMF policy, but this led to a wave of popular protests that showed that this approach was politically unfeasible, at least for the moment, when the country is in the middle of a Presidential election campaign. Facing an unprecedented explosion in the agricultural and education sectors, the gov-

ernment was forced to back down on important aspects of the austerity demanded by the IMF.

Opposition to austerity

For example, the announcement of cutbacks in the education budget has unleashed a political and social storm. On May 7, Education Minister Susana Decibe announced that she would not agree to the government reduction package, and presented her resignation because, she said, she could not accept cutbacks that would mean closings of universities and national colleges.

The day after the official announcement of cuts was made, thousands of university students mobilized en masse against the cutbacks, blocking the most important streets of the capital and peacefully seizing various buildings at Buenos Aires University and in other cities with public universities.

The mobilization continued with a May 11 teachers’ strike called by different teachers’ associations. Colleges and universities were totally paralyzed nationwide. In the province of Buenos Aires alone, the strike was 99% effective.

The protests eventually forced the government to retreat. On the day of the teachers’ strike, by order of President Menem, Minister Roque Fernández held a telephone conference with IMF officials to beg a “new concession” from them. The situation of the education sector was nearly out of control. And so, the IMF—without even blinking—authorized the expansion of the fiscal deficit by \$150 million, intended for the education sector, thereby defusing protests which were already winning the backing of the population and of every political sector in the country. The next day, the national Congress unanimously disapproved the education budget cutbacks.

In addition to the student and teacher demonstrations, the provincial governments—whose budgets are now threatened with \$360 million in cutbacks—are also protesting. Fernández again tried to threaten his way through. At a May 18 meeting with 11 Peronist governors, Fernández warned that failure to make the cuts would “increase the country’s risk classification as well as interest rates.” But at a meeting the following day, which included Fernández, the Interior Minister, the cabinet chief of staff, and the governors, it was agreed that the \$360 million would be restored to the provinces.

And so the situation became unmanageable, and threatened to become a central theme of the election campaign. For example, the Peronist party pre-candidate who heads the polls, Buenos Aires Gov. Eduardo Duhalde, proposed a regional renegotiation of the foreign debt, and a change of economic model.

Soros and company’s speculative assault was targeting just such resistance. As the economist Miguel Bein told the daily *La Nación*: “Politicians get scared and become reasonable when the markets send them bad signals; otherwise, they spend their time fighting, without considering the repercussions that their remarks might have on the markets.”

The attack on U.S. schools: How will they survive?

by Marianna Wertz and Marcia Merry Baker

The system of public education, the foundation stone of any democratic republic, is almost universally acknowledged to be failing in America. The headlines out of Littleton, Colorado were only the latest spur to action. Solutions are being debated in virtually every city, county, and state, where school funding makes up the lion's share of the budget.

It is our purpose here to discuss what that solution should be, proceeding by answering three questions: 1) What is the real problem with our schools? 2) Are the proposed solutions actually good? 3) What is the basis for a sound public education?

We begin by listening to the wise words of our Founding Fathers, who stressed the importance of good public education for the nation's children—its future citizens and workforce. Both Benjamin Franklin and George Washington warned that a good public education is the *sine qua non* of a free nation. "The good Education of Youth," Franklin wrote in his 1749 *Proposals Relating to the Education of Youth in Pennsylvania*, "has been esteemed by wise Men in all Ages, as the surest Foundation of the Happiness both of private Families and of Common-wealths. Almost all governments have therefore made it a principal Object of their Attention, to establish and endow with proper Revenues, such Seminaries of Learning, as might supply the succeeding Age with Men qualified to serve the Publick with Honour to themselves, and to their Country." Washington, in his *Farewell Address to the Congress*, proposed the establishment of a National University and a Military Academy to guarantee "the common education of a portion of our Youth from every quarter" to be trained in "the science of government," because "the more homogeneous our Citizens can be made in these particulars, the greater will be our prospect of permanent Union."

1. What is the problem?

As we begin to identify the nature of the problem besetting our public education system, it is best to keep in mind that Franklin and Washington had to lead a revolution against the British oligarchy, before they could create a republic in which their concept of public education might flourish. That revolution is by no means over, and its final victory is actually the key to success today in saving that system.

The first, and overriding problem confronting states and municipalities in America is the lack of adequate resources to build and maintain the education infrastructure. Looked at

from the standpoint of Lyndon LaRouche's "Triple Curve," or "Typical Collapse Function," despite the bubble on Wall Street and consequent explosion of financial instruments, the erosion over the last 30 years of real living standards, which provide the tax base for local and state revenues of all kinds, has fueled a virtual citizens' revolt against school bonds and taxes to finance schools. This is exacerbated by the aging of the population, under Malthusian policy strictures, with senior citizens increasingly unwilling, and unable, to finance schools for others' children, while the size of the parent-age population is too small to adequately fund their children's educational needs. The result is that the physical infrastructure of the nation's schools is falling apart, and what there is, is woefully inadequate.

A February 1995 General Accounting Office (GAO) "School and Staffing Survey," the first national survey of the physical condition of schools conducted since 1965, showed the following:

- During the 1994-95 school year, a total of 86,221 U.S. public schools served 44.1 million students. Enrollment in public elementary and secondary schools rose 16% between 1985 and 1996. In that same time period, there was a total of 4.97 million students enrolled in 26,093 private elementary and secondary schools, of which Catholic schools accounted for 51%, while other religious schools accounted for 34%, and non-sectarian schools claimed at 15% share.
- One-third of U.S. schools require "extensive repair or replacement of one or more buildings."
- Almost 60% of U.S. schools have one major building which needs "to be extensively repaired, overhauled, or replaced."
- About half of U.S. schools report having at least one unsatisfactory environmental condition, such as poor ventilation, heating, lighting, or poor physical security.
- An estimated \$112 billion is needed to repair and upgrade U.S. school facilities to a satisfactory condition.

Many school officials told the GAO that their districts have been forced to defer "vital maintenance or repair expenditures from year to year due to lack of funds." They cite the refusal of citizens to accept new taxes or pass new bond issues to generate the funds required to provide children with an acceptable learning environment.

In a second report, in April 1995, the GAO focussed on the capability of the nation's schools to provide proper forums



The overriding problem confronting states and municipalities in America is the lack of adequate resources to build and maintain the education infrastructure. Here, students at a Pittsburgh elementary school study biology, in a program funded by the Bayer Corporation.

for the teaching of skills needed for the 21st century. The results were equally shocking:

- About 40% of U.S. schools do not have proper laboratory facilities in which to convene science classes, affecting some 14 million American students.
- One-quarter of the nation's schools do not have enough computers for students, and over half of all schools lack modems for their computers to communicate with outside resources.
- Every U.S. city operates with school facilities that were built during the 1920s and 1930s public works programs, and which should have been replaced beginning in the 1970s. The GAO found some school buildings still in use which were more than 100 years old.
- Many schools built in the 1960s and 1970s were designed to have a useful life of only 20 to 30 years, and are sometimes in even worse physical condition than schools that are much older.
- A particularly glaring problem is the temporary classrooms that many schools erected to handle the baby boom in the 1960s. Many schools are still using these temporary classrooms, designed to last only ten years.

Indicative of the larger problem of which the school breakdown is a symptom, when *EIR* called the GAO for this article, to see if these studies had been updated, we were told to call back in a few days because the GAO's own infrastructure — its computer database — was broken.

Breaking the bubble illusion

Some loudly proclaim that this deterioration will soon be solved, with the advent of "good times" on Wall Street. Over half the states and localities across the country are proclaiming official budget "surpluses," some equal to 9% of expendi-

tures. New York claims a \$1 billion surplus, and California, a \$4.3 billion surplus. But, as 50,000 teachers and other workers told New York Gov. George Pataki on May 12, at the biggest demonstration in decades in New York City, the "surplus" is the result of decades of austerity and cutbacks in wages and benefits to municipal workers, as well as a huge deficit in city infrastructure construction, repair, and upkeep.

Republican governors like Pataki want to give that "surplus" back to the taxpayers — to solidify their voting and funding base among the wealthy. To the contrary, as Lee Saunders, who heads the American Federation of State, County, and Municipal Employees (AFSCME) union in New York, told demonstrators: "We say to the Mayor [Rudolph Giuliani]: Stop giving tax breaks to Wall Street and the rich. Instead, invest the city's surplus where it will do the most good. Invest it in the city workforce — then New Yorkers will get a real return for their dollar."

In California, where the national tax revolt began as the state's industrial base began to erode, even with the huge "surplus," the state budget today allocates more for prison construction than for education.

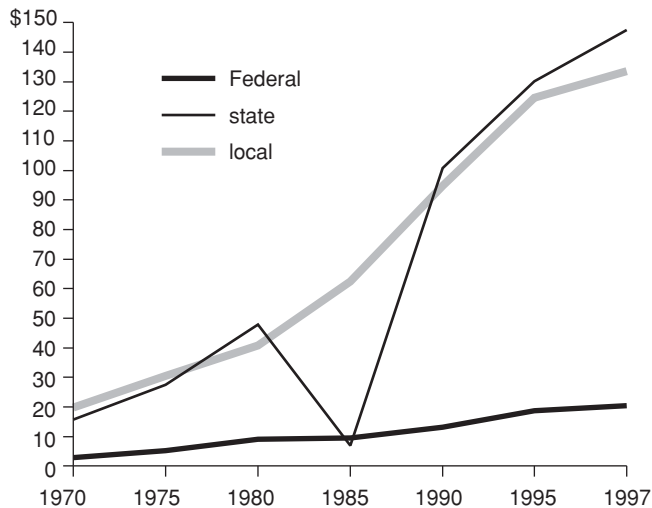
Figure 1 shows the relative share of public school financing, from 1970 to 1997, among Federal, state, and local funding. The Federal portion has grown relatively little. Overall, both state and local outlays have soared. **Figure 2** shows the wide variance between states, in what is spent per pupil in the school year. On the high end are expenditures in the range of \$7,500 to \$10,400 per pupil (in average daily attendance), such as in New Jersey, Pennsylvania, and New York. On the low end, are expenditures around \$4,400 per pupil, such as in Mississippi, Arkansas, and Oklahoma. The variation from county to county is even more extreme.

However, apart from policy questions posed by these pat-

FIGURE 1

Relative share in financing public elementary and secondary schools

(billions \$)

Source: *U.S. Statistical Abstract*, 1995, 1998.

terms of disparity, the immediate issue for school districts is, what happens to state and local revenues for schools as the economic base collapses?

New Hampshire and Tennessee

Since the bubble economy cannot produce a reliable tax base, states and municipalities have turned to rely increasingly on nuisance taxes and gambling—both regressive economically—to avoid overtaxing an already-oftaxed middle class.

The states of New Hampshire and Tennessee are extreme examples of this problem. Neither state has an income tax, and both are now facing possible large-scale layoffs of teachers and school personnel, while the legislatures struggle to find a source of funding.

EIR spoke with legislative leaders in both states (see accompanying interviews) to get a sense of how the problem is being handled.

In New Hampshire, last year the state Supreme Court ruled that the system of financing schools through local property taxes was unconstitutional because it discriminated against children in poorer districts. The state legislature had till April 15, 1999 to come up with a solution. Having failed to do that, the deadline was extended to May 15. As former State Rep. Bill McCann told *EIR* (see interview), the legislature failed again, patching together a series of new taxes that is still \$100 million short of the \$825 million is required to meet the court's definition of an "adequate education" for every child. Gov. Jeanne Shaheen (D), who said she will veto any income tax, stumped the state for video gambling as a

source of funding, but that, fortunately, was rejected.

The budget plan which passed the legislature on April 30, inadequate as it is, will undoubtedly now also face numerous court challenges, as McCann points out. Objections will come from property-rich towns facing higher tax bills, and from property-poor towns, which originally sued to force sweeping tax reform and now claim that the plan doesn't provide nearly enough education aid or tax relief.

In Tennessee, a budget was approved by the House on May 24 (after our interviews), which cut \$26 million for cost-of-living raises for state employees and teachers. Linda McCartney, executive director of the Tennessee State Employees Association, objected to the cuts, saying, "The workload is horrendous and the turnover rate is so high and the wages are so low it is difficult to find anyone to work." The Senate has not yet passed a budget.

In his talk with us, Rep. Ulysses Jones refers to the allure of gambling in nearby Tunica, Mississippi, which is being pointed to as the solution for the education funding crisis in Tennessee. But, the fact of the matter is, that while Tunica has been able to fund its schools adequately as a result of gambling revenues, pupil test scores in Tunica are still the lowest in the state, and more than half of high school pupils still drop out. In 1997, the state education department took over administration of Tunica's schools.

Social breakdown

A second, and related cause of the problem facing our schools is the breakdown of the family and traditional social networks in late-20th-century America. The recent "Kids Count" study by the Annie E. Casey Foundation (see box) points to the evidence of that societal breakdown. The survey found that 9.2 million American children—one in every seven—have at least four of the risk factors, a level which the foundation considered to be the threshold for considering a child to be at the greatest risk.

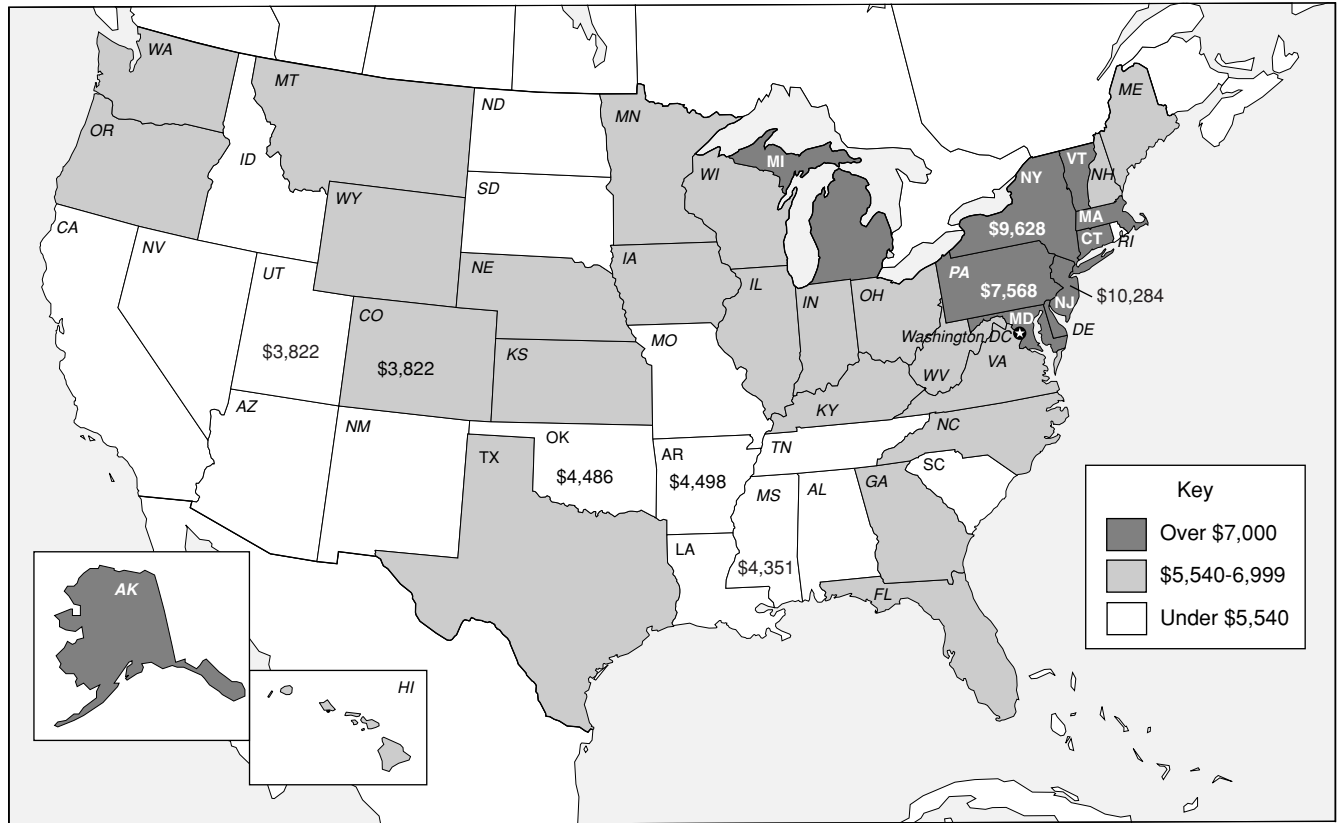
Recent studies have also pointed to the fact that a full one-quarter of American children live below the poverty level, including suffering malnutrition from lack of adequate food.

The breakdown of familial care for children is a direct result of the real economic crisis. Because it now takes 2.5 jobs to sustain the same level of income per household that could be sustained with one job 30 years ago, children are growing up without parental guidance. A study released in mid-May by the President's Council of Economic Advisers reported that the share of married women who have children under 18 at home and who work for pay, rose to 68% in 1996 from 38% in 1969, from 622 hours worked annually in 1969 to 1,197 hours worked in 1996. Schools cannot be expected to make up for this level of parental absence in the lives of their students.

While schools can't replace absent parents, the Hollywood Satanic culture is attempting to do just that, on television, in the movies, and on the Internet, with the results far too obvious (see article by Anton Chaitkin, this issue). By the

FIGURE 2

Wide variation in average per-pupil expenditure, by state, 1997



Source: U.S. Statistical Abstract, 1998.

fifth mass killing in an American school, it has become clear that we are confronting an organized enemy of public education, bent on destroying trust in schools and their ability to safeguard the lives of their students.

A nationwide study by the independent Public Health Policy Advisory Board, released two weeks after the Littleton massacre, reported that adolescent homicides and suicides now are the number-two and -three causes of death among all U.S. children, aged 1 to 19.

Even when children are in the classroom ready to learn, they still confront the problem of *what is being taught*. Two recent studies indicate the nature of this problem.

On May 26, the results of a new English test given to New York State students last January were made public. The new test replaced the former multiple choice test — now standard in American education — with a three-day marathon that required children to read long passages and write essays. The result: Only 5% of New York students statewide achieved advanced levels. Even affluent suburban districts, which were accustomed to seeing more than 90% of their students pass multiple choice tests, saw the results plunge into the 60s and

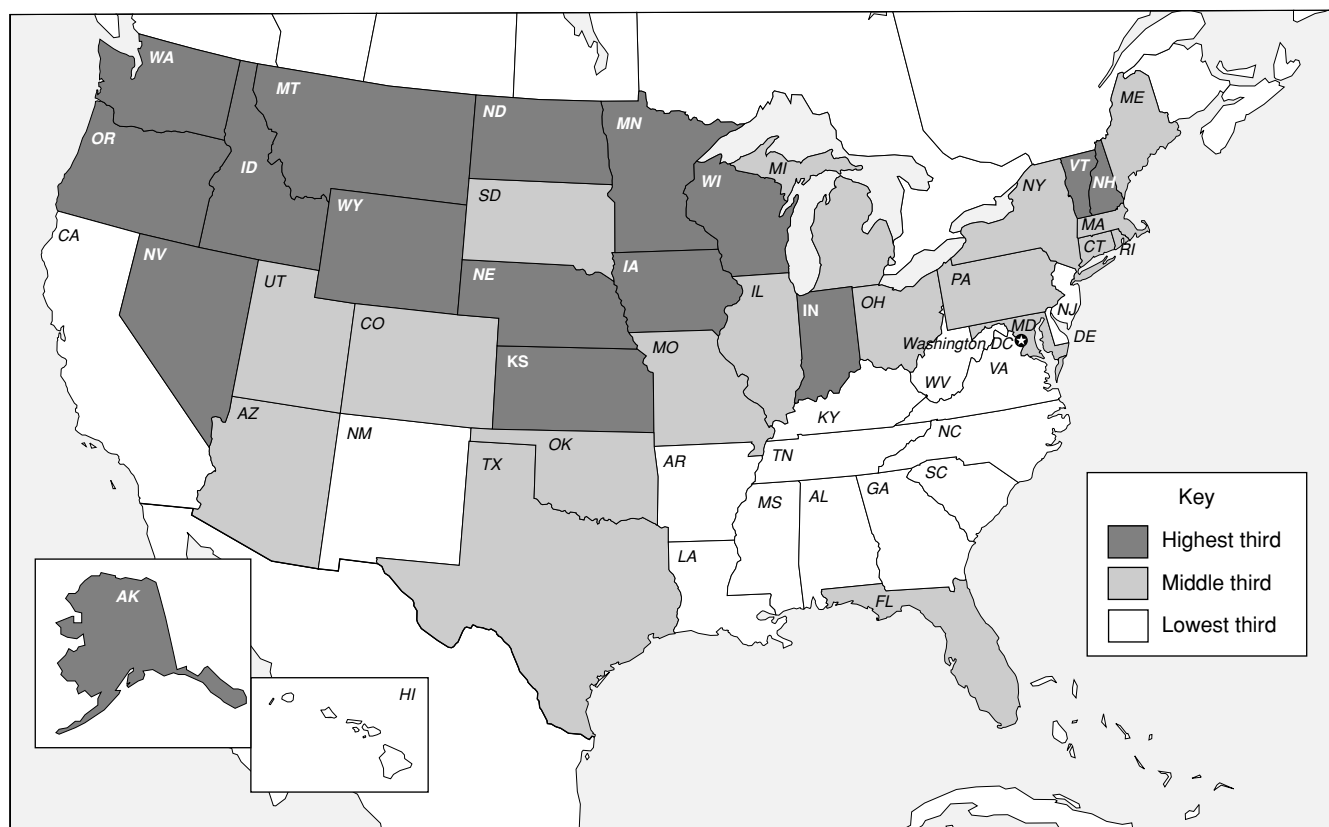
70s percentile. In New York City, 2 out of 3 students, 67%, failed to meet the minimum state standards.

As Lyndon LaRouche has charged for more than two decades, unless education begins with the child replicating the experience of creative discovery in his or her own mind, it is not education. Learning to answer multiple choice tests prepares the child only to take such tests — not to think.

Another indication of the lack of ability to think among young people, is provided by the pattern of results on tests routinely taken by those entering military service. **Figure 3** shows which states rank the highest in results on the Armed Forces Qualification Test, which is used to test the competency of men and women entering the Armed Forces in areas that will be required for military duty. It is generally regarded as an indicator of educational ability for the nation's youth. The highest scores are in those states with farming and other activities engaging young people in thinking (North Dakota, Wisconsin, Minnesota, and so on). The lowest are in poor states (Mississippi, Louisiana, Alabama), and also in heavily populated states with poor urban areas (New York, California).

FIGURE 3

Where Armed Forces Qualification Test scores are higher, ranking of states, 1995



Source: Congressional Quarterly.

2. ‘Solutions’ worse than the disease

There are two basic approaches being debated across the nation as the “solution” to the education crisis. The first, a key theme of the Republican free-enterprise camp, focusses on state-funded vouchers and charter schools. Both are means of slipping privatization in through the back door. The second, on which the Al Gore Presidential campaign has hooked its hopes, is that putting all of America’s schools on the “Information Superhighway” will solve the problem that so many children aren’t learning fundamental literacy. Both approaches are fundamentally flawed.

The recent fight over vouchers in New Mexico provides instructive insight into the real issues involved. New Mexico became a test case for state funding of vouchers to send children to private schools when Gov. Gary Johnson (R) threatened to veto the entire state budget and shut down the schools if the legislature refused to pass his voucher plan. Politically charged testimony and debate ensued for weeks, ending on May 11, with 10 House Republicans and 5 Senate Republicans voting with the majority Democrats in a veto-proof rejection of the plan. The heat of the debate was indicated by a

statement issued by the state AFL-CIO Committee on Political Education (COPE) Director Mike Shea, who compared Governor Johnson’s bullying of the Republican legislators to the “dictatorship” of Mussolini or Hitler.

Opponents cited their fear that state funding of private schools will undermine public education, that private schools do not face the same level of state scrutiny as public schools, pay their teachers less, do not have to be accredited, and could discriminate based on religion or disability. Many parents rejected the voucher proponents’ argument that public schools are failing their children, urging that it is the failure to adequately fund the public schools that is the root of the problem, not the fact that they are public.

The *Albuquerque Tribune* editorialized against the voucher plan, calling it “potentially unconstitutional” and countering the “myth” that “all we do is throw money at public schools.” The truth, the editorial said, is that “New Mexico has spent decades nickle-and-diming its educational commitment with the result that our teachers are among the nation’s worst paid, our schoolhouses are in dangerous disrepair, and nearly every request for true reform is met with the same reply: We

don't have the money.”

On the pro-voucher argument that the public school educational establishment is only interested in “protecting its monopoly,” the *Tribune* wrote: “Few people embrace a career in education because of the power, money and glory it bestows upon them! Although poor performers exist, as they do in any industry, the majority of educators are committed professionals grappling with the increasing demands that they not only educate a child but serve as social workers, police officers and health-care providers.”

Perhaps most interesting in the debate, the representative of the Catholic Church, which runs the majority of the state's private schools, opposed the voucher plan. Roberto Ortega, who speaks for the state's three Catholic dioceses on educational matters, testified, “We can't just look out for our own interest in this debate. We have to look out for all children.” Ortega was joined by Rabbi John Feldman, who testified that vouchers would divide students and funnel most of the program's money to religious schools.

The Gore-y Superhighway

Al Gore's “Information Superhighway” has had a lot of human roadkill on it recently. As Chaitkin's article makes clear, the Internet has become home to a nest of Satanic groups intent on turning the nation's children into practicing Satan-

TABLE 1

Rise in number of computers for student instruction in public schools, 1984-98

	1984-85	1997-98
Number of computers in public schools ¹	569,825	7,415,007
Students per computer ²	63.5	6.3

¹ All grades

² Excludes schools with no computers

ists. The recent school shootings are evidence of their relative success to date.

But there is a deeper level to the problem presented by the proposal to hook every school into the Internet as the solution to the nation's education problem. This is made clear in the May-June *American Scientist*, in an article by civil engineer and historian Harry Petroski (see box). Virtual reality cannot teach a child to think; information is not the same thing as knowledge.

Table 1 and **Figure 4** show the rapid rate at which classrooms are being installed with computers and Internet access. The student-to-computer ratio has gone from 63.5 in 1985 to

'Kids Count' shows scope of crisis for U.S. children

The Annie E. Casey Foundation, a private charitable organization, funds studies and programs dedicated to relieve problems among disadvantaged American children. Their most recent *1999 Kids Count Data Online*, includes the following indicators of trends, over the ten-year period 1985 to 1996.

Indicators of poverty problems	1985	1996
Percent of children in poverty	21%	20%
Percent of children in extreme poverty (income below 50% of poverty level)	NA	9%
Percent of children living with parents who do not have full-time, year-round employment	33%	30%
Percent of families with children headed by a single parent	22%	27%
Percent of female-headed families receiving child support or alimony	NA	34%
Percent of teens not attending school and not working (ages 16-19)	11%	9%
Percent of teens who are high school drop-outs (ages 16-19)	11%	10%
Teen birth rate (births per 1,000 females ages 15-17)	31	34

Indicators of health problems

Percent of children without health insurance, 1996	14%	14%
Percent of children covered by Medicaid or other public-sector health insurance	NA	25%
Rate of top three causes of death in teens: accident, homicide, and suicide (deaths per 100,000 teens ages 15-19)	63	62

Indicators of education problems

Percent of 4th grade students who scored below basic reading level	39% (1998)
Percent of 8th grade students who scored below basic reading level	28% (1998)

Indicators of high risk groups

Children living in families with four or more of the following characteristics are considered at “high risk”: child is not living with two parents; household head is high school drop-out; family income is below the poverty line; child is living with parent(s) who do not have steady, full-time employment; family is receiving welfare benefits; child does not have health insurance.

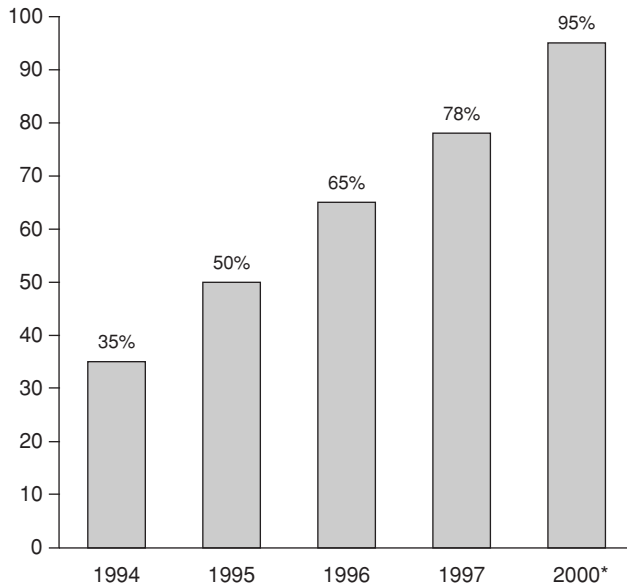
Percent of all children living in “high-risk” families, 1996	14%
Percent of black children, 1996	30%
Percent of Hispanic children, 1996	25%
Percent of white children, 1996	6%
Location with highest percent of children in “high risk”—District of Columbia, 1996	39%
Location with least number of children in “high risk”—Utah, 1996	5%

Source: The Annie E. Casey Foundation, *1999 Kids Count Data Online*.

FIGURE 4

Rise in number of public schools with Internet access, 1994-97

(percent of schools with access)



*schools intending to have access
Source: U.S. Statistical Abstract, 1998.

6.3 as of 1998.

Anyone who has worked in a “modern” classroom in recent years will notice one thing immediately: The kids are hooked on computers, almost like drugs. They are the biggest, and in some cases, the only attraction in the room. Give them “free” time and nobody wants to draw or paint or read. “May I get on the computer?” is the universal cry. But it’s not for learning that the computers are attractive. It’s for the video games and the “information.” (The relative ease with which pornography can be accessed is another problem, beyond the purview of this article.)

This is not to dismiss or diminish the usefulness of computers and the revolution which the Internet has brought about. But to mistake the use of this *tool* of learning for learning itself, as Gore repeatedly does in his campaign statements, is to believe, as Gore and his backers do, that the human mind is, in essence, a sophisticated computer. As Lyndon LaRouche has repeatedly emphasized, true knowledge is the result of non-linear, creative thought, something which neither a computer nor Al Gore is capable of doing.

As to the Wall Street source for Gore’s Information Superhighway hype, see the accompanying box on super-hedge fund operator D.E. Shaw.

There is a third false approach, though still minor in size, to solving the education crisis. In two largely African-American cities — Compton, California and Detroit, Michigan — the

state government has seized control of the district schools and is running them over the head of the elected school boards. In contrast to the school takeovers of the 1960s and ’70s, when the Federal government took control of white-only schools to force integration, these takeovers are being run under cover of redressing academic failure, but actually aim at disempowering the black parents in the district.

As Michigan State Rep. Ed Vaughn (D-Detroit), who led the failed fight to stop the takeover in Detroit, told *EIR* (see March 5, 1999 issue), “We believe that the takeover is about money and it’s about race.” He charged that the takeover would be “a backdoor route to privatizing the school system.”

In Compton, the district has been under state control for six years and a bill to return it to the district’s control failed this year. Newton Prothro, publisher of the *Compton Business Journal* and a leader in the fight, protested in an interview with *EIR* that the state is now trying to sell off school property worth an estimated \$60 million, without submitting the sale for the required bidding, while at the same time demanding that the school district pay its debts to the state without benefit of those properties.

3. What is the solution?

LaRouche’s 1997 *The LaRouche Program To Save the Nation*, points to two preconditions for rebuilding America’s public education system: 1) a winning war on drugs; 2) an emergency program for national economic recovery. Both of these preconditions require the successful defeat of the British-American-Commonwealth cabal’s hold over the United States and the establishment of a New Bretton Woods world monetary system.

As we said above, Washington and Franklin had to make a revolution against the British to get their school reforms implemented. There is no shortcut.

At the same time, LaRouche insists on the introduction of a Classical curriculum in all public schools. This curriculum trained the geniuses of Renaissance Europe and the outstanding leaders among our Founding Fathers. It includes Classical language, literature, poetry, and history, in English and foreign languages as well; and, learning by reproducing in the child’s own mind the great inventions of human history.

Benjamin Franklin alluded to this curriculum in his 1749 *Proposal Relating to the Education of Youth In Pennsylvania*. Franklin wrote that the curriculum for the public schools should include study of the Greek and Latin languages, proficiency in the use of English, history, and natural science. His closing summation epitomized the Classical approach to the training of the mind of the future citizen: “The Idea of what is *true Merit*, should also be often presented to Youth, explain’d and impress’d on their Minds, as consisting in an *Inclination* join’d with an *Ability* to serve Mankind, one’s Country, Friends and Family; which *Ability* is (with the Blessing of God) to be acquir’d or greatly increas’d by *true Learning*; and should indeed be the great *Aim* and *End* of all Learning.”

The curriculum reform that was enacted in the Prussia of Friedrich Schiller's time, a half-century after Franklin's proposal, by Minister of Education Wilhelm von Humboldt, Schiller's close friend and collaborator, was based on the same Classical model. It was that reform which created in Germany generations of gifted students in all fields of knowledge, from music to science—including the German scientists who fled Nazi Germany to comprise the core of America's successful space program—and has served as a model since that time.

LaRouche has detailed his ideas for reform of America's education system, based on the Classical model, in many locations in recent years. Because the full treatment of LaRouche's proposals is not within the scope of this article, we refer the reader to two crucial sources: The *EIR Special Report*, "The Libertarian Conspiracy To Destroy America's Schools" (April 30, 1986); and FDR-PAC's book, *The LaRouche Program To Save the Nation*, especially Chapter 7: Restore Literacy and Classical Education (1997).

The shortest way to achieving this necessary reform, of course, is to elect LaRouche President of the United States. The revolution required to do this is precisely that which our Founding Fathers left uncompleted for us to do.

Interview: William H. McCann, Jr.

Mr. McCann is a former Assistant Whip of the New Hampshire State Legislature (D-Dover), President of Chapter 41 of the Service Employees (SEIU) Local 1984, and a board member of the New Hampshire SEIU. He was interviewed on May 17 by Marianna Wertz.

EIR: What is the status of the school funding crisis, now that the May 15 deadline to come up with full funding has passed?

McCann: The legislature tried to resolve the crisis, and they're now admitting that they are probably \$100 million short. With the compromise that was struck ten days ago, on paper it will fund an "adequate" education to the tune of \$4,200 per pupil in the state. When you get through figuring it out, there's an increase in the real estate transfer tax, there's a statewide property tax, there's an increase in business taxes. When all is said and done, the best estimate is that it probably raises \$725 million and spends \$825 million. So, now they're trying to figure out how to make that balance.

EIR: So at this point there's no prospect for immediate

'Virtual reality' plagues computer-dependent students

Civil engineer and historian Henry Petroski, who chairs the Department of Civil and Environmental Engineering at Duke University, identifies the displacement of mechanical play by virtual reality as a leading problem in engineering education today.

Writing in the May-June *American Scientist*, Petroski says: "So many students majoring in engineering today seem to have few if any experiences with the artifacts of engineering, other than consuming and using them. For example, some students may have significant expertise with regard to interfacing with a computer and may even engage in a degree of programming and hacking, but the vast majority appear to use the computer as a black box. They seem disinclined to open up the box to see what makes it tick. Neither are they drawn to fix their own cars, let alone their own bicycles.

"Indeed, judging from my own experiences with today's affluent first- and second-year engineering students, many of them appear to have led deprived childhoods when it comes to having learned the innards of machines by taking them apart and putting them together again. Moreover, not a few engineering students seem not to have even handled some of the most basic tools with which to

do so. Because they have not had the tactile experience of being mechanics, they also seem to lack the visual sense that develops from it. Thus, when asked to draw a machine part, they are at a loss for lines."

Petroski discusses how the roots of the problem lie in part in the nature of toys. Formerly, budding engineers wrestled with the nuts and bolts of Erector sets, while today's engineers play electronic games. "One begins to wonder what these children of cyberspace will do when they encounter the real world of engineering, which does not come with prepackaged software or with everything preprogrammed," he writes.

Petroski concludes: "Because these concerns are widespread, at least among my generation, some engineering educators are coming to assume that virtually all incoming students are deficient in real tactile, spatial, and mechanical experiences. Thus, what might be called remedial play courses have been developed. One such course is taught at Stanford University under the title Mechanical Dissection. In it, students disassemble and then reassemble such machines and devices as laser printers, fishing reels, and ten-speed bicycles. The hands-on experiences are intended to provide a feel for engineering that a generation or two ago students would have brought with them to the classroom. It remains to be seen if such remedial activity will produce as many engineers who become business leaders as did my generation's untrammled use of chemistry sets and construction toys." — *Marjorie Mazel Hecht*

layoffs?

McCann: Cities and towns have been told by the state that they can now set tax rates and go ahead with business as usual. I would suspect within the next couple of weeks, that's what's going to happen. In the meantime, the pressure came to lay people off. It wasn't done. It sort of just postponed the crisis. It probably will get us into the summer, and then we'll see if the court accepts what they've done or if someone challenges it. And, it appears that two or more of the so-called "property rich" towns in New Hampshire are going to go to court and challenge it, saying that it's unfair to them.

EIR: Because they want to spend more?

McCann: Because they're going to make them spend more. Of course, the original plaintiffs haven't gone back to court, but their lead lawyers pretty much said they don't think this cuts it. So, it's just a question of when do they get to court and what's going to happen.

The thing that has now happened is something different than when we talked last. Republicans are saying one alternative to bringing the educational funding into balance would be to cut the operating budget by \$100 million. To give the \$100 million to the schools if they take \$100 million out of the state's budget, which, of course, a lot of people, including myself, don't think you can do. It's a pretty lean budget now.

That's one alternative. It's going to have an impact on the adoption of the state budget, because that battle is yet to be fought.

It's typical New Hampshire. They came up to the crisis and stepped back, but they didn't solve the problem, and the crisis can come back, probably June 30 if the budget isn't passed. That's going to be the next crisis date, because the state budget has to be passed by the end of this fiscal year. They gave themselves 45 days, in essence. Whether they'll do something, I don't know. I've talked to some legislators who are pretty discouraged that what has transpired doesn't really solve the problem in the long run, and then, more immediately, within hours of when the deal was agreed to, it became apparent. First, it started out being \$42 million in the red, and has grown to \$100 million or thereabouts since then. You can see that it wasn't well put together to start with.

Interview: Ulysses Jones, Jr.

Ulysses Jones, Jr. (D-Memphis) is a Tennessee State Representative and Chair of the State and Local Government Committee of the Tennessee House. He was interviewed on May 19 by Marianna Wertz.

Gore's computer-classrooms guru is gambler D.E. Shaw

A prime mover to have every classroom in America wired to the Internet is David E. Shaw, whose Wall Street firm, bearing his name, is one of the world's largest derivatives traders. Shaw, a major financial backer of Vice President Al Gore, has had some irregular dealings with Gore.

