

EIR

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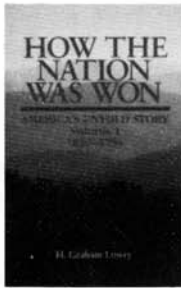
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The third trial of Socrates: U.S.A. vs. Lyndon Larouche



Books . . . The Immortal Mind of Man

How the Nation Was Won: America's Untold Story; Vol. I, 1630-1754 by *H. Graham Lowry*, \$14.95. Just-released in July 1988. From the founding of the sovereign Massachusetts Bay Colony in 1630, America's leaders dreamed of forging a continental republic that would break the grip of European oligarchical power. The lessons of that fight in New England shaped the 18th-century strategies of Cotton Mather and his protégé Benjamin Franklin, whose early career as a republican intelligence agent is revealed for the first time. So are the roles of the brilliant Jonathan Swift, Virginia Gov. Alexander Spotswood and New York Gov. Robert Hunter, whose policies helped ensure the success of the American Revolution.



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Friedrich Schiller, Poet of Freedom, \$9.95. New translations of Schiller's works, by the Schiller Institute, including a new verse translation of the play *Don Carlos*, Schiller's *Letters on Don Carlos*, and his chilling novella, *The Ghost Seer*.

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From the Editor

The well-deserved defeat of Michael “Mussolini” Dukakis in the recent U.S. presidential campaign opens the way to a resumption by the Democratic Party of pre-1968-72 traditional values—the values of the party that brought the United States out of the 1930s Great Depression and rebuilt the national economy, through a strong bipartisan consensus on both domestic-economic and foreign issues of national security.

The pivotal figure for bringing that shift about is *EIR* founder and contributing editor, Lyndon H. LaRouche, Jr., the intellectual author of the Strategic Defense Initiative. But the Soviet leadership, and their friends in the Western financial establishment, are absolutely determined to get rid of LaRouche. This is the subject of our cover *Feature* this week: the blatantly political indictments of LaRouche and his associates, who are about to go on trial in Alexandria, Virginia, on Nov. 21, 1988.

Our *Feature* delineates the nature of the “legal” cases in question, and reports on the impressive lineup of internationally prominent individuals who have come out in LaRouche’s defense. Further, we begin in this issue to explore the real object of the anti-LaRouche court cases: the Marxist-inspired war to destroy what they call the “authoritarian personality”: one who accepts the premise of the Book of Genesis, that man is charged by God with the responsibility of having dominion over nature. This vicious fraud is taken up in the first of a series of articles by Michael Minnicino, and in a book review (page 36) by LaRouche himself.

The strategic picture we present is exclusive to us: inside reports from Poland that foresee a fullscale revolt this winter, desperation in the Kremlin over food shortages, and dangerously stupid efforts to “accommodate” to Soviet demands for trade concessions, by the U.S. liberal establishment. The dynamic in Asia is reported in articles on page 9, pages 54-57, and in a special report that encapsulates the rapid strategic unraveling of Western interests in New Zealand (page 46).

Dumping the liberal values that have led to the current mess is not a long-range perspective. It is of question of life-and-death urgency for the weeks ahead, as the future of the United States goes on trial in Alexandria, Virginia.

Nora Hamerman

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A new laboratory at Disney World's EPCOT Center will show the public the potential for new technologies in agriculture, reports Marsha Freeman.

Correction: Due to a confusion in bank names, an article on banks under investigation for drug-money laundering out of the October indictment against Bank of Credit and Commerce International (BCCI), in Vol. 15, No. 45, page 67, *EIR* mistakenly misidentified Florida National Bank of Miami as the bank which handles the finances of the ADL Foundation, and has former Nugen Hand Director Donald Beasley on the board of directors. That bank is City National Bank of Miami. Florida National of Miami, however, has indeed found its records subpoenaed by the U.S. Customs Service, the *Wall Street Journal* reported Oct. 31, 1988, because two of the top cocaine runners indicted, Roberto Alcairo and Gonzalo Mora, used the bank to launder their money. The BCCI indictment named Alcairo as a major smuggler and money launderer, and describes Mora as heading the Medellín Cartel's laundering operations in Florida, New York, and California.

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Central banks begin post-election power push

by Chris White

Technically, it actually started the week before the election in the United States, but that hardly matters. The central bank-organized run against the dollar has begun, and by the end of business on Nov. 11—Veterans' Day—had already sent the currency sliding to a 10-month low against the Japanese yen and a 5-month low against the West German mark.

There are no surprises here for *EIR* readers. The central bankers' plot against the U.S. currency and credit system had been telegraphed since the meeting of the International Monetary Fund in West Berlin at the end of September. Now, it's happening. Organized out of the European money centers—London, Frankfurt, Switzerland—the attack is proceeding on three levels. Euromarket interest rates, such as the three-month Euro-deposit rate, are being increased, to organize a secondary flow out of dollar instruments, and begin a new round of pressure against U.S. equity markets.

By the close of business in London on Nov. 11, the three-month Euro-deposit rate had reached 9%, roughly the same as the then-quoted yield for the 30-year U.S. long bond, and for the first time in months, only 1% under the U.S. prime rate. The dollar was trading near its postwar low range against the Japanese yen at just over 122, and at about DM 1.73. The New York Stock Exchange's Dow Jones Index, shedding more than 47 points in the day's trading, lost more than 70 points for the week. According to the *New York Times*, this is the biggest post-election weekly loss since Harry Truman's 1948 victory.

Two sorts of developments have been set into motion. On the one side, politically, the central bankers' plot against the dollar is a pressure tactic, designed to subdue the incoming administration of George Bush, and force that administration's submission to central bankers' will. On the other side, beyond the political games with the existence of nations

and the world, there is the underlying reality of the bankruptcy of the dollar-based credit and banking system. Whoever now chooses to play such pressure games, is also taking the lid off a Pandora's Box of monetary and banking crisis potential, accumulated during the last year and more of buying time until the U.S. elections were over.

Deficit reduction, tax increases

The first side was represented by the slew of conferences held and press statements issued in the aftermath of the elections. In the United States, Bill Bradley, the New Jersey senator, and Paul Volcker, the cynical former Federal Reserve chief, laid out the perspective to a gathering of international investors convened by the American Stock Exchange. Trilateral Commission member and one-time Carter administration teeny-bopper C. Fred Bergsten presented the bankers' austerity demands in the form of a new study produced by the Washington, D.C.-based International Institute for Economics.

Attempting to prove that Pythagorean doctrines of reincarnation do actually represent something, this outfit in an earlier life used to be known as the Creditors' Committee, and before that as the Ditchley Group. Now representing hundreds of large international banks, its views, even if represented by the unfortunate Bergsten, should be taken as seriously as a doctor would take the ravings of a psychopath who needs restraint.

Bergsten identified the next six months as critical for the United States. Either the new administration quickly puts together a package of deficit reduction and tax increases acceptable to the international financial community, or there will be an explosion. Bradley told the international investors at the American Stock Exchange the same, adding the rider

that the new administration could expect no cooperation from the Democrats in Congress in elaborating such a program of cuts acceptable to the international bankers. Volcker warned of the limits to foreign creditors' patience, which could perhaps produce a flight out of dollar assets if the same kind of action were not taken.

Outside the United States, the chorus was the same. British and French finance ministers Nigel Lawson and Pierre Berezgouvoy warned that markets would suffer unless Bush signals that he will cut the deficit. Timothy O'Dell, an economist with UBS Phillips and Drew in London, told the *New York Times*, in remarks reported Nov. 11: "If the markets concluded they didn't like what they saw, there would be at least the implicit threat of overseas central bankers that they would withdraw support for the dollar. The decision may be taken by the Germans and others that the Americans may need, if you like, to face a more substantial crisis in the financial markets to come to their senses."

Contrary to this, Japanese Finance Minister Kiichi Miyazawa, decrying the week's plunge in the dollar, issued a call Nov. 10 for more coordinated central bank intervention to halt its slide.

While seemingly different, it can be assumed that Miyazawa and company are actually walking the other side of the same street that the Europeans and the Americans are on. While the name of the demands is "cut the budget deficit," "reduce the current account deficit," and "increase taxes," the coordinated international political pressure campaign is actually intended to make sure that the levers of control are held by the international central banks, and that the new administration will be only a malleable tool in the bankers' hands.

The pressure against the dollar will rapidly translate into new increases in U.S. interest rates, increases which will be coordinated by the Federal Reserve and the big commercial banks. On the basis of such increases, it is probably thought that a new, lower level can be found for the dollar against both the yen and the deutschemark, by establishing in practice the independence of the central banks, no matter what elected governments intend.

The increase in the Euro-deposit rate portends an increase in the prime rate, perhaps to 10.5% or 11%, as banks pass along their increased borrowing costs; it also portends the establishment of a new higher interest rate spectrum in the bond markets. If three-month off-shore money is rated about the same as the yield on the U.S. government's 30-year bonds, then there are going to be substantial increases in rates in the bond markets to keep pace. The Treasury's quarterly marketing, in the last two weeks of November, when it attempts to sell about \$30 billion of debt, will compound the pressure.

Then back onto the agenda will come the proposals floated in the Spring of 1988, by former Japanese Prime Minister Yasuhiro Nakasone, and the crowd in Europe typified by

Dutch Finance Minister Onno Ruding and Hans-Jörg Rudloff from Crédit Suisse, that the United States finance its overseas debt by issuing bonds denominated in foreign currencies. That way, Washington no longer has the option of devaluing its currency to outsmart the foreign creditors, and, of course, that way the United States no longer has sovereignty over its monetary and credit policies.

Treading dangerous ground

But what will the effect of all this be on an already rotten bankrupt credit and banking system? It is not too difficult to establish that such tricks from the central bankers' armory will contribute to accelerating the collapse of the entire \$15-20 trillion in unsecured paper which is still called the dollar-based system.

Interest rate increases, combined with another dollar collapse? Ho, ho! First to go down the tubes will be the new round of enormous "leveraged buy-outs," which alone kept the market going during the final two weeks of the election campaign. Then, completed LBOs and the \$150 billion junk bond market will be sucked into the maelstrom, as borrowing costs rise. Also to be considered is the effect of a 1.5-2.5% increase in borrowing costs on the savings and loan institutions, and indeed on the commercial banking sector itself.

What the financial crowd calls a "flight into quality" had already begun before the new slide of the dollar, when the announcement of the RJR-Nabisco buy-out, a \$20 billion transaction, knocked the bottom out of the international and domestic market for U.S. corporate debt. A new round of interest rate increases will raise the tempo of that flight to quality, speedily leaving whole chunks of outstanding claims worthless in the stampede for cash and other relatively crash-proof holdings. It will also help knock the bottom out of the speculatively superinflated U.S. real estate market, which ultimately provides the collateral for a good chunk of the financial transactions, as assets are forcibly converted into cash to pay down outstanding debt.

Of course, it will then be very difficult for the central bankers who organized the flight with their pressure tactics to argue that there should be deficit reductions. They will have contributed to increasing the cost to the Treasury of closing the S&Ls to the \$200-250 billion level, and will have been responsible for adding a similar charge against Treasury accounts for the commercial banking sector.

By pursuing their pressure campaign, the central bankers' consortium is pushing to take control over the U.S. government in the kind of way hitherto reserved for Third World debtors. It is also undermining the source of its own power, the rotten bankrupt financial system, and thereby creating the conditions in which those with the requisite knowledge and courage can hope to reorganize world credit and economic systems on the basis of the reassertion of the sovereign powers of national governments, to end the rule of usury and speculation.

Will Bush bail out Mikhail Gorbachov?

by Kathleen Klenetsky

President-elect George Bush is expected to come under early intense pressure to agree to a taxpayer-financed bailout of the West's chief opponent: the Soviet Union.

Bush is already being deluged with advice from various quarters that he must allow, if not encourage, a significant increase in credits, investment, and other forms of economic dealings with Moscow, on the grounds that, unless the West helps out the "moderate" Gorbachov, he will be replaced by dangerous militants.

Secretary of State-designate James Baker III is considered a leading proponent of this view, which was avidly promoted by Michael Dukakis's policy advisers. But it is still an open question where Bush himself will come down on this first litmus test of his administration.

Joint ventures

The Soviets made a major bid to lure Western funds when it announced just a few weeks before the U.S. presidential elections that it had relaxed its laws governing joint ventures. The Oct. 29 *New York Times* disclosed that Soviet Prime Minister Nikolai Ryzhkov told European officials that foreign firms could now own as much as 80% of a joint venture. Combined with the recent spate of European and Japanese lending to the Soviets, and indications that the ruble may be made convertible in the not-too-distant future, this change is expected to spur the flow of U.S. dollars to the East.

Advocates of a Gorbachov bailout are trying to make their case by using the tantalizing prospect of massive profits ripe for the grabbing. Omaha lawyer John Cavanaugh, who just recently negotiated a precedent-setting joint-venture agreement between U.S. food processors and Soviet authorities, told the Oct. 25 *New York Times* that the Soviets intend to spend \$60 billion in the next five years on their food processing industry alone.

In a subsequent conversation, Cavanaugh predicted, "The political climate in the United States [on American-Soviet economic ties] will change immediately after the election. . . . By early next year, U.S. banks will revise their current attitudes," and will dramatically increase their lending to the Soviet bloc.

Cavanaugh premised his predictions of closer U.S.-Soviet economic ties, on the conclusion of a strategic arms control accord. Once such an agreement is signed—which, Cavanaugh thinks, will happen next year—then increased economic relations and Soviet membership in the IMF and

World Bank "will follow."

Cavanaugh said he believes that a Bush administration will adopt a "realistic" approach to the issue, and drop its campaign-trail "hardline rhetoric." One specific initiative he expects Bush to take is suspending the Jackson-Vanik and Stevens Amendments. Another East-West trade consultant, Dr. Timothy Stanley, agrees. A board member of the influential Atlantic Institute, has written a monograph urging the United States to give positive feedback to Gorbachov's phony "reforms" by easing existing restrictions on U.S.-Soviet economic relations. Moscow "perceives the West's restrictions as economic warfare," and that must come to an end, he said recently.

In addition to the food processors agreement, a consortium of six leading U.S. manufacturers (among them, Eastman Kodak, Archer Daniels Midland, and Ford Motor Co.), are said to be on the verge of a major joint-ventures accord with Moscow.

Whether or not the United States participates in this rush to bail out the Soviets depends in large measure on whether George Bush can be convinced that to do so, will only serve Moscow's imperial ambitions.

So far, there are mixed signals emanating from the circles around him. Reagan-Bush National Security Adviser Lt. Gen. Colin Powell told an international investors conference Nov. 8 that the recent lending binge by Japanese and European banks to the Soviet Union does not pose a threat to Western security interests. He noted that President Reagan "strongly supports the expansion of mutually beneficial trade and economic relations with the Soviet Union," but cautioned that the primary relationship between the U.S.S.R. and the United States is "competitive and adversarial" and "will remain so in our lifetime."

A report by an administration interagency task-force, which became public a few days after Powell's remarks, said basically the same thing. But Bush adviser Henry Kissinger has taken a warier attitude, as has Bush himself. In an interview with the Nov. 9 *Le Figaro*, he cautioned against taking Gorbachov's "reforms" at face value and pouring money into the Soviet economy. Moreover, conservative Republicans, led by Sen. Steve Symms (R-Idaho), are already screaming about untied loans to the Soviets.

The "bail out Gorbachov" push will get a big boost from a major conference on the idea of a "Marshall Plan for the East" slated for Dec. 13 in Los Angeles. Co-sponsored by UCLA and the Alcide de Gaspari Foundation, the meeting will feature an international cast of influentials, including Italian Prime Minister Ciriaco De Mita—already on record favoring such a plan—as well as Giulio Andreotti, senior Reagan-Bush arms control adviser Paul Nitze, former Democratic Party chairman Charles Manatt, Republican National Committee chair Frank Fahrenkopf, Sen. Alan Cranston (D-Calif.), and a few dissenters, notably ex-Pentagon chief Cap Weinberger.

Poland moves toward winter explosion

by Konstantin George

The Polish crisis is moving inexorably toward a December explosion of food marches, protests, and riots on a national scale, far surpassing the bloody December 1970 riots in the port of Gdansk which toppled the Gomulka regime. The December crisis could assume the proportions of an open revolt by a hungry, freezing, increasingly desperate people, and could lead the Warsaw puppet regime to summon the Red Army to "restore order."

In short, we are on the edge of a strategic crisis on the continent of Europe, developing in the middle of the U.S. post-election transition period.

The first phase got under way with the Oct. 31 announcement by Polish Prime Minister Mieczslaw Rakowski that the industrial home base of the opposition Solidarity labor union and its leader, Lech Walesa, the Lenin Shipyard in Gdansk, would be closed. The government move, in accordance with directives from both Moscow and the International Monetary Fund, touched off a round of protests in Gdansk, including brief wildcat strikes. Though these strikes ended on Nov. 9 after only 24 hours, they are a harbinger of things to come, and of the radicalization of the Polish opposition.

On Nov. 9, Walesa warned that an irreversible and dangerous radicalization of Solidarity is unavoidable if the government refuses to revoke its decision to close the shipyard, as well as scores of other large industrial enterprises. Declared Walesa, "The time could come when I lose my influence on the impatient workers and could no longer intervene to end strikes. Then, Walesa will no longer be of any use."

Behind the coming explosion is a rapidly worsening supply situation affecting food, non-food basic necessities, and heating fuel. Meat has been unavailable for months. Now that British Prime Minister Thatcher has departed from Poland, fruit and vegetables have disappeared, and dairy products are disappearing.

Canned food products are also vanishing from the shelves. One day, Radio Warsaw's domestic service reports that vinegar is no longer available; the next day, the same report is issued concerning mustard. And so it has gone, day by day through the month of November.

The Moscow-IMF vise

Moscow and the Warsaw puppet regime have a powerful ally in their plot to crush the Polish opposition—the International Monetary Fund and the Western financial circles behind it. Rakowski's Oct. 31 announcement was worked out during his visit to Moscow Oct. 20-21. An IMF team was in Poland during the period Oct. 20-Nov. 3. This time frame encompassed Rakowski's Moscow visit, Polish leader Gen. Wojciech Jaruzelski's Oct. 21 threat to employ violence against strikes and demonstrations—"my hand will not tremble if I have to use violence"—and Rakowski's announcement of the closing of the Lenin Shipyard.

According to well-placed sources, the IMF delegation "endorsed" the Rakowski program to shut down "loss-making" enterprises, making this a prime condition for a long-sought standby credit. The IMF also demanded that Rakowski begin by closing down the Nowa Huta Steelworks, outside the city of Krakow. Nowa Huta, which led the first 1988 strike wave during April-May, is the other bastion of Solidarity.

All Western credit to Poland is now blocked until Poland comes to terms with the IMF. Thus, the IMF, using financial blackmail, has joined Moscow as twin enforcer of the plot to smash the opposition.

Poland's credit situation is desperate. This year, Poland has received no new loans from any Western sources, and will receive nothing until the IMF is satisfied. Currently, about three-quarters of Poland's exports to the West, and more than 50% of all foreign exchange earned, go to meet debt service payments.

There is another dimension to this looting vise. Soviet looting of Poland's economy has created the rationale for the IMF to demand industrial shutdowns. For example, the Lenin Shipyard is a perennial "loss-making enterprise," because, as admitted in the Polish magazine *Polityka* in the first week of November, it must sell the ships it builds "at prices far below production costs." *Polityka* forgot to mention that the sole buyer of these ships is the Soviet Union, and the scandalously low prices are dictated by the Soviet Union.

Winter reality

It is this looting of Poland's economy that is now bringing that country to its greatest crisis since the war. By December, with no food, no basic non-food necessities, and no fuel to heat freezing cold homes, the Polish winter will not deter, but more likely provoke, a spontaneous and unpredictable explosion.

The explosion is assured because, even if it wanted to, the Polish government cannot remedy the supply situation. During September and October, as part of its "buy time" strategy against the opposition, featuring the promise of "roundtable" talks with Walesa, the Warsaw regime used up its last foreign exchange reserves and whatever consumer goods stockpiles existed, to create a temporary upturn in the

consumer supply situation. That marginal, artificial improvement was sustained through the Nov. 2-4 Thatcher visit. The bubble has now burst, and with it the Polish regime's ability to alleviate the worst winter supply situation since the first, desperate postwar years. As November runs its course, every item that vanishes from the store shelves will remain unavailable throughout the winter. There are no longer any reserves.

Also during November, the meager stocks of heating fuel will have been largely consumed, thus adding to the grim food picture the specter of freezing apartments in the bitter cold Polish winter.

Thus, by December, intelligence sources anticipate food marches, protests, riots, and plundering by desperately hungry families.

Polish women and housewives, says sources, will be in the forefront of these demonstrations. Any move by the regime to violently suppress such women's marches, would be sufficient to bring the entire country into full revolt.

Moscow prepares invasion plans

Moscow has been preparing for the eventuality of invading Poland to save its puppets, "restore order," and keep Poland a captive nation. At the end of September, following the huge "Autumn '88" Soviet-Warsaw Pact maneuvers in the Ukraine and Moldavia, the Soviet ground and air forces stationed in Poland, Czechoslovakia, and the Belorussian Military District—ringing Poland—staged simultaneous large-scale maneuvers.

Soviet military contingency plans have been worked out by a team led by Marshal Nikolai Ogarkov, now directing the Western High Command, under which the Western Theater of War is subsumed. The last Soviet public reference to Ogarkov occurred in the Oct. 13 edition of the military paper, *Krasnaya Zvezda*. Ogarkov was mentioned as present as an active officer at the Oct. 12 Moscow ceremonies on the 45th anniversary of the Russian-created Polish armed forces. (The Soviets had butchered the Polish officer corps at Katyn in 1943.)

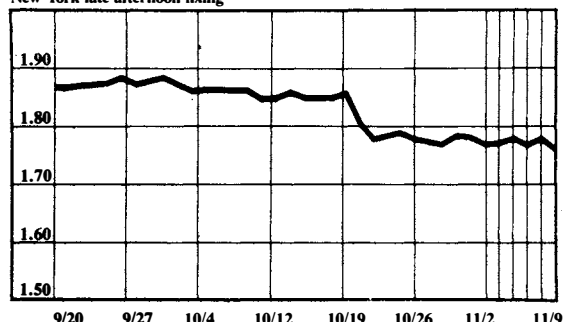
Once the December crisis hits with full force, the threat of a Soviet military intervention will become acute. The Polish regime knows it cannot handle an actual revolt, and would issue a call for "brotherly socialist assistance" from Russia. Soviet military preparations for an invasion have been completed, and Moscow would require at most 48 hours' notice to commence an invasion from two directions; marching west from the Western U.S.S.R. Military Districts and the Baltic, and marching east from the Soviet forces stationed in East Germany, joining the Soviet forces based in western Poland.

The first major strategic test for President-elect George Bush will thus probably occur even before his Jan. 20 inauguration, confronting him with the fact that he is morally responsible for the fate of 40 million Poles and the continent of Europe.

Currency Rates

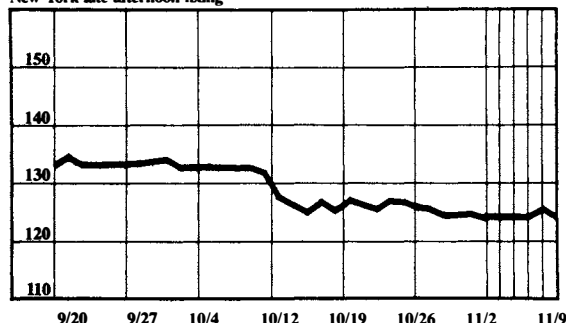
The dollar in deutschemarks

New York late afternoon fixing



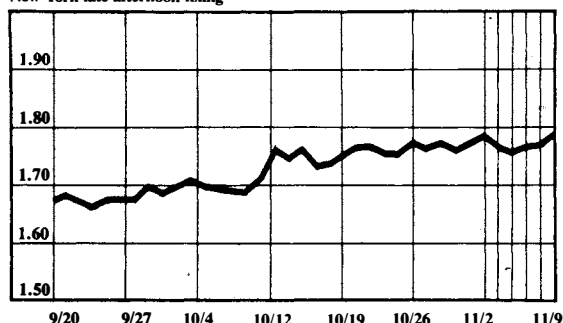
The dollar in yen

New York late afternoon fixing



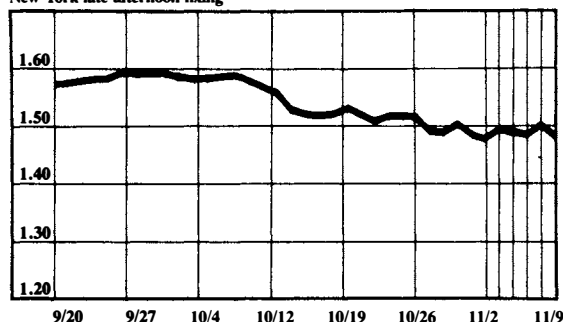
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



The Russians gaze at unwilling Asia

by Mary McCourt Burdman

The Soviet Union stepped up its attempts to break into the Asian-Pacific region by dispatching Yevgeni Primakov, a top policymaker for the Middle East and Asia, to the region during October. But Asian nations are not proving quite so susceptible to Soviet cajoling and bullying as Europe and the United States.

Moscow's economic-diplomatic drive into Asia was launched in July 1986 with a speech by General Secretary Mikhail Gorbachov enunciating the "Vladivostok doctrine"—the Russian assertion that it, too, is an "Asian power." Soviet desires for a foothold in the East were expressed again by Gorbachov on Sept. 16 of this year from Krasnoyarsk, the site of the huge Soviet anti-ballistic missile defense radar.

The problem Moscow faces is that, although the Soviet Union has massively built up its Pacific military deployment over the last decade, it is widely understood throughout Asia that, economically, Moscow has nothing to offer. Moscow has sustained a long-term trade deficit even with impoverished India.

In an effort to circumvent this problem, in May of 1986, Yevgeni Primakov, director of Moscow's Institute of World Economics and International Relations (IMEMO), announced in *New Times* the formation of the Soviet National Committee for Asian-Pacific Economic Cooperation. Indicating Moscow's desire to organize economic bailouts from the Asian dynamos such as Japan and South Korea, Primakov noted, "The economic problems of recent years have become especially manifest in the Soviet Far East."

But the problem was glaringly apparent at a conference, "Asia Pacific Region: Dialogue, Peace, and Cooperation," the Russians held at Vladivostok Oct. 1-3. It was *glasnost* only for the weekend, when the "fortress city" was opened to a few selected foreigners for the first time in 55 years.

U.S. participants at the conference included Richard Holbrooke, who was Assistant Secretary of State for East Asian and Pacific Affairs in the Carter State Department and now with Shearson Lehman Hutton; and Richard Scalapino of the University of California at Berkeley "Asian mafia." Both

have close ties to the U.S. State Department.

While most of the world press coverage of the conference focused on the "peace" talks, the Soviet focus was economics. As reported in the *Hindustan Times* Oct. 3, "It was suggested that optimum economic benefit through mutual cooperation among the countries of the region could be reaped by the Soviets' providing the market, the Japanese technology, and others, including China and India, the manpower. It was agreed at the instance of the Soviets to underline that the cooperation would have to be on the basis of the principle of reciprocity."

Japan 'far beyond Soviets'

One prominent Soviet participant was heard admitting that Japan has moved so far beyond them, economically and technologically, that Japan no longer "has to deal" with the U.S.S.R. for resources or for trade. The Russian "market" is nil: The Soviet Pacific coast population is about 1% of the Asian population. Moscow has turned to "importing" Chinese labor, starting with 10,000 workers from impoverished northeast China, to work in Soviet factories and farms.

"The Soviet Union is a Eurasian state and we wish to see our country serving as a reliable bridge connecting two great continents in the economic, cultural and humanitarian fields," said Gorbachov in his message of greetings to the conference. Yet, there were only ethnic Russians in Vladivostok.

The only enthusiastic response that even the Soviets themselves reported on the conference came in the statements by Indonesia's Imron Rosyadi to the Soviet foreign affairs weekly *New Times* (No. 42, 1988), but even Rosyadi stated it was "still too early to convene a meeting of foreign ministers of the region."

Among other responses:

- Former Thai Foreign Minister Thanat Khoman simply noted that "a number of the initiatives put forward by Gorbachov are interesting."
- Chinese delegate Pu Shan of the Chinese Society of World Economy, while citing the increase in Sino-Soviet trade and border "activity," stuck to the P.R.C.'s unaltered conditions for relations with the Soviets, calling Kampuchea "the most urgent problem in the region."
- Philippines delegate, Senate Foreign Relations Committee Chairman Leticia Shahani, while pushing the Russian-promoted "nuclear-free zone," also asserted that "the Helsinki model cannot be applied to the Asian-Pacific region." A meeting of Pacific foreign ministers would require "extensive and serious preparation" and "considerable time," she said.

Focus on Japan

The results of the Vladivostok conference were at best "inconclusive," as participants reported upon return. But in a further bid to roust up some trade with Japan, Moscow dispatched Primakov to Tokyo Oct. 24 to speak at a symposium sponsored by the Research Commission on Security of

Japan's ruling Liberal Democratic Party (LDP). Primakov was accorded high-level meetings with Foreign Minister Sosuke Uno, LDP General Secretary Shintaro Abe, and former Prime Minister Yasuhiro Nakasone.

However, despite Primakov's numerous blandishments, Japan refused to back down on its demand that the Soviet Union return the four Kurile Islands it seized from Japan in the final hours of World War II, or take steps to return them, before any serious negotiations on Japanese contributions to Soviet domination of Asia take place. The Kurile Islands are strategically important for the Russians, because the straits between them could be sealed in wartime to bottle up the Soviet Pacific Fleet in the Sea of Okhotsk or cut off Vladivostok.

Primakov appeared ready to offer everything but the Kuriles. Despite Soviet retrenchment in Afghanistan over the previous week, Primakov declared that "the Afghan model can be regarded as one effective model for solving regional conflicts" in Kampuchea, South Africa, and the Korean peninsula, according to Kyodo news service. It is important to get all the participating players together to resolve disputes, he declared, but admitted that the Soviet Union could not support Republic of Korea President Roh Tae Woo's recent proposal for a six-nation conference on the Korean situation unless Soviet ally North Korea agrees.

He attempted to apply the "regional deal" method to the Kuriles as well. Japan should not be intransigent: "China also has territorial claims over Japan," he said. "Certainly that issue [the Kuriles] cannot be used as a premise for dialogue." Despite Soviet *perestroika* in foreign policy, Japan must join in the dealing, he said. "If the situation is a hostile one and the counter-party is anti-Soviet, we cannot change our policy."

The Japanese daily *Asahi Shimbun* had reported that Primakov "hinted" it was impossible for Moscow to discuss the return of all four islands to Japan, but did not rule out the possibility of negotiations on two of them, Habamai and Shikotan. Prime Minister Noboru Takeshita told Japanese reporters the next day that Japan remains unchanged on the issue of the four islands, and that any potential Soviet "return of two islands" was incompatible with the Japanese stance.

In his meeting with LDP General Secretary Abe, Primakov dropped the mask. Primakov pointedly talked up the Russians' interest in expanding trade with South Korea. Then, criticizing the Japanese for "often thinking they are 100% in the right," he charged that Japan's stance of applying constant pressure on Moscow is counterproductive. Said Primakov, "While Japan boasts that public sentiment for the return of the islands runs strong nationwide, Tokyo ignores the significance of public sentiment [!] in the Soviet Union," Kyodo reported. "If a referendum were held in his country, the majority of people would say that there should be no readjustments of borders fixed at the end of World War II," Primakov said.

EIR

Special Report

AIDS: MANKIND'S HOUR OF TRUTH

Within the immediate period ahead, mankind will reach the point of no return on adopting one of the only two proposed concrete courses of action to deal with the out-of-control AIDS pandemic:

1) As he pledged to the American people in a June 4, 1988 prime time television broadcast, Lyndon H. LaRouche, Jr.'s science-intensive plan could wipe the virus from the face of the Earth.

2) The alternative course, proposed by Dr. C. Everett Koop, the Surgeon General; by the insurance companies, the banks, governments, and the health establishment, in the name of "cost-containment," is to revive Nazi policies of euthanasia ("mercy killing") and death-camp "hospices" instead of hospitals. This plan will doom the human species to a miserable end.

In a new special report, *EIR* presents in depth the two alternative paths and their implications. We remain optimistic that mankind will ultimately choose victory over defeat.

EIR

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REPORT

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or total defeat**

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plan for victory

August 1988

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Mexican oilworkers back debt moratorium

by Marivilia Carrasco and Hugo López

In a paid announcement printed in the Mexican press on Nov. 1, the Revolutionary Oilworkers' Union of the Mexican Republic (STRPRM) revealed the policy issue that is really behind the oilworkers' fight to bring Mario Ramón Beteta, ex-chairman of Pemex, the Mexican national oil company, to trial for embezzling government funds.

Addressing the Mexican people, the House of Representatives, and all "true members of the PRI" (Mexico's ruling political party), the ad says: "Subservience, abjectness, and slanders shall not keep the truth from the Mexican people. As we've always said, the facts will continue speaking to the nation, even as the international bankers' employees attempt to slander us; this is why those who tightened our belts yesterday and today strangle our nation's life, in an alliance with the country's banking elite which holds over half of the debt, do not want a moratorium even in jest."

The demand for debt moratorium by the strongest trade union in the PRI has panicked Mexico's oligarchs. On Nov. 3, STRPRM sections 34 and 35 put it even more clearly: "The only ambition of the new Porfiristas [after dictator Porfirio Díaz, whose regime led to the 1917 Mexican Revolution] is greater economic power to achieve greater benefits and privileges, not to fight for national sovereignty or for better living standards for the people." The statement goes on, "the new Porfiristas have always blackmailed the government with the greatest cynicism. Or is the constant threat of taking their money out of the country not blackmail? Isn't it blackmail to demand laws and regulations ever more favorable to [their] capital?"

The ad says that the leadership of the "new Porfiristas" are "300 families led by the Legorretas, Suárezes, and Bor-tonis: the banking elite which speculates and bargains with the Mexican people's and investors' rickety economy." President-elect Carlos Salinas de Gortari hasn't a chance of implementing an economic recovery program unless he shakes this "neo-Porfirista" mafia, and throws its most corrupt specimens in jail.

Central Bank director Miguel Mancera is apparently on the oilworkers' target list, too. Rep. Adolfo Barrientos, who is close to the union, announced Nov. 2 that "the oilworkers' union also demands an investigation of the misdirection of Central Bank funds earmarked for housing, which were invested in the stock market just before last year's October stock market crash." Barrientos also demanded a probe of

the dollar payments for the sale of Mexican crude oil, which were invested in foreign financial institutions and have generated further profits.

Barrientos warned that the STRPRM doesn't oppose an internal inquiry, but "we will also demand that the investigation be broadened to include the 300 families who hold the wealth in Mexico, to determine the source of the wealth of these families who pressure the government to favor their interests."

A new majority?

The oilworkers' allegations against Beteta were backed by all of the congressmen linked to the Mexican Workers Confederation (CTM), the National Democratic Front of popular former presidential candidate Cuauhtémoc Cárdenas, and most of the right-wing National Action Party congressmen. This defines the possibility of a new majority in the House of Representatives, which could totally change the nation's economic policy.

The power of this potential new majority can be seen in the fact that President Miguel de la Madrid's frantic efforts to protect Beteta and preempt the scandal have failed. The oilworkers charge that Beteta committed fraud in 1986 during the creation of the Mexican Oil Fleet, privately owned by Isidoro Rodríguez, to whom Beteta gave an exclusive Pemex oil shipping contract. Rodríguez's company was built on a loan issued by Banpesca, the official fishing credit agency, based on the contract he already had with Pemex. The loan was for—you guessed it—buying ships. On top of that, Rodríguez, who also owned the Mexican Stock and Investment Exchange, and was chairman of the National Chamber of Automotive Transportation, overpriced the ships at \$19.5 million, even though the budget office estimated their value at \$12 million, and Beteta knew it.

