

EIR

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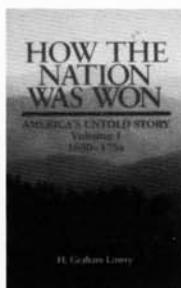
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Moscow makes food top military priority
Time for the hospice idea to die

**'Greenhouse effect' hoaxsters
seek world dictatorship**



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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The Power of Reason: 1988; An Autobiography by Lyndon H. LaRouche, Jr., \$10.00. Must reading. "I am an 'anti-establishment' figure, which is not pleasing to our establishment. Most of the controversy attached to me by the major news media and liberal factions of our two major parties is simply a desire to destroy anyone who is viewed as a serious potential threat to the current policies and interest of the establishment."

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There Are No Limits To Growth by Lyndon H. LaRouche, Jr., \$4.95.

Basic Economics for Conservative Democrats by Lyndon H. LaRouche, Jr., \$3.95.

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Modern Irregular Warfare In Defense Policy and as a Military Phenomenon by Prof. Friedrich August Frbr. von der Heydte, with a foreword by Lyndon H. LaRouche, Jr.; \$9.95. The first English translation of this indispensable manual exposing the Soviets' order of battle for world domination.

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Colonize Space. Open the Age of Reason \$9.95. The proceedings of the Kraft A. Ehricke Memorial Conference held in June 1985. Speakers included Lyndon LaRouche and Helga Zepp-LaRouche, Dr. Jonathan Tennenbaum, and Dr. Friedwardt Winterberg.

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From the Editor

Since we are now within days of the inauguration of George Bush as President of the United States, quite likely our readers will want to begin their reading of this issue with the first article in the *National* section (page 58), written by Lyndon LaRouche, on the topic, "If LaRouche goes, can the Bush administration survive?" As reports of the Bush cabinet nominees continue to reach our ears, and most comprise a battalion of holdovers from the "Nelson Rockefeller administration that never was," it becomes quite obvious that LaRouche's characterization of the incoming administration as "yahoos" is on the mark.

We consulted with the master on the true nature of all yahoos, Jonathan Swift (1667-1731). Swift—whose key role in the founding of the American republic was recently rediscovered by historian Graham Lowry—discourses on yahoos in the last voyage in *Gulliver's Travels* when Gulliver sails to the land of the Houyhnhnms. The species of "Houyhnhnms"—though in the bodily form of horses—are noble, cultured, and graceful individuals who rule the land through reason. The disgusting brutes in their land, named "yahoos," are a species with the form of humans but the character of beasts. In this land, the Houyhnhnms are the "masters," the yahoos are the beasts of burden.

Swift's Gulliver comes to see his own friends and countrymen, and the human race in general, "as they really were, yahoos in shape and disposition, only a little more civilized, and qualified with the gift of speech, but making no other use of reason than to improve and multiply those vices whereof their brethren in this country had only the share which nature allotted to them."

Of course, interwoven in Swift's narrative are the means by which reason may be deployed for a higher purpose, and likewise, we offer our own indications on how to overcome "yahooism." In addition to Mr. LaRouche's comments, the cover *Feature*, doubling for the Science & Technology section this week, debunks the myth of the "greenhouse effect" and unmasks the police-state motives of those who are peddling it (pages 24-33). In *Economics*, we counterpose a program for rebuilding the Polish economy (pages 6-10), to an exclusive report on the grave Soviet food crisis, and the military approach the Kremlin is taking to deal with it (pages 16-21).

Nora Hamerman

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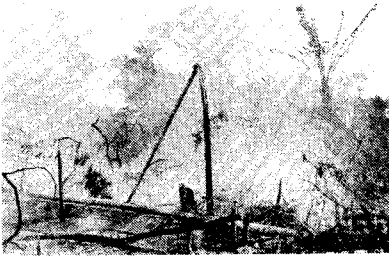
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Correction: In *EIR* of Dec. 16, 1988, page 41, we erroneously reported the date and sponsor of the film, “Harvest of Despair.” It was produced in 1983 by the Ukrainian Famine Research Committee of Toronto, Canada.

Lines are drawn on the debt crisis

by Chris White

Hearings at the House Banking Committee, under its new chairman, Henry B. Gonzalez, another prominent Texan in what Washingtonians consider the charmed inner circles of political power, drew the lines on the world debt crisis.

Interesting though the content of the hearings was, reflecting a broader, deeper factional war within the ranks of the international financial elite and its technocratic managerial layers, the line-up there presented becomes yet more significant for three reasons: First, with developments in Venezuela, Yugoslavia, and Poland in the final week of 1988, the debt crisis has been put back on the front-burner of the international situation, and also as an East-West matter; second, because the debt crisis, and how to deal with it, has been slated as the leading agenda item at the Davos, Switzerland World Executive Forum, when this outfit will meet later in January to discuss policies for the year ahead; third, because of the deepening crisis atmosphere engendered by military deployments, and terrorist extensions and surrogates for military power, in the Caribbean and Mediterranean.

Two basic lines were presented at the Gonzalez hearings on the debt. The one represented most clearly was by William Seidman, the chairman of the Federal Deposit Insurance Corporation, but echoed by Robert Clarke, the Comptroller of the Currency. It is not clear if either of these luminaries will retain their position under what is being increasingly frequently called the Bush "re-establishment." Whether they go or stay, their thinking can be assumed to represent the kind of continuity in policy that is otherwise typified by the role of Secretary of State-designate James Baker and his cronies in the doomed art of financial "crisis management." The other view was put forward most succinctly by Harvard professor Jeffrey D. Sachs, and buttressed by the testimony of former

Brazilian Finance Minister Bresser Pereira.

For the first of these two alternate views, there is no problem with the debt, full-stop. Seidman put it this way in concluding his testimony: "While large LDC [Lesser Developed Countries] debt exposure by some major banks will be with us for years to come, at this time we cannot foresee any bank failures resulting from LDC exposure alone. Thus, at this time, the LDC situation poses no discernible threat to the financial condition of the Federal Deposit Insurance Corporation."