D.E. Shaw & Co. investment bank made headlines last year, when it became known that Shaw had sustained heavy losses on hedge-derivatives bets. The Oct. 15, 1998 *Wall Street Journal* reported that BankAmerica had taken "a \$372 million write-down due to a loan to D.E. Shaw & Co." BankAmerica had formed a strategic alliance with Shaw in March 1997. The losses that Shaw sustained, resulting in a \$372 million hit for BankAmerica, had been sustained during the summer, but the information was withheld until Oct. 13.

In late August 1998, Shaw and a group of Wall Street bankers, including speculator George Soros, met with Vice President Gore. The meeting followed the Aug. 17, 1998 Russian declaration of suspension of payment on debt and Russian Treasury securities, called GKOs. The Russian debt suspension sent the world financial markets into tur-

moil, causing large losses for Shaw. At the meeting with Gore, Shaw and others attempted to define for Gore a strategy whose effect would be to deploy U.S. policy to protect their assets. Only weeks before this meeting, around July 21, Shaw and seven members of his firm had poured \$40,000 into Friends of Al Gore, Jr., Inc., Gore's political action committee. This raised the issue of bribery on national security matters, an impeachable offense for Gore, and an action that raises all sorts of questions for Shaw.

Speculator Shaw is one of the leading New Age kooks on Wall Street. The offices of D.E. Shaw are located on the top two floors of a skyscraper in Manhattan. One magazine described the offices: "The walls have geometric patterns cut into them and lit up with different colors. Almost every stick of furniture is black." *Wired* magazine, a New Age publication, reported that the office "is meant to evoke the feeling of sitting inside a computer chip."

With this worldview, Shaw is attempting to wire all of America's classrooms into the Internet—an assault on the cognitive ability of children. Shaw serves on the President's Committee of Advisers on Science and Technology, and he has been chairman of the Panel on Educational Technology. From that position, he wrote a report that is the "blueprint . . . to wire every American classroom to the Internet," according to the January 1997 *Wired*.

—Richard Freeman

EIR: I'm writing up a rundown on various state budget crises that are affecting education and other aspects. I understand that there is a \$365 million deficit and you might be preparing to lay off up to 2,000 state employees and cut millions of dollars out of education. Is that the case?

Jones: Right now, everything is still uncertain. That is a possibility. It's on the floor. One of the concerns that the Governor has stated is, that he will not cut education, that the legislators will have to do it. At this point, we found out today that the \$365 million has been inflated to around \$440 million. With our budget, 52% of the budget goes to education. So, when you're talking about starting to cut, that's going to be one of the areas that they're looking to cut.

The State of Tennessee has just gotten to where we were number 47 or 48 in funding education, [for grades] K-12. Now we're number 49 in the nation.

EIR: What state is below you, Mississippi?

Jones: Arkansas.

EIR: That's Gore and Clinton! Why is there such a deficit?

Jones: The reason there's such a deficit is because this state has a very antiquated system of taxing. It's a very regressive tax. It's a sales tax. Most of the eight or nine states that border Tennessee, their sales taxes are either lower than ours, all except Mississippi, or they don't have any at all. Georgia doesn't have any sales tax on food, or Kentucky or North Carolina. The only way we fund our state is through a sales tax, fees, and we do have a slight, 10%, of what we call a hauled income tax, which is on investments and certain other areas of funding. But, we don't have a state income tax, nor do we have gaming in this state.

EIR: So, it's a very regressive tax.

Jones: Very regressive. We're one of only nine states that don't have an income tax. We're one of only three that don't have gaming. We had one state, Alabama, which is now planning on having gaming, so if they get it, we'll be one of only two states.

EIR: Many states that have adopted gaming are now having second thoughts about it because of its effect on the morality in the state and the moving in of organized crime.

Jones: To a point they do, but we look down the road in Mississippi. Take, for instance, Tunica, which is next to Memphis. In 1991, Tunica was the poorest county in the United States. Now it's one of the richest counties in the United States.

EIR: It's true, and you have five states on your borders, so you're competing with all of those states. But the question facing you is, and I don't know if this is in the debate: Can you find a source of income for the state that is not based on speculation or gambling?

Jones: Right. That's our concern right now. The concern that

we have is, we should have done something earlier. If we would have passed any type of gaming, and we had passed a lottery, that money was going to be earmarked for higher education. . . . We are in such bad financial shape, a lot of people, 75% of those in the state think that if we had a lottery, that our problems would go away. Well, that's not true. Because, if we had a lottery, the most that we probably would raise, our projection is about \$225 million. With a deficit of about \$440 million, it still would leave us a deficit of \$215 million.

EIR: A lottery is also a hidden tax on the poor.

Jones: Yes, it is.

EIR: So, as opposed to an income tax, this is another regressive tax.

Jones: Right, but what we're looking at, hopefully, is an income tax. What they have proposed now is \$10,000 per individual family: \$2,500 for an exemption for each person in the household, which I think is low. I would like to see a \$20,000 per family tax exemption, and \$4,000 per dependent.

But what happens now is we're looking at cutting K-12. We just got to the point last year where we were fully funding K-12. Higher education is already in a mess. We have not been funding higher education properly about the last 12 years.

Dale Computers is talking about moving to the state, high-tech industry like that moving to the state, and we're not putting enough money or attention on education, on higher education. We're going to end up with a black eye in this state, and probably have industry looking somewhere else, saying don't go to Tennessee because their workforce is not educated and they don't believe in having an educated state.

EIR: How is the financing for prisons?

Jones: That's the only thing that's going good!

EIR: I saw in the press there today that there's a proposal to put a tax on coffins. It occurred to me that if Al Gore is elected, it would make a lot of money if his policies go through.

Jones: They're trying to tax everything they possibly can right here without looking at a tax that's going to be what we call very elastic. Right now, with the sales tax, we don't have that much elasticity in trying to determine how we're going to pay individuals, how we can project growth of the state. We can't do that.

EIR: What do you think is going to happen?

Jones: Some of the proposals coming out are very regressive. If we don't make a move sometime soon, I think we're going to see the state default. We cannot, by Constitution. We've got to have a balanced budget. So, the word has been that we lay off 2,000. Now they're talking about even more massive layoffs and cuts of that sort. I for one will not vote for a layoff or another sales tax. I just don't think it's fair. What they're talking about doing as well, is, probably, let's

go through with the cuts, and we're going to see how it's going to do for about the next four or five months. Then we'll come back in October or November and have another special session, and then pass it on to 2000.

I can tell you that that is not going to happen. The reason it's not going to happen: We run every two years. The best time for us to pass any type of tax reform is now. That way we can go out and we can take the bumps and the bruises and it gives us time to explain to our constituents what's going on and why we had to impose a state income tax. But, for them to come back and talk about a tax in November, and to come back into session in January, get out in May, and then come out and run on that in June—it's not going to happen.

Interview: Joe Towns, Jr.

Joe Towns, Jr. (D-Memphis) is a Tennessee State Representative and member of the Education Committee. He was interviewed by Marianna Wertz on May 19.

EIR: I understand that you are voting today on seven different proposals. Is that right?

Towns: It hasn't come to the House floor yet, but they are thinking that they are going to get on the floor either tomorrow or next week.

EIR: I understand that you are facing the possibility of such a large deficit that you might have to lay off 2,000 state employees or cut \$40 million out of kindergarten through 12th grade education.

Towns: Yes, that is accurate. That is what has been suggested that we do in terms of cuts, but I'm not going to support any cuts that would cut into education or health care. While there may be others that might, I am not going to support those kinds of cuts.

EIR: How do you think this can be solved short of doing those cuts?

Towns: You have one of two ways it can be solved. You can fix the structural problem, which is something that the Governor has been trying to do. Or, they could rely on additional taxing of services, a sales tax, which is what we have done in the past—which to me is a temporary approach. It's not going to give us the kind of relief that we need, because there's no elasticity in the budget during economic lean times, or even during economic prosperity it does not work—just basing your revenue generation on taxing services or products does not work.

EIR: What did you mean by the structural problem?

Towns: The structural problem basically means that the tax system is structurally not competitive for the 21st century. That means you have to look at changing the way we tax,

which basically will have to go toward an income tax. Closing some loopholes.

EIR: Tennessee is one of only nine states with no income tax, is that correct?

Towns: That's correct. Just in my personal opinion, Tennessee has to reckon with whether it's going to come into the 21st century, or it's going to continue to use a regressive tax system that penalizes poor people and the middle class more than anybody, by generating 60-70% of its revenue based on sales taxes. That really should be unconscionable and unpardonable at this point in time.

Tennessee also has to decide whether or not it's going to begin to compete. When I say compete, I don't mean exist, because I think the state has existed and has been able to kind of chug along, but it's not competed at any real stage. When I say compete, I basically mean that we begin to infuse the kind of capital into our institutions, our academic institutions, which will make them world-class and thereby able to compete on a national and an international level by attracting the kinds of students, the kinds of teachers, the kind of faculty members that we want, and be able to retain them, to compete with the rest of the market. We're losing a lot of people now.

I think also that we have to look at Tennessee and decide whether we're going to continue to embrace the hypocrisy that we frequently see, where many people who are legislators say that they are against gambling but don't allow the people of the state to decide whether we will have pari-mutuel betting [at race tracks] in the state. If people want a referendum on it, we can't be hypocritical and deny them the right to decide that. I think Tennesseans want a public referendum.

EIR: The Senate has not passed a budget, right?

Towns: That's correct.

EIR: Has there been a decision not to have an income tax?

Towns: For the most part, but it's not absolutely conclusive that there won't be one. I think we could have passed it in the House a couple of weeks ago, during the special session, but there was a problem in the Senate. There were one or two votes in the Senate that were needed to pass the bill.

EIR: Are the forces that are opposed to an income tax mainly Republican business interests?

Towns: I don't think it's Republican business interests. I think it's more rural legislators who have made a premature commitment in their districts that they would not vote for an income tax. These commitments were to be based upon what was going on at that particular time. You have to revise anything you say. A commitment like that is unthinkable, a life-long commitment like that. So, what they're doing is protecting their own careers. They're trying to protect their careers by honoring something that will keep them elected. But, it's not considering the children of the state and the elderly, they're not concerned about them.

Lessons of the Russian ‘aid’ program for Balkan reconstruction

by Edward Spannaus

On April 15, President Clinton launched the idea of a postwar reconstruction program for the Balkans — what many are calling a “new Marshall Plan,” and what the President himself termed “a post-conflict strategy for reconstruction and renewal.” Ten days later, at the NATO summit in Washington, postwar reconstruction became a major focus of discussions, and plans were laid for the May 27 conference in Bonn for a “stability pact” for southeastern Europe — which is a far cry from a “new Marshall Plan.”

It was already apparent at the NATO summit that there were radically differing ideas as to how this should be approached. In an April 23 speech, President Emil Constantinescu of Romania warned the West not to repeat the mistakes of the post-Dayton Bosnia reconstruction program. “Let us not make the errors that were made in the case of Bosnia, where hardly anything has been reconstructed, even though military operations ceased long ago,” he cautioned. He also stressed the importance of rebuilding “heavy industry” and providing transportation routes.

Two days later, President Peter Stoyanov of Bulgaria called for a “new Marshall Plan,” including methods for financing regional infrastructure. President Kiro Gligorov of Macedonia cited the original Marshall Plan as a program that worked because it had a sound financial basis and an organizational structure, and he emphasized the need for infrastructure, energy, water, and industrial projects.

This was also the vision of the late U.S. Commerce Secretary Ron Brown, who died in a plane crash in Croatia while on a mission with high-level U.S. engineering executives and others, who were planning extensive infrastructure projects for Bosnia. After Brown’s tragic death in April 1996, plans for the development of Bosnia’s infrastructure were pushed aside in favor of International Monetary Fund (IMF)-style “market reforms,” privatization, and other policies that strangled economic growth.

Earlier, at the time of fall of the Berlin Wall, there was also discussion of a “new Marshall Plan.” *EIR*’s founding editor Lyndon LaRouche, and the Schiller Institute led by Helga Zepp-LaRouche, developed the concept of the European Productive Triangle, and published a proposal entitled “A New Economic Miracle for Eastern Europe,” which set forth in the clearest terms the idea of building a new energy and transport infrastructure for Europe, and which warned of the disaster which would ensue if monetarist “free market

reforms” were imposed on eastern Europe and the Soviet Union.

This is what in fact happened. Any idea of large-scale reconstruction was sabotaged, and much of eastern Europe and the former Soviet Union accepted the snake-oil advice of monetarism and “market reforms,” so-called “shock therapy,” which led to a collapse of production, looting of those economies, and capital flight. But now, the idea of a “new Marshall Plan” is back on the agenda.

In the following interview, Dr. Janine R. Wedel, one of the foremost critics of Western aid programs to eastern Europe, discusses, from her own standpoint, how these programs have been conducted in the post-1989 era, and how the focus was shifted from capital assistance to what is called “technical assistance.” *EIR* believes that Dr. Wedel’s critical analysis of these programs can make an important contribution to the current debate over aid and reconstruction programs for southeastern Europe.

Dr. Wedel is Associate Research Professor of Anthropology and a research fellow at the Institute of European, Russian, and Eurasian Studies at George Washington University, Washington, D.C. She is the author of three books, the first two of which are on Poland. Her third book, *Collision and Collusion: The Strange Case of Western Aid to Eastern Europe 1989-1998*, was recently released by St. Martin’s Press. This interview is based on research she conducted over a 10-year period for *Collision and Collusion*. Dr. Wedel was interviewed by this author on May 25.

Interview: Janine R. Wedel

EIR: Could you contrast the current notion of aid programs, with the postwar Marshall Plan?

Wedel: There were three essential differences. The first is that the Marshall Plan was largely capital assistance in the form of loans for reconstruction, infrastructure development, roads, bridges, highways—that sort of thing. There was a small but very important technical assistance component, but it was strategically targeted and integrated with the capital assistance.

In the central and eastern European case, on the other

hand, there's been technical assistance, as well as capital assistance—the latter largely in the form of loans provided by the World Bank and the International Monetary Fund. But the assistance hasn't been very strategic or targeted, generally speaking, and the technical assistance has generally not been very helpful. In some cases, technical assistance has even been counterproductive. Technical assistance makes up the bulk of the aid to central and eastern Europe from the bilateral donors and the European Union.

EIR: How do you define “technical assistance”?

Wedel: Technical assistance is basically money (in salaries, expenses, and overhead) paid to experts and consultants sent to provide advice to the recipients. In the central and eastern European case, the big beneficiaries of technical assistance monies were often the Big Six accounting firms—Coopers & Lybrand, KPMG Peat Marwick, Arthur Anderson, Deloitte & Touche, Ernst & Young, and Price Waterhouse. These firms received many of the contracts in the economic and privatization areas.

EIR: On the eastern European side, who were the beneficiaries?

Wedel: In terms of central and eastern Europe, the recipients were generally local officials, sometimes local organizations. . . . And depending on the time and the nature of the assistance, the recipients saw it as not at all useful, or somewhat useful. In the early days, in 1990-91, the Poles coined a term, “the Marriott Brigade,” to denote the consultants who came to stay in Warsaw's only five-star hotel at the time, and then moved on to Budapest and Prague for a few days. In Russia, the major beneficiary of U.S. economic aid, and of much Western economic aid, was the so-called “Chubais Clan,” which virtually controlled hundreds of millions of dollars in U.S. and Western aid. U.S. economic aid to Russia was jointly managed by the Chubais Clan and a group from the Harvard Institute for International Development.

EIR: What was the net effect of this aid in terms of the economy, and whether the economy progressed or fell backwards?

Wedel: If you look at the state of the Russian economy, and you compare it with ten years ago, it's hard to make an assessment that things have gotten better, and I think it's pretty easy to make an argument that things have gotten worse.

EIR: After the fall of the Berlin Wall, there was discussion about a Marshall Plan, or a different kind of approach; what happened to that?

Wedel: I think we like to use the idiom of the Marshall Plan—and to some extent this continues today—partly because the Marshall Plan is seen as a positive example in U.S. history. Also, Europe is a case of “First World” as opposed

to “Third World,” and we see central and eastern Europeans in some sense as our poorer cousins.

But the Marshall Plan bore little resemblance to what was actually done in central and eastern Europe. To begin with, the bilateral donors largely sent technical assistance, not capital assistance, unlike under the Marshall Plan. Further, the United States was the major donor country, whereas in the case of aid to central and eastern Europe, there were many players that got into the act, with very little coordination. Moreover, the Marshall Plan was a high-level, targeted, strategic operation—which cannot at all be said for aid efforts to central and eastern Europe.

EIR: What do you mean by “high-level, strategic”?

Wedel: In the case of U.S. aid after the fall of the Berlin Wall, it seemed that nearly everybody got into the act. So many players had to get a piece of the pie. If you look at the Support for East European Democracy, the so-called SEED legislation that was passed at the tail end of 1989 by the U.S. Congress, you see that many players and constituency groups got a piece of the pie. Consulting groups are the major beneficiaries of the big pots of money. Aid wasn't given the thought, priority, and high-level consideration and coordination that characterizes the Marshall Plan. And there was a tremendous premium placed on privatization—at all costs, without regard, as we've seen in the grossest form in the Russian case—to developing the legal and regulatory infrastructure for a market economy. That was ideological, and wrong-headed, and did not take into account the legacies of communism or the starting points of the recipient countries.

In some cases, Western aid pundits attempted to do in central and eastern Europe what couldn't and hadn't been done (albeit not for lack of trying), in certain Western countries . . . i.e., the privatization efforts of the Thatcher and Reagan periods. The ideologues of privatization sometimes showed up in central and eastern Europe, and urged officials to divest everything, in a situation where most everything was under state control. . . .

EIR: Going back to the original Marshall Plan, as I've looked at that, the emphasis was, at least at the beginning, was to get production restarted, to get raw materials in there, to get manufacturing, to get transportation, and so forth—with much less emphasis on the ideological side; the emphasis was getting the physical economy moving and recovered again.

Wedel: That's my understanding as well. There was certainly ideology involved, don't get me wrong, but it wasn't this gross emphasis on privatization at all costs, on making the system in our own image—at least the economic system. In terms of the political system, that may be a different case.

EIR: In the case of Russia, there would seem to be no emphasis on making sure that the economy itself, the industrial side

of the economy, the physical side, was functioning. The emphasis was on what you would call the ideological side.

Wedel: Yes, to a large degree. They wanted to show the trappings of a market economy, so they introduced stock markets and financial markets, in which Westerners participated, and which the IMF supported—and bailed out—for a while. But aid planners weren't concerned enough with property rights, contract enforcement, the legal and regulatory infrastructure of a market economy, or with wealth creation and encouraging productive enterprises. These fundamentals were often neglected.

U.S. AID's [Agency for International Development] way of dealing with legal reform in Russia was largely to hand the Chubais-Harvard group a pot of money to set up an organization they called the Institute for a Law-Based Economy. That is the same organization whose Russian directors eventually made off with \$500,000 in U.S.-purchased equipment—furniture, computers, etc. This is the U.S.-funded "Institute for a Law-Based Economy"!

EIR: Going back to the question of privatization, which is something also being pushed in the so-called Bosnia "reconstruction" program: In Russia, what was the net effect of the privatization; did it benefit the economy, or did it benefit certain individuals?

Wedel: Privatization was, generally speaking, more about wealth confiscation than it was about wealth creation. It's pretty clear, if you look at the record, that it mostly benefitted the seven major "oligarchs" and associated Financial Industrial Groups, or FIGs.

EIR: You mentioned earlier the creation of the stock market. Accounts I've seen indicated that one of the consequences of that was that investors, instead of investing money where it was actually invested in the physical side of enterprises—building a factory, or capital investment—it ended up that they just invested in the market, in stocks, bonds, etc., so it became speculative as opposed to actual productive investment.

Wedel: Yes, and many managers were also stripping enterprises of productive wealth and sending it offshore. There was very little investment in the Russian economy per se, in the real economy.

EIR: Do you mean actually selling off the physical assets?

Wedel: The physical assets, the financial assets—whatever was of value or could be sold. . . .

EIR: This shift into the idea of "technical assistance," as opposed to the idea of actually reconstructing or building up an economy. When did that shift in aid programs take place?

Wedel: In terms of U.S. and bilateral aid to central and eastern Europe, "technical assistance" was always what was in the works. There was talk of a "Marshall Plan," but it was

empty. The idea that billions of dollars would be allocated in capital assistance was simply not in the cards. . . .

EIR: A broader question: Many people in Russia and elsewhere see the effect of these programs as almost colonial, that they're being re-colonized—

Wedel: Oh, yes. And they even talk about it in those terms. One of the striking things about my study over a ten-year period, was that many of the same reactions that I heard in Poland circa 1990-91 were repeated almost verbatim in Russia a few years later, and in Ukraine still later—even though Poland and Russia and Ukraine are very different. Things like: "These guys really don't want our industries to be productive. They're just coming here to spy on us, to get our secrets, so that they can quash our industry. It's industrial espionage." And I heard that time and time again. Even if true only in a very few cases, one can understand how it might look that way from the other side. Let's say that you're the manager of an enterprise deluged with foreign delegations. You have a World Bank delegation one week, an IMF group the next, and the third week you get U.S. AID or the EU. . . . You've got people on fact-finding missions who generally don't know much. They're asking you for your most sensitive data, your markets, your sales, your technology, and then they go home. And most of them you never hear from again. Chapter Two in *Collision and Collusion* has a section called "A Paradise for Spies." This is after an official who told me in 1991 that Poland had become "a paradise for spies." He meant industrial espionage.

EIR: That's one side of it. The other is that the economy as a whole is kept subordinate to international financial markets.

Wedel: There's truth in that—

EIR: —as opposed to itself being built up as an economic powerhouse.

Wedel: Also.

EIR: What would your advice be to the countries of south-east Europe, the Balkans, with respect to the discussions now ongoing about reconstruction?

Wedel: I think they should look very closely at the record of the other experiences in the regions, and very closely at what the donors are purporting to do and how the aid is being organized. Very closely, and very critically. In particular, prospective recipients should examine the type of aid being offered, the delivery mechanisms and methods of implementation being proposed, and the extent to which recipient input is taken into account. Assessments are best made by gathering firsthand information from people with whom the donor organizations have dealt in previous recipient countries.

The recipients can have input into decisions but they will have to leverage it. There are ways of creating leverage, and they will have to be creative about that.

The American economic model for financing infrastructure

by Nancy Spannaus

The first question raised by many politicians who have been briefed on the LaRouche plan for a crash program of reconstruction in the Balkans, has been predictable: How can we pay for it? That is usually followed by the statement that “we can’t afford it.”

In the outline on Balkan reconstruction we published last week, author Lothar Komp described the model of the Marshall Plan, and the German Bank for Reconstruction which went with it, as an example of how such funding is possible *without* a country indebting itself on the international capital markets. But, there are many other useful examples, starting with the United States itself.

Alexander Hamilton’s National Bank

Alexander Hamilton, first Treasury Secretary of the United States, pioneered the successful use of large-scale state credit generation, issued in connection with a national bank. Unlike today’s Federal Reserve, the First National Bank, established in 1791, served the interests of the public by making credit available to bankers for the purpose of funding improvements in infrastructure, agriculture, and manufacturing. Although Hamilton’s full program, expressed in his *Report on Manufactures*, was not adopted, for 20 years the Bank of the United States provided a credit system that facilitated such activity.

The Second Bank of the United States, chartered in 1816, eventually became an even greater success.

The way national banking works is as follows:

National banks are empowered by appropriate acts of government, to issue a certain maximum amount of new currency notes, which amount corresponds roughly to an estimated margin in additional employment and additional production which can be set into motion by the government’s economic policies. These are long-term, low-interest loans, and can go through two channels:

1. The National Bank can issue credit directly to the government or appropriate state entities responsible for the projects desired, which will in many cases be major infrastructure projects such as power plants, railroads, water management

systems, and the like. This credit would be employed directly for equipment, materials, and labor costs employed in these projects, as well as for payments to private and public subcontractors which may be hired to carry out various parts of the work.

2. The National Bank can provide low-interest credits, mainly through participation in loans granted through the private banking system, to industrial firms producing equipment and materials for infrastructure projects, to help them expand and modernize their operations.

The issuance of new credit in this way creates what we may call a chain reaction of increased production and employment. To see how this works, imagine the construction of a railroad, which is financed from the national budget plus new credit issued for such projects by the National Bank. Part of this money, say 40%, is paid out directly in salaries of workers; 50% goes for purchase of rails, concrete, construction machinery, fuel, and so on, and 10% goes for various overhead costs. The 50% in material and equipment outlays goes out in the form of orders placed by the state entity managing the project, to industrial firms. This money now creates a new cycle of production and employment. Part of the sum goes to salaries of industrial workers; part to purchase of raw materials, semi-finished materials, and equipment; part to overhead; and part to profit of the firm. By means of the tax system and various regulatory measures, we ensure that most of that profit is reinvested in the form of improvements in equipment and technology.

Each new set of purchases sets off a further cycle of production and employment, and also, by increasing wages, tends to stimulate the consumer sector.

How does this increase in economic activity actually create new wealth, of an amount larger than the currency placed into circulation? First, employing those unemployed or misemployed creates more wealth. Second, the creation of infrastructure will improve efficiency in the economy as a whole. And third, to the extent that the investment is at the high end of the technological spectrum, it will generate demand for these goods, and for the development of even newer high-

technology products, that will increase productivity, and thus real wealth.

(Parenthetically, for those concerned with national budgets, the creation of this new wealth also increases tax revenues, without an increase in the rates of taxation.)

Hamiltonian principles in action

The national banks of the United States, unlike those in many other countries, seldom financed infrastructure projects directly. They tended to operate through publicly licensed utilities, or semi-public agencies. After the British financial interests succeeded in destroying the Bank of the United States in 1832, the national bank was never revived. But, Abraham Lincoln, who supported creation of a national bank, used the “greenback” system to generate state credit in order to finance the war, and, most important, the transport and other infrastructure required to win the war and the peace. “Greenbacks” were state credit, without a national bank.

In the late 1870s the British-dominated financial interests took over, and credit generation went back into the hands of British-allied Wall Street financial houses. This arrangement was modified slightly through the creation of the Federal Reserve Bank in 1913, which formalized control by private bankers over the money supply.

The revival of Hamiltonian methods was crucial to the recovery of the United States economy from the Great Depression of the 1930s. The Franklin Delano Roosevelt recovery was accomplished with the use of state credit generation on a gigantic scale, to finance infrastructure projects all around the country, and to rebuild the industrial and agricultural base of the United States.

Franklin Roosevelt did not directly establish a new national bank for this purpose. Instead, he employed a variety of means, including massively “bending” the policies of the Federal Reserve, to achieve a broadly Hamiltonian result. Separate corporations were established, which were empowered to issue notes, bonds, and other obligations, guaranteed by the United States, up to a certain set limit. The Treasury in some instances was authorized to purchase obligations of these corporations, which proceeded to pour tens of billions of dollars of credit into necessary projects.

Credit without inflation

Economist Lyndon LaRouche has written a great deal over the last 25 years on the question of paying for needed infrastructure development. The critical link is that between the issuance of currency notes and specific economic projects. In other words, a national banking system must avoid at all costs the creation of “fiat” credit, limiting it instead to funding the necessary projects for economic growth.

This is a policy of *directed* credit, giving priority to the physical economic projects which are required for economic

and scientific progress. What must be accomplished is analogous to what was done in a different way in the NASA crash program of the 1960s, which generated technologies with a payback to the U.S. economically of some \$14 for every \$1 spent.

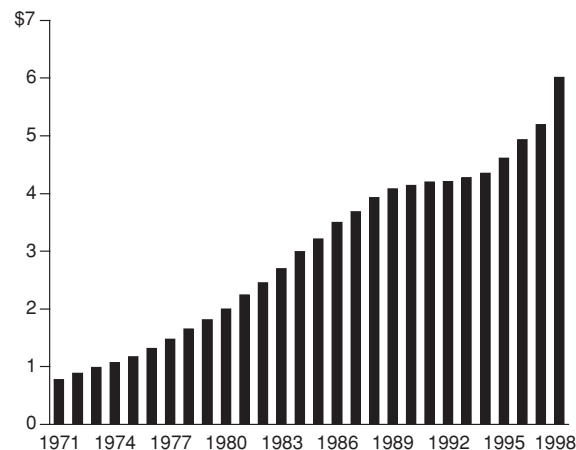
In order to effectively participate in the Balkan reconstruction program, for example, the U.S. government would have to find the means to issue massive amounts of such directed credit, upon the receipt of orders from the Balkan region, in order to start up production for export of needed materials. Such credit issuance would lead to the revitalization and expansion of export industries in the United States, including, but not limited to, steel, machine tools, railroad construction, and the like.

Such a mechanism, however, cannot and should not be restricted to the United States. The launching of crash economic reconstruction programs, like that in the Balkans, begs the question of establishing such national banking systems in all participating countries—shunting to the side the predatory international financial institutions, and the private international bankers, who have consistently sabotaged such grand projects, and have brought our financial system and economies to ruin.

Correction

In last week’s issue, “The Coming Hyperinflation Crisis,” **Figure 4**, p. 29, was graphed incorrectly. We publish here the corrected graph.

FIGURE 4
U.S. money supply (M3)
(trillions \$)



Business Briefs

Banking

Imminent collapse in Peru is feared

Fears that a banking collapse is imminent in Peru are widespread, after a report that the earnings of Credicorp, the bank holding company led by one of Peru's most important banks, Banco de Crédito, had declined 93.4% in the first quarter compared to the same quarter of 1998. According to the daily *El Comercio*, the worst banking crisis in years is now imminent.

Sources at the Foreign Trade Society (Comex) told *El Comercio* that by June, the loan default rate is expected to reach 13%—it was 7% at the end of 1998—which will place the banking sector “in a situation similar to 1992 when the financial system confronted the worst situation in years.” Comex sources warned that “if the banking system collapses, it will drag all other activities with it.” They called on the government to come to the banks' aid. Former Finance Minister Silva Ruete, a rabid monetarist, complained that the government has only offered \$1 billion in aid to banks, when financial entities related to the fishing industry, alone require \$1.2 billion.

Industry

Machine-tool decline is accelerating

U.S. machine tool consumption, at \$1.2 billion for the first quarter of 1999, declined 45% compared to the first-quarter of 1998, according to the Association for Manufacturing Technology and the American Machine Tool Distributors. Thus, the fall in consumption, which started in late summer of last year, has now been in the range of nearly 50% for the first three months of this year. The level of U.S. machine-tool production closely follows (with a slight time-lag) the level of U.S. machine-tool consumption.

Japan's machine-tool orders fell 30% in April 1999, compared to April 1998, it was announced on May 19. Germany's ma-

chine-tool association announced on May 10 that during the first quarter of 1999, Germany's foreign machine-tool orders had decline by 30%, compared to the same quarter in 1998.

The machine-tool sector is the most critical sector of any economy. When humanity develops a new, fundamental scientific discovery, the idea is incorporated as a design in a machine tool. The machine tool utilizes that new scientific idea in the design of other machines, increasing productive capability. The fall of machine-tool output by such large magnitudes in the core economies of Japan, Germany, and the United States is a devastating commentary on the state of the world physical economy.

Infrastructure

China outlines key construction projects

The Chinese government State Development Planning Commission has published a list of 102 key construction projects planned for this year. *China Daily* reported on May 18. Eleven new projects in water management, rail, hydropower, and urban construction have so far been approved by the commission. The remaining 91 projects are already under construction. The state will be the primary financier of these initiatives.

Renovation and construction of China's rural electric power grid is included, to improve the functioning of the nationwide grid, reduce problems in electricity transmission, and cut power prices in rural areas, which is generally more expensive than that in cities.

The transportation network project in Shanghai, and the subway construction in Shenzhen, are among the projects. China invested 10.9 billion yuan (\$1.3 billion) in rail construction over the first four months of 1999, the Ministry of Railways said on May 17.

Railway builders laid 310.3 kilometers of new lines, double-tracked 267.2 km of existing lines, and 181.6 km of double-tracked lines were put into operation.

China plans to spend at least 55 billion yuan (\$6.6 billion) this year to finish laying track for 1,320 km of new lines and double-

tracking 970 km of existing lines. Around 1,000 km of track for new lines and 1,250 km of additional track for existing lines are scheduled to be put into operation by the end of the year. Another 730 km of electrified track will also be built this year.

Speculation

Britain rules the bets, BIS data show

The latest “Central Bank Survey of Foreign Exchange and Derivatives Market Activity 1998,” compiled by the Bank for International Settlements (BIS), illustrates that London dominates the speculative markets. In April 1998, the daily foreign exchange turnover in London reached \$637.3 billion, which is much more than that of the United States (\$350.9 billion) and Japan (\$148.6 billion) combined. Number four worldwide in foreign exchange trading is Singapore, with \$139 billion daily turnover, followed by Germany (\$94.3 billion), Switzerland (\$81.7 billion), Hong Kong (\$78.6 billion), and France (\$71.9 billion). London's share in global foreign exchange activity has permanently increased in recent years, from 26% in 1989 to 32% in 1998.

The BIS report notes: “Once again, London strengthened its position as the foremost global center. U.K. foreign exchange trading is so substantial that a larger share of turnover in both the U.S. dollar (32%) and the deutschemark (34%) takes place in the United Kingdom than in either the U.S. (18%) or Germany (10%).” The BIS report singles out Singapore and London as the two major markets which are to a very high degree (87% in Singapore, 82% in London) specialized in “fully non-domestic currency transactions.”

The hegemony of London is even bigger in the field of over-the-counter derivatives activity, where the daily turnover—again in April 1998—amounted to \$591.2 in Britain, double the U.S. turnover of \$293.8 billion. Following in daily OTC derivatives turnover are Japan (\$123.3 billion), France (\$98.5 billion), Singapore (\$90.7 billion), Germany (\$86.7 billion), Switzerland (\$63.0 billion), and Hong Kong (\$51.4 billion).

TREASURY Secretary Robert Rubin said that “we have a very unhealthy situation in the world economy, in that the United States is really the only major part of the global economy with a robust growth,” in an interview with Sam Donaldson of ABC News about his reasons for leaving the Treasury, on May 16.

THE BRITISH colonial flagship P&O’s Australian subsidiary, P&O Australia, is leading the charge to grab Indonesia’s state-owned assets that are being privatized. The company has bought the management rights to the Surabaya port, in Indonesia’s second-largest city, for \$175 million. P&O has reportedly agreed to invest \$300-400 million over five years to upgrade the facilities.

GEORGE SOROS told Reuters on May 22 that the next crisis is going to come from the United States, resulting from “a rise in interest rates or a decline in Wall Street.” The Queen’s speculator was attending a conference of the Chicago Federal Reserve on the “Global Financial Crisis and Economic Development.”

THE ITALIAN company Ital Ferr signed a memorandum of understanding with the Iranian New Towns Development Co. to extend the Tehran-Karaj rail line to Hashtgerd, thus linking the capital with the new town built there for 500,000 people.

AUSTRALIAN homelessness jumped 10% in 1998, increasing from 100,920 in 1996-97 to 110,260 in 1997-98, according to the Australian Institute of Health and Family Welfare. This is more than 0.5% of the total population, and yet another physical indicator of the true state of the Australian economy.

THE BRITISH Catholic Bishops’ Catholic Fund for Overseas Development attacked the International Monetary Fund for mishandling the Asian financial crisis and undoing decades of development progress, in its report on “Human Development and the Asia Crisis,” released on April 20.

Nigeria

President-elect Obasanjo defends sovereignty

President-elect of Nigeria Gen. Olusegun Obasanjo is asking for relief on Nigeria’s \$34 billion debt, but says he will not hand over Nigeria’s sovereignty to the International Monetary Fund (IMF) and the World Bank, according to Nigeria’s *Guardian News* of May 20. “Once you owe money, you lose an element of sovereignty. But I want to make it clear that they cannot tell [us] what to do in Nigeria,” he said in response to British Chancellor Gordon Brown, who offered support to Nigeria in return for an IMF representative in Nigeria’s Finance Ministry. “I have stuck my neck out. You want openness, I’ll open up. You want transparency, I’ll give you transparency. After that, what else is the West asking me to do? Cut my neck? Bleed Nigeria to death?” Obasanjo asked.

These remarks reflect the backfire potential of IMF-financial oligarchy policy toward Nigeria, and the fluidity of the global financial collapse.

General Obasanjo is scheduled to be sworn into office in Abuja, Nigeria’s capital, on May 29, as the country’s first civilian President in almost 20 years.

Thailand

Government reneges on privatization pledge

The Thai government’s concession to the World Bank to privatize its newest power plant, explicitly reneges on a signed pledge to the labor union not to sell any plant without union consent. The completed but not yet opened Ratchaburi plant will produce 20% of the Electricity Generating Authority of Thailand’s (EGAT) current total capacity. Suthaporn Maneerat, president of the EGAT State Enterprise Employee Association (Egat-SEEA), signed the agreement last year with the Prime Minister’s office, but the cabinet now claims the sale is the only way to avoid raising prices of energy.

Bangkok’s *The Nation* pointed out that

EGAT is one of the few profitable companies in Thailand, and that energy demand is not falling significantly. It therefore asks: “Is this the result of a well-designed plan to force privatization?” EGAT’s recent \$300 million bond issue won World Bank guarantees by promising the privatization.

Demonstrations against the Thai government’s privatization of the Ratchaburi power plant directly targetted the bailout of banks as the real purpose for the privatization. Somsak Kosiasuk, Secretary General of the State Enterprise Workers Relations Confederation, told demonstrators that half the proceeds of the privatization would go to paying public sector debt, and would lead to the lay-off of 150,000 workers. The demonstrators in Bangkok paid tribute to King Rama V (Chulalongkorn), who introduced public utilities a century ago.

Middle East

Peres reiterates call for economic development

Shimon Peres, who has offered himself for a ministerial post in the new Israeli government, repeated his call for high-technology, capital-intensive development of the Middle East, in a commentary in the May 21 *Washington Times*. “There is no doubt that Benjamin Netanyahu brought his crushing downfall on himself. And in some strange manner, his astonishing ascent and overwhelming defeat indirectly contributed to the peace process. Now, it is clear there is no alternative to Oslo,” he wrote.

In the course of a broad review of the Mideast crisis, Peres said, “Peace in the Middle East can bring real prosperity to its peoples. A cohesive plan for the distribution of water and the production of new water (through desalination), developing an energy-distribution program, and promoting the production of new sources of energy, science-based industry and services, and improving the educational system—all these will save the Middle East from dependency on oil and poverty. . . .

“By their vote, the Israeli electorate created an entrance card to this new era of peace.”

British launch new terror war against ‘allies’

by Jeffrey Steinberg

Suddenly, western Europe is awash in terrorist bloodshed, and the prime suspects are not Slobodan Milosevic or Saddam Hussein. Rather, the British secret services, the government of Tony Blair, and allied factions within the structures of NATO, who are all opposed to a diplomatic solution to the Kosovo war, are at the top of the suspects list.

- On May 20, professional assassins killed Massimo D’Antona, a close associate of Italian Prime Minister Massimo D’Alema and an adviser to the Italian Ministry of Labor. In a 28-page document released shortly after the shooting, the Italian Red Brigades claimed credit for the assassination, labeling D’Antona a “sellout” of labor interests, and denouncing the Italian government for its role in the NATO air war against Yugoslavia. The assassination occurred at precisely the moment that the Italian government was taking the lead in pressing for an *end* to the NATO air war, and for a diplomatic solution to the crisis—an intervention most unwelcome in London.