On Oct. 29, the Attorney General's office ruled that criminal action against Beteta was not in order, a ruling rejected by the oilworkers' representatives and the entire opposition in Congress. Then various PRI congressmen tried to build on the Attorney General's decision, but were beaten back by the oilworkers' representatives in what several newspapers described as a virtual break between the union and the PRI. On Nov. 2, Barrientos announced that in the Beteta case—and possibly other matters, as well—no ruling will be upheld unless it is supported by the entire labor representation in Congress.

The "families" made their countermove Nov. 5. The PRI delegation in Congress—headed by Rep. Guillermo Jiménez Morales, a stooge for the private bankers—excluded Rep. Adolfo Barrientos, who had begun the congressional investigation of Beteta, from the commission charged with that investigation. Yet both the opposition and the oilworkers' faction in Congress said they were confident the vote would run 271-229 against Beteta, when the commission's ruling comes to the floor.

Venezuela sells its oil future

On the eve of presidential elections, the political establishment is accused of "giving the country away."

An Oct. 31 UPI wire, datelined New York, has created a political uproar in Caracas. "Venezuela has begun negotiations to sell \$1 billion worth of futures on its oil production," according to the report. "Caracas entrusted the operation to BankAmerica Corporation (the company which owns Bank of America) and to Salomon Brothers, Inc."

The future sale of petroleum to pay debt is a bombshell in Venezuela, which is holding presidential elections on Dec. 4. The oil industry was nationalized 15 years ago, and it would be hard to find anyone who would openly advocate restoring it to the multinationals. Venezuela's present and its future, after all, is dependent on its oil exports.

What makes the issue particularly explosive, is that social democrat Carlos Andrés Pérez, the presidential candidate of the incumbent Democratic Action party, has spent the last few weeks of the campaign trying to shake allegations made by the Venezuelan Labor Party (PLV) and widely printed in the press, that he is a "bankers' boy." His leading opponent, Christian Democrat Eduardo Fernández, has recently narrowed CAP's lead in the opinion polls by charging that CAP and the other establishment politicians were "giving the country away." The future oil sale proves his point.

Venezuelan Finance Minister Héctor Hurtado felt compelled to "correct" the UPI report, hours after it was printed in the Caracas papers. Hurtado contended that Venezuela was not selling "futures contracts" on its oil, but was using an ingenious mech-

anism called "accounts payable."

Thanks to the name-change, Venezuelan officials eluded the law that requires futures contracts to be approved by Congress. That route would make an even bigger scandal, especially on the eve of elections. But, the regime needs to pay \$1 billion debt service now, to ward off bankruptcy until after the elections.

Journalist Alan Lugo decried in the Caracas daily *El Universal* Oct. 27 how futures sales violated the sovereignty Venezuela has tried to consolidate since 1905, when gunboats fired on its ports to collect the debt. "In the first place," he wrote, "the contracts force the country to renounce the prohibition against embargoes which is consecrated under international law, in the event of non-compliance for any cause. Also, the country must renounce the principle that any lawsuits involving the contracts be heard in national courts."

Such waivers of sovereign immunity may or may not be among the formal conditions of the "accounts payable," but that is how it works. The deal is: Venezuela sells its oil to Champlin Oil Refining Co. and Citgo Petroleum Co. Instead of paying Venezuela, they deposit the funds in New York, in a trust fund from which Venezuela cannot withdraw them. Then what? Nothing. The money goes to "accounts payable."

The Venezuelan government was forced into a corner by its bankers' refusal to lend. During the years when the oil bonanza brought in so many dollars that the government could not figure out what to do with them, the

bankers were happy to lend, puffing up the foreign debt. The debt service burden and the fall of oil prices have rapidly depleted reserves from \$30 billion in 1982 to \$7.232 billion at last count, only \$2.225 billion of which are liquid. And \$2 billion of that must be kept on deposit in creditor banks, or the creditors can contractually declare the country insolvent, under terms of last year's debt renegotiation.

To scrape up cash, Venezuela has put \$500 million of its gold reserves in the Bank for International Settlements, in Basel, Switzerland, as collateral for a short-term loan, and sold much of its remaining gold. The government has also brought in a little cash by selling state-sector entities to foreign creditors under debt-for-equity schemes.

All of this, however, is not enough to fill up the \$2.030 billion hole in Venezuela's current accounts for the first nine months of the year, as calculated by the central bank. During the first three quarters, \$11.147 billion came into the country, but \$13.177 left it, including \$3.587 billion for paying the public and private foreign debt. The difference has come out of reserves, which have diminished by \$2.144 billion so far this year. Another \$1.5 billion in debt service remains to be paid before New Year's.

The government and its candidate, Carlos Andrés Pérez, reject the widely discussed option of debt moratorium. While they will not negotiate with the International Monetary Fund before the elections, they are heading toward a deal with the IMF. On Oct. 19, the government raised from 7.5 to 14.5 bolivars the amount needed to import \$1 worth of food and medicine. It also loosened exchange controls to let private-sector exporters keep their dollar revenues for speculative purposes, rather than have to exchange them at the central bank.

USDA: 'Let them eat turkey'

Poultry is supposed to replace red meat in the diet, but thanks to federal policies, you won't be able to afford it.

Not just at Thanksgiving, but all year round, "Let them eat turkey." This is the advice of the U.S. Department of Agriculture in recent years to all those who can't afford to eat red meat, and to those who are leery about beef and pork because of the scare stories over fat content and drug residues—stories promulgated by even the USDA itself.

Now, thanks to the impact of the drought and to the years of federal anti-farm production policies, you may not be able even to afford turkey.

Expanding feedgrain exports, higher domestic use, and reduced grain stocks caused by both the drought and government cut-back programs, have caused feed costs to leap rapidly from last year's levels, catching many livestock producers off guard.

Corn prices have increased 117% from \$1.65 to \$3.20 per bushel. Prices of soybeans, the main protein supplement, have increased at least 35%, going from \$6.50 to \$9.00 per bushel over a year ago. Feedgrain ending stocks will be down approximately 37%.

Thus tight supplies have pushed prices of both soybean meal and corn to levels that have destroyed the profitability of meat production for many beef, pork, and poultry producers.

Although per capita consumption of turkey is expected to rise to 17 pounds in 1988, a 12% increase from 1987, turkey production is slowing. First-quarter production was 25% higher than a year ago; however, only a 9% average increase is expected for the year. Net returns to the grower have been *negative* since the third quarter of 1987. During first quarter

1988, net returns were estimated at a negative 12 cents per pound.

With expected increases in feed prices from the drought, and with wholesale turkey prices rising to only 54-60 cents per pound in the fourth quarter, net returns will be as much as 15-20 cents per pound.

Per capita broiler consumption is expected to rise to about 62-73 pounds in 1988 from 60.1 pounds in 1987, a 4% increase. The USDA reports that increased per capita supplies of chicken will slacken in the last half of the year, as chicken producers are losing big money from high feed prices. Broiler net returns during the rest of 1988 are expected to be below breakeven by as much as 3 to 5 cents per pound and may average a negative 0.1 cents per pound for the year.

According to the USDA, record large supplies of red meat, relative to a year ago, are keeping livestock prices low. Last year's livestock and poultry receipts (\$86 billion) provided producers with record profits due to very low grain prices and low animal inventories. The relatively good profits encouraged more producers to expand livestock numbers.

Now these food producers will be penalized for providing larger supplies of meat because of a free-trade marketplace without parity prices that guarantee farmers their costs plus a fair profit. Hog prices have declined as a result of a 9% increase in per capita pork supplies at the same time that U.S. pork imports rose an amazing 10%, primarily from Canada and Denmark.

Feeder cattle flows are down, but are being partially offset by increased

imports from Mexico, which were up 60% in January and February at 586,000 head. Overall beef imports are forecast to be 2.3 million pounds for 1988, mainly from Australia (70% of imports) and New Zealand (13%). Dry conditions and increased feed prices have slowed the USDA-forecast domestic herd rebuilding this year.

However, there is no basis to presume beef imports can continually materialize in a world characterized by worsening food shortages and farm crises. In New Zealand, farmers have been hit hard by high interest rates and unfavorable exchange rates and an austerity agriculture policy (see page 46). New Zealand meat output is declining, and the Labour government is redirecting beef exports away from traditional markets, and instead, to the East bloc, and Khomeini's Iran.

Argentine meat output is forecast to decline, although domestic demand is likely to be depressed by austerity policies (see page 52), which would allow exports to increase in the short term. Turmoil in Brazil's cattle industry caused a drop in output and exports also.

Year in and year out, meat producers have been fighting for profitable price levels to stay in business, and just when prices reach a point of reasonable profit, the free-trade myth of "overproduction" triggers the market to reduce the price to a level of negative return.

As long as cartel-controlled USDA policy keeps food producers locked to the old free-trade system of non-parity pricing, the up and down cycle of negative returns will slowly place food production in the hands of a few.

Just as the traditional American steak is becoming becoming scarce, and too costly for most people, the traditional Thanksgiving turkey may become too expensive to raise.

Business Briefs

Agriculture

Seek mandatory land set-asides in Europe

Farmland set-asides in Europe must become mandatory, declared Sicco Mansholt, the 80-year-old former agricultural commissioner of the European Community, in an interview with *Die Zeit*. Nasty old Mansholt is an architect of the EC policies that have led to the destruction of European agriculture.

Mansholt called for an ordered set-aside policy that would affect 10% of the land of the European Community, which he claimed would stop "overproduction" and keep prices up. Land set-asides are now voluntary in Europe and the United States, although government or EC subsidies usually make it very tempting for a farmer to take land out of production.

"The farms have to be ordered to set aside and this should be done precisely in regions most productive. To get to the point quickly. The small farms in less productive regions will be spared. We need alternate methods, more cultivation that takes the environment seriously, less chemicals, more search for natural pesticides. Besides, the pig-stocks in regions with an intensive production like Holland should be cut by one-half. This is hard policy. But it can no longer go on like this."

Mansholt, Netherlands agriculture minister in a half-dozen postwar governments, was a founding member of the genocidal Club of Rome.

Foreign Debt

Former New Zealand premier blasts IMF

Sir Robert Muldoon, former Prime Minister of New Zealand, laid the blame for his country's burgeoning debt burden at the door of the International Monetary Fund. According to a report in the Christchurch paper *The Press*, Muldoon said on Oct. 31, that there

was "not the slightest doubt that the policies inflicted on New Zealand by the government owe at least part of their origin to the International Monetary Fund."

The government has been headed by David Lange and the Labour Party since 1984; Sir Robert headed the National Party government. In 1984, the New Zealand national debt stood at NZ\$12.6 billion, according to official figures. Now it is officially NZ\$39 billion, but sources in the banking community say the figure is really NZ\$56 billion.

In his statement, Muldoon pointed to the fact that several key staffers of New Zealand's Reserve Bank and the Treasury had worked for the IMF and World Bank. "In the last four years, these people had overseen the rise of New Zealand's debt to the level of Third World countries," Sir Robert said, according to *The Press*.

With New Zealand's level of external debt per capita perhaps the highest in the world, Muldoon commented that in his 40 years in politics, "I have never felt so angry at the incompetence and lack of understanding of any New Zealand government."

The former prime minister's statement on the debt came at a time when controversy over the Labour government's plan to sell off numerous national facilities (postal service, financial institutions, etc.) to private owners erupted into a crisis in the cabinet. On Nov. 5, Prime Minister Lange fired Minister of State-Owned Enterprises Richard Prebble, who had been in charge of this "privatization" process. The avowed purpose of the sell-off is to raise funds to service the national debt.

Foreign Exchange

Volcker warns of dollar's fall

Paul Volcker, the former Federal Reserve chairman, told an American Stock Exchange conference Nov. 9 that if foreign capital doesn't continue to flow as freely into the United States as it does today, the value of the dollar will fall.

Volcker indicated that in spite of the

campaign rhetoric of "peace and prosperity," productivity is as bad as the 1970s and investment has remained low as a portion of GNP. Volcker said that monetary measures (raising interest rates) will not serve to increase investment as a portion of GNP, but cutting consumption will.

Although he was opposed to cutting defense expenditures, he said that, in his view, the deficit must come down. He indicated not so subtly that entitlements represent 40% of the federal budget, hinting that that is where the cuts must come from.

Corporate Strategy

Société Générale targeted by drug money

One of France's largest banks, is now the target of a hostile takeover attempt by Marcel Pebereau's Marceau Investments firm. During October, Marceau bought up more than 5% of the bank's stock, launching the takeover bid.

In the course of the fight, Pebereau has been forced to release some of the names of his shareholders. They include Edmund Safra's Republic Holdings, whose Republic National Bank of New York is being investigated by U.S. Customs in the drug-money laundering case involving the indicted BCCI of Luxembourg.

Safra's bank in New York is holding at least \$500,000 in drug money, according to the Oct. 31 *Wall Street Journal*.

Safra and Pebereau are longtime intimate friends.

Safra was implicated in the U.S. Iran-Contra scandal through his business ties with Willard Zucker, the former financial wizard of Robert Vesco's drug-money handling Investors Overseas Services, who was the financial manager of Lt. Col. Oliver North's "Enterprise."

Safra has just created a new European banking network "only for the super-rich," he told London's *Financial Times*.

The Marceau-Société Générale case is becoming a big political issue in France. Pebereau was purged from a major French

state company in 1986 by the Jacques Chirac government, for reasons that were not made known. Nevertheless, Pebereau's move against Société Générale has received the official backing of the French presidency and Finance Minister Bérégovoy. Among his financial backers are several close associates of former "opposition" presidential candidate, Raymond Barre.

Former Premier Chirac's RPR party is expected to move in the Parliament for a full investigation in the matter.

At issue is whether some of the leading economic and financial institutions of Europe are going to be taken over by the international drug mafia, as part of the pre-1992 financial and banking reorganization. In 1992, Europe is slated to drop all customs barriers to the movement of people, goods, and capital, and cartelization is to be ushered in, in all economic fields.

Infrastructure

China being forced to curtail output

The Chinese mainland lacks the economic infrastructure to sustain its current rate of industrial output, and must cut back on production of a whole array of industrial items in consequence, the State Planning Commission has announced.

The commission is therefore urging "concrete measures to slow down the excessively rapid growth of industrial production," the *China Daily* reported Nov. 7. The measures include cutting production of machine tools and industrial boilers.

China's industrial growth rate this year to date has been 17.5% higher than last year, and there just is not enough energy, raw materials, or transport to support this, the commission said in a circular distributed throughout the country.

After stating that production of goods "not essential for the people's everyday life . . . must stop," the circular stated that "factories making machine tools, automobiles, internal combustion engines, and industrial boilers are required to curtail their production in the last two months of the year."

Yet, despite lack of energy, in another article, the *China Daily* announced that the country is considering a 40% cut in nuclear energy development.

Meanwhile, Chinese leaders admitted to disarray in the economic reforms instituted under Zhao Ziyang, during an international symposium sponsored by the Geneva-based World Economic Forum. "It was clear that they don't really know what to do," one participant said. "They have a general plan, but that other half is clearly missing. There is no consensus on what to do next."

Communist Party leader Zhao, who met with a small group from the Forum for an hour Nov. 2, acknowledged that his government "made a mistake" in decentralizing economic power in recent years. Zhao said flatly there would "be a slowdown" in foreign trade and investment contracts and that "not many new ones would be signed," a participant in the meeting said.

Dope, Inc.

German health minister wants to legalize hashish

West German Health Minister Rita Süsmuth wants to legalize hashish consumption.

In an interview with *Der Spiegel*, Süsmuth, already somewhat notorious for her do-nothing policy and ridiculous claims that AIDS is not spreading, stated that the consumption of hashish is already tolerated, and that she therefore wants to study demands from doctors and drug information centers that the German Narcotics Law be adjusted to this "social reality."

She also supports methadone programs for heroin addicts and wants to legalize the possession of syringes by heroin addicts.

Süsmuth said that she wants to offer addicts "help," regardless of whether they choose to live without drugs or to undergo therapy.

She said that 30 million deutschemarks will be spent for this pro-drug package in the course of the next three years.

Briefly

● **CHINA** is seeking to force at least 300,000 self-employed gold prospectors out of business to halt riots, rampant smuggling, and ecological devastation, official reports said on Nov. 6. The move follows bloody gang warfare between miners and near-starving Tibetan peasants whose lands have been ruined by a Klondike-style gold rush in a remote area of northwest China closed to foreigners.

● **THE NUCLEAR** Regulatory Commission raided four southern California companies it said had sold counterfeit circuit breakers to nuclear plants. Used circuit breakers were allegedly sold as new under the labels of prominent companies.

● **GENERAL ELECTRIC** has been awarded an \$89.5 million contract by the U.S. Navy to build and test an electric-drive propulsion system for warships. GE will do the work in Finchburg, Mass., Salem, Va., and Schenectady, N.Y.

● **THE HONEY** industry is worried by the spread of microscopic mites that are killing domestic honeybees by the millions. The mites are spreading through hives across the country, robbing honeybees of their characteristic vigor, and eventually killing them.

● **THE AIDS VIRUS** is found in 1 out of 300 college students on U.S. campuses, according to a study by the American College Health Association and the Atlanta-based Centers for Disease Control, released Nov. 1.

● **ONE THOUSAND** textile workers in Taiwan demonstrated on Nov. 8 against U.S. pressure to increase the value of the local currency. "We are out here to make some noise and remind the government that it shouldn't give in so easily to American demands," an organizer of the protest said. Revaluations between 1986 and 1987 were a major factor in closing almost 500 textile factories.

Biotechnology lab opens new doors in agriculture

A new biotechnology laboratory at Disney World's EPCOT Center will show the public the potential for new technologies in agriculture, reports Marsha Freeman.

On Oct. 7, an unusual exhibit opened in the Kraft Company's Land pavilion at Walt Disney World in Florida. It is the first biotechnology research laboratory open to the public, where every day, people will be able to watch scientists doing research that will have a direct effect on the quantity and quality of the food they eat in the future.

To some sections of the radical environmentalist movement, "biotechnology" has become the scare word of the 1980s, the way "nuclear power" and "radiation" were in the 1970s. Conjuring up visions of "biologically engineered" mutants, and experiments that produce "the fly that ate New York," the likes of Jeremy Rifkin have sometimes succeeded in stopping or delaying important research.

The recent conviction and prison sentence of food irradiation pioneer Dr. Martin Welt over minor violations of federal regulations is an example of how ignorance can be organized into an anti-science mob to stop new technologies from feeding the world's hungry. The 30% of the world's food that is harvested but rots before it can be consumed, could largely be saved if the food irradiation technology developed by Dr. Welt were widely applied.

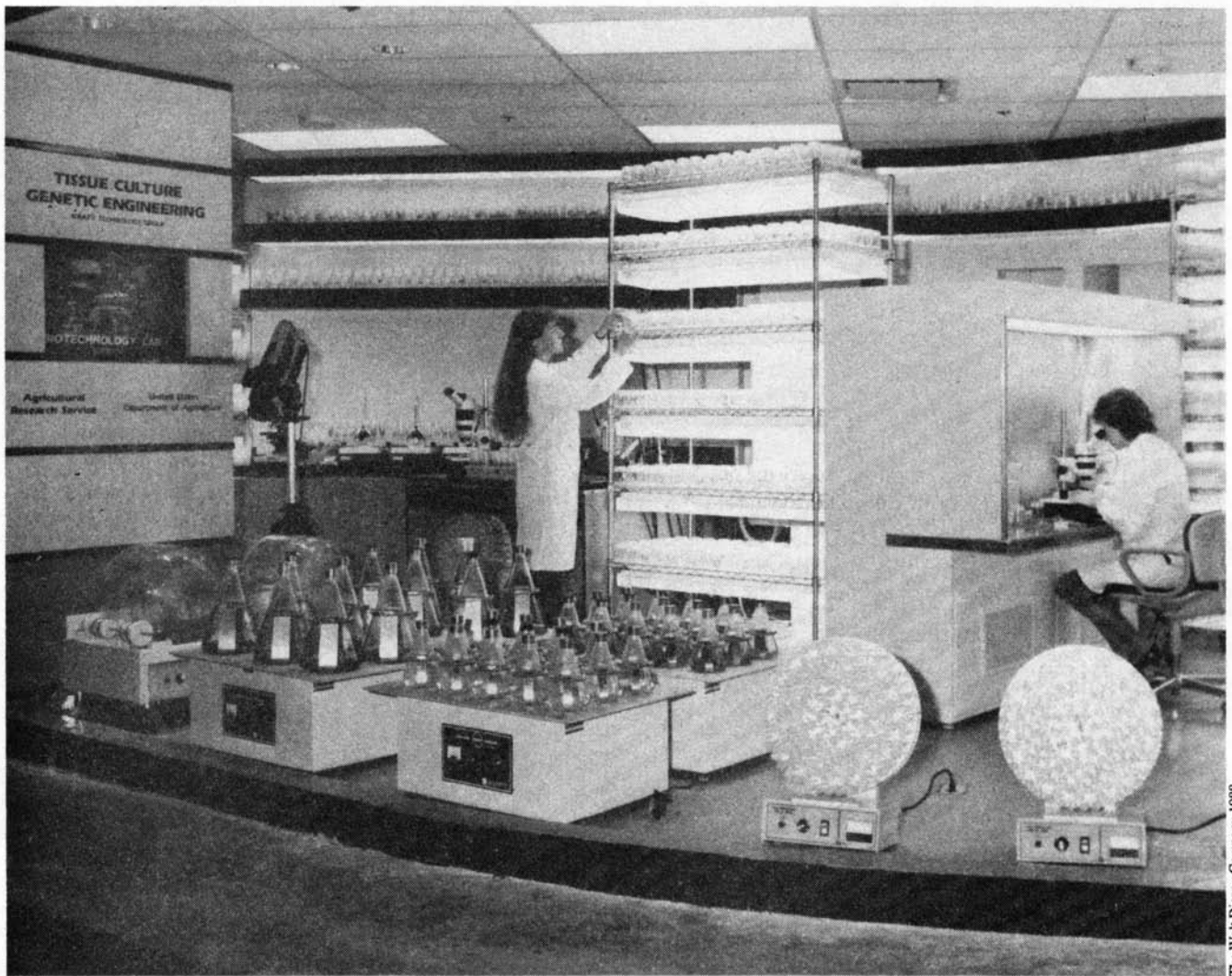
In order to educate the American public, in particular, about the science and promise of biotechnology, the U.S. Department of Agriculture (USDA) has joined with Kraft Foods and Disney to put some of the research on display. Michael A. Miles, the president of Kraft, stated at the laboratory dedication Oct. 7 that the purpose of the exhibit is "to demystify plant biotechnology for the general public."

Apparently, public "opposition" to biotechnology research exists not only in the United States. The Land agricultural manager, Dr. Henry Robitaille, reported at a seminar held after the laboratory dedication that the Aug. 12 issue of *Science* magazine reported the shutdown of a Soviet biotechnology laboratory "due to the reaction of the public and the press." At the dedication ceremony, Secretary of Agriculture Richard Lyng said, "Over the past week, America's visions of the marvels of science have been dramatically rekindled by the successful flight of the Space Shuttle Discovery, which, incidentally, was launched about 60 miles from here at Cape Canaveral."

"In the same manner," he continued, "this exhibit will help create a deeper understanding of the marvels of science here on Earth, and its importance to the most basic part of our daily lives—the production of food and fiber. Our scientists are on the threshold of many exciting discoveries, that are every bit as important to the future of mankind as the explorations in space.

"Through technologies like tissue culture, which you'll see in this exhibit, I'm convinced that our nation's researchers are capable of unlocking many of the remaining mysteries of plant science, so that no one on this planet will ever need to fear that the world's farmers cannot produce enough food for our survival."

Asked by this reporter if the current food crisis, produced in part by the drought of 1988, would change the Department's lack of support for long-term research, Lyng said that



The Walt Disney Company 1988

New Plant Biotechnology Laboratory at Kraft Food's Land Exhibit at Disney's EPCOT Center

not investing in research is "short-sighted."

Lyng also said that the laboratory will "stimulate young people's interest in science," and perhaps interest them in vocations in technical fields. They will be moving into a world "where population continues to grow and food needs to grow with it," he stated.

The new laboratory houses over \$200,000 in research equipment, donated by the Agricultural Research Service of the USDA, in a 500 square foot facility built by Kraft. It is the last stop in a series of greenhouse and aquaculture facilities toured by visitors, as they go through the exhibits on a boat ride.

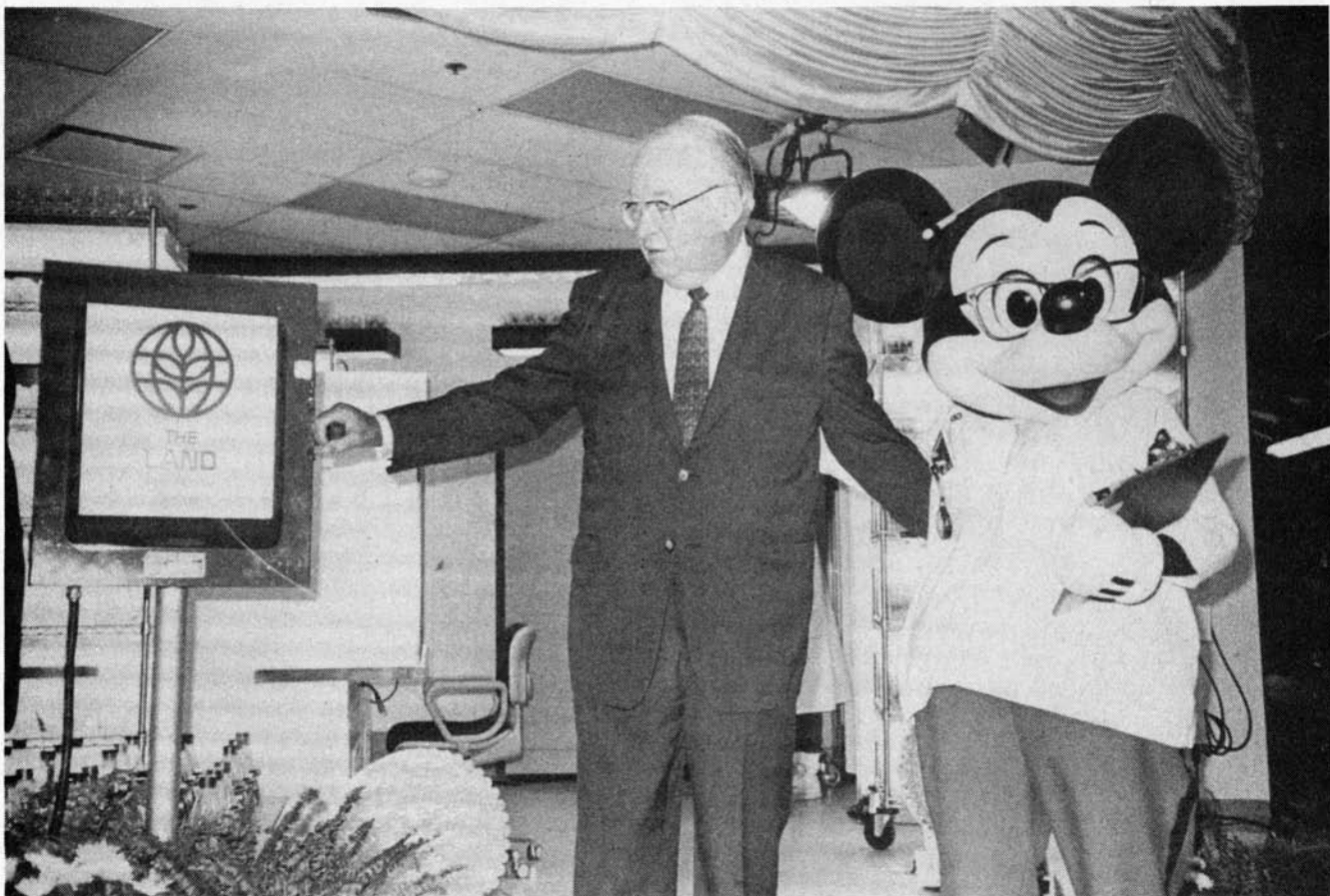
Since the Kraft Land pavilion and EPCOT Center itself opened in 1982, more than 50 million people have been through the exhibit. Approximately 300 people per day choose to learn more about tomorrow's food technology by taking an added walking tour through the greenhouses, with a staff member of the Land as a guide. Since the opening of the

Land, Kraft has had biotechnology research under way, although until now it has not been open to public view.

About one year ago, Kraft opened a new part of an exhibit at the Land. It is a joint project with the National Aeronautics and Space Administration's Kennedy Space Center, using soil that is a simulant of lunar soil, to do experiments that will determine how best to grow food on the Moon.

In the Land's Desert House, visitors see drought-tolerant crops under cultivation. These are not now being widely used in many of the arid parts of the world. Salt-tolerant plants, called halophytes, are also grown in the Desert House, and their development could lead to the reclamation of salinated soils, and could reverse the spread of deserts.

The Kraft exhibit shows extensive use of non-soil-based agriculture in closed greenhouse environments. These include hydroponic systems, where the plants are grown in a liquid nutrient medium, and aeroponics, where the plant roots are in the open air and periodically sprayed with a nutrient



Marsha Freeman, 21st Century Science & Technology

Left, Richard Lyng, U.S. Secretary of Agriculture, speaking at the dedication for the biotechnology laboratory

solution.

In the Tropics House, the visitor sees little-known crops under cultivation, easily adapted to tropical climates, which could increase food production in developing nations. This includes varieties such as the winged bean, whose seed contains up to 37% protein, which, some scientists feel, has the potential to become the “soybean of the tropics.”

In closed-environment agriculture, pest management is difficult because the elements of weather, such as wind and rain, that act upon agricultural chemicals in open fields, do not exist. Therefore, it was very important for the new plants being cultivated to be as disease-free as possible from the start.

Rather than planting crops from seed, many of the thousands of plantlets that are needed in the greenhouse exhibits at the Land are started using a tissue culture—a piece of an existing plant from which an entire new plant can be cloned. In addition to decreasing the time needed to start the next generation of plants, the identical clone will have essentially the same characteristics as the original, including possible resistance to disease.

As agriculture manager Dr. Henry Robitaille explained at the opening of the laboratory, “Biotechnology isn’t new to

the Land; it simply moved from backstage to ‘on stage.’ ”

The sponsors of the exhibit hope this laboratory, presented in both an educational and entertaining way, will dispel people’s fear and ignorance about some of the tools that will help eliminate hunger from the world’s peoples.

The promise of biotechnology

For many years, farmers and agricultural specialists have worked to improve the stock of crop plants on which the world depends for its sustenance. Previous successes in cross-breeding to produce hybrid strains of corn, for example, significantly lessened the drought damage to that crop this past summer.

The promise of one area of application of biotechnology is to more precisely and scientifically alter nature to optimize the productivity of agriculture. The tools include genetic engineering, made possible by the breakthroughs in understanding how genetic codes for specific characteristics are passed on to succeeding generations. A gene that controls the expression of a desired trait, for example, can be introduced into one plant species from another, in cases where the plants would not cross-breed.

This is being directly done in the Kraft biotechnology

laboratory, where a graduate student is experimenting with combining positive traits of a newly developed peanut strain, with the wild peanut farmers now grow. The two varieties are sexually incompatible. Through genetic engineering, this can be bypassed, to allow for the direct transfer of desirable genes from one variety to the other, creating a new hybrid variety.

According to Dr. Robitaille, tissue culture technology allows the generation of a new plant from some tissue of an existing one. This can be used to very rapidly multiply the important and improved disease-free new peanut plants in large quantity, without waiting for each plant to complete an entire growing cycle and produce seeds. Large numbers of these quickly grown new plants can then be used to produce large numbers of seeds for farmers.

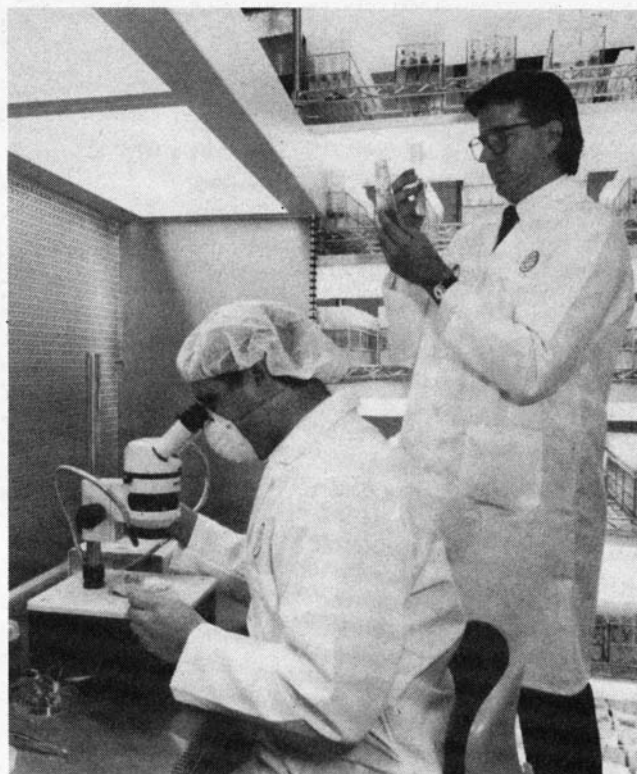
During the first half of this year, the Department of Agriculture sponsored a series of four regional information conferences titled, "Agricultural Biotechnology and the Public." These were held in Raleigh, North Carolina; Reno, Nevada; New Brunswick, New Jersey; and Minneapolis, Minnesota. Scientists presented material on the promise and achievements of biotechnology in an informative and largely non-technical format.

Dr. Ken Farrell, vice president for agriculture and natural resources at the University of California, described the possibility of making plants immune to disease. Viruses invading a cell do not reproduce themselves, but instead send out a genetic "message" to the host cells of the plant, to reproduce the virus. By changing one of the virus gene messages, the live virus can be made incapable of commanding the host to reproduce it. When a genetically engineered virus which will not reproduce invades a plant, the cell recognizes it as a foreign body and builds up an immunity to future encounters with the natural, disease-producing virus. The plant becomes immune.

Biotechnology has already spun off other technologies which will effect the diagnosis and treatment of *human* diseases. For example, Dr. Charles Sterling of the University of Arizona reported to a regional conference on rapid tests for diagnosing three diseases caused by parasites, which have been developed through biotechnology.

Dr. Sterling developed monoclonal antibodies that recognize the antigens produced from *Cryptosporidium*, which is a diarrhea-causing protozoan transmitted in polluted water. It frequently attacks small children, and has been found in one-fourth of all AIDS victims. The parasite is a serious threat to very young or malnourished children, and the organism cannot be killed by conventional water treatment. Quick diagnosis is key.

Dr. Sterling bound the antibodies he produced with a chemical that produces a fluorescent glow. Within 20 minutes, the resulting reagent reacts with a smear sample from a patient, showing whether the person is infected with the parasite. Other parasites have been shown to react to Dr.



The Walt Disney Company 1988

The Land scientists are studying ways to propagate improved crops. Here staff members examine carrot plantlets grown in test tubes, and meristem tissue taken from a potato plant.