Seidman argued that since nine banks alone hold two-thirds of the outstanding \$55 billion owed to U.S. banks, defined on the basis of the FDIC's private definition of a debtor, and since those banks have re-capitalized and built loss reserves in excess of the outstanding amount, there is no threat. Remarkable, isn't it, how some so readily deceive themselves for political expediency?

Clarke was more ambivalent, but on the same line: "LDC debt exposure of U.S. banks will continue to be a source of concern and a high priority for the Office of the Comptroller of the Currency. However, we have seen the exposure of U.S. banks to problems with their LDC loans significantly reduced over the last six years." Clarke's numbers, though, debunk Seidman's bluff assertions. "As of mid-year 1988, 181 U.S. banks reported holding \$280 billion in cross-border non-local currency claims of foreign borrowers. . . . At the same time, the aggregate primary capital of the U.S. banks with loans to troubled LDCs has doubled, from \$58 billion to \$117 billion." Though the \$280 billion exposure cannot be compared directly with the \$117 billion in capital, the numbers do show that Seidman's attitude is, let's say, colored by overly rosy spectacles.

The Citibank question

Sachs, for the opponents of the official line argues that the Treasury Department is working together with Citibank to do an end run around debtors, other banks, and U.S. taxpayers alike. Sachs denounces Treasury's failure under conditions of what he calls "misery and political instability caused by the debt crisis." "The Treasury has failed," he says, "because it put the short-term and narrow interests of a small number of U.S. banks above the interests of the U.S. banking system as a whole, and above the interests of American economic and foreign policy generally." He charged that Citibank is the ringleader of a group of four or five banks, which, "backed to the hilt" by the Treasury, have "worsened the position not only of debtor countries, but also of the majority of U.S. banks, and the U.S. taxpayer as well."

Citibank's hard line, he says, is responsible for the collapse in the average value of commercial banks' claims on LDCs. It is responsible for a back-door bailout of Citibank and its friends, facilitated by Treasury funds allocated through the World Bank, so that Mexico and Argentina can continue to make their interest payments to Citibank; it is also to blame for the hyperinflationary wreckage made of countries like Brazil, which have signed on for the Citibank-promoted, Treasury-enforced debt-for-equity and local currency conversion schemes. He shows that Brazil, by adopting this approach, has increased the costs of debt service tenfold, and generated uncontrollable hyperinflation internally. Bresser Pereira's testimony buttressed the case put forward by Sachs.

Thus, one would have to conclude that the "everything is just dandy" approach recommended by Seidman and company, is in fact the stubborn insistence that Treasury continue to be permitted to support Citibank's destructiveness, while providing taxpayers' money through especially Republican crony Barber Conable's World Bank, when the going gets rough. Sachs and Bresser Pereira are advocates of an alternate "securitization" scheme, under which a new agency would be created in either the World Bank or the International Monetary Fund, capitalized with about \$26 billion from the advanced countries, secured against Third World foreign exchange earnings, which fund would be used to buy out existing debt, discounted to market value or thereabouts, in exchange for new 20-year bonds. This package was proposed, somewhat unsuccessfully for Mexico, at the beginning of 1988, and has been implemented in Brazil.

It doesn't ameliorate the genocidal dictatorship over credit and economic policy which is murdering the LDCs and is responsible for depression in the advanced sector; it replaces Citibank's dominance with the dominance of another financial group, identified with major insurance companies and the House of Morgan. In this sense, the Gonzalez hearings provided, again, the forum for another review of the split between Morgan and Citibank that first surfaced to the public's attention more than a year ago.

The broader context was developed by C. Fred Bergsten from the bankers' Institute for International Economics.

Bergsten, a Trilateralist and former Carter administration treasury official, who warned that, with the U.S. running a minimal \$120 billion per annum deficit in current and trade accounts, the country is effectively dependent on a subsidy provided by foreign creditors, of at least \$10 billion per month; \$150-170 billion is probably closer to reality, but the point remains the same. Should that subsidy dry up, then the dollar will plunge, interest rates will soar, and internal financial and monetary arrangements will come crashing down.

Contrary to Seidman and Clarke, and therefore also contrary to the Treasury and Citibank, Bergsten is reporting that the decisions on what to do about all this will ultimately not be made in the United States. Dependent as it is on its creditors for the funds which month by month keep the country going, the U.S. is also bound by the demands which those creditors impose.

The Morgan securitization plan put forward by Sachs and supported by Bresser Pereira, is not simply a technical alternative on the debt question, it is a political proposal to bust up the financial power center which for the past period has dominated world politics. To the extent that the U.S. administration continues through the Treasury Department to back the Citibank-promoted schemes, the U.S. is heading for big political as well as financial trouble.

A line-up has already emerged on this from Ibero-America, around Carlos Andrés Pérez of Venezuela, Salinas de Gortari of Mexico, and Sarney of Brazil, now working on what's called a "debt initiative," coordinated with the European crowd that controls Michel Camdessus's operation at the IMF. Both Pérez and Camdessus are the featured speakers at the upcoming Davos Executive Forum discussion on the debt.

Political showdowns for control, at the level of world politics as such, are fought out on the issues which are actually driving in such fights. So is it now: As the debt crisis erupts again in Eastern Europe, and in Ibero-America, the military deployments are going into place under which such battles for control among the powers behind the scenes will be fought out. The military mobilization around the so-called "Libyan chemical weapons plant" is part of this, since whenever the core of international financial control is at stake, the question of oil, and its supply and price, comes surging to the fore. It was earlier Davos Forums which in 1973 and 1979 set the stage for the first Rockefeller-Kissinger coordinated Arab-Israel war and oil shock, and then for the Khomeini oil shock. Both were designed to force the world economy into austerity to save the financial system. Under the renewed international fight for control of world finances, and renewed demands by bankers for savage austerity, it may well be that the Mideast will once again be the arena in which such issues are fought out. It ought also to be borne in mind that none of the protagonists involved in this actually know what they are doing, and that therefore their games constitute the gravest threat to all—the more since Gorbachov's Russia is more than ready to pick up the pieces.

