

Editorial

Vindication

Americans know the role that Lyndon LaRouche and this magazine played in fighting to block, and then to reverse, the corrupt 2001 deal which shut down the only public, acute-care hospital in the nation's capital—District of Columbia General Hospital—and which privatized the District's public health-care system.

Spokesmen for *EIR* and the LaRouche movement spotlighted the shady background of Doctors Community Healthcare Corp. (DCHC), the owner of Greater Southeast Community Hospital, which was given the contract to administer the new privatized health system, and which was supposed to "replace" D.C. General. We reported that DCHC and its financial partner, National Century Financial Enterprises (NCFE), had been investigated and sued for fraud and racketeering in a number of jurisdictions, and that they had been accused of looting hospitals and healthcare facilities, after capturing the income stream of these institutions through NCFE's financing schemes. (District Councilman David Catania also exposed the dubious financial dealings of DCHC and NCFE, and tried unsuccessfully to obtain full financial disclosure regarding these two entities.)

This was not simply a local fight. LaRouche identified the battle to save D.C. General as being of "national and even international significance," as the leading edge of the fight to restore the principle of the General Welfare in U.S. economic policy. LaRouche also insisted that the public-health system of Washington, as the nation's capital, should be a model for the nation and the world, and that it should play a cutting-edge role in research on disease and emergency preparedness.

With the complicity of Congress, and the Democratic Party leadership, the corrupt privatization deal was allowed to stand, and the healthcare system of the nation's capital slid into chaos and catastrophe. NCFE filed for bankruptcy on Nov. 18, 2002, two days after the FBI raided its Ohio offices amidst charges of fraud, and DCHC and Greater Southeast went into bankruptcy court in Washington, D.C. two days after that.

Now, in a measure of vindication for those who

fought those battles, U.S. District Judge Gladys Kessler has ordered the release of substantial portions of the secret 2001 PriceWaterhouse report on the financial viability of DCHC and Greater Southeast Community Hospital.

Judge Kessler's order, dated March 5, 2003, was issued in an FOIA lawsuit, *Canning v. District of Columbia*, brought by an associate of LaRouche, George Canning. The lawsuit asked for documents related to the PriceWaterhouse Cooper "due diligence" report on the financial viability of DCHC and Greater Southeast, and on their ability to provide healthcare for the District of Columbia's indigent population.

Most notable are the introductory remarks of Judge Kessler: "As an initial matter, the Court cannot help noting that the financial position of Greater Southeast Community Hospital, and its relatively new owner, Doctors Community Healthcare Corp., are of extraordinary significance to the plight of poor people seeking medical care in the District of Columbia. Both these medical providers are now in bankruptcy, and in active litigation before the Bankruptcy Court. Resolution of the issues in the Bankruptcy Court will very probably affect the City's entire healthcare system. It may well be that if the documents being sought in this case had been released by the District of Columbia Government when they were first prepared in March and April, 2001, at a time when the Legislative and Executive Branches of the District of Columbia Government were weighing the wisdom of granting Greater Southeast the leading role in running the City's new privatized indigent care system, the citizens of the District of Columbia would not be in the dire straits they now find themselves in."

Yes, it could have been prevented. Although the D.C. government fought to keep the documents secret, in order to cover up its own witting complicity in the corrupt 2001 deal, the U.S. Congress, in its oversight capacity, could have demanded the documents at any time, and could have acted to prevent the healthcare crisis which is now afflicting our national capital.