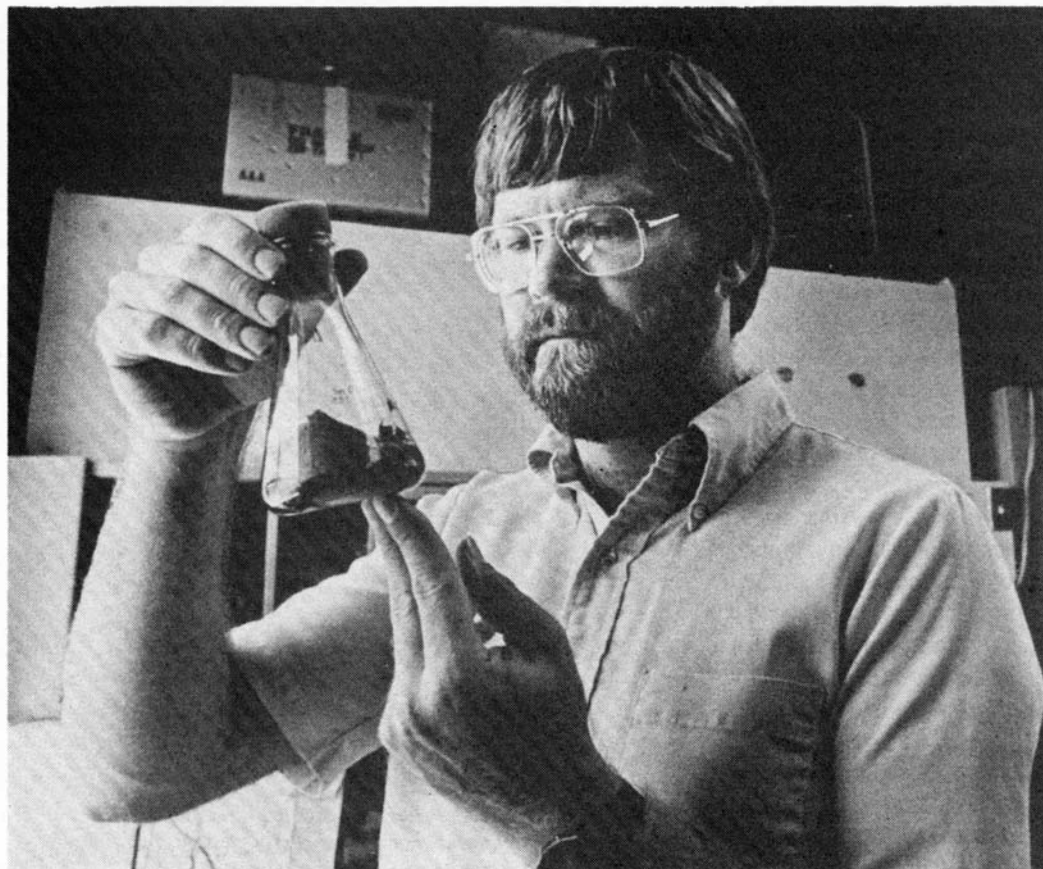
Sterling's tests. If doctors are able to identify the specific parasite early, they can avoid the use of drugs that may worsen the disease, and can try to treat the patient as well as possible.

Biotechnology is also important in shortening the time it would otherwise take to improve the stock of plant species used by man. Trees are a good example. Dr. Ralph Mott of North Carolina State University reported to a regional conference that emerging biotechnologies provide the first hope of surmounting one natural obstacle to breeding trees—time.

It can require 5 to 15 years to establish seed orchards and seed production for better-yielding trees with higher disease resistance, Dr. Mott stated. Then, an additional number of years is needed to propagate the new variety and produce seeds. He has done pioneering work in tree tissue culture to clone trees with superior qualities. That process can take from 5 to 15 years off the total time of improving trees. Mott and his associates have cloned thousands of trees that are in field tests across the southeastern part of the country.

The tools of biotechnology can be used to produce crop plants that are disease resistant; more drought, heat, and cold tolerant; less perishable; and more nutritious.

One of the most promising applications of genetic engineering over the past 10 years has been the development of engineered bacteria that help prevent the formation of frost,



Dr. Steven Lindow, who pioneered the research in ice-minus bacteria, to protect fruits and vegetables, in his laboratory.

which kills between \$1 and \$3 billion of produce in the United States every year. The story of how this scientific work became the *cause célèbre* of this country's anti-technology extremists is instructive, and demonstrates why an educational effort to explain biotechnology research to the public is important.

Ice-minus bacteria

About half of the fruits and vegetables that are lost to frost each year in this country, suffer drops in temperature to not lower than 23°F. Frost damage is triggered by a common and naturally occurring bacterium—*Pseudomonas syringae*. This organism produces a protein that serves as the nucleus for the formation of ice crystals on the plant. The bacterium also exists naturally in a non-ice-forming variety which does not produce the protein. This however, is not abundant enough in nature to displace the destructive variety.

Dr. Steven Lindow and Dr. Nickolas Panopoulos of the Plant Pathology Department of the University of California at Berkeley conservatively estimate that about half of the total lost could be saved with a non-destructive bacteria they have developed, and are now field testing. They used recombinant DNA techniques to delete the one gene that codes for the protein production in the bacteria, and produced a genetically-engineered non-ice-forming organism, which they de-

scribe as "ice-minus," written INA⁻.

After extensive laboratory testing of the genetically engineered bacteria applied to plants, Lindow and Panopoulos in 1982 obtained approval from the National Institutes of Health to do open field testing of the bacteria on potatoes.

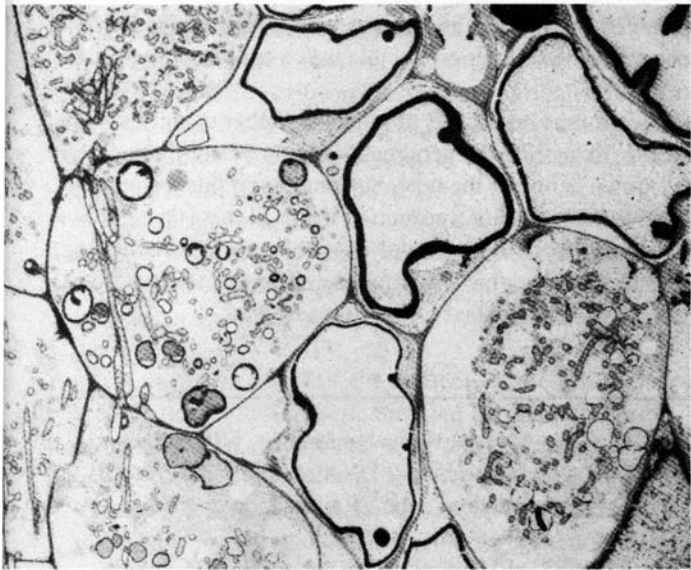
The method of the proposed experiment was to "preemptively" colonize the plants with the INA⁻, giving it a head start as the dominant bacteria, replacing the ice-forming bacteria.

Extensive laboratory testing had already established that this altered bacteria has no harmful effects on plants, birds, insects, or animals (including man), that it thrives only on the leaves of plants and does not live long in the soil, and that it has no observable pathogenic effects of any kind.

That did not stop malthusian Jeremy Rifkin, who heads the Washington-based Foundation for Economic Trends, and citizens whom he organized, into trying to stop the research. They succeeded in delaying the testing for four years.

Even with the media on his side, however, Rifkin did not win the fight. In general, the people of this country are not sympathetic to the argument made by Rifkin that God created a "fixed universe," and that the law of entropy dictates that we should not develop new technology to feed a growing world population, as he states in his book, *Entropy*.

The torturous history of gaining approval for the testing



Nitrogen-fixing bacteria can be genetically engineered to increase agricultural productivity. In this micrograph, the naturally-occurring nitrogen-fixing bacteria, Frankia, in the shape of filaments, is seen inside the cells of an Australian pine tree.



of the the ice-minus bacteria is described in the accompanying box.

Testing of the treatment finally began in the spring of 1987. Lindow reports that in the first year of a two-year test program, the behavior of the bacteria was similar to the laboratory experiments, and some frost protection of potato plants was observed. When this writer asked Lindow if there were plans for testing other crops or testing other varieties of bacteria, he said that he had no such plans at this time, because "it is too expensive."

During the four years when the University of California was fighting the environmental extremists, over *half a million*



Dr. Lindow demonstrating the spraying procedure used in the field test experiments, to see if his genetically-engineered bacteria can protect plants from frost. Inset: Frost-injured and frost-protected potato plants.

University of California

dollars was spent on legal briefs, preparing reports for government agencies, running public education events for the local citizenry, and preparing a multi-hundred-page environmental impact report. During the testing, vandals uprooted 100 potato plants, which the scientists had to replant, and paid security guards had to be placed around the test plot.

One of the most striking comments made by a local group of officials in one of the small towns near the test site, was that the research would have no beneficial effect on their community. Considering that the "community" is mainly

engaged in farming, and that the ice-minus bacteria would protect some of their crops, this was a truly irrational statement.

Ice-minus research is of interest to other countries of the world. Extending the geographic region where produce can be grown is one of the potential benefits of this technology, in addition to saving a portion of the food that is now grown but lost to frost. It is certainly possible, though distressing, that this work, which was pioneered in the United States, may have to be applied somewhere else first.

Biotechnology research sabotaged for four years

Sept. 17, 1982 Scientists apply to the National Institute of Health (NIH) for field-test approval.

Oct. 24, 1982 NIH Recombinant DNA Advisory Committee meeting, with the public invited to attend and comment.

Jan. 10, 1983 NIH approval is withheld due to concerns expressed at the Advisory Committee meeting.

March 3, 1983 Scientists submit a revised proposal for testing.

June 1, 1983 NIH grants permission for testing.

Sept. 14, 1983 Lawsuit filed against NIH claiming violation of EPA and Council on Environmental Quality regulations, by Jeremy Rifkin, et al.

Sept. 30, 1983 The university classifies the field test as categorically exempt from CEQ oversight.

May 16, 1984 U.S. District Court enjoins NIH from approving the deliberate release of recombinant DNA products until it reaches final judgment on potential environmental impact.

Dec. 27, 1984 Scientists notify the EPA of intent to conduct field tests.

Dec. 31, 1984 Office of Science and Technology Policy in the White House publishes proposal under which certain deliberate releases of recombinant DNA may go to the EPA for approval, instead of NIH.

Jan. 21, 1985 NIH releases their evaluation that there is "no significant impact" for the experiment.

Feb. 15, 1985 EPA risk assessment states there is slight risk but insufficient evidence to proceed.

March 15, 1985 EPA recommends the university have an Experimental Use Permit (EUP).

April 24-May 17, 1985 NIH receives letters on the need for an Environmental Impact Statement.

Dec. 17, 85 At legal status conference, NIH agrees to follow EPA for recombinant DNA research and the university will not challenge the EPA decision to require an EUP.

Dec. 30, 1985 EUP application submitted by Lindow.

March 7, 1986 EPA sends out EUP for review by Scientific Advisory Panel, and other federal agencies.

April 17, 1986 EPA personnel do on-site inspection at field station Tulelake.

April 21, 1986 In Federal District Court, plaintiffs agree to vacate a preliminary injunction preventing NIH from approving other deliberate release of recombinant DNA material without EPA approval.

May 1, 1986 An initial date is proposed for the experiment.

May 12, 1986 EPA grants the EUP application.

June 2, 1986 Modoc County Board of Supervisors passes resolution opposing the experiment.

June 11, 1986 Siskiyou County Board passes resolution opposing the experiment.

July 23, 1986 University issues press release on intention to proceed with experiment on Aug. 6.

Aug. 1, 1986 Californians for Responsible Toxics Management of Tulake apply for restraining order, which is denied.

Aug. 4, 1986 Same group reapplies again, to a different judge.

Aug. 19, 1986 Legal agreement reached that the University will conduct further environmental review before proceeding with the field test experiment.

Sept. 18, 1986 Notice of Preparation of Draft Environmental Impact Report (EIR) by the university.

Oct., 1986 University places ads in local newspapers announcing public meetings.

Oct. 16, 1986 University holds public meeting on "community concerns."

Oct. 25, 1986 University sends notices describing the test to 2,500 post office addresses in the area.

Dec. 17, 1986 University issues draft EIR.

Spring 1987 Experimental testing begins.

Nitrogen-enhancing bacteria

There are other important microorganisms that are now being genetically engineered to increase agricultural productivity. Scientists at the University of Florida are examining the use of blue-green algae, called cyanobacteria, to enhance the delivery of nitrogen to plants.

The nitrogen required for plant growth is usually supplied either by the farmer in the form of ammonia fertilizer, or by the biological fixation of nitrogen in the atmosphere by bacteria accompanying legume plants, such as soybeans and peas.

In the natural process, the nitrogen fixation, or metabolic assimilation of atmospheric nitrogen by microorganisms, is catalyzed by an enzyme called nitrogenase that is present in the bacteria. Some bacteria produce ammonia, and rather than using it for their own growth, they pump it out and make it available to surrounding plant roots. However, in naturally occurring bacteria, nitrogen fixation is very energy-intensive, and the energy is taken from the surrounding plant.

Dr. K.T. Shanmugum and colleagues at the University of Florida have been studying nitrogen availability in growing rice. Specifically in rice paddies, the free-living nitrogen-fixing bacteria do not release the fixed nitrogen, but use the ammonia for their own growth. To increase the productivity of the crop, researchers have been experimenting with a mutant strain of cyanobacteria where the fixed nitrogen is not assimilated by the bacteria, but, rather, is made available to the plants.

In these experiments, rice plants grown with the altered bacteria, called SA-1, had an eightfold increase in dry weight compared to the control group, which had been given no nitrogen supplements. The rate of growth was 18 times higher, and not significantly different from that of plants that had been fertilized. The scientists hope that the bacteria can supplement growth in cases where fertilizers are not yet available.

The total nitrogen content of the plants in the experiment demonstrated that the SA-1 bacteria did supply them with nitrogen for growth, because their nitrogen content was 5.8 times larger than the control group, though it was lower than the fertilized plants. In these experiments, the amount of SA-1 added was low, and it has been reported that the effect is enhanced with more concentrated treatment.

These two specific examples of ongoing research in genetic engineering in agricultural biotechnology are a very small sample of the broad range of research under way.

Crucial factors: education and funding

In a two-hour seminar held after the formal dedication ceremonies on Oct. 7 at the Kraft pavilion, Land manager Dr. Robitaille and Dr. Alvin Young of the USDA stressed that funding and skilled manpower are key to continued progress in this field.

Dr. Robitaille reported that, recently, the congressional

Office of Technology Assessment released a report titled, "U.S. Investment in Biotechnology." According to Robitaille, the report emphasized that federal support for research in crop plants has been neglected by Congress, and must be increased.

He stated, "The potential impact of biotechnology on all aspects of life in the next century are truly mind-boggling. The economic consequence to the U.S. of losing the lead in biotechnology to our competitors, is staggering."

Dr. Young reported that, according to the USDA, 50,000 additional young men and women are "needed every year to maintain our agricultural enterprise." Of these, he stated, 29% should be scientists and engineers. In one of the Department's regional conferences, Dr. Young had commented, "Regulatory restraints are inhibiting innovation and commercialization."

As in such fields as superconductivity, the United States can easily lose the lead in biotechnology. One outcome of the Kraft exhibit will hopefully be not only to dispel the fears and myths the public may have about these frontier technologies, but also to increase awareness of why this research should have a higher priority and funding profile.

Marsha Freeman is an associate editor of 21st Century Science & Technology magazine.

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The third trial of Socrates: U.S.A. vs. Lyndon LaRouche

by Nancy Spannaus

When the Boston federal case against Lyndon LaRouche and several associates fell apart in May of 1988, and it was revealed that the jury had polled itself and voted for acquittal of all defendants, it would have appeared that the government prosecution against LaRouche would founder. For not only was a mistrial declared, but the government's pattern of blatant misconduct against the defense was a matter of notoriety among the legal profession, not to mention the jury itself. The defendants had been cheated of an acquittal by the government delaying tactics, but the prosecution had egg all over its face.

But on Oct. 14 in Alexandria, Virginia, the federal government announced new indictments against LaRouche and six associates, for substantially the same class of "offenses." This time, in contrast to Boston, the prosecution was determined not to be caught in its misconduct and other illegalities. The tactic which it chose, was to take advantage of the local custom in the federal district court of Virginia, which is known nationally as the "rocket docket." Through this forced march, the government intended to push through the entire prosecution in less than two months. This tactic is geared to preventing the defense from being able to get the information which it needs to rebut the charges from the government, from having time to conduct its own investigation of the particular charges, and from actually presenting an adequate case to the jury.

Why is the federal government going to such lengths to destroy the statesman LaRouche? Because, to the political establishment which runs the United States, LaRouche is not just another politician. To the establishment, LaRouche is the "modern Socrates," who must be eliminated if it is to maintain its power through the upcoming period of strategic, economic, and political crises, which will be the worst since the Black Death of the fourteenth century.

Although Judge Albert V. Bryan, Jr. has not yet decided what evidence he will allow in the trial, he has shown himself insensitive, to say the least, to the defendants' constitutional rights to have the time to prepare a defense. Having admitted that he is pushing the defense a bit hard, he has nonetheless insisted that the trial go ahead on Nov. 21.



Socrates teaching: a detail from Raphael's "The School of Athens," Vatican, 1510.

The only potential for stopping it, depends upon the Fourth Circuit Court of Appeals, based in Richmond, Virginia. On Nov. 9, the defense filed a petition asking that court to direct Judge Bryan to vacate his order setting the trial date, on the grounds that this violates the defendants' rights to a fair trial. As it stands, the defense would only have five weeks from the time of arraignment to trial.

The Socrates comparison

Since 1986, LaRouche's supporters have characterized the assault against him as the Third Trial of Socrates. As LaRouche himself pointed out in his last television broadcast of the 1988 election campaign, his enemies were the first to bring up the Socrates comparison. The *New York Times* published a feature article back in the 1970s, by a notorious old former Communist fellow-traveler by the name of I.F. Stone, who argued that the ancient Greek sage Socrates should have been convicted for "corrupting the youth." Investigators who interviewed Stone learned that LaRouche was the "modern Socrates" he had in mind.

Socrates was the Greek philosopher who was condemned to death by a jury in Athens in 399 B.C. for "corrupting the youth." While he accepted the verdict, he asserted to the end that he was being killed because he had dared to offend the citizenry by telling the truth. Research has shown that the entire prosecution was guided by Athens' top political leaders, with the support of their Persian patrons.

LaRouche himself considers the comparison useful. In his words, "On the positive side, all of my work, whether in economic science, in the fine arts, and in political strategy,

is based on the interpretation of the Socratic method adopted by the Christian humanists of the Italian Renaissance period." On the negative side, "all of my bitterest enemies, such as Stone and the Communists, are in the tradition of those ancient Syrian Magi who were behind the trial of Socrates, and who ordered also the trial and crucifixion of Jesus Christ later."

LaRouche elaborated. "If one knows European history, there is nothing astonishing in that comparison. Friedrich Schiller, writing as professor of history at Jena University, said that all of modern European history is fundamentally a quarrel between two traditions. On the one side, there is the tradition of Solon of Athens, a tradition to which both Socrates and I happen to belong. On the opposite side, there is the tradition of Lycurgus's Sparta, to which both the left-wingers like Stone and the fascists belong."

LaRouche's charge that he is being targeted by the government because of his philosophical-political commitment to the outlook of Socrates, is borne out by the facts, as we shall preview a bit here, and as the trial itself should show. The cabal within the Justice Department that has determined to "get LaRouche," has a violent philosophical disagreement with him, which is reflected on questions ranging from economic development to relations with the Soviet Union. There is massive evidence of a systematic campaign of financial and other harassment against LaRouche and his associates going back to 1969, before he even ran for President. As LaRouche's influence has grown internationally, that campaign has become increasingly violent, to the point of a military raid on the town of Leesburg, Virginia, and of an

unprecedented involuntary bankruptcy seizure of three corporations which published and disseminated writings of LaRouche and his friends.

Just what is it about LaRouche that has driven a cabal of Social Democrats, professional prosecutors, communists, and gangsters—with the backing of the highest levels of the Establishment—to persecute him as relentlessly as the Greek oligarchy, backed by Persia, did Socrates?

The tyranny of reason

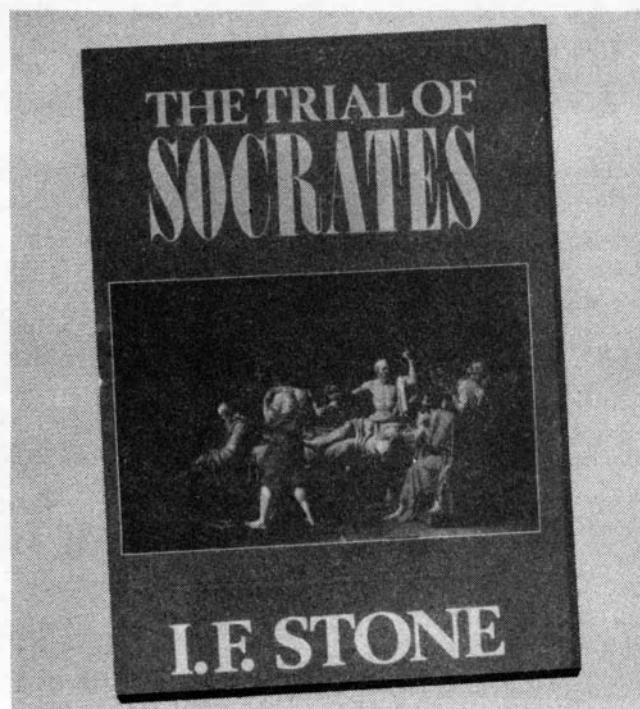
Both the Boston and Alexandria indictments are notable for the vagueness of their charges. Both center on charging “conspiracy” to commit alleged crimes, in a manner widely recognized as the last resort of political prosecutions. The current tax indictment against LaRouche, for conspiracy “to defraud the United States by impeding, impairing, obstructing and defeating the lawful function of the United States Treasury Department, Internal Revenue Service, in the ascertainment, computation, assessment and collection of the revenue,” is among the more bizarre in the history of tax law. LaRouche is *not* charged with actual tax evasion.

What comes across in both indictments is the rage of the government that the corporations which LaRouche’s friends set up, and LaRouche’s presidential campaigns, were actually able to raise the money to carry out their political activities! The fact that the campaigns or the publishing houses had difficulty paying their debts, or that there were chargebacks or customer dissatisfaction, was nothing unique to the LaRouche campaign, or these publishing corporations. Nor did these difficulties necessarily involve LaRouche, who only had a position of fiduciary responsibility vis-à-vis the political campaigns themselves.

But there is a theory that comes across in the government’s argument, a theory which is central to “selling” the argument to the jury and the public, which has been plastered all over the news media in slanders since 1974. That theory is that LaRouche is an “authoritarian” personality, who runs a “totalitarian” organization devoted to “imposing” a morality on the United States citizenry. Since LaRouche, as a private citizen, and his associates can actually “impose” nothing, the charge is quite an hysterical one. What actually galls the prosecutors is that LaRouche and his associates are campaigning for moral purposes, and have won support.

A more direct expression of what the government complains about has appeared regularly in articles in the *Washington Post*. One on the Boston trial, by “LaRouche expert” John Mintz, put it like this: “Law enforcement officials and experts on the group say that the key to understanding the charges in the trial . . . is not something that can be summed up in an indictment. The key, they say, is in the members’ arrogance about themselves and their position in world history, the attitude . . . that these-fools-better-turn-to-Lyn-before-it’s-too-late.”

Another *Washington Post* article took the same angle:



The latest treatise by I.F. Stone, the former Communist fellow-traveler who argues that the Athenian jury was right to convict Socrates for “corrupting the youth.”

“The contemptuous view of non-members, and grandiose thinking about their own historical mission is at the root of the criminal charges facing group members, former members and law enforcement officials say.”

Where does this argument come from? Directly from the gutter! The dirty underside of this argument has been spread luridly across the pages of magazines such as the drug lobby’s *High Times* magazine, where “LaRouche experts” such as Chip Berlet and Dennis King have published their pioneering work. The screaming headline of one of these articles is, “They Want to Take Your Drugs Away,” and that, in a sense, says it all. The source of the claim that LaRouche is “authoritarian” is that he opposes the counterculture, including the drug culture, on both a personal and societal level. It is his stand for morality, and the social policies which would actually further it, that upsets his enemies.

The drug issue, in fact, provides a touchstone for the entire political line-up vis-à-vis LaRouche and his movement. Speed freaks from the left and libertarians from the right both violently resist the outlook of the man who outlined the War on Drugs, long before the Reagan administration picked up the term. Anarchists on the left and free enterprisers on the right both insist on the rights of drug “entrepreneurs” and bankers to their “freedoms.” It is an issue which unites the highest levels of the oligarchy and the lowest level thugs. As far as organized forces go, the major forces supporting this outlook, and funding operations against La-

Rouche, are the international Social Democracy, the bankers, and, of course, the Soviets.

In reality, what is charged to be “authoritarian” is what used to be the standards of Judeo-Christian morality. What is today charged to be “cultist” was 20 years ago the norm. The views of the extreme left in the 1960s and 1970s are now being adopted by the federal government, as a basis for trying to make believable the idea that LaRouche is a “totalitarian” who controls every word and deed of people around him, and uses his personal power for sinister purposes.

As a pretrial request by the defense puts it, “Defendants will show that the theoretical basis for the government’s characterization of LaRouche and the NCLC [National Caucus of Labor Committees] is drawn from a political and philosophical current which is bitterly hostile not only to that of LaRouche, but to the basic philosophical traditions of Western Civilization. Defendants expect to argue this to the jury in order to prove malice and the motivation for this prosecution.”

The 19-year witchhunt

At the hearing on pretrial motions held before Judge Albert V. Bryan on Nov. 10, Assistant U.S. Attorney from Boston John Markham, who has joined the Alexandria prosecution team, argued that if the defendants were allowed to present the evidence which they wanted on the pattern of government harassment, they would be *putting the government on trial* as to the reason that loans were not repaid. Markham was speaking on behalf of a government motion to limit evidence, so as to prevent the presentation of “prior FBI investigations; asserted infiltrations of the LaRouche organization by informants; other criminal and civil proceedings; and the institution of involuntary bankruptcy proceedings in this District.” “It is the position of the government that these incidents essentially are irrelevant,” the government papers conclude.

As of this writing, the judge has not ruled on this government motion. Should he rule for the government, it will be one of the worst travesties of justice ever seen.

The reality is that Social Democratic factions in the Department of Justice, along with their allies in the Democratic party, the communist movement, the bankers, and others, have been engaged in a war of extra-legal harassment against LaRouche and his associates since 1969. The negative press coverage and the financial difficulties which the defendants have been subjected to, are the direct result of this campaign. A look at the actual pattern of harassment reveals the operations of a virtual Gestapo against anyone who has anything to do with LaRouche.

Highlights of this operation were reviewed in the motion for dismissal of the case on the basis of “selective and vindictive prosecution,” which was submitted by the defense in Alexandria. Other aspects were requested in the motion for release of evidence from the government, about its deploy-

ment of FBI agents and others to interfere with the political operations of the LaRouche movement. Additionally, much of this material was already set forth in the Boston trial by the defense—so effectively that the prosecution is desperate to try to rule it out here.

Let’s review some of the leading features:

The first record of government attack comes as early as 1969, when the FBI itself issued a leaflet attacking a close associate of LaRouche, in an intervention in favor of the Mark Rudd anarchist faction in the Columbia University Students for a Democratic Society.

In 1973, information released by the FBI shows that it was aware of the intention of the Communist Party U.S.A. to “eliminate” LaRouche, but did nothing to warn him, much less to protect him. This, along with other massive evidence, rather points to a long pattern of collaboration between the FBI and Moscow-directed circles to try to silence LaRouche and his movement.

In 1974, the Social Democratic leadership of the United Autoworkers, in collaboration with circles around the Justice Department, attempted unsuccessfully to shut down the newspaper of the LaRouche movement.

As soon as the National Caucus of Labor Committees, the philosophical association founded by LaRouche, was established, the FBI began “investigating” it on the basis that it was a “subversive” organization, and launched under that pretext a massive campaign of intimidation, surveillance, and petty arrests against supporters all around the country. In 1977, the investigation had to be officially dropped.

In 1978, however, what could be called the “secret government” went into operation. The trigger appeared to be LaRouche’s launching of a movement for a War on Drugs, which attacked the financial backers of the drug trade, back to primarily British institutions, but also named numerous institutions currently run by nominally Jewish families, such as the Bronfmans of Canada. Rushing to the defense of these filthy operations was primarily the Anti-Defamation League of B’nai B’rith, which demonstrated itself over and over again to be operating as an adjunct to the FBI. This resulted in a wave of police and press harassment, that was only to be surpassed in the period of 1983 to 1986.

With the onset of the Reagan administration, there was an opening to LaRouche’s influence in certain high policy circles of the government. This opening, whose most clear reflection came with the adoption of the Strategic Defense Initiative in March 1983, nearly drove LaRouche’s enemies berserk.

One of the key victories for the filthy circles in the government who opposed LaRouche in this assault, occurred in the Alexandria federal district court in 1984. In response to a libel suit filed against NBC-TV by LaRouche, the court and prosecution turned the tables and ended up finding LaRouche guilty of harassment of the media! This outrageous decision, which confirmed the end of libel law in the United States,

made it “fair comment” to libel LaRouche and his associates in the most false manner imaginable—an indispensable element in building up “public opinion” against him and his movement.

This period saw the addition of an obvious new component to the government-led assault against LaRouche and his associates. This was the involvement of the Soviet Union and its representatives in the nationally coordinated legal assault against LaRouche. A chronicling of this assault—including hundreds of FBI visits to contributors, hundreds of instances of bank interference, thousands of slanderous newspaper articles, and more than a dozen grand jury investigations—would fill a warehouse with documentation.

It is this assault, which anonymous government officials freely admitted was intended to shut down financially organizations associated with LaRouche, that the federal government now blatantly seeks to rule out of the defense.

The moral fitness to survive

Since the onset of the federal investigation against LaRouche in October 1984, thousands of individuals from the United States and other countries have come forward to condemn the government’s politically motivated assault. This support has helped prevent the overwhelming power of the state from destroying a private individual and the self-financed popular movement associated with his ideas. The cost of the defense has been enough to crush anyone—costing at least \$5 million in direct legal costs over the past four years. And now the government, with its seemingly unlimited funds, is pressing ahead once more.

For every individual who has come forward to defend LaRouche, however, there have undoubtedly been 10 or more who have buckled under to the pressure of “popular opinion,” or the direct police power of the FBI. The American people as a whole have demonstrated themselves to be gullible sheep, who will not fight the power of repression, at least under current conditions. More reprehensible yet, have been those in positions of local, state, and national authority who have quietly worked with LaRouche’s associates and appreciated his ideas, but refused to come forward in defense of his political rights.

Lyndon LaRouche is the pre-eminent anti-Establishment spokesman in the United States, a man who has dared to campaign for a revival of the ideas of the American Revolution in a period when they have been all but buried, and to name the names of those who have carried out dirty deals to destroy both the United States, and Western civilization as a whole.

Will enough people come to understand in time, that the successful destruction of LaRouche and his movement would be the nail in the coffin to constitutional law in the United States? The answer to that question will indeed decide whether or not the American population has the moral fitness to survive.

The ‘authoritarian personality’: an anti-Western hoax

by Michael Minnicino

The idea of “authoritarian personality,” like so many concepts in sociology, is a fraud constructed to discredit republicanism, particularly its American form, and to protect Marxism. If we are to believe the people who coined the term and first wrote on the subject, the authoritarian personality is anyone who thinks that scientific and technological progress can and should occur under capitalism.

To use the words of the concept’s chief proponent, Dr. Max Horkheimer, the dividing line between the authoritarian and the non-authoritarian is “the first chapters of Genesis.” If you have the arrogance to accept the Old Testament’s mandate to have mastery over nature, then you have stepped over the philosophical threshold that justifies man’s mastery over other men. Thus, according to Horkheimer, the ultimate roots of fascism lie in the Holy Bible.

It is not that Dr. Horkheimer’s fears were derived from his deep concern for the human rights of the individual. At the very same time that he was writing of the dangers of authoritarianism, Horkheimer went on record opposing one of the campaign planks of 1948 independent presidential candidate Henry Wallace. Wallace had proposed that the federal government provide all American schoolchildren with a pint of milk a day. Such a proposal was dangerous, said Horkheimer, because it would turn the mind of the electorate toward the “needs of body satisfaction,” and away from more important issues; a well-fed child meant parents less enraged with the current political system, and less inclined to make a revolution.

The vicious Dr. Horkheimer was the director of the Institute for Social Research (ISR), also known as the “Frankfurt School,” and the school of “Critical Theory.” Under him, the institute created the concept of “authoritarian personality,” and made it—and the fraudulent methodology behind it—acceptable in the scholarly world. This academic fraud was but one part of the institute’s avowed goal: to undermine Judeo-Christian culture, and make Western civilization susceptible to being overthrown. This purpose was explicit since the ISR’s founding meeting in 1922, held under the direction of Communist International official Georg Lukacs.

The Frankfurt School, as we shall see, is the Soviet secret service's most important cultural warfare operation against the West.

The attack on reason

The first studies on the "authoritarian personality" were begun by the ISR in 1936. The institute was then in exile from Hitler's Germany, and its personnel had scattered to France, to the headquarters of the International Labor Organization in Geneva, and to Columbia University in New York City. In that year, manuscripts were prepared for an edition to be titled *Studien über Autorität und Familie (Studies on Authority and the Family)*. The huge document rested upon three theoretical essays; one was by Horkheimer; the other were by two ISR members better known to recent generations—Herbert Marcuse and Erich Fromm.

Contemporary readers may be shocked to find that almost every concept and catch-phrase of the 1960s—that wild era when youth were counseled to trust no one over 30—can be found verbatim in this 50-year-old document.

Here, for the first time, Marcuse laid out his famous ideas about "hedonism" and "liberation": Freedom can never truly exist under capitalism, for the latter imposes "technological rationality" which "mechanizes and standardizes the world," and inevitably decays to an authoritarian society. Thus, all capitalist states tend to fascism because of their adherence to technological progress. Popular rage at the alienation caused by technology occasionally breaks out, but this is mere rebellion tempered by reason; the only path to true liberation, concludes Marcuse, is hedonistic revolution, "the unpurified, unrationalized release" of sexuality.

Marcuse is complemented by the essay by psychoanalyst Erich Fromm. Psychically, technological progress is the movement away from maternalism to paternalism. As it develops, capitalism becomes increasingly paternalistic and oppressive; when society breaks down, as under an economic crisis, the "father" suddenly disappears, and the terrified citizenry clamors for a harsh, new father in the form of a fascist leader.

Fromm's solution is a revolutionary return to matriarchism. What he means by this, is the submergence of the individual in a primitive socialism which he likens to Virgin worship by the early medieval Church.

This theory is lifted, as Fromm admits, from the work of the Swiss J.J. Bachofen (1815-87), who was Karl Marx's classmate at the University of Berlin lectures of law professor Karl von Savigny. Bachofen transposed von Savigny's psychotic theories of the racial determination of law to what would be later called "anthropology."

In his most famous work, *Mutterrecht (Maternal Law)*, Bachofen posited that the most important cultural products of a race are expressed as symbols and myths, "the products of a cultural period in which life had not yet broken away from the harmony of nature, [they] share with nature the

unconscious lawfulness which is always lacking in the works of free reflection." To recapture this lost harmony with nature necessitates a rejection of "patriarchal" rationalism, in favor of knowledge based only on racial imagination. Bachofen concludes that this would best be served by a revival of the Magna Mater/Great Mother cult of the Roman Empire.

Although Bachofen directly influenced the United States only very late (the first English translation of his *Mutterrecht* was produced in the 1960s), his impact on European thinkers during the second half of the 19th century was immense.

Jakob Burckhardt, Bachofen's co-national and childhood friend, applied the latter's theories to the history of the Italian Renaissance, and came up with the bizarre analysis that the development of Christian Humanism was actually a blow to culture, because it advanced reason over imagination. (In 1986, Lyndon LaRouche was attacked by the Moonie-owned *Washington Times* because he accepted the title; "Renaissance man"; the columnist used Burckhardt to "prove" that support for the ideas of the Renaissance demonstrated totalitarian tendencies.)