Let us rebuild Poland!

Jonathan Tennenbaum proves that Poland, using "American System" economics, can become an industrial powerhouse.

On Oct. 12, 1988 U.S. presidential candidate Lyndon H. LaRouche gave a press conference in West Berlin, in which he called on Russia's rulers to permit the United States and its allies to rebuild the devastated economy of Poland, as a precondition for Western aid in solving the Soviet Union's own dramatic food crisis. LaRouche stated:

"I shall propose the following concrete perspectives to my government. We shall say to Moscow: 'We will help you. We shall act to establish Food for Peace agreements among the international community, with the included goal that neither the people of the Soviet bloc nor the developing nations shall go hungry. In response to our good faith in doing that for you, let us do something which will set an example of what can be done to help solve the economic crisis throughout the Soviet bloc generally.' Let us say that the United States and Western Europe will cooperate to accomplish the successful rebuilding of the economy of Poland. There will be no interference in the political system of government, but only a kind of 'Marshall Plan' aid to rebuild Poland's industry and agriculture."

The key passages of LaRouche's Berlin press conference were presented to the American people in a half-hour nationwide television broadcast on Oct. 31, 1988. In that broadcast LaRouche demanded an end to U.S. administration policies of selling out the vital interests of the United States and Western civilization as a whole in exchange for a "New Yalta" deal with the Soviet empire. LaRouche's proposal for rebuilding Poland was repeated in a pre-election nationwide CBS broadcast, on Nov. 5, 1988.

The response to LaRouche's policy moves was rapid. On Oct. 14, 1988, just two days after the historic press conference in West Berlin, LaRouche and six of his associates were indicted in Alexandria, Virginia on trumped-up federal charges of tax and mail fraud conspiracy. This action was conducted by the same Soviet-linked, liberal-establishment cabal inside the U.S. Justice Department which illegally deported U.S. citizen Karl Linnas, delivering him without trial to his death in a Soviet jail, and which has acted to undermine Western defense through the infamous "Pentagon raid." This is the same crew, which moved with desperate haste to destroy LaRouche and his political movement.

An earlier attempt had failed miserably, as a Boston federal court was shown documents proving that LaRouche was

the victim of dirty tricks by a powerful group within the U.S. government itself. This time, however, Alexandria federal Judge Albert V. Bryan banned all evidence of U.S. government tampering. On Dec. 16, a jury laced with government employees delivered a "guilty on all counts" verdict against LaRouche. For his "crimes" LaRouche faces up to 65 years in jail, and probable assassination, after sentence is passed down this Jan. 27.

The Soviet news agency TASS was among the first to react to the Alexandria verdict, gloating that "neo-fascist" LaRouche is getting what he deserves!

LaRouche's proposals for restoring freedom and economic justice to Poland exemplify the reasons why LaRouche is so deeply hated by the Soviets and their Western friends inside the liberal establishment. More clearly perhaps than anywhere else, the plight of Poland today rips the mask off smiling liberal darling Mikhail Gorbachov, revealing the inhuman nature of the Soviet Empire and the rotten immorality of Western policies of Soviet appeasement.

Partitioned by Russia, Prussia, and Austria at the end of the 18th century, Poland was briefly restored following World War I, only to be dismembered by Hitler and Stalin in 1939 as part of their infamous "friendship" pact. The United States, Britain, and France stood by and watched as Russian and German troops overran the reborn nation. Nazi occupation policy was to wipe the Polish people off the face of the Earth; by the end of the war 6 million Poles had died in slave labor and concentration camps. The murder of some 4,000 Polish officers by the Russians at Katyn demonstrated, that as far as Poland was concerned, Hitler and Stalin were entirely in agreement. In 1945 the Western powers sold out Poland once again, tolerating the imposition of a Soviet puppet government, and the bloody suppression of the anti-Communist resistance movement, which cost 30,000 lives.

Under the Soviet-style "command" economy, Poland was transformed into a virtual slave-labor camp for the Russian Empire, forced to export steel, ships, and other goods to the Russians at less than the cost of production, while at the same time paying two to three times world market prices for Soviet oil and other imports. When the Polish economy collapsed in 1970, the Western nations obligingly provided billions of dollars of credits and technology, but without demanding an end to Soviet looting. Polish industry was retooled with



Western help to meet the latest requirements of the Soviet war buildup, and the Polish people left with the bill of more than \$30 billion of debt to Western banks! Since 1980, Poland has been put through wave after wave of brutal cuts in living standards, to the point where the population is on the brink of starvation. Cheated out of the fruits of its hard labor, looted, subjected to an inhuman, incompetent bureaucratic system, oppressed by its Quisling government and the omnipresent secret police, and finally deprived of the very necessities of life, the population is set to explode.

But Russian troops are poised to move in and crush the Polish nation once more, as they did to Hungary in 1956 and Czechoslovakia in 1968.

The final destruction of Poland, and of the last hopes of oppressed peoples of Eastern Europe for freedom and economic justice, need not happen. If the policies proposed by Lyndon LaRouche are adopted by the United States and the Western nations generally, Poland might enter the 21st century as a free and prosperous nation, part of that precious island of Western civilization upon which the future of billions of people around the world depends.

Poland is more than merely a symbol or test case. For historical and strategic reasons, the future of Western civilization itself is bound up with the fate of that nation and the other oppressed nations of the East bloc. By mobilizing the will and resources to liberate and rebuild those nations, the West regains its moral purpose. Conversely, failing to do so

would doom our civilization to destruction as a consequence of those "structures of sin" to which Pope John Paul II referred in his encyclical *Sollicitudo Rei Socialis*.