- On May 22, following a meeting of the heads of all of the Italian security services, a list of 130 potential targets of terrorist attack was released, with Prime Minister D’Alema’s name topping the list.

- Late in the evening of May 23-24, a “Red Brigades” insignia was plastered on the door of Prime Minister D’Alema’s private house in Gallipoli, in southern Italy.

- During the same week that this terrorist activation was striking Italy, the “November 17th Organization” carried out several attacks in Athens, Greece. The residence of the German ambassador was hit by grenades, and bomb attacks were carried out against the Austrian Trade Office and Deutsche Bank.

- Also on May 22, Norwegian police discovered the bodies of Anne Orderud Paust and her parents at their farm house outside of Oslo. The three victims had been shot at close

range. Anne Orderud Paust was the personal secretary of the Norwegian Defense Minister, and the widow of a prominent Norwegian career diplomat who had died in May 1999.

While the brunt of the recent terrorism has been directed at targets in continental western Europe, the irregular warfare spree has by no means been confined to that area.

- On May 19, unidentified gunmen machine-gunned to death Amin Kayed, the chief intelligence officer for Yasser Arafat’s Fatah organization in the Lebanese city of Tyre. Kayed’s wife was also murdered in the attack. The assassination came 48 hours after Israeli voters overwhelmingly cast out the warhawk Netanyahu-Sharon Likud government.

- The Indian government has increased security around Sonia Gandhi, the head of the Congress Party, who is likely to be the party’s lead candidate in the autumn 1999 national elections. The security alert was triggered by reports that leaders of the Liberation Tigers of Tamil Eelam had met in April in Durban, South Africa, to plot out Mrs. Gandhi’s assassination. Mrs. Gandhi husband, former Prime Minister Rajiv Gandhi, was assassinated on May 21, 1991, while campaigning in the state of Tamil Nadu.

While no less a figure than NATO Supreme Allied Commander Gen. Wesley Clark sought to blame the wave of terrorism on Yugoslavia (“Let’s just say that such acts are part of the strategy pursued by Milosevic and others,” General Clark told the London *Times*, during a stopover at Vicenza air base in Italy), both the circumstances and the targets of the attack suggest a vastly different motive and different culprits.

As we detail below, all of the targets of the recent terrorist upsurge since the April 23-25 NATO summit in Washington, have been aligned with President Bill Clinton in opposing British war aims in the Balkans, in the Middle East, and in South Asia. German Chancellor Gerhard Schröder forged a close working partnership with both President Clinton and



British Prime Minister Tony Blair and the British oligarchy are totally opposed to a diplomatic solution in Kosovo, and are desperate to maintain their global geopolitical hegemony. Follow the trail to the top, if you want to know who is running the current outbreak of terrorism. Blair is shown here (with glazed eyes) at the NATO summit in Washington, D.C. in April. Left to right: British Foreign Secretary Robin Cook, British Defense Secretary George Robertson, Blair, U.S. Joint Chiefs of Staff Chairman Gen. Henry H. Shelton, U.S. Secretary of State Madeleine Albright, and (behind Albright), U.S. Secretary of Defense William Cohen.

Prime Minister D'Alema during the NATO summit, when they blocked Tony Blair's efforts to draw the alliance into a made-to-fail ground war in the Balkans—a ground war that would finish off any prospects of a U.S.-continental western European alliance with the “survivors’ bloc” of nations, led by China, Russia, and India.

Lyndon LaRouche has identified such a coalition of sovereign nation-states, devoted to a far-reaching economic development strategy for the Eurasian land-mass, as the greatest threat to the survival of the British-American-Commonwealth (BAC) financial oligarchy.

Not only does London have the *motive* to launch such a “strategy of tension.” British security services, and allied segments of the NATO intelligence structures, have a proven track record of carrying out such clandestine “state-sponsored” terrorism, when their geostrategic interests were jeopardized. Not only is there the recent case of the vehicular assassination of Princess Diana in Paris, on Aug. 31, 1997, which this magazine has documented. We document below, how Britain resorted to terrorist assassination in 1989, arranging the murder of Deutsche Bank Chairman Alfred Herrhausen, and having it claimed by a phantom “Red Army Fraction.”

In 1982, British-aligned clandestine elements under NATO, known as “Gladio,” provided the crucial support for the Red Brigades kidnap and murder of Italy's former Prime Minister Aldo Moro, whose sin, in the eyes of the British, was that he was forging a “historical compromise” between Catholic and Communist political forces, to end the chronic instability of postwar Italian governments. The British had succeeded, with the aid of such “American” assets as the

late CIA counterintelligence chief James Jesus Angleton, in creating a “parallel intelligence structure” in Italy, run through a British Freemasonic lodge, Propaganda-2, controlled directly by the British royal household. That structure ran the decade-long terror campaign against Italy known, in NATO parlance, as “the strategy of tension.”

Britain had tested this urban terrorism program under “laboratory” control circumstances in Northern Ireland, beginning in 1969; some of the most prominent “veterans” of the Northern Ireland covert war have now resurfaced in the current Balkan operation.

The Rathenau parallel

Even before the recent bloodshed in Europe, *EIR* Founder Lyndon LaRouche, a renowned expert on irregular warfare, had warned that the British would launch a new wave of destabilizations. LaRouche accurately forecast that President Clinton's public break with his ostensible “partners,” Al Gore and Tony Blair, over the Balkans war, Middle East peace, and the U.S. strategic relations with Moscow and Beijing, would trigger a violent British response.

LaRouche drew the historical parallel to the June 24, 1922 assassination of German Foreign Minister Walther Rathenau, who was the architect of the Rapallo Treaty between Germany and Russia. The Rapallo Treaty threatened to destroy the economic warfare against vanquished Germany, that had been sealed at Versailles. The treaty was signed on April 16, 1922, and within less than two months, Hitler's hit-squads had murdered the minister in cold blood in Berlin, setting off a chain of events that eventually led to world war.

NATO hands behind new Italian terrorism?

by Claudio Celani

In the early morning of May 20, two professional killers assassinated Massimo D'Antona, adviser to the Italian government and leading member of the national trade union CGIL, as he left his house to go to work. The murder occurred while Italian Prime Minister Massimo D'Alema was on his way to meet NATO Secretary General Javier Solana, in Brussels, to officially pressure NATO to accept Italy's proposal for a cease-fire in Yugoslavia.

The murder was soon claimed by a terrorist organization which had long ceased to exist: the Red Brigades. Born out of a faction of the Maoist '68 Movement, at the Sociology Department of Trento University, the Red Brigades became the most dangerous terrorist group, responsible for the murder and kidnapping of tens of politicians and public officials, including Aldo Moro (1978), American NATO general James Dozier (1983), and many others. Eventually, the Red Brigades disbanded after most of their members were arrested.

The last terrorist episode claimed by the Red Brigades was the assassination of Sen. Roberto Ruffilli, in 1989. In reality, as *EIR* and a few other experts have pointed out, the real "masterminds" of the Red Brigades were neither found, nor identified.

"The whole history of Italian terrorism shows that terrorism has been used to keep Italy under a regime of 'limited sovereignty,'" Sergio Flamigni, a former senator, member of several Parliamentary investigating committees on terrorism, and author of books on the Red Brigades, told *EIR*. "Today, Italy has a government promoting a visibly autonomous policy inside NATO. It is a natural policy for Italy, not only because the current government is progressive, but also because of the Catholic sentiments among the majority of the population. They are hitting now to deny Italy's right to an autonomous foreign policy."

Flamigni's statements, delivered a few hours after the assassination of D'Antona, point to a correlation between the murder and the Italian government's efforts to steer NATO members away from the British war policy. Premier D'Alema himself has hinted at this correlation: He immediately stated, on his return to Rome, that D'Antona's murder occurred "in a moment of a serious international crisis."

D'Alema also refused to talk about "terrorists" and instead characterized the murderers as "a gang of assassins."

More explicit than D'Alema, was Umberto Ranieri, Vice-Minister for Foreign Affairs, who declared on May 25: "Behind red terrorism . . . there is the belief that Italy must remain a weak link of the Western chain and a part of the world where an armed attack can be played in order to unleash processes of political dissolution."

The morning of D'Antona's murder, the Italian Prime Minister had gone further than any other NATO government, by visiting NATO headquarters in Brussels to push for a cease-fire. "I am very well aware that the Italian position is different from NATO's, but I explained our proposal and I was at least listened to carefully," said D'Alema, in a statement to journalists, after his visit.

The Italian proposal aims to clear a negotiation deadlock, based on the fact that both China and Russia, permanent members of the UN Security Council, insist that any Serbian troop withdrawal from Kosovo must be preceded by a halt in NATO bombings over Kosovo and Yugoslavia. The Italian proposal, therefore, envisions a NATO cease-fire once the UN Security Council, including China and Russia, has issued a common resolution, based on the G-8 draft agreement, which will have been accepted by Belgrade. At the same time, the Italian government is pushing for a reconstruction plan for the Balkans, and has said that, in order to be successful, such a plan must be out of control of the International Monetary Fund.

All this is enough to motivate a terror offensive against Italy from that faction that is responsible for NATO's Balkan war and for continued IMF dictatorship: the faction centered in the City of London.

D'Alema in the cross-hairs

On May 22, at an emergency meeting on security, heads of the Italian intelligence service declared that Premier D'Alema is at the top of a list of 130 potential terrorist targets. The secret service had warned, a few months ago, about the regrouping of "left extremist violence," which could develop into a resurgence of terrorist acts. These warnings had then been confirmed by a series of arsons and other violence against NATO barracks and cars. Then came the assassination of government adviser D'Antona.

On the night of May 23-24, the symbol of the Red Brigades was sprayed next to the front door of Premier D'Alema's private home in Gallipoli, in southern Italy.

In addition to the direct threat against D'Alema, the choice of D'Antona as victim of the "Red Brigades" also indicates a sophisticated scenario for a domestic "strategy of tension" to paralyze the government's foreign policy. D'Antona was, in fact, a mediator between labor interests, which he represented, and industry. A professor of labor law, D'Antona was not known to the public, but he had been

the author of important legislation, such as the regulation of strikes in the public sector. In the delicate process of reforming social welfare policies—which Italy is unfortunately undergoing, as are all European countries—D’Antona represented the moderate faction, espousing some deregulation, in exchange for social peace. In terms of the Balkan war, D’Antona represented the government position, as opposed to other trade union and party factions, which have insisted that the government should openly break with NATO.

Recently, all factions of the government majority had united in support of a document voted up by Parliament, which obliges the government to “seek a bombing halt as soon as possible.” Before the vote, D’Alema had indicated that such a vote would have strengthened the government in its international action. Now, after D’Antona’s murder, and since the “Red Brigades” stated in its document that they killed D’Antona because of government support for “the brutal NATO aggression against Serbia,” some observers fear that supporters of the British line inside NATO might use the climate of terror to intimidate and stop the peace movement altogether, and undercut Italy’s effort to settle the Balkan crisis through diplomatic means. That effort to achieve a diplomatic solution has been staunchly opposed by only one NATO state: Great Britain.

What is more, as we will see, these factions opposing the present Italian government’s foreign policy, intersect circles that historically have been identified as the “higher level” of terrorist structures.

Who are the Red Brigades, really?

Police investigations are now focussing on the group of “second generation” Red Brigades terrorists who participated to the last terrorism wave of the 1980s, who were never arrested, and who, according to this police hypothesis, have recruited a “third generation” of younger members to carry out a new terror wave. The leadership of the new Red Brigades, according to this view, is made up of the “second generation,” largely based in Florence.

Investigators point to the fact that, during the kidnapping of Aldo Moro, the “strategic leadership” of the Red Brigades used to meet in the Florence area, in a still-unknown location. Although such analyses contain an element of truth, the history of the Red Brigades, and especially the 55-day-long imprisonment of Moro, show that, in addition to the “official” Red Brigades, there was a parallel structure that actually managed the whole operation—from the initial shootout with Moro’s bodyguards, to the handling of the prisoner, to his execution. An enormous amount of evidence has been collected, implicating military, political, and intelligence structures that are linked to NATO.

For instance, 13 years after Moro’s kidnapping, it was discovered that, at the moment of the kidnapping, on March 16, 1978, at 9:00 in the morning, a secret service official,

Colonel Guglielmi, was at the site of the kidnapping. Guglielmi was a high official of the secret NATO “stay-behind structure,” called Gladio. Also, 39 out of the 92 bullets that were shot to kill Moro’s bodyguards, it was found, came from a secret stock of ammunition originally provided to Gladio.

Even more spectacular, was the discovery in 1981, that all heads of the secret services, police, armed forces, and so on, who were in charge of police operations during the Moro kidnapping, were members of a secret freemasonic lodge called “Propaganda Due,” known as P-2. The P-2 was, in the official characterization by former President Francesco Cossiga, “a patriotic Lodge of Atlantic obedience.” Cossiga was police minister during Moro’s kidnapping, and he put the intelligence services and police under the control of P-2 members. Furthermore, Cossiga formed a “crisis committee” that centralized all police operations and filled them with P-2 people. Before doing this, Cossiga had made sure that the existing anti-terrorism police, who had been quite effective until that moment, were totally dismantled.

The P-2 Lodge was nominally headed by Licio Gelli, a secret police agent under Fascism, who had been recycled by James Jesus Angleton, the former head of CIA Counterintelligence, into the Italian secret services at the end of World War II. According to one source, however, the real hierarchy of the P-2 was to be found in the Montecarlo Lodge, of which Henry Kissinger was a member. This fits with the political reconstruction, now universally accepted, as to why, and by whom, Moro was really murdered. As reported by Moro’s widow, before a Parliamentary committee, Kissinger wanted to stop Moro’s project to involve the Italian Communist Party in government responsibilities, and Kissinger personally threatened Moro, saying: “You should stop pursuing your political plan to bring all forces in your country to collaborate directly. Now, either you stop doing that or you will pay for that. It is up to you to decide.”

The long arm of the British

However, if one looks clearly at the role of Francesco Cossiga, the man who was rewarded for Moro’s death by becoming Prime Minister one year after Moro was killed, one sees the British hand at the top of the whole structure. Cossiga had direct connections to the British establishment, of which he is a fanatical admirer. His philosophical model is the British cardinal John Henry Newman, a 19th-century admirer of the Roman Empire and the Roman system of law. Cossiga periodically visits Great Britain, and was characterized by Margaret Thatcher as “the only real politician in Italy.” Cossiga started his career under the late President Antonio Segni, a fellow native of Sardinia, who appointed Cossiga as his liaison to the secret services. In 1962, when Italian nationalist and industrialist Enrico Mattei was assassinated, Cossiga was Segni’s liaison to the head of the secret services, Gen. Gio-

vanni De Lorenzo. A new investigation by Pavia prosecutor Vincenzo Calia, while establishing that Mattei was assassinated, has also reconstructed the cover-up of Mattei's murder for which De Lorenzo's people were responsible (see *EIR*, Dec. 5, 1997).

Cossiga, after the secret P-2 Lodge was uncovered, protected the P-2; after the secret Gladio organization was uncovered, he protected Gladio. In 1989, as President, Cossiga proposed an "amnesty" for all Red Brigades terrorists. Through the P-2, the Gladio network, and the political structure around Cossiga, one can see very well that the idea that Red Brigades terrorism is a sociological phenomenon, or a "communist-steered destabilization," is nothing but a fairy tale. Thus, the idea that the hypothesized third generation of the Red Brigades is something different from red terrorism of the 1970s and 1980s, is a fairy tale as well. If there is a continuity, then the same NATO-connected structure that managed the old Red Brigades is using the new Red Brigades.

General Clark lies

Not accidentally, the network that historically has protected Red Brigades terrorism, is today pushing the "sociological phenomenon" explanation or, alternatively the "Serbian connection" as the stringpullers of the new Red Brigades. The first to set the tone was none other than NATO commander-in-chief Gen. Wesley Clark, who said that he detected a "Serbian hand" behind recent terrorist acts in Italy. Speaking in Vicenza, allied air headquarters, Clark said: "Let's just say that such acts are part of the strategy pursued by Milosevic and others."

Curiously, while Clark was uttering these remarks, *EIR* learned from reliable sources that a former official spokesman for Gladio, who is still an active participant in the networks, was calling Parliamentary experts to tell them that if they were looking for an international connection behind the Red Brigades, they should look at Belgrade. A strange coordination between the Gladio network, which is officially dissolved, and NATO headquarters! Reached by *EIR*, the former Gladio spokesman elaborated his thoughts. Although he specified that the "Serbian connection" was a hypothesis, he thinks that NATO's air war is so successful, that Serbia's dictator Milosevic is retaliating with terrorism against Italy, which is the main "aircraft carrier" for NATO. Of course, given this hypothesis, Milosevic's retaliation would damage the one country in NATO that is pushing the hardest for a bombing halt.

Interestingly, another former Gladio leader, Gen. Gerardo Serravalle, had different ideas. Serravalle told *EIR* that he thinks the NATO air war is a failure. "Whenever you start a war," Serravalle said, "you have to plan a ground offensive. And a ground war in Kosovo would be a tremendously bloody war. General Clark is a complete incompetent. I would not even give him a depot to guard. If he was the one to come out with the Serbian connection, then this connection is automati-

cally discounted." Serravalle agreed with the view that the current Balkan destabilization is a traditional British geopolitical game.

Cossiga's men on the Blair line

While the majority of Italy's military establishment is firmly opposing a ground war in Kosovo, one minority voice is calling for shifting to Tony Blair's side. This is Gen. Carlo Jean, a protégé of Gladio and of his P-2 friend Francesco Cossiga. Jean, who is currently the Italian representative at the Organization for Security and Cooperation in Europe, was Cossiga's military adviser when Cossiga was President (1985-92). Since the very first day of the NATO air war in Kosovo, Jean has called for a ground war. He motivated his call in a more recent article, published in the daily *Il Sole-24 Ore*, by citing the British example: Blair calls for a ground war, he said, "because he is the heir of British imperial power, which knows how to use force."

In an essay published in the geopolitical quarterly *Limes* (Fall 1992), Jean laid out very bluntly the meaning of the "new NATO strategy" which is now being tested in Kosovo. "International Law," Jean wrote, "is evolving toward overcoming the limits established by the United Nations Charter . . . with incalculable consequences for national sovereignty and for the concept of citizenship as such." In fact, he wrote, "the right/duty of humanitarian interference is being affirmed . . . in a way similar in many aspects to the ideology of Europe's civilizing mission that gave ethical justification to European colonialism in the last century." The right of "humanitarian interference" (the justification used for the current NATO deployment in Kosovo), Jean reveals, corresponds to a "unitary conception of the world, and to a system of values that is universally recognized, connected to free market." Such a "system of values" has, "in the course of history, distinguished more maritime countries [that is, Great Britain] from continental empires."

War is defined in a new way, as a "international police action," Jean wrote, but it remains war. The difference is, that with war you have an enemy; with a police operation you have a criminal. "One who violates the rules of the international status quo is not a *Hostis* but an *Inimicus*, and a criminal to be condemned, even if it is a state. . . . [T]he demonization of the adversary is the most effective way to achieve domestic and international support."

In order to achieve such support, Jean stated, you manipulate public opinion by wrapping your arguments in the robes of values generally accepted by that population. This is the role of mass media: "In modern information society, it is not important to tell the truth, which, as an objective fact in itself, does not exist, but to manipulate it according to one's own ends."

Jean apparently is not aware of Abraham Lincoln's views on this matter: that you can manipulate all of the people some of the time, but not all the people all of the time.

British support for terrorism is undeniable

by Hussein Al-Nadeem

The British government and its intelligence organs have seemingly been forced to shift their tactics on the manipulation of a wide range of terrorist organizations that are hosted in Britain. Since *EIR* published several *Special Reports* (Oct. 13, 1995, and April 4 and Dec. 19, 1997) on the nature of British intelligence control and manipulation of terrorist organizations internationally, Britain's role in harboring and supporting so-called "Islamic" terrorism has been denounced directly and indirectly dozens of times, at international and regional conferences, especially in the Middle East, and by heads of state and ministers, most prominently by President Hosni Mubarak of Egypt, President Ali Abdullah Al-Salih of the Republic of Yemen, and officials in the Turkish government. Mass media throughout the Middle East have documented and emphasized this fact. Pakistan Prime Minister Nawaz Sharif has recently accused the British intelligence establishment of attempting to destabilize his country through these and similar methods.

Former British internal security MI5 agent David Shayler has recently revealed information showing that British MI6 had recruited and financed so-called "Islamists" who carried out a failed assassination attempt against Libyan leader Muammar Qaddafi in April 1996. Libyan authorities have supported Shayler's claims with film footage and other documents, including confessions by one of the associates of the agents recruited by British intelligence.

Last December, police in Aden, Yemen arrested eight British subjects, who were planning terrorist actions in the country. The eight Britons, who have Muslim backgrounds, confessed that they had been sent by Abu Hamza Al-Misri, a British subject based in London. They had been sent there to support group which, in late December, kidnapped and killed three Western tourists. Yemeni President Ali Abdullah Al-Salih sent an official letter to British Prime Minister Tony Blair in January, demanding the immediate extradition of Abu Hamza to Yemen.

As the pressure increased, Blair's government decided to push a resolution through Parliament, allowing the arrest of terrorists based in Britain who were accused of conducting, planning, and financing terrorist activities against other countries. The authorities decided early this year to arrest several terrorists wanted in Middle Eastern nations, including Abu Hamza. Britain also suspended the broadcasting license of

MED-TV, linked to the Kurdish Workers Party (PKK). However, some of these detainees were later released.

Now, there are four Egyptians in custody in London. They face execution or long prison sentences in Egypt. However, their spokesman, Yasser Al-Serri, who is wanted for the assassination attempt against former Egyptian Prime Minister Atif Sidqi, was released. Al-Serri told Arabic newspapers in London that the arrest of his friends was a tactic by the British authorities to appease Egyptian and other Arab governments. But, he went on to praise the British authorities, asserting that he and his friends closely cooperate with British security and police. He stressed that the British authorities gave him assurances that none of his friends will be extradited to Egypt.

Change in the international situation

Despite these sly tactics, the British authorities are no longer able to deny accusations that they openly control and support international terrorist groups.

The open exposure of Britain, and its British-American-Commonwealth (BAC) assets within the United States, as the main sponsor of "Islamic terrorism" internationally, has created the atmosphere for an international operation, whereby Egypt has been able to detain and try many members of Egyptian terrorist organizations (Islamic Jihad and Al-Gamaa Al-Islamia) in cooperation with the FBI and authorities in Paraguay, Azerbaijan, Albania, Saudi Arabia, the United Arab Emirates, Kuwait, and Pakistan. In addition, information and disinformation has recently begun to spread in Arabic dailies and London-based Islamist organizations concerning the Anglo-American intelligence connections to the Islamist Afghan war veterans (Afghansis). This has discredited Osama Bin Laden and the Egyptian terrorist groups which are the support base for his "International Islamic Front-Base Organization." Both the information and disinformation reveals them for what they really are: disposable BAC assets.

In April, an Egyptian military court sentenced to death nine members of the Al-Jihad, and gave long prison sentences to dozens of its members. This case has been known as the "Returnees from Albania," because some of the defendants were arrested in Albania with the help of the FBI, and were later handed over to the Egyptian authorities. Meanwhile, Egyptian authorities pardoned 1,200 members of Al-Gamaa, which declared that it will stop all its armed activities targeting Egypt, the United States, and other nations. The declaration was initiated by the Sheikh Omar Abdul-Rahman, the spiritual leader of Al-Gamaa who is in a U.S. prison, and has neutralized this group's activities.

Recent revelations show that the train of events, starting as early as the February 1993 bombing of New York's World Trade Center, has been designed and carried out by the same BAC-created groups. The most important of these events include the 1995 assassination attempt against Hosni Mubarak in Ethiopia (which was blamed on Sudan); the bombing of

the Egyptian Embassy in Pakistan; deadly assaults on tourists in Egypt between 1992 and 1997; the bombing of U.S. military bases in Saudi Arabia in 1995-96; the alleged plan to assassinate the Pope in the Philippines; and recently and most significantly, the bombing of the U.S. Embassies in Kenya and Tanzania. These events helped intensify the war being waged against Sudan by Deputy Speaker of the House of Lords Baroness Caroline Cox and her misnamed Christian Solidarity International.

These terrorist acts targeted sovereign nations, including legitimate U.S. interests, defamed Sudan and Iran, and destabilized Egypt, India, Pakistan, and Algeria. Now, peace efforts have begun in Sudan, and relations with Egypt and Sudan's other neighbors are being normalized. The U.S. administration has made a disguised admission that its bombing of the Al-Shifa pharmaceutical plant in Khartoum in 1998 was a grave mistake. The whole lie that "Sudan and Iran supported terrorism," has been thrown back into the lap of the BAC, the rightful owners of this luggage.

Meanwhile, Bin Laden has suddenly "disappeared" from the international press and from Afghanistan, and his whereabouts are not known. An assistant, who was arrested in Azerbaijan by the FBI and handed over to Egypt to be sentenced to death, testified that Bin Laden's group has obtained chemical and biological weapons from countries in the former Soviet Union. Dovetailing with this serious claim, the U.S. Embassy in Cairo issued a statement in April saying that the United States is taking preventive measures against potential threats by weapons of mass destruction (WMD) against American interests.

London's International Institute for Strategic Studies included in its annual report a section on the emergence of "new generations of terrorists" equipped with these WMDs. Giving credibility to this hysteria, which was also dutifully reflected in recent Hollywood films, an American medical journal issued a report in its monthly magazine giving details of potential attacks against U.S. cities with biological weapons, and addressed what contingency plans are required to cope with such an attack. What is most alarming in this report is the mention that Russian scientists are the potential suppliers of such material.

This is taking place at a time when the BAC's strategic recipe calls for having enemies among "rogue states" deploy terrorists possessing weapons of mass destruction. Whenever needed, such an attack could be triggered, even if in a diminished form, to implicate any of the "Islamic terrorist" nations that the BAC wants targeted. Despite the remoteness of such a possibility, it should not be completely ruled out. The bombing of the American Embassies in Kenya and Tanzania in August 1998 were sudden and horrifying, and led to the greater mistake of the U.S. bombing of the sovereign nation of Sudan, despite the lack of any evidence linking Sudan to the terrorist act. This, and the bombing of Iraq in December, are just two examples of the insanity coming from the BAC controllers when sane people expect it the least.

Terrorists planning a hit against India

by Ramtanu Maitra

According to intelligence reports gathered by the government of India, a hit-team of the Liberation Tigers of Tamil Eelam (LTTE) met in Durban, South Africa, last month to chalk out an assassination attempt on the life of Sonia Gandhi, the Congress (I) party president and widow of assassinated Prime Minister Rajiv Gandhi. The Vajpayee administration, which is functioning as a lame duck government after its defeat last April on the floor of the Lok Sabha, the lower house of India's Parliament, has informed the necessary agencies to tighten up security arrangements around Mrs. Gandhi.

From information made available, it is evident that the threat to Sonia Gandhi's life comes from the same source that has assassinated two of India's prime ministers: Indira Gandhi in 1984, while she was in power, and her son, Rajiv Gandhi in 1991, when he was out of power but was making a come-back bid. Reports say that the LTTE, known as the Tamil Tigers, met in South Africa, which has recently become a gathering center for terrorists controlled by London and Tel Aviv.

Indian intelligence reports also indicated that the LTTE, which has extensive links with both British and Israeli intelligence, is in the process of activating Khalistanis, based in the Crown Colony of Canada. The LTTE, which has been very active and powerful in Canada, is planning the hit in cooperation with the Canada-based Khalistanis. There are indications that the LTTE will also ask Kashmiri separatists, based in London and controlled by British intelligence through the Pakistani Inter-Services Intelligence (ISI), to participate in the plan.

Why Sonia Gandhi?

One of the traits of dirty intelligence networks is to couch their plans in what is considered to be "obvious." The "obvious" in this case, as most Indians accept it without question, is that both the Khalistanis and the Tamil Tigers will not give up until they wipe out the Nehru-Gandhi family. Khalistani terrorists will assassinate each and every member of the Nehru-Gandhi family because, as the rationale goes, Indira Gandhi, by ordering the Indian Army to enter the Golden Temple, the religious sanctum sanctorum of the Sikhs, and to capture the terrorists sheltered there, who were terrorizing the population, had thereby "violated" Sikh trust and committed a "heinous crime." Indira Gandhi was assassinated by two Sikh security guards who pumped innumerable bullets into the defenseless Prime Minister from a handshaking distance.

A similar argument is used to "justify" the assassination

of Rajiv Gandhi. The Tamil Tigers claim that by signing the Gandhi-Jayewardene accord, and placing the Indian Army in Sri Lanka to disarm the Tamil Tigers for the “benefit” of the Sinhala majority, Rajiv Gandhi had “conspired” to put down the Tamil Eelam movement. The Tamil Eelam aspires first to set up an independent Tamil state within Sri Lanka, and later, a Greater Tamil state including the Indian state of Tamil Nadu. Rajiv Gandhi was assassinated in 1991, when a suicide bomber killed him at an election rally in Tamil Nadu. According to the Tigers, the killing was not only “justified,” but will not end with Rajiv Gandhi. The Nehru-Gandhi family must be wiped out, they stridently declared.

The gullible, of course, buy this “vendetta” angle. But behind the vendetta and the “revenge for the cause,” lies a much wider plan to use the established, well-financed, and well-travelled terrorists for political purposes. Specifically, British and Israeli intelligence create chaos at an opportune time to weaken the political process, using these terrorists to effectively change the political scene.

Although the plan unravelled by Indian intelligence seems a well-disguised one, it is really not so. Consider:

- India is currently without a government, and the country is planning to hold parliamentary elections at the end of September. The Rajiv Gandhi assassination, on May 21, 1991, was carried out also when India was undergoing parliamentary elections, and did not have a government.

Indian elections call for large election rallies and direct contact between the top leaders and the electorate, with some of the election rallies pulling in more than 1 million people. Most of those who attend these rallies are unidentifiable, unknown, and, often, untraceable.

- Sonia Gandhi has emerged as the top leader in the Congress Party, the number-two party in the national scene. Rajiv Gandhi was also the top leader at the time he was assassinated, and so was Indira Gandhi when the Khalistanis killed her on Halloween Day in 1984.

- At the time of Rajiv Gandhi’s assassination, a number of people had made statements indicating foreign connections to the assassins. Many Congress Party officials had spoken out about a group of powerful party members involvement in the assassination. Investigations into these allegations were never undertaken. Nonetheless, some of the leaders against whom such allegations were made are still around, and a few of them have taken up political adversarial positions against Sonia Gandhi.

- S.B. Chavan, the then-Home Minister and a senior Congress Party leader, had told the members of the Upper House of the Indian Parliament on July 26, 1991, that “certain forces in some superpower countries might have been behind the conspiracy for the assassination of former Prime Minister Rajiv Gandhi.”

- According to a deposition made before the independent Jain Commission, which investigated Rajiv Gandhi’s assassination, the killing was orchestrated from London through well-known terrorists belonging to the Khalistan Liberation

Force, Babbar Khalsa, and the LTTE. Yasser Arafat, head of the Palestine Liberation Organization and a close friend of Rajiv Gandhi, had sent information in advance of an assassination plot against Gandhi. Although he did not name the intelligence network, it is likely that he was watching the Mossad closely, as he always does.

- At the present time, one of the major adversaries of Sonia Gandhi is a heretic known as Chandraswamy. Posing as a man of God, but in reality a dangerous fraud, Chandraswamy draws his strength from his British and Israeli intelligence links. He was close to the British MI6 hand, the late Tiny Rowland. He is also very close to a number of major adversaries of Sonia Gandhi and is a friend of one mafioso who is based in Dubai and linked to the Pakistan ISI. In other words, all the actors who had allegedly worked behind the scenes in the Rajiv Gandhi assassination are very much here, and have assembled once again. At the same time, the international situation is fluid enough for them to strike once more.

Why now?

There are a number of reasons why the geopoliticians and colonialists would be interested in creating a political vacuum in India. To begin with, after years of political chaos, a situation is developing in India whereby the Bharatiya Janata Party and the Congress Party may emerge as two major national political parties, dominating the electoral scene. If this view of the electorate gets established, India will once again become politically stable. One must note that India’s political instability began with the assassination of Indira Gandhi, although Rajiv Gandhi was able to provide a stable government for five years after his mother’s death. But even when Rajiv Gandhi was alive, the fragmentation of India’s political scene had begun. Other reasons may be the following:

- Prime Minister A.B. Vajpayee had succeeded in thawing the frozen India-Pakistan relations by undertaking a bus trip to Lahore last February. There were indications that the much-awaited dispute over Kashmir would be resolved through bilateral negotiations by the two prime ministers, Vajpayee and Nawaz Sharif. Subsequently, the Vajpayee government collapsed, and the Nawaz Sharif government has come under increased attack from inside and out. Prime Minister Sharif has accused Britain of interfering in Pakistan’s affairs.

It is also evident that Nawaz Sharif, who is now isolated from the people because of his economic policy shortcomings, is in danger of falling into the hands of those who would like a confrontation with India. If he resists, without having the popular support behind him, he will be removed. One attempt on his life has already been made.

The forces within Pakistan who would staunchly oppose India-Pakistan rapprochement and are prepared to remove all obstacles in its way, would like to see the Kashmir issue remain unresolved and India-Pakistan relations sour. In this, both the Pakistani Army and the ISI, along with an assortment of terrorist groups, are actively involved, although it is the ISI, infiltrated by both MI6 and the Mossad, which is pushing

the British intelligence agenda, while the Pakistani Army is “playing along” to establish itself once more as the “all-powerful” force in Pakistan.

- The attack on the Chinese Embassy in Belgrade has changed the international scene significantly. Cooperation between Russia, China, and India to establish a multipolar world is no longer a pipe-dream. Many political heavyweights in these three countries have begun to speak out in favor of such an alliance. Nonetheless, both Russia and India have become politically vulnerable because of internal political and economic instability. In this context, China is somewhat more stable. Under the circumstances, any major assassination in Russia or India has the potential to rip up the political fabric. There are many who may argue against that observation, but there is little doubt that assassination of major political leaders has a long-term impact on a nation’s political and economic life.

What is the LTTE?

The LTTE has become the single largest international terrorist organization, with large-scale bases in India, South-east Asia, South Africa, Europe, and Canada. The LTTE has developed extensive drug-links with the terrorist Kurdish Workers Party, and is widely acknowledged as a major drug carrier and distributor in the Scandinavian countries and Germany. The drug link of the LTTE has gotten the terrorist group

the support of a faction of the African National Congress in South Africa, and of the mafia in Italy.

On a regular basis, the LTTE also carries illicit arms from southern Thailand and Singapore, and distributes part of these to the northeast India separatist groups, such as the United Liberation Front of Asom (ULFA), Bodo Liberation Front, National Socialist Council of Nagaland (NSCN-Muivah), and the People’s Liberation Front of Manipur. Burmese separatist groups are also involved in these arms-for-drugs deals, which are conducted under the chairmanship of the LTTE. Last year, the Indian Navy, under the codename “Operation Leech,” ended one such arms-for-drugs delivery mission of the LTTE, when it swooped down on a LTTE ship and killed a few of the Tigers.

Finally, all this illicit trading and international networking has made the Tigers a potent assassination arm of dirty intelligence networks, whose leaders, at this point in time, are British intelligence and the Mossad. These intelligence agencies have also infiltrated deep into the Pakistan ISI, Khalistani separatists, Kashmir separatists, Harkatul Ansar, MQM or Sipah-e-Sahaba, and all such underground terrorist groups whose political activities center around assassinations. To carry out major hits, these small terrorist groups and the dirty factions of foreign intelligence use the vast international network and the gun-and-money power of the LTTE. In short, the LTTE is today’s Assassins, Inc.

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It is time to name Herrhausen's killers

by Michele Steinberg

On May 4, 1999, in Germany, Barbara Meyer, a wanted terrorist, gave herself up to the German authorities. Meyer had been sought as an alleged leader of the Baader-Meinhof/Red Army Fraction (RAF) terrorist group, and was charged with murdering Deutsche Bank chairman Alfred Herrhausen in November 1989. It is clear now, that she had nothing to do with the Herrhausen assassination. The same was established for two other alleged Baader-Meinhof/RAF "leaders," charged with killing Herrhausen, Christoph Seidler and Andrea Klump, who surrendered to the German authorities in 1996. As with the assassination of Italian political adviser, Massimo D'Antona on May 20, 1999 in Italy, Herrhausen was killed by intelligence professionals, using a terrorist label as a cover.

The following report is drawn from an Aug. 14, 1998 feature in *EIR*, assembled by Mrs. Helga Zepp-LaRouche and a team of *EIR* historians and writers in Germany, that included a dossier on the Herrhausen assassination by Rudiger Rumpf. In that feature, Mrs. Zepp-LaRouche released her private correspondence, previously kept confidential, with government officials in Germany, about the perspective for political and economic reunification of Germany, based on the economic plan drawn up by her husband, American statesman and Democratic Presidential pre-candidate, Lyndon H. LaRouche, Jr. She also discusses the "Ten-Point Program" for German unity, laid out by German Chancellor Helmut Kohl, on Nov. 28, 1989. Days after he released that plan, Kohl's adviser and personal friend, Alfred Herrhausen, was assassinated.

The LaRouche plan for integrating the former communist nations into an economic recovery, was akin to the ideas that Herrhausen espoused. It was these policies that the British financier oligarchy, led by Prime Minister Margaret Thatcher (now Baroness), was determined to stop.

As the battle for Germany reunification unfolded, Thatcher, and her lackey President George Bush, unleashed a propaganda assault against Germany, claiming that a unified Germany posed the threat of a "Fourth Reich."

Thatcher, Bush, the late President of France François Mitterrand, and then Soviet President Mikhail Gorbachov used wars, in Iraq and the Balkans, and assassinations as political tools to prevent a challenge to their tottering financial system and control. This Thatcher/Bush-dominated alliance is the infamous "New World Order" to which Bush referred in Janu-

ary 1991, as Bush launched the "Desert Storm" war against Iraq—a British-initiated precedent for the "globalized" NATO, used in today's Balkan catastrophe.

An understanding of the Herrhausen case is crucial, because in this case, the cover story crumbled, exposing a hoax concocted to protect the real authors of a "geopolitical assassination." His murder was of no less strategic importance than the assassination of John F. Kennedy in 1963 (see box).

Murder as a tool of geopolitics

On Nov. 30, 1989, three weeks after the fall of the Berlin Wall, Alfred Herrhausen, the chairman of the Deutsche Bank of Germany, and the closest adviser to German Chancellor Kohl, was killed in a terrorist bombing. The bombing shook the republic, and changed the course of history. Herrhausen's assassination was blamed on a "third generation" of the "Red Army Fraction," a left-wing terrorist group created in the 1970s. But it was soon exposed that the new RAF was a "phantom," a concocted lie to cover for the real authors of the hit on Herrhausen.