Powerful sponsors

The unproven (and unprovable) cult nonsense represented by the original 1936 studies by the Frankfurt School, might well have remained obscure, had not the school secured powerful sponsors. Negotiations were held with Columbia University President Nicholas Murray Butler at the instigation of historian Charles Beard, anthropologist witch Margaret Mead, and Stalinist sociologist Robert Lynd (all of whom had published in the institute's journal). With funds arranged from sources like the Rockefeller Brothers Fund and the Emergency Committee for Displaced European Scholars (headed by Edward R. Murrow, before he became a newscaster), the institute was offered a semi-permanent home at Columbia.

In 1942, the institute received a joint contract from the American Jewish Committee and the Jewish Labor Committee to expand their work on authoritarianism, with particular reference to the rise of Nazism. Briefly, the institute officially became the Research Division of the AJC, before its members redeployed into key positions in the research departments of the OSS, the Office of Naval Intelligence, the Office for War Information, and the State Department.

Work commenced on a five-volume project that continued publication into 1949. One volume was a psychoanalytic study of anti-Semitism by Marie Jahoda and Nathan Ackerman, both of whom would later become board members of the Tavistock Institute of London, a British Intelligence think tank responsible for, among other things, the MK-Ultra project to foster the use of hallucinogenic drugs in the West. Another was a subjective account of anti-Semitism in Germany by Paul Massing, a member of the institute who had spent time in a Nazi concentration camp. Both Massing and his wife were Soviet agents, by their own later admission.

The centerpiece of the series was *The Authoritarian Per-*

sonality, by Teodoro Adorno and Else Frenkel-Brunswick. For the wider American audience, Adorno and Frenkel significantly downplayed the cultism of the previous version. To give the illusion of “objective science,” the extravagant theories of 1936 were reduced to questionnaire items which constituted several “scales.” The first was the “AS-scale,” which purported to measure the anti-Semitism of the respondent; an “E-scale” measured ethnocentrism; the “PEC-scale” stood for “political and economic conservatism.” All three of these scales could be correlated to the “F-scale,” which alleged to determine who had the predilection to turn fascist under certain conditions.

There are two obvious absurdities here. The first is the method itself. The study claimed that fascism can be resolved to, in the words of the authors, “an ideal anthropological type.” That is: a combination of breeding and life experience (all reducible to yes/no questions) determines who is a crypto-fascist just waiting for the social “trigger” that will turn him into a full-blown, blackshirt-wearing Nazi.

This is identical to the old saw that the “American Black type” carries the predilection to dance well, and be good at sports. Herein, the racist roots of the Frankfurt School in Bachofen and von Savigny are, perhaps, most clear. However, this aspect of the study was not attacked by the scholarly community, and, in fact, as sociological historian Alvin Gouldner reports, this method, with its claim that constructs like “alienation” could be “scientifically” measured, became the dominant methodology in postwar sociology.

The second problem was the study’s blatant pro-communist bias. Here, at least, some contemporary critics demurred: Why is it the “F-scale”? Are fascists the only kind of authoritarians? Why not a “C-scale” to measure communist predilection, or a more neutral “A-Scale”? Further, it was objected, the authors couldn’t even get the PEC scale data to correlate with the F-scale, even though it was clearly weighted to do so.

Adorno answered, that since the authoritarian was an “ideal type,” there was no need for statistical correlations; the PEC scale was valid, he maintained, because the desire to maintain the status quo under a clearly degenerating capitalism was itself suspect. The issue of communist authoritarianism was easily side-stepped in a period when the Soviet Union was our ally, and the horrors of Nazism were becoming known in detail; under any circumstances, the Frankfurt School said, authoritarianism under socialism could only be an aberration, since true fascism was an extreme form of capitalism. Thus, socialist mistakes must always be forgiven; as Marcuse would write later: “Liberating tolerance would mean intolerance against movements from the Right, and toleration of movements from the Left.”

The final analysis was given by director Horkheimer. In an essay from the wartime period, Horkheimer admits that, for the Frankfurt School, the ultimate authoritarian is any non-socialist who demands *reason*: “The fundamental con-

cepts of civilization are in a process of rapid decay. . . . The decisive among them was that of reason. . . . The atomized and disintegrating men of today . . . have abandoned the ego in which all prudence and all stupidity of historical reason, as well as its compliance with domination, was sustained. The progress of reason that leads to its self-destruction has come to an end.”

This is the “authoritarian personality.” Only a liberal who believes that “everyone has a right to their own opinion,” and distrusts everyone who attempts to be governed by reason, would *not* fit the Frankfurt School’s definition.

The central problem with the attempt to transpose Bolshevism to the West, said Lukacs, is that Western Civilization’s cultural matrix is based on reason, and on the domination of nature (technological progress).

But, the creation of such pliant liberals is exactly what the Frankfurt School was set up to do.

‘Just a student meeting’

The founding meeting of the Institute for Social Research took place in the German region of Thuringia, in the summer of 1922. The exact date and place are unclear, as no records were kept. Hede Massing, a repentant Communist spy, refers to it in her confessional memoirs only as a “Marxist student meeting.” The list of attendees suggests something more than that.

● The Communist International (Comintern) was represented by **Georg Lukacs**, the Deputy Commissar of Culture and Education for the short-lived Hungarian Soviet Republic of 1919; Lukacs’s Comintern code-name was “Number One.” He was accompanied by **Bela Fogarasi**, his assistant in the Hungarian Revolution, and member of the Hungarian secret police.

● **Karl Korsch**, professor of social studies at Frankfurt University and trade union expert for the German Communist Party (KPD), was probably recruited to the British secret service during a long stay in England in 1912. Korsch was later kicked out of the KPD, and finally made his way to America, where he became an influential non-party intellectual.

● **Richard Sorge** had just been made assistant director of Korsch’s department at Frankfurt. This position was a

cover, arranged by the KPD; Sorge's real job was to head the KPD's secret intelligence section in the Frankfurt area. In 1929, Sorge transferred to Red Army Intelligence, and was assigned to the Far East, where he set up the Soviet Union's espionage network in Japan. The Japanese Imperial Army executed him as a spy in 1945.

● **Karl August Wittfogel** was a teaching assistant at the Frankfurt Social Studies Department. When the Nazis came to power, he was immediately sent to a concentration camp, but was soon released, when his friend Prof. Karl Haushofer, the ghost-writer of Hitler's *Mein Kampf*, intervened with the Führer. Wittfogel was brought to the United States with Rockefeller brothers funds, and became head of the Institute for Pacific Relations, where he cooperated with Sorge's Soviet networks in the Far East.

● **Julian Gumperz** had just started the Ph.D. program at the Social Studies Department; he attended with his girlfriend, **Hede Eisler**, who was still married to graduate sociologist and KPD editor **Gerhart Eisler**.

Gumperz was the founder of a magazine, *Der Gegner*, in the orbit of the KPD. The party sent him to Moscow in 1923, where he was recruited officially to the Red secret service. He later gave *Der Gegner* to **Franz Jung**, a friend of Lukacs from before World War I; Jung was a member of a self-described "cult of Astarte," based on the theories of none other than J.J. Bachofen. Jung made it the official journal of the Young German Order, a Pan-European group allied to the Gregor Strasser wing of the Nazi Party. Jung broke with the Nazis in 1933, because the Nazis had turned anti-Soviet. *Der Gegner's* staff went underground, and most of them became the nucleus of the Rote Kapelle (Red Orchestra), the Soviets' most important spy network in Nazi Germany.

Gerhart Eisler came from an important Communist family. His parents were close friends of Alexander Parvus, the Venetian spymaster who funded Lenin's rise to power in Russia; his sister Ruth was on the secretariat of the KPD; he himself became the Comintern's plenipotentiary representative to North America. Brother Hans Eisler also came to America, but to Hollywood, where he became a composer of movie scores; after the war, he collaborated with the same Teodoro Adorno on a textbook for the composition of movie music—it is still used today. Hans was deported in 1949, and went to Communist East Germany, for which he composed the national anthem.

The fickle Hede left both Hans and Julian, and married Paul Massing, another Frankfurt sociology Ph.D. They came to America in 1935, where they acted as Comintern couriers, and as the organizers of the Noel Field-Alger Hiss espionage network in Washington.

Nobody here, but us sociologists!

The Dostoevsky project

Based upon case histories of the individuals involved, and subsequent developments, we can credibly reconstruct

that first meeting. It was dominated by Lukacs, the highest ranking official there. Perhaps he started with the statement with which he started a then-recent book: "Who will save us from Western Civilization?"

Lukacs outlined how his own revolution in Hungary had lasted only 133 days; the recently crushed Bavarian Soviet in Germany had not survived much longer. The only healthy revolution was the one in Russia. This, said Lukacs, was due to the cultural differences between Russia and the West. The Bolsheviks were able to appeal to the "messianism" of the peasant-dominated Russian population, and unleashed an almost uncontrollable "daemonism" which led to the overthrow of the Czar. The Bolshevik Revolution was essentially a religious phenomenon—an "unrelenting and rigorous" religious cultism, like the most irrational forms of medieval Christianity.

The central problem with the attempt to transpose Bolshevism to the West, said Lukacs, is that Western Civilization's cultural matrix is based on reason, and on the domination of nature (technological progress). The West does not believe that the world "has been abandoned by God," and thus people react to adversity with hope, rather than unmitigated rage.

If Bolshevism were to succeed in the West, then the assembled social scientists must commit themselves to shift the West away from Judeo-Christian culture. They must study the artifacts of culture, and understand how to discredit those which foster cultural optimism, and how to create those which foster *Kultur pessimismus*—"cultural pessimism," a phrase that the Frankfurt School used totemistically over the next 50 years.

Lukacs then outlined what in recently discovered notes he called, "The Dostoevsky Project." Western man's sense of mastery over Nature must be replaced with the understanding that he has "not a personal destiny, but the destiny of a community," in a world "abandoned by God." "The model of the new man [in the West] is Alyosha Karamazov," Lukacs asserted, referring to the character in Fyodor Dostoevsky's novel *The Brothers Karamazov*, who gives up all sense of self to become a Russian Orthodox mystic. Alyosha loses all potency by entering "the sphere of pure soul-reality in which man exists as man, neither as social being, nor as . . . isolated, unique, pure. . . . Dostoevsky's utopia [is] a state of the world in which men may know and love each other, in which culture and civilization will not be an obstacle to the development of men. The spontaneous, wild, and blind revolt of Dostoevsky's characters occurs in the name of a golden age."

Lukacs's theory carried, that day in 1922, and for the next 50 years the Frankfurt School manufactured forms of culture—they called their enterprise a "culture industry"—to undermine Western civilization and the power of reason itself, on behalf of the Comintern and its successors. The concept of the "authoritarian personality" is just one of those subversive contributions.

To be continued.

International figures speak out against political prosecution

Hundreds of international leaders have responded with outrage at the U.S. Department of Justice's new, politically motivated attempt to destroy the person and influence of Lyndon LaRouche, this time in federal court in Alexandria, Virginia. They have signed the following "Declaration of Honor for Lyndon LaRouche," which is expected to appear as an advertisement in a number of U.S. and European newspapers, and which has been made available to EIR. A few of these individuals have gone further, issuing personal statements, either in writing or on television, to express their thanks for LaRouche's contributions in fields ranging from political economy to music, and their outrage to U.S. Attorney General Richard Thornburgh. Excerpts from some of the most notable statements appear below.

Declaration of Honor for Lyndon LaRouche

Again, an unheard of, insane legal action against the independent American presidential candidate Lyndon LaRouche has been put into motion by the American justice system, after legal proceedings in Boston, which had been pursued with enormous efforts, fell flat in the middle of this year. This renewed witchhunt, which is demonstrated to be conducted by Dukakis's crowd in the U.S. Department of Justice, comes at the high point of the American election campaign and amidst the most dangerous convergence of crises since World War II.

We know Lyndon LaRouche as a man of great personal integrity, who, without any personal ambition and without seeking any personal advantage, has staked all his efforts on the realization of a more human world. He might be characterized as "controversial" only because his outstanding analytical mind—contrary to the currently reigning outlook—decades ago anticipated the coming crises and strategic problems, and proposed solutions to them. The spectrum ranges from his fight against organized drug trafficking, his program to defeat AIDS, his solution to the world food crisis, his resistance against the Russian threat, up to his support for the

Western Alliance, SDI, and the solution of the debt crisis.

As an economic scientist, he has fought since 1975 for the creation of a new just world economic order which, since that time, has been recognized as the only concrete possibility to bring economic policy in accordance with Christian morality again. Therefore, in the so-called Third World, his name is a symbol of hope for a life worthy of human beings.

Lyndon LaRouche stands as the unwavering representative of Western civilization. As in the field of natural science, he has made outstanding contributions in defense of classical music, the arts and culture generally.

In the middle of a crisis of such apocalyptic proportions, we cannot tolerate the fact that such a man, whose morality equals his powers of mind, be subjected to dirty tricks aimed at preventing him playing a decisive role in contributing to the solution of this crisis.

Each of us calls personally and energetically on the United States of America, to be worthy of their great tradition as the "temple of liberty" and exercise proper justice. The errant, politically motivated indictment of LaRouche has to be dropped immediately.

Prof. Dr. Norbert Brainin

Prof. Brainin was for many years the first violinist of the Amadeus Quartet, in Great Britain.

I know Lyndon LaRouche to be a man of honor, who would never do anything illegal. This would suggest that the latest indictment of LaRouche is a mistake which would sort itself out eventually, or is one of the most horrible pieces of political machination, that the world has ever seen, bearing in mind the timing just before the American presidential election. I therefore urge you to drop this indictment immediately.

Piero Cappuccilli

Opera singer, from Italy.

To describe Lyndon LaRouche, I can say that he is a courageous man, who has made many initiatives. He is a trustworthy man, who has done much for opera, particularly in his support for Verdi's standard tuning-pitch, A-432, which is the key to safeguarding voices in the future. In fact, with the present high tuning, singers face serious difficulties, and it's very important to return to Verdi's "A." Verdi was right, and Mr. LaRouche, with his initiative, has also understood how important it is to go back to singing half a step lower.

Mr. LaRouche has a broad-ranging mind, which extends into all fields of knowledge. And I must say that LaRouche is a person who knows what he's doing. I wish there were more people like him.

Vincenzo Carollo

Former Italian senator and former president of Italy's Sicilian Region; currently president of the trade agency It-altrade.

In Lyndon LaRouche, I have appreciated the sincerity with which he has always demonstrated that wealth can not be conceived as a means to exploit the weak, but as a force for helping the needy. The more good one does, the more one becomes the bearer of true wealth: social wealth. This is certainly a principle of Christian morality, but also of political humanism.

This is the reason for Lyndon LaRouche's battles on behalf of the poor countries of the Third World and against the International Monetary Fund's bureaucratic bankers' conception, which is neither human nor solidarist. . . . But how can a great power maintain its greatness on the basis of the perpetual poverty of the states of the Third World?

Christian solidarism does not admit this on the moral level, but history itself teaches us that a nation grows and becomes stronger to the degree in which it succeeds in transforming the poor states which ask for charity, into states which are capable of producing—however gradually—wealth, labor, and exchange of goods in the context of international relations.

This is also affirmed by Lyndon LaRouche, and this morally attracts me, too, because for my entire life, I have tried to help people, not in order to exploit and economically market their consensus, but to transform the duties I discharged as President of the Sicilian region and as Senator of the Italian Republic into a service of real social solidarity; but it should be very clear that this sociology is not Marxist socialism, whose essential goal is *not* the good of the people, but an elitist government over the people.

On the contrary, the power of those who govern must not be more important than man, his freedom, and his development, but ought to be a service for man, for society, and for the people.

Mme. Marie-Madeleine Fourcade

Head of the National Resistance Intelligence Network in France, 1940-45; former member of the European Parliament.

Free elections are unique moments for the debate of ideas in our democracies. In this regard, the United States of America, ally, twice liberator of France, a friend of France I love dearly, is a symbol, a hope for liberty for all peoples. Without interfering in internal American political life, I would like to emphasize the importance in my mind of the contribution made by Mr. Lyndon LaRouche on vital questions of world politics.

I met him five years ago at a conference in Paris, in which I was invited to explain the dark days when tyranny took over Germany and Europe when Hitler seized power in 1933. We of the French Resistance fought the rise of Nazism and totalitarianism from its inception until the defeat of the Third Reich in 1945.

Since that 1983 conference, I have had the opportunity to meet Mr. LaRouche several times, in the course of which he

exposed his ideas. His analysis, first of all on defense problems, which are close to my preoccupation, was turned toward the future. His support in favor of the SDI strategic defense is truly shared by myself and co-thinkers in France.

Thus, it is our strong hope that the course of SDI not be changed, for it should not be negotiated. Furthermore, Mr. LaRouche has shown a rare patience on the plague much akin to war, the threat that AIDS means for all mankind. Generous ideas to come to the aid of countries of the Third World, a Marshall Plan for Africa, were ideas he presented to me as an initiator.

The great causes, the struggle for freedom against tyranny, the fight for a peace through strength, the commitment to aid nations and peoples facing economic crisis, are the causes of our time—the life of every day. Next year, we will celebrate in France the bicentennial of the French Revolution and the Universal Declarations of the Rights of Man (and women). I, who fought so long to re-establish freedom and democracy in my country, believe strongly that Mr. Lyndon LaRouche's contribution to democratic debate is needed by everyone today, and by each one of us.

Rosemarie Love

Commissioner of Cook County (Chicago), Illinois.

It is unfair that with the economic problems of this country, here we have an American economist who has not been allowed to enjoy the fruits of the First Amendment of the U.S. Constitution. The contradiction of this denial and the present administration's waving the American flag is striking. What is there to fear in having an American economist, capable and willing to present and implement the necessary solutions to our nation's economic problems? When America denies what has been denied to Mr. LaRouche, the very forum to exchange ideas, which we, in America, consider sacred, is violated.

Our government gives Gorbachov more opportunities to enjoy the First Amendment, than one of its own sons, Lyndon LaRouche. It's absurd to read in the national papers and view on the national news the excitement about how great the Russians are for freeing a couple of whales under ice in Alaska, when we as a world, have very serious problems. I am worried sick that winter is coming and the homeless are still homeless across this nation. The hungry are still hungry!

I therefore call upon the unjust powers causing such pain and agony, not only to Mr. LaRouche but the world as a whole, to return to the principles of this great nation, which are based on the freedom of speech and the freedom to exchange ideas!

Eliane Magnan

Violoncellist, from France, founder of the Lebanon String Quartet, and general secretary of the Commission To Investigate Human Rights Violations.

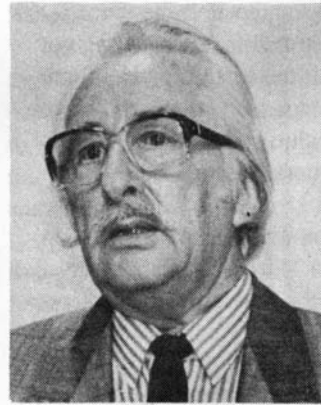
The Commission to Investigate Human Rights Violations



Vincenzo Carollo



Eliane Magnan



Gen. Paul-Albert Scherer (ret.)



Marie-Madeleine Fourcade

wishes to thank those persons, from America and around the world, who have expressed their concern that justice be done in the pending case of Lyndon LaRouche in Alexandria, Virginia. We believe this response, from numerous and high-ranking individuals, is the result of the fact, as we found in hearings held on this matter last year, that Mr. LaRouche represents for many nations, hope for freedom, justice, and development of civilization.

In 1986 and 1987, the Commission conducted a thorough investigation of the LaRouche affair. We found overwhelming evidence that elements in the Justice Department associated with William Weld (and now associated with the campaign of Michael Dukakis), were conducting a "KGB-style witchhunt," at taxpayers' expense, against Mr. LaRouche and his associates. Our findings were corroborated by the jury in Boston, which heard the case *U.S. vs. LaRouche, et al.* earlier this year. That jury reported to the news media, that, had a mistrial not been declared, they would have voted for acquittal for all defendants on all counts, and had found real evidence of government misconduct in the case.

Now, in what can only be called a most outrageous case of *déjà vu*, the U.S. Justice Department has presented virtually the same case it just lost in Boston, in a federal court in Alexandria. Such bold disregard for fundamental principles of justice must lead even the most impartial observer to conclude that the government has an ulterior motive in its unrelenting prosecution of LaRouche.

As a Commission, our only power is moral suasion. We therefore call on concerned individuals around the world to investigate this case for yourselves, and then to act, quickly, to ensure that justice is done.

The Commission stands ready to act on behalf of human rights in this case, so that justice be preserved in this nation, which, more than any other on earth, represents freedom of thought for the rest of the world.

Gen. Jean-Gabriel Revault d'Allonnes (ret.)

From France, a Compagnon de la Libération and presi-

dent of the Commission to Investigate Human Rights Violations.

Very shocked and surprised at the news of your new indictment, I am convinced that you are the victim of a pure political campaign, without any real legal justification.

The content of this message can be shown to whomever you will judge necessary. With all my very best wishes to the architect of the SDI.

Amelia Robinson

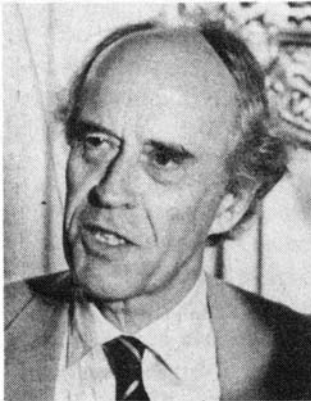
U.S. civil rights Leader and co-founder of the National Democratic Party, Tuskegee, Alabama.

Having heard of the new round of indictments against our great Lyndon LaRouche, I can only wonder at the treacherous minds of these people above suspicion, who act with impunity against the rights of the many guaranteed by God's laws. Upon hearing of these atrocities against Lyndon LaRouche, I am reminded of my mother, who was a fighter for justice all of her life, such that from the time I became aware of that idea called democracy, I got on the side of justice. My mother often told those who sought to stop her from fighting for justice, "I will fight with all that I've got."

That determination she had to fight is what guided her life. For this reason, among many, I feel so good about Lyndon LaRouche. He is not thinking about party politics, whether it be Democratic Party or Republican, but instead his mind is fixed on justice.

LaRouche knows that at this point in time, the problems that all of humanity is facing are about people. Without people we have no political parties.

Our American politicians and candidates are all fighting over petty matters in the exact same manner that we, as children fought in child's play, through the petty environment which is now dominating policy discussions. Without LaRouche, there is no room to talk about valuable solutions to the miseries that we are all facing. Therefore, I feel that throughout this decade, I know of no one who is as much concerned about uplifting humanity as LaRouche and his



John Seale, M.D.



Dr. Norbert Brainin

lovely wife Helga, who is his right arm. I cannot help but to follow justice. God bless Lyndon LaRouche.

Gen. Paul-Albert Scherer (ret.)

Former chief of the Militärischer Abschirmdienst (MAD), Military Counterintelligence Service, West Germany.

For more than half of my life's 70 years, I have been dealing professionally with problems of strategy, psychology, leadership, and tactics of the psychological and low-intensity warfare which Moscow has been waging on us during a time of ostensible peace, most recently in my capacity as a general and as chief of military counterintelligence in the free part of Germany.

Over the course of my inspection trips and lectures in America and in Europe, I have been increasingly struck by the threat posed by the clouding of perceptions, partial blindness, and even total blindness of many people in the West as a consequence of deliberate Soviet poisoning of Western information sources. Anyone who believes that this has stopped under Gorbachov, and that the Soviet Union is no longer a police state, a slave-state, has lost all sense of reality.

The Soviets' diabolical poisoning of the wells, and their cynical strategy of deception, includes actions to muzzle, slander, criminalize, and eliminate important vanguard thinkers, politicians, economists, and journalists in the West—those idealists who courageously speak out against the communist deception campaign, without regard to their own personal fate. Lyndon LaRouche is one of these top-ranking persons, as many experts have stated. In the global context, the Soviets have classified him as their deadly enemy number one on the KGB's list of Americans alive today.

LaRouche emerged as a dire threat when he developed the idea of the SDI to defend the West, a concept which was adopted by President Reagan in 1983—a dangerous distinction for Mr. LaRouche. Ever since then, a campaign of character assassination has been running against him at full throttle. First he is slandered as a Trotskyist, and then as an arch-fascist, as a neo-Nazi, a crypto-anti-Semite and racist, as a

nut-case leading a fool's crusade against the peaceful Soviet Union, and finally as a troublemaker, a parasite, and a tax evader. How easy it is, to infiltrate an organization, in order then to defame it, and, via agents of influence, to play back falsified accusations, incriminating documents, and plausible, fear-arousing rumors to the police, the judicial authorities, and the government apparatus. In Moscow's tactical lexicon this is called murder through disinformation, and the deadly sapping of the victim's energy. We see this happen very often in Germany, and then documents are seized, offices searched, and those under attack are brought to trial. Something is bound to stick—if we are actually dealing with real criminals.

If the accusations leveled against LaRouche were true, we would have to seriously warn people about him. But—and this I know—there is *no* truth to them. Despite this, a part of the political elite is attempting to shut him up, just as anyone who causes them discomfort is easily spat out, without them having ever actually tested the veracity of the slanders. I say that's unfortunate.

Why am I standing up for LaRouche? Because I have come to know him personally as a far-seeing, highly committed person of unimpeachable integrity, as a policy-maker, and a modest, honest, and deeply religious human being, whose overriding concern is the future of Western civilization. We in Europe depend upon our alliance with America. And Lyndon LaRouche would never let us down.

I decided to become personally acquainted with LaRouche after I had observed how he had built up his private intelligence service, and had ascertained the politically sound conception behind it. He is a man of integrity, a man of freedom, highly cultured, an economic scientist with an almost unparalleled political acumen.

I should also not forget to state, that I am not a member of any LaRouche organization, and am therefore making my judgments completely independently. To sum up: My great concern is that this inhuman Soviet strategy of psychological stupefaction not succeed. Otherwise, we will not be saved. We must not be a collapsing West, as the Soviets would have us be.

John Seale, M.D.

Fellow, Royal Society of Medicine, Great Britain.

It is disconcerting to see what appears to be a highly unusual variety of legal harassment against Mr. LaRouche, the only presidential candidate who has raised the issue of the AIDS crisis in the election campaign. Mr. LaRouche has made great efforts to inform himself and the public of the scientific issues of AIDS—which is perhaps rather more than Dukakis and Bush seem to have done.

The unchecked spread of the AIDS virus in your population is not only a threat to the United States, it is a threat to the security of the entire Western world. It really is about time the politicians faced up to reality.

In Anthony Blunt, we trust

by Lyndon H. LaRouche, Jr.

Mask of Treachery

by John Costello

William Morrow & Company, Inc., New York,
1988

765 pages with notes, documentation, and
index, clothbound \$22.95.

To the degree the relevant portions of our official and unofficial establishment have moved toward what is commonly identified as pragmatic "pluralism," and therefore away from the principles of natural law and reason upon which the United States was founded, the relevant agencies of the U.S., like Britain, have become incapacitated in respect to fulfillment of their national security functions.

This is the most general cause of serious breakdowns in U.S. national-security's counterintelligence functions. There is a second, somewhat related difficulty, more specific in nature, but of approximately comparable importance. The celebrated cases of Britain's Anthony Blunt, H.A.R. "Kim" Philby, Donald Maclean, and Anthony Burgess illustrate both classes of problems.

On this account, John Costello's new book, *Mask of Treachery*, is to be welcomed.

Author-researcher Costello has not set the story quite right, but the book covers and enlarges the established terrain of the Blunt story, and affords the reader a better appreciation

of the enormous damage done by Blunt than has been previously available in the public domain.

The largest flaw in Costello's account is summed up in a single word, "Trust," as that term was employed in the vocabulary of Soviet Cheka chief Feliks Dzerzhinsky. Perhaps the author would acknowledge the importance of that feature of the case; we concede that mentioning that connection places the incautious author in the target-area of extraordinary unpleasantness. For those who prefer to avoid such risks, the legend which places Philby and Blunt among the biggest Soviet fish inside British intelligence may not be truthful, but it is a tale whose telling brings one many cozy evenings this side of one's tomb.

To the degree we might obtain profit while subscribing to the myth of Philby's and Blunt's relative position as the "big Soviet fish reeled in," the author's work is of exemplary usefulness. No review could do justice to the full scope of the material covered in that text and its appended materials; better the reviewer select one or more of the topics within the text.

So, we shall view several selections among the book's points. The center of our attention shall be matters emphasized in Chapter 12 (pp. 219-229). Our interest shall be the first of the two topics identified at the outset of this review. Our subject is the fact that a certain social type, usefully termed "the anti-authoritarian personality," is always inherently a national-security *risk*, as the comparison of Anthony Blunt with Bertrand Russell illustrates the type in view.

The issue which Costello attacks in this chapter, is the hoax Blunt perpetrated in his public utterances of 1979, after he had been exposed publicly as a former Soviet spy. Costello reports:

At his carefully staged press conference in 1979, Blunt appeared before the television cameras in a rumpled tweed jacket. On the only occasion he was called to account for his treachery before the bar of British public opinion, the silver-haired old English gentlemen offered the nation an offhand apology for what he admitted was his "appalling mistake."

... His invocation of the Official Secrets Act constraints was his excuse for being conveniently vague, particularly regarding the events that had overtaken him over forty years earlier when he had shortsightedly succumbed to appeals of his best friend: "to try to help anti-Fascism which was obviously the issue of the moment."

... Andrew Boyle told reporters afterward ... that [his book *The Fourth Man*] ... had finally forced the [British] government to disclose Blunt's treachery. Boyle was one of the few not taken in by Blunt's claim that he had not become a Marxist until the mid-thirties.

A few pages later, Costello's comes to this point again:

[Goronwy] Rees graduated from Oxford in 1930, before the major political upheavals of the decade. His communism and Blunt's therefore had nothing to do with saving democracy from Fascism. The motives that impelled Rees toward Marxist philosophy, as in Blunt's case, appear to have had more in common with intellectual snobbery than with direct political action. Both discovered in Marxism the attraction of a secret shrine of individual rebellion. Their inspiration appears to have been more opportunistic—the need to ensure their membership among the intellectual elite by becoming the clandestine outriders of the Communist revolution.

Costello's arraying of evidence to such effect is most persuasive. It detracts nothing from his work, that on this point he is not ploughing virgin wasteland. The track of the British establishment young darlings turned Soviet spies dates to the mid-1920s, to the rising young dissolutes attracted to the circles of the older generation of high-flown Fabians of the likes of Bertrand Russell, Aleister Crowley, and H.G. Wells.

This new generation of upper- and middle-class academic intellectuals was deeply imbued with that downward spiralling cultural pessimism which gripped a dismayed British youth whose friends and older brothers Field Marshal Haig had draped as corpses upon the barbed wire of the World War I battlefields.

As Bertrand Russell put the point in 1951:

... when I first became politically conscious Gladstone and Disraeli still confronted each other amid Victorian solidities, the British Empire seemed eternal, a threat to British naval supremacy was unthinkable, the country was aristocratic, rich and growing richer. ... For an old man, with such a background, it is difficult to feel at home in a world of ... American supremacy.

Like the leading German recruits to the Thule Society's Nazi Party, those from the privileged strata of young educated Britons who drifted variously into fascist or socialist movements, were morally pathologues, wandering in a milieu of eccentric sexual fads, and lurid occultisms varying from cults of the *Bogomil* sort to the outright Satan-worship offered by Crowley and his anthroposophs. On this account, being thus already hardened traitors to Western European civilization, and resentful to the point of envious hatred against the great English-speaking sovereign republic across the Atlantic, it became a relatively small step further to become also traitors to Britain.

It was not Marxism as such which attracted those who fancied themselves in league with Moscow; it was Russian Bolshevism. From the beginning of the Soviet NEP period, when Dzerzhinsky's Trust arrangements were rampant in Moscow's relations with powerful financier interests of the West, through the 1927-29 overthrow of the Comintern oppositionist factions, the Trust-linked Western financiers' influence made Moscow almost as acceptable as a "peace-loving partner" as has been proposed increasingly by most Western industrialized nations' governments and liberal establishments over the course of our own recent four years.

The key to the reactions among the relevant strata of privileged young Britons, as was the case with the rise of communist and fascist parties on the continent, is not the inherent attractive power of communist or fascist doctrines as such. The key is the fact, that under conditions of deepening cultural pessimism, during and following World War I, the influence of the kind of "New Age," or "Age of Aquarius," dogmas associated with the like of Fyodor Dostoevsky, Maxim Gorky, Friedrich Nietzsche, and Aleister Crowley, spread extensively among these strata.

What made Bolshevism and fascism attractive among these depraved types was not any yearning for an instrument of justice, but rather the persuasion that Bolshevism and fascism as the Romulus and Remus of the "dawning of the Age of Aquarius," offered one the means to leave the camp of Christianity for the camp of that Lucifer-Dionysos-Satan they were certain must soon triumph.

The fascist and Bolshevik recruits of this sort, did not become evil because they had become fascists or Bolsheviks; rather, they became fascists or Bolsheviks because

they had already become evil.

So, Costello paints the Anthony Blunt entering Oxford's New College in 1928.

We employ the term "evil" in a very rigorous, specific sense. We do not mean a person who has committed a great amount of sin. We mean the distinction between the person who commits a wicked act, such as robbery, murder, or rape, as an ill-chosen means to gain those objects which may or may not be wicked in themselves, and the person who seeks ends which serve as a pretext for doing evil. We mean, in the latter case, the person whose keenest pleasure is in the sense of doing evil for evil's sake. We include in the class of "evil," that person who, like a parricide, delights in destroying the society which has nurtured him, not with any clear benefit in view except the pleasure of destroying for the sake of the pleasure of destroying.

Above, we promised not to veer into this other topic, but we must make a passing reference to it here. We do not accept the proposition, that Anthony Blunt and "Kim" Philby became traitors in the Soviet service solely because of the complexities of their personal motivations. They could not have functioned in Soviet service as they did, without high-level protection from authorities much more powerful than themselves. The paradigm for this sort of higher authority is "Trust," those powerful interests which yearn for the establishment of the kind of world-federalism which a global power-sharing agreement with Moscow promises to bring about, and see that sort of agreement as the lever by means of which to rid this planet of the institutions of the sovereign nation-state, and of anti-aristocratic institutions of constituency organization under terms of representative self-government.

Yet, that usually avoided feature of the Philby and Blunt cases taken into account, the fact remains that it was the satanic tendencies of their flawed personal character which qualified them as suitable instruments for the role they played. With such proviso, we may limit our attention here to the propositions posed by Costello.

Blunt as a type

The portrait of Anthony Blunt is a picture of a type fairly identified as "the anti-authoritarian personality." He is of the type admired by Hannah Arendt, by Lukacs, Horkheimer, and the evil Adorno, before Arendt's popularized rendering of the Frankfurt School theses on "the authoritarian personality." This type is always a security-risk to any nation.

The dogma of "the authoritarian personality" has two overlapping origins.

In philosophy, it is immediately a product of the influence of Husserl's implicitly satanic dogmas of *phenomenology*, blended with the irrationalist existentialism of Martin Buber and his some-time Nazi-sympathizer co-thinkers, Karl Jaspers and Martin Heidegger. By way of Heidegger's participating parentage, the Frankfurt School's "authoritarian per-

sonality" dogma is step-brother to Karl Rahner's "liberation theology," and kindred "charismatic" cult-movements in the name of religion.

Politically, this Frankfurt School project was conceived as a means to destroy those features of the Western European cultural matrix which were the principal obstacles to the introduction of Bolshevism, or something akin to it, among the nations of the West. Hence, on this account, the advocacy of the "authoritarian personality" dogma is a treasonous intent *per se*.