American System principles

The preconditions for Poland's successful reconstruction are very simple: respect for national sovereignty; an end to looting by the Soviet Union and Western creditors; a moratorium on foreign debt; granting of several tens of billions of dollars in long-term—20-year—credits for acquisition of capital equipment for modernization of agriculture, industry, and infrastructure, with first priority given to Poland's technology-starved private farms. Under these conditions, and assuming a minimum competence in organizing the recovery process, conditions in Poland could be improved dramatically within a matter of months.

The debt moratorium and halt to Soviet looting are absolutely necessary. For decades now, Poland has been subjected to a policy of "socialist primitive accumulation." Resources required to maintain the living standards of the population and its productive base, have been channeled instead to export-oriented industries in order to meet the demands of the Soviets, and now also the Western banks. The end result is a physical collapse of the economy, as is happening right now. No amount of "free market magic" or reforms of *perestroika* can stop this accelerating collapse. The bleeding of the economy must end, and urgent aid must be provided to

raise the productive base back up to the breakeven point.

The key to successful reconstruction assistance to Poland is to achieve a catalytic effect. The immediate priority is to upgrade the living standard of the population and repair the bottlenecks and weak points of the economy, where lack of an essential machine, replacement part or transport link causes entire chains of activities to break down. Assistance must range from urgent food aid to such longer-term programs as a massive upgrading of equipment in Polish scientific and industrial research laboratories. In the latter case the essential precondition—a high level of scientific excellence—is already present; mainly the acute lack of resources holds back the pace of scientific research in Poland.

The greatest immediate potential for improvement, and the most critical one for Poland's survival in the near future, is the private agriculture sector, which accounts for some three-fourths of all agricultural land and 80% of agricultural employment. Up to now, this sector has been systematically discriminated against, in favor of a progressive collectivization, transferring ownership to the state, and reducing the private farmer to a mere state employee. The vast majority of farms, still in private hands, have been denied access to necessary tractors, fertilizers, and other goods; horse-drawn plows are commonplace in the Polish landscape. In addition, the private sector has been prevented from organizing efficient distribution and marketing systems, denied necessary infrastructure improvements, and sabotaged by insane bureaucratic regulations.

The solution, in principle, is very simple: Provide the private farmer in Poland with access to the same kind of equipment used routinely on West German farms today; guarantee the right of ownership of his farm to himself and his posterity; guarantee him parity prices for his produce—prices covering the cost of production plus a generous margin for capital improvements; give him access to cheap credit as required. Under these conditions, food production in Poland could be doubled within a few years. This is no exaggeration, but a prediction based on the experience of many countries that applied similar policies, under widely varying conditions, in the past.

But much more could be achieved, if "American System" economic principles, as elaborated by Lyndon LaRouche, are applied in appropriate form to the Polish economy. These principles have nothing to do with the ruinous "free trade" policies which some misguided persons are proposing for Poland. Rather, the key is to provide the people of Poland with the means to achieve rapid technological progress, exercising those creative powers of mind which characterize man as *imago viva Dei*—the living image of God. A reconstruction plan based on LaRouche's economic principles would call for rebuilding the Polish economy on the basis of "21st-century technologies," giving the nation a head start into the era of fusion energy and the colonization of space. That means putting into practice the principles of Pope John Paul II's encyclical *Laborem Exercens*.

What might that process look like? Let us briefly take a look into the future, projecting how Poland might look, in 20 years, if LaRouche's policies were implemented.

Poland in 20 years: a vision for the future

We are in the year 2009. In Poland's industrial heartland, in Silesia, Konin, Tarnobrzeg, Warsaw, Lodz, Gdansk, and in the open-pit coal-mining regions, thick clouds of smoke and dust are no longer to be seen. Gone is the terrible pollution which once made entire regions of the country unfit for human habitation. Poland has left behind the "Age of Coal" and become a world leader in industrial applications of nuclear energy.

Coal is still mined, but instead of being burned as a fuel or exported as a cheap raw material, most of it is transformed by nuclear energy into synthetic natural gas and high quality chemical products. The hero of the story is the high-temperature reactor (HTR), the world's safest and most flexible nuclear energy system, which provides cheap electricity and industrial process heat in the range of 700-1,000° C. Originally developed in Germany and the U.S. in the 1960s and 1970s, and built up in Poland on a massive scale with Western help during the 1990s, the HTR will have benefited greatly from Poland's own advanced research into "highly energy-dense processing of materials." Synthetic fuels produced with the help of nuclear energy, including increasing amounts of hydrogen, have made Poland largely independent from foreign oil.

But by 2009, nuclear energy as we knew it back in 1989, is already becoming obsolete. Poland is involved at the forefront of perhaps the most dramatic technological revolution in human history: the transition to a world economy based on controlled nuclear fusion. Excellent work on plasma physics, done at Polish universities since the 1970s (for example S. Kaliski et al. at the Warsaw Institute of Plasma Physics and Laser Microfusion), has contributed significantly to the perfection of fusion-related technologies. These include not only fusion power plants, but also equipment using high-energy plasmas—up to hundreds of millions of degrees—to transform all kinds of materials.

The leading center of fusion technology in Poland is a city which did not even exist in the year 1989, a "science city" similar in conception to those which guaranteed Japan's leading edge in technology in the 1980s and 1990s. Named in honor of the great Polish patriot who fought in the American Revolution, Tadeusz Kosciuszko, this science city is built according to the principles of classical architecture combined with the latest technologies of mass transit and other infrastructure. Kosciuszko City is linked to Warsaw, Krakow, Katowice, Lodz, Wroclaw, and Poznan by a magnetic levitation train network operating at speeds of 500 km per hour. The new city is a polytechnical center, combining advanced scientific research with industrial applications, and is the home of hundreds of medium-sized high-technology industries which popped up like mushrooms in the fertile soil

of scientific breakthroughs and new inventions. Nearly every conceivable domain of science finds its home here, but with a certain historical emphasis on development of fusion plasma, laser, and particle beam technologies for the processing of materials. This domain unites Poland's industrial past with its future in the world's emerging fusion-based economy.