When, in 1989, the public was sold a package of pseudo-information about the assassination of Herrhausen, based on the ostensible claim of the RAF that they had carried out the bombing, the veneer seemed plausible. The RAF, after all, had a long history of being an underground guerrilla outfit. Why shouldn't this gang of terrorists, which had fought the state for two decades, have also killed the head of the most important bank in Germany?

In the spring of 1990, the newly elected (and last) government of the (East) German Democratic Republic (G.D.R.) began a series of arrests and extraditions of RAF terrorists long sought by West German authorities. It soon turned out that these people, whose faces adorned the terrorist wanted posters hanging all over West Germany ("Warning! Armed and Dangerous!"), had not only "visited" East Germany; they had lived there as citizens of East Germany, in the grayness of everyday socialist life. After a bit of chatter in the media about whether East Germany had been the string-puller behind terrorism in West Germany from the beginning, it turned out that Gen. Erich Mielke's East German State Security (Stasi) had, in fact, now and then, provided protection, and had helped the terrorists escape. But he could not be called the initiator or contractor for the RAF "first and second generations."

In the many subsequent trials against former RAF members, most of whom have now finished serving their sentences, the prosecuting attorney was never able to present any evidence of East German support for the terrorist group in the period *prior* to their becoming "citizens of East Germany," where they fled to as fugitives.

The West German government had always denied having known that the RAF cadre were staying in East Germany, but evidence shows otherwise.

The authors of the 1992 book *RAF Phantom: What Do*

*Politics and Business Need Terrorists For?*¹ printed for the record, the government's reply to a question posed by WDR West German Radio on July 5, 1990: "The office of the Chancellor first learned that 'RAF' members were staying in the G.D.R. at the time of the arrests in June 1990." The authors published the dossier-entry of the Terrorism Department of the Federal Criminal Office (BKA), dating back to 1986, demonstrating that the government's claim could not be true. They showed (p. 383) that the West German government's denial of having entered into an agreement with East Germany was also not credible. The authors' remark in this connection is significant: that the chief of the Federal Intelligence Service (BND), Klaus Kinkel (who became Kohl's last Foreign Minister), personally attempted to dissuade a "Stern TV team" from broadcasting a report on government agreements between the West Germany and East Germany on former RAF members. Kinkel is reported to have said that such agreements would be "*de jure* tantamount to support for a terrorist association."

Kinkel's remark cannot be dismissed easily. *RAF Phantom* also cites remarks by George A. Carver, the former CIA mission chief (1976-79) at the U.S. Embassy in Bonn (p. 381), in an interview with West Berlin's daily, *Tageszeitung*, on March 27, 1992. Carver left no doubt that West German authorities had known about the former RAF members in East Germany as early as the beginning of the 1980s. This point, said Carver, had been the subject of discussion between American and West German intelligence services.

But if the wanted RAF terrorists were known by Western intelligence services to be living in East Germany in semi-retirement, then who was carrying out the RAF terrorism in West Germany for which they had been blamed since the mid-1980s, and who created the "third generation"?

On July 29, 1998, the *Süddeutsche Zeitung*, in an article entitled "The 'RAF' Consists of Three People," reported on a study by the Cologne Office for the Protection of the Constitution (BfV), on "The Dissolution of the RAF," following the RAF declaration in April 1998 that it was dissolving. The 38-page study reports that even some of those highest on the wanted list since 1985 may not have even belonged to the



Deutsche Bank Chairman Alfred Herrhausen (center) talks with German Foreign Ministry officials during a visit to West Germany of Soviet President Mikhail Gorbachov, June 15, 1989. Five months later, Herrhausen was assassinated.

RAF. This includes Andrea Klump, accused of involvement in the Herrhausen murder. Who committed the assassinations, if it was not this gang of "desperadoes"?

Massive security breaches

Witnesses at the site of the Herrhausen assassination, according to authorities, reported having seen at least a dozen people around the site at that time, so that a considerable number of people were presumably involved in preparing and carrying out the bombing. But, according to their own statements, authorities do not know who these people may have been. Astonishing, since the entire area around the site of the assassination was under close surveillance because of Herrhausen's stature, by local police, the State Criminal Office, and private security services.

One week following the assassination, Interior Minister Wolfgang Schäuble refused to provide the Interior Committee of the Bundestag (lower house of parliament) with any information, claiming that anything he said might interfere with the ongoing investigation.

On Dec. 7, 1989, Richard Meier, the former president of the BfV, was questioned by the Bundestag Interior Committee. He was sufficiently informed to be able to testify that "a walking tour of the immediate vicinity of the site of the attack, one-half hour prior to Herrhausen's drive through the site, would have revealed to a schooled eye that two young men,

1. *Das RAF—Wozu Politik und Wirtschaft Terroristen brauchen*, Gerhard Wisenewski, Wolfgang Landgrüber, and Ekkehard Sieker (München, Drömersche Verlagsanstalt, Knauer, second printing, 1997).

dressed in jogging outfits, and each with an earphone, i.e., in radio contact with each other, were attending to a bicycle.” Meier drew sharp criticism when he testified that the advance vehicle of Herrhausen’s convoy had been “withdrawn.”

For whom was Herrhausen a thorn in the side?

U.S. Col. L. Fletcher Prouty (ret.), exposed a crucial matter in interviews with the Italian newspaper, *L’Unità* in 1992 (see accompanying box). Prouty points out that the key to the assassination of Herrhausen was contained in the first 11 pages of a speech which Herrhausen had intended to deliver in New York on Dec. 4, 1989. In that speech, Herrhausen outlined a revolutionary proposal to found a bank for the development of Poland, modelled on the German Kreditanstalt für Wiederaufbau, which had played a crucial role in the postwar economic reconstruction of Germany.

This new bank for Poland was to be financed by funds from Western banks. Poland was to be enabled to participate in a Western-financed reconstruction—which was highly improbable at that point in time, since Poland was straining under an enormous foreign debt burden, and it could not have freed itself under its own power. The foundation for the kind of economic development which Herrhausen foresaw for Poland, would have been the renunciation by Western banks and countries of their claims to the payment of the outstanding debt: a monstrosity of a proposal—for the financiers. Clearly, this proposal went hand in hand with that which Lyndon LaRouche had made one year previously in Berlin.

With this speech, Herrhausen would have called into question the prevailing management policy regarding the growing, catastrophic debt crisis. The policy of the International Monetary Fund (IMF), the World Bank, all of the commercial banks with the exception of Deutsche Bank—a policy directly contrary to that of Herrhausen and LaRouche—was clearly not to develop the overindebted countries, Poland among them.

Instead, by means of so-called structural and “financial reforms,” these countries were ostensibly to be enabled to service their unpayable debt—at the cost of the lives of their citizens.

Two months before his assassination, at the IMF annual meeting, Herrhausen had expressed his conviction that the only chance to end the debt spiral consisted of at least a partial debt moratorium—not only for Poland—and provision of financial means for the economic development of indebted countries. For that, Herrhausen drew the fire of the world of international finance against him.

Biographer Dieter Balkhausen quotes Herrhausen, who had left Washington quickly following one such meeting, as saying that the air was “full of lead.” Herrhausen hinted on other occasions as well, that he saw himself in the role of “reformer”—about whom Machiavelli had warned: Such a

person would have as adversaries those who profit from the old system, while those who stood to profit in the new system would give only half-hearted support.

Deutsche Bank was in a rather unique position in the world of international finance, because over many years, the bank had used its profits to write off its foreign liabilities almost completely. A serious public debate would have revealed the fact that the most highly indebted countries, in Ibero-America, for example, were in fact unable to pay their debts, and other banks, the competitors of Deutsche Bank, would have inevitably had to write off their bad debts as well.

Herrhausen was not himself the inventor of this extraordinarily progressive policy. Deutsche Bank board member Werner Blessing was known, years before Herrhausen, for his public criticism of the debt-crisis recipes of leading banks and financial institutions. Balkhausen notes that Herrhausen was impressed with Blessing’s attitude on this issue. Blessing, who was responsible for North America on the Deutsche Bank board, had announced in 1987 that Deutsche Bank planned to intensify its operations in the U.S. market, and would have become the second-largest bank in the United States, after Citicorp. Blessing died of a heart attack in 1987.

Adviser to the Chancellor

Herrhausen had significant influence with Chancellor Helmut Kohl, and it is well-known that he had shaped the views of the Chancellor with respect to upcoming reunification. (See *EIR*, Aug. 14, 1998, for Kohl’s Ten-Point Program.) The same influence was undoubtedly present in Kohl’s views concerning an economic and monetary union, for which Kohl thought that a political union of European states was a precondition, but that this union was still far in the future.

In July 1998, Kohl published previously secret government documents which show that on Nov. 27, 1989, Kohl described the difficulties with, and his reservations against a premature fixing of the time schedule for the economic and monetary union, to an impatient French President François Mitterrand, who was also insisting on the need for the Four Powers to agree to a possible reunification of Germany. Kohl is reported to have insisted that the “large divergences in stability developments” would endanger the “actual achievement of the divergence goals in the first stage” of a monetary union. On Nov. 30, Herrhausen was assassinated, while Mitterrand, on that very day—his letter arrived in Bonn on Dec. 1—demanded categorically, that “we make decisions in Strasbourg, which obligate us unmistakably to . . . economic and monetary union.”

Kohl’s capitulation was not long in coming. On Dec. 5, he retreated from his position, and conceded to let the resolution pass at the upcoming meeting in Strasbourg planned for Dec. 9. There, Kohl agreed to the resolution to establish a governments’ conference one year later to implement the monetary union—against the interests of Germany, as U.S. Secretary of State James Baker acknowledged three days later, accord-

Herrhausen condemned financier oligarchy

In July 1992, in an article entitled “New Evidence Emerges in the Herrhausen Assassination Case,” Helga Zepp-LaRouche wrote, “Sensational new evidence in connection with the November 1989 assassination of the former board chairman of Deutsche Bank, Dr. Alfred Herrhausen, has just emerged from an interview with former Pentagon official Col. Fletcher Prouty, conducted by Italian journalist Antonio Cipriani and printed in the Italian daily *Unità*. The key to the motive behind Herrhausen’s assassination lies in 11 pages of a speech he delivered in the United States only four days before he was ambushed. The speech contained Herrhausen’s vision of a new kind of relationship between eastern and western Europe which would have fundamentally altered the world’s future course.

“Colonel Prouty, who was an adviser in the production of the hotly debated film about the assassination of President John F. Kennedy, and who was himself depicted in the film as ‘Mr. X,’ said in the interview that Herrhausen, Kennedy, former Italian Prime Minister Aldo Moro, Italian industrialist Enrico Mattei, and Swedish Prime Minister Olof Palme had all been killed for the same reason: They had not been willing to accept world domination by the Yalta condominium. In each case, it was the same small, elite grouping which acted against a perceived threat to their power, a power based on the idea of a *pax universalis*.”

Zepp-LaRouche’s article provided quotes from the “missing 11 pages,” where Herrhausen challenged the international financier oligarchy. She quoted from Herrhausen’s speech:

“The indispensable outside assistance should in my

view be complemented in depth by a limited-term program, such that foreign investors also have a say in the use of these funds. Thus there should be assurances that the new credit will flow into specific, promising projects. It is therefore advisable that the export guarantees which the German federal government wants to expand, be tied primarily to specific projects. It was actually a proposal from the Polish side, that a team of experts from both countries should research the projects in question, in order to ensure that the costly failures of the 1970s are avoided,” Herrhausen said.

“In this connection, at this year’s annual meeting of the World Bank and the International Monetary Fund in Washington, I proposed setting up a development bank on the spot—i.e., in Warsaw. Its task would be to bundle the aid and to channel it according to strict efficiency criteria. My vision is that such an institution could function somewhat like the Deutsche Kreditanstalt für Wiederaufbau (German Reconstruction Bank), which traces its origins back to the Marshall Plan.”

Equally shocking were the statements by Colonel Prouty, quoted by Zepp-LaRouche from Prouty’s interview with Italian journalists in 1992:

“His [Herrhausen’s] death at that time . . . and the astonishing circumstances of his death . . . resemble the assassination of President Kennedy in 1963.

“When you consider the great importance of events in the Soviet Union, in eastern Europe, and especially in Germany . . . then the Herrhausen assassination is tremendously significant. We must not allow it to be swept under the rug. . . . Real terrorists don’t murder a president of a bank without special reasons for doing so. Most terrorists are paid lackeys and tools of great power centers. Some great power center wanted for some reason to get rid of the board chairman of Deutsche Bank on that day and in that manner, in order to teach others a lesson. So there is a message in the way he was killed.”

ing to the Dec. 18, 1989 *Der Spiegel* (*RAF Phantom*, p. 108). This is the background to the betrayal of German interests which Kohl made public in 1998.

While the criticism of the policy Herrhausen had articulated had not yet exploded at the time of his assassination, that changed radically in the spring of 1990. The sabotage launched by the British government under Thatcher against Bonn’s efforts for reunification, culminated in the “Fourth Reich” propaganda campaign against Germany invented in Britain, and the shameless attempt to equate Kohl’s and Hitler’s ambitions.

Compared with the tremendous destruction of the two world wars, “low-intensity warfare” operations, also known

as terrorist warfare, cost relatively little. If one can successfully enforce one’s will upon an adversary with little expenditure of force and money, then that manifests a far greater mastery of the tools of power, with which a political victory can be achieved. It is crucial in such operations that the form of the murder—of a more or less brutal execution of an adversary who plays a strategic role—contain a message, as Prouty correctly noted. The message was: You cannot protect yourself against us, the perpetrators, because we commit our atrocities in public, and we cannot be attacked.

But the recent exposure of British control of terrorism could finally bring to an end this reign of blackmail and low-intensity war against Britain’s own “allies.”

Is Northern Ireland terrorism state-sponsored terror?

by Mary Jane Freeman

The March 15 murder of Northern Ireland human rights attorney Rosemary Nelson, known for her aggressive defense of Catholics and nationalists, brought to the fore the decades-long debate as to whether British intelligence, its British Army counterparts, and Britain's Northern Ireland police force—the Royal Ulster Constabulary (RUC)—are responsible for terrorism in the North. That is to say: Are the bloody “Troubles” of Northern Ireland a result of state-sponsored terrorism? It has long been suspected that British Special Air Services forces used Northern Ireland as a test tube to experiment with irregular warfare tactics.

Since the Nelson assassination, a battle has emerged, between those pressing for investigations into the evidence pointing to the RUC's and the British Army's role in political assassinations, and those, particularly the British government and its minions, working to suppress any such investigations.

On the one side, are: 1) the re-release of an expanded version of *The Committee: Political Assassination in Northern Ireland*, by author Sean McPhilemy, a devastating book which documents tales of terror (see *EIR*, July 24 and Aug. 7, 1998); 2) an article entitled “Secret Conspiracy To Destroy Peace in Ireland,” by British Member of Parliament Ken Livingstone, in the May 21 London *Independent*, reasserting his charges that MI5 and MI6 colluded with loyalist paramilitaries to wreck the 1975 negotiated cease-fire; 3) international demands for an independent inquiry into the 1989 murder of Belfast attorney Pat Finucane, based on new evidence alleging RUC officers' collusion in his murder; and 4) resolutions and hearings in the U.S. Congress House International Relations Committee concerning the Nelson murder and proposed drastic reforms and/or abolishment of the RUC.

On the other side, is the British government's propaganda smear campaign against McPhilemy and Livingstone, tagging the latter as “Red Ken.” And, David Trimble (First Minister-designate of the new Northern Ireland Assembly and leader of the Ulster Unionist Party [UUP]) has entered the fray, according to the London *Sunday Times*, saying that he will sue Amazon.com U.K. to halt Internet access to McPhilemy's book, which is already banned in Britain and Ireland.

The overwhelming adoption of the Good Friday peace accord, by the peoples of Ireland, North and South, who voted in May 1998 to remove bullets from politics, begs for a resolution of the hundreds of unsolved murders, and the charges of

state collusion in them. Such a resolution is critical at this juncture, because it has been the insistent demand of Trimble and the UUP that no duly elected representative of Sinn Fein, the political party of Catholic nationalists and the republican movement, will be allowed to hold an executive position in the Assembly unless the IRA agrees to turn in its weapons. The Trimble-UUP demand is contrary to procedures set up by the Good Friday accord for decommissioning of both IRA and loyalists' weapons within the larger framework of establishing a N. Ireland government. But, the demand has stalemated the peace process, and threatens to end it.

Demands for investigation

The day after the murder of Rosemary Nelson, U.S. Sen. Daniel Patrick Moynihan (D-N.Y.) said of Nelson, “She was murdered because she represented nationalists in high-profile cases. . . . Last September [she] testified before the House International Relations Subcommittee on International Operations and Human Rights . . . about harassment and intimidation of defense lawyers who represented republicans and nationalists, and she accused the RUC of threatening her and her family. . . . Attacks on the judiciary . . . are intolerable and represent . . . the gravest threat to the fragile peace . . . over Northern Ireland. There can be no permanent peace in Northern Ireland if these charges regarding the RUC are true. RUC complicity in political assassinations would be state-sponsored terrorism.” Moynihan noted that Nelson was “not alone” in her charges, and said that McPhilemy had impressed him as a “principled, and exceedingly careful journalist.” Another reason for silencing Nelson may have been that she was McPhilemy's legal adviser in Northern Ireland.

The Finucane murder is one of many featured in McPhilemy's book as allegedly planned by the “Committee.” Since the 1998 release of the book—a revised and expanded edition was issued May 24, 1999—numerous other sources have leaked bits and pieces of corroborating evidence supporting aspects of McPhilemy's thesis, which is that “since 1989, senior members and officers of the . . . RUC, unionist establishment figures from the business world, members of the Protestant clergy, the security forces, and the British secret service, have operated a secret committee which systematically has colluded with paramilitary assassins . . . to commit these murders,” his attorney writes. In April, the Irish govern-

ment delivered a formal request to the British government for an independent inquiry based on new evidence. The London *Independent* reportedly saw the secret Irish government document on which the request is based, and said that it includes allegations that named RUC officers “procured the murder of Pat Finucane and that RUC Special Branch had detailed advance knowledge of the murder plot.”

What British MP Livingstone’s May 21 commentary reminds us, is that such collusion did not begin in 1989. He writes, “The allegations I made back in July 1987 read like a Frederick Forsyth novel. If true they were a time bomb ticking away at the heart of Mrs. Thatcher’s government. . . . My allegations were that a small group of MI5 and MI6 officers conspired to wreck the cease-fire negotiated between the Labour government and the IRA in February 1975. Captain Robert Nairac led a group of loyalist paramilitaries across the border into Ireland to assassinate John Frances Green, a leading IRA figure. A few months later, in July 1975, Nairac again led loyalist paramilitaries, disguised in Ulster Defence Regiment uniforms, in an attack on the Miami Showband who were . . . Ireland’s most popular group. . . . When arrested, one of the loyalist para[s] was revealed to be a sergeant in the UDR [Ulster Defense Regiment]. . . . The MI5 plotters were successful. The IRA reacted, . . . unleashing a wave of tit-for-tat killings that escalated until the Northern Ireland Secretary . . . terminated the cease-fire on 12 November.”

Livingstone says that he has submitted more than 300 questions in Parliament on the “dirty war” in Ireland; all met with denials until finally “the government was forced to admit that the intelligence services had engaged in a covert black propaganda campaign, code-named Clockwork Orange.” He, too, ties the resolution of these troubling allegations to the peace process. “The current cease-fire and peace process in Northern Ireland hang on a thread in part because of republican suspicions that the security services are not impartial,” he says. He calls for a truth and reconciliation commission to examine the horrors, irrespective of who committed them. The MP concludes that if this were done, “there is also the much more explosive issue of the trail leading to the outer office of Mrs. Thatcher. . . . A full investigation could reveal that [former MI6 officer and MP] Airey Neave, the man who organized Thatcher’s seizure of the Tory party in 1975, was also guilty of treason and an accessory to murder.”

Trimble doth protest too much

Trimble announced through the pages of the May 23 *Sunday Times* that he will sue Amazon.com U.K. for its role in promoting *The Committee: Political Assassination in Northern Ireland*. Amazon’s advertising for the paperback edition of the book, just released, says that the book is “a gripping story of terrorist atrocities and political corruption” which “makes clear that [the IRA’s] opponents have been just as capable of committing evil in the name of their cause.”

Trimble is mentioned in the book as one who provided

In July 1998, when *EIR* reviewed Irish author Sean McPhilemy’s book, *The Committee: Political Assassination in Northern Ireland*, it had gone to press in the United States, but was banned in Britain, in part because his source had recanted his tale. The source, Jim Sands, had provided the inside information on collusion, at the highest levels of the RUC with loyalist paramilitaries and prominent “citizens above suspicion,” in the murder of Catholics and republican paramilitaries. On May 14, 1999, Sands explained “how the RUC stage-managed his ‘recantation.’ ”

Sands’s newly filed affidavit reads in part: “After the RUC learned of my identity, I was detained and held against my will in British Army barracks and various police stations for a week. I was told what to say by RUC officers. . . . The RUC made it clear to me that if I did not cooperate . . . I would be prosecuted or possibly even killed. I never would have freely given any of the statements which I made to the RUC. By ‘made it clear,’ in relation to death threats, I mean that the RUC officers told me that if I did not ‘recant,’ I could be assassinated by loyalist paramilitaries.”

On May 13, the Washington, D.C., Superior Court judge presiding over the case refused to allow a fishing expedition into McPhilemy’s research files. Efforts have begun in this case to obtain testimony from Trimble.

political cover for members of the Committee who colluded with the RUC and loyalist paramilitaries in their targeted murders. The book carefully avoids describing Trimble as having a direct role in any murder per se.

According to the *Sunday Times*, Trimble is suing for libel in Britain “over allegations that he was associated with a loyalist murder conspiracy.” Two of Trimble’s constituents, named as members of the Committee, sued McPhilemy and his publisher, Roberts Rinehart, in a \$100 million libel action last summer in the United States. Their attorney, Russell Smith, told *Ireland on Sunday*, “Trimble has injected himself into the case by writing a letter to Roberts Rinehart demanding that they not publish the book. He also denigrated the allegations in the book from the floor of the House of Commons. . . . He has openly defended individuals named as members of the Committee in the book, including known terrorists and evidently has relevant information about them.” Publisher CEO Jack VanZandt has invited Trimble “to debate the allegations of our book . . . with the author . . . in a national public forum,” but Trimble has not agreed. Rinehart says that “if Mr. Trimble truly wanted the facts to come out, he would have joined McPhilemy in calling for a public inquiry. Instead, he devotes his time and energy to trying to stop the book.”

'Bloody Sunday' Jackson wants ground forces now

by Umberto Pascali

Recently, a popular radio station in Macedonia dedicated a song to Lt. Gen. Sir Michael Jackson, the head of the NATO Rapid Reaction Corps (ARRC) who has been stationed in the Macedonian capital, Skopje, since February, waiting to be deployed in Kosovo. The song was "Sunday, Bloody Sunday." It commemorated the massacre in Northern Ireland committed by Her Majesty's 1st Battalion Parachute Regiment on Sunday, Jan. 30, 1972. On that day, the men of the Special Force battalion fired upon an Irish republican demonstration, killing 14 people.

This was not just a horrible massacre of unarmed people; in the broader scheme of things, it sparked a devastating series of reactions and counteractions, bringing Northern Ireland back to the *status quo ante* of violence upon violence. And, this strengthened the British military presence and intervention — what many Irish call, by direct experience, *occupation*, in the area. It took many years, in fact, until the recent efforts sponsored by President Clinton, to pull Northern Ireland away from the unending spiral of violence that inflamed both the Catholic and the Protestant communities.

At the same time as "Sunday, Bloody Sunday" hit the airwaves, the May 14 issue of the Macedonian weekly *Fokus* published a report informing their readers in neighboring Kosovo of the details of Sir Michael's official record. On Jan. 30, 1972, Jackson, at that time a captain, was the deputy commander of the 1st Battalion Parachute Regiment. The article also drew a parallel between the violence in Northern Ireland and the present situation in Macedonia, noting in particular the feared potential for violence between the Albanian community and other Macedonian ethnic communities. Such a potential explosion, sparked by small groups undertaking provocative "actions" in order to get a "reaction," is believed by observers to be what could trigger a social explosion in Macedonia, which could lead to fracturing the country and to an attendant spiral of war. After all, they note, the first Balkan war started with the partition of Macedonia.

"The next piece of information," *Fokus* wrote, "is very important for both the Macedonians and the Albanians. . . . It is reported that the Commander of the NATO troops in Macedonia, besides being an expert in psychological warfare and having an intelligence background, has a very specific experience in his career." After describing the events of "Bloody Sunday," the weekly stressed: "After that incident, the relations between Catholics and Protestants grew worse

and worse. . . . Two years afterward, Captain Jackson was promoted to . . . commander of all British troops in Northern Ireland." Jackson started his military career at age 19 in the Intelligence Corps, and in 1995 and 1996 commanded the UN troops in Bosnia, when Bosnia became a de facto NATO protectorate.

Cheerleader for ground war

The story's publication — whose details are public, but were not known by most Macedonians — coincided with a renewed campaign by Jackson to solicit a NATO ground intervention in Kosovo, of course, under his command. Jackson warned, as reported by the European media, that the NATO ground operation must be "prepared" within the first part of June, or it would be too late to bring back the Kosovar refugees before the October snowfall.

Clearly the timetable supplied by Jackson is fraudulent, because it is impossible to foresee a reconstruction of Kosovo — now destroyed by the Serbian forces and by three months of unrelenting NATO bombings on infrastructure, including communications systems, roads, bridges, and energy supplies, and cities and towns — unless it is begun *immediately*. But, Jackson's "warning" corresponded with the timetable announced by one of his greatest admirers, British Prime Minister Tony Blair. At the end of the NATO Washington summit, after the resounding defeat of his demand that NATO decide for deployment of ground troops, Blair had made an revealing statement. Barely hiding his animosity toward President Clinton, Blair shrugged that "it does not matter anyway," because months of air bombings were needed before being prepared to launch ground troops. The deadline for ground troops was *June*.

In the first weeks of May, the dogs of ground-war came out with another assault, especially the U.S.-based British media machine. Zbigniew Brzezinski and his group in the Balkan Action Council (BAC) went on all-out campaign against Clinton and whoever else wanted to stop a military invasion, not only of Kosovo, but also of Serbia itself. For example, James Hooper, the Executive Editor of the BAC, published an commentary in the Reverend Moon-owned *Washington Times*, on April 29, headlined, "Calling for President Blair." It reads: "How can we get the leadership it will take to turn the air campaign into a winning ground war? The simplest way is to revoke the Declaration of Independence and reunite with Britain to avail ourselves of Tony Blair's firm and principled leadership."

The pressure apparently led to the NATO decision to prepare 50,000 ground troops, allegedly for policing Kosovo after an agreement. London is sending to Jackson three military units that can hardly be qualified as "peacekeepers." The 1st Royal Irish Regiment (experience in Northern Ireland), the 1st Royal Gurkha Rifles (generally considered ruthless), and the 1st Battalion Parachute Regiment, Sir Michael's old regiment of "Bloody Sunday" infamy.

Colombia revolt marks spread of 'Kosovo effect' in Americas

by Dennis Small and Luis Vásquez Medina

Colombian President Andrés Pastrana's civilian Defense Minister, Rodrigo Lloreda Caicedo, resigned his post on May 26, in protest against the government's announcement the week before—without consulting either the Defense Minister or the Armed Forces—that the huge demilitarized zone (DMZ) in the south, which has been under control of the drug-running FARC narco-terrorists since last November, would in effect be delivered permanently into FARC hands.

Sixteen of Colombia's active-duty generals, along with some 30 colonels and up to 150 other officers, also tendered their resignations, creating a profound institutional crisis in the country. A heated, emergency meeting among President Pastrana and the military top command produced a momentary agreement (the terms of which have not been made public), but the underlying life-and-death issues are far from resolved.

In a press conference, Minister Lloreda blasted Pastrana's acquiescence to create "indefinite" DMZs in the hands of the narco-FARC, purportedly to promote peace negotiations. "The message it sends to the country and to the world is almost of a hand-over of territory," he said. Lloreda revealed that he had been refused access to the President to even discuss the decision, and that 70% of the Colombian population opposes the demilitarization. "There are principles that cannot be negotiated," he warned.

As for the military command, they reportedly brought to their emergency meeting with the President a confidential dossier documenting that the narco-terrorists are manipulating the peace process in order to obtain recognition as a "belligerent force" worthy of international diplomatic recognition. Army chief Gen. Jorge Mora told Pastrana, according

to the Colombian daily *El Tiempo*, that "the country cannot tolerate, for any reason, that the guerrilla which is bleeding the nation achieves recognition as another army within the Colombian state."

The Clinton White House gave quick backing to Pastrana in the crisis, in line with the State Department's ongoing policy of total support for the insane peace negotiations with the drug-running FARC. Spokesman Mike Hammer stated that "the White House totally supports President Pastrana . . . [who] is going to continue with his efforts toward peace, which are very important." London-sponsored non-governmental organizations, such as the George Soros-funded Human Rights Watch, also immediately backed Pastrana, and promised him "the full support of the international community" to, once and for all, bring the Colombian military to heel.

The 'Kosovo effect'

Although only the most informed among Colombia's military and political elite are aware of it, a driving force behind the dramatic military revolt is what can be called the "Kosovo effect"—the growing realization, in Colombia and across Ibero-America, that, if London has its way, what awaits the nations of the region is the same fate as Kosovo, the annihilation of national sovereignty at the hands of the "new NATO."

At a seminar sponsored by *EIR* in Bogotá, Colombia in early May, the widely respected Gen. Harold Bedoya (ret.), former head of the Colombian Armed Forces and former Presidential candidate, explained: "Colombia is on the road to becoming a new Yugoslavia. . . . Associations have been born which are taking Colombia to its own disintegration." Referring to the DMZ granted to the FARC, he warned: "This



Colombian President Andrés Pastrana meets with narco-terrorist leader “Tirofijo” (“Sureshot”). Pastrana’s capitulation to the terrorists led to the resignation of his Defense Minister, 16 generals, and up to 180 other officers.

FARC enclave is an enclave of drugs, and of terrorism, and doesn’t only affect Colombia. It is threatening to destroy the entire region, and to become a worse problem than what is going on right now in Yugoslavia.” (See General Bedoya’s speech in this issue.)

Colombia is hardly alone in this fear. The Yugoslavian developments contain a threat to the entire region, which cannot be ignored. In a number of Ibero-American countries, terrorist groups sponsored by London are active—such as the Landless Movement in Brazil, and the Zapatistas in Mexico. These groups often wrap themselves in the protective flags of “human rights,” “indigenism,” and “environmentalism,” which are among London’s favorite pretexts for justifying supranational police and military intervention into sovereign nations.

“Let us suppose that President Slobodan Milosevic is the cruel racist that Bill Clinton and NATO say he is,” wrote Brazilian columnist Walter Ceneviva in the May 14 *Folha de São Paulo*. “Should the Yugoslav people be cruelly and permanently bombarded . . . bearing neither any blame nor any efficient means of defense at hand? Do we all deserve the threat of a world war, thanks to the disastrous bombing of the Chinese Embassy, because NATO didn’t purchase the latest tourist map of Belgrade?”

“We Brazilians have to be alert,” the columnist added. “If we remain silent in the face of the barbaric bombing of Yugoslavia, in order to win a seat on the UN Security Council,

we will lack the morality to protest when the great powers decide that we are not adequately conserving the Amazon jungle (the lungs of the world) and they come to apply the same medicine, until we hand over the zone to their ‘humanitarian’ control.”

In Guatemala, the “Kosovo effect” is also being felt. It is noteworthy that the Guatemalan population has just overwhelmingly rejected a referendum on constitutional reforms included in recent “peace agreements” which were designed, and imposed on Guatemala, by the United Nations and other instruments of London policy. As one Guatemalan housewife interviewed by the *Washington Post* put it: “Rather than trying to unify Guatemala, they are attempting to divide it. . . . The country is going to end up like Kosovo.”

Peru says no

The Ibero-American nation which has most clearly opposed the “new NATO” doctrine, is the one that has most successfully waged a war against London-sponsored terrorist forces. This has not escaped the notice of the British and their State Department side-kicks.

On April 23, at the second anniversary commemoration of the successful freeing of the hostages held by the terrorist MRTA at the Japanese Ambassador’s residence in Lima, U.S. Ambassador to Peru Dennis Jett issued highly provocative remarks. He compared the heroic rescue of the hostages by the Peruvian military, with the genocidal bombing campaign

being carried out by NATO against Yugoslavia.

Jett expounded: “Just as in the case of [Operation] Chavín de Huántar, where the Peruvian government made the decision to intervene,” NATO will continue its policy course “in order to put an end to the abuse of human rights” in Yugoslavia.

The president of the Foreign Relations Committee of the Peruvian Congress, Oswaldo Sandoval, immediately rejected the comparison, and told the press: “We cannot tolerate such a comparison between the heroic actions carried out by our Armed Forces in an internal situation, in which a group of Peruvian terrorists were violating the human rights of Peruvian hostages, and that of Yugoslavia. Because in that country, in the face of human rights violations among members of that federated nation, foreign powers are intervening to resolve the human rights of one group [the Kosovars]. That is destroying the Yugoslav Federation.”

Jett’s remarks were in answer to the firm posture taken by the Peruvian government against the Yugoslav bombing. On March 24, the Peruvian Foreign Ministry issued an official government note on NATO’s actions, which “profoundly laments the decision to take recourse to the use of force as a measure to solve the problem.” The bombing has been “indiscriminate,” and is being carried out “ignoring the proper role of the United Nations Security Council.”

Peru insisted that “the civilian population be protected, and that negotiations be reestablished as soon as possible, in order to find a peaceful and lasting solution, and [Peru] calls on the Yugoslav authorities to persevere in that objective.”

The Peruvian statement, one of the first and most forceful to be issued in the region against London’s “new NATO” lunacy, produced an immediate reaction from the Lima ambassadors of the NATO nations, who issued a communiqué protesting that the bombing has not been “indiscriminate,” while posturing about the supposed “precision” with which NATO planes have struck their targets. Within days, the Chinese Embassy in Belgrade was struck by NATO bombs.

Patricio Ricketts, the dean of Peruvian journalists, wrote in his April 23 column in the daily *Expreso*: “And what is happening in Kosovo? Are we not witnessing the first appearance of a military force and a policy which point toward the disintegration of Russia in a thousand pieces, captive to the empire? Where are the pharisaical wars taking us?”

Ricketts added: “Similarly, before, it was Kuwait, Bahrain, and the Arab Emirates, invented on top of rich oil fields. And tomorrow it could happen in Chiapas [Mexico], or in Ecuador or Peru, not to mention splintered Colombia.” Ricketts asked ironically, “Why not have an Ashaninka Republic in Camisea,” referring to the Peruvian Indian group which lives in an area of the country which is home to the giant Camisea natural gas reserves. “Panama was born overnight, in order to take the canal zone away from Colombia” in the early 20th century, he reminded his readers.

Bedoya on the ‘new NATO’ and a Marshall Plan for Colombia

The following is a slightly edited version of a speech given by Gen. Harold Bedoya Pizarro (ret.), former Presidential candidate and president of the Movimiento Fuerza Colombia, at an EIR conference entitled “In the Face of the Financial Collapse, the New NATO Threatens the World,” on May 6 in Bogotá.

Good evening. My thanks to Maximiliano Londoño, president of the Ibero-American Solidarity Movement, for inviting me to this meeting to deal with matters of great importance for the country. I am similarly grateful to be here with Jorge Carrillo, former labor minister and founder of the Unified Workers Federation, in these meetings which are vital to the future of our nation.

When I was beginning my Presidential campaign [in 1997], we began to put together an economic study of what was happening in Colombia, and we discovered that the war could be seen in the economic indices of the country: In recent years, especially during the previous four years, the country had negative growth, and its foreign debt increased. The country had reached unprecedented levels of poverty, to the point that the agricultural sector has had a 2-3% negative growth rate, and we were no longer producing practically anything. The conclusion was that the country was devastated by poverty, by terrorism, by the drug trade, by violence, by corruption, and that it needed to be rebuilt. Because, we were in the center of a struggle, of an international war: the war of the mafias. Here we have had the mafias of marijuana, of cocaine, of poppy—mafias that have lived and co-existed since the 1970s. We have suffered more than 30 years of this war, which has brought us poverty and misery.

So, in our campaign, we proposed that Colombia needed, and still needs, a Marshall Plan, and that the great world powers should collaborate in the reconstruction of Colombia, in a plan similar to that which allowed the reconstruction of the European countries devastated by the [Second World] War. This proposal received some response, especially in the United States, perhaps also in Japan, in Russia, in Spain, wherever it was thought that investment was needed in Colombia. It was given the name Marshall Plan so that the Europeans and the Americans would understand that what we were dealing with was a reconstruction plan.

We thought that this plan would cost some \$6 billion, provided by the international community and by Colombia,

to rebuild zones ravaged by violence and the drug trade. The goal was to create poles of agricultural, agroindustrial, and cattle-raising development, through a total reconstruction of infrastructure, the acquisition and development of technology and the making available of appropriate channels for marketing. The idea was that areas like Caquetá, which are now famous [as the FARC's demilitarized zone], would become poles of development.

The plan has two prongs: one is an association for development, and the other is an alliance to fight against drug trafficking and terrorism, for which we need the collaboration of the United States and of the European countries.

Well, all this ended up with Colombia, instead of implementing the Marshall Plan, an idea which President Andrés Pastrana once picked up during his campaign, applying instead the so-called "Colombia Plan," which boils down to there being no money for anything. You have all seen that not one country in the world, not one developed country, has given a single peso to Colombia for reconstruction. The only thing I have heard is from one gentleman, a delegate from the United Nations, who came to offer \$5 million to "Tirofijo" [FARC chieftain Manuel Marulanda] to change the coca crops to some other crops; he was here a month and a half ago, and he took his trip to Caquetá.

Pastrana's plan is based on using Colombia's own resources, that would be obtained through some bonds which he calls "peace bonds," and also through new taxes as stipulated in the Development Plan. The worst, is that those who supposedly are going to rebuild the country, are those who have destroyed it, the FARC narco-terrorists. As Dr. Carrillo said, we are speaking of absurdities. It would be like asking the devil to reform the Hell he himself has created! So, we are in a country which has been unable to establish its course, nor has it understood what reality is.

The lessons of Yugoslavia

Now, I want to look over at Europe a little, because I try to see what is going on in Colombia from a strategic perspective, from the standpoint of what is happening right now in Europe with this situation created by the war that NATO has declared against Yugoslavia. And it seems that Colombia is a laboratory.

All the U.S. generals who are running NATO right now, which are running the Pentagon, have come through here. Gen. Wesley Clark, who is currently NATO's commander, came many times to Colombia when he was the head of the U.S. Southern Command, at that time headquartered in Panama. He travelled around; he realized the gravity of the situation, that the country was in the hands of the mafia, and that it was descending into an unsolvable situation.