In practice, that dogma has been treasonous. By the latter part of the 1950s, the Anglo-American occupying authorities' fostering of this "authoritarian personality" dogma as part of the "democratic reeducation" of Germans had accumulated effects to the point that Frankfurt School influences of Horkheimer and Adorno were employed directly to transform the young organization the Social-Democratic Party, SDS, directly into a New Left pioneering project. With aid of elements of the Socialist International engaged in fostering this transformation of Germany's SDS into a New Left movement, the U.S. arms of the Socialist International, including the League for Industrial Democracy (LID) and its student branch, appropriately acronymed SLID, the New Left disease was spread into the United States, and the outgrowth of this was named, quite shamelessly, SDS.

The dogma of the New Left was purely and simply Adorno's "authoritarian personality" dogma. Any personality who was self-governed by reason, and associated belief in some natural law more efficient than caprices of mere popular opinion, was classed as such an "authoritarian personality."

Thus, the dogma of the "authoritarian personality" was aimed directly at the goal its pro-Bolshevist fathers had intended for it: the virtual outlawing of the personality-type which is the characteristic, moral, patriotic personality of Western European Judeo-Christian civilization. This dogma of the "authoritarian personality," was and is Bolshevik propaganda transformed into form of warfare, cultural warfare against the "cultural matrix" of Western European civilization.

The treason of Anthony Blunt and "Kim" Philby defines them as the moral type of the "new man" which the dogma of the "authoritarian personality" is designed to bring into being as the characteristic, or at least dominant social type of Western nations.

As we emphasized at this outset of this report, the question posed by the Blunt and Philby cases is, how is it possible that such inherently treasonous social types of "anti-authoritarian personalities" are enabled not only to pass successfully the relevant national-security screenings, but slither into the highest places of national intelligence establishments? Again, Costello's observations are useful.

The "ivory tower" rebellion of Rees and the Oxbridge intellectuals of his generation who became

Marxists flourished at the end of the twenties because of the "peculiar condition," as Rees called it, of the English intellectual establishment. "To be a Communist, with the declared intention of subverting and destroying the fabric of the existing society, was to occupy a respectable and respected position," Rees wrote. His contemporaries saw that "the difference between a communist and a liberal was merely one of those differences of opinion which arise between the best of friends and which both find mutually stimulating." . . . The only issue was one of method.

Here lies the source of the functional disorientation shown by relevant security agencies. In the U.S.A., as in Britain, to the extent that the heritage of what is termed often "nineteenth-century British philosophical radicalism" is deemed an acceptable set of security values, the perceived difference between a modern liberal and an active security risk is not a qualitative one, but essentially one of degree. Outwardly, the values openly expressed by an active security risk will be consistent with the range of values expressed by a significant number of liberals who are not security risks.

True, as we have stressed, the incidence of those from Oxbridge circles of the mid-1920s or slightly later, who turned up as openly or covertly Communists or fascists during the 1930s and later, is a product of the *Weltschmerz* pervading that stratum, and of the spread of "New Age" cultishness during that period.

However, the roots of what Costello cites Rees as naming "the 'peculiar condition' of the English intellectual establishment" of the 1920s is a state of affairs found widespread as early as the rise of Hell-Fire Club liberalism under Horace Walpole, which was, in turn, an echo of the exotic ideas and practices among the circles of Sir Francis Bacon and his secretary Thomas Hobbes. David Hume's popularization as a writer, and position in the Edinburgh branch of the British Secret Intelligence Service was a reflection of the heyday of Walpole liberalism. The more openly radical turn in Hume's work during the period Adam Smith became his acolyte, and, later Lord Shelbourne's agent, reflects the continuation of this sort of trend of rise of empiricist liberalism. Shelbourne's agent Jeremy Bentham, and the British East India Company's Thomas Malthus, David Ricardo, James Mill, and Bertrand Russell's un-godfather, John Stuart Mill, represent the progress of progressive degeneration of the British intellectual establishment's radical forms of liberalism through the emergence of Oxford's John Ruskin, and so on. Russell, Crowley, and H.G. Wells during the 1920s typify the cultural bridge linking the generation influenced directly by J.S. Mill and Ruskin to the Fabianized strata of the British intellectual establishment of the 1920s and 1930s.

Had not there been this process of successive steps of conditioning of the British intellectual establishment, and

population more generally, over no less than two centuries, the proliferation of so many cultural pervers from among the British intellectuals of the 1920s would not have been possible, even given the depressive circumstances following World War I. Rees's point, referenced by Costello, is extremely important; it requires such amplification.

The moral flaw in liberalism is axiomatic: It allows no firm moral values, but only more or less arbitrary ones, in the included sense that a moral value upheld merely because it is customary does not represent an intelligible sort of commitment. This axiomatic flaw in liberalism is the key to the way in which the dogma of the "authoritarian personality" functions in practice.

Adorno's and Arendt's dogma simply turns liberalism inside-out. Where liberalism says that an intelligible form of moral certainties is an arbitrary choice, not a necessary one, Adorno et al. say that whoever insists on ordering their own belief and practice according to intelligible sorts of moral principles is a bad person, to be put into the same classification of "extremist" as the Nazis. Of course, it is absurd to suggest that Adolf Hitler and his immediate circle were advocates of natural law or a notion of reason based upon intelligible moral principles, but when did Adorno, et al. ever reject a thought merely because it was patently an absurd one?

We may insist that the "authoritarian personality" dogma is not merely a treasonous dogma, but an absurd one. Since the purpose of Adorno et al., like Hitler's Nazis, is the triumph of the absurdities of the irrational will over reason, to inform an Adorno that his argument is an absurd sort of sophistry would merely convince him that it were the sort of dogma which his adult life was dedicated to promoting. Like Hitler, Adorno and his leftist ilk are dedicated to the triumph of the absurd over sanity.

"All is permitted," the Nazis proclaimed, echoing Nietzsche. Not only does Adorno insist, also, that "All is permitted"; Adorno insists that anyone who resists that standard of conduct as a potential tyrant who must be destroyed.

British liberalism is a British gentleman diddling the downstairs maid for his own pleasure. All such is allowed, on condition that customary appearances are maintained. The devotee of the "authoritarian personality" dogma, is a homosexual gentleman, who shudders in horror at the thought of the touch of a woman's body, who rapes his ten-year-old niece for no motive but the perverse pleasure of doing an evil thing. The latter gentleman will damn anyone who interferes with his act, as oppressing the perpetrator's "own free will."

Such an "anti-authoritarian personality" would betray Britain to Moscow for no deeper reason than enjoying the pleasure of doing an evil thing, and perhaps because, also, like Bertrand Russell, he enjoys betraying Britain to Moscow as an act against the hated United States.

So, reading Martin Buber, one thinks that the chief cause

of his resentment of Hitler's anti-Semitism, is that this denied him the company of his co-thinkers Jaspers and Heidegger in boosting the Nazi cause, or even of wearing the swastika brassard himself. Such evil as Buber's requires plain speech, even if speaking plainly is very unpleasant.

Rules for national security

The case of the "anti-authoritarian personality" begs comparison with the lesson of Communist-directed guerrilla warfare. Once the armed insurgents reach the level of having one-tenth the strength of the threatened nation's regular armed forces, and there are also no fewer than 70 to 100 political supporters of the guerrilla cause for each armed insurgent, the existence of the threatened nation is in imminent jeopardy.

A people which is morally corrupted—or, the same thing, culturally degraded—has no national security protection against Communist insurgency.

By and large, national-security screening of prospective and actual occupants of highly sensitive positions, has the function of preventing security risks or emotionally unstable persons from infesting a small minority of the total number of adult work-places in the society at large. As long as the majority accepts the use of certain moral values and related standards as the yardsticks for security screening, national security is feasible.

What happens, then, if a very large minority of the intellectual establishment adopts a form of liberalism which borders on susceptibility to support of a dogma such as Adorno's and Arendt's "authoritarian personality" deviltry? What if, a majority, or a very large minority of that establishment find their differences with the converts to Adorno's cult to be "merely one of those differences of opinion which arise among the best of friends and which both find mutually stimulating"? To the degree that nation's intellectual establishment is able to impose its inclinations on the policies of government, that nation has no effective national security.

Putting aside the issue of powerful "Trust"-like interests in Britain and elsewhere, no one who has studied the pattern of British intellectuals turned Soviet spies overlooks the fact that many covered up for these spies because the traitors were protected by the prevailing instinct of the intellectual establishment during the relevant period of time.

A nation which is not dominated by social strata committed to clear and intelligible sorts of cultural and related moral values, is already as good as doomed to defeat by the first credible adversary who resorts to the methods of cultural warfare plotted against Western civilization by the likes of Adorno and Arendt. So, the United States is being destroyed from the inside today.

The remedy for our resulting condition ought to be obvious. As one completes the reading of Costello's book, a sense of the urgency of effecting such a change overwhelms one.

Deadly poker, or we bet your life

by John Grauerholz, M.D.

Doctors of Deceit and the AIDS Epidemic: A View From the Inside

by Gus G. Sermos

GGs Publishing, Jackson, Mississippi, 1988

53 pages paperbound, \$5.95.

If you were to suddenly realize that you had become involved in a massive plot which would result in the death of millions of people, and that this plot was being carried out by those to whom the potential victims had entrusted their lives, what would you do? Speak up or shut up? Lie low, or go with the flow? This book is the product of a man caught in such a situation, or as he succinctly states it, "I am a witness; this is my testimony."

Gus G. Sermos was a Public Health Adviser and AIDS researcher at the Centers for Disease Control, who, according to *The Miami Herald*, "labored for 2½ years with scant assistance and considerable resistance from the state to document the burgeoning epidemic of acquired immune-deficiency syndrome (AIDS) in Florida." For his troubles he was fired and stripped of benefits to which he was entitled for no legitimate reason.

For all that has happened to him and his family as a consequence of his refusal to compromise his responsibilities in accordance with the official "line," this book is not the "complaint of a disgruntled former employee." Rather, using the same keen intelligence and observational skills which he brought to bear on documenting and reporting on AIDS and other diseases, Gus Sermos describes the explosive evolution of AIDS in Florida and the criminally negligent response of state and federal health authorities to the epidemic.

As any good expert witness, he educates his audience (jury) so that they understand the basis on which he arrives at his opinions and the thought processes underlying his conclusions. In fact, the book is one of the most accessible expositions of the basic principles of public health and epi-

demiology which I have read. Mr. Sermos is one of those extremely rare persons who possesses solid knowledge of his field, courage, and literacy.

The title of this review, "Deadly Poker," comes from one of the chapter titles in the book, which examines the systematic avoidance of proven infectious disease control measures by the CDC and other agencies. As I once described this policy in a response to the California Medical Association, these officials are playing "we bet your life" with the health of the American people. This is the actual result of the official policy of "not spreading panic," as exemplified by Dr. Robert Gallo's response to the question of "what he would do if he concluded that the AIDS virus was going to kill a large part of the American population. He answered that he would not inform the public of his conclusion because the information would cause panic. And that there was no use in causing such a panic if nothing could be done to stop the virus."

What becomes clear in the rest of the book, is not that nothing *can* be done but that present official policy is that political considerations have determined that nothing effective *will* be done. But how can an agency whose role is to prevent unnecessary illness and death and to enhance the health of the American people operate under a policy which contradicts the very reason for which it exists? On one level you can cite the general cultural and economic deterioration of the U.S. population and the current concern to preserve the fiscal health of crumbling financial institutions at the expense of the physical health of the population, as exemplified by the gutting of public health and other services by budget cutting austerity.

But what about the physicians and other health professionals who staff institutions such as the CDC and Public Health departments? What about scientific integrity and professional honor? Would not such persons stand up and protest a policy which is unscientific, shortsighted and ultimately suicidal? As the author documents, with rare exceptions outside the established institutions, the answer is a resounding no!

In the case of the CDC, Mr. Sermos documents that such moral flexibility did not start with the AIDS epidemic, but that "the CDC came into the ethical scientific world with a crippling birth defect. That defect came to be known as the Tuskegee Syphilis Study."

In the Tuskegee study, which began in 1932 and was finally discontinued in 1973, medical treatment was withheld from 400 uninformed, unconsenting citizens with syphilis in order to study the long range effects of the disease. These 400 black males from Georgia were simply designated as human guinea pigs and, as late as 1969, a Public Health Service review panel recommended that surviving participants should not be given appropriate treatment. The study was finally discontinued, not because of ethical or scientific considerations, but because of adverse publicity.

As Sermos observes:

Now we are all unconsenting guinea pigs in a study that encompasses a scale which dwarfs the Tuskegee study.

At the end of World War II, our government, through the Nuremberg Military Tribunal, tried German physicians for crimes against humanity. Testimony at their trial by official representatives of the American Medical Association clearly suggested that research like the Tuskegee Syphilis Study would have been intolerable in this country or anywhere in the civilized world. Yet the Tuskegee Study was continued after the Nuremberg findings and the so-called Nuremberg Code had been widely circulated in the medical community.

So why have we come to this pass? Because in the Newspeak of our current culture, any person who takes a principled moral stand against such Nazi measures is labeled an "authoritarian personality" and a fascist, and subjected to defamation and legal and extra-legal harassment. This has been the case with Gus Sermos, with former presidential candidate Lyndon H. LaRouche, Jr., and with the small number of courageous physicians and others who have spoken out against the present suicidal non-policy on dealing with the greatest epidemic threat to human existence.

If we succeed in breaking the grip of the real fascists, those forces responsible for the present economic and cultural destruction of Western civilization, (and the present AIDS policy), then this little book will indeed be one of the most damning pieces of testimony at a future Nuremberg Tribunal. Those who are interested in surviving to see that day would do well to read this book.

Books Received

Iphigene: My Life and The New York Times, The Memoirs of Iphigene Ochs Sulzberger, as written by Susan W. Dryfoos, Times Books, New York, 1981, \$22.50 hardbound, 312pp.

Economics in Perspective: A Critical History, by John Kenneth Galbraith, Houghton-Mifflin Co., Boston, Mass., 1987, \$19.95 hardbound, 324pp.

Cloak and Gown: Scholars in the Secret War, 1939-1961, by Robin W. Winks, Wm. Morrow and Co., New York, 1987, \$22.95 hardbound, 607pp.

I Swear by Apollo: Dr. Ewen Cameron and the CIA Brainwashing Experiments, by Don Gillmor, Eden Press, Montreal, Can., 1987, \$24.95 hardbound, 188pp.

Condemned to Repetition: The United States and Nicaragua, by Robert A. Pastor, Princeton University Press, Princeton, N.J., 1987, \$24.95 hardbound, 392pp.

The new Soviet order of battle

by Anthony K. Wikrent

Inside the Soviet Army in Afghanistan

by Alexander Alexiev

The Rand Corporation, Santa Monica, Calif.,

May 1988

68 pages, paperbound, \$7.50.

Read between the lines, this report offers further indications that the Stavka (Soviet High Command) is rapidly shifting its military forces to a new order of battle that emphasizes the role of small units of highly trained and highly motivated elite special combat troops. Evidence is also presented which demonstrates that "Pavlov is a Russian soldier's weak flank" (See book review by that title in *EIR*, Sept. 4, 1987, Vol. 14, No. 35).

The report was undertaken by the U.S. Army's Arroyo Center, which is housed in and operated by the Rand Corporation. Alexiev avers that it is "the first analytical examination of the Soviet armed forces under conditions of war in the post-World War II period that incorporates a substantial body of first-hand information." Though we would normally avoid anything that incorporates the "cost-benefit systems analysis" approach that Rand has pioneered, and which has wreaked horrifying damage on America's war-fighting potentials and capabilities, the present report is not of that genre. The "first-hand information" referred to has been gleaned from interviews with 35 former Soviet servicemen who actually served in Afghanistan, as well as mujahideen leaders.

Alexiev points out that the Soviet forces in Afghanistan can be divided, by function, into two distinct groups. First, about 80% of the total Soviet forces in the country are "occupation forces," which perform support duties, such as transportation, or provide security, i.e., stand guard at a fixed post. These forces rarely participate in the large sweeps, called "blocking operations," that the Soviets have periodically conducted against the mujahideen.

Second, are the "counterinsurgency forces," which conduct all Soviet-initiated combat operations in Afghanistan.

These are the elite corps which would be the spearhead and backbone of a Soviet invasion of Western Europe. *These are not spetsnaz troops*; rather, these are three different types of troops that are as important in the new Soviet order of battle as the *spetsnaz*. The most highly trained are the airborne troops (VDV), followed by the air-assault troops (DShB), and the reconnaissance troops (*razvedchiki*). Rough American equivalents would be: troops of the 82nd Airborne Division (VDV); troops of the 101st Air Assault Division (DShB); and Army Rangers, Army Green Berets, or Marine LRP's (*razvedchiki*).

In the Soviet literature, these three types of forces are generally referred to as "landing troops," *desantniki*. The *desantniki* have borne the brunt of all combat in Afghanistan. When the Soviets conducted their large "blocking" offensives, the procedure followed was to have the motorized rifle units that were assigned to occupation duty surround a pre-determined area, and then insert *desantniki* to conduct the actual combat. Alexiev writes that the *desantniki* "are the units in which most of the Soviets' tactical adaptation, operational innovation, and experimentation have been exhibited. They have been the most successful Soviet units operationally." In one operation, recounted by an interviewee, two helicopters landed two dozen *desantniki* near a remote house; they killed all 30 mujahideen inside in less than 10 minutes. In another operation, about 90 VDV troops "climbed straight up the mountain" to attack the rear of a very secure mujahideen position. An eyewitness said the fighting lasted two entire days, and he concluded, "Before that I had thought that the Soviet soldiers are not worth anything, but I must say that I had never seen anything like that. We had good food there and I was in good shape, but I would not have been able to climb that mountain. It was simply impossible for me. These were really tough guys."

As can be expected, the *desantniki* place a premium on physical fitness. In the VDV, "many of the recruits have already achieved a degree of mastery in sports such as boxing, wrestling, and the martial arts, or have acquired paramilitary skills in sky-diving or marksmanship in DOSAAF courses prior to being drafted." Their training includes marches of over 15 kilometers a day, swimming underwater across a river whose surface has been set ablaze, mountain climbing, and free use of live ammunition.

One of the major qualifications for selection into the *desantniki* is political reliability. Not surprisingly, very few recruits are of other than Russian ethnic origin. And it is striking that of the 35 ex-servicemen interviewed, only two were *desantniki*, and none were VDV. It must be pointed out that the VDV accounts for half of the *desantniki* deployed in Afghanistan—at least 10% of the total Soviet expeditionary force. That there was not one VDV troop among the 35 interviewed, indicates an exceptionally high reliability and *esprit de corps* in the VDV.

Airborne dominance

Looking at the new Soviet order of battle, the implications are chilling. The Soviets now field seven VDV divisions, as compared to the one airborne division fielded by the U.S. And while the 82nd Airborne is based at Fort Bragg in the United States, at least five of the VDV divisions are based with the Group of Soviet Forces in Germany, or are under the command of the Western TVD.

The key to understanding the new Soviet order of battle, is to realize that the Stavka is not interested in achieving Russian suzerainty over a Western Europe reduced to smoldering ruins by prolonged combat. Hence, the first Soviet objective is to nullify, to the greatest extent possible, the Western will to resist, and to induce within the West as great a degree of, if not admiration, then at least tolerance, for the intense chauvinism of Great Russian messianic expansionism.

This, of course, brings into play the question of cultural warfare. The second Soviet objective must therefore be to devise a means of *blitzkrieg* attack that minimizes, or, ideally, eliminates, the potential for damaging the economic infrastructure and capability of Western Europe, which would be needed to produce the tribute the Stavka intends be rendered to Imperial Muscovy after the war.

In the wake of the INF Treaty, with short-range U.S. nuclear weapons removed from Europe, the Soviets are relying on their irregular forces in the Western "peace" and "green" movements to make it unthinkable for NATO to resort to its submarine-based and ICBM strategic nuclear weapons in the event of conflict. With respect to Western Europe, then, the question for the Kremlin is reduced to training and deploying the type of special combat forces that can *surgically* eliminate NATO's key leadership, facilities, and capabilities in the shortest possible amount of time. *Spetsnaz*, VDV, DShB, and *razvedchiki*, equipped with new magnetic effect weapons, would be *ne plus ultra* for this mission.

Under such conditions, the *desantniki* would be among the most highly valued of Soviet military assets. This consideration allows us to make sense of a particular pattern of Soviet behavior in Afghanistan which Alexiev notes, but finds incomprehensible. In its use of *desantniki*, "the Soviet command seems to have become especially sensitive to losses in the past two or three years. Several of our respondents," Alexiev continues, "were aware of efforts to keep casualties to a minimum, even at the cost of operational constraints. A former DShB sergeant recalled that two blocking operations in which he participated were called off because of excessive casualties, despite the fact that they were progressing well. In one case, the Soviets had surrounded a 500-man mujahideen force in the Paghman highlands, when a DShB unit inserted in the area ran into an ambush and lost about 50 of its men. The operation was called off immediately after the

commanding officer learned about the losses, even though, according to our interviewee, it was only a matter of time before the resistance group would be liquidated. Such historically atypical behavior would indicate that there are at least some political constraints, real or perceived, that affect the Soviet army's operational decision-making in Afghanistan at present."

The significance of the rapid rotation of these *desantniki* forces through Afghanistan, should be abundantly clear. Since these forces are intended to be the spearhead of a Soviet assault on NATO, the Stavka has striven to have as large a proportion of the total Soviet *desantniki* force experience combat in Afghanistan. The widespread dissemination of this experience also ensures that the Soviet Category II and Category III divisions would be fleshed out with a highly significant proportion of combat veterans during a mobilization.

Weaknesses

Alexiev's report also makes clear that, despite the apparent invincibility of Soviet forces, as thus far portrayed, they suffer from extremely debilitating weaknesses. Besides the well-known problem with ethnic conflict within the ranks, the non-commissioned ranks are beset with a major conflict between the "newcomers" and the *starsiy*, "oldtimers" who have served more time in a unit, and therefore enjoy "informally" enforced "rights" of seniority. Soldiers who arrive new in a unit, are subject to often sadistic and brutal "hazing" by the *starsiy*. Alexiev's respondents recounted many cases of "newcomers" being beaten so severely that they required hospitalization. In at least one case, a respondent attributed his defection to the extremely brutal hazing he was subjected to as a "newcomer." This particular problem may be more debilitating to Soviet combat effectiveness than the factor of ethnic tension.

Another major problem for the Soviet forces in Afghanistan was a critically severe failure to maintain basic conditions of hygiene and sanitation. Alexiev's respondents reported numerous cases of epidemics sweeping the Soviet contingent in Afghanistan, with some units having a quarter, or even a half, of their personnel stricken with diseases such as hepatitis. At times, diseases were so widespread in a unit, that the unit ceased sending ill soldiers to the hospital.

For further reading:

Michael Liebig, "Airborne operations: spearhead of 'post-nuclear' warfare" *EIR* Vol. 15, No. 38, September 30, 1988.

F.A. von der Heydte, *Modern Irregular Warfare in Defense Policy and as Military Phenomenon*, with a foreword by Lyndon H. LaRouche, Jr., 1986.

Global Showdown Escalates, Second Edition, 1988. An *EIR Special Report*.

Electromagnetic-Effects Weapons, 1988. An *EIR Special Report*.

Gorbachov admits food crisis is desperate

by Luba George

The Soviet food crisis will form the agenda of the next Communist Party Central Committee Plenum, which will be held before the end of November. The urgency of this crisis allows no delay until December or January. Moscow's announcement of an upcoming CC plenum on the food and agricultural policy question was made in a typically indirect manner, by a member of the Central Committee, Vyacheslav Kochemasov, the Soviet ambassador to East Germany, when he was interviewed by the East German state radio station on Oct. 25.

In the text of that interview, published the next day by the East German party newspaper, *Neues Deutschland*, Kochemasov stated:

"The tasks of agricultural policy in the present phase were clearly formulated in the speech by Mikhail Gorbachov at the recent meeting with agricultural specialists at the Central Committee of the CPSU. That was a lively, interesting discussion with these people on the restructuring of the economic relations on the farms. This will be continued at the upcoming plenum of the party's Central Committee on questions of agricultural policy."

The growing Soviet food crisis is a potential detonator of World War III. If the Russians cannot intimidate the rest of the world into providing them with sufficient food on *their* terms, they could strike out militarily to secure their food supply, perhaps even into Western Europe.

'Everyday life has deteriorated'

The "meeting at the Central Committee" that Kochemasov referred to, held Nov. 2, certainly was "lively," and

underscored the life-and-death urgency of the food crisis.

Senior party ideologue-economist Otto Latsis, in his report to the meeting, presented a bleak picture of the overall food situation adding, "Everyday life has not improved. If anything, it has deteriorated."

Food shortages have worsened considerably in recent weeks. In the Ukraine, eyewitnesses report that such basic foodstuffs as meat, sugar, and dairy products are virtually unavailable. The severe food shortages in the republic were the main subject of discussion at the Oct. 10 CC plenum in the Ukraine, where party boss V.V. Shcherbitsky stressed that "production and expansion of food supplies" was the "root of the problem . . . upon whose solution depends the course and future of the *perestroika*."

In the Ural industrial city of Sverdlovsk, meat consumption stands at 4 kilograms per person per year, and in Central Asia at below 20 kilos. Throughout the country, including now in most districts of Moscow itself, shops are devoid of meat, dairy products, sugar, and sweets.

The language of Gorbachov's speech to those high-level Central Committee functionaries was the most strident to date on the food situation. He emphasized that the food crisis is "the most severe problem" facing the Soviet Union, and that "other tasks," no matter how important, must "if necessary, be put off," to focus on the food shortages, which "must be tackled at whatever cost."

The food crisis is already shaping the next storms to erupt within the Soviet leadership. Gorbachov himself admitted that heads could roll, when he remarked that "without a radical change in the attitudes" of the leadership entrusted

with the agricultural question, no solutions can be found.

Gorbachov warned that the Soviet leadership is becoming "increasingly concerned" over the tendency to twist around agricultural policy decisions, "or even to ignore them."

He was referring to the plan, now ratified by the Soviet parliament, allowing private farmers to *lease* state land for up to 50 years for food production. Under this scheme, where farmers could sell the produce of the leased land, the state hopes to heavily increase food production, through the added income incentive.

Besides Gorbachov's personal intervention, the Soviet media in late October and early November have been replete with coverage focusing on priority tasks being assigned to solve the food crisis.

Item. Oct. 22: *Sovetskaya Rossiya* newspaper reported on a Council of Ministers session in the Russian republic on Oct. 21 "to discuss a question that can leave no inhabitant of Russia indifferent—the question of measures to increase food production and improve the provision of foodstuffs for the population." They talked about "the real possibility" to satisfy needs for dairy products, poultry, vegetable and animal fats, potatoes, vegetables, fish products, margarine, eggs, tea, candy, bread and macaroni. In other words, none of these are being satisfied now.

Item. Nov. 1: The Moscow TV evening news program *Vremya* reported that "for four days, Politburo Comrades [Lev] Zaikov and [Yegor] Ligachov [recently appointed to head the newly established Agriculture Policy Commission] have been studying in detail the work of Moscow's meat and dairy industry," which "on-the-spot analysis" was part of implementing CC and government decisions on strengthening the Soviet Union's industrial base and food processing in particular. They visited dairy and meat-processing combines, met workers and specialists, pushed discipline, democracy, and the role of primary party organizations in both.

Soviets demand West pay food tribute

Shortly before the Nov. 2 crisis meeting, Gorbachov had revealed that procuring food was uppermost in the minds of the Soviet leadership during his talks on Oct. 24-27 with the West German delegation led by Chancellor Helmut Kohl. During the talks, as the weekly magazine *Der Spiegel* (Nov. 7) was to write, Gorbachov "talked the most" not to Kohl, but to West German Agriculture Minister Ignaz Kiechle.

At the Moscow discussions, Kiechle got up to introduce himself, and after saying his name, Gorbachov cut him off, and said: "I know, you are Kiechle, the agriculture minister."

Every *fifth* kilo of butter used in the Soviet Union this year has come from French and West German farmers, Soviet Prime Minister Nikolai Ryzhkov told a mid-October meeting of the Soviet Council of Ministers. Next year, he said, every *fourth* kilo would come from French and German farmers. West European shipments of food are not limited to butter. The governments of France and West Germany have already

agreed on extended shipments of food products, including canned meat and vegetables.

In preparation for French President François Mitterrand's late-November visit to Moscow, the French and Soviet agriculture ministers met. The French side emerged from the meeting to report that shipments of food from France to the U.S.S.R. will continue to be met promptly. This means that food shipments to the U.S.S.R. will take precedence over European Community needs.

In Soviet-German consultations between the respective ministers of agriculture, according to a source in Bonn, the West German agreement to pay "food tribute" to the Soviets met strong, albeit hypocritical, protest from the side of the United States. Nevertheless, the deal is expected to be finalized in the near future along the lines discussed in Moscow Oct. 24-27 by Ignaz Kiechle.

Meanwhile, on Nov. 4, the French and German ministers of agriculture got together in Bonn and agreed that both countries will ship more food to the Soviet Union, and at preferential prices. Kiechle went so far as to declare that in his view, "the issue of peace is more important, now, than temporary considerations in the framework of the European Community's agricultural policy."

During the Kohl-Gorbachov Moscow talks, Deutsche Bank signed a 3.2 billion mark credit line for the Soviet Foreign Trade Bank, at least half of which will be used for modernizing the Soviet agro-industry sector, increasing the output of an estimated 200 companies in the food-processing industry in the Soviet Union. Deutsche Bank's Alfred Herrhausen does not rule out the possibility that a good part of the credit line might also be used for emergency food purchases by the Soviets in Western Europe. Herrhausen stressed that the supply of consumer goods to the Russian population "means a great deal for the internal stability of Gorbachov."

On Nov. 7 a Soviet delegation arrived in the West German city of Paderborn to discuss food product deliveries to Russia. Envisaged are sausages, canned bacon, and other durable food products which won't rot before reaching Soviet consumers.

Transport bottlenecks

Transport is the big problem in the Soviet Union; at least 25% of food cargos usually rots before it ever reaches the consumer. Sources in the German government are also pointing out that Soviet experts are expected to contact German agro-machinery companies soon, to buy "appropriate machinery" for food processing, storage, packing, and transport, to reduce the notorious loss of a quarter of the Soviet harvest. This also includes silo technology, on which the German government offered support and technical advice.

Such large-scale purchases of food-processing industry equipment have a military-strategic benefit for Moscow: They will enormously increase in the next few years Moscow's capability of building up strategic food stockpiles.

New Zealand moves toward Soviets

by Allen Douglas

From Nov. 11-17 New Zealand Justice Minister Geoffrey Palmer is visiting the Soviet Union, the highest ranking New Zealand government official in 28 years to do so. Palmer will discuss trade deals with the Soviets, including joint ventures in developing Soviet natural gas deposits, expanded agricultural exports (New Zealand butter sales soared from 11,400 tons to the entire East bloc last year to 60,000 tons to the Soviets alone so far this year), and a greater Soviet fishing presence in New Zealand waters. Though trade is on the agenda, politics comes first, Palmer stressed before he left home. "We have improved our trade relationship in recent years," said Palmer, "and the New Zealand government would like to get the political relationship onto a similar business-like basis."

The Soviets are rolling out the red carpet for Palmer. After Moscow, he will tour the Soviet Far East, including the port of Vladivostok, home of the Soviet Pacific Fleet and a rare stop in Russia for foreigners. But Mr. Palmer is no ordinary guest. He is a Soviet sympathizer on many issues, particularly in his support for the Soviets' African National Congress (ANC) terrorist band in South Africa. In New Zealand, Palmer is widely viewed as a devout Marxist, and although his visit will certainly focus on "political matters," there is a more immediate, and more sinister, content to his talks.

There is one overriding issue on Palmer's Moscow agenda: a dramatic expansion of the Soviet Pacific fishing fleet's presence in New Zealand waters. New Zealand corporations have been in intensive talks with the Soviets for months, on maintenance contracts for the Soviet fleet. One firm, the Technic Group, has negotiated a preliminary agreement with the Soviets for such maintenance. And at the same time Palmer is in Moscow, a consortium including the Christchurch Airport Co. and the Lyttleton Port Co. will be there, also lobbying for contracts.

The Soviets have been keen for several years to extend their fishing activities around New Zealand, but now they intend to extract maximum satisfaction from their friends in New Zealand's Labour government. It is widely known, and has been discussed in the Cabinet, that the Soviets will not

condescend to expand their fishing presence, without having one other crucial demand granted—that the Soviet airline Aeroflot have landing rights in New Zealand, ostensibly to fly replacement fishing crews in and out of the country.

Fishing for what?

The concessions Mr. Palmer is now negotiating with the Soviets have virtually nothing to do with "fishing," but are almost entirely military-strategic. As one New Zealand fisherman put it, during an earlier phase of discussion of Soviet "fishing rights": "The Russians are bloody useless fishermen. They're the worst in the world. Their figures here are an absolute joke. They're ridiculous. A proper commercial operation would not survive on their ability to catch fish." He also pointed out that while a normal New Zealand or Japanese fishing vessel might carry a crew of 35, their Soviet counterparts often have 80, of which a dozen or so might be radio operators. So, if the Soviets are not "fishing" in New Zealand's waters, what are they doing?

Since the Labour government destroyed the ANZUS defense pact among Australia, New Zealand, and the United States in 1985, by banning the visits of U.S. nuclear-armed ships to its ports, there have been frequent sightings of Soviet submarines in New Zealand waters, often immediately off the coast. This correspondent was shocked, during a mid-August visit to the country, to hear how very common such "visits" have become.

Aside from the generalized intelligence oversight it provides on sensitive U.S. and French military installations in the South Pacific (U.S. installations in Australia and New Zealand, and the French nuclear testing ground in New Caledonia northwest of New Zealand), there are two major purposes to the density of Soviet sub traffic around New Zealand.

The first is the more obvious one. For some years now, anthropologists and radical priests have been building an insurgency among the small fraction of New Zealand's indigenous Maori population whom they have managed to radicalize. Specific evidence has repeatedly been turned into the police, the New Zealand government, and the Security Intelligence Service, about arms—mainly AK-47s—being brought ashore to these radicals. Eyewitnesses have reported evidence of training camps in remote parts of the country. Urban gangs who have established links with the Maori radicals are also being armed. One well-informed source reported, "One policeman I know is a gang liaison officer. He has had reprimands directed at him for investigating the arming of the gangs. There are obviously training camps where the radicals are engaged in guerilla training, in addition to those trained in Cuba, Moscow, and Libya."

A bloody insurgency is being prepared. In irregular warfare, standard estimates are that it takes 10 regular army troops to deal with one "irregular warfare" troop. New Zealand's army, allowed to atrophy by Labour, now has only

5,700 troops. Thus, as few as several hundred trained irregulars pose an almost out-of-control situation.

That prospect is grim enough, but there is another reason for the extensive Soviet submarine activity, beyond dead-of-night off-loading of AK-47s: mapping the ocean floor for Soviet submarine traffic. This includes preparations for either nuclear war or nuclear blackmail against the Western alliance.

Submarines move along the ocean bottom by emitting sonar signals to determine the terrain through which they must move. However, by emitting sonar signals, they expose their own position and are therefore vulnerable to anti-submarine measures. What the Soviets are clearly doing in the South Pacific in general, and around New Zealand in particular, is developing a "road map" of the ocean floor, so as to be able to move under pre-war or wartime conditions, without countermeasures being taken against them. In addition, by having established a fixed profile of the ocean as background, the Soviets are also able to detect U.S. submarine presence, as anything unusual which stands out against the known map.

Specialists in submarine warfare point out that, besides evasion and attack procedures for enemy submarines, the Soviets would also be mapping the ocean bottom to establish "beacons" to position Soviet nuclear-missile-carrying subs, to fire their missiles. Since, under conditions of full-scale nuclear war, electromagnetic communications through the atmosphere become very difficult—if not impossible—submarine firing positions must be established ahead of time, through the sort of "peacetime" mapping the Soviets are doing.