Another area of science and technology was to play a major role in Poland's renaissance: optical biophysics, the mastery of the electromagnetic organization of living processes. Already in the 1980s, some of the pioneering work was done in Polish laboratories, for example at the Copernicus University in Torun and the Military Institute for Aviation Medicine in Warsaw. Early breakthroughs led to the development of new research and medical instruments, able to "tune in" to tissues of the human body, detect disease processes and cure them with pulses of electromagnetic energy. These instruments became the basis, during the 1990s, for a vast industry, even surpassing the scale of the pharmaceutical industries of the 1980s. Poland's early emphasis on this field paid off with a leading role worldwide in development and production of these remarkable new instruments, which not incidentally turned out to be mankind's most important weapons against the holocaust of AIDS and other new diseases breaking out worldwide during 1988-95.

Young, dynamic, and fast-growing, Kosciuszko City is the apotheosis of freedom from the oppressive Soviet-style "dictatorship of the bureaucracy," whose power was broken in 1989-90. The key to success is "American System" economics, featuring the channeling of cheap and plentiful credit for establishment of new productive industries and improvements in industry and infrastructure. Productive activities evolve organically, in freedom; only certain technological priority areas and large projects, mainly in infrastructure, are decided upon, subsidized, or financed by the state. The construction of a new city embodying these principles is a turning point in the renaissance of the whole country.

The real fuel of that renaissance, however, is the spectacular modernization of agriculture carried out in little more than a decade, beginning in the early 1990s. The modernization is achieved nearly overnight, by Poland's private farmers. All that was required was to grant them full economic rights, plentiful cheap credit, parity prices, and access to the entire range of modern agricultural equipment produced in Western Europe. At first, this meant large imports of farm equipment, financed by 20-year, state-guaranteed loans issued simultaneously with the general debt moratorium of 1989. Soon, however, much of that importation was replaced by the explosive growth of Poland's own farm equipment sector, as increasing numbers among the farm population took advantage of the huge market to set up their own small and medium-sized factories, repair, and retail centers. In addition, countless consumer goods industries sprang up. This development was accelerated by import of machine tools and other machinery for light and medium industry, in such a way that the modernization of agriculture was not

constricted by the slower growth of Poland's machine tool sector.

The agricultural revolution, carried out by the farmers themselves, resulted in a most beneficial shift in the cultural and political climate of the country. Already, the availability of good food to the whole population, not merely in barely sufficient quantities but in rich abundance, was a psychological revolution. Finally the age-old burden of chronic peasant backwardness was solved, encrusted pessimism replaced by a belief in technological progress. With the plentiful supply of food and other consumer goods, the black market, with all its brutality and degradation, withered away. The corrupt bureaucracy, whose power depended upon maintaining a state of chronic scarcity in the country, gradually lost its asphyxiating grip on economic life.

Rapid improvement in infrastructure was also key to this process. The looting of the Polish economy by the Soviet Union on the one side, and the International Monetary Fund and Western creditors on the other, had reduced infrastructure to a state of total collapse during the late 1980s. Centerpoint of infrastructure reconstruction was rebuilding of the rail system on Western-gauge track, with emphasis on movement of farm equipment and materials into all major agricultural areas, as well as servicing all population centers. High-speed passenger transport, and increasing amounts of goods transport, are carried by the magnetic levitation train system. In addition, Poland completed the extension and modernization of its inland canal system (with emphasis on the Vistula), which allowed huge savings to the economy. As was proven the case throughout history, infrastructure projects of this type produce "quantum jumps" in productivity with a delay of five years.

The transportation bottleneck was also alleviated by abandoning the insane practice of moving farm produce and other intermediate goods over huge distances, when processing in the same locality where they were produced is much more effective. Thus, emphasis was shifted to organic growth of regional markets, where producers and consumers come into more direct contact, eliminating unnecessary middlemen and unproductive shuffling of goods. Transition from a coal-based to a nuclear-based economy eventually also freed Poland's infrastructure from the massive burden of moving millions of tons of low-quality material every year.

In 2009, the harbors at Gdansk, Gdynia, and Szczecin are busier than ever before, but no longer with export of coal and other raw materials. Now Poland is a major exporter of machines of all types to the developing nations of Africa, Asia, and Ibero-America. Poland's canal system has become a kind of assembly line for transforming its rich stocks of raw materials into high-quality capital goods. The shipbuilding industries have expanded their activities, producing not only ships, but floating chemical factories, desalination plants, and large components for irrigation, city-building, and other infrastructure. Poland is helping to spread its new-found prosperity to a world population of 7 billion persons!

But perhaps the most brilliant and lasting achievement will have been the fundamental breakthroughs in science, made by several Nobel Prize-winning Polish scientists at the beginning of the 21st century. These included a remarkable discovery concerning matter/anti-matter reactions, which provided the key to new propulsion systems for manned exploration of the Solar System beyond Mars.

The discovery recalled two grand traditions of Polish science—the creation of the theory of radioactivity through the work of Marie Skłodowska-Curie, and curiously enough, in the area of pure mathematics, the famous Warsaw/Lwow schools of topology and the theory of functions (Sierpinski, Kuratowski, Banach, Borsuk, Steinhaus, Mazur). This pure mathematics school derived directly from the work of the greatest 19th-century mathematicians Bernhard Riemann and Georg Cantor, on the construction of functions having everywhere dense singularities. The physical significance of these constructions had been lost sight of until Lyndon LaRouche helped put mathematics back on the track, nearly a century later. LaRouche predicted in 1988, on the basis of his own work on physical economy, that the internal geometry of the atomic nucleus must be a Riemann-Beltrami function of negative curvature. Finally, at the turn of the century, Polish physicists confirmed that hypothesis with a series of crucial experiments which opened up an energy source beyond mankind's wildest dreams—and with that, a pathway to the stars!