He told me: "Look General, I am going to the United States next week, and I am going to ask there for a debate in the U.S. Congress to study the problem of Colombia, which is very serious, so that you will be able to buy helicopters

without any restrictions." At that time, the doors were closed to us because we were supposedly violating human rights. This is another highly dangerous weapon with which supranational intervention in our country is justified. This general managed to open the doors for us. The Colombian government allocated \$100 million to buy some helicopters.

When I spoke at the U.S. Congress, and proposed this Marshall Plan to them, and I recounted the history of the country destroyed by the mafias, mafias which had reached up to the very Presidency of the republic, the U.S. government asked me: Okay, how much is that plan going to cost? When I told them \$6 billion, they told me it wouldn't be a problem, that that money could be easily gotten. Nothing came of it.

Those generals are now in Europe; they are now the commanders of NATO, and Gen. Clark is there. They are at war, at war against a country that one could compare with Colombia. These cybernetic wars of the post-Cold War period are insane, and whoever wages them, fails. The United States should not repeat the experience of Vietnam.

These wars without a valid moral purpose are a total failure. The war in Yugoslavia is just like the two wars that have been launched against Saddam Hussein in the Persian Gulf. They were two incomplete wars that never ended in anything, except in a real defeat for NATO. This Gulf war to which NATO and the U.S. are committed, ended up strengthening Mr. Hussein. The more they bombed him—and they sent all the bombs they had and then some—the more they bombed the palaces, the command posts, the anti-air defense units, the pipelines, all the infrastructure, the stronger, the more powerful Saddam is every day.

The United Nations, NATO, and the United States, lost the war. The devastation of Iraq has been vast, but it has not meant a victory for NATO. They didn't learn the lesson and they are committing precisely the same errors in Yugoslavia. Instead of making a great show of the technical means at their disposal, the fundamental thing is to determine if there exists a higher-order moral purpose that justifies the war, and also if there is the will to win and to impose a just, and therefore lasting peace.

This idea of a war of smart bombs, a war of spy planes, a war in which, according to the press, they have just transported into the area 300 Apache or Cobra combat helicopters, is absurd. The war, which has already lasted a month and half, is a war which has no end, which is going to continue, which is uniting the Yugoslav people. This war teaches us a series of lessons. This is where I would like to open the eyes of Colombians, and of friends from other latitudes who listen to my message.

First, wars are not won by powers, wars are won by the people; the only ones capable of resolving an internal problem are the people themselves. With all the technology, all the rules, all the capacity, all the alliances there are, have been, and will be, these wars cannot be won. NATO is in such a dilemma, that it is casting its eyes on the United Nations to

Public protests needed to preserve the nation

The following are excerpts from an article written by former Colombian Armed Forces Commander and former Presidential candidate Gen. Harold Bedoya Pizarro (ret.):

[President Andrés Pastrana] should have honestly told Colombians that the space for free and democratic political openings is on the verge of perishing, or has already perished with the birth of the narco-terrorist Republic of Caquetania, and that the state of law throughout the national territory passed away last Nov. 9.

And if this weren't enough, "Andrés the Bold" kidnaps himself every chance he can, as he did on May 22, when he placed himself at the mercy of the most dangerous genocidalist in the world [FARC chieftain Tirofijo], fleeing from the Nariño Palace and eluding the military forces, those who are constitutionally responsible for his personal security.

With this episode, as unworthy as it was cowardly, once more every vestige of authority is called into question, and crime and violence is fostered within and outside the national borders. During the period of this government so far, nearly 70 townships have been destroyed, on an

average of one every four days; at this rate, by the end of Pastrana's mandate, half of the nation's townships will have perished, and the large and medium-sized cities will be crammed to overflowing, without a future and sunk in misery.

To fix the injustices of a peace process which disguises the belligerent status which the FARC wants, which rolls willy-nilly toward the abyss, carrying all of us with it, the Tirofijo-Pastrana duo eagerly seek a general to lend himself to negotiating the unnegotiable, and to play the part of General Huertas, who in 1903 joined with President Marroquin in betraying the Fatherland and permitting the separation of the department of Panama and its inter-oceanic canal, from the Republic of Colombia. . . .

Those of us who believe that this country does not belong to special interests but to all of us, that the national territory is non-negotiable, that justice and the Constitution exist to be applied, and that the military forces only belong to the nation to guarantee its independence, its sovereignty, its territorial integrity, and its constitutional order, cannot allow the nation to come to an end, to be handed over on a silver platter to the narco-terrorists, the products of impunity and bad governments, because of the irresponsibility of the political elites now in power.

Under the current circumstances, national unity and public protests should break out in every corner of the country, as the best weapons to guarantee that Colombia continues to subsist as a free and sovereign nation.

come and solve a problem that they have been unable to solve. NATO wanted to resolve a problem in its own way, without consulting anyone, not even the governments and congresses of each one of the member countries of NATO.

It is clearly proven that Russia, for example, was the other great power that existed until the Cold War, or the so-called Iron Curtain ended. That power had an alliance very similar to NATO, which was called the Warsaw Pact, which was in some way an equalizing force, a wall of containment to prevent war in that part of the world.

The Balkanization of Colombia

And now, Colombia is on the road to becoming a new Yugoslavia. General Clark already warned of this: "It is a very serious problem you have here," he said. In Colombia, we don't have ethnic problems, nor cultural nor religious problems, nor are we a country which is a patchwork quilt, as Yugoslavia perhaps is. No. Colombia is a country with the same culture, the same religion, the same customs. But other associations have been born which are taking Colombia to its own disintegration.

In Colombia, we have the mafias of terrorism and of

drug trafficking which have seized the country; they are the ones which are handling the whole problem of the drugs that are moving in America, and which also export their narcotics to Europe and to Asia. This involves millions and billions of dollars, and these billions of dollars are in Europe and in the United States, not here in Colombia. In Colombia, the only thing left to us is violence, poverty, and unemployment. But here the mafias are co-existing with a ruling class, a political class which also forms a part of those mafias. These groups operate outside of the law, and they have infiltrated the three branches of the state; they are in the Judiciary, they are in the Congress, and they are in the Executive. That amalgam today is allied with terrorism and the international mafias. But we in Colombia have not wanted to see this, and the country is going through a daily-accelerating process of poverty, of degradation, and of misery.

How is that problem going to be resolved if the government has allied itself with those who are causing the problem of terrorism and of the mafia? We have here three powers: that of terrorism, the government, and the mafia, united supposedly to solve a problem that is not resolvable in alli-

ance with criminals.

An enclave was born in Colombia, an enclave in Meta and in Caquetá, and another enclave is shortly going to be born in the south of Bolívar. This FARC enclave is an enclave of drugs, and of terrorism, and does not only affect Colombia. It is threatening to destroy the entire region, and to become a worse problem than what Yugoslavia is going through right now.

By the time we realize what is happening, the gravity of the situation, Colombia will have lost all its defenses; Colombia will have lost the strength that we had even a few years ago to deal with crime. That is why it is so important that Colombians understand reality: that for Colombians, it is we ourselves who are called upon to resolve our problems, because no international power—not the United States, not the Blue Helmets, not the Green Helmets, not the United Nations, nor any country in the world—is going to resolve for us the problems we have here.

So, what to do? Return to the Marshall Plan, to the Plan for Reconstruction. The country has to be rebuilt, it must be done. But how? In two ways: the Association for Development, with international help. This international help is justified because we are waging a war that is not of the Colombians, but of the entire world: the fight against the mafias of international drug trafficking. We have been left absolutely alone, without help, without collaboration. The scarce resources the country has, in the face of all the crime and violence, are fleeing the country to swell the wealth of other countries, especially of the United States and Europe.

We also need to form an international alliance to do away with the mafias. As long as the mafias in Colombia are not destroyed, as long as we do not put an end to the drug trafficking, to the terrorism, to the illegal crops, the laboratories, the cocaine complexes, Colombia is never going to be able to escape the tragedy in which it is living.

Unfortunately, the situation is getting worse, and the United States, which was perhaps our best ally in this fight, nowadays is contradicting its policies in the fight against terrorism and drugs. The United States is endorsing relations with those same terrorists and those same drug traffickers, as occurred not long ago with the interviews which delegates of the State Department held in Costa Rica with the FARC, and with the presence of the U.S. Ambassador in the laboratories that Mr. “Tirofijo” has in San Vicente del Caguán. In other words, we are losing friends by this farce, by this lie.

There is not a single government in the region which supports this policy of surrender by the Colombian government. Two months ago, Peruvian President [Alberto] Fujimori spoke, and said unequivocally that Colombia was committing suicide, that Colombia was handing itself over to the mafias, that Colombia was going to destabilize Peru. He ordered the creation of theaters of operation all along the border with Colombia. Brazil did the same, and so did Ecuador, and so did [President Hugo] Mr. Chávez in Venezuela,

and surely the Panamanian government is going to have to do the same. That is, Colombia no longer has allies in the region, no longer has allies in the United States.

However, here, all the media, television, radio, and press all say that it is a marvel that we are giving the country to Mr. “Tirofijo.” Is this peace? In Colombia, every four days, terrorist forces destroy a township through terrorism, eliminating the agricultural bank, the savings banks, the mayor’s office, and the police post. During this government so far, 62 townships have been destroyed. Since Aug. 7 last year [when President Pastrana took office] through now, 62 townships have been destroyed, not to mention the massacres. The arithmetic is straightforward. The terrorists are destroying eight townships a month in Colombia. In the 48 months that this government will theoretically last, 384 townships will be destroyed. If we add to these, the townships already destroyed, we will have 500 of the 1,070 townships in the country destroyed! People flee the countryside, and fill up the belts of misery in the big cities. The entire world is so concerned with the situation in Kosovo, where Serbian terrorism and NATO bombs have caused an exodus of 400,000 Kosovars. How many displaced do we have in Colombia? Colombia has 40 million people, and there are not even 20% left in the countryside. And these displaced can be found begging in the streets of the major cities, at the traffic lights in Bogotá.

General Clark is already asking for \$6 billion to continue his war, the same sum I asked for the plan to rebuild Colombia. And they are going to give it for this failed war in Yugoslavia. Here we have a worse war, but we are anaesthetized. President Pastrana goes to Caquetá and rubs bellies with the country’s greatest terrorist. Some journalists tell us that it is a marvel that the country is having “symptoms of peace.” We are dying, they are shooting us, and we are saying that we are just fine in Colombia.

We are anaesthetized, asleep, indifferent. We are all going to die without reacting. If to be a politician means to tell lies, then I am no politician, because I don’t believe that lies and the corrupt machines in Congress, in the Justice Department, in the Executive, are going to save this country. The country must rise from the ashes to save the Republic and to put an end to poverty, misery, and unemployment.

This development plan which has just been issued, the Pastrana government’s Development Plan, is shameful. Once again, a 0.2% tax, imposed, of course, by the International Monetary Fund; the euphemistically dubbed Peace Bond, to give resources to Tirofijo, supposedly to develop the territories that he himself has destroyed. Last night, we saw a spectacle never seen before in Colombia: Men and women, youth, stripped in front of Congress to see if this would get the legislature and government of Pastrana to notice that the country is dying. This is the message that was sent, but it was not understood. It is up to all of us Colombians to change things.

Toward a National Reconstruction Front

by Jorge Carrillo

The following is a slightly abbreviated version of the speech given by Jorge Carrillo Rojas, at the EIR conference entitled, "In the Face of the Financial Collapse, the New NATO Threatens the World," held May 6 in Bogotá, Colombia. Mr. Carrillo is a former Minister of Labor, founder and president of the Colombian Unified Workers Federation (CUT), and a former ambassador to Guatemala.

I want to begin by reading a quote taken from an article in the newspaper *El Espectador*, on the KLA. The article is entitled: "Terrorist KLA":

"The Kosovo Liberation Army, which is fighting for the separation of the Serbian province and is helping NATO in the war against Yugoslavia, is a terrorist group which obtains financing from heroin trafficking, according to the secret services of the United States and of other countries. The *Washington Times* newspaper, which published the report on its front page, quoted documents according to which anti-drug agents from five countries, including the United States, know that the KLA has close ties to organized crime in Albania. This is not something new, since the State Department in 1998 had already officially described the independence group now backed by NATO as terrorists financed by heroin trafficking. According to the newspaper, the Albanian mafia . . . has among its leaders people of the National Kosovo Front, the political arm of the KLA. The profits are to be used to buy weapons for the Kosovar guerrillas. Nonetheless, American Senators proposed that U.S. public funds be allocated to finance the KLA."

That is, just like in Colombia, where the U.S. State Department is now backing narco-terrorist forces which want to divide the Colombian nation, NATO is backing a drug-trafficking group in Yugoslavia. The Anglo-American forces that unleashed this war, used NATO to elude the United Nations Organization, which at the time was not considered appropriate because the UN Security Council includes countries which do not agree with this intervention—in particular, China and Russia.

It is likely that President Clinton will try to correct these errors. This would imply that Russia play an important role in a possible agreement in the Balkans. As Lyndon H. LaRouche has warned, a simple political agreement which is

not based upon a Marshall Plan for reconstruction of the region, will not work.

The second quote that I want to read to you is taken from the book *The History of Christ*, by Italian writer Giovanni Papini. Papini lived around the time of the atrocities of the First World War of 1914-1918. The first edition of *The History of Christ* was published in 1920. Strangely, the book disappeared from the bookstores. I had a copy of the book 40 years ago. I lost it, and I have done a great deal of work to get another. The quote is:

"Of all the forms of legal exercise of trade, there is none more detestable and more worthy of censure than trade in money. If one gives a sheep in exchange for money, we can be sure that it is for the purpose of making more money than the sheep was worth. The sheep gives one, at least, something that is not the hateful mineral symbol of wealth. It is a living creature which provides wool in the spring, also a lamb, and, if one likes, food to eat. But the exchange of money for money, for one handful of metal for another handful, is absurd and demonic. Everything that smells of banking, of usury, is a mysterious and disgusting shame which has always terrified simple souls. . . . The peasant who sows wheat and harvests it, the weaver who weaves wool and flax, has up to a point the full right to increase his profit, because he is adding something that was not in the earth or the fleece. . . . The money merchant, the hoarder of silver, is more given to the sacrileges of the devil, and the acknowledged devil gives precisely to them, to the men of banking and of finance, dominion over the Earth. They are the ones who rule the people today, who provoke the wars, who kill nations with hunger."

Economy and looting

Papini said this in 1920. And this problem which affects the world can be seen clearly in Colombia. Until perhaps ten years ago, it was acknowledged that Latin America's foreign debt was \$450 billion, and that it has been paid de facto, through interest that has been paid. It has been completely paid off, but afterwards they began to devalue our currencies. It has been paid with our products, whose prices are increasingly diminished. And today, Latin America's foreign debt has doubled with respect to the total amount mentioned above.

In the case of Colombia, as well, the debt has doubled. Before, our coffee was paid at \$1.40, and today, the price is less. And we could say the same has occurred with all the export products. The dollar-peso exchange ten years ago was 500 pesos to the dollar. As our debt is denominated in dollars, it is natural that we must multiply our efforts domestically, to be able to cover the service on the debt.

When President Pastrana travelled to Washington last year to obtain a \$2 billion credit, the international financiers forced him to commit to two things:

1. To save the financial sector, which he then did. To do this, when Pastrana returned to Colombia, he gave Granahor-

rar 400 billion pesos to avoid liquidating that entity. Later, he imposed the 0.2% tax on banking transactions, a tax which will trip to keep the financial system alive beyond the year 2000.

2. That the state would be accountable for the private debt. Eight years ago, the private debt was \$1.6 billion. Today, the private debt is \$17 billion. The total foreign debt of Colombia is slightly more than \$34 billion. Why do they want the state to guarantee the private debt? Because, faced with high interest rates on the domestic market, Colombian businessmen sought loans abroad, and many companies are now on the verge of bankruptcy, so there is not much security for the lenders. Because if the businessmen cannot answer for the debts, then the Colombian state will be made to answer.

The exporters say that to increase exports, two things must be done:

1. Devalue the Colombian peso, because it is said that it is overvalued. They say it must be forced way down in value, the trading band be eliminated, and the “free market” must be allowed to operate. Jeffrey Sachs, the Genghis Khan of economics, recently came here to insist that we should devalue the peso immediately.

2. The other thing the bankers are telling us, is that, supposedly to improve the competitiveness of exports, real wages must be reduced, and to achieve that objective, they want to change all the labor legislation. With a devaluation, wages will also be devalued. They want to hire workers at less than minimum wage, and want to establish new labor contracts without social benefits and without legally required benefits. According to this Nazi theory, unemployment is not caused by the economic crisis we are in, but by labor legislation. They insist that if labor costs were lowered by 25%, people would have work. They want to eliminate social benefits, overtime, and extra pay for night and holiday work. In sum, a return to feudalism.

This is an insane mentality. How many companies have gone bankrupt in the past nine years? In Colombia, at least 25,000 companies have collapsed since this system of the free-market, globalization, and annihilation of the nation-state was begun. The result is that the productive sector has been reduced; more than 2 million hectares of arable land have been abandoned in the past nine years. This policy affects food self-sufficiency. A country which is not self-sufficient in food, does not think about progress. The policy imposed on us is based on the idea that there is no need to develop the agricultural sector not be developed, but rather to import food, food whose world trade is in the hands of three or four multinational companies.

That is why we must study closely what is going on in countries like China, which are refusing to accept this. Countries which, as Lyndon LaRouche describes them, are forming a Survivors' Club. I refer to China, Russia, India, and Malaysia, among others. Countries which refuse to accept these kinds of policies and which advocate a more humane system.

Carey and the harmony of interests

So, what is to be done? I remember that some nine years ago, I read the writings of Henry Carey, one of the economists who influenced Lyndon LaRouche. Carey said that for a country to move forward, a harmony of interests is required, a community of interests among workers, growers, scientists, and industrialists. And he said that the moment that one of these sectors attempts to loot another sector, the one that ends up looting all the sectors is the speculative financial sector. That is what is happening in the world today, and it is very serious, so serious that the productive sector is moribund.

The business sector cannot believe that it can get ahead by looting labor, paying less and less for its work, and thus shrinking its own domestic market. If we improve workers' salaries, we are going to strengthen the internal market. If Colombia has more than 42 million people, how can we not have a great and strong domestic market?

Carey insisted that as long as one sector is thinking only about looting another, what happens is that someone comes from the outside and loots us all. Thus, the prescriptions of the International Monetary Fund are being applied, which insist that we must continue to privatize—or, better said, pirate. It is piracy that we are suffering at the hands of the multinationals. And it is double looting, because the income the country receives from these piratizations only serves to slightly relieve debt payment. It's an exchange of assets for debt.

If we were to put Carey's teachings into practice, and bring about a harmony of interests among the businessman, the worker, the grower and the scientist, we could move our country forward. With this concept of harmony of interests, we should be able to create a movement that unifies the entire population against usury. The population does not feel represented by the political parties, nor by the elites, and much less by the governments which come into office with a popular vote and then do precisely the opposite of what they had promised.

We should create a National Reconstruction Front, which would keep on growing as happened with the Army of Liberation during the era of the Independence. And this is a concept to be applied everywhere, not just in Colombia, so that the next century will be known as the humanist century. We have to bring about a new cultural renaissance to save humanity and prevent a return to barbarism. We cannot remain in the hands of these lunatics who are running NATO and the IMF, who believe that killing us every day by starvation and war is going to enable them to keep their empire going, with its feet of lead.

As U.S. statesman Lyndon LaRouche and his wife Helga Zepp-LaRouche have proposed, it is time to establish a New Just International Economic Order, a New Bretton Woods. This is what I wanted to pass on to you this evening. Thank you very much.

‘Pastrana, a government on its knees before the FARC’

Msgr. Héctor Julio López is Apostolic Prefect of Ariari, Colombia. With the exception of San Vicente del Caguán, the other four townships which are in the “demilitarized zone” under FARC control—Mesetas, Serranía de la Macarena, Uribe, and Vista Hermosa—are part of the diocese of Monsignor López. The prefecture of Ariari includes, in all, 16 townships of the department of Meta, in which the double plague of drug trafficking and narco-terrorism mercilessly affect the population of the zone. The following are excerpts from an interview with Monsignor López conducted on May 14.

EIR: I would like to discuss with you some very polemical issues regarding the development of Colombia, and especially of this region.

Monsignor López: With pleasure. I am interested in speaking with you, because I understand that you have a great deal of experience, know of many interesting things about which you could tell us, to better understand the situation that is going on in our country.

EIR: Monsignor, knowing that for nearly 12 years you have had ecclesiastical jurisdiction over these territories, the demilitarized zone; what is your general evaluation of the zone and of the so-called “laboratory of peace” established by President Pastrana?

Monsignor López: As I have stated, we are going from *despeje al despojo* [demilitarization to plunder]. Because what the President did by conceding that territory to the FARC as a territory for détente, was nothing other than to legitimize what the FARC had already been doing for a long time, which is to seize control of the country, of that sector of the country, to impose its laws and rule as it pleases. It is not a power which promotes human dignity, which promotes work, as a government should foster public welfare. No, nothing useful is being promoted there. What they are manufacturing there are slaves, and imposing laws that simply favor the FARC’s interests.

EIR: Monsignor, are we to understand that the legitimate institutions of the state, which are the basis for, and guarantors

of a sovereign nation-state, could also be plundered?

Monsignor López: Yes, exactly. Not only is the FARC seizing power and territory, and leaving the people with practically nothing, but they have already taken all authority unto themselves. They make all the laws, impose all kinds of taxes. It is a usurpation of all territory, geographically as well as politically and socially.

EIR: How would you characterize the actions of President Andrés Pastrana?

Monsignor López: As I have already said many times, his actions are very disconcerting to me. On the one hand, I think he has been a weak ruler. A ruler, I would have to say somewhat harshly, on his knees before the FARC, who has granted to the FARC what they have asked. And he has demanded nothing in return. And so, he has been giving away, and giving away. I don’t recognize the Pastrana I saw during the campaign.

But, on the other hand, in seeing this, as so easy, which, does not fit with his manner nor that of his forefathers, I can only hope that he has ceded the maximum, to be able to later demand the maximum. And at times I imagine that he may have a hidden card that he is going to pull out at the right moment. What it is, where it is going, is practically impossible to guess. But, I have this hope and truly want to keep it alive.

EIR: Because of your responsibilities, you have heard the testimony of people from the area under your jurisdiction. What kind of excesses are the FARC committing?

Monsignor López: Well, there are many. First, on the economic side, they impose what we call “ticketing,” and what they call “war taxes.” That is, they demand money from people for everything—for owning a home, for having cattle, for cultivating the land, because they made a profit on some sale. For everything, people have to pay. Furthermore, the FARC has the custom of asking, from time to time, that a bazaar be held, to collect “X” amount of money. They shut down all the businesses in the area; one can only buy what one needs or wants in the place where the bazaar is, whose profits are for the FARC. Or, they impose raffles, and then

a community group or a neighborhood has to collect 500,000 or 700,000 pesos, and they sell raffles or whatever, but they collect the money. Those who take their products to market, have to pay to be able to take them there. Those who have a car to transport their products, have to pay for that privilege. And thus, they are economically impoverishing the people, pitilessly.

Then, there is the question of the family. They passed a law that there, in the demilitarized territory, after they had given an opportunity for those who didn't want to stay to leave the territory, the rest, by virtue of having decided to stay, had to belong to the guerrilla group in some fashion, becoming fighters, sympathizers, or informants. And, belonging to them meant that their children, from 13 years of age onward, had to go join the ranks of the FARC. Then, they destroy the family, terrorizing people so, that they have to leave their land with everything they have, to be able to save their children. And there is an even worse rupture, which is for the parents to know that their child is with the guerrillas, killing, abusing in a thousand ways, and that their child is there and that they will never be able to rescue him or her.

Also, socially, there is a serious problem, which is the order the guerrillas give from time to time, according to which the entire population, men and women alike, from 13 to 60 years of age, have to present themselves for so many days, three or four days, to train, under the argument that they have to learn to kill soldiers when they see them, because otherwise they will supposedly have to suffer the persecution and excesses of the army. Now, on the political side, no one is free to choose their party or their ideology, all have to accept the Communist ideology, like it or not. . . .

EIR: Have the terrorist attacks affected the pastoral work in your diocese?

Monsignor López: At no point, have they even put limitations on pastoral efforts. There was at one point an attempt to limit the pastoral efforts of lay workers. Then there were dialogues, and at least for now, they allow us to work freely; but, one must always ask permission, or advise them when a catechist is going somewhere and what they are going to do. There are obstacles in one sense, and in another, not. They have always respected the work of the Church; for better or worse, they accept it out of religiosity, which they retain—after all, they are children of Colombia. And, they want the priests to baptize their children, for the bishop to confirm them when he goes there. . . .

EIR: In these times, we could compare the narc-FARC with a faction of that same international oligarchy. What do you think about this?

Monsignor López: Well, the FARC has some of each. I think, on the one hand, it is a terrorist group, and on the

other, it is a financial group, because they are powerful. This information unfortunately is almost never published, but it has on occasion been proven that the FARC is the second or third most powerful group in Colombia, economically speaking. This information is not always published, because I think that there is still a great deal of fear of confronting the guerrillas, but this is a reality. The amount of money they handle is awesome, because they have two very large sources, which are: kidnapping and the drug trade. Their economic power is overwhelming, it is to be feared.

It is perhaps some consolation that they haven't sufficient people, because they have lost many, and their ranks are filled with children and with people naturally unprepared in every sense. This is what can lose them much of this attempt to govern, to be imperialists. . . .

EIR: Monsignor, with respect to President Pastrana, who you describe as on his knees to the FARC, what would your message to him be?

Monsignor López: I would tell the President to look at all the Colombians who are hungry; at all the Colombians who do not cease to cry for a loved one that has been kidnapped; at all the Colombians who suffer orphanhood or widowhood because of all the violence. That he look at a country with so many unexploited possibilities, and realize that in continuing to yield to violent people, to continue in this way, as if he has no plan, is extremely discouraging, disconcerting, and people no longer have the strength to react. Before people become fatally anemic, please either take out that card which it seems he has hidden away, or decide to lead a movement of unity of all Colombians against these forces of evil. If you, Mr. President, decide to make of Colombia a united people, I am sure that many, very many, will follow you. First will be the Church, because, as we have discussed here, unity is the great principle and mandate of the Lord. We need leaders, and you, who call yourself a believer and have been elected President by a Catholic people, you who understand well what the force of the Church is, must take advantage of that opportunity.

EIR: Monsignor, aren't you afraid, because of the statements you have made, for your security, of the possibility of a kidnapping, or even an attempt on your life, given that the FARC could take some kind of reprisal due to the international dissemination of your views?

Monsignor López: I must confess that, naturally, I have this fear. I am not made of stone. Yes, I am afraid. But I believe that even more horrible, more shameful than fear, is to remain silent. I was more afraid before, of being silenced. I hear so much from the people! I am practically the voice of those who have no voice. There is no one else. If there were someone else, it were better if he spoke; fine, let him do it. But, I realize that there is no one else. So, I have to be the one who speaks.

Seminar on LaRouche held at Russian Duma

by Karl-Michael Vitt

On May 24, a seminar took place at the State Duma in Moscow, which presented the work of Lyndon LaRouche on the role of the nation-state. Sponsored by the State Duma's Committee on Geopolitics and its Club for Public Support of the State Duma, the meeting was advertised with a flyer titled, "XXI Century—the Parade of Nationalisms: Analysts and political scientists discuss the work of the American public figure and leader of the International Schiller Institute of Science and Culture, Lyndon LaRouche." The participants were scientists, political scientists, experts, and staff of members of the Duma, the lower house of Parliament.

Prof. Taras Muranivsky, president of the Schiller Institute for Science and Culture, Moscow, gave a lengthy speech on LaRouche as a statesman and scientist, and his work on physical economy. Because of the war in the Balkans, Muranivsky concentrated on LaRouche's analysis of the war, "The LaRouche Doctrine" (published in *EIR*, April 16). That document and other Schiller Institute materials in Russian were distributed to the participants.

In the speech of Sergei Smirnov, the role of the nation-state and the necessity of reestablishing national sovereignty, as emphasized by LaRouche, was discussed. Smirnov, an expert attached to the State Duma's Committee on Geopolitics, spoke against supranational institutions like the International Monetary Fund (IMF), which destroy national sovereignty, and called for establishing a new system of truly independent states.

The editor-in-chief of the Russian magazine *Ataka* ("Attack"), Sergei Zharikov, analyzed the British role in the history of the 20th century, and in the present situation. Just as London supported Hitler's coming to power to further its own interests, he said, it operates today through people like Vice President Gore or Secretary of State Albright. He compared Gore's would-be taking power through the impeachment process against President Clinton, with Hitler's taking power. He criticized the failure of history books to take into account LaRouche's correct historical view.

Vladimir Marochkin, a writer and professional music critic, described LaRouche's attack on the counterculture of rock music, drugs, and sex. Criticizing what he termed the "police" and "pharmacological" approach to education, imposed upon Russia from the outside in recent years, Marochkin emphasized the need for Classical education. Professor of Psychology Vladimir Kitayev-Smyk highlighted the negative effects of the counterculture on the human organism. Scien-

tific experiments have proven, for example, that rock music disrupts the natural rhythm of the body.

Andrei Ignatyev, Doctor of Social Sciences and Professor of Theology, spoke about the question of true freedom. He agreed with LaRouche's view, that freedom cannot be found in an economy dominated by liberalism. In fact, he argued, liberalism does not provide freedom for the individual, but often makes him more dependent, as can be seen in the status of the narcotics business, as the most flourishing branch of the economy today. Ignatyev also identified the plague of speculation, where paper circulates as a commodity in its own right, and multiplies according to the rules of the market.

Yevgeni Kogan, formerly a member of the Supreme Soviet of the U.S.S.R. and now an adviser to the Duma, also strongly attacked liberalism, as it was imported from the outside in the late '80s and early '90s, and had devastating effects. He called for revitalizing the military-industrial complex, as a means for the civilian economy to recover. Kogan expressed skepticism, however, about whether LaRouche's "physical economy" were suitable for Russia, being an import from abroad, whereas imported economic policies have been disastrous for Russia in recent years. Professor Muranivsky noted during the discussion, that LaRouche called precisely for the mobilization of Russia's advanced aerospace sector as an indispensable measure, already in his 1995 memorandum, "Prospects for Russian Economic Recovery," which has circulated in Russian translation for four years.

Vladimir Snastin, assistant to a Duma deputy, also attacked liberalism, saying that protectionist measures are necessary in order to have a developing economy. He criticized nationalism, as the flip side of liberalism.

During the discussion, a representative of Yegor Gaidar's party, Russia's Democratic Choice, defended liberalism, and said that the United States has a prospering economy, because it adopted the free-market doctrine. His position was not accepted in the discussion, because Russia, pressured by the IMF, is taking down all its tariff barriers, while the United States and the European Union keep very high barriers for certain goods. Some participants were critical of LaRouche's anti-Malthusian views, disagreeing that 25 billion people could live on this planet. The Earth is only capable of securely feeding 4 billion people, it was said. These views were refuted, using arguments of physical economy.

The high-level participation at the seminar, as well as the fact that it was held in the rooms of the Russian Parliament, reflect the high reputation LaRouche has in Russia today. He is the only American political figure the Russians would trust in the current world situation.

Another indication of the attention to LaRouche in Russia is a new book, titled *The Foundations of Physical Economy*, which says that the science of physical economy is based on Plato, Nicolaus of Cusa, and Leibniz, and today is continued by LaRouche in the U.S.A. and Pobisk Kusnetsov in Russia. One of the three authors of the book is a deputy defense minister of Russia.

U.S. policy on Russia under House scrutiny

by Suzanne Rose

At a House International Relations Committee hearing on U.S. foreign policy toward Russia on May 12, a group of Democrats attacked the Republican Congressional leadership for its Cold War policy toward Russia, and instead supported a Marshall Plan approach toward the ailing economy. During his opening remarks, the committee's ranking member, Sam Gejdenson (D-Conn.), said, "I think there's no question that we are trying to create in some quarters in this Congress the kind of isolation of Russia that was created after World War I. I don't think that is a good move. If we want to just create a new military adversary, then let's isolate the Russians, let's try to increase their own paranoia, and we'll be back where we started, having missed a great opportunity to reduce the danger in the world."

An instigator of the "new Cold War" is committee chairman Benjamin Gilman (R-N.Y.). Gejdenson commented on Gilman's opening statement: "Listening to your remarks, I'm not sure whether I'm listening to the old Cold War, or the new political war over foreign policy here in Washington." He was referring to the GOP leadership's decision to portray the Clinton administration as "selling out to the communists," in its campaign for the 2000 elections.

Gilman described Russian foreign policy as opposed to Western interests. He portrayed Russia as a rogue nation, supplying weapons to U.S. enemies, and responding to Western largesse (i.e., International Monetary Fund aid, which has in fact bailed out Western institutions, and IMF shock therapy, which has accelerated the destruction of Russia's economy) with anti-Americanism. Specifically, he charged that Russia is engaging in a "strategic triangle of some sort" with China and India, "with the apparent goal of undermining American leadership in unspecified ways."

Gilman's reference was to the diplomacy of the former Yevgeni Primakov government, which had been engaged since the fall of 1998 in forming a "strategic triangle" of economic and strategic relations among Russia, China, and India. This "Survivors' Club" evolved in part in reaction to the ongoing collapse of the world monetary system, to protect their national economies when it became clear that the Western powers would not act to put the bankrupt global financial system through fundamental reorganization. Instead, Western nations, under the thumb of the oligarchical British-American-Commonwealth clique, have hyperinflated financial markets and started wars around the globe, including in the Balkans, to ensure their continued control as economies col-

lapse into chaos. This "strategic triangle" diplomacy has been welcomed by statesman Lyndon LaRouche. He has authored a program for large-scale infrastructure projects, known as the Eurasian Land-Bridge, to rebuild national economies in the context of a New Bretton Woods bankruptcy reorganization of the monetary system, as the policy which best expresses the common national interests of the United States, Russia, India, China, and all of the world's economies.

During the hearing, Jim Leach (R-Iowa) acknowledged that as a result of the war in Kosovo, which has angered Russia and China, "We are in the process of looking at a hot war that we're not doing as well in as anyone in America would like, and precipitating two new Cold Wars." The two new Cold Wars (against Russia and China), he said, may be more significant than the hot war itself in Kosovo.

A new Marshall Plan

Several Democrats criticized the fact that the United States had failed to react to the collapse of the Soviet Union with a positive policy, as we had toward our allies and toward Germany and Japan at the end of World War II. However, they did not identify that the failed course taken was the result of the submission of President George Bush to the geopolitics of Prime Minister Margaret Thatcher and the British establishment, who intended to destroy Russia as an economic power through the shock therapy reforms.

Tom Lantos (D-Calif.) said, "After the First World War, we acted in a narrow, myopic, non-generous fashion, and we reaped Hitler and the Second World War. After the Second World War, with the Marshall Plan, we acted in a singularly generous, farsighted, intelligent fashion, and we reaped two generations of peace. Now, when the Third World War ended, which, of course, was the end of the Cold War, with the defeat of the Soviet Union and the triumph of the democracies, we had these two examples, and we did not choose the intelligent second example. The Russians had tremendous expectations of cooperation and assistance and help and participation. . . . But, with the exception of Nunn-Lugar funds [for dismantling the Russian nuclear arsenal], there is very little we did."

Others echoed this view, including William Delahunt (D-Mass.), who said, "In the aftermath of World War II, we did the Marshall Plan. That didn't occur with the demise of the Soviet Union, and possibly we missed an opportunity. I agree with Congressmen Berman and Gejdenson, it doesn't make sense to punish Russia."

At the conclusion of the hearing, Gilman asked George Bush's former National Security Adviser Brent Scowcroft about the best way to contain Russia and China, his assumption being that the development of peaceful and prosperous relations between the two is a threat to the United States. Scowcroft replied that U.S. interest lies in manipulating one against the other. "We need to keep in mind the Cold War," he said. "We need to have better relations with [Russia and China] than they do with each other. I doubt there can be a strategic alliance between the two."

Lord William Rees-Mogg takes Tony Blair to task on Yugoslavia

by Scott Thompson

There are profound, axiomatic policy differences between *EIR* founder Lyndon LaRouche, and Lord William Rees-Mogg, a Life Peer and former editor of the *Times* of London. Rees-Mogg, after all, has been a vocal proponent of a return to “neo-feudalism” through the “Information Superhighway,” a principal enemy of President William Jefferson Clinton, and a man who persistently fails to distinguish between “money” and physical economic development—as do most “New Agers.” However, of late, Lord Rees-Mogg has been writing articles calling for the most rapid execution of an “exit strategy” from the war with Yugoslavia, lest Prime Minister Tony Blair’s policies cause the entire region to degenerate into chaos, and yet another world war arise from a Balkans quagmire.

In an interview with this author, Lord Rees-Mogg, while not calling explicitly for the ouster of the British Prime Minister, was emphatic that Blair’s Yugoslav policy has failed. He stated that, after nearly two months of bombing, it is unlikely that the NATO alliance will win any more concessions than might have been achieved by diplomacy at Rambouillet.

Even more surprising, Lord Rees-Mogg stated that Russia must play a central role in devising an “exit strategy,” not only in its capacity as part of a proposed peacekeeping force, but as a diplomatic player with which the West has a long-term interest to maintain good relations. Rees-Mogg was emphatic that “NATO enlargement”—i.e., incorporating more and more of the nations in the former Soviet “sphere of influence”—must come to a halt, along with other forms of baiting the Russian bear.

And, Lord Rees-Mogg quite clearly approved of the Balkans Marshall Plan approach of President Clinton, which is especially surprising given Rees-Mogg’s early central role in trying to have the President impeached and forced from office. Nonetheless, Rees-Mogg was emphatic that, if it would cost more than \$100 billion to restore the infrastructure of the Balkans, then that is the price that NATO must pay, lest the world be left with “a bloody corpse filled with angry people.”

What Rees-Mogg’s candid commentaries signal, is that among a growing stratum of senior policy analysts in the United Kingdom, anger over the Blair government’s debacle in Yugoslavia has reached a point that it is now an open secret that Blair may have to go.

Rees-Mogg—a “cross-bencher,” who supports neither

Conservative or Labour candidates, and, especially not the Blair government—is not alone in this view.

‘The beginning of the end for Blair’

Appearing on the British Broadcasting Corp.’s “People and Politics” on May 22, another Life Peer, Lord Robert Skidelsky, said that as a result of Yugoslavia, “it’s the beginning of the end for Tony Blair.” Lord Skidelsky is one of the most prominent figures in the Conservative Party opposition. During the show, Lord Skidelsky was scathing in his attacks on the NATO strategy, insisting that the bombing was responsible for causing the Serbs to adopt a strategy of massive ethnic cleansing, and the creating hundreds of thousands of refugees. Lord Skidelsky also scorned the policy of “global interventionism” enunciated by Blair in Chicago, right before the NATO 50th anniversary summit in Washington on April 23-25 (see *EIR*, May 7).

While in Australia in early May, in a number of speeches Lord Skidelsky attacked Blair and his U.S. co-thinkers as “ethical imperialists” who are attempting to impose their values on other countries. In Melbourne on May 5, he charged that NATO was creating a “desert by bombing.”