In addition to the numerous clandestine Soviet subs visiting New Zealand for mapping purposes (reports of which have been systematically quashed by the government), there is an astonishing range of Soviet "scientific," "touristic," and "commercial" ventures which also involve this sort of preparation. Typical is the recent New Zealand Ministry of Foreign Affairs approval for a three-week "scientific research project" involving 65 Soviet scientists and the 6,000-ton "research vessel" *Academik Mstislav Keldysh*, for early next year in the Bay of Plenty, a large expanse off the east coast of the North Island. The alleged purpose of this Soviet expedition, part of a Pacific-wide effort, is to look for deep-sea volcanoes and thermal vents. According to reports in the *New Zealand Herald* of Oct. 14, "Submersible craft would be used to look at some of the features revealed by sophisticated sonar scans of the bay in June which had produced the first pictorial images of the New Zealand seabed." Are such "submersible craft" in fact Soviet minisubs, which have been found crawling Sweden's harbors, and which have reportedly been sighted near the mouth of one New Zealand river? "Maintenance" vessels sighted off New Zealand have been identified by experts as submarine support ships!

One of the most notorious incidents in recent New Zealand history, which almost certainly involved such mapping,

was the sinking of the Soviet "cruise ship," the *Mikhail Lermontov*, in New Zealand waters in February 1986. Under mysterious circumstances, the *Mikhail Lermontov* sank in fair weather off the northern tip of the South Island. The Cabinet minister responsible for the investigation, Richard Prebble, first violated all standing procedures during the preliminary inquiry, and then decided, in the face of numerous unanswered questions, that no full investigation was called for.

For over one full year, until April 1987, the entire area was sealed off by the New Zealand government, ostensibly because of an "oil slick" produced by the shipwreck. For much of that time, however, the *Lermontov* was emitting signals of the nature needed for very long-wave mapping of the ocean floor. According to experts, the sunken ship would have been one of the three fixed points needed for triangulation mapping. Extraordinary secrecy and disinformation still surrounds all aspects of the *Lermontov* affair.

The New Yalta deal

Such Soviet activity offshore presumes the compliance of powerful circles in New Zealand. The acquiescence of the Labour government is not surprising, riddled as it is with pro-Soviet figures such as Prime Minister David Lange, who began his legal career with defense work for the Moscow-funded Socialist Unity Party, ANC supporters Palmer and Foreign Minister Russell Marshall, and Minister of Overseas Trade Mike Moore, who was elected to Parliament with the help of a clique of Trotskyists.

But this activity also presumes the acquiescence of the business circles who put the Lange government in power, led by Sir Ron Trotter, chairman of the Business Roundtable and of one of the two largest corporations in New Zealand, Fletcher Challenge. In 1979, Fletcher Challenge, which had no ships of its own, entered into joint "fishing" agreements with the Soviets, the agreements which are now to be greatly expanded.

Also curious is the lack of alarm on the part of the United States. When New Zealand newspapers contacted the U.S. embassy in New Zealand, the public response was "no comment." Privately, which "private" assessment was publicly printed, embassy people noted that they had no objection to the proposed Aeroflot landing rights, even though Aeroflot would be landing right next to a sensitive U.S. installation for work in Antarctica, the Deep Freeze base. One could infer, as *EIR* did over two years ago (*EIR*, Sept. 5, 1986) that New Zealand was being ceded to the Soviets as part of a "New Yalta" redrawing of the world's map, between the Soviets and the liberal Establishments of the West. The fact that Justice Minister Palmer, who is notorious for his statements that "there is no place in New Zealand for the private ownership of land," is visiting Washington for a week before his Moscow junket, would do nothing to dampen that surmise.

Israel: another fundamentalist state in the Middle East?

by Thierry Lalevée

The possibility, or rather, nightmare of Israel becoming the Middle East's next fundamentalist state, ruled by rabbis as firmly as Iran by ayatollahs, has now become a very concrete issue, and has sent shivers down the spines of the majority of secular Israelis and mainstream Jewish communities abroad.

Of course, the four religious parties that together now have 18 seats in the Knesset, are hardly united on all issues. For example, both Rabbi Eliezer Schach of the Degel Torah, which has two seats, and Rabbi Ovadia Joseph, a former chief rabbi who is the spiritual mentor of the Sephardic party Shas, which has six seats, have at times expressed dovish views regarding the Occupied Territories and the issue of territorial compromise.

These views are quite different than those of Lubavitcher Rebbe Menachem Schneerson of the ultra-Orthodox Agudat Israel, with five seats, and of those of the traditional National Religious Party, also with five seats.

Yet, those divergences matter little when it comes to Israel's daily life. As writer David Krivine put it in the Nov. 4 edition of the *Jerusalem Post*, "One feared a Likud victory. What has happened is worse, a victory for the religious bloc. Not a victory for religion . . . but for narrow religious sectarianism."

Commenting in the same issue, East Jerusalem-based Palestinian editor Othman Halak wrote, "As a Palestinian observer . . . I wish to start by welcoming Israel to the Middle East. . . . The religious fever that took over Iran with the Islamic Revolution has gripped the entire Middle East. It affects the entire Arab world, and is now being felt in Israel. . . . It is bad enough that the Palestinian-Israeli struggle has expressed itself so far as a clash between two nationalities. . . . But as the days go by, it is becoming more and more a clash between Judaism and Islam. . . . If the struggle becomes a religious clash, then we are all doomed."

Religious or political manipulation?

Most immediately, the fundamentalist transformation of Israel's politics is expected to be felt at two levels; the settlements in the West Bank and the question of Jerusalem. The final results of the elections had not yet been made public

when the activists of the Gush Emunim extremist settlers movement began staging mass demonstrations in Tel Aviv and Jerusalem urging that settlers be allowed to build new settlements in the West Bank, after more than four years during which, as part of the terms of the Labor-Likud national unity coalition government, all new settlements had been forbidden.

Similarly, the cult issue of Solomon's Temple, which allegedly sat atop Temple Mount in Jerusalem, on the site of what is now the second holiest site in Islam, the Dome of the Rock containing the Al Aqsa mosque, is expected to become a hot political issue under pressure from those who think that the time of the Messiah has come. They insist that the mosque be destroyed and Solomon's Temple rebuilt—a *casus belli* for the entire Arab world.

With both issues, the way Israel's elections have been manipulated from the outside, come to the fore. While many have begun talking about the "orientalization" of Israeli society, it should be recalled that Agudat Israel's leader, Rebbe Schneerson, came to Israel fresh from the Flatbush section of Brooklyn, New York to lead the electoral campaign. And there was nearly as much of an outburst of Jewish fundamentalist joy at the Israeli election results in Brooklyn as there was in Israel itself. Flatbush Hassidim announced that the "days of exile are over, the time of the Messiah has come."

Israel's crazy-quilt of Jewish fundamentalist cults is in fact an American-based fundamentalist movement, not Israeli at all. It had earlier found its expression in Meir Kahane's Jewish Defense League, Israel's Kach movement, which became so extreme it was banned from the electoral campaign, and yet it spearheaded the victory of the religious parties.

Kahane is not his own man. Some questions may be worth asking about the lenient policy of the U.S. State Department toward Kahane, who, although he had renounced his U.S. citizenship to participate in the Knesset elections last summer, was allowed by the State Department to travel to the United States on an out-of-date passport, after he claimed that he had renounced his citizenship under duress.

A no-less-significant consideration is the tempo of relig-

ious exchanges between the New York Hassidic Lubavitchers and the Soviet Union, with Moscow inviting large delegations for visits over the last year.

A predictable result of this potential nightmare of cults taking over Israel, is that the most extreme among the secular parties, like the Likud, may begin to look moderate. That has not been lost on the likes of Gen. Ariel Sharon, or Gen. Rehovam Ze'evi of the Moledet (Homeland) party, which advocates the total expulsion of the Palestinian people from the Occupied Territories.

Political crisis ahead?

At the same time, however, these events have thoroughly shocked the mainstream of the Israeli people, as indicated by violent anti-Orthodox commentaries which have appeared in the Israeli news media. Israeli intelligence sources predict months of political crisis, with no government coalition being stable enough to rule the country.

Likud's attempt to form a coalition alone with the religious nuts is now being challenged by desperate negotiations between Labor and some of the smaller secular parties to form a minority government.

At the same time, within the established parties, there have been public outbursts of anger from the secondary leadership against the primary leadership. Inside Labor, Shimon Peres and Yitzhak Rabin have been at each other's throats, with Rabin talking quite openly of the possibility that he will join the Likud coalition. But both Rabin and Peres, the former now Defense Minister and once Prime Minister, the latter now Foreign Minister and once Prime Minister, have come under strong attacks from younger politicians for the utter failure of their electoral campaigns.

The same is occurring inside the Likud, where younger leadership, although belonging to a seemingly victorious party, is challenging the position of luminaries like Ariel Sharon.

A potential reshuffle of Israel's political leadership could have two results. Within months, a national unity coalition may have to be formed. One of its main tasks would be to change Israel's election laws. It will also have to face once again the unresolved issue of what kind of constitution Israel should have. Inability to resolve those issues will only encourage the trend toward disintegration of the established parties, and the emergence of new political coalitions.

Israel is not expected to have much time to quietly face such issues. Israel's elections have not resolved the Palestinian uprising in the Occupied Territories, the so-called *Intifada*. By the end of November, it will have to face whatever challenge is mounted by the Nov. 15 Palestine National Council meeting.

The easiest, and most dangerous, way to suppress the leading issues is for the Israeli hardliners to lead the country into a new Middle East war. Doubtless, were that to come to pass, it would set into motion a process of religious fanaticism which could become irreversible, and doom the region to perpetual bloodshed and chaos.

Runcie drops his mask, claims Nazis were Christians

The pro-Russian head of the Church of England, Archbishop of Canterbury Robert Runcie, declared Nov. 9 that Christianity, in and of itself, is "guilty" of having caused the Nazis' Holocaust against the Jews.

"Christians are guilty," Runcie declared at a meeting called in London to commemorate the 50th anniversary of the Nazis' anti-Jewish *Kristallnacht* pogroms of 1938.

"Many Jews knew that it was Christians who pushed them into the gas chambers," Runcie said. "It is no good saying they were not real Christians any more than we should say that those who did not go regularly to synagogues were not real Jews. . . . The travesty of *Kristallnacht* and all that followed is that so much was perpetrated in Christ's name."

Runcie, a confirmed gnostic who accepts the Russian Orthodox Church's doctrinal views on Christian theology, is lying willfully. The Nazi leadership, to a man, was pagan and satanic in belief.

The Nazis hated the person of Christ, and they did what they did to defile "Christ's name." Had Hitler not been defeated on the battlefield, he would have begun to do to Roman Catholics generally, what he did to the Jews. Hitler and company regarded Jews and Christians as inextricably linked in a "Judeo-Christian" cultural-philosophical matrix, which they bitterly hated.

Runcie was speaking at a *Kristallnacht* commemoration in London, where he was sharing a podium with Cardinal Hume, the Roman Catholic Archbishop of Westminster and head of the British Catholics, and British Chief Rabbi Lord Jacobovitz.

This "Christians as Christians are guilty for the Holocaust" theme first surfaced in Britain in a major publicized way this fall, when the Soviet-linked Robert Maxwell financed a conference at Oxford University on the Holocaust, at which speaker after speaker stated what Runcie said on Nov. 9.

Interestingly, the one important dissenter then, was the British chief rabbi, who warned that Judaism cannot base itself on the Holocaust as the central reality of Jewish belief, since that would only undermine the Jewish religion, which has a long and rich tradition.

Colombian President Barco surrenders to narco-terrorists

by Robyn Quijano

The Colombian government's retreat in the two weeks following the successful defusing of the Oct. 27 general strike, and a forced shake-up in the military command, has threatened to leave that nation, under the worst communist subversive assault in its history, without the leadership it needs to survive. "The Army's hands are tied," warned one retired general, after hardline anti-terrorist Defense Minister Rafael Samudio was forced to resign. "The terrorists have launched a total war with the aim of seizing power. The government's talk of a peace initiative under these circumstances is like negotiating surrender," said a Colombian political analyst.

As President Virgilio Barco, along with Cabinet ministers and military officials, attended mass on Nov. 6, in a quiet commemoration of the third anniversary of the Nov. 6-7, 1985 narco-terrorist massacre of 11 Supreme Court judges, the nation was again facing a terrorist offensive.

On Nov. 4, Defense Minister Samudio was forced to resign. He had been a target of the terrorists since 1985, when he participated in the operation to retake the Justice Palace in Bogotá, where the M-19 terrorists were holding all the Supreme Court judges and dozens of others hostage.

Samudio was forced out of office after President Barco had refused to back the military in a counteroffensive against the current assault, whose high point was to have been the Oct. 27 communist-backed general strike. While Barco was at a presidential summit in Punta del Este, Uruguay, Acting President César Gaviria collaborated with the military, imposing tough emergency measures that made the strike 95% ineffective. That collaboration and the tough policy was welcomed by the Colombians, tired of the continuous violence. But President Barco refused to learn the lessons of the averted strike.

In his letter of resignation, General Samudio stated: "I have the moral authority to demand at this time decisive action on the part of the Armed Forces." General Samudio's public conflict with President Barco began with statements he made at the funeral of six soldiers from the Army's Corps of Engineers, who had been ambushed and massacred by the Soviet-run FARC guerrillas. At the funeral for the six men,

Samudio warned that the martyrdom of officials and soldiers cannot continue. "I believe that the subversives are demanding a military response, and we are going to give them one," he said. "I exhort [everyone], from the commander of military forces to the last soldier, to go on a total offensive, to destroy the enemy, to eliminate him, and to break his will to fight. . . . I don't know if there is dialogue at this moment. I know that the military forces are going to answer with the arms that the nation has given us."

After Samudio spoke, the Barco government reiterated its intention to continue a "dialogue" with the terrorists. Barco responded to the defense minister by saying that armed confrontation "is not the solution for Colombia," and that the government's "peace initiative will continue." He said that respect for human rights is fundamental for the country and its armed institutions. He did not mention the civil rights of the military men who have been massacred, nor of the hundreds of thousands of Colombians who remain without electricity because of dynamited electrical grids, nor of the thousands murdered by the terrorist bands. Barco thus echoed the line of Amnesty International and the "human rights" lobby, which serves as the lawyers for terrorism.

Fernando Landazábal Reyes, the former defense minister, called the ouster of Samudio a "victory for the enemies of Colombia." "I have the feeling," he told the Bogotá daily *Espectador*, "that the political powers make alliances with the extreme left under the pretext of seeking peace, in order to facilitate the victory of Colombia's enemies." The government's position "is a recognition of the spirit of unconditional surrender in the face of the armed insurgents. The minister is leaving for defending the lives of his soldiers," Landazábal warned.

A nation in fear

While Colombia is reeling from two weeks of a brutal terrorist offensive, whose aim was to destroy the electrical grids throughout the country, the government continues to talk of its "peace initiative" with the enemy.

On Nov. 6, Attorney General Horacio Serpa Uribe told

the international press corps that it is hard to guarantee judicial impartiality in cases against the drug mafia, "because everyone in Colombia is afraid, and you need a high degree of civic courage and character not to be intimidated."

Serpa Uribe unwittingly gave a perfect description of what is lacking in the present government. President Barco's insistence that a war will not be fought against the terrorists, at the same time that the terrorists pursue and step up their offensive against the people and the economic infrastructure of Colombia, has left the citizens terrified.

Ex-presidential candidate and Conservative Party leader Alvaro Gómez Hurtado, who was kidnaped and then released by the M-19 several months ago, hit Barco for his refusal to act like a President in this time of crisis. In an interview with Radio Caracol in Bogotá on Nov. 10, he said, "The government is showing an indifference to the facts. . . . There was a small recovery with the Minister of Government [Acting President during the period of the strike] who maintained serenity and a minimum of presence. Don't forget that in Colombia we have a presidential system . . . and suddenly it's clear that that is where we have the vacancy."

Military under assault

Attorney General Serpa's office has given Colombians more to be fearful about.

On Nov. 8, criminal charges were leveled against Gen. Jesús Armando Arias Cabrales, for his role in leading the retaking of the Justice Palace from the M-19 terrorists in 1985. The M-19's plan was to hold the government hostage and "negotiate" for months, a plan that was sabotaged when then-President Belisario Betancur refused to negotiate, and backed up the military. Any attempt to try General Arias for his role in ending the terrorist siege of the Justice Palace, would tell both the communist guerrillas and the drug cartel who paid the M-19 millions to seize the Justice Palace and burn all the files on the drug-running "extradictables," that their "human rights" will be protected at all costs.

Until Nov. 8, General Arias commanded the Urabá region, the only zone of the country that was totally paralyzed by the Oct. 27 strike, and which was described by the governor as "in a state of war." Arias, hated by the communists for his tough anti-terrorist activity, was removed to a position without troop command.

The military shake-up surrounding the resignation of Gen. Samudio also led to the removal of Gen. Farouk Yanine Díaz as commander of the Army Second Division. He will become deputy chief of staff of the Armed Forces, a post without troop command. The Bogotá daily *La Prensa* characterized this transfer as a victory for the ELN (National Liberation Army) terrorists, who had demanded the removal of General Yanine from his post.

Yanine was known as the toughest military commander in the country, one able successfully to neutralize the ELN. He recently blocked an attack the ELN had planned against

installations of Ecopetrol, the state oil company. Most important, his courage and leadership have remoralized those living within the military zone he commanded, involving them in successful collaboration with the military against the terrorists.

Economic warfare

The head of Colombia's industrial association, Fabio Echeverri Correa, said on Nov. 7, "Everyone knows we are at war. . . . The government has proposed a peace plan that the guerrillas have refused to discuss. . . . [General Samudio] is right, that there must be a military answer to the guerrilla. . . . The time for dialogue is over."

Industrialists have been particularly targeted by the narco-terrorist offensive, since key areas of the country have been blacked out for nearly two weeks—and with no electrical power, there is no industry. The only "economic activity" the terrorists protect is the drug traffic, from which they derive millions of dollars in protection money to finance their war.

Minister of Mines Oscar Mejía Vallejo announced on Nov. 6 that the terrorist sabotage which left Colombia's Atlantic coast without electricity was carried out by workers connected to the ELN. Mejía said that terrorist attacks had caused losses this year of \$366 million, and attacks on oil and gas pipelines have caused damage of more than \$400 million. In the last week of October alone, 16 transmission lines and 35 electrical towers were destroyed.

In the Nov. 3 issue of *Voz*, the Communist Party newspaper, Aníbal Palacios, executive member of the CUT trade union confederation and leader of Frente Popular, the political arm of the Popular Liberation Army (EPL), is quoted threatening the government: "Let there be no mistake. We are capable of blacking out the Atlantic Coast if the [CUT's] situation is not resolved favorably." Since the unsuccessful strike called by the CUT, that confederation has split, with its president, Jorge Carrillo, and the democratic sector organizing their own confederation, which harshly attacked the subversion and the manipulation of the trade unions by the communists. The communists and terrorists now have their own union.

The more President Barco backs down, the more the terrorists take the offensive. On Nov. 10, a truck loaded with 40 kilos of dynamite exploded outside the infantry battalion of the IV Brigade of Medellín. The bombing was claimed by the "Martyrs of Urabá" commando of the ELN. Urabá is the zone that General Arias commanded. While the removal of Arias was understood by many to be a gift to the terrorists, they have thanked the government with further assaults.

Although the government has imposed its will on the military for the time being, President Barco's refusal to face the fact that Colombia is already at war, can only lead to a stronger offensive by the narco-terrorist subversives. And the country is getting very tired of surrender.

Argentine presidential race begins amid general disgust with Alfonsín

by Cynthia Rush

The presidential candidates of Argentina's two major parties officially launched their campaigns in mid-October. Culminating in the May 1989 elections, the race pits the Peronist candidate, governor of La Rioja Carlos Menem, against the Córdoba governor Eduardo Angeloz, of the ruling Unión Cívica Radical (UCR) party. The campaign promises to be a heated one, given the volatile nature of Argentina's economic, social, and foreign debt crisis, and popular disgust with the last five years of President Raúl Alfonsín's submission to the International Monetary Fund's dictates.

Carlos Menem is the wild card in this race. The maverick provincial governor, not a nationally prominent figure, was not supposed to be the Peronist nominee. His rival, the social-democratic governor of Buenos Aires, Antonio Cafiero, had been the expected winner in last July's primary. But Menem's attacks on the IMF, his call for a moratorium on payment of Argentina's \$56 billion foreign debt, and defense of national sovereignty, served as a rallying point for nationalist forces who saw Cafiero as much more of a tool of the Socialist International than a defender of national interests.

Menem is still an unknown quantity, and has yet to present clear proposals on economic and other policy matters. Moreover, the Peronist movement, the Justicialista Party, is rife with internal dissent, as "reform" factions tied to the Socialist International and foreign creditors try to shape policies for the candidate that they hope will be less offensive to the international banking community.

Nonetheless, the danger that a Menem government potentially represents for Argentina's foreign creditors is that it would speak for a revitalized nationalist coalition of trade unionists, sectors of the Church and Armed Forces which have traditionally made up Peronism's base. If these forces are mobilized around a program for national industrial development, and realization of the nation's potential as a continental leader in science and technology, then the bankers' nightmare of Argentina slipping out of their control will become a reality. In the context of the explosive Ibero-American debt crisis, this option is not the creditors' preferred one.

Speaking from a conference in Paris on Nov. 4, Menem heightened bankers' fears when he called on Ibero-American

debtors to form a debtors' cartel, to jointly confront creditors. "There is no possibility of any country getting out of the debt trap, in isolated fashion," the candidate said. "We must act jointly."

Menem's campaign got off the ground officially on Oct. 15 and 17, in rallies held in La Rioja and Buenos Aires, respectively. Speaking before a raucous crowd of 80,000 at Buenos Aires' River Plate stadium on Oct. 17, Menem denounced the Alfonsín government for causing increased misery over the past five years, leaving citizens "without housing, without jobs . . . while illiteracy grows." He explained that his intention was not to confront workers with capital, but to unite all sectors around the goal of a "revolution of production."

In the La Rioja rally, Menem described the current government as "the magicians who, in a country with food, let many sectors of the community go hungry. They are magicians because they say they've progressed on the path to growth and development, yet they've mortgaged the country over the last five years by another \$15 billion," a reference to the increase in foreign debt. A week earlier, Menem had charged that the \$1.25 billion loan package recently granted Argentina by the World Bank would be used "to consolidate the culture of speculation, detrimental to the culture of production, work, and industrialization, which is our proposal." The World Bank funds are tied to Argentina's compliance in opening up its economy, banking, and industrial sectors to free trade, eliminating protection for industry and the possibility of sovereign economic development.

UCR candidate Eduardo Angeloz, a businessman with close ties to the military factions that ran the 1976-83 junta, is a rabid free-trader whose agenda is that of the Project Democracy crowd inside the U.S. State Department: Eliminate the role of the state in economic policy, privatize all major state-sector companies, open up the economy to "foreign competition," and let Argentina's relations with other developing-sector nations take a back seat to ties with the United States.

His disadvantage is that he is identified with the failed economic policies of the Alfonsín government which have

reduced living standards, gouged wages, and punished national industry with IMF-dictated restrictions on credit. Recently Angeloz has tried to distance himself from Alfonsín's policies by admitting that "mistakes have been made" and by expressing reservations about the government's policy of reducing protection for national industry. The Córdoba governor also has to contend with deep divisions within his own party, particularly resistance from the party's Socialist International wing, led by Foreign Minister Dante Caputo and Interior Minister Enrique Nosiglia.

Tense period ahead

The outcome of the next few months' political brawl is unpredictable, because of the depth of crisis in virtually every sector of the economy and political establishment, and a growing polarization among citizens.

- The foreign debt crisis is out of control, despite recent publicity about new loans from the World Bank and the Bank for International Settlements. Argentina needs at least \$3.5 billion in fresh funds from foreign creditors, but the latter are demanding that the government pay a significant portion of the \$1 billion in interest arrears before new funds can be committed. The government paid \$500 million in arrears, but must pay at least another \$500 million to be considered worthy of more loans. Argentina's negotiations with the IMF for a new \$1.2 billion standby arrangement are proceeding at a snail's pace.

- There is a growing tendency toward public revolt by angry Argentines over the collapse of public services and exorbitant and constantly increasing utility rates. Organized rallies in which citizens burn their unpaid bills are becoming commonplace. There is talk of more organized "civil disobedience."

- During the weekend of Oct. 22-23, seventeen Peronist governors met in the province of Chubut to "declare war" on the Alfonsín government. The governors charged that the UCR government has deliberately withheld federal funding for those provinces governed by Peronists, to bankrupt them, provoke social conflict, and politically discredit Peronism. The governors called for a series of popular assemblies to meet around the country, culminating in a Nov. 11 demonstration in Plaza de Mayo in Buenos Aires, to include delegations of businessmen, farmers, trade unionists, and political leaders from all of the provinces. The demonstrators will march to the National Congress to state their case there.

- In the Army, crisis has erupted over the fact that 15 generals have been called to appear in federal court to answer charges of human rights violations committed during the late 1970s' "war against subversion." Several of the generals have stated that they will not appear in court, creating the conditions for a showdown with the government.

The accused generals reportedly have the backing of Army Chief of Staff, Gen. Dante Caridi, who promised some time ago that no Army officer would have to appear in court to

answer such charges. At the same time, Caridi's determination to purge some 120 nationalist officers, on the grounds that they are sympathetic to the rebellious Col. Aldo Rico, has created a virtual state of revolt among these middle-level officers against the Army high command. Inadequate wage levels are exacerbating the crisis.

Alfonsín may seek postponements of the generals' court appearances, with the intention of foisting the problem off on the next President. However, the Oct. 21 issue of the weekly *El Informador Público* reported that some of Menem's advisers fear that the current Army crisis could evolve into a preemptive coup against the Peronist candidate, to prevent him from becoming Argentina's next President. In statements to the press in mid-September, Menem even suggested that Alfonsín might attempt an *auto-golpe*—a self-inflicted coup—as a way of escaping the consequences of his failed policies, and preventing the Peronists from coming to power.

A major element in UCR strategy is to rely on the State Department's portrayal of the Peronists as "authoritarian," violence-prone, and even Nazi-leaning forces who will deprive Argentines of the "democracy" Alfonsín has bestowed on them. Angeloz has reportedly met with unnamed consultants from the U.S. Republican Party, to help plan his media campaign. His running mate, Juan Manuel Casella, returned from a trip to the U.S. at the end of October to give glowing reports that the negative campaign ads employed by George Bush would lead to a Republican victory and to the growth of a new "conservative nationalism" in that country based on "free enterprise." Undoubtedly the Angeloz-Casella ticket entertains similar fantasies for Argentina.

Argentine pollster Manuel Mora y Araujo went to great lengths in a commentary in the Oct. 7 *Wall Street Journal* to assure readers that Carlos Menem's unexpected victory last July was little more than a fluke. No Argentine wants to return to the dirigist policies associated with Gen. Juan Perón, Mora y Araujo asserted. Why, he continued, "more than half the adult population thinks that Argentina should improve links with Western countries, and accept negotiations with the International Monetary Fund to deal with the foreign debt problem."

Pollsters and U.S. media consultants notwithstanding, the reality is that Argentines are enraged over the economic and moral dissolution of their nation, and want some straight answers. The Catholic Bishops Conference reflected this in a strongly worded document issued on Oct. 28, which describes the depth of corruption and cultural decay afflicting Argentina. Entitled "Only God Is the Lord," the bishops charge that there is an "idolatry of power, sex and money" in Argentina, seen in "the scandal of poverty and misery in large sectors of the population, unemployment, and the loss of a true culture of labor." The Church lambasts political leaders for thinking that their power is "divine," and for not seeking urgent solutions to the deteriorating conditions.

Seoul's northern policy rests on U.S.-Korea alliance

by Linda de Hoyos

Using its successful hosting of the Summer 1988 Olympics as its diplomatic springboard, the Republic of Korea has embarked on a foreign policy revolution aimed at bringing about the eventual reunification of the divided Korean peninsula. The new tack was officially named "the Northern Policy" by South Korean Foreign Minister Choe Kwang-su in an interview with the *Korea Times* Nov. 1, but it was first put forward in the speech to the United Nations General Assembly by President Noh Tae Woo on Oct. 4.

Noh began his carefully worded speech by noting that the "joy of liberation" from Japan in 1945 "soon turned to despair over the tragic division of our homeland. . . . As a matter of convenience in the process of disarming the defeated colonial forces, a line of artificial division was drawn through the mid-section of the Korean peninsula along the 38th parallel. The decision to divide our land was made against the will of the Korean people, dictating the fate of the nation in the decades to come."

Now, Noh made clear, South Korea's economic success, which has transformed its postwar agrarian-based society into a fully industrialized nation, combined with its entrance as a nation on the international scene with the hosting of the Olympics, has given Seoul the momentum to attempt to reunify the Korean peninsula, implicitly under the hegemony of the South.

It was out of well-founded fear of this eventuality, that the North Korean regime of Kim Il Sung had launched into a frenzy of threats against the South's holding of the Olympics without full co-hosting with Pyongyang, the North Korean capital. North Korea's plans to wreck the Olympics with acts of terrorism and sabotage were, however, squelched by the Soviet Union, which sent then-KGB chief Boris Chebrikov to Pyongyang in September to issue Moscow's threats of retribution should North Korea pursue its terrorist mode.

In his UNGA speech, President Noh issued his offer to the impoverished North: "I have taken concrete steps to pave the way for free trade between the northern and southern sides of Korea. We must transform the North-South Korean relationship, so that we can reconnect every roadway, whether a major highway or a little path, linking the two sides which remain disconnected now. Then we could be enabled to go on to develop our common land, by combining our

human, technological, and financial resources."

"Reconnecting every roadway" implies a massive effort from the South to develop the Northern economy, since as is known, the paved roads of South Korea abruptly turn into rubble dirt roads as soon as the border is crossed.

Sending signals to the West and East bloc alike, Noh requested that "our allies and friends will contribute to the progress and opening of North Korea by engaging Pyongyang in expanding relations. . . . [and that] those socialist countries with close ties to North Korea continue to maintain positive relations and cooperate with North Korea even as they improve their relations with us."

Noh also used the forum of the United Nations to call for a six-nation conference on the Korean peninsula, to include China, Japan, the Soviet Union, and the United States, along with the two Koreas. The conference proposal, however, has been rejected by both North Korea and the Soviet Union.

Opening up the trade front

In the meantime, however, Seoul has taken strides to open up economic relations with China and the Soviet Union. The Koreans' strong point is their international renown in building roads, bridges, and canals. South Korea has been in the forefront of infrastructure building throughout the Middle East, and also in Libya, with a reputation of being able to build roads faster and better than anyone in the world.

The deputy chairman of the Soviet Chamber of Trade and Industry spent six days in South Korea in the middle of October, and it is expected that agreements will be reached for the opening of trade offices in both Seoul and Moscow in December, when Yi Sun Ki, president of the Korea Trade Promotion Corporation (KOTRA), goes to Moscow.

The centerpiece of any South Korean-Soviet trade cooperation pact would be South Korean participation in the development of Siberia. Although Japan is Moscow's favored partner in this endeavor, the Soviets appear to have run into a stonewall from Tokyo on the issue of the return of the four Kurile Islands Russia seized from Japan in the final hours of World War II (see article, page 9). "Big business groups are mapping out strategies to penetrate into Siberia," the *Korea Times* reported. . . . Active participation in socialist nations' development projects will be the new avenue for Korea's

economy in the days to come. Daewoo, Samsung, and Lucky-Goldstar have been busy tapping out possible participation in the project 'against all odds.' ”

However, as the Koreans are also careful to note, Soviet joint venture laws hand all the risk to the foreign investor, with very little opportunity to reap the benefit. In the case of China, which does not have diplomatic relations with Seoul either, steps have been taken to increase and acknowledge the sizable secret trade that exists between Seoul and Beijing through Hong Kong.

Upping the ante, President Noh further announced from Kuala Lumpur, Malaysia, on Nov. 4 that South Korea would be willing to give “active support” to economic restoration works in Vietnam, if the Hanoi government withdraws its troops from Kampuchea.

As to the North, Seoul has put numerous offers of economic aid on the table. In his U.N. speech, Noh called for the creation of a brand new city on the site of the current Demilitarized Zone, to be inhabited by both reunited families from the North and South.

On Nov. 1, Seoul Communications Minister O Myong said that the South is willing to assist the North in the modernization of its outdated communications system. Seoul has 3.4 million telephone lines, against Pyongyang's 80,000 lines. Added O: “If the North agrees, we are willing to install a video conference system linking Seoul and Pyongyang to facilitate inter-Korea talks.”

South Korea is also studying the resumption of inter-Korean electricity transmission, which has been cut off for the last 40 years, reported Yonhap Nov. 4. The South is immediately capable of supplying 200,000 kilowatts of energy an hour to the north, if agreed, said South Korean Energy and Resources Minister Yi Pongso. The delivery would have to be preceded by the construction of an electricity cable line some 60 kilometers long linking South Korea's Munsan relay station, and North Korea's Pyongsan station. South Korea's power generation, mainly by thermal and nuclear power plants, has reached 19.02 million kilowatts an hour; the North's produces 8.7 million, mostly with hydropower and thermal power. “We will be able to supply free electricity to the North, if it suffers a shortage of rainfall,” stated Minister Yi.

To a significant degree, within South Korea, the impetus for these proposals comes from the 4 million people who fled the North in the aftermath of World War II and then during the Korean War. Arriving with nothing but what they could carry on their backs, these “northerners” have played a major role in the industrialization of the South, which until the last two decades, was the most underdeveloped area of the Korean peninsula.

The response from North Korea, however, has not been promising. On Nov. 8, the North Korea Central News Agency published a communiqué with Pyongyang's proposal for the peninsula's reunification. The North pointedly rejected

the idea of cultural and trade exchanges—since the comparison between the two countries is a severe point of embarrassment to the North.

The communiqué instead focused on the military side, with the first point being the withdrawal of U.S. ground forces from South Korea, followed by proposals for arms cuts by both North and South, and the conversion of the demilitarized zone into a “peace zone.” The communiqué also called for the eventual creation of a democratic confederate republic, to be known as Koryo.

In short, Pyongyang, maintaining its insane profile, insists that negotiations be limited to a direction which aims at the removal of U.S. troops.

Importance of U.S.-South Korea alliance

But in point of fact, as South Korean Foreign Minister Choe Kwang-su pointed out in an interview with the *Korea Times* Nov. 4, “The ‘Northern Policy’ can only be pursued efficiently on the basis of the solid R.O.K.-U.S. security cooperation.” This is by no means negated by President Noh's call for a lowering of the U.S. military profile, in an interview with the *Los Angeles Times* Nov. 1. Noh stated that steps to do so would include: 1) eventually freezing South Korean troops from U.S. operational control; 2) moving U.S. military headquarters out of Seoul; 3) revising the status-of-forces agreement to give Korean courts more jurisdiction over U.S. servicemen involved in criminal acts; and 4) removing U.S. Armed Forces Network telecasts from Korean channels.

In part, Noh is attempting to accommodate to a backlash of anti-Americanism that has been spurred in large part by U.S. actions against South Korean trade. “It is more than natural, that a sovereign state should have the power to control its own military forces.”

However, unlike the Council on Foreign Relations or the Carnegie Endowment for Peace, which are calling for a unilateral withdrawal of U.S. ground forces from South Korea, leaving only a U.S. air capability, President Noh said: “This is not the proper time to discuss reductions of American forces or a change in the command structure.”

Only “when relations between the two Koreas improve, and there is a definite guarantee that tension will be reduced and peace secured and cooperative relations between the south and north are established, that will be the time to think of changing the present command structure.”