Laborem Exercens

What we have just sketched is no mere science fiction, but an eminently possible development, if the political preconditions are achieved over the coming years. This or that detail may turn out differently; nevertheless, the science of physical economics prescribes that if Poland is to have a future in the 21st century, this future will assuredly lie in the direction we have indicated.

Take an example. Leaving aside the chronic logistical mismanagement plaguing Poland's industry today, the fact remains that an economy based upon massive use of coal as a fuel is intrinsically inefficient, relative to the world levels required today and in the coming century. The reason for this, as LaRouche demonstrates in more detail in the science of physical economy, is that the energy-flux density of coal power is between 5 and 100 times less than nuclear energy. Related to this, a coal-fired power plant consumes 75,000 times more fuel, in weight, than a nuclear power plant of the same electric output!

Nuclear energy is necessary, not only because it is more efficient, but also because it is the precondition for maintaining a high rate of technological progress, presently denied the nations of Eastern Europe. It is the achievement of high rates of technological progress—not merely large tonnages of production per se, as in the bureaucratic system—which is the goal of economic policy.

Poland's wealth does not lie in its rich reserves of coal and other raw materials, however useful these might be, but

rather in its people and above all in their creative powers of mind. They were meant by God not to be slaves to an evil empire, but to be, in the deepest sense, scientists: to master the lawful composition of the universe, and to exercise increasing domination, through scientific and technological progress, over the forces of nature.

This conception, laid out so beautifully in the encyclical *Laborem Exercens*, is already deeply embedded in Polish history, and underlined by the many Poles who at various times have joined the ranks of the world's leading scientists. It was embodied in the 1773 "Commission for National Education"—the first public education ministry in the history of Europe. And it is alive in the scientific excellence in Poland today, despite many hardships, and in the aspirations of the population for a brighter future.

The conception of Poland's future which the author has presented here, might seem a far-away dream when compared to the harsh realities of Polish life today. But, only the highest ideals define what is truly worth fighting for. If mere pragmatic politics are followed, trying to win small concessions from day to day, Poland will not be saved.

For example, there is much discussion, inside and outside Poland, of the necessity of establishing a so-called "Western-style free market" in the country. Were this to occur without a debt moratorium and an end to the looting of Poland's economy by the Soviets and Western creditors, the result would not be much different than if Poland continued under its present economic system.

The simple truth is, that the "free market" policies associated with the IMF, the "Europe 1992" plan, and GATT are as bad as the Soviet system and ultimately have the same authors. Under the "New Yalta" agreements between the Soviet leadership and leading Western financier interests, Poland is targeted for total destruction by *both sides*. Poland is getting the "Third World treatment," like the scores of nations in Africa and Ibero-America, which are presently being driven into extinction by the so-called "magic of the free market"!

In Hell, an "improvement" means a more efficient method of torture. This is the nature of Gorbachov's *perestroika* and the most other supposedly Western-style "reforms" being peddled nowadays in the international arena. If you wish to escape torture, you have to get out of Hell.

The alternative to the bankrupt Soviet-style bureaucratic system in Poland is not liberal free trade policies, but the package of "American System" economic reforms proposed by Lyndon H. LaRouche. The Soviets and their Western "Trust" friends know this is the only viable alternative, and that is why they are so anxious to remove LaRouche from the scene.

The Satanic system gripping Poland and the other captive nations of Eastern Europe cannot last very much longer. It is rapidly destroying itself. The only question is, whether it will take the human race with it. That is the problem LaRouche addressed in his historic press conference in Berlin.

The commerce chief and the Soviet KGB

by Scott Thompson

A document published by the U.S. State Department that is based upon a classified CIA study, "Intelligence Collection in the U.S.S.R. Chamber of Commerce and Industry," shows that Commerce Secretary William Verity has the distinction of sharing a position on the board of a private organization with a lieutenant general in the KGB. The private institution is the American corresponding body of the Soviet Chamber of Commerce, the U.S.-U.S.S.R. Trade and Economic Council (USTEC), which was ostensibly founded in 1973 to ease expanded trade and credits to the Soviet Union during "Détente I." Not only has Verity lent quasi-official support to USTEC by remaining its "honorary director" while serving as Commerce secretary, but Verity was the U.S. co-chairman of USTEC immediately before attaining that post in the Reagan administration.

While the question of Verity's relationship with USTEC was raised at his confirmation hearings in Fall 1987, evidence regarding USTEC's central role in KGB and GRU technological espionage and disinformation was systematically excluded from the hearings.

The publicly distributed State Department document gives official support to the view that the Soviets have transformed USTEC into a front for high-level espionage. Referring to the Soviet Chamber of Commerce, the report says: "Of the chamber's known staff of 140, about a third are KGB officers. The chamber also maintains ties to the GRU." The Chamber's leading representative in the United States, according to the State Department report, works out of the New York office of USTEC, where he establishes an array of contacts with "U.S. businessmen who need information or procedural assistance on trade matters." The State Department report proceeds to note that the Chamber's staff has been caught repeatedly in cases of technological espionage.

The KGB connection to the Soviet Chamber, according to the State Department report, is overwhelming: 1) "KGB staff officers fill about half of the senior management slots in the Chamber's apparatus and thus are in a position to have considerable policymaking authority"; 2) "Some of these senior managers have had extensive experience in clandestine operations"; and, 3) "KGB officers are found in almost every Chamber component."

Perhaps the highest ranking KGB agent in the Soviet Chamber is Lt. Gen. Yevgeniy Petrovich Pitovranov, who was promoted to first deputy chairman of the Chamber in 1972. Pitovranov is also one of 30 Soviet board members in

USTEC, who regularly attended meetings when Verity was chairman of the organization. Pitovranov is a senior member of the KGB, whose career was shaped by Lavrenti Beria. According to the State Department report, "After the post-Stalin regime released him, Pitovranov served as Deputy High Commissioner in Berlin (1953-54), KGB resident in the embassies in Berlin (1955-58) and Beijing (1959-61), and head of the KGB Training School (1962-64)." After advanced political training at the Soviet Communist Party's Higher Party School, Pitovranov joined the Soviet Chamber. USTEC refuses to reveal when Pitovranov joined its board, but it is believed to have been some time ago. Nor is Pitovranov the only suspected Soviet intelligence operative functioning with USTEC.