It is believed that the statements of these two lords are representative of the growing opposition to the Blair government within the British establishment.

Interview: William Rees-Mogg

The following interview with Lord William Rees-Mogg was conducted by Scott Thompson on May 21.

Q: There seems to be a breakdown in communications between Blair and Clinton, according to press accounts in Europe. Blair and Foreign Secretary Robin Cook continue to push for ground troops and, while the *Daily Telegraph* calls him a “ditherer,” Clinton refuses to do so. What’s your view on that?

Rees-Mogg: Well, I think Blair failed to foresee what the reaction of the other NATO powers would be. But, the initial NATO position, as you know, was that there would be no ground invasion. . . . And, that position reflected the political

situation in the various NATO countries, not just the United States. It certainly reflected the feeling that the United States did not want to engage in a war in which there would be American casualties, for reasons which go back to the Somalia debacle, to Vietnam, I think. And, for perfectly genuine, serious reasons. And, Clinton also had the difficulty that there wasn't a majority for a ground war in Congress. . . . So, the situation of the United States, which is a major contributor to NATO arms, was clearly: They weren't going to commit themselves to a ground war at that point, and they quite likely would not commit themselves later on.

But, the same was true of the most important European countries, for rather different reasons. Because of the Second World War, Germany has a very strong pacifist tradition. The one thing they don't want to get into is another situation where Germany could appear to be the aggressor. They've got a mainly conscript army, and conscripts they're not entitled to use—I think outside Germany—but certainly, they're not entitled to go and send them into Yugoslavia. But, I think there's a Constitutional prohibition on that—

Q: Right. I believe there is.

Rees-Mogg: And, the government is a Red-Green government [i.e., the Social Democratic-Green coalition], which has made it absolutely clear that it would be difficult to keep the Greens in support of a bombing policy, and absolutely impossible to maintain the coalition if there was a ground attack. So that, the German government, and that's the largest of the European Union countries, was clearly opposed to a ground attack.

France has got four members of the French Communist Party [in the cabinet] who take an anti-bombing view, let alone an anti-attack view. And, the coalition between the French Social Democrats and the French Communists wouldn't have held together in the event of ground attack, in my view.

Certainly, Italy, which is absolutely essential from a military standpoint, has a coalition with political difficulties that seem to be impossible—

Q: It is said that the government might fall, if—

Rees-Mogg: Yes. And, public opinion in Italy is not enthusiastic. It's not pro-Albanian, because there have been a lot of Albanian refugees to Italy simply from the Albanian civil war, whom the Italians haven't liked.

Greece is pro-Serb, basically, in its public opinion, and Hungary cannot be used as a staging post, because there are 340,000 Hungarians as an ethnic minority in Serbia who might themselves be ethnically cleansed, if Hungary were used.

So that, a realistic appraisal from the beginning was that there was no prospect for mounting an effective ground invasion, and that the bombing strategy was as far as they dared to go.

Now, you have to ask a question. Did Tony Blair under-

stand this and decide to defend his own position with his own public by saying, "Well, I asked for a ground invasion and I couldn't get Clinton to agree with it." That's like putting the blame on Clinton. Or, did he sincerely want a ground invasion? And, some people take one view and some people take the other. If you think that he sincerely wanted a ground invasion, and just sort of hadn't worked it out, but he couldn't have one, then you think that he's strikingly ill-informed. If you think that he always knew there couldn't be a ground invasion, but decided that he could blame it on Clinton and avoid the ultimate consequences with his own people: So that's dirty politics. But, I suppose you can say that that's the sort of politics that Clinton would have done to him.

Q: You have written a lot recently about an exit strategy. What is your thinking on that?

Rees-Mogg: I thought from the beginning that the overriding rule of our diplomacy in the Balkans is that the West [NATO] must keep in mind good relations with Russia. And, that any attempt to pursue a policy which Russia couldn't go along with was likely to produce an unsatisfactory result. I think we shall get a negotiated settlement of some kind, given the negotiations currently going on. I think it will be after having done an enormous amount of damage to the infrastructure of Yugoslavia, and [after having] killed quite a few people. And, after having seen Yugoslavs expel the Albanian refugees—many, or perhaps most of whom, will never return to their country. We shall end up with terms as good as we could have negotiated at the time of Rambouillet, if we had been more realistic.

Q: How would you include the Russians? What would you have them do? Would they be taking part in a peacekeeping force?

Rees-Mogg: Basically, I think that one wants to encourage Russia to be part of the peacekeeping force, and encourage them very much, obviously, to act as the brokers of the settlement. Because, the Yugoslavs will not give a better settlement than the Russians are prepared to insist on.

Also, my view is that NATO made a great mistake at the Yalta agreement: The agreement was that the Russian sphere of influence should include half of Germany, part of Austria, the whole of Central Europe, East Central Europe, and the whole of the Balkans except for Greece, which was to remain inside the Western sphere of influence. The collapse of the Soviet Union and its disintegration led to NATO thinking that the whole of this could be reversed. I think that they were right about Central Europe, because Poland and the Czech Republic and Hungary are basically Western looking. And that, whether the Russians liked it or not, the switch of those three countries to become members of NATO, and eventually members of the European Union, made perfectly good geopolitical sense. I do not think that the idea which is still maintained in NATO, of bringing Romania and Bulgaria into

The overriding rule of our diplomacy in the Balkans must be to have good relations with Russia. . . . I think we will get a negotiated settlement, but it will be after having done an enormous amount of damage to the infrastructure, and after having killed quite a few people.

NATO, makes sense at all. And, I think that the Russians will always be deeply uncomfortable about having NATO as that kind of a dominant power in the Balkans.

Q: What do you think about the eventual inclusion of Ukraine, as Zbigniew Brzezinski has suggested?

Rees-Mogg: Have they suggested?

Q: Zbigniew Brzezinski suggested that NATO expansion ought to continue indefinitely, and, ultimately, it ought to include Ukraine.

Rees-Mogg: I think that's crazy. I didn't know he'd suggested that.

Q: He did it in a book called *The Grand Chessboard*.

Rees-Mogg: Yes, I've always thought Brzezinski was very, very arrogant and incompetent in his geopolitical advisory role, and a thoroughly bad thinker. But, that seems to me to be terribly bad advice, which means that you really perpetually have either, in some sense, to keep Russia down (with all the resentment that that would create), or you would have Russia in a war-fighting mood. And, Russia, even at its low point, is, by its geographical dimension, one of the great powers. It's also a major nuclear power. . . .

No, I think that NATO has not understood about the real long-term importance of Russia, or at least that the U.S. government has failed to do so, and the rest of NATO went along with it. And, that that's been part of this tragedy. With Russia, I think we could have gotten a much better settlement for the Kosovo people.

Q: Do you have any thoughts on the firing of Russian Prime Minister Yevgeni Primakov? Were you upset by that? Do you think that causes instability? Or, do you think it's a positive development?

Rees-Mogg: I don't know. I mean, I think that Primakov seemed to be doing a reasonably good, if not inspired, job. But, it seems to have worked for [Russian President Boris] Yeltsin, in that it took all of the steam out of the impeachment, which I thought was a threat to his position. And, he seems to have got away with it.

Q: So, other than working with Russia, is there anything else that you're thinking is essential for the exit strategy?

Rees-Mogg: No, I think that the bombing obviously has done an enormous amount of damage and has put pressure on [Serbian President Slobodan] Milosevic. It's also put back pressure on NATO. I think one of the issues is, who's going to rebuild Yugoslavia? . . . We don't want to leave Yugoslavia, or what remains of it, as a sort of bloody corpse full of angry people.

Q: Right. President Clinton has called for the equivalent of a Marshall Plan for the Balkans. Do you have any thoughts on that?

Rees-Mogg: I think that in—anyway, a very large sum of money is plainly necessary.

Q: It's been estimated that there is \$120 billion in infrastructure damage alone.

Rees-Mogg: I mean, these figures are fairly broad, aren't they? But, I would have thought that NATO would have found \$100 billion to undo the damage that NATO has done. And, let alone looking after the restoration of the people in Kosovo, where [the damage] has been partly done by NATO and partly by the Serbs. And, that's one of the disadvantages of this particular line of strategy. . . . You created a new problem for yourself without solving the old one. You now will get, in my view, no better a solution—probably a far worse solution—of the existing problem than could have been got without doing this. And, you've got to solve the new problem that's been created.

Q: Exactly. Now, do you think that Blair will be in trouble as a result of his continued push for ground troops, which the Clinton administration continues to reject?

Rees-Mogg: No. I mean, I think he ought to be. . . . He's had a big loss in domestic politics, and that is that a very high proportion of the political analytical community, people who are really studying the world situation, think that he has handled it extremely badly and blame him for it. And that, no doubt, will gradually seep out.

In terms of the images in the public and the way it plays, he is very popular and even a heroic figure.

Q: So, he's viewed as heroic calling for "stiff resolve," while everybody else is "dithering"?

Rees-Mogg: He's heroic in calling for stiff resolve knowing perfectly well that nobody else will allow him to do it.

Premier crusades for heroin

While claiming to be “repelled by heroin,” New South Wales Premier Bob Carr is leading the charge to legalize it.

At the close of the week-long state of New South Wales Drug Summit on May 21, the delegates, which included 135 state members of parliament and 89 community organizations, voted to drastically weaken the state’s drug laws. They recommended that self-injecting heroin be legalized, that marijuana be decriminalized, and that heroin-injection rooms be set up.

Although N.S.W. Premier Bob Carr had pronounced himself firmly against such ideas, he and his senior government ministers in fact *orchestrated the entire affair*, including its recommendations—the most radical steps toward full-scale legalization of drugs yet taken in Australia. Carr’s hypocrisy did not go unnoticed. Said summit participant Maj. Brian Watters, the chairman of the Prime Minister’s National Drug Policy Committee, “I’m quite sure that what happened . . . was the result . . . of a carefully orchestrated campaign over a number of weeks.”

Liberal Party Member of Parliament Peter Debnam charged that the summit’s “working groups,” which drafted the resolutions, were run by the pro-dope lobby: “It was clear to me that the proposed resolutions of the working group were established from the beginning and nothing was going to substantially change them.” Liberal MP Chris Hatcher charged that Carr had rigged everything: “And that’s what this whole summit had been about—all carefully orchestrated by this government, all with the expert panel, so called; the experts all selected by the government, the agenda prepared by the [N.S.W.] public service.”

Indeed, Carr’s key ministers and law enforcement chiefs have all championed drug law “reform” and legalized heroin-injection rooms. These include: Director of Public Prosecutions Nicholas Cowdery; Attorney General Jeff Shaw; N.S.W. Justice James Wood, who led a three-year, \$40 million Royal Commission attack on N.S.W.’s police force, and whose commission recommended legal injecting rooms; and N.S.W. police chief Peter Ryan, who dismantled the state’s highly effective anti-drug squad in the wake of Wood’s investigation. The summit and its recommendations were orchestrated from off-stage by Carr’s Special Minister of State, John Della Bosca.

Though a determined minority at the summit fought the pro-dopers, the most effective opposition came from Lyndon LaRouche’s associates in the Citizens Electoral Council, who led a spirited demonstration against the rigged summit on its opening day, and who circulated their *New Citizen* newspaper, featuring an exposé of the banks and private family funds crusading for legal dope. In its introduction to a full-page flow chart, “Australia’s Pro-Dope Mafia,” which named the names of the banks and individuals “above suspicion,” the *New Citizen* charged: “Behind all the recent hysterical media coverage of the ‘heroin crisis,’ lies one simple fact: The powers-that-be in this country are on a mad drive to legalize heroin and other deadly drugs, *in order to drastically expand drug consumption.*” Their purpose, the paper said, is to increase the billions of dollars flowing through their bankrupt financial institutions.

The fanatical pro-legalization push is not unique to Australia, but is part of a Commonwealth-wide drive, in which Her Majesty’s Canadian government plays a leading role, through its sponsorship of the Canadian Foundation for Latin America, which is pushing legalization in Ibero-America, a leading drug-producing region. No wonder, then, that many Crown servants are prominent in the Australian legalization push, including Her Majesty’s senior Privy Councillor in Australia, Ian Sinclair, who chaired the summit, and N.S.W. police chief Peter Ryan, a British cop who carried out investigations for the royal family before being sent to N.S.W. several years ago. Furthermore, all the key Australian legalizers are closely associated with Her Majesty’s investment adviser, George Soros, the “Daddy Warbucks” of the worldwide legalization drive.

The press barons of Her Majesty’s British-American-Commonwealth media cartel, Kerry Packer and Rupert Murdoch, relentlessly campaigned for drug legalization over the past several months, either directly, in the case of Packer, or by creating hysteria, in the case of Murdoch. Premier Carr on May 22 praised Packer’s the *Sun-Herald* for publishing a dramatic photograph of a young drug addict shooting up in a back lane, as the “spark which led directly to the summit,” and which demonstrated that it was “something that had to be done.”

Carr, whose sudden “change of heart” on dope surprised many, began his career as a scribe for Packer’s pro-drug *Bulletin* magazine, where he was a member of Packer’s inner circle. Packer was investigated as the “Mr. Big” of drugs in Australia in 1983 by the Costigan Royal Commission, which was shut down by Packer’s friend, Labor Party Prime Minister Bob Hawke.

International Intelligence

Pope renews his promise to visit Iraq

"Iraq awaits the Pope with joy," Roberto Formigoni told Milan's Catholic daily *Avvenire* of May 20, after returning from Iraq. The Holy Father reiterated his desire to go ahead with the visit, during a May 14 meeting with Patriarch Raphael I Bidawid, head of the Chaldean Church, a Catholic rite based in Baghdad. The Pope had earlier said that he hopes to mark the Jubilee with a visit to Ur, the birthplace of Abraham.

Formigoni, president of the Lombardy Region, had just returned from an official visit to Iraq, where he reviewed the effects of the embargo. "Eight years after the imposition of the embargo, and particularly considering the fact that Iraq substantially complied with UN requests, this embargo has been revealed as cruelty to the population," he said. Formigoni returned with a clear message, writes *Avvenire*: "Let's stop the policy of economic sanctions, it is inhuman and a political failure." He told the daily: "It is unacceptable that the UN maintains this situation despite the fact that it is evident that the chief inspector, Richard Butler, produced a fake report in total disagreement with the other inspectors, who said that Baghdad had complied with the Security Council requests." Formigoni also told the daily that Christians worship freely in Iraq; "I met many people among the Christians, who asked me about the possible visit of the Pope. They all know about the Pope's desire to visit Iraq and await him with joy."

India and Uzbekistan seek regular dialogue

India and Uzbekistan have decided to begin a regular political dialogue between their foreign ministers, increase the economic content of their ties, and conduct trade through a transit corridor across Iran. "A number of decisions of a long-term nature were taken today," said Indian Foreign Minister Jaswant Singh on May 20. Singh met in Tashkent with Uzbekistan President Islam

Karimov.

According to senior Foreign Office officials, the two leaders held discussions on Afghanistan and its regional implications. Speaking to media later, Singh expressed confidence that India's voice will now be heard in the UN-sponsored Afghan peace process. Heretofore, the UN had designated a "six plus two" body—the United States, Russia, and Afghanistan's neighbors, China, Uzbekistan, Tajikistan, Turkmenistan, Iran, and Pakistan—to bring about a lasting peace in the strife-torn nation. India, which is an interested party, but does not border Afghanistan, has not been directly included in the UN peace process.

Canada fronts for Soros drug legalization push

A staffer with the Canadian Foundation for Latin America (FOCAL), a government-sponsored non-governmental organization, said on May 20 that the Canadian Foreign Ministry is engaged in determined diplomacy, to get the nations of the Americas to address the drug plague from "the human security perspective," rather than from a simple law enforcement approach. Canada seeks a "more holistic approach," focussing on health, education, trade, and alternative development, FOCAL's Martin Roy told *Resumen Ejecutivo de EIR*.

This is, of course, the unalloyed line of drug legalization godfather George Soros. In 1997, FOCAL published a call for Canada to team up with Ibero-American nations against the United States, and ram through drug legalization. It now claims that the call was just the author's opinion, and that FOCAL is "not sure" that legalization "is viable at this stage in the hemispheric context."

So, Ottawa is concentrating on the establishment of a "Foreign Minister Dialogue Group on Drugs," which would adopt the "human security" approach, which it hopes might be accepted at the June 1999 General Assembly of the Organization of American States. In March 1999, Canada sponsored a meeting in Costa Rica with government representatives and "civic society"; 30 coun-

tries sent representatives, mostly at the level of deputy foreign minister.

The Canadians, however, are not meeting with an enthusiastic response to their Foreign Ministers Dialogue proposal, Roy reported, from either the Ibero-Americans or the U.S. administration. The latter is "quite reluctant," skeptical, but willing to give Canada a chance to raise it, he said.

Election campaigning takes off in Indonesia

EIR has received a first-hand report from Jakarta of the opening of the legislative election campaign in Indonesia's capital on May 19. Our source says that nearly every street in the sprawling city of 12 million people is bedecked with the banners and posters of the 48 parties that met registration criteria for the June 7 general elections. In Jakarta, as in every other city in Indonesia—the fourth most populous country in the world, with the largest Islamic constituency—major boulevards were lined with people, along a route where campaign trucks for all the parties paraded.

CNN focussed coverage on incidents against the ruling Golkar party, in which a mob, likely whipped up by provocateurs, attacked Golkar campaign trucks, and burned its banners and posters. Aside from this incident (which included Golkar opponents refusing candies handed out by party activists, and shouting "Golkar is corrupt!"), he describes the festive atmosphere as being like a hundred 4th of July parades going on at once. Hundreds of thousands of people gather in small groups from the neighborhoods, sporting their party's colors and symbols. All are eagerly, if somewhat anxiously, awaiting the outcome of the election.

Some 200 floats crisscrossed the city in five separate parades. Golkar's floats had to drop out of the parade after they were trashed by troublemakers. The color of Megawati Sukarnoputri's PDI-Struggle, red, was prominently visible in the sea of activity. The most serious violation of campaign rules appears to be that all parties had

POPE JOHN PAUL II and Macedonian Prime Minister Ljubco Georgievski met in the Vatican on May 22. "With all my heart," said the Pope, with respect to the war over Kosovo, "I again call on all responsible leaders to stop the violence and commit themselves to an open and sincere dialogue, aimed at reaching a lasting peace and co-existence." He also thanked Macedonia for "trying, courageously and generously, to reduce the suffering of the refugees."

INDIA AND FRANCE held a joint naval training exercise on the high seas off Mumbai (formerly Bombay) on May 24 at the end of a five-day goodwill visit by the French vessel *Somme*. The exercise involved the *Somme* and a patrol vessel *Sukanya*, Rear Adm. Jean-Louis Battet, commander of French Maritime Forces in the Indian Ocean, told Indian reporters on May 19.

PAPUA NEW GUINEA established military ties with China, following Defense Minister Peter Waieng's visit to China, according to the *National Online* (May 13). This is the first time a P.N.G. defense minister has visited China, Waieng said, which helped the country expand "its ties among the international military community by befriending a member of the UN Security Council."

U.K. HOME SECRETARY Jack Straw has prepared a proposal to eliminate the right of many criminal defendants to elect a trial by jury, according to Agence France Presse (May 19). The proposal would prohibit those accused of crimes in middle-ranking categories from having their cases heard by juries, as is now their right; an estimated 22,000 persons per year would be affected, most of them non-whites.

GREAT BRITAIN and Iran have reestablished diplomatic relations, announced British Foreign Secretary Robin Cook on May 18. The new British ambassador is to be Attaché Nicholas Browne; the new Iranian ambassador will be Gholamreza Ansari.

more people riding the floats than allowed.

Meanwhile, the UN rejected Indonesia's request to move the vote on East Timor's status to Saturday, Aug. 7, from Sunday, Aug. 8, to facilitate voting by the Catholic majority in the province.

Italian court recognizes Mattei death was murder

Thirty-seven years after the death of Italian industrialist Enrico Mattei, a trial is taking place whose premise is that a bomb was responsible for the crash of Mattei's plane. Prosecutor Calia indicted Mauro Ronchi on May 14 in a Pavia court for making false statements, when he testified as an eyewitness during the original investigation. That inquest had cited only one witness, Ronchi, and concluded that the crash was an accident. What Calia discovered in 1994, was that Ronchi had originally stated that he saw the plane explode over Bescapè, near Milan. In fact, more than 30 corroborating witnesses had been ignored, prompting Calia to re-open the investigation, including examining post-mortem evidence from the three crash victims, and physical evidence from the plane.

Ronchi's trial will certainly not lead to the people who ordered Mattei's assassination, but it does establish juridically the truth that Mattei was murdered. Another probe, also ongoing in Pavia, is investigating who was behind having the bomb placed aboard Mattei's plane in Catania.

Calia plans to call 170 witnesses, among them former collaborators of Mattei who are working with *EIR*. According to press reports, Calia's opening statement was very aggressive, calling on Ronchi, 78, to come clean. "Poor old man," said the prosecutor, during a recess. "I am sorry for him, but he insists on lying."

Present in the courtroom were Mattei's grandchildren Rosangela and Angelo, and pilot Bertuzzi's and journalist McHale's sons.

Mattei, who headed the state hydrocarbon company, ENI, played a major role in industrializing Italy, and extending such de-

velopment into Africa, working closely with both the Catholic Church and U.S. President John Kennedy. A 1997 bestseller *La Grande Sfida (The Great Challenge)* by Benito LiVigni, compared Mattei to Lyndon LaRouche, because both challenged the power of the oligarchy by wielding economics as a moral force (see *EIR*, May 9 and Dec. 5, 1997). LiVigni, who had been a collaborator of Mattei's, reports on British Foreign Office documents showing that London considered Mattei a threat to their interests. Mattei was killed on the eve of a trip to the United States, where he was scheduled to meet with President Kennedy.

Australia may restore relations with N. Korea

South Korean Prime Minister Kim Jong-pil made a request of Australian Deputy Prime Minister and Trade Minister Tim Fischer that Australia restore diplomatic ties with North Korea, in order to entice it back into the international community, according to the *Sydney Morning Herald* of May 17. Reportedly, South Korea believes that reducing North Korea's isolation could reduce any chances for a second Korean war. Fischer said that the request would be considered. "This could lead to some additional steps being taken short of opening an embassy," he said, but Canberra also stressed that such a gesture would depend on Pyongyang's "good behavior," especially in the area of missile production.

Australia has announced \$4 million in food aid for North Korea, and is also participating in a project to build two state-of-the-art nuclear reactors in North Korea, in exchange for Pyongyang's promise to dismantle a suspected nuclear weapons facility.

Meanwhile, President Clinton sent former Defense Secretary William Perry to Pyongyang on May 25-26. Secretary of State Madeleine Albright told Congressional hearings on May 20 that "he will explore and assess in person the views of the senior North Korean officials. He will also consult with South Korean and Japanese leaders."

Muslim Americans seek 'knowledge and freedom'

by Umberto Pascali

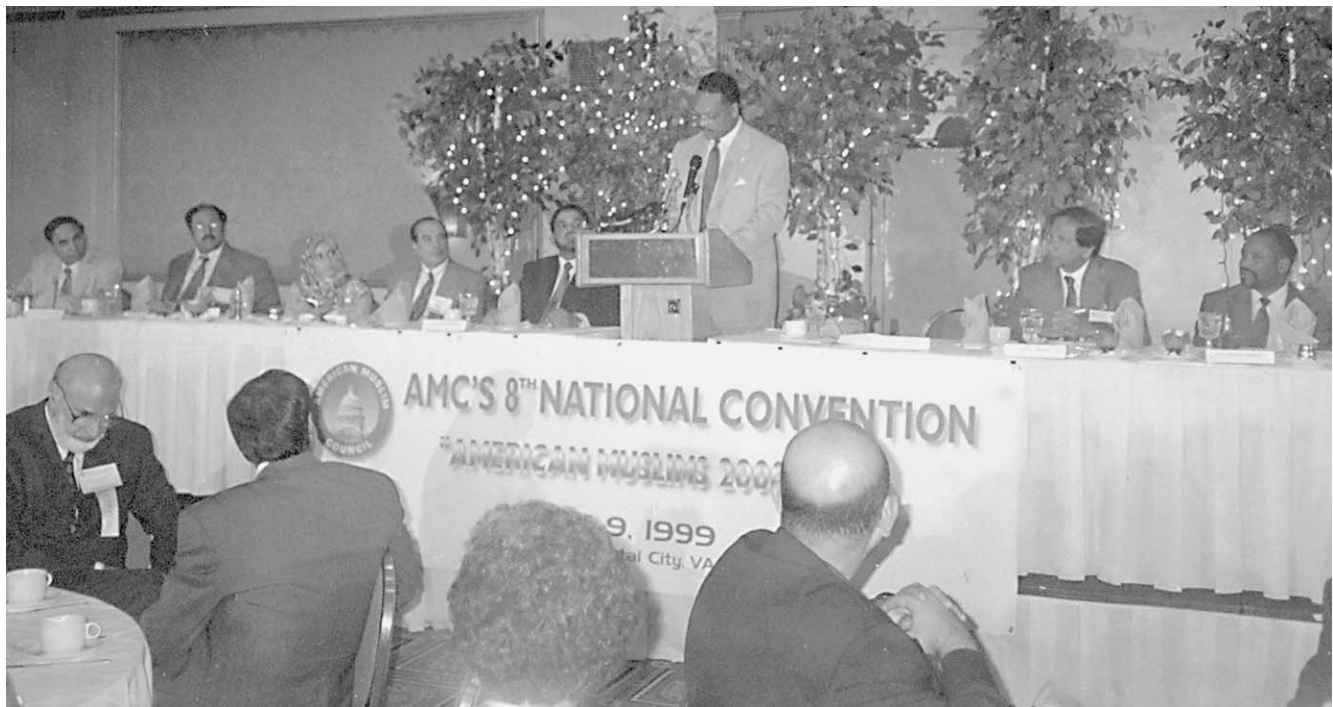
The Eighth National Convention of the American Muslim Council (AMC) took place on May 6-9 in Arlington, Virginia, in a dramatic, extremely dangerous, and yet potentially extremely promising moment. The annual meeting of the political organization of the American Muslims was clearly dominated by the situation in Kosovo, but the discussion also focussed on the continuing U.S.-British bombing of Iraq, and the issue of what American policy toward Muslim nations and peoples should be.

Most Muslim Americans are immigrants from countries traditionally dominated by the British Empire, and thus they have a direct and bitter understanding of London's colonial methods, especially its evil manipulation of ethnic and religious groups — "divide and conquer" — and its determination to prevent the economic growth of the "colonials." Indeed, most Muslim Americans of recent immigration understand the modus operandi of the British Empire in a way close to what must have been the experience of American colonists before the American War of Independence.

Dr. Nazir Uddin Khaja, the president of the AMC, stresses at every opportunity, including in his interview with *EIR* published in this section, that Muslim Americans identify "America" with two principles, which are basic teachings of the Koran: knowledge and freedom. This was one of the basic motivations that convinced many Muslims to immigrate to the United States. Because of this faith in "American principles," most Muslim Americans feel very strongly the contradiction between those principles and the unfortunately too frequent reality of a U.S. foreign and economic policy that suicidally tries to imitate that colonial modus operandi against which the War of Independence was fought.

The reflections of this drama were visible throughout the conference, although at times the necessary broader strategic perspective was lacking. For example, several delegates expressed relief that now the West and America are using all their military might—the NATO war machine—apparently on behalf of a Muslim population in Kosovo. This misses the real British plan, in triggering and pursuing the war at any cost—including the use of ground troops, even against the opposition of President Clinton. London's plan is to create a "New NATO," as the 21st-century version of the British imperial navy, set up to enforce the "gunboat diplomacy" of the globalization era. Paradoxically the Muslim Americans are potentially the group that can most readily understand this colonialist modus operandi, which, if successfully carried out in the Balkans, will be unchained all over the countries of the South, breaking the resistance and the sovereignty of many Muslim countries. But the constant psychological pressure from the campaign that projects them as the image of the "fanatic," the "fundamentalist," and the "terrorist," tends to make Muslim Americans vulnerable to specious British "benevolence," even if they know that, in fact, these "benefactors" cannot be trusted.

The bombing of Iraq by the "New NATO" combination was there to remind everybody of the reality. During the panel discussions, the issue of Iraq came out more than once, and with forceful and polemical tones. One delegate described the U.S.-British policy as "bombing a dead person." Many delegates, in public and in private conversations, underlined that the continuous bombing of Iraq has nothing at all to do with Saddam Hussein, and that it is incomprehensible how anybody can think of re-establishing peace and democracy in



The Rev. Jesse Jackson addresses the convention of the American Muslim Council on May 8. AMC President Dr. Nazir U. Khaja is to his left. Dr. Khaja was part of Jackson's delegation to Yugoslavia, which secured the release of three American prisoners.

the Gulf area, by further destroying an already-destroyed country.

Sandy Berger's participation

On May 7, the delegates were invited to a meeting at the White House with National Security Adviser Samuel Berger. The delegates appreciated fully the fact that one of the closest and most prominent collaborators of President Clinton came to talk to them, after a few hours of sleep following a visit to Germany, where he had accompanied the President in a mission on Kosovo. It was a clear sign of the importance that President Clinton attributes to the Muslim Americans.

During the discussion with Ambassador Bruce Ridel, the right-hand man of Deputy Secretary of State Strobe Talbott, that followed Berger's speech, questioners wanted to know, "What about Iraq? What about Palestine?" To me, one of a handful of non-Muslims who was privileged to participate in the meeting, another, deeper question lay underneath: "Why does the United States not follow its own founding principles on these issues? Why do we follow British colonial anti-American methods?" Again, this was not an expression of anti-American feelings, as the Anti-Defamation League and fanatic, pseudo-Christian "fundies" like to say. No! This was the painful protest of patriotic Americans — the kind of protest that, if listened to, could save the country.

Berger made an extremely useful point, rejecting "the claim that Islam and the West are locked in some clash of

civilizations." He further emphasized the attention devoted by President Clinton and the First Lady to the Muslim world and its culture.

Berger said: "From the time that President Clinton took the oath of office, he and the administration have reached out to the Muslims and the community of Islam. The President's respect for Islam proceeds from two basic facts: 1) Muslims, as you all know, constitute a quarter of the world's population. It is self-evident that they will play an important role in shaping the world over the next century. 2) Muslims are actively redefining our nation, because Islam is the fastest-growing religion in the United States, practiced by some 6 million Americans, with over 1,200 mosques and Islamic centers. And that's a fact the President very often cites, obviously to non-Muslims. . . . The President and the First Lady both have tried to learn more about Islam and the Muslim world in a variety of ways. They read extensively. They have travelled through the Muslim world from Indonesia to Central Asia to Africa, seeking to strengthen our bonds with our partners there.

"Last October's Wye agreement came about in no small part because of the President's insistence that the Palestinians, whether Muslim or Christian, be treated as full and equal partners in the peace process. . . . In November, he proposed sending \$400 million over three years to the Palestinian people, as part of the Wye supplemental, which is pending before the Congress. I think probably, quite honestly, that it is not



U.S. National Security Adviser Samuel Berger addresses the conference of the American Muslim Council on May 7. Berger rejected the concept of a “clash of civilizations” between Islam and the West, and emphasized President and Mrs. Clinton’s respect for Islam and their desire to reach out to Muslims in America and abroad.

going to move until after the Israeli elections, and we see whether we have a peace process that’s moving forward or not. In December he delivered a historic address in Gaza to members of the Palestinian National Council . . . one of the most moving experiences over the last seven years. And just last week he wrote to Chairman Arafat to reaffirm our support for the aspirations of the Palestinian people to determine their own future in their own way.

“We have also committed to bolster Jordan’s economy as it undergoes the transition to a new leader, and to strengthen our relations with Egypt, Saudi Arabia, and Kuwait.

“Here at home, the President and the First Lady both have been with and reached out to members of the community, personally inaugurated what I hope will become a long tradition at the White House by celebrating the end of Ramadan with Muslims. Just this week, the President appointed a prominent Muslim as a member of the United States Commission on International Religious Freedom. . . . And I think perhaps most importantly, the President has made a conscious effort in his speeches and public remarks to dispel old stereotypes of the Muslims, both in his aggressive search for peace in the Middle East, and, as I say, in what he has said publicly.

“Last September, you may recall, he gave the keynote speech at the opening of the United Nations General Assembly. The session of the General Assembly was focussed on terrorism, a problem that many Americans have mistakenly linked to Islam. The President stated what has always been our position: that we abhor terrorism and its pursuit of innocent victims. But he went to great lengths to say that there is no contradiction between Islam and America.”

London plays the ‘Muslim card’

Many participants — from Dr. Khaja, to Berger, to several Muslim and non-Muslim participants — stressed the strategic importance of the Muslim Americans’ role. Indeed, an organized Muslim American community could become a positive reference point for many countries and a precious asset for a truly *American* U.S. foreign policy.

I had the chance to personally express this concept at the AMC “General Body Meeting.” Indeed, the fact that a non-Muslim was welcomed with great cordiality and attention to express his thoughts, says volumes about the lies concerning “Muslim intolerance.” I stressed how crucial it is to organize the Muslim American community and to give it the role it deserves in the U.S. political life. To realize the political potentialities of the community is of crucial importance, not just for the welfare of the community itself, but because of the irreplaceable contribution in terms of strategic and economic thinking and direction it can give to the United States, and the world. As Dr. Khaja had stressed, the two principles that motivate Muslim Americans are knowledge and freedom, and the need for economic and individual development are the “American principles.” Thus, an organized community can become, in a short period of time, a powerful and precious propeller to push on the American Revolution, to make the United States a “more perfect Union.”

Of course, this process will not be easy; the advocates of the oligarchical and imperial model — the policy grouping that *EIR* has identified as the British-American-Commonwealth (BAC) elites — see the development of this positive potential as a huge danger to their strategic domination. On one side, the British way of dealing with Muslims includes the ferocious campaign that identifies all Muslims as “terrorists.” On the other side, the oligarchical psychological arsenal has another weapon: to try to manipulate the Muslim world toward British imperial ends. The model for this was what the British Arab Bureau did with Lawrence of Arabia and St. John Philby (the father of the famous triple British agent Kim Philby) during World War I, when they needed to destroy the Ottoman Empire, in order to prevent it from forming a permanent pro-development alliance with Germany and other continental European powers.

Most striking in this respect, was the intervention of Lord Nazir Ahmad of Rotherham (his speech is excerpted below), the first Muslim male ever to be appointed to the

House of Lords by Queen Elizabeth. Lord Nazir emphasizes the favors which the British oligarchy, and Prime Minister Tony Blair in particular, are graciously bestowing on Muslims in England. Remember the warning in Virgil's *Aeneid*—"timeo Danaos et dona ferentes" ("beware of Greeks bearing gifts"), enunciated by Laocoön, when he tried to prevent his fellow Trojans from introducing the giant wooden horse, a gift of the Greeks, into the walled city of Troy.

The choice is between a British and an American model. By "American model," we mean not what pragmatically exists, but the model of Franklin Delano Roosevelt, Abraham Lincoln, and Benjamin Franklin. The British model means manipulation on behalf of London's imperial aims. London, like the witch in a fairy tale, is ready to give as gifts many poison apples, if this will allow it to control the Muslim world.

Many hot spots will be triggered and exploded by the British war machine. After having promoted the creation of the modern Greater Serbia at the beginning of this century, there are several reports that British psywar specialists have been working hard trying to sell to the Albanians the idea of a modern "Greater Albania." Up to now, this poison apple has been rejected, but the pressure is increasing. To accept such an "offer" would guarantee for the British-American-Commonwealth faction, the geopolitics of war that they desperately need as their rotten financial system explodes around them. It will also guarantee misery to the Albanians, a spiral of destruction and degradation.

London is already looking for other hot spots to explode. Kashmir appears to be on the top of the list. Tony Blair's group could not care less about the sufferings of the Kashmir people; but Kashmir represents a detonation point for Pakistan, India, and China, with consequent destabilization and war among these countries in a broadening spiral of destruction. In order to ignite the fuse there, the new colonialists need the docile obedience of a large sector of the Muslim world. The words of Lord Nazir of Rotherham, his incessant praise for Tony Blair, and for Blair's supposed pro-Muslims initiatives, and his reference to Kashmir, remind us how doggedly the British oligarchy are pursuing their goal.

Clearly the interest, and the ideals of the American Muslims, are not to be fulfilled in this scheme. Quite the opposite. The Muslim world represents the geographic heart of the Eurasian Land-Bridge. The development of that vast area from China's Pacific Coast to the Middle East and Europe, is what so many Muslim countries are demanding. This is also the solution for the Balkans: a new Marshall Plan, as was discussed at the AMC conference. And a new financial system, a New Bretton Woods that guarantees the financial base for such historical development projects. This could indeed trigger a new Islamic Renaissance. This is the only American and Muslim way, the only "human way" to guarantee peace, prosperity, and freedom.

Interview: Dr. Nazir U. Khaja

American Muslims and the war in Yugoslavia

Dr. Khaja is the president of the American Muslim Council. He was interviewed by Umberto Pascali on May 7 at the AMC's eighth national convention in Arlington, Virginia. The AMC is the political organization of American Muslims, and the producer of "Islam," a TV program broadcast throughout the United States.

EIR: Dr. Khaja, you were in Belgrade a few days ago, as one of the most prominent American leaders in the delegation led by the Rev. Jesse Jackson, negotiating with Slobodan Milosevic for the successful release of the three U.S. soldiers taken prisoner at the beginning of the bombing against Yugoslavia.

Your action, as a leader of a political organization of the American Muslims, is particularly remarkable because, so to speak, you "broke the profile" of what was expected from you, in terms of the false—but still strongly perceived by many—idea of a Clash of Civilizations between Muslims and, in this case, Serbs, as peoples and religions. Could you tell *EIR*'s readers, first of all, your first-hand impressions of the Belgrade mission, and then comment on where this initiative is leading?

Dr. Khaja: As you rightly pointed out, the general image of Muslims and Islam is inconsistent with the trip that was taken. American Muslims are realizing more and more that, not only are we fighting stereotypes that have painted us with such a broad brush, but also we are fighting this whole issue of self-identity in our society. So, the more we work on the issue of the American Muslim identity and presence, the more it will become clear, hopefully in the future—with the work of the AMC and other organizations—that American Muslims are more or less along the same lines with the rest of American society, concerning the diversity of thinking, in ways we approach issues. So in that sense, when a peace forum of that kind [Rev. Jesse Jackson's delegation] was put together, a coalition of different churches, the American Muslims needed to be present, and that is why that trip was taken.

EIR: And your impressions, Dr. Khaja, of the Belgrade mission? Indeed the situation is moving very fast. We just learned that Kosovo leader Ibrahim Rugova has arrived in Rome, and new peace initiatives are taking place now. Your

courageous contribution has certainly been extremely relevant. Tell us, if you would, your impressions of the meetings you had in Belgrade with Slobodan Milosevic.