Although President Noh has attempted to take advantage of the appearance of a decrease in tensions between the superpowers to put forward proposals for the peninsula's reunification, the gravest danger to his “Northern Policy” would be to subsume it under the New Yalta “regional deals” now under negotiations between the Kremlin and the State Department, in particular by Undersecretary of State Gaston Sigur. Any encasing of Noh's proposals under negotiations for the withdrawal of U.S. troops from South Korea, automatically knocks out Noh's own bargaining position.

Indo-Soviet relations: Is there a sea-change coming?

by Susan Maitra and Ramtanu Maitra

The four-day visit of Soviet President Mikhail Gorbachov to Delhi beginning Nov. 18 is not expected to be quite like Gorbachov's visit in November 1986. That was a well-orchestrated media-hype projecting two new leaders, Rajiv Gandhi and Gorbachov, as the key initiators of world peace. This time, however, observers are keeping their ears tuned to catch-phrases and nuances which indicate a shift in Indo-Soviet ties.

On Nov. 3, *The Hindu*, a news daily acclaimed for reliability, put out a front-page story suggesting that while the Indo-Soviet relationship may be strengthened as a bilateral economic relationship, India has been essentially cut out of the strategic picture. *The Hindu* proceeded to point out that the Indian government-run news agency PTI-TV had been unable to secure a television interview with the Soviet President and was politely told to pack up by the Soviet Foreign Office. More significantly, *Izvestia* commentator Alexander Bovin stated in a television program on Indo-Soviet relations that it was time Soviet media commentators wrote the truth about happenings in India, keeping in mind Soviet national interests. It was an unmistakable reference to the already charged pre-election atmosphere in India where Gandhi faces a puffed-up opposition challenge.

This little flap is instructive. Moscow has a secure foot in virtually every camp on the Indian political scene, and is most, likely simply, taking precautions to prevent any recurrence of the embarrassment it suffered in 1977 when Soviet media promotion of Indira Gandhi's electoral victory proved so disastrously wrong and biased.

The strength of the Gorbachov delegation—including Foreign Minister Eduard Shevardnadze, Deputy Foreign Minister Rogachov, and four others—and the itinerary for the visit, which includes three or four sessions with the prime minister, makes it clear that the Kremlin has in no way written off Mr. Gandhi as yet.

While there is no indication that anything has changed in the Indo-Soviet relationship per se, it is clear that the new strategic policy of the Gorbachov regime, with its priority on

a new superpower condominium to prominently include China, has some indirect implications for India. That the implications for India are highly disturbing has less to do with the Soviet intent, than with the illusions fostered in New Delhi by India's hopelessly blinkered foreign policy perspective, in which Pakistan is inevitably the touchstone of strategic assessments.

Vladivostok and beyond

Rhetoric aside, the 1986 visit of Gorbachov, which culminated in the so-called Delhi Declaration by the two leaders, had already given premonitions of Moscow's changing attitude toward Asia as a whole. In his July 1986 speech at Vladivostok, Gorbachov emphasized the Soviet interest in the Far East and Asia-Pacific. Once again, while speaking at Krasnoyarsk recently, Gorbachov underlined that Soviet policy toward Asia, cloaked as it is in proposals on Asian security, will be to seek arrangements with China and the United States.

By contrast, the Delhi Declaration is a mere jamboree of words. It is apparent that India, which is trying to play a role in bringing about a peaceful solution to the Kampuchean conflict, does not figure except in a subsidiary way in the Soviet President's scheme of things in the Asia-Pacific region.

Moscow's change of attitude toward Beijing became crystal clear in the months following the 1986 visit of Mr. Gorbachov. During a visit to Delhi at that time, Anatoly Dobrynin, the geopolitician *par excellence*, who has recently zig-zagged his way back to Gorbachov's close coterie of advisers, told the Indian media in no uncertain terms that the Kremlin expects India to better its relations with the People's Republic of China through negotiations. Dobrynin brushed off press questions which tried to pin down the Soviet response in case of a hypothetical China-India confrontation; that China occupies a large chunk of Indian territory and points its nuclear warheads toward India were of no apparent concern to Mr. Dobrynin.

Instead, he offered the Soviet model of dealing with China. "It took us 15 years of negotiations," he said. It is interesting to know from Mr. Dobrynin himself that Moscow and Beijing have been negotiating since 1972 and at the same time keeping up a facade of confrontation. For the Indian Foreign Office mandarins it was the equivalent of having a bucket of cold water dumped on their heads.

Afghanistan

An similar cold shower has been unfolding in the Afghanistan-Pakistan arena. On the Afghanistan issue, the Indian government, both past and present, has taken a narrow, cynical view which, in the event, served Soviet interests quite well. But since Mr. Gorbachov accused Mr. Brezhnev of making "a mistake" in sending troops into Afghanistan, the Indian position in support of the intervention has become shaky to say the least. For the first time, in the United Nations on Nov. 4, India joined the mainstream in supporting a Resolution on Afghanistan calling for Soviet troop withdrawal—a decision to which Moscow is already committed through the Geneva Accords.

But despite appearances, the key to India's Afghanistan policy is not appeasement of the Soviet Union: It is the discomfiture of Pakistan. (The same logic, incidentally, holds good in the case of India's policy toward Kampuchea. The late Indira Gandhi recognized the Heng Samrin regime not only to express her support to Vietnam, but also to aggravate the Chinese who were and still are backing the murderous Pol Pot clique.) India's quest for a coalition government in Kabul—as opposed to a mujahideen-led government—is acceptable to both the Soviet Union and the U.S. State Department.

Though India claims that a mujahideen-led administration in Kabul will further strengthen Islamic fundamentalists and lead to instability in the region, it is evident that a Kabul controlled by the mujahideen will provide Pakistan, who nurtured and armed them for about a decade, significant leverage in Afghanistan: It is this prospect which is New Delhi's greatest concern. From the Soviet side it is essential that the Moscow-run People's Democratic Party of Afghanistan (PDPA), the ruling junta, stay in power in some form or manner so that Moscow can keep its options and assets intact for future eventualities. In particular, Moscow would like to keep the road between the Soviet border and Kabul open, to allow speedy access to Pakistan if needed.

Shifting equations

The convergence of interests between the Soviet Union and India on Afghanistan, however, is no more than that: a convergence of views arrived at by very different paths. While the Soviet Union is no doubt unhappy with Pakistan for delivering a bloody nose to the Kremlin, with the help of U.S.-Chinese-Saudi financing of arms, its view of Pakistan is not distorted by paranoia. Only recently, the Soviet Union

has agreed to provide Pakistan with a U.S. \$3.8 billion financial support package for cooperation in 12 infrastructural projects. The agreement is significant because of the size of the financial commitment and the fact that Moscow signed this agreement with the late President Zia's handpicked cabinet and not with any pro-Soviet Pakistani.

Though India takes pride in the essential pragmatism of its foreign policy, it remains to be seen how India reacts to the pragmatism of others. So far, the Soviet orientation toward China and the United States has proceeded without visible substantive reaction in India. In truth, there is not much India can say: Its wounds are largely self-inflicted. The Soviet security blanket, against Pakistan and China in particular, that India had enjoyed for the last 17 years, may not be completely withdrawn, but the Soviets have indicated that the cold is not that severe. Now India needs a policy, not the illusion of one.

For the Soviets, China can not only open the door to the Asia-Pacific region, where a number of nations are coming up fast economically and where the hope of investment in the development of Siberia is located. China is also important for the Middle East. In recent years China has developed high-level contacts in the Gulf area through arms deals and otherwise. In this respect India has very little to offer. India's problems with Pakistan over the decades has not endeared it to most of the Muslim nations in the Middle East, a fact which has been evident whenever India and Pakistan are locked in war. In 1971, for instance, when Pakistan struck first, the Arab nations prevailed on India to show restraint. India's official stance on Afghanistan these last eight years has further diminished its credibility among the Muslim nations. Prime Minister Rajiv Gandhi's genuine initiatives of recent months toward the Arab nations, so far have had little impact.

Solid economic ties

In spite of it all, India is and will likely continue to be an ally of the Soviet Union. Indo-Soviet trade, a much ballyhooed item with the local media, has begun to grow once again after having been stagnant for years. The actual trade turnover between the two nations is likely to reach U.S. \$3.9 billion in 1988. The aim is to more than double that by the year 1992.

According to experts in New Delhi, the trade features "complementarity" of the two economies, with each filling in the gaps in the other. The composition of trade items has undergone vast changes over the decades. While in the 1950s, 50-70% of the Soviet exports to India consisted of machinery and equipment, today it is primary commodities such as crude oil, petroleum products, fertilizers, and non-ferrous metals that constitute 80% of Soviet exports to India. The Indians, in return, send tea, coffee, tobacco, spices, jute, leather products, and woolen knitwear, as well as some light engineering items to Russia.

Beauty of lower tuning draws new endorsements

On Saturday night, Nov. 5, American television viewers nationwide were treated to a unique demonstration of what a Verdi opera would sound like if it were sung at the pitch the great Italian composer desired. In the course of a presidential election campaign broadcast, independent candidate Lyndon LaRouche showed a brief clip from last April's historic Schiller Institute conference in Milan, Italy, where the world-renowned baritone Piero Cappuccilli sang part of the aria, "Nel balen di tuo sorriso" from *Il Trovatore*, first at the tuning of A = 432 as intended by Verdi, and then at today's higher concert pitch of A = 440.

The Italian baritone showed how the "color" of the music was distorted at the higher tuning.

Maestro Cappuccilli is one of the leaders from the operatic world of an initiative to return to the classical composers' lower tuning pitch, and is backing a bill now before the Italian Senate to establish A = 432, which is equivalent to the "physicists' tuning" of a Middle C set to 256 cycles per second, as the official tuning fork in Italy. He praised LaRouche for his efforts to organize this initiative to save singers' voices, and the musical classics.

Meanwhile, a new group of internationally famous artists from both the world of opera and the classical German song form known as the *lied* have added their names to a petition supporting the Italian legislation, which was introduced by Senators Mezzapesa and Boggio.

The initiative has now won the backing of nearly every

great soprano alive, starting with Renata Tebaldi, who addressed the Milan conference. Miss Tebaldi reigned supreme over the Verdi repertoire at the Metropolitan Opera of New York, from the 1950s until she retired from the opera stage 11 years ago.

In October, soprano Dame **Joan Sutherland** and her husband, conductor Sir **Richard Bonyng**e, were delighted to sign the petition. The world-famous Australian couple is known for promoting the beautiful and demanding operas of the Italian "bel canto" era, having revived and recorded many seldom-heard works by Rossini, Donizetti, and Bellini from the early part of the last century.

Two American-born Metropolitan Opera sopranos, **Leona Mitchell** and **Grace Bumbry**, have also recently signed the petition. Speaking from Milan, Miss Bumbry, who began as a mezzosoprano and now sings dramatic soprano roles, said that the "Verdi tuning" should be made standard not only in Italy, but around the world. **Louis Quilico**, a baritone from Canada who sings the great Verdi roles at the Metropolitan Opera, also signed.

Among *lieder* specialists—singers of the songs by Schubert, Beethoven, Mozart, Schumann, and Brahms—**Dietrich Fischer-Dieskau**, the German baritone, is outstanding. Not only has he performed and recorded the entire Schubert song repertoire, but is author of a book on Schubert *lieder*. Fischer-Dieskau signed the petition backing the Italian A = 432 tuning law in October, along with **Elly Ameling**, the Dutch soprano considered by many to be the top female *lieder* recitalist singing today. Earlier, other great *lieder* artists, the German bass Kurt Moll, German tenor Peter Schreier, and Austrian mezzosoprano Christa Ludwig, had endorsed the A = 432 campaign; like Fischer-Dieskau, these singers also frequently perform as soloists in classical oratorio and opera.

The trade is distorted because the ruble is pegged a notch above the U.S. dollar when in reality it is worth no more than U.S. 25¢. But from the Indian viewpoint that does not seem to matter, since the payments are made in rupees which otherwise have very few takers in the world market. More importantly, India can buy from the Soviet Union using rupees such essential items as MiG fighter aircraft, T-72 tanks, Kilo-class submarines and all sorts of military hardware which the West often refuses to sell to India even against hard currencies. The Indian rupees also buy a lot of Soviet technology.

It is also significant to note that the Soviet Union is coming in in a big way to help India overcome the dire electrical power shortage which has stunted agricultural and industrial growth. The Soviet Union has agreed to provide India with two nuclear power plants, 1,000 MWe each, at terms ac-

ceptable to India. Recently India's Energy Minister Vasant Sathe announced that the Soviet Union would provide assistance to create an additional capacity of 6,000 MW in the power sector during 1990-2000 A.D.

Besides the power sector, the Soviets are involved in almost every aspect of India's industrial and technological development. The deals, which have been coming in torrents since Gorbachov took over Moscow, are beneficial for both. The Soviets, who find it hard to market their products and somewhat backward technologies, are happy to give them away at reasonable prices. India, also finding it difficult to market its products in large volume and earn sufficient foreign exchange, is happy to buy with rupees what they probably could not have bought even if they had hard currency.

It is an arrangement which is expected to outlast the geopoliticians.

Syrian drug mafia tried to buy Lebanon

by Jeffrey Steinberg

Last August, a Syrian-Lebanese branch of the international drug cartel tried to buy the presidency of Lebanon for Syrian stooge Suleiman Franjeh with \$100 million in hashish and heroin revenues. The operation, centered in Mexico and directed by a well-known Soviet asset, the Antiochian archbishop of Mexico, Antonio Chedrawi, was apparently short-circuited when the Mexico City daily *Excélsior* exposed the plot to pay off Maronite Christian members of the Lebanese Parliament to cast their votes for Franjeh in the Aug. 18 presidential elections.

According to our special correspondent in Mexico City, the Lebanese ambassador to Mexico, Amin el-Khazen, traveled to Beirut in early August to negotiate the vote-buying effort, apparently on behalf of fugitive Lebanese-Mexican real estate baron and Franjeh ally Emilio Checa. Checa escaped from Mexico in April, using a phony diplomatic passport provided by Ambassador el-Khazen. He was under indictment at the time on charges that he defrauded a business partner of \$100 million in a real estate deal, and there was an arrest warrant out for him when he fled. Checa is now reportedly living in Houston at the home of his brother-in-law Anwar Aiza.

The \$100 million-plus that Checa stole was to be the payoff fund for the votes to "win" Franjeh the presidency. Checa was then campaign manager for all of Latin America—where an estimated 6 million Lebanese live—for the Franjeh candidacy.

The scheme, which would have consolidated Syria's absorption of all of Lebanon under a federated Greater Syria, apparently was launched with a series of trips to Mexico by Robert Franjeh over the last two years.

When President Amin Gemayel traveled to Damascus on the eve of the Lebanese elections to consult with Syrian President Hafez Assad, that was apparently read by the Chedrawi-Checa group as the green light to put their payoff scheme into full swing.

The pro-Syrian wing of the Maronite community in Mexico has long been suspected of playing a pivotal role in the "Middle East connection" in the international drug cartel. Emilio Checa, a former business partner of the late Tony Franjeh and Rifaat Assad (brother of Syrian President Hafez Assad and reputed head of the Syrian mafia), is at the center of that connection. According to Mexican sources, Checa's real estate ventures have been used to launder the dope rev-

enues of Mexican drug kingpin Rafael Caro Quintero, apparently through a Guadalajara associate in the real estate business named Plaza Boneita.

Another intimate of Archbishop Chedrawi and Checa, Badih Pechalani, was jailed in Guadalajara in April 1987 on charges of drug trafficking. Pechalani, the director of the Lebanese Center in that city, is also the local head of the Syrian Popular Party (PPS), and has been linked to Ernesto Fonseca, a major figure in the Mexican branch of the Colombia-based Medellín drug cartel.

A well-timed intervention

On the eve of the first round of the Lebanese presidential vote, *Excélsior* blew the whistle on the planned buy-off. On Aug. 15, reporter Jesús Rangel published an interview with Dr. Alfredo Jalife, a prominent member of the Lebanese Maronite community in Mexico City and an ally of Lebanese Forces chief Dr. Samir Geagea. Jalife, in response to questions about Emilio Checa's flight from Mexican justice and his involvement in money laundering and capital flight, revealed the plot to buy off a majority of Maronite members of Parliament to cast their votes for Franjeh, who had just announced his availability for the presidency.

That interview was followed the next day with a half-page ad signed by Dr. Jalife opposing the Syrian takeover of Lebanon by means of the Franjeh candidacy. The treasonous effort exposed, the Maronite community both inside Lebanon and in Mexico, closed ranks behind Geagea and Lebanese Army chief Gen. Michel Aoun.

The attempted buyoff blocked, the Maronite parliamentarians boycotted the Aug. 18 vote, and a subsequent effort, sponsored by Hafez Assad and U.S. State Department official Richard Murphy, to install a Franjeh puppet, Michel Dehar, in the presidency during September in a final effort to assemble a quorum of parliamentarians to choose Gemayel's successor.

Ambassador el-Khazen, still in Beirut, apparently decided that it was no longer wise to return to Mexico, particularly since his role in Emilio Checa's escape from Mexico was now exposed. According to our sources, the ambassador is still in Lebanon, and ex-President Amin Gemayel is now under de facto house arrest in Beirut, on charges that he stole \$200 million from the Lebanese Forces just prior to his stepping down as President.

Emilio Checa is still in hiding somewhere near Houston, Texas, his hopes of a triumphal return to a Franjeh-run Lebanon dashed, for the time being.

And in a brutal move that suggests that the Lebanese mafia in Mexico is not prepared to roll over simply because the payoff scheme was exposed, the mother of *Excélsior* reporter Jesús Rangel was found dead in October in her home in Mexico City, her throat slit. The two men apparently responsible for the murder of the 70-year-old woman escaped, and their identities remain unknown.

A social pact with usury

The Brazilian government, the unions, and business leaders have signed a pact "freezing inflation" at 20% per month.

With great pomp, the government of President José Sarney tried to present the agreement it reached Nov. 3 with labor and business leaders as if it were the start of a "great social pact" which would finish off inflation. After it is denuded of the political fantasies with which it was packaged, the social pact does nothing more than set a limit to inflation: 26.5% in November and 25% in December.

Under this "anti-inflationary" strategy, designed by Citibank international vice president Mario Simonsen, all factors of the real economy—i.e., wages, prices, and public service prices—remain subject to a pre-established inflation rate. On the other hand, domestic interest rates and payments on the foreign debt remain open to unlimited expansion, extending the pestilence of usury into all pores of Brazilian society.

Although several of the union and business leaders in the negotiations wanted to discuss, as part of the pact, the foreign debt problem, Finance Minister Maílson da Nóbrega would brook no questioning of the accord he had signed with Brazil's creditor banks. Nor would he permit discussion of the new constitution's prohibition of real interest rates of more than 12% annually.

The pact is really nothing more than a two-month truce, providing a breathing space for the Nov. 15 municipal elections and for the government to try to create the political conditions for savage austerity. In January, the caged inflation will be released, and prices could rise 40% in that month. The government will then show its true intentions: sharp cuts in

real wages, massive layoffs of public employees, tax increases, and, above all, a rapid increase in domestic interest rates. The government also expects to collect \$2.5 billion from state governments, one-quarter of their foreign debts.

Da Nóbrega and Citibank's Simonsen, himself a former finance minister, will never admit the true cause of this hyperinflationary process: the accords signed with the international bankers.

First, the government committed itself to generating huge trade surpluses to pay interest on the \$120 billion foreign debt, at the expense of lowering internal consumption. Excessive exporting created shortages, and vastly higher prices of products, especially foodstuffs. The central bank turned on the printing press to get local currency, cruzados, to buy dollars from Brazilian exporters. More paper money and fewer goods on the local market equals growing inflation.

Second, Brazil's deal with the bankers includes clauses pledging Brazil to convert foreign debt paper into cruzados for "investments" in Brazil, and clauses permitting the international bankers to "re-lend," to anybody in the country, the cruzados frozen in blocked accounts at the central bank. Since Brazil suspended principal payments on foreign debt in 1982, about \$25 billion worth of such frozen cruzados has accumulated.

The printing press was also turned on to create this reserve. The central bank recently estimated that between \$7.5 and \$8.5 billion worth of foreign debt paper was turned into Brazilian equity in 1988. When all is said and

done, the agreement with the banks has resulted in the central bank issuing approximately twice as many cruzados as it otherwise would have. That is what has brought inflation rates up to 1,000% annually.

Thanks to this scheme, the international creditor banks, like the Citibank of Mr. Simonsen and its chief, John Reed, who chairs the bank advisory committee which dictates terms to Brazil, are once again making profits this year. Brazil has come up to date on its interest payments. Through the "menu" of debt-for-equity conversion schemes, the banks are getting real assets for worthless debt which they had largely written off.

That is why former Finance Minister Dilson Funaro is so sharply critical of the Sarney government. Speaking on the TV program, "Crítica e Autocrítica" Nov. 6, Funaro charged that his successors in the ministry have set punctual payment to the international bankers as "the only national priority." He asserted that hyperinflation was caused by the \$55 billion in interest payments Brazil has sent abroad in the past five years and insisted that the debt moratorium he declared in February 1987 was and is the necessary path.

Funaro's statements were blacked out of Brazil's newspapers, which usually record the opinions of every politician. The motive for this became evident three days later in the arguments used by France's Paribas bank president Michel François Pancet. He said that no matter how much Brazilian authorities groveled, the banks would never provide the "voluntary" new lending for which Brazil was sacrificing itself. "The path of normalizing debt payments helps," he said, "but the insecurity of the banks reappears constantly when we verify that many Brazilians do not want the debt to be paid."

A word on Kristallnacht remembrance

Edgar Bronfman is sabotaging efforts toward German-Jewish reconciliation.

In late October, the German history professor Ernst Nolte learned that his invitation to take part in the Wolfson Lectures at Oxford University, Britain, was canceled. He had planned to speak about the fact that Hitler and Stalin were twins in genocide, that one who attacks Hitler should do so to Stalin as well.

Among those who had Ernst Nolte disinvited was Robert Maxwell, a key sponsor of the Wolfson Lectures, one of the world's biggest media magnates. Maxwell, born in Czechoslovakia of Jewish origin, is today an influential Gorbachovite in the West.

The Oxford decision to disinvite Nolte came on the eve of "Kristallnacht Remembrance Week" (Nov. 7-14), which featured intense black propaganda campaigns against West Germany. Prominently involved in this campaign were radical circles with tight East bloc connections, like Edgar Bronfman's World Jewish Congress (WJC) and their co-thinkers among German Jews.

The same circles launched the huge black propaganda campaign against President Reagan's visit to a cemetery in the German town of Bitburg in May 1985. In Germany, especially the left-wing "Frankfurt Jewish Group," which maintains contact with real estate speculator Ignaz Bubis, a figure of the "Frankfurt Jewish mob," mobilized around the phony issue that a few Waffen-SS soldiers who died shortly before the end of World War II were buried at this Bitburg cemetery.

Until that time, nobody had made an issue of these few graves in this cemetery, but all of a sudden the me-

dia turned it into a big issue internationally, by methods that can only be called disgusting. *Newsweek* reporters desecrated graves in the cemetery, taking away flowers to rearrange them on the graves of the Waffen-SS soldiers, to create the false impression that "the people here still honor the SS." Pictures of this orchestrated affair appeared on the cover of *Newsweek*, giving Bronfman's WJC and the Anti-Defamation League of B'nai B'rith a pretext to attack Reagan for allegedly "honoring" these SS graves. The campaign, a top news item in the Soviet media, caused considerable trouble for Reagan, and also for Chancellor Helmut Kohl.

In late 1987, the head of the German Central Council of Jews, Werner Nachmann, contacted the government in Bonn. He had opposed the media show around Bitburg in 1985, and wanted to make sure that this year's sensitive Kristallnacht Remembrance Week, 50 years after the November 1938 Nazi pogroms against the German Jews, did not turn into a new chain of fabricated incidents against the West German government.

An agreement was reached between the government and Nachmann not to have a big event in the Parliament in Bonn, but rather at the Synagogue in Frankfurt, to which Chancellor Kohl would be invited. This was opposed by Bubis and the left-wing Frankfurt Jewish Group, who called the invitation to Kohl a betrayal of "true Jewish interests." Nachmann insisted on upholding the Kohl invitation.

But in January 1988, Nachmann

died suddenly. His post as chairman of the German Central Council of Jews was taken over by Heinz Galinski, a Bronfmanite and advocate of confrontation with the Bonn government. Galinski and Bronfman are engaged in shuttle diplomacy with the Soviets and their puppet regime in East Germany, on reopening of relations between Jews and the ruling powers in Moscow and East Berlin.

Galinski (who knew of Nachmann's 1987 agreement with Bonn) attacked the West German Parliament and the government for not having invited him to speak on Kristallnacht Remembrance Day, Nov. 9, but had warm words for East Germany's leader Erich Honecker for inviting him to a commemoration at the East German Parliament.

Yet, of 4,000 Jews still alive in East Germany in 1945, only 380 are left today, and of the 15,000 Jews who have emigrated from the Soviet Union (fleeing anti-Semitic pogroms) this year, only a few went to East Germany, but many to West Germany. In recent years, many Jews who left Israel have settled in West Germany. And in May this year, Isaac Neuman, a Polish-born Jew, quit his post as chief rabbi in East Germany, to protest daily repressions by the East German political police, the Stasi.

Moreover, since Nachmann's death, the Jewish issue in West Germany has stayed highly controversial among the Jews themselves. In October, "Nachmannite" Michael Fuerst resigned from all functions in the German Jewish Central Council, and on Nov. 3, Fuerst attacked Heinz Galinski for threatening to ruin of all reconciliation efforts between Jews and Germans. Fuerst's remarks show that Bronfman and his friends in Moscow have not yet taken full control of Jewish affairs in West Germany.

How did Dukakis and the Democrats lose?

by Mel Klenetsky

The failure of Michael Dukakis to win the presidency was neither a gauge of Bush's popularity nor an indication that the American public believed the GOP's myth of economic prosperity. The trade deficit tells the story as does any simple jaunt through the Midwest, with huge industrial complexes boarded up like ghost towns and the continuing plethora of farm auctions. So the Democrats lost in an election which by all rights belonged to them and no one else.

How and why did they lose? Neither the Democrats nor the Republicans have had any answers on the economy, though the Democrats manage to sound more compassionate. The main exception to this is Lyndon H. LaRouche, who ran for the Democratic nomination and as an independent Democratic presidential candidate. The effect his television broadcasts have had on the electorate; the ability of LaRouche and LaRouche Democrats to articulate a workable economic reconstruction program; and the demonstration of this by the March victory of LaRouche Democrat Claude Jones for Harris County, Texas Democratic Party chairman (the country's second largest electoral district), have shown the way back to vitality for the otherwise moribund Democratic Party. The solid 20-33% of the vote in the latest round of elections for LaRouche Democrats, in spite of underfunded campaigns, exclusion or slander by the media, and all-out harassment by much of the party leadership simply reinforces the lesson.

Voter distrust of Democrats

The Democratic Party has been fissured since FDR's wartime years, and Americans have had a growing distrust of it, both in foreign and domestic policy. Kennedy (1960) and Carter (1976) both won very close races, taking office thanks to the 1958 recession, Watergate, and most importantly, vote fraud. Kennedy benefited from the ability of Chicago Mayor Richard Daley and the infamous Cook County to vote the dead. (Thousands of absentee ballots were found floating up the Chicago River).

Kennedy did some important things like the Apollo-Moon project and his investment tax program, which reversed the 1958 recession. His martyred death, these valuable initia-

tives, and voters' distrust of Goldwater, handed Lyndon Johnson the only easy Democratic presidential victory since FDR. "In your guts you know he's nuts," was a famous anti-Goldwater bumper sticker of the 1964 election.

After Jimmy Carter won, he and Vice President Walter Mondale alienated the Americans by their crackpot deindustrialization and malthusian policies, coupled with the Iran fiasco. In 1980 and '84, 26% and 24% of Democrats respectively voted for Reagan, the Carter taint carrying over to Mondale. Dukakis did nothing to reverse that pattern of distrust, attacking various defense systems and the Strategic Defense Initiative as "pie in the sky." When the polls went against Dukakis, he tried to shift, but Dukakis riding around in a tank was ludicrous, and the Bush team, having a sense of the anti-liberal pulse of the electorate, made this footage part of their more effective advertisements.

Even though Bush lost some of Reagan's Democratic support, he still came in with 48% of the 1984 Reagan Democrats, and a substantial 17% of the overall Democratic vote. Support for Bush and the GOP defense and foreign policy, while favored over a liberal Massachusetts governor, was not deep. Pre-election polls showed 70% were unhappy with both choices; the voter turnout of 49.1% was a 50-year historic low, and the Republicans lost ground in the House, Senate, and state governorships. Americans voted for Democratic candidates, because although they were not proposing any solutions, they sounded more concerned about closed-down industries, health care, low-income housing, and education.

And yet Dukakis succeeded in alienating both the black voters and the white ethnic voters. Bush got 12% of the black vote to Reagan's 9% in 1984, but very few blacks turned out. In Philadelphia, out of a low voter turnout of 49% of the voting-age population, there was an even lower turnout in the black community of registered voters, only 60%. In New York City, with heavy minority representation, voter turnout dropped from 2.3 million in 1984 to 1.9 million in 1988.

In New York State, where Dukakis won 36 of his 112 electoral votes, only 6.2 million voted, a 46.3% turnout, below the national average, compared to 7 million in 1984. Gov. Mario Cuomo, Dukakis's campaign co-chairman, avidly campaigned for Dukakis in the state. The Jewish community was turned off by Rev. Jesse Jackson, especially the Orthodox Jews who went for Bush in places like Brooklyn's Borough Park. Thus, the Jackson division in the party created alienation in the black community, and fissures with the Jewish voters who feared Jackson's anti-Semitic associations. Bush's 35% of the Jewish vote was better than the 31% that Reagan got in 1984.

On top of this, the union vote didn't mean that much. The AFL-CIO confederation and its president Lane Kirkland endorsed Dukakis, limiting Bush to only 42% of the union household vote, but he won 49% of the blue-collar vote overall. The National Rifle Association mobilized the white

ethnic communities in central Pennsylvania for Bush, for example, offsetting the trade union and minority turnouts in western Pennsylvania.

Brawl expected

A meeting of the Democratic Party state chairmen in mid-November is expected to break out into a brawl. The Jesse Jackson stalwarts hope to put in their candidate, Ron Brown, as the new chairman of the Democratic National Committee, replacing Paul Kirk. Ron Brown was convention chairman for Jackson, a former aide to Sen. Ted Kennedy, and currently a lawyer and lobbyist for the National Urban League. Moderates and centrists in the party fear that the Jackson forces might split the party. There is talk of giving Kirk the chairmanship again to avoid dissension.

This approach and that of Alvin From, director of the Democratic Leadership Council (DLC), all miss the boat. From correctly analyzes the problems with the Democratic Party presidential efforts as stemming from control of the primary process by liberal special interests. From says, "We need to have a message that resonates with the American people, and we have to find that message."

The DLC was formed in 1985 after Mondale's crushing defeat. Robert Strauss, Virginia's newly elected Sen. Chuck Robb, Georgia's Sen. Sam Nunn, and even Tennessee's Al Gore are the core of the DLC, who are attempting to present themselves as a policy alternative to the left wing of the party. Their economic policies are straightforward austerity policies, and while pretending they are pro-defense by recognizing the need for the SDI, they are no better than the anti-defense liberals, calling for cuts in the SDI budget and restricting the SDI.

The DLC is analogous to the Coalition for a Democratic Majority, which arose in the wake of the 1972 McGovern takeover of the Democratic Party, trying to distance itself from the radical McGovernites. McGovern was trounced by Nixon, but not before the McGovernites had done a final wrecking job on the farmer-minority-labor alliance that FDR's wartime Democratic Party built.

Secrets of the FDR coalition

In the past 50 years, FDR's wartime Democratic Party was the only one which had the support of labor, minorities, and farmers in both the economic and foreign policy realm. Lincoln's Republican Party right up until Teddy Roosevelt, was this kind of party, supporting industrial growth and opposing England's colonial interests. Teddy Roosevelt wrecked this Lincoln-style coalition by siding with Great Britain and attacking industry.

FDR's building of the Democratic Party was designed to pick up on the old Republican Party that Teddy Roosevelt helped destroy. FDR, however, was trying to implement fascist economic policies, just as the Trilateral Commission did with Jimmy Carter. The Russell Sage Foundation ran his

experimental programs as New York governor, which later became the New Deal. With the formation of the CIO in 1935, FDR brought labor and minorities into the Democratic Party to help crush the party leaders, like James Curley in Boston, New Jersey's Frank Hague, and the Prendergast machine of Missouri, who tended to resist Roosevelt's Mussolini-style corporatist programs.

The fissures of the party were set aside when Roosevelt abandoned the New Deal programs to build up a war machine. The Democratic coalition of that period, unified in foreign policy and committed to economic progress, was the kind of party that is currently needed and represented by the LaRouche Democrats. Even before the war ended, unfortunately, Roosevelt and Truman had alienated the ethnic Eastern European blue-collar workers by selling out Eastern Europe at Yalta. The reaction of the Polish-American Congress and other groups was so strong that Truman, at Potsdam, reminded Stalin that free elections in Poland, reported in the American press, would make it much easier to deal with the 6 million Poles in the United States.

Truman, increasingly unpopular, pulled out of the 1952 race after it was clear that he would be badly beaten. The Democratic Party, from 1948 on, was split between the left and right New Dealers, characterized by Henry Wallace of Progressive Citizens of America and the American Labor Party, and the anti-communist Americans for Democratic Action, featuring Hubert Humphrey. Eisenhower, in his campaign of 1952, denounced Yalta and promised to reverse it, winning much support from Eastern European workers in Buffalo, Cleveland, and Chicago.

The Texas Shivers Democrats broke with Adlai Stevenson to vote for Ike, a foretaste of Democrats for Nixon and the Reagan Democrats. FDR's New Deal, followed through by the reform Democratic movement of Eleanor Roosevelt and Adlai Stevenson in the late 1940s, 1950s, and 1960s, set the stage for what became the McGovern takeover of the 1970s and the Carter-Mondale mafia, all of which paved the way for the fissures now being played out by the Jesse Jackson movement. In 1960 Kennedy won, with the help of the political machines of Chicago and Philadelphia, which the later reformers helped destroy. Philadelphia's Bill Green, for example, in 1960, turned out a record 330,000 voters for Kennedy.

The fissures that Jackson and company represent will continue to plague the party. It will either split into two parties, or become impotent, unless the party regroups on the domestic and foreign policy perspectives that the LaRouche Democrats have defined. In 1984 and 1988, LaRouche tried to present these perspectives to the national conventions of the Democratic Party in San Francisco and Atlanta, but was excluded. Reminiscent of FDR's 1941-44 Democratic Party and Lincoln's Republican Party, the approach of the LaRouche Democrats, is the only one capable of saving the Democratic Party.

Anti-Dukakis vote elects George Bush

by Kathleen Klenetsky

The American people dealt a resounding defeat to the most corrupt factions of the U.S. Establishment Nov. 8, when they overwhelmingly rejected Democrat Michael Dukakis's bid to become President.

Although the voter turnout was the lowest in 40 years, reflecting the general lack of enthusiasm for either the Republican or Democratic standard bearer, Bush's margin of victory was significant: He won 40 states to Dukakis's 10, garnering 426 electoral votes to his opponent's 112. His popular vote margin was 54-46, and he not only swept the South and Mountain states, but also took several of the major industrial heartland states, including Pennsylvania and Ohio, as well as hotly contested California.