According to Joseph Finger, writing in *Red Carpet*, there had originally been a Soviet guarantee that it would not use USTEC for espionage purposes. However, when the U.S. intelligence community placed a counterintelligence officer on USTEC's staff to make certain that the Soviets would keep this agreement, then-Treasury Secretary George Shultz, who had personally launched USTEC during the 1973 Moscow summit, exposed the U.S. agent to the officers of USTEC, and he was fired. Since that time, Finger asserts, the KGB and GRU riddled the staff of USTEC.

This direct penetration of USTEC by the KGB and GRU took place even though some of the leading Western Soviet agents-of-influence had taken part in its founding. Among these is Occidental Petroleum chairman Dr. Armand Hammer, whose father had been a co-founder of the Communist Party, U.S.A. State Department Archives documents report that Hammer worked directly for the predecessors of the KGB when he traveled to Russia in the 1920s, when Lenin assigned Cheka founder Felix Dzerzhinsky to support Hammer's business dealings. State Department documents say that Hammer's first wife, a Russian, was a GPU agent whom Hammer assisted in relocating to the United States.

When *EIR* confronted Commerce Secretary Verity on the Pitovranov question, Verity responded through a spokesman that he saw "no conflict" in sharing the board of USTEC with a KGB general, when he was a Cabinet official in the Reagan administration. Verity explained that as he was only an "honorary director," he played no active role in USTEC, although he admitted that USTEC used his name to promote its activities. Verity claimed ignorance of the State Department/CIA study, and asserted that he had never been warned of Pitovranov by anyone in the intelligence community. Nor, Verity claimed, had he ever volunteered information to U.S. intelligence agencies on the activities of the Soviet agents in USTEC. When a follow-up question was placed to the Commerce secretary as to whether, now that *EIR* has briefed him on a potential major indiscretion, he would resign as an "honorary director" of USTEC, Verity's spokesman said he would raise the issue with Verity, but begged: "Why don't you wait until after Jan. 20 before making a public issue out of this?"

After 10 years in the U.S., the hospice idea deserves to die

by Linda Everett and Nancy Spannaus

With all the talk of budget cuts looming for the Bush administration, there is little question but that the program of hospice care will be getting even more of a boost. "Hospices" are kinder and gentler death camps, where sick people go to die, or, alternately, a program of home care based on the idea that sick people will get no lifesaving treatment, and simply be prepared for their deaths.

The National Hospice Organization, which coordinates this growth business, is now celebrating its tenth anniversary in the United States. It has become an accepted part of "health care," due to the fact that it coheres with the increasingly dominant, popular belief that human life is not worth even ordinary efforts to save. In a world in which entire continents such as Africa, or entire populations such as those with AIDS, are simply being left to die, establishing a "health" program characterized by people committing themselves not to get health care, fits right in.

Hospices have powerful backers in the United States. After their philosophical rationale was established by the opinion-makers in Ivy League universities, they were promoted by the Kennedy political machine. Even more importantly, the major insurance companies in the United States—Blue Cross and Blue Shield—picked up the cause because it allowed them to cut costs. Gradually, the definition of people qualifying for hospice care has expanded, and it will expand even more under the austerity conditions ahead, unless there are radical changes in the values we hold.

One may ask, how such a virulently anti-American idea could have taken off during the "pro-life" Reagan years? The review of the spread of this death cult should help answer both that question, and begin to show us how it could be stopped.

The child of Yale

The grandfather of the U.S. hospice movement is none other than the home of Skull and Bones, Yale University. It may be important that Yale is located in Connecticut, the heart of the insurance industry in this country. It was definitely important that Yale was a leading center for "death studies," which began to spread throughout the U.S. simul-

taneously with the malthusian Club of Rome ideology.

Throughout the 1960s, Yale played the host to several visits by the British founder of the hospice movement, Dr. Cicely Saunders. Saunders began her career in death at St. Joseph's Hospice in London, where she was involved in experimenting with the control of pain in cancer patients, through use of a "cocktail" of heroin, cocaine, and gin. She then founded St. Christopher's Hospice in England in 1967, from which she launched an international propaganda campaign for her idea.

The group at Yale which coalesced around the hospice idea included: Yale Divinity School professor Rev. Edward F. Dobihal, Jr., Director of Religious Ministries at the Yale-New Haven Hospital; his wife Shirley Dobihal, R.N.; Florence S. Ward, then Dean of Nursing at Yale University; Dr. Ira Goldenberg, Professor of Surgery at Yale; and pediatrician Dr. Morris Wassel.

In 1971, they established Hospice, Inc., with Dobihal as president. Members of the group visited Saunders' St. Christopher's in 1972, and Saunders was responsible for providing the group with its first medical director in 1973. St. Christopher's physician Dr. Sylvia Lack immediately went to work to get government funding for the program, and by 1974 the National Cancer Institute had awarded a \$790,000, three-year contract to Hospice, Inc. as the first formally organized hospice in the United States.

Enter the government

Credit for putting the full backing of the government behind the hospice movement must go to Jimmy Carter's Secretary for Health, Education, and Welfare Joseph Califano. Califano first facilitated the grant of \$1 million to the Connecticut hospice facility. Then, during 1977 and 1978, the National Cancer Institute awarded three-year demonstration projects totaling \$4.9 million to three experimental hospices, with the proviso that they be free-standing institutions, so they would not be "swallowed up by busy, life-prolonging, high-technology hospital routines." They were Hillhaven Hospice of Tucson, Arizona; Riverside Hospice of Boonton, New Jersey, and Kaiser Permanente of Norwalk, California.