Dr. Khaja: Milosevic is a self-righteous, arrogant dictator. His tragedy is that of any other dictator who begins to lie in order to maintain his power, keeps repeating the lie to everybody around him, and then he himself begins to believe the lie. That is the same notion of the Big Lie that caused mass hysteria. Consequently, the view in Belgrade and Serbia is 180 degrees opposite to what is believed here in the West. No amount of dialogue can convince Serbians that the aggressor is Milosevic and that the victims are the people of Kosovo, just as the people of Bosnia were. Serbian people have been conditioned by this propaganda, and now they are facing the constant NATO bombings, so you can easily imagine that they are extremely angry. This has been the prevailing condition at the present time in Belgrade.

EIR: In 1993, I was part of an organization called International Parliamentarians Against Genocide in Bosnia, which brought a delegation of ten members of Congress and parliaments to Sarajevo during the siege. I remember, in those horrible times, how strong, despite everything, were the hopes of the Bosnians, of President Alija Izetbegovic, that after all the sacrifices, finally they would be able to have a country, a process of reconstruction and establishment of a modern economy, of a future. This did not happen; the war ended, but peace did not come. There was not the promised economic reconstruction.

There was a proposal at that time for a new Marshall Plan for the Balkans. Recently, President Clinton has talked about a Marshall Plan for the Balkans in the postwar period. A call for the reconstruction of the area was recently issued by the former Chief of Cabinet of President Izetbegovic, Faris Nanic, and by Schiller Institute founder, Helga Zepp-LaRouche. The fact that Bosnia was not allowed to have reconstruction brought the country to a present potential danger of a new ethnic explosion.

Looking at the large masses of suffering, desperate Kosovars, we are reminded that the alternative is clear: Either they will be sent away from Kosovo permanently and/or put in some form of concentration camp, or a large program of reconstruction is needed immediately in the Balkans, a Marshall Plan that obviously is to be extended to the whole Third World.

Dr. Khaja: I think there is a discussion on what will follow after peace and security are established. I think one of the options being discussed now, is to have a Marshall Plan, for that area at least, and I think President Clinton struck a chord and is probably committed to it. How other nations will participate in it? Germany has shown some willingness in the past to do something about it. Yes, indeed, there will be a need for massive reconstruction for the whole area, so that with economic stability, these problems which have

always caused conflicts, will go away. After all, we are becoming more and more cognizant of the fact that if you have economic growth, this will stabilize the political system. Yes, definitely we have to look at this.

EIR: Dr. Khaja, would you comment on the future of your organization and the role of the American Muslim community, not only for the United States, but as a reference point for the rest of the world?

Dr. Khaja: I think the American Muslim community is beginning to realize it is the most important asset of the whole Muslim world. I say that, because if one looks to the Muslim world, from Mauritania to Malaysia, there are areas of the world where there is some freedom, but there is no education, and there are some areas where there is education, but no freedom. Where else in the Muslim world, or anywhere else Muslim, have both of these elements: knowledge and freedom, which are part of the teaching of the Koran? The American Muslims are uniquely placed because of that, and they will continue to play a more positive role, which will have a necessary impact on all the Muslim countries also.

Interview: Dr. Muhammad
Aslam Cheema

Balkan reconstruction is the key to peace

Dr. Cheema, a former president of the American Muslim Council, is now its treasurer and a member of its board of directors. He is a retired surgeon, who has dedicated his life to giving a voice and an adequate role to the American Muslim community. He explains: "I retired early for health reasons, but this gave me the opportunity to serve the community. I am totally wedded to the idea that the American Muslim community has now reached the point that it has to start shouldering the responsibilities that fall upon it. And I am now literally spending all of my time pursuing these objectives." Dr. Cheema was interviewed by Umberto Pascali on May 7.

EIR: Dr. Cheema, this morning we were at the White House, and National Security Adviser Samuel Berger came to talk to the AMC convention participants. Someone commented that, whether one agrees or disagrees with everything he said, it is striking that, after a few hours of sleep back from Germany where he accompanied President Clinton to deal with the Kosovo issue, Mr. Berger came to give his remarks personally to the American Muslims. What was your evaluation of this

morning's meeting, and what does this convention want to achieve?

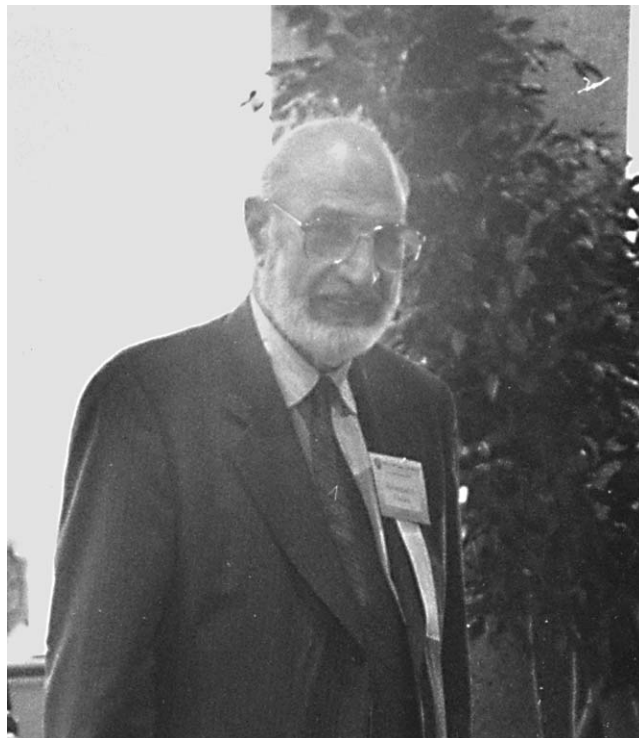
Dr. Cheema: What Mr. Berger said this morning was very interesting. Some of the things I totally agree with and some I don't. The AMC does not agree with all of them, but we need to keep a positive attitude, to welcome the things we were told, to keep the doors open, so that we can change the posture, the thinking, and the actions of the American government, to be more friendly and positive toward the Muslims, in this country and, of course, worldwide. What he said was fine, but there are things that need to be worked out further with the administration.

EIR: I was discussing with Dr. Khaja the parallel between the terrible situation in Kosovo and what happened in Bosnia, especially concerning the fact that after the hot phase of the genocide against Bosnia, the country was not allowed to have a real reconstruction and a real economy. The problem of Kosovo now is even more dramatic. You saw President Clinton's reference recently to the need for a Marshall Plan for the Balkans. The former Chief of Cabinet of Bosnian President Izetbegovic, Faris Nanic, and the founder of the Schiller Institute, Helga Zepp-LaRouche, presented an urgent and detailed appeal on this issue. The proposal is circulating among elites and governments in the Balkan area and worldwide. Indeed, we have a similar situation in Iraq, where the economy has been destroyed, and the country is still under bomb attack. In reality, the chance for peace and survival, as several delegates to this convention were stressing, can come only from the re-establishment of a viable economy.

Dr. Cheema: You presented to me several issues. Each issue has its own merits.

What is happening in Bosnia is not what was hoped for, and what will happen in Kosovo is not known at this point. In fact, the only thing I can see in the position of the American government and NATO, is that they are asking for three basic things: return of the refugees, presence of some kind of effectively armed international group to maintain the peace and to help the Kosovars to move back into their homes—or what remains of their homes—and then, of course, the third point is that they are helped to rebuild all that was destroyed. As Sandy Berger said this morning, the refugees have been placed in different locations, including the United States, but all of this is only temporary, and they will go back to their homes, and we will help them to settle down again, and develop their own potential, their own housing, and their own economics. This is obviously something we will have to work on, and we will work for it.

As far as Iraq is concerned, there is a tremendous amount of bigotry in some of the statements coming out, as was brought out by the speaker in the noon session [Edward Peck, former U.S. Ambassador to Iraq]. We need to work with the American administration to try to prove to them that the present continuous bombings are not helping anybody. In my



American Muslim Council official Dr. Muhammad Aslam Cheema. "We very much welcome the fact that the President is already thinking in terms of possible economic help and developmental help to the Kosovars, and a Marshall Plan-like proposal for the whole Balkans."

opinion, it's not helping the Iraqi people, it's not helping Saddam, it's not helping the American people, it's not helping anybody, other than increasing the misery and suffering of the Iraqi people, the old people, health problems, hunger problems. We have to further raise this issue and have changes in this policy.

EIR: Do you think that this repeated reference that President Clinton made recently to the necessity to launch a new Marshall Plan for the Balkans, could give us some optimism that we can go now in this direction, that is, to help create prosperity, and, politically, in fact to create new allies and friends for the United States, instead of a policy based on military power?

Dr. Cheema: My answer to this question is that we very much welcome the fact that the President is already thinking in terms of possible economic help and developmental help to the Kosovars, and a Marshall Plan-like proposal for the whole Balkans. It is very important. But, as it is now, more details need to be worked out. The initial step is that these people have to go back to their homes, that the proportions of the different populations must be maintained the way they were before the atrocities, and that whatever autonomy or independence will come out, development and reconstruction is the key problem to be solved.

The economic dimension of war and peace

On May 8, the third day of the American Muslim Council convention, one of the most important panels was “The Ambassadors’ Forum: U.S. Foreign Policy and the Muslim World,” moderated by AMC Board member Prof. Ali Mazrui. Among the participants were Khalid Abdullah, the Ambassador of the League of the Arab States, and the Ambassador of Albania, Petrit Bushati. The debate focussed on Kosovo, although several interventions from the delegates stressed the need to act also to save Iraq. Ambassador Bushati discussed the tragedy that is facing not only Kosovo, but also his country. Indeed, Albania after the so-called financial pyramid scandal (speculative schemes against which post-communist Albania, eager to follow any advice coming from the International Monetary Fund, had no defense) had its economy devastated.

Ambassador Bushati stressed that Albania is ready to do anything it can to save the Kosovars. He stressed that what is happening in Kosovo is “not a war of religion” — thus throwing water on the attempt to pursue a “Clash of Civilizations” between Albanians and Serbs as peoples. He also rejected the idea that Albania intends to pursue a “Greater Albania” scenario.

During the debate, EIR’s Umberto Pascali was given the chance to speak.

Pascali: I have a single question for Ambassador Bushati. The horrors we saw in Kosovo remind us of what happened in Bosnia. And what I would like to ask you to comment on, is the economic dimension of war and the economic dimension of peace. What happened in Bosnia is that the war was stopped, but peace did not come, in the sense that Bosnia was not given the economic means to implement its own reconstruction.

I remember that President Izetbegovic and the group around him were ready to create a sovereign, independent prosperous state in Bosnia, which was not going to be a “Muslim state,” as Henry Kissinger sometimes would say, but a country including the Muslims, the Croats, and the Serbs. The fact that the Bosnian elected government was not given the financial and economic instruments — investments, not charity — to create an economy, was the cause of the very dramatic problems we see in Bosnia — with Republika Srpska on the verge of splitting again, and the weakness of the federal government.

Recently, President Clinton spoke about the necessity for

a new Marshall Plan for the Balkans. My question concerning Kosovo is: If there is no reconstruction, what do you think will happen to all the millions of refugees? What do you think will happen in Albania, that would allow it to be reconstructed immediately, with an effective plan? And what do you think can be done to prevent a spiral of new wars in the area? Recently, an appeal for “Peace Through Development for the Balkans” was issued by the former Chief of Cabinet of President Izetbegovic, Faris Nanic, and Mrs. Helga Zepp-LaRouche, founder of the Schiller Institute. It calls for a vast plan of in-depth investment in infrastructure all over the Balkans, which would link Europe to the Middle East, and with the new Silk Road. This, I believe, is the development plan that Kosovo, Albania, and all the other Balkan countries need right now, not just to stop the war, but to have real peace.

Ambassador Bushati: Concerning the question on the need for economic development. It is very important to stress that one cannot find a long-lasting solution without economic development, and we saw some positive signs recently. The key solution is in the economic development of the region. . . . My fellow Albanian mentioned that Albania is the poorest country in Europe, but also Kosovo and other bordering countries are very poor. Economic development can do very much to prevent conflicts in the future.

President Clinton has been advocating also, during the NATO summit, the need for the Southeast European development plan. We hope that not only NATO and European Union countries, but also other countries, such as the OIC [Organization of the Islamic Countries], will advocate this.

Rev. Jesse Jackson

Build a bridge of trust, communication

The Rev. Jesse Jackson gave the opening speech at the May 8 AMC Banquet Dinner. Here is a summary.

We must stop the bombing, remove the ground troops, and pursue a diplomatic solution in Kosovo, building a “bridge of trust and communication.” Last week, in the meeting with Milosevic, we attempted to build that bridge between Russia, NATO, and Milosevic. If Milosevic had kept the three U.S. soldiers, there would have been no room for communication. The fact that he released the prisoners unconditionally is a small key-hole. In my experience, if you take a key-hole and twist it, you can open doors. It is our mission to bring about reconciliation and reconstruction.

Jackson told the audience that “a call to human-understanding politics will work . . . morally it is right.” He urged

them to “join the struggle as American citizens, to make this a more perfect Union, not to retreat in isolation, but to join the American struggle.” Register and vote, he said. “Be involved in the daily affairs of that which makes America America.”

Jackson emphasized the struggle for public education for all of America’s children, laws guaranteeing fair wages, the rights of women, universal health care, and adequate housing. Dealing with these struggles, he said, gives one the ability and authority to work with coalitions. You have to accept that concept of equal protection under the law.

“Getting American Muslims involved in America is a good thing,” Jackson said. “Remain involved in America. You need a coalition, you need friends.” Jackson concluded by recalling the days in Belgrade and the courage and strength showed by Dr. Nazir Khaja: “Thank God for Brother Nazir.”

Dr. Nazir Uddin Khaja

American Muslims can make a difference

Dr. Nazir Uddin Khaja, president of the American Muslim Council, addressed the AMC dinner on May 8, after Jackson. Khaja is a medical doctor, and said that what is paramount in his profession is to save lives, without consideration of the religion, color, or affiliation of the victims. Khaja began by stressing his internal conflict when he was asked to join the delegation going to Belgrade to negotiate the release of the American soldiers. On one side, he felt instinctive resistance to dealing with Slobodan Milosevic, who “for me represented the image of something close to the idea of evil.”

In previous interviews, Dr. Khaja had revealed that he told Milosevic to his face that he considers the Serbs to be victims as well. “Who then is responsible?” asked Milosevic. “You are,” replied Khaja. But Khaja decided that he had to go and give his contribution to the peace effort.

Here are excerpts from Khaja’s speech:

I knew there were 200,000 Muslims in Belgrade, and that the media never even acknowledged that, or even reported it. Literally, for me, this is living in hell, not only since the NATO bombing started, but also in the form of the oppression that has been unleashed on us Muslims. So, it was my duty to go forward, at least to find out and bring the situation to the media’s attention.

When we arrived there, I told my host that, since the next day was Friday, I would not participate in any of the activities, but that I had to go to pray with my fellow Muslim brothers in the mosque in Belgrade. It turned out that there is only one

mosque in Belgrade, and I found out the name of the Mufti through Brother Sacirbey, who is on the AMC board of advisers here. I had that introduction, I arrived there, I met the Mufti, and obviously I sensed that he was in no position to say anything candidly or clearly.

The mosque is serving the needs of 200,000 Muslims in Belgrade, who are scattered all over. You could see clearly in their eyes what they thought, and yet they couldn’t say much. The mosque was so packed that one had to pray almost on each other’s back. My discussions with the Mufti were: How come you aren’t going to expand the mosque? And where are your schools which will teach your children about Islam? Because in another 10 or 15 years, if you don’t have the schools for the children, Islam will be lost.

He said, “Well, we have a problem here. We asked the government to expand this mosque, for them to give us a new space. We have been requesting this from the government for seven years, and it has not occurred.”

The next day, at the Presidential Palace, when we finished the three-hour meeting — very tough negotiations with Milosevic — and we were coming out, his hand reached out to me as a good-bye gesture, and I grabbed that hand, and I said, “Mr. President, I have a request of you.” He looked at me and he said, “What is it?” So, I said, “There are 200,000 Muslims in Belgrade. . . .” And right away, he took away his hand and said, “Yes, and I have been telling you that they all live peacefully; they are living very comfortably here.”

I said, “That may be the case, but I want to draw your attention to the fact that there is only one mosque in Belgrade.” He said, yes, and I said, “Due to your courtesy, I went and prayed there yesterday and found out that there is hardly any room, even for standing. So the prayers are very difficult. And they have had a request with your government for the last seven years, and it has not been given any approval. Would you kindly look into it? The American Muslims are very concerned about the Muslims in Belgrade.” Milosevic nodded his head and said, “I will look into it.”

I am telling this story to point out to you that by being candid, American Muslims can make a difference and make life easier for other Muslims anywhere. I think that we have a great community, and in the program that you see, I make the statement that American Muslims are the single best asset of Muslims and Islam in the world today.

Let there be no confusion about it, because we are a group which has two essential commodities which are the basic principles in the Koran: freedom and knowledge. Where else in the Muslim world do you see these two qualities? So, from that point of view, I submit to you that our work here is very, very important and will make a difference. It is up to you: If you want an organization which will do your political mandate, which will organize the community, which will interact with other brother and sister organizations which are doing the same kind of work and having an effective presence in America — this is the opportunity. If you don’t want it, this

organization will go into the dustbin of history. But here is an opportunity. So let us just join hands. . . .

While we were coming back on the bus from Belgrade to Zagreb, on the first day of freedom for the three prisoners — they got on the bus with us; they were very happy. They are young kids, they wanted to talk, they enjoyed talking with the American Ambassador and all of that. Suddenly, an idea occurred to me, to talk to one of them, and I said: “Well, this is your first day of freedom, what does freedom mean to you, and how do we teach our children freedom?” So they started talking and then I said, would you mind if you just scribble, each of you, what freedom means to you, in my yellow pad. And this is the essential part of living in America — freedom — and unless you guard your freedom, it will be lost, and we will always be worrying about who is going to do what to us.

So, I want to read this: These are three brief faxes, addressed to my nine-year-old. The first prisoner says: “It is great to be free. Freedom is a great and wonderful thing. The price we paid is huge and I thank you for your support during my capture.”

The next message is from Sgt. Christopher Stone: “Freedom is a feeling that is never truly felt until it is gone. To be free is the most important quality and should be guarded at all costs. My deepest gratitude for your support and that of your father during our captivity and release.”

The last one is from Specialist Stephen Gonzalez. He says: “Freedom is a very valuable release from pressure and fear, often taken for granted. Freedom is a gift to be thankful for. It is a deep feeling and understanding of oneself. I convey my greatest thanksgiving to you and your family for your support for our cause.”

Think about it. Think about what freedom is. I really do not want to go on talking about it. There are many more stories related to that. And with that I will end my remarks and I hope that you will support the AMC.

Lord Nazir Ahmad

‘Can you imagine Union Jacks flying in Mecca?’

Nazir Ahmad was appointed to the British House of Lords by Her Majesty Queen Elizabeth on June 20, 1998, and took the title, Lord Ahmad of Rotherham. Ahmad was introduced in the House of Lords on Oct. 13, 1998, as its first Muslim Lord and also the first Pakistan/Kashmiri to take a seat in the British Upper House of Parliament. Ahmad has worked for more than 25 years in trade unions and the Labour Party.

In his speech at the AMC conference, Lord Ahmad upheld the policies of the British Crown (see the introduction to this

Conference Report). He claimed that the attitude of a large part of the British elite, especially Prime Minister Tony Blair and his government, has changed toward the Muslims. A series of concessions is being made, he said, giving as an example his oath when he was sworn in at the House of Lords. When Ahmad said that rather than swear on the Bible, he would prefer to swear on the Koran, he was told that it was against the rules of the House, but that, according to the rules, “whoever breaks the law in the House of Lords, makes a new law.” And so now, he said, “there is a new law in the House of Lords, and it is Law to swear on the Koran. And I took an oath on the same day.”

Here are excerpts from Lord Ahmad’s speech.

Everybody was so happy and wanted to help me on my first day, when all of the doorkeepers and the police officers were saying to me, “Good afternoon, M’Lord.” I was just looking around to see if there was somebody coming behind me. And I was asked: “Is there anything that you like?” “Can we help you with anything?” And I said, “You can, you can get me a room where I can make ablutions and I can pray in the House of Lords.” So I have a room now.

I’ll tell you more about the House of Lords in a minute. But I can tell you that in Britain, we have over 160 Muslim Councilors who are elected, and local authorities up and down the country — not only in the Labour Party, but also in the Conservatives and Liberal Democrats; and the Scottish Nationalists now have put up candidates also who are Muslim. We have dozens of Mayors and Lord Mayors throughout Britain. We have one Member of Parliament who was elected.

And for the millennium celebrations, the biggest celebrations in Great Britain ever held, we will have a Muslim who is Mayor, so the Millennium Mayor will be a Muslim in the United Kingdom.

The government, of course, consults with us. The Ministry of Food and Agriculture, the Foreign Commonwealth Office, the Home Office, have now started to consult with the Muslims on any matters and issues that are related to Muslims and Muslim countries. We have over 1,000 mosques and 2 million Muslims living in Britain. We have 60 Muslim schools, and two are now government funded — which the Tories did not accept before. But since Labour has been in government, they have accepted them and two are now government funded, which opens doors for the rest of the schools. If they wanted to apply they could get funding too.

[We have] doctors, engineers, social workers, judges, and business people who make contributions to society. Recently [one British Muslim] was knighted, because of his contribution to the British society and also to the Muslim community in Britain. Last Wednesday, the Muslim Council of Britain — Can I say that we have copied, we have followed in your footsteps. The American Muslim Council has led the whole campaign, and we are following in your footsteps — for the first time ever, we had the Prime Minister of Britain come to

the Muslim Council of Britain dinner last Wednesday [May 5]. He gave a speech, and I'll quote from what he said.

Tony Blair's speech

Tony Blair said: "Look at your contribution to the richness of British Society, which often goes unrecognized. Worse than that, you are subject to a lot of abuse, what is sometimes called 'Islamophobia,' In too much of the media and through it, in the rest of society, Islam is equated immediately with fanatics, extremists, fundamentalists, and is seen as a threat to the West. This is prejudice. Pure and simple. It can only be spread by those who have never come into contact with Britain's hard-working, peace-loving, generous Muslim community."

Blair went on and made a commitment to supporting the Kosovo refugees, and also to ensure that Britain will support the Kosovo people until each and every one of those Kosovar people returns back into their country. And we are supporting the government.

Can I say that as a Muslim here? And as a Representative in the House of Lords, when the refugees arrived, coming from Kosovo, I was there at the Heathrow London Airport. Muslims in Britain have already raised more than £2.5 million and have already donated to the Kosovo refugees.

I have to say that everything is not rosy. There are problems as well. And I just want to briefly say, that I think that the problems that Muslims have in this country — we too have problems. We have the terrible thing that I have already explained, Islamophobia. And because of this Islamophobia we have debates in the House of Lords and on the 19th of this month, we are having a debate where a minister of government will be there and he will answer questions from the Muslim community in Great Britain.

But, more importantly, you may have seen on television that we have had nail bomb attacks in London, and, thank God, that it was just one person that has been caught, and hopefully he will be dealt with. We have social deprivation, high unemployment among the Muslim community. And in Britain, we have one of the highest populations of Muslim prisoners in Great Britain. Between 1991-97 the Muslim population has grown, it has doubled, and in my maiden speech on Oct. 13, one of the things that I asked the government, was that the British government should employ a full time adviser who will advise the government on the issues related to the Muslim community and the Muslim inmates. And, thank God, they have now appointed a Muslim adviser who will be advising them from now on. And that's not all.

I have debated many issues in the House of Lords which affect the community — small things, like water meters: If churches can be exempted from water charges, then why should the mosques and synagogues and temples have to pay; I have argued that they should be exempted too. Similarly, if I could just tell you, that I asked the British government to extend its consulate office from Jedda to Mecca and Medina,

to Mina and Arafat, and other parts during the period of Hajj Mabruur [the Islamic pilgrimage to Mecca and other Islamic holy places in Saudi Arabia] and, thank God, they have agreed that they will do that, providing that the Saudi Arabians' embassy representatives here, providing that the Saudi government will cooperate with them.

And when I was in your State Department yesterday, I told them that this is what we are doing in Britain, and I hope that the State Department will do something for the American Muslim people as well. Because it works both ways. They are not only there to serve Britain or America; they are there to promote Britain and America. Can you imagine having Union Jacks flying in Mecca and Medina, and having two Muslim people or four Muslim people, who are serving from those countries? It is good for their relations. It is good relations for the country as well.

But as British or American Muslims we will have a facility, which we must pay for, and we do pay for. Because this year we had 40,000 Muslims going for Hajj from Britain, and I am sure that the figure would be double or three times from America as well. I think that it is up to yourselves to take it up with the State Department.

Take my appointment: One of the most important things that I have raised is the issue of human rights abuses of Kashmiri people. And since my appointment, I took a delegation to Pakistan, and then to Kashmir, to see the Line of Control, and to see for themselves the atrocities and the abuses of human rights. I can tell you that there is peace between India and Pakistan. But in 1998, over 4,500 violations of the Line of Control were monitored by the United Nations. Over 100 civilians were killed on this site. Over 250 people were injured and 60,000 were displaced.

Now, there are 700,000 soldiers in occupied Kashmir; it is the most heavily militarized area in the world. And what I am saying as a Kashmiri, as the American Muslim Council has already supported the American Kashmir Council, please continue your support. And if you can, put pressure on your politicians and your State Department to ask that America demand that those soldiers withdraw from the streets of Srinigar. In East Timor, there are only 15,000 soldiers. In Kosovo — and rightly we support the Kosovo people — there are 40,000 Serbian soldiers. But in Srinigar there are 3:1 soldiers [for every civilian] that are occupying the streets of Srinigar. There are nine interrogation centers in Srinigar, and you see the reports of Amnesty International, but you don't know because the reports of the human rights committees are blocked, and you don't know [about this] as you know about Europe and the rest of the world.

As you said, you have freedom in this country. You are the Muslim people who will be the most important voice in the whole world in the next few years, and, in fact, I believe that within 12 months, starting now, you have the most important voice. I think it is a challenge for us all. Let's meet that challenge.

The Cox Report is a Gore, Inc. pack of lies

by Jeffrey Steinberg

In October 1998, the Cox Committee, formally known as the House Select Committee on U.S. National Security and Military/Commercial Concerns with the People's Republic of China, was about to go out of business, scarcely four months after Speaker of the House Newt Gingrich (R-Ga.) had launched the "China spy and bribery" probe with typical "Newtzi" hype and disinformation.

The committee had been mandated to probe whether China had obtained U.S. missile secrets, through two American defense firms, Hughes and Loral, that had contracted the Chinese space agency to launch several of their commercial satellites. The committee was also mandated to probe whether Beijing had illegally interfered in the 1996 elections, via covert financing of the Clinton-Gore reelection campaign.

By October 1998, both investigative tracks had run aground—for simple lack of evidence that any serious violations had occurred. But then, according to public statements from committee members, things changed dramatically. On May 25, 1999, during a Capitol Hill press conference at which the committee released its long-awaited, 700-page declassified version of their report, Rep. Norman Dicks (D-Wash.) told a packed room of reporters: "In the fall of 1998, we received a briefing that presented the document given to the CIA by a walk-in that showed that the P.R.C. [People's Republic of China] had stolen design information on two nuclear warheads, the W-88 and the W-70, and had stolen technical information on five other U.S. warheads."

Dicks continued: "When I saw the dimension of the counterintelligence failure, I immediately went to my former colleague Secretary Bill Richardson to urge him to accept all of the counterintelligence recommendations of counterintelligence director Ed Curran."

Rep. Porter Goss (R-Fla.), Chairman of the House Select

Committee on Intelligence and a gung-ho former CIA operations officer, spoke more directly about Rep. Dicks's pivotal role in blowing up the "nuclear espionage" scare beyond proportion. "Mr. Dicks was one of the first to see the seriousness of the problem at the labs, and he has been very, very persistent in following that. Had it not been for his persistence . . . I think that this report would have been a lot less fulsome than it is now."

In fact, despite the hyperbolic rhetoric of the declassified Cox Report, a careful reading of the report, along with the statements made by some of the more honest committee members, shows it to be a piece of "Red Menace" (or "Yellow Peril") propaganda, with little or no substance. The Cox Committee leadership—Chairman Chris Cox (R-Calif.) and ranking Democrat Norman Dicks—have produced a mean-spirited hoax, relying on incompetent scientific analysis, knowing all along that they had willfully chosen *not* to seek the professional testimony of the leading weapons lab scientists, who would have set the record straight and revealed the anti-China political agenda of the committee's leaders.

Harold Agnew speaks out

One of the pivotal allegations in the Cox Report is that Chinese spies stole "legacy codes" and other computer data on America's most sophisticated nuclear warheads and missiles. But committee member John M. Spratt, Jr. (D-S.C.), at the May 25 press conference, cleared the air, showing that such computer-based data, while potentially of some use, can never provide a foreign government with the basis for producing their own clone weapons.

"A lot of what our scientists know about nuclear materials is empirically based rather than scientifically derived," Spratt began. "The legacy codes are mathematical equations that



(Left to right) Vice President Al Gore and Reps. Christopher Cox (R-Calif.) and Norman Dicks (D-Wash.), chairman and ranking member of the Cox Committee. “The Committee’s own claim of reliance on ‘computer codes’ proves,” writes Lyndon LaRouche, “that the authors of the report were incompetent in the field addressed, but by failing to secure competent scientific guidance, showed themselves to have acted willfully, in reckless disregard for truth.”

model phenomena that are observed in the explosion of nuclear weapons; they record neutrons and protons moving through matter, shock waves going through materials, the effects of heat. It’s a treasure-load of empirical data. If the P.R.C. has obtained these codes, they will enhance, clearly, their ability to model thermonuclear explosions. But these legacy codes are not the three-dimensional models of bombs or the CAD/CAM [computer-assisted design and manufacture] designs, and even if these codes have been lost, it’s a bit much to say that these codes give the P.R.C. design information on par with our own.

“Now, I’m not competent to make that statement to you,” he continued. “I do know that we have had 1,100 nuclear tests, as opposed to about 50 on their part. We’ve built over 30,000 nuclear warheads, as opposed to a few hundred, at most, on their part.”

He then revealed the willful fraud of Cox and Dicks. “But take it from Harold Agnew. Read his letter to the *Wall Street Journal* on May 17, which said, ‘The W-88 is actually quite an old design. The basic test was done at Los Alamos Scientific Laboratory when I was director. I retired 20 years ago. It’s a neat package. But having the computer printouts gives you only a general idea. Actually being able to manufacture the total system from a computer code is a different matter. No nation would ever stockpile any device based on another nation’s computer codes.’ ”

In his letter, Dr. Agnew, in fact, went a good deal further in debunking the Cox Report. “I suspect information published in the open by the Natural Resources Defense Council has been as useful to other nations as any computer codes they may have received by illegal means. Being able actually to use information from any of the national laboratories’ codes requires a great deal more knowledge than following a cake

recipe. It’s even questionable as to whether the Chinese computers are compatible with the weapon codes at our national laboratories.”

Dr. Agnew’s testimony, like that of Dr. Edward Teller, of Lawrence Livermore National Laboratory, would have been an invaluable addition to the Cox probe, given that not a single member of the Select Committee has an iota of scientific education or background. But, again, Representative Spratt spilled the beans: “Because of the shortness of time,” he lamented, “we didn’t have the opportunity to call witnesses like Dr. Agnew. I think if we had, we would have made a better investigative record, and some of these statements that were made in the overview probably would have been left on the cutting room floor.”

Perfidious Gore

The surfacing of Rep. Norman Dicks as the dynamo of the post-October probe has dramatic implications, given that the Cox Committee has been leading the charge against President Clinton’s policy of “constructive engagement” and “strategic partnership” with China. Dicks is a longtime member of Gore, Inc., the inner circle of advisers and collaborators of Vice President Al Gore. Dicks and Gore both entered the U.S. Congress in 1976, and from the early 1980s, were engaged in a series of arms control projects together, including the Anti-Ballistic Missile Treaty and the development of the MX missile.

Today, Representative Dicks is Al Gore’s House Whip; he has recently signed on as the chairman of the Gore for President campaign in Washington State. So, Dicks’s efforts to breathe life back in the Cox Committee probe can only be understood as a Gore, Inc. operation.

And, indeed, despite his own public protests to the con-

trary, Vice President Gore has been caught, on a number of recent occasions, working *against* some of the most vital policy initiatives of the President, particularly with respect to U.S. relations with Russia and China. It is an open secret that Gore and his national security adviser Leon Fuerth, were out to sink Russian Prime Minister Yevgeni Primakov, from the moment that Primakov was appointed on Sept. 20, 1998.

In the case of the U.S.-China strategic relationship, up until the Cox Committee blitz, the Gore crowd had avoided any visible anti-Clinton shenanigans. But now all that has changed. Courtesy of Cox and Dicks, both Houses of Congress are launching a dozen separate probes based on the

hyperbolic, “worst-case scenarios” contained in the committee’s 700-page diatribe. Representative Cox had long ago revealed himself to be a pawn of the very Anglo-Israeli apparatus behind every upsurge of “Get Clinton” mania of the past seven years. He is an advisory board member of the Center for Security Policy, of Frank Gaffney, a former Pentagon official long-suspected of having been part of the “X Committee” spy ring of Jonathan Jay Pollard.

But it is the role of the Gore, Inc. apparatus, via Norman Dicks, that reveals the full scope of the perfidy. Without the Gore crowd, the present mad assault on U.S.-Chinese relationship would have never been possible.

A scientifically illiterate hoax

by Lyndon H. LaRouche, Jr.

The following statement was issued by Democratic Presidential pre-candidate LaRouche on May 28, 1999.

The Cox Committee’s report itself contains sufficient crucial evidence to reveal its claims of alleged scientific espionage by China to be intrinsically fraudulent. He who wishes to wear adult-sized Dr. Dentons to Vice-President Al Gore’s costume parties would find it prudent to make sure he has not lost his buttons, as Norm Dicks’ Cox Committee appears, in retrospect, to have done.

Given the great increase in scientific illiteracy of not only the Cox Committee, but younger generations of the U.S. population, it is important that the nature of the technical evidence proving the Committee’s fraud be explained.

Concerning the report as issued, three most essential facts are to be emphasized.

1. The “computer codes” hoax.

Scientist Harold Agnew put his finger on the crucial proof of the Committee’s fraud. The Committee’s own claim of reliance on “computer codes” proves two things. Not only does that claim prove, in and of itself, that the authors of the report were incompetent in the field addressed, but by failing to secure competent scientific guidance, showed themselves to have acted willfully, in reckless disregard for truth.

2. Although some Republican legislators have climbed onto this fraudulent report, the fraud was perpetrated by the Al Gore faction within the national Democratic Party organization, notably Gore crony Norm Dicks.

3. The actual instigator of this fraudulent report is Her Majesty’s Blair government. Committee chairman

Cox, like Dicks’ crony Al Gore, has frequently acted in his official capacity as a de facto agent of influence of a foreign power, the British government, in various matters. The Vice-President himself, an unabashedly fanatical admirer of the disgusting Blair, is also a dedicated “China-basher,” despite his pretense of being a supporter of President Clinton’s policies.

The technical issue

Go back to the case of a fatal accident during a space shuttle launch. According to the report on the investigation, the chief suspect in the accident was a mistaken substitution of a new, untested design of an O-ring. The danger of precisely such a risk in U.S. shuttle flights of that period, was warned against by a leading senior German space expert, who was among my collaborators in a related project at that time. If the prestigious report on the accident is not in error, the cause for the fatal shuttle accident was a cost-cutting measure taken for the usual, misguided accounting and budgetary reasons: cutting out “unnecessary” proof-of-principle experimental testing of previously untried combinations of technical principles. The fraud of the Cox report is a reflection of the kind of scientific illiteracy shown by those political authorities whose actions were indicated as responsible for contributing to the deaths of those astronauts. However, those misguided NASA authorities of the 1980s were marvels of scientific genius, when compared with the illiterate hoaxsters behind the fraudulent Cox report.

The root of this kind of scientific illiteracy is to be traced, proximately, to the ill-deserved influence of two hoaxsters trained by the notorious Bertrand Russell, Norbert Wiener and John von Neumann. The fraud is the same which caused the virtual bankrupting of the ill-fated Long Term Capital

Management (LTCM) organization which erupted during August and September of last year. John von Neumann's influence was expressed in the Black-Scholes doctrine used by the bankers sucked into the LTCM scam. Think of the number of Wall Street and other loonies and goonies who believe in the von Neumann myth of economics as a zero-sum game. The mind-set which caused so many of the world's leading banking executives to be duped into the Morton-Scholes LTCM scam, is the mind-set expressed by the authors of the fraudulent Cox Committee report.

Compare this with another recent case, the highly embarrassing case of formerly prestigious Daimler-Benz in the scandal of the original design for the Mercedes A-Klasse "flopmobile." In this and an ever-growing number of cases, the growing rash of actually or potentially fatal design failures by previously most honorable and prestigious organizations, is a direct result of the same kind of scientific illiteracy shown by the Cox Committee's fraud. In the business community, the generally used name for this sort of scientific incompetence is "benchmarking": the use of computer codes and computer nerds, rather than science and engineering, as the basis for design of a growing range of virtually untested new products.

I shall give only a summary explanation of the issue of scientific method involved here. I have often addressed this same issue of method in other locations. My associates and I are producing a wide-ranging series of reports on these same principles, as they apply to making the difference between success and failure in the proposed economic reconstruction of southeastern Europe. I summarize two relevant points, as follows.

We need a law

It should be considered fraud to report that a marketed product's design has been "proven" by use of computer methods. Only so-called unique physical experiments, so-called "proof-of-principle" experiments, competently test either a new principle or some new combination of technologies. The work of the top-ranking designers of new kinds of machine-tools and of scientific experimental apparatus, is competent to provide such testing capabilities. These essential competencies are being eradicated from the budgetary allocations of corporations and governmental institutions around the world. The reliance upon computer codes, rather than proof-of-principle experimentation, constitutes folly. To present such folly as alleged proof of a case, is fraud. Hire back competent machine-tool-design and related teams, or expect to be treated as a quack whose fakery may constitute a general menace to public health and safety.

To acquire the scientific secrets previously discovered by one nation, requires only the following steps by any other nation:

1. Be a scientifically trained worker who has gone

through years of education, in secondary and advanced education, with heavy reliance on rediscovering universal principles of nature through the methods of pedagogical proof-of-principle experimentation.

2. Recognize a paradox within the body of what one has otherwise believed, up to now, to have been an adequate manifold of proven universal physical principles. Invent the notion of a new physical principle which must be added to the existing repertoire of known universal physical principles. Test that hypothetical newly proposed universal principle by appropriate designs of proof-of-principle experiments. Make application of such a newly proven principle to a variety of media of application, thus producing new technologies.

That is the only way in which one can "steal" other nations' discoveries successfully.