Now that the menace represented by Dukakis and his Harvard handlers has been put back in its box, the next major battle in the United States will be over the composition and course of the incoming Bush administration. While Bush is rooted in the liberal wing of the Eastern Establishment, he has exhibited sufficient openness on certain vital issues—notably the Soviet threat—to indicate his susceptibility to being moved in the right direction by the right political conditions. The principal danger is that Bush will be so overwhelmed by one crisis after another (a financial crash followed by some Soviet provocation is a likely scenario), that he will be stampeded into panic reactions (draconian budget cuts, or major concessions to the Soviets on the SDI, for example) that will only make matters much worse.

No to the new Mussolini

Despite all the talk about a last-minute Democratic surge and a major upset, Dukakis never really recovered from the devastating blow delivered him shortly after his nomination by this news service's exposé of his mental instability.

Dukakis came out of the Democratic convention in late July with a 17-point lead over Bush, but that evaporated when the question of whether Dukakis was mentally capable of holding the highest office in the land broke into the international media in early August. Dukakis aides bitterly blamed the flap over their candidate's mental fitness for the paralysis which gripped him in August, and from which he rallied, barely, only at the end of the race. Even after the press began screaming that the mental health issue was a "LaRouche dirty trick," the charge stuck; it was clear, from Dukakis's behavior, that he *was* unstable.

That exposé, coupled with the voters' understanding that Dukakis was the reincarnation of the hated Jimmy Carter, and with the Republicans' hammering on his no-defense policies, ensured Dukakis's defeat. Independent Democratic candidate Lyndon LaRouche's nationally televised charge, three days before the election, that Dukakis was a new Mussolini, helped drive the last nail into the Duke's political coffin.

Which way will Bush go?

Throughout the long primary season and the general election period, polls consistently showed that Americans were dissatisfied with both candidates, and were dismayed that neither offered substantive solutions to the range of crises—AIDS, the state of the economy, the Soviet threat—now facing the United States and the world. The responses to LaRouche's election broadcasts on space colonization, the worldwide food crisis, the Soviet threat, and the potential for German reunification showed how hungry the American electorate is for leadership and vision.

Bush's failure to keep the Reagan Democrats (the blue-collar and ethnic voters who abandoned Carter and Mondale

in the last two presidential elections) solidly in his column, testifies to the fact that in the real world, at least, the Reagan Recovery doesn't exist. If Bush cannot deliver a sound economic policy, one which emphasizes real productive growth over speculation on the one hand, and austerity on the other, he can kiss the U.S. economy goodbye, and resign himself to becoming the new Herbert Hoover.

A fight has already broken out in American policymaking circles over the personnel and policies of the new administration; the outcome of this fight will go a long way to determining the fate of the world over the coming months. President-elect Bush's announcement the day after the election that he has chosen James Baker III as his Secretary of State, while not unexpected, was not a particularly auspicious start, given Baker's allegiance to the Harriman wing of the Establishment. Nor are some of the individuals mooted as contenders for top Cabinet posts, e.g., Brent Scowcroft of Kissinger Associates. Although Scowcroft has recently cautioned the West against being seduced by Gorbachov's "reforms" into letting down its guard, he also strongly favors scaling back the SDI, the one military system without which the defense of the West cannot be ensured.

The powerful groupings which hope to steer Bush down the road of accommodating Moscow and foisting the International Monetary Fund's austerity conditions on the U.S. economy, are working to create the political climate in which this can be accomplished.

No sooner were the results in, than the President-elect began to be inundated with rotten advice. Sen. Alan Simpson (R-Wyo.) went on national TV within hours after Bush was declared the victor, to discuss what his "good friend" Bush should do: Raise taxes, and listen to the fascist National Economic Commission (NEC), whose co-chairmen are on record calling for deep cuts in defense and entitlement programs, like Social Security.

That advice was echoed by Senate Minority Leader Robert Dole (R-Kan.), by the NEC, and by a host of think-tankers and media pundits. The "advice" is rapidly escalating into threats and blackmail. *Washington Post* economics analyst Hobart Rowen warned Bush Nov. 10 that unless Bush heeds the advice of the NEC—which is scheduled to hold a three-day public bash in Washington beginning Nov. 15—he will face a financial blowout. Unless Bush "wants to risk a backlash from financial markets," he will have to accept the NEC's recommendations. Bush "needs the NEC, just as Dukakis would have, to help prepare public opinion for the belt-tightening policy changes that lie ahead." Former Carter administration official C. Fred Bergsten issued a report the same day under the auspices of his Washington think-tank, saying basically the same thing.

Besides the NEC, which is to hand the President-elect a package of recommendations within the next two months, a host of other groups, like the American Agenda, are slated to come out soon with reports along the same austerity lines.

The Center for Strategic and International Studies, home base to several Bush strategic policy advisers, issued a report just a few days before the elections urging the next President not to deploy the SDI, and to begin a partial withdrawal of American troops from Western Europe and South Korea.

Bush: caution on Soviets

But Bush himself is maintaining a very cautious position vis-à-vis the Soviets. In an interview in the Nov. 8 *Le Figaro*, he warned against taking Gorbachov's alleged "reforms" at face value and pouring money into the Soviet economy. "We want to put Gorbachov in a position [where] he'll be forced to make a real choice and to cut defense spending. If we give Gorbachov the money without specifying how he should spend it, we're offering him the chance of ducking that basic question." Asked if the West should help Gorbachov, Bush responded: "It seems to me we don't know enough about the dynamics of the Soviet system to know how to help Gorbachov. Since we're not certain we really understand the mechanism of change under way in the Soviet Union, we should stick to the guiding principle of a cautious foreign policy, give priority to satisfying our own interests."

Then, at his first press conference as President-elect, Bush said he wasn't interested in holding a summit with Gorbachov just for the sake of having a meeting, but only if there were something substantive to discuss.

Two days later, Bush sent another signal to the Kremlin, when he met in Washington with leaders of the Afghan resistance; according to his spokesman, Stephen Hart, the President-elect "reiterated his position that despite the recent Soviet military escalation, he expected the Soviets to honor the Feb. 15, 1989, deadline for total troop withdrawal. And he emphasized that failure to do so would have a negative effect on U.S.-Soviet relations."

Russia has reacted to the Bush victory with some schizophrenia. Radio Moscow is calling it both a vote for more U.S.-Soviet arms-control deals, and a reflection of Americans' support for a strong defense, and the SDI.

Bush's mandate

Even before the final results were in, press pundits began to proclaim that Bush has no real mandate, and to gleefully predict that he will have a tough time dealing with a Congress under solid Democratic control. This is being echoed by many leading Democrats, and some, such as New Jersey Sen. Bill Bradley, are publicly declaring that they won't cooperate with the new President.

Bush can forge his own bipartisan mandate, but to do so, he will have to ignore the advice pouring out of various Establishment think-tanks, and give the kind of national and international leadership that has been lacking for too long. The acute strategic and economic crises demand a break with current policies, and unless Bush is prepared to do this, his presidency will fail.

International Intelligence

Pravda doesn't like Thatcher's Europe policy

British Prime Minister Margaret Thatcher has been attacked for opposing the "Europe 1992" corporatist plan from a most unusual quarter: *Pravda*, the newspaper of the Soviet Communist Party. In a high-profile Nov. 8 article praising moves toward creation of a European Currency Unit in the context of steps toward "European integration," commentator Lev Strzhizhovsky criticizes Britain for standing in the way of closer monetary unity, on which closer political integration depends.

He says: "Mrs. Thatcher's words are often quoted. That is, 'there can and must not be a single European state.' . . . Britain joined the European Community later than others, and still avoids taking responsibility on itself for the monetary policy of the EC. Mrs. Thatcher gives preference to internal policies rather than international cooperation."

Strzhizhovsky writes in an exasperated tone: "Does one have to prove that the future of Great Britain is unthinkable outside the European home and that the U. K. like other states must be as interested as they are in stability and in the long-term interests of the common market?"

Bangkok warns of harm to U.S.-Thai relations

The Oct. 30 "leak" by the *Washington Post* charging that Thai military officers were siphoning off U.S. funds designated for the anti-communist Cambodian resistance—for which no substantiation has been forthcoming—may affect relations between the two countries, according to Parliament President Ukrit Monghonnawin.

"Thailand and the U.S. have a friendly relationship. Saying anything to affect the other should be very carefully considered. Since we are cooperating to keep peace in the region, such matters affecting the execution of such programs should not be dis-

closed," he stated Nov. 2.

The speculation in Bangkok is that the Reagan administration intentionally leaked classified documents to the *Post* to influence Thailand's foreign policy, although a U.S. official told that *Bangkok Post* that this is untrue.

The allegations of embezzlement of U.S. aid to Khmer fighters were probably aimed to discredit Army Commander-in-Chief Gen. Chavalit Yongchaiyudh, according to Prime Minister Chatichai Choonhavan's secretary, Panya Singhsakda. An Army source also commented on the fact that Chavalit is being seen as the target of the seemingly well-planned leak, "The Americans may not be happy that the Army commander-in-chief subscribes to the thought that Thailand should adjust its relations with superpowers by distancing itself from the United States."

There is also speculation in the Thai press that the leaks are designed to end U.S. funding of the anti-communist resistance.

The story was first leaked to Nayan Chanda, Washington correspondent of the *Far Eastern Economic Review*, which magazine has been on a "democratic" crusade against the Thai, Malaysian, and Singapore governments.

Russians accuse U.S., Pakistan of 'fraud'

Soviet ambassador to Kabul and First Deputy Foreign Minister Yuli Vorontsov blamed the suspension of Soviet troop withdrawals from Afghanistan on massive arms shipments to Afghan resistance fighters by the United States and Pakistan.

"We are facing fraud on the part of the United States and Pakistan. . . . Those who said they are interested in peace in Afghanistan started mass deliveries of modern weapons to the detachments of the opposition. . . . This is a very serious blow to the Geneva accords which almost torpedoed them."

He continued, "The time is ripe for a fresh international discussion of all aspects of the situation in Afghanistan and around it."

One day earlier, on Nov. 4, Soviet Deputy Foreign Minister Aleksandr Bessmertnykh had told a news conference that Moscow still expects to meet the Feb. 15 deadline for total pullout of its troops. "It is possible that Feb. 15 may not be the final date" for all Soviet troops to be out of the country, the Soviet official said. But on the day Vorontsov spoke, another Soviet diplomat in Kabul was quoted by the *Washington Post* saying that Moscow is reconsidering its commitment to have all its troops out of the country by Feb. 15.

Pakistani Foreign Minister Sahabzada Yaqub Khan called the announcement of a suspension of the Soviet troop withdrawal "a matter of grave concern," raising serious doubts about Soviet pledges. Noting the recent deployment of new warplanes and SS-1 Scud missiles in Afghanistan and a Soviet statement that soldiers completing terms of duty there were being replaced, he said that the "developments are a violation of the letter and spirit of the Geneva agreements." He said this was also incompatible with "the understanding that the only military activities to be undertaken by Soviet forces would be in defense of their withdrawing troops."

Australia to test everybody for AIDS

A whole continent is to be tested for AIDS: Australia.

The plan has been drawn up, and is being closely studied by both the federal and local governments for approval. If this plan is passed, foreign visitors will also be tested, and will be denied entry if they test positive. No specific public health measures have been outlined. The testing is designed simply to determine the extent of the infection's spread.

To test 16.3 million Australians will cost an estimated \$150 million. About 1,000 people are known to have contracted AIDS in Australia to date. Half of them have died.

Meanwhile, the West German federal court appears to be liberalizing one of the only public health measures adopted against

Briefly

AIDS by most nations: criminal penalties for those who knowingly spread the disease.

A homosexual from the United States, living in Bavaria, was accused of having homosexual intercourse without informing his partner of his AIDS infection. A Nuremberg court sentenced him to two years in prison.

Now, the Supreme Federal Court has ruled that while the fellow was in fact guilty, the sentence was too harsh, and returned the case for new sentencing to Nuremberg.

China says U.S. is blocking reunification

Mainland China's *Weekly Outlook* magazine charged in its Nov. 4 issue that the United States had broken its pledge not to obstruct the reunification of Taiwan with mainland China, the U.S. Army's *Stars and Stripes* reported Nov. 7.

The Chinese article, written by Zhang Jingxu of the Chinese Academy of Social Sciences, said that the United States had told Taiwan not to negotiate with Beijing over reunification, and warned Taipei about suddenly "opening its door to the mainland."

"The Americans have repeatedly told the Taiwan authorities to guard against the united front work of the Chinese Communist Party concerning the relaxation of tensions across the Taiwan straits," the article said. It accused the United States of increasing political, military, and economic ties with Taiwan "in an attempt to raise obstacles to China's reunification."

"There has been no decrease in U.S. arms sales to Taiwan since the Reagan administration came into office eight years ago," *Weekly Outlook* charged.

Anti-Nazi 'evidence' found incompetent

Information supplied to the British government on "former Nazis living in Britain" by the Simon Wiesenthal Center and a top Israeli "Nazi-hunter," is not only based on

Soviet sources, but is ridiculously incompetent, the *Sunday Times* of London's chief investigative reporter, Barrie Penrose, charged Nov. 6.

Of the 17 men whose names were supplied to the British government as "Nazi war criminals" resident in Britain, Penrose reports, five are dead, and one of them died in London 16 years ago. Others are almost certainly innocent of the accusations.

This "has surprised Whitehall. . . . The Home Office says that in some cases, there is no evidence to link the men named with war crimes" at all.

Informed of the deaths of the listed men, Israeli "Nazi-hunter" Ephraim Zuroff commented, "In the circumstances, it was unfortunate, because some of these people would have made our case much easier." In another case, Zuroff claimed that individuals who fought alongside the Germans in the Latvian SS Legion against the Russians are legally liable to be deported or stripped of citizenship in the United States, and he urged that the same policy be applied in Britain.

But British historian Hugh Taylor has pointed out that the U.S. legislation specifically exempted the Latvian Legion. Said Taylor, "The act says very clearly that the Baltic Legions are not considered to be a movement hostile to the United States. The Wiesenthal Center's lack of professional research is disappointing and casts a shadow on how good their archival material is."

One Latvian Legion survivor now living in Britain, 76-year-old Frisic Kurseitis, stressed that he and many others joined the Legion to fight the Russians, who had occupied the Baltic states before the Germans took over. He said, "I was an army corporal and no war criminal." He and other Latvian Legion veterans charged that they are on the Wiesenthal list "because they are anti-communist and active in the Latvian community in Britain."

Ironically, even the Soviets' Novosti press agency in Moscow told the *Sunday Times*, "During the fascist occupation, there was no post of finance minister of Latvia. And there was no post of labor minister of Latvia." Yet, two of the accused are charged with having held these two posts!

● **PRINCE CHARLES**, visiting Paris Nov. 4, announced the creation of a French-British scholarship in memory of European federalist Jean Monnet, the founder of the Council of Europe.

● **THE SOVIETS** have been said for months to be preparing to admit their responsibility for the 1943 massacre of Polish officers at Katyn. But the Nov. 6 edition of *Izvestia* repeated the standard Soviet line, that the Nazis were responsible for the massacre.

● **SYRIA'S** defense minister, Maj. Gen. Mustafa Tlas, when he arrived at Moscow Airport on Oct. 28, was received by the entire Soviet military leadership. The unannounced visit came two weeks after a new Soviet-Syrian deal for the delivery of SU-24 jet fighter-bombers was made public.

● **MARGARET THATCHER** consulted Pope John Paul II for advice before her trip to Poland. The Pope sent a message to the British prime minister that he supported political and economic reform, and increasing freedom for the Poles.

● **SIKH** terrorists killed more than 50 people Nov. 4 in three separate incidents in the Indian state of Punjab in 24 hours, the bloodiest single day yet, police said.

● **IGNACIO CAPEGSAN**, guerrilla leader ranked number three in the Philippine communist hierarchy, was captured Nov. 5. Philippine Brig. Gen. Alexander Aguirre said Capegsan was carrying a passport with an assumed name and was bound for the United States.

● **THE KHMER ROUGE**, militarily the most powerful faction in the Kampuchean resistance, have unexpectedly agreed to join Prince Sihanouk in peace talks with the Phnom Penh government.

Will the United States still be capable of a strong defense?

by William Jones

At a conference held by the Center for Strategic and International Studies in Washington, D.C. on Nov. 1-2, defense analysts debated the issue of which area of the U.S. defense establishment must be sacrificed on the altar of "budget deficit reduction." Three years ago, the CSIS issued a report called "U.S. Conventional Force Structure at the Crossroads," which argued that the next administration would have to make very substantial reductions in overall U.S. military capability—by 25-35%. Now, the CSIS spokesmen argued, the time has come when those cuts must be made.

Still, the atmosphere of the conference was far from the euphoria which characterized defense discussions in the immediate aftermath of the signing of the INF treaty. The problems created by that treaty, and particularly the effects of the treaty on NATO defense posture, created an undertone of concern that was previously lacking. The success of the Gorbachov public relations spiel on the Europeans, combined with the fear generated by the earlier U.S. rush to grab the Gorbachov "olive branch," finally created concern among some defense analysts, that the survival of the alliance is now in danger.

'Ally-bashing'

Despite the fact that all of the speakers accepted the premise of the deficit reduction argument, some pointed out with consternation that these cuts were being mandated at a time when NATO is faced with its greatest threat in 40 years. Speakers voiced concern over the fact that the Europeans had been hard hit by all the "ally-bashing" going on in the Congress and the administration, and that prime consideration must be taken to creating better rapport with our allies.

Gen. David Jones, former chairman of the Joint Chiefs Staff under President Carter, commented, "I'm leery about all the ally-bashing going on. We probably won't achieve a great deal more in their defense effort, but we're likely to exacerbate the difficulties we already have with our allies. That doesn't mean we shouldn't work at it, but I think it's a simplistic approach for people to say burden-sharing will solve many of our problems. The result might be they take a higher percentage of the burden because we do less. The backlash may be, we pull things out of there, but they don't do more."

Lt. Gen. Brent Scowcroft, national security adviser to President-elect George Bush, expressed his agreement:

"We're not going to get much money out of that [burden-sharing]. We could do terrible damage."

Where to cut?

But there was no one among the speakers who demanded a national industrial recovery policy that would make economic "triage" choices necessary. Instead, the main agenda item was how to cut the budget, on the assumption that "we will be living with zero real growth for the next four to five years," as William Kaufmann, professor at Harvard University's JFK School of Government, expressed it. Kaufmann called for cutting "something on the order of \$475 billion over the five-year period, in order to come down from the level that would cover what's in the pipeline." Kaufmann, who shared a forum with former Undersecretary of Defense Fred Iklé, Brent Scowcroft, General Jones, and former CIA officer Lewis Sorley, presented three budget-cutting scenarios.

Kaufmann stressed that there could be no talk of a substitute for U.S. leadership in NATO "in at least the coming decade." "The notion that some kind of collective security arrangement led by the Federal Republic of Germany and Japan is, I think, totally unrealistic. We not only represent an aggregate of power that there is no substitute for, but I think we have to recognize that we have a very heavy burden of responsibility, and a good share of that responsibility is in the military realm, and I don't think we can easily shirk it."

Kaufmann's first budget reduction option involved protecting the program of modernization and maintaining a "one-contingency strategy" for the conventional forces, namely, in Central Europe. In this scenario, the force-structure would be focused exclusively on Central Europe and on sea-lane protection to Antwerp, Rotterdam and into the Mediterranean. This, he said, would eliminate substantial commitments to north Norway, the Persian Gulf, South Korea, and Panama. Personally, he considered this a bad alternative, but said that it would permit a savings of \$335 billion.

Kaufmann's second alternative would be to attempt to protect the modernization program and the strategic nuclear operating and support clause. This would imply, however, cutting the other operating and support costs. In order to get \$337 billion of savings, a 56% cut in operating and support costs would be required, creating a "hollow Army," units which were under-strength, or pushing active units into the

National Guard and the Reserve.

The alternative which Kaufmann thought most workable was one which protected that part of the modernization program that is devoted to buying the current generation of weapons, but "holding, not necessarily canceling, a whole series of programs, very expensive programs" in research, development, testing, and evaluation. Kaufmann claimed, "We are moving into a new generation of weapons very rapidly, without having fully prototyped and tested and found out what works, and at what cost." Kaufmann proposed putting those on hold during the next four to five years, "in order to see what really is worth deploying."

Intelligence analyst Lewis Sorley described what he called the "strategist's dilemma." On the one hand, the strategist has to prepare against unlikely events, which, if they transpired, would be cataclysmic in their impact, such as a strategic nuclear war. On the other hand, he has to prepare for events that are much more likely, but far less cataclysmic in their impact.

Sorley explained how the military forces are facing imminent manpower constraints. "The pool of 18-to-23-year-olds from whom we expect to draw our entry level service people," he said, "is going to shrink fairly substantially over the period of the next several years. . . . Recent analyses that I have looked at say that between 1984 and 1996, for example, that pool is going to diminish by 22%, not just in numbers, but in terms of those within the pool who will meet the current standards for acquisition by the Armed Forces." He warned that we are rapidly approaching a situation where we will be faced with a "hollow Army," both in terms of quantity and quality. He suggested that that problem could be "resolved" by lowering the criteria required for the forces and for the officer corps. He said that this was done during the Vietnam War era, but it led to an overall deterioration in the quality of soldiers and officers.

Gen. David Jones pointed out that the first hundred days of the new administration will be most important in setting the pace for the defense program. He recommended making cuts affecting force structure and procurement, not readiness. Complaining that there is too much overhead in the Defense Department, Jones tried to make an argument that increases in productivity could lead to a "more efficient, effective military five years from now," where "we can get by with 300,000 fewer people."

The Soviet adversary

Gen. Brent Scowcroft warned against any attempt to change the strategy of nuclear deterrence on the assumption that "the Soviet Union is a different sort of beast than it has been up till now." "I think that the record is not in on that point," said Scowcroft, "and that to change this fundamental strategy that we've had in anticipation that we may have a different Soviet Union in the present time, and therefore can make those kinds of savings, seems highly risky."

Scowcroft warned against the idea that arms control would contribute significantly to saving money, an illusion which he described as "one of the routine expectations on Capitol Hill." Even if, argued Scowcroft, we were able to negotiate an arms agreement in conventional weapons, which comprise 85% of the defense budget, including manpower, "one does not come up with any early significant cuts in NATO."

Fred Iklé, former Undersecretary of Defense, was the co-author, with Albert Wohlstetter, of the *Discriminate Deterrence* report by the President's Commission on Integrated

If the Bush administration doesn't move quickly to revive the industrial economy, the budget cutters are all set to implement 25-35% cuts in defense. The result: a "hollow Army." And yet many among the Pentagon's planners have accepted the flawed assumptions of "deficit reduction" economics.

Long-Term Strategy, issued in January 1988, which proposed scaling back U.S. military involvement in Western Europe and Asia for the sake of "budgetary considerations." At the CSIS conference, Iklé talked tough, but put forward radical budget cut proposals. He said that the worst danger that might face the United States would be a large-scale conventional war with the Soviet Union, but that such a development would require the emergence of a "Stalin II, hell-bent on military expansion." To meet this danger, Iklé said, "we need to have our R&D development done, because that takes 10 years." However, since we are facing zero growth in military spending, we should take the major cuts "from readiness and force size." Iklé agreed that we would end up with a "hollow Army," but "we have to hollow it out in a way that it can be rapidly refilled. And by rapid, I mean two to four years, not the 10 days of our NATO planning."

All well and good, if the "Stalin II" gave us two to four years. What happens, however, if a decision were taken by the Gorbachov Politburo to make a move into Western Europe or elsewhere?

The deficit reduction perspective also affected the various speakers' positions on the question of early deployment of the Strategic Defense Initiative, with a number of the speakers, like General Jones, recommending that we "keep SDI where it is."

Living standards in ten-year decline

Despite the fact that more women are working outside the home, the purchasing power of 40% of American families has declined over the last 10 years, according to a study released by the Economic Policy Institute Nov. 5.

The number of working wives increased from 55.4% in 1979 to 66.1% in 1986, and wives' earnings, adjusted for inflation, increased 12.1% over the same time period. Yet, husbands' adjusted earnings dropped from \$23,204 in 1979 to \$22,240 in 1986. While adjusted income for families increased 7.3%, two out of five families did not keep up with inflation.

The EPI study claimed that young adults who do not finish college are doing "substantially worse" than those of the same age a decade ago; that 1.5 million more unattached young people have "returned to the nest" because of low wages than did so a decade ago; and that U.S. families have been under greater economic pressure over the last decade than at any time in the post-World War II era.

"Without new economic policies, it is clear that families can no longer count on steadily increasing incomes and that the next generations cannot expect to live better than their parents," said Jeff Faux, president of the liberal institute.

NYC gives free needles to drug addicts

Despite enormous opposition from the public and several elected officials, New York City Mayor Ed Koch and Health Commissioner Stephen Joseph started supplying IV drug users with free needles on Nov. 7.

Organized as a "study" to see if free needle distribution will stop the sharing of needles and slow the spread of the AIDS virus among the city's addict population, the program will enroll 400 addicts, 200 of

whom will get free needles and counseling and the other 200 just counseling.

The New York City Council has condemned the project, and on Oct. 27 the Council's Minority Caucus said, "It is beyond all human reason and common sense for the city to hand out needles to drug addicts at a time when our police officers and our citizens have become casualties in the drug war." Harlem Councilman Hilton Clark told the press, "When the first needle is given out by Stephen Joseph, he ought to be indicted for murder. This is an unconscionable, criminal act. It's genocide pure and simple."

City Police Commissioner Benjamin Ward attacked the program because "it sends out the wrong message." The first location for the giveaway clinic was overruled by Koch because it provoked a wave of public outrage because it was located within a block of an elementary school.

Joseph nervously said, "If we get knocked out on this thing now, after all we've gone through, nobody will ever try it in other cities."

Duke returns to Mass. budget disaster

A major fiscal crisis awaits Michael Dukakis back in Massachusetts after the presidential election.

State Rep. Richard Voke, chairman of the House Ways and Means Committee, called for a full probe into the state's fiscal crisis Nov. 3, amid reports that the state's "master fund" account was overdrawn by almost \$400 million on Sept. 30. A Democrat allied with Dukakis, Voke scheduled an oversight hearing of his committee for Nov. 10 to force Dukakis's underlings to provide answers about the financial debacle. "There is a clear need for the Legislature to obtain an accurate report from the administration regarding the Commonwealth's fiscal well-being," he said.

Massachusetts State Treasurer Crane admitted that the account at the Bank of Boston was overdrawn by at least \$271 million—not \$194 million, as reported by his deputy, Patrick Sullivan. In late September,

one master fund account was \$384 million in the red.

On Nov. 1, it was revealed that the state had been running a \$200 million overdraft at the Bank of Boston to cover the Dukakis deficit. Now, release of the accounts by the Treasury shows that the overdraft reached \$383 million during October. Republican representatives want the state Inspector General and the Banking Commission to investigate irregularities.

"The Dukakis campaign, if it has done nothing else, has provided an opportunity to learn about the peculiarities of the Commonwealth, where borrowing from your own pension fund is prudence, and kited checks are a common understanding," the *Wall Street Journal* wrote Nov. 3.

LaRouche aired two pre-election broadcasts

Presidential candidate Lyndon LaRouche aired two nationally televised prime time half-hour paid political broadcasts on Oct. 31 and Nov. 5 leading up to the Nov. 8 election.

The Oct. 31 spot, entitled "The Winter of Our Discontent," which aired on NBC, had as its theme that the post-World War II era was coming to an end. The first section of the show dealt with "possibly the deepest depression" in our history. LaRouche warned against those who "are proposing to let the International Monetary Fund increase your taxes, dictate our federal, state, and local budgets, reduce the incomes of our people, and forbid new investments in agriculture and industry." In contrast, he outlined his policy to rebuild farms, industry, and infrastructure, which, with new technologies, "can increase our average incomes by 50% before the end of this century."

The second part of the show analyzed the serious threat the West faces from Moscow and the significance of the recent shake-ups in the Soviet leadership. LaRouche compared the current popular analysis of the Soviets by the State Department and Soviet experts to "little girls playing with dolls."

The third and final section of the show featured LaRouche's proposal to provide the

Soviets with "a safe route of escape" from their economic crisis and food shortages, a proposal to reunify Germany.

The Nov. 5 broadcast aired on the CBS network and was entitled "The Third Trial of Socrates." The show outlined who was behind the attacks against LaRouche, and featured guest appearances by a number of prominent individuals, each of whom highlighted the importance of LaRouche's work in the fields of defense and intelligence, economics, music, and the fight against AIDS.

Voters back nuclear, infrastructure aid

Voters in the Nov. 8 election backed nuclear energy and spending for infrastructure, even in states carried by Michael Dukakis.

Massachusetts voters rejected an effort by anti-nuclear activists to pass a referendum that would have closed the Pilgrim and Yankee Rowe nuclear power plants. Repeated energy brownouts that rolled through the state throughout the year due to electrical power shortages likely spurred the pro-nuclear vote.

The anti-nuclear Dukakis had repeatedly suggested that hydropower be purchased from Canada.

Nebraska voters also rejected an anti-nuclear effort and reaffirmed the state's participation in a five-state group responsible for dealing with nuclear waste disposal. They did so despite the fact that Nebraska is considered a principal site for a waste disposal facility.

New York voters passed a \$3 billion bond measure to improve the state's deteriorating roads and bridges, demonstrating that voters will back spending vital for a healthy economy.

Food prices expected to hit record levels

"The price of meat and poultry will lead overall food prices to record levels next year," according to the current issue of *Nu-*

trition Week newsletter, the circular of the Nutrition Institute.

The newsletter warns that "another drought or near-drought during the next three years could bring actual food shortages. The U.S. then would have to choose between supplying domestic needs to prevent major food price increases or supplying farm exports to maintain the U.S. share of world markets."

The newsletter adds, "1989 seems to be a good time to go on a diet. Consumers should plan to eat less meat and poultry."

The U.S. Department of Agriculture has consistently maintained that the drought will have a negligible impact on food prices and supply.

Court rules murder is patient's 'right'

A U.S. District Court in Rhode Island ruled on Oct. 17 that a family who asked to starve to death a 49-year-old highly disabled woman, could do so because the patient, Marcia Gray, had a federal constitutional right to control medical decisions affecting her body.

Thomas Romeo, director of Rhode Island's Department of Mental Health, Retardation, and Hospitals (MHRH), was sued by the family after refusing to starve Marcia Gray, 49, over two years ago.

Within days of the court decision, both Rhode Island Governor Edward DePrete and Attorney General James O'Neill ordered the agency overseeing the patient in the state-run General Hospital not to appeal the ruling—even though the nurses, doctors, and all were unanimous in their opposition to starve their patient.

Romeo, who was appointed by the governor, held a news conference in early November to call the governor's order to abide by the starvation ruling "tantamount to murder," and said that "unwanted patients should not be killed." Doctors and nurses, "whose whole life center around caring for patients, should not be forced to kill them."

Now, Romeo's job is in jeopardy, and the American Civil Liberties Union has demanded he be fired for refusing to abide by the "law."

Briefly

● **FREDERICK DAVIES**, the astrologer of Princess Margaret and Nancy and Ronald Reagan, has died of AIDS. Casper Baker Gary, his homosexual lover, criticized the Reagans as an "ungrateful lot" because they did not send condolences.

● **PENTAGON FRAUD** indictments have been delayed, and "government investigators say they have been surprised that few suspects have been willing to consider plea agreements with the Justice Department, even after they were confronted with evidence of possible wrongdoing," reported the Nov. 6 *New York Times*. "We're not getting as many nibbles as we expected. From what I hear, there is disappointment," one DOJ official is quoted.

● **GOES-4**, an eight-year-old weather satellite, was retired from the National Oceanic and Atmospheric Administration's fleet on Nov. 8. Using infrared and visible light instruments to track weather patterns and storm formations, GOES-4 had warned of the approach of hurricane Iwa, which hit Hawaii in November 1982. The failure to replace GOES-4 leaves NOAA with six satellites, and just one to cover both the Pacific and Atlantic coasts of the United States.

● **A CALIFORNIA** anti-AIDS referendum requiring testing of persons charged with rape and other sex crimes and with assaults on law enforcement officers was passed by state voters on election day. But Proposition 102, which would have required doctors to report those who tested positive for AIDS, was defeated.

● **A FEDERAL COURT** found that the crew of Korean Airlines Flight 007 engaged in "willful misconduct" in allowing the plane, shot down by the Soviets in September 1983, to be flown into Soviet airspace. The finding lifts the \$75,000 per person cap on airlines' liability.

Editorial

Germany under siege

Just days after the U. S. elections, commemorative services recognizing the 50-year anniversary of Hitler's *Kristallnacht* campaign against Jews, were used as the occasion to destabilize the West German government. News agencies such as the British wire service Reuters, deliberately distorted remarks made by Speaker of the Parliament Philipp Jenninger, to make it appear that he was praising Hitler. This slanted news coverage was picked up in major press outlets in Britain and the United States, and also within Germany itself.

As a result, this close friend of Chancellor Helmut Kohl has been forced to resign from his Christian Democratic-led government. This is a clear attempt to further weaken the NATO alliance, and force Germany into the Soviet camp. The camp of the appeasers moved quickly to attempt to nullify any stiffening against Soviet aggression portended by the Bush victory. The tell-tale pawprints of a combined Soviet-ADL deception operation are there. In the name of combatting mythical anti-Semitism, the leadership of the German government will be brought down.

Reuters wires purporting to report the Jenninger speech are a case study in how selective quotation, characterization, and deliberate misstatement, can be used for the purpose of a *disinformation operation*. Clearly, what Reuters objects to is the refusal by Jenninger to accept the thesis that German classical culture produced Hitlerism. Indeed he specifically points to the pernicious influence of writers such as Dostoevsky, in shaping the ideology of Hitler.

Taking Jenninger's argument out of context, Reuters outright lies in characterizations like the following, sent on Nov. 11: "Philipp Jenninger, who said Hitler had restored German pride and that many Germans had thought the Jews deserved to be put in their place. . . .

"Politicians stormed out in shame and anger when Jenninger suggested in his speech to parliament on Thursday that Hitler had been a divine gift to Germany."

Reuters then accuses Jenninger of failing to dissociate himself from Hitler's anti-Semitism, described in the speech. Thus Reuters quotes the characterization of

Hitler's views as if they were those of the speaker himself.

Jenninger was in fact characterizing the widespread anti-Semitism in Europe—particularly in Eastern Europe—and pointing to Prussia as a nation which was actively fighting against bigotry. Considering Britain's own history on the subject, this distortion of the text is particularly disgraceful.

Winston Churchill in 1935 expressed the view—quoted by Oswald Mosley in his book *A Life of Contrasts*, "It is not possible to form a just judgment of a public figure who has attained the enormous dimensions of Adolf Hitler until his life work as a whole is before us. . . . History is replete with examples of men who have risen to power by employing stern, grim and even frightful methods. . . ." Indeed a large section of the Anglo-American establishment, including the *New York Times*, were in the ranks of supporters of Hitler and Mussolini.

The *Hitler Project* was a collaborative effort of an international oligarchy whose aim was to destroy republican forces in Germany, no less than those in the rest of Europe, and Western civilization as well. This same grouping, including most emphatically the Soviet ruling circles, are attempting a replay today. Their use of the media to distort the truth is no different qualitatively than the *big lie* tactics of Joseph Goebbels which they pretend to deplore.

The Soviet and East German press has been quite virulent in their condemnation of Jenninger. This is particularly disgusting considering the poor Soviet record, since they are infamous for allowing anti-Semitism to flourish in their country to this day. This was always the case, as Jenninger pointed out. To quote from his speech:

"Prussia, for example, became the new home not only for French Huguenots, Salzburg Protestants, and Scottish Catholics, but also for many persecuted Jews. Virtually up to the point of Hitler's seizure of power, German anti-Semitism had been demonstrably restrained, when compared to the militant hatred of Jews prevailing in Eastern and Southeastern Europe."

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