3. Modern physical science was founded by Cardinal Nicholas of Cusa, beginning his famous *De docta ignorantia*. The central formal feature of that work was Cusa's reworking of Archimedes' theorems on the quadrature of the circle and of the parabola, to show that Archimedes had erred in failing to recognize that the ratio π is not an irrational, but a transcendental magnitude. In other words, that action in the universe does not occur in action at a distance along straight-line (linear) pathways, but only along curved pathways of action, such as spherical pathways, or, as a student of Cusa's work, Leonardo da Vinci, showed, according to metrical characteristics of action in physical space-time which coincide, at a minimum, with spherical pathways of action. The entirety of the fundamental progress of physical science, from Cusa's revolutionary revival of the Classical Greek tradition, through and beyond the work on higher manifolds by Gauss and Riemann, is based upon those principles.

As Gauss and Riemann demonstrate, and as Riemann insisted, one can not derive valid knowledge of universal physical principles by deductive (i.e., linear) mathematical methods; one must measure the curvature of physical space-time defined by the interaction of each and all of the universal physical principles which define the manifold, by what Riemann defines as unique experimental methods.

For such reasons, as Harold Agnew warned, no competent scientist would risk the future of his nation on stealing computer codes from some other nation. This is not merely an issue of good taste; the misguided thief would usually find himself the victim of his own scientific incompetence.

The Cox Committee's immorally reckless disregard for elementary considerations of even simply truthfulness is shocking behavior. But, the cronies of Al Gore have never demonstrated even the slightest concern for truth when it comes to matters of science and technology.

Who are the video game brainwashers?

by Anton Chaitkin

Eric Harris, who died on Hitler's birthday (April 20) in the Littleton, Colorado school massacre which he had planned, was addicted to a Satanic computer video game called "Doom." This is a product used by millions of children and adolescents. It is so popular that Dade County, Florida schools reportedly allow students to accept copies of the game from its promoters and to play it on school computers. Teachers unions reportedly have their pension funds invested in the companies which make and sell "Doom"—thus unwittingly financing those who spur child murder.

The 17-year-old Harris utilized the user-programmable feature to insert the Columbine High School floor plans into his copy of "Doom"; he spent countless hours in a "God" mode of the game, mulling over his invincibility as a mass killer.

The game "Doom," its predecessor "Wolfenstein 3-D," and Doom's successor, "Quake"—the favorites of Harris and of several other recent youthful mass murderers—were created in the 1990s by an overtly satanic faction of designers, financiers, and strategic planners, rooted in the British establishment. The games' horrific style combines terrifying three-dimensional realism, point-and-shoot first-person identity for the player, and a deliberately anti-human story line.

These new games plunge the child into a hypnotic fantasy world, graphically powered by the most advanced computer technology. The player must apparently save his life by aiming at and shooting Nazis, demons from Hell, supernatural aliens, police officers, politicians, gangsters—or, alternatively, the player will himself play these roles, to shoot their enemies. The concept of "human being" is brutally erased from the child's mind.

EIR's findings of the origin of these games was first published in the May 14 issue, with an interview with Lt. Col. David Grossman, a veteran Army psychologist and teacher. Colonel Grossman described the recent change imposed on the training of soldiers: using realistic targets and psychological conditioning to dissolve the human inhibition against killing other people. This new military training technology was then used by commercial video game designers, so that children are now being trained as mass killers.

Who is doing this?

Someone is waging war against our civilization, subjecting us to a new phase of terrorism against the United States,

in particular. We must now begin to answer the question: Who is doing this? The problem cannot be seriously addressed until the identity of the perpetrators is known.

For many years, *EIR* has pioneered the study of the military-strategic *faction* involved—Britain's Tavistock Psychiatric Institute; the Artificial Intelligence purveyors and psychological warfare boys in the British services, and their American factional allies within the U.S. military and security apparatus; the "Utopian" game theorists at RAND Corp. and the kook elements in and around the U.S. Air Force.

This report will confine itself to the history of the brainwashing video game genre in which recent child-murderers have been immersed, a sub-feature of the broader enemy initiative.

The 1989-90 collapse of the Soviet bloc panicked the British-American-Commonwealth faction, with the prospect that a reunified Germany and new Russian and eastern European nations might help forge a U.S.-European cooperation, transforming power relationships and potentially reversing the New Age, post-industrial paradigm. The British launched a fierce propaganda campaign warning that Germany was inherently Nazi, lying about "the danger of a Fourth Reich." One product of this propaganda was the video game "Wolfenstein 3-D," created in 1992. According to *The Official Hint Manual* for "Wolfenstein," "The Fourth Reich" was originally considered for the game's title. Players storm a German barracks, and fight for their lives against Nazi troops. Nazi symbols decorate the game's scenery, in a perverse celebration of evil. The effect on youth is powerfully ambiguous, as children such as Eric Harris pick up pro-Nazi sentiments. The game's ultimate "jock" fighter is a super-Hitler character. The game is banned in Germany, but promoters have coached German children to defy the authorities by using special codewords such as "Hundefelsen 4C," a play on the title.

Although the background of video game design is shrouded in secrecy as an occult and outrightly satanic milieu, with many overlaps into classified military simulation technology, a tentative outline of the recent games' history can be established at present.

John Romero was the principal designer of "Wolfenstein 3-D," and of "Doom." Romero, stepson of a high-security U.S. Air Force officer involved with spy planes, moved with his stepfather to an air base in England. An early adept at

computer game programming, the young Romero went to work with the Royal Air Force, programming their war-game simulators. He later claimed that this British experience “changed his life.” (Interestingly, video game addict Eric Harris was the son of an Air Force officer involved in computer simulations.) Later, back in the United States, Romero designed the startling “Wolfenstein” and its satanic sequels.

For these products, Romero worked at Id Software of Mesquite, Texas, with co-sponsorship by Apogee Software Ltd. of Garland, Texas. Romero has now formed a new company, Ion Storm of Dallas, and he is currently backed by a wealthy London video game company called Eidos. The co-designers of “Wolfenstein” and “Doom” have formed a new organization calling itself “G.O.D.,” to sponsor satanic video games.

A tour through Hell: murderous video game companies

To observe what is being done to our children, let us survey some of the most successful video game producers.

The following are excerpts from the companies’ promotional literature, taken from their Internet Web sites and magazine advertisements.

Outrage Entertainment, and Tantrum (a division of Interplay Productions), are holding a Deathmatch contest, awarding a \$50,000 prize, with the slogan: “So what if you kill your friends; with \$50,000, you can buy some new ones.”

GT Interactive Software, distributor and financier of “Wolfenstein” and “Doom,” presents this advertising message: “Power is not given. It is taken. You want power? Wrest it from the stiff, dead hands of those who held it before. Seize it without mercy. Use it without conscience. . . . *The Kingdom. The Power. The Glory.*”

Id Software, designers of “Wolfenstein” and “Doom,” offers a new game called “Quake III Arena,” with these promotional words: “*The best kills are not always Online. . . . QIII delivers the intensity of a live Deathmatch.*”

“*Get ready to rearrange your life. Quit your job, sell all non-computer-related possessions. Say goodbye to your loved ones and give away your pets. Quake III: Arena . . . relying on your old tricks will get you fragged. QIII’s organic, intensely realistic graphics will make you look great as a shower of gibs if you enter unprepared. Welcome to your new life.*”

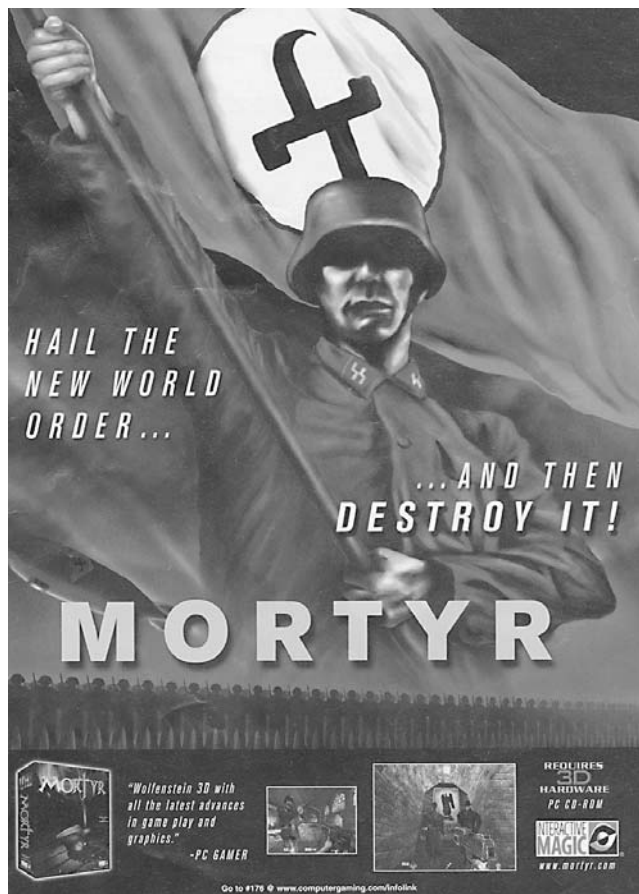
(“Frag” is Vietnam War slang for “assassinate your officers.” “Gibs” is short for “giblets,” referring to the body parts which are blown off and spattered around the excited killer.)

An ad for **3DO company**, features a full-page photograph of an American flag rolled up on a *toilet paper holder*. Kids read:

“Hasn’t Iraq made a mockery of us long enough?”

“Finish It. Once And For All. *Gulf War: Operation Desert Hammer.*”

DMA Design offers “Grand Theft Auto 2” with “com-



A promotional for “Wolfenstein 3-D,” a video game for children, which is one of the favorites of the recent schoolyard murderers. These were created in the 1990s by an overtly Satanic faction of designers, financiers, and strategic planners, rooted in the British establishment.

plete driving freedom and more innovative controversial gameplay to create havoc through the cities. Expect law-breaking tendencies like car-theft and hit and runs, faster police chases, more SWAT teams, and complete urban chaos.”

Novaworld offers the game “F-22 Lightning 3,” featuring tactical nuclear weapons, with “cool” graphics of nuclear explosions which players have unleashed.

Frog City company offers the game “Imperialism II,” in which “advanced artificial intelligence considers nation-specific personalities, strategies and diplomatic agendas.”

The ad for “Kingpin: Life Of Crime,” by **Interplay**, depicts a mass murder with blood spurting everywhere. Kids are told: “If You Survive, You’ll Like It. Target specific body parts and actually see the damage done—including exit wounds. Steal a bike or hop a train to get around town. Even the odds by recruiting the gang members you want on your side.”

D-Link boasts that “Gratuitous violence is 200 times faster with a D-Link Network than with online games.”

A game by **Sierra On-Line**, "Gabriel Knight 3," based on themes found in the book *Holy Blood, Holy Grail*, has vampire lore, pre-Christian paganism, and the story of a Jesus from whom the present European nobility are supposed to have descended. This "game" mixes "conspiracy, heresy, treasure and crime."

Video game satanists call themselves 'G.O.D.'

The powerful Dallas video game designers' cartel, called Gathering of Developers, is known by its acronym, "G.O.D." The founders of the company are pictured in a popular

magazine wearing white monks' robes, posing in front of the converted church which houses their corporation.

"G.O.D." is largely a spinoff from the group which designed "Wolfenstein" and "Doom."

The company is heavily targetting Asia, Ibero-America, and Europe.

The following are among their new kiddy games.

"Max Payne" takes the shooter-player into "a mission to revenge [the hero's] slaughtered family, taking him on a bridge-burning, rock n' rolling rampage through the criminal underworld of New York City." In this role, the child kills

Families of victims sue video producers

Parents and others representing the estates of three girls shot by fellow student Michael Carneal in Paducah, Kentucky, have filed suit against 24 companies whose violent and pornographic products warped Carneal's mind. The \$130 million suit specifies:

"On . . . December 1, 1997, Michael Carneal, then fourteen years of age, took six guns . . . to the Heath High School. . . .

"Carneal waited for a daily voluntary student prayer session to end. He then shot Jessica James, Kayce Steger, and Nicole Marie Hadley, all three of whom were members of the prayer group, to death. He wounded five others. . . .

"[Later] the police seized Michael Carneal's computer. Carneal was an avid computer user who logged into the Internet to consume material that was obscene, obscene for minors, pornographic, sexually violent, and/or violent in content.

"Law enforcement officers also learned that Carneal was a consumer of violent computer and video games . . . [and of] movies containing obscenity . . . sexual violence, and/or violence. One such movie that Carneal consumed was *The Basketball Diaries*. In this movie a student portrayed by Leonardo DiCaprio graphically massacres his classmates with a shotgun.

"Michael Carneal's family hired Dr. Diane Schetky . . . a Yale medical professor [with] a worldwide reputation as an adolescent psychiatrist. . . . She concluded that Carneal was profoundly influenced by his exposure to the above violent/pornographic media."

The Federal lawsuit, filed by attorneys Jack Thompson and Mike Breen, notes that the movie *Basketball Diaries*, "designed and marketed to young audiences, is a nihilistic

glamorization of irresponsible sex, senseless and gratuitous violence, hatred of religion, disregard of authority, castigation of family, drug use, and other self-destructive behaviors." The suit points out that "the book upon which the movie is based . . . has no such shooting episode. Instead, the *Diaries* Defendants specifically decided . . . to make, market, and distribute a movie in which they fabricated a gratuitous and graphic murder spree for the sole purpose of hyping the movie and increasing its appeal to young audiences. This had the effect of harmfully influencing impressionable minors such as Michael Carneal and causing the shootings."

The lawsuit in no way exaggerates these points; the film is patently Satanic, an overt incitement to a war against humanity.

"The *Diaries* Defendants . . . knew or should have known that copycat violence would be caused by *The Basketball Diaries*."

The parents zero in on the video game defendants, who "manufactured and/or supplied to Michael Carneal violent video games which made the violence pleasurable and attractive, and disconnected the violence from the natural consequences thereof, thereby causing Michael Carneal to act out the violence.

". . . [The] games trained Carneal how to point and shoot a gun in a fashion making him an extraordinarily effective killer without teaching him any of the constraints or responsibilities needed to inhibit such a killing capacity."

The defendants are Id Software, GT Interactive Software, Apogee Software, Midway Home Entertainment, Atari Corp., Interplay Productions, Nintendo of America, Activision, Capcom Entertainment, Sony Computer Entertainment d/b/a Sony Interactive Studios America, Eidos Interactive, and seven other companies. The movie companies are Time Warner, Polygram Film Entertainment, Island Pictures, Palm Pictures, and New Line Cinema. Two Internet pornography purveyors are also sued.

“mobsters, drug-enhanced killers, bad cops, professional assassins, corrupt politicians.”

In the game “F.A.K.K. 2”: “combat should be more grisly and realistic than in previous games. The game’s Quake III engine allows body parts to be swapped or removed instantly, enabling such effects as blown-off limbs, gaping holes, severed parts that still move, and more.”

“KISS Psycho Circus: The Nightmare Child” is an offshoot of the KISS satanic rock performers. For the kids, it’s “a demonic world of mystery and horror where the player must battle hideous freaks-of-nature spawned by the conception of an unborn evil, the Nightmare Child, whose arrival has perverted the fabric of reality. The player begins as a mere mortal and progressively acquires the powers of The Elder, a supernatural being. The Elder, embodied by alter egos—the Demon, the Starbearer, the Beast King, and the Celestial (based on the KISS characters). . . . The game is an intense first-person shooter.”

A reviewer says, “Remember those cool KISS films when you were a kid? I mean, even without the music, it was just great watching a group of four heroes wander around a city blowing the crap out of everything that got in their way with their individual powers. Now developer Third Law Interactive is attempting to bring that raw mix of ’70’s mysticism and rock together again in KISS Psycho Circus: The Nightmare Child.”

British game firm leads way to Hell

Eidos Interactive, a London corporation with subsidiaries in the United States, is currently a sponsoring partner for the work of John Romero.

Eidos (the company name is a perversion of the Platonic Greek word for idea) now offers the following wares:

In the game, “Legacy of Kain: Soul Reaver,” kids enter a future world, according to British design, in which:

“The destruction of the major human Kingdoms was inevitable. Within a hundred years, humanity had been thoroughly domesticated. To be sure, there remained some feral humans scattered across the hinterlands, clinging to their hopeless holy war. . . . They were tolerated. . . . After the taming of the humans, our real work began. . . . Slaves constructed about the Pillars, a shrine worthy of our new age, worthy of our dark renaissance. . . . However, we grew bored. As faction fell against faction we betted upon the outcome. We helped and foiled plots at our whim.

“.. It is the body that demands the blood sacrifice; our souls gain their advantage from the powers of the underworld. As we mature, our earthly bodies evolved into a higher form. We assumed the powers and nobility of the Dark Gods. . . . And for my impertinence I was damned. . . . My punishment was to be cast into the bottomless vortex. . . . Now, I serve a new master. A demanding master. A master that must be fed, with souls.”

For those nostalgic for the good old days, Eidos offers “Cutthroats: Terror on the High Seas.” Kids can learn to:

“Raid. Pillage. Plunder.

“Loot and exploit your way to infamy in the seedy world of the 17th-century Caribbean. Strike terror in the hearts of your victims: board ships, ransom hostages and sack towns. The only rules are the ones you make. . . . Seek a Letter of Marquee [sic] and fight for King and country as a privateer, or become a ruthless pirate. Either way, remember to ply your crew with rum and treasure or face a mutiny.”

Another “cool” teen game is called “Gangsters.” The company says it “gives you the opportunity to be a gangster in a Chicago-style city of the 1920s. Controlling an underground organisation dealing in extortion, illegal liquor, prostitution, violence, intimidation, gambling, gang warfare, bribery of officials, permanent elimination of individuals and a host of money-making activities. This is made doubly challenging by need to simultaneously maintain a descent [sic] and honest reputation on the surface by supporting good causes, helping the police and running legitimate businesses. . . . The aim of the game is to build your gang and business empire to rule the city. To do this you will have to beat three other gangs operating in the city, and avoid arrest by the authorities.”

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Budget caps should be changed, says Regula

As the Appropriations committees in both Houses begin work on the 13 regular Fiscal Year 2000 appropriations bills, they are confronting the budget caps imposed by the 1997 budget agreement for the first time. These caps are already leading to friction between Congress and President Clinton over administration budget requests. In the recently passed supplemental appropriations bill, the friction was dealt with by designating most of the spending as "emergency" funding, which exempts it from the caps.

Rep. Ralph Regula (R-Ohio), chairman of the House Interior Appropriations Subcommittee, told a breakfast meeting of the American League of Lobbyists on May 25 that nobody wants to take the lead on dealing with the caps, which apply only to discretionary spending, i.e., about one-third of the total Federal budget. He also said that President Clinton has been inconsistent. Clinton signed the 1997 budget agreement, caps and all, with great fanfare, he said, "and yet sends up a budget that is way over what is established as a total under the caps."

What has to happen, Regula said, is that the leadership of both parties in both Houses, and the White House, have to get together "and recognize that the needs of this nation are such that to address these items [that people want in the budget] . . . we have to change the caps," a suggestion that will cause heartburn for the budget cutters in Regula's party.

So far, the "easy" spending bills have begun to move forward in both the House and the Senate. The agriculture and nutrition programs bill was set to come to the House floor on May 25, with the legislative branch appropriations bill not far behind. However, other issues could bog down the agri-

culture bill, such as dairy pricing, and whether the Food and Drug Administration should have authority to approve abortion-inducing drugs.

Juvenile crime bill clears the Senate

On May 20, the Senate passed the GOP's juvenile crime control bill, but not before there were more fireworks on the gun control issue. Two more amendments dealing with firearms sales and background checks were passed.

The first, sponsored by Gordon Smith (R-Ore.) and James Jeffords (R-Vt.) closed a loophole that had been opened by an earlier pair of GOP amendments. Jeffords called the amendment "an attempt to try to get a bipartisan bill." Smith said that the amendment used the same language as that written by Charles Schumer (D-N.Y.) in an amendment that had been rejected earlier, "to go back to current ATF [Bureau of Alcohol, Tobacco, and Firearms] regulation to make sure that if someone comes in and hocks his gun, he cannot then go, commit a felony, and then retrieve that gun without a background check." The amendment passed by a vote of 79-21.

The second, sponsored by Frank Lautenberg (D-N.J.) and Robert Kerrey (D-Neb.), was touted as closing the rest of the 13 loopholes that were opened by GOP amendments the week before. It passed by a vote of 51-50, with Vice President Gore casting the tie-breaking vote. Pat Leahy (D-Vt.) ridiculed the GOP for opening so many loopholes and then trying to close them with "baby steps toward the background checks" approach. Since the Smith-Jeffords amendment only closed two loopholes, he said, the Re-

publicans will need 6.5 more amendments to get the rest of them.

Schumer continued his incessant attacks on the "gun lobby." Since the debate was taking place just hours after the nonfatal shootings at a high school on Georgia, Schumer said that that "should have taught us that winking at the NRA [National Rifle Association] and then smiling at the American people just produces more carnage." Not once during his diatribe did Schumer refer to the popularity among children of violent video games that have been described as "murder simulators." In fact, he later voted against an amendment to establish a commission to study the effects of these video games and the movie industry on children, for the purpose of developing measures to reduce juvenile violence, an amendment that was defeated 56-41.

Campaign finance reform gets push from Dems

In a direct challenge to the House GOP leadership, House Democrats have been circulating a discharge petition to force onto the House floor a campaign finance reform bill similar to the Shays-Meehan bill that was passed by the House last year. At that time, then-House Speaker Newt Gingrich (R-Ga.) allowed the bill to be debated, in order to head off the possibility that enough moderate Republicans would sign the discharge petition to force the bill out of committee. However, the procedure adopted by the House GOP leadership loaded so many amendments into the process that action was completed too late in the year for the Senate to consider the bill.

This year, there seems to be no such cracks developing in the GOP front. The discharge petition has gar-

nered 196 signatures of the 218 required, but no Republicans are among them. Several Democrats have suggested that this is the result of strong-arm tactics by Majority Whip Tom DeLay (R-Tex.). The May 13 *Roll Call* quoted John Doolittle (R-Calif.), who said, "People who sign the discharge petition . . . are really committing treason against the party."

Minority Leader Richard Gephardt (D-Mo.) said that while the Republican leadership is busy attempting to keep moderates under control, "DeLay is twice as busy making sure the money keeps rolling in. It is no surprise that the GOP, which outspends Democrats two to one, has proclaimed that supporting campaign finance reform should be a felony offense."

Defense authorization bill debated in Senate

On May 24, Senate Armed Services Committee Chairman John Warner (R-Va.) brought to the Senate floor a \$288.8 million Defense Authorization bill, which is \$8.3 billion more than what the Clinton administration has asked for. Warner described the bill as intended to address shortfalls in readiness that have come to the fore in recent years. The bill adds \$3.3 billion to military construction programs, \$1.2 billion to readiness accounts, \$813 million for procurement, \$509.3 million to ballistic missile defense programs, \$218 million for military space programs, and lesser amounts for other programs, all over and above the President's request. It also includes an enhanced pay and benefits package for military personnel.

However, debate is likely to be dominated by issues such as alleged Chinese spying at U.S. nuclear weapons facilities, the strategic role of

NATO, and additional base closure and realignment rounds. An amendment authorizing two further rounds of base closures, supported by Secretary of Defense William Cohen and many Senate Democrats, is expected to generate heated debate. Carl Levin (D-Mich.), the ranking member on the committee, said, "The need for additional rounds of base closures is overwhelming." Warner indicated that he opposed further closures, but would wait for the amendment to come to the floor before making further statements.

Policy debate began on an amendment by Pat Roberts (R-Kan.), a resolution asking President Clinton to certify to the Senate whether NATO's new strategic concept imposes any new commitment or obligation on the United States. If so, Roberts said, President Clinton should submit those changes as an amendment to the North Atlantic Treaty for approval by the Senate. Levin said that he thought the new strategic concept does not impose new obligations, and cited an April 14 letter by President Clinton to Warner saying so, but otherwise thought that Roberts's amendment was appropriate.

Missile defense bill passed by the House

On May 20, the House passed the National Missile Defense Act by a vote of 345-71; it declares that U.S. policy is to deploy "as soon as is technologically possible an effective National Missile Defense system capable of defending the territory of the United States against limited ballistic missile attack." The bill went through an unusual process, in that there was no conference committee between the House

and the Senate on the differing versions of the bill. Rather, the House simply took up the Senate version and passed it.

Members on both sides of the aisle expressed dissatisfaction with that process. Ike Skelton (D-Mo.) said, "We are being asked to concur in the exclusive work of the Senate on a take-it-or-leave-it basis," which "is not right." The rule for debate passed on a voice vote.

The Senate version contained two amendments that made it palatable to the White House. The first specifies that funding of a missile defense system will be subject to the annual authorization and appropriations processes. The second simply added: "It is the policy of the United States to seek continued negotiated reductions in Russian nuclear forces."

A colloquy between Curt Weldon (R-Pa.) and Armed Services Committee Chairman Floyd Spence (R-S.C.) made clear the GOP view that the bill commits the United States to deploy a missile defense system, despite subjecting it to the regular appropriations process. Spence said, "When the President signs this bill, I believe it also reflects a commitment that [the \$10.5 billion that the President has budgeted for missile defense through 2005] will be used to resolve the programmatic issues, to establish the technological feasibility of a national missile defense, and, finally, to deploy a national missile defense." One of the programmatic issues referred to by Spence is the fact that one of the systems under test, the so-called Theater Area Air Defense, or THAAD, has failed to hit a target in all six tests. Weldon argued that despite that, "the THAAD program has accomplished 28 of 30 milestones," and to characterize it as a failure is an insult to the people who work on it.

National News

Australian intelligence officer arrested in U.S.

An officer for Australia's Defense Intelligence Organization (DIO) was arrested by the FBI at Washington-Dulles Airport on May 15 for selling U.S. intelligence documents. The officer, Jean-Philippe Wispelaere, who had worked for the DIO in Canberra, was charged in U.S. Federal court with trying to sell more than 700 highly classified American defense documents to an FBI agent. The agent was posing as a national from an unnamed country, whose embassy Wispelaere had first approached last February in Bangkok, offering to sell the documents. The country involved immediately contacted the United States, which set up an FBI sting. According to court records, Wispelaere received \$120,000 for the documents, which he delivered to the undercover FBI agent.

Wispelaere had access to the documents through the DIO, which "had obtained them under treaties with the U.S. that grant close allies access to American military secrets," according to news reports. The United States has reportedly cut off exactly these types of intelligence exchanges with Britain, in the aftermath of the NATO bombing of the Chinese Embassy in Belgrade. It is unknown if the Wispelaere case is related to the U.S.-U.K. rift over the war policy.

Clinton orders review of launch vehicle failures

On May 19, President Clinton asked Defense Secretary William Cohen to work with Director of Central Intelligence George Tenet and Administrator Dan Goldin of the National Aeronautics and Space Administration (NASA) to provide an interim report, within 90 days, on the "root cause" of the unusual number of failures of space vehicle launches. In a memorandum to Secretary Cohen, the President requested recommendations on "actions required to ensure our future access to space." He also said that his

science adviser, Dr. Neal Lane, would work closely on the report.

Over the past nine months, there have been six U.S. launches that ended either in the destruction of the vehicle or the placement of both military and civilian satellites in useless orbits. This represents a failure rate of more than 10%, which is approximately double the failure rate of most launch vehicles. The failures resulted in about \$3.5 billion in losses, \$3 billion of which is government flight hardware.

Lockheed Martin has already initiated its own internal investigation into the Titan IV and Athena failures, and Boeing is convening a team of government and industry experts to look into the Delta II failures. NASA has been conducting its own review, since it has science satellites scheduled to be launched on similar vehicles.

Since the mid-1980s, when responsibility for the expendable launch vehicles was turned over completely to the vehicles' private manufacturers, there has been less government (military and NASA) oversight over the technology.

States moving for death penalty moratoria

Pennsylvania Senate Bill 952, introduced May 10 and referred to the Judiciary Committee, would impose a two-year suspension of the death penalty and create a commission to study the current law and make recommendations for amendments. Should the measure pass, Pennsylvania would be the second state to vote up such a moratorium, which was originally called for in February 1997 by the American Bar Association. A moratorium passed the Illinois House, but failed in the Senate. Bills to legalize capital punishment were also recently defeated in the Massachusetts and Michigan legislatures.

On May 20, Nebraska became the first state to approve a two-year moratorium on executions. The unicameral Senate voted 27-21 to call for a study to determine if the state's death penalty law has been applied fairly with respect to whether race, economic status, or other issues played any part

in the imposition of death sentences. Gov. Mike Johanns (R), who supports the death penalty and opposes the moratorium, has not said yet whether he will veto it.

In a related development, Virginia Gov. Jim Gilmore (R) commuted the death sentence of Calvin Eugene Swann on May 12, only hours before he was to die. This is a first for Virginia, which is vying with Texas to become the leading "death penalty state." Gilmore, who supports the death penalty and is otherwise enmeshed in a major scandal involving prison labor, was forced to commute Swann's sentence after death penalty opponents proved that he was so mentally ill that he did not know what an execution was.

DeLay tied to Marianas slave labor haven

Global Survival Network, based in Washington, D.C., released the results on May 24 of an undercover investigation of labor conditions on the island of Saipan, a U.S. Pacific territory which is part of the Commonwealth of the Northern Mariana Islands (C.N.M.I.). The report and the undercover videotape released with it confirm allegations of sweatshop conditions in the C.N.M.I.'s garment industry, of underpayment and nonpayment of wages, and of forced prostitution and sex slavery.

In the videotape, investigator Stephen Galster posed as a New York garment buyer, with Willie Tan, the Hong Kong businessman who owns at least three of the garment factories which employ immigrant laborers enticed by offers of high U.S. wages. The allegations charge that these immigrants work in outrageous conditions, with little or no pay, and have no recourse to redress grievances.

Tan boasted to Galster of his relationship with House Majority Leader Tom DeLay (R-Tex.), saying that DeLay assured him that "as long as we [Republicans] are in control, they [opponents of the sweatshop system] can't even see the light at the end of the tunnel." He added in broken English: "Tom become powerful this Congress, because Tom the one who basically . . . is the peacemaker. So guaranteed next two years, no

THE 'FLINT JOURNAL' in Michigan editorialized on May 11 that "NATO Must Make Amends with China." The editorial says that Clinton's apology "must be backed up with acts that leave no doubt of sincerity. . . . A more difficult but necessary response would be to investigate relentlessly how such an error came about, and to see that those responsible are penalized. Any lesser reaction . . . would be interpreted as callous and arrogant."

JIM HIGHTOWER, former Texas Agriculture Commissioner, blasted the economic boom myth in a local union publication in May. After pointing out that most workers, despite working two to four jobs, still can't make ends meet, Hightower polemicized: "Happy-face economic statistics are like earrings on a hog — they can't hide the ugliness."

JAMES CARVILLE, the irrepressible friend of the Clintons who advised the Israeli Labor Party election campaign, told reporters that his strategy was "just like the United States. You get out the Jewish vote." He also mused that Moses had wandered in the desert for 40 years, because he was using a CIA map.

GEN. ANTHONY ZINNI, the Commander of the U.S. Central Command, ran into *EIR* correspondent Hussein al-Nadeem, while sightseeing in Stockholm, Sweden. Nadeem briefed Zinni on the "LaRouche Doctrine," emphasizing that "only through a major economic cooperation program in the context of a new, global Marshall Plan can justice be made for the people in Iraq and the Balkans."

ALAN GREENSPAN, chairman of the Federal Reserve Board, endorsed the fact that wages are being held down by "the surprising depth of worker job insecurity in the face of ever tightening labor markets," at the 35th Annual Conference on Bank Structure and Competition, hosted by the Federal Reserve Bank of Chicago on May 6. creativity

problem. Now, it look like George Bush son will become next President. . . . Quite possibly. If we are Republican, we have no more problem again, so we are going to have six years." Later, Tan says that DeLay told him "if they elect me as Majority Whip, I make the schedule of the Congress, and I'm not going to put it on the schedule." DeLay was referring to legislation sponsored by Rep. George Miller (D-Calif.) and backed by the Clinton administration, to impose Federal immigration and minimum wage standards on the Marianas. The islands are exempt from those Federal standards, which make it attractive to slavers.

There are many other areas where the government does have control, and we will work in those. . . . We will give no aid where there is no effective presence of control by the state."

Clinton tells Israel to dump nuclear arsenal

On April 22, President Clinton responded by letter to 35 members of Congress, who had sent him a query concerning the fate of Israeli nuclear engineer Mordechai Vanunu. Vanunu was kidnapped by the Mossad in Rome, secretly tried in Israel, and sentenced in 1986 to 18 years in prison, for revealing details about Israel's extensive nuclear weapons arsenal to the London *Times*. The letter was made public in the Jewish daily *Forward* on May 14. Clinton told the Congressmen: "I . . . share your concerns about the Israeli nuclear program. We have repeatedly urged Israel and other non-parties to the Non-Proliferation Treaty to adhere to the Treaty and accept comprehensive International Atomic Energy Agency safeguards."

The unprecedented action by President Clinton certainly rattled some cages. Richard Perle, a former Defense Department official who has been linked to Israeli spy Jonathan Jay Pollard, called the letter "silly in every respect," and sniped, "Is Bill Clinton going to protect the Israelis the way he protected the Kosovars or the way he protected the Bosnians?" The Anti-Defamation League's Abe Foxman told *Forward*, "I can't believe the President would send such a letter. These are very sensitive issues. It is so judgmental. He comes to conclusions, about [Vanunu's] imprisonment, and the nuclear proliferation. I can't believe these are his words." Tom Neumann, the director of the Jewish Institute for National Security Affairs (JINSA), moaned, "It is very disturbing to me. It indicates a full-court press to get Israel from various different angles." Morton Klein, the head of the Zionist Organization of America, which backed Benjamin Netanyahu's reelection as Israeli Prime Minister, charged that Clinton was intervening "in the midst of an Israeli election campaign."

FARC wants U.S. to back crop substitution

A representative of White House anti-drug adviser Gen. Barry McCaffrey said that the United States will not approve any "crop substitution" plan run by the Revolutionary Armed Forces of Colombia (FARC) narco-terrorists. Thomas Umberg, who was visiting Colombia on May 10, told Bogotá's *El Tiempo*: "We would first like to see their [the FARC's] good will, to commit to what they propose, abandoning the drug trade and eradicating it, but so far, this hasn't happened."

Umberg added, in what is clearly a departure from the State Department line, "It is clear that there is a connection between the guerrilla and the narcos. They themselves have admitted it. The best way to deal with the problem is destroying the link between the guerrilla and the drug trade, thereby eliminating an important source of income for the insurgency."

The United Nations is working on a plan with the Colombian government, for a crop substitution program in the so-called "demilitarized zone" which is under FARC control in the south. "Our experience with alternative development in Bolivia and Peru is that these programs can be effective as long as the government controls the zone, to be able to direct the development and make sure the benefits go to the appropriate people," said Umberg. "The government has no control over the demilitarized zone and cannot oversee it. That is why we don't support it.

British push for World War III

In his commentary of May 27, Russian Special Envoy to the Balkans Viktor Chernomyrdin was blunt. “The world has never in this decade been so close as now to the brink of nuclear war,” he wrote. While that statement was a shocker for many, the statement as a whole contains a significant omission—the fact that it is Britain’s Blair government which is leading the drive for escalating the conflict into a ground war, which will lead very rapidly toward World War III.

The problem is not just that the British are beating the drums for a ground troop deployment; they are orchestrating one destabilization after another to prevent the consolidation of agreements between the United States, Russia, China, and leading European nations which could put a peace plan in place. Just look at the crucial events.

First, we had the bombing of the Chinese Embassy on May 7, a deliberate act, and one aimed at sabotaging agreements which had just been reached by the Group of Eight on a possible negotiated peace through the United Nations. There is no question but that this act was carried out by the British-controlled military apparatus in NATO which wants to sabotage peace, and that, unless President Clinton cuts this military grouping down to size by identifying and punishing the perpetrators of this crime, the potential for all efforts toward peace is permanently crippled.

Second, we had the May 12 removal of Russian Prime Minister Yevgeni Primakov, who had long been a target of the British-American-Commonwealth (BAC) grouping, because of his role in building an alliance with China and India, *and* his openness to working with the West on a new economic orientation.

At the same time, the BAC core of NATO has steadily escalated its bombing campaign to hit more and more civilian infrastructure, crippling hospitals, power systems, and water supplies. At least 14 other embassies or diplomatic residences, in addition to the Chinese Embassy, have been hit. These atrocities have been accompanied by more and more demands for ground troops, and even the mooted use of nuclear weapons!

So far, these mootings have not occurred in the American press. The first came in the BAC’s flagship paper, the London *Sunday Telegraph*, on May 2, when “historian” Andrew Roberts called for NATO to “go nuclear” in the war against Yugoslavia. The second was more indirect, but came from Gen. Wesley Clark, who is running military operations. The Spanish daily *El País* published an interview with General Clark on May 25, in which the paper reported his answer to a question on whether aerial bombardments can ever win a war. “The general alludes to the case of Japan during World War II, as a technical example for a country which got destroyed without the necessity for an invasion with ground troops. Yet, he insists that one has to transpose that reference with caution, because the forces and circumstances then were not identical with the actual ones in the Balkans, as if to prevent someone from coming to the conclusion that he would defend the launching of an atomic bomb.”

Then, during the week of May 24, the British dropped some new bombs to try to bury any move toward a negotiated settlement. In this category falls the Cox Committee Report on alleged Chinese espionage, which we take up in our national section. The fraudulent report is widely seen as an attempt to “change the subject” from the Chinese Embassy bombing, and to further break relations between the United States and China. And then, on May 27, came the indictment of Serbian strongman Slobodan Milosevic as a war criminal—something which could have been done any time since the early 1990s, but was timed to stymie ongoing diplomatic efforts.

How will this British campaign of sabotage be stopped? It will take a mobilization of ruthless honesty and spectacular intensity, focussed on identifying the British role, punishing the embassy bombers, and pulling together concrete plans for reconstruction in the Balkans. The circulation of the call for peace through development, issued by Helga Zepp-LaRouche and Bosnian leader Faris Nanic, is building the basis for such action. But the time-bomb is ticking, and within weeks the decisive action must be taken.

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 ⊖ROANOKE COUNTY—Cox Ch. 9
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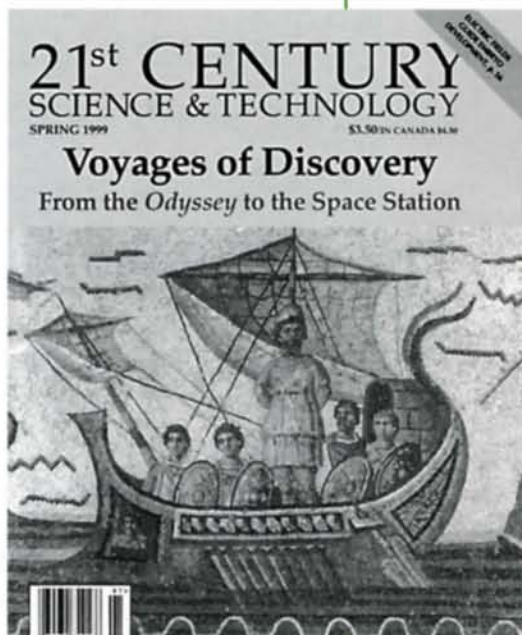
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