In May 1978, HEW Secretary Califano responded to a request by Senators Ted Kennedy (D-Mass.) and Robert Dole (R-Kans.) to issue a call for a Hospice Task Force. Three months later, Califano, Kennedy, and Dole teamed up with a Blue Cross-Blue Shield representative and luminaries from the international hospice movement to mobilize for the first annual conference of the National Hospice Organization (NHO) in Washington, D.C.

That founding conference brought together over 1,200 participants in October of 1978. Califano was one of the leading stars of the conference, since he took the occasion to announce a large federally funded demonstration project, which would determine whether the federal government would support hospices. Twenty-six existing hospices in 14 states were chosen.

The next step was to work on the government for provision of funds to the largely privately funded hospice movement. The NHO set up a National Hospice Education Project (NHEP), which would lobby for getting Medicare coverage. The NHEP drafted legislation for Medicare coverage of hospice, with the argument that one day of hospice care costs only 20-25% of daily hospital care. The bill, co-sponsored by Senator Dole and Rep. Leon Panetta of California, passed in 1982.

Cost-effectiveness or cheap death

When interviewed, many leaders of hospice organizations will readily admit that they sell their idea on the basis of saving money. "For all our concern about humanitarian caregiving for dying patients . . . the bottom line of financial feasibility still looms," said Austin Kutscher, president of the Foundation for Thanatology. "On the balance sheet, presumed cost-effectiveness has been a most valuable ally of the hospice concept of patient care."

Dr. Josefina Magno, the head of the National Hospice Organization from 1980 to 1982, put it this way. "Hospice," she said, "would reduce costs because you don't do laboratory tests, and automatically you know you are going to remove a big part of the hospital bill. In a hospital, every time you admit a patient, you know the physician has to prescribe all kinds of tests. For the hospice patient, you don't need any of those work-ups. There are no life-saving procedures, so automatically you cut costs. It's intensive cost containment just from common sense alone."

It is not surprising to find Carl J. Schramm, president of the Insurance Association of America, on the board of directors of the National Hospice Organization.

Between 1981 and 1983, Blue Cross-Blue Shield conducted studies on the treatment of cancer patients over age 65 in hospices and traditional care settings. The hospice treatment had a relative savings of 39% over the regular care for the last eight weeks of life. The "savings" rose to 45% in the last four weeks, and to 50% in the last two weeks of life.

These "savings" are not surprising, because the whole

purpose of hospice is to eliminate medical intervention that saves the person's life. One means by which this is achieved is by mandating that 80% of the hospice care be given in the home, where high-technology medical care is not available.

As a physician from St. Joseph's Hospice in England once explained:

"When an ulcerated artery begins hemorrhaging, the patient is not given transfusions. . . . Instead he is covered with a blanket so he won't be frightened at the sight of his own blood and he is administered a sedative while someone sits close and holds his hand."

'New Age' barbarism

The whole hospice movement is based on a "New Age" version of malthusianism, where the sanctity of life as a tenet of Judeo-Christian civilization is replaced with a notion of living within the limits of "nature" *as that is defined by the pro-death lobby at the time*. Forget all the gobbledygook about "living until you die"—the real aim here is to get you to end the fight for life at the point the patient's life is deemed no longer worth living. After all, you are told, you're going to die soon anyway—so concentrate on the "quality of life, not the quantity." Couldn't you just hear a struggling, exhausted mother in Bangladesh, overwhelmed with disease and hunger brought on by the recent flooding (which could have been prevented), saying to her starving children, "Now, dears, let's concentrate on the quality of our remaining days together, because we surely don't have many of them left"?

The pro-death crowd first decided life-sustaining treatment should end when a patient is diagnosed with a "terminal" illness. Then they expanded what it meant to be "terminal." Years ago, that meant a patient had just weeks to live. But as our capacity to save people increased, the diagnosis of terminal was expanded to mean those having a life expectancy of six months or less. Now, applied to AIDS victims who have numerous dire medical crises but who, with medical intervention, can live months, maybe years more (perhaps until a cure is found)—"terminal" may mean death within a year.

For victims of Alzheimer's disease, although they can live for 10 years with proper medical attention, the usual prognosis given is "terminal." In each case, once the patient is labeled "terminal," various court decisions and state laws say the patient, or his family for him, can exercise the "right to die" option, refuse medical intervention, and "let nature take its course." Several hospices, the Hospice of Northern Virginia among them, now admit patients with a life expectancy of a year (originally it was six months). So, society, properly manipulated, has accepted "natural death."

But, with a little more brainwashing, will society also choose the next proposal on the agenda, ending medical treatment for all those who reach their "natural" age limit of 60 years? Some policymakers concerned with immediate cost containment, say rationing of dialysis and heart operations

must begin—as in England—at age 50. Today, the people who led the campaign for your right to a “natural death” are the same policymakers who propose to “save” resources, reduce the population, and stay within the *new* limits of “nature” (actually, the new limits of their austerity budget), by killing off the elderly.

All illness serves a function

Elisabeth Kübler-Ross, one of the earliest founders of hospice in the U.S., used cancer patients to kick off her “death and dying” movement, to serve as a basis for psychological profiling of medical students. It was a bit kinky, but she essentially reoriented the basic psychological problems of life (for which these patients received little or no help) and claimed they were all death-related.

All this served to mask her malthusian program and cynical hatred of modern medical science. As she stated in a 1980 *Playboy* interview, “What people don’t understand is that it would be the greatest tragedy to do away with cancer. Just visualize what it would be like if all malignancies were eradicated. People would live up to 100, 130, and all of them would have strokes. Every house would be full of paralyzed, incontinent old people unable to speak.”

“Don’t you think they would be better off having cancer, which helps them to make the transition” from life to death to reincarnation, she says “within a reasonable time?” Like Thomas Malthus before her, she proclaims, “All illness fulfills a function.” Behind her “unconditional love” facade, Kübler-Ross reduces man, made in the image of the Creator, to a pawn of nature.

Such cultural pessimism, along with her creed that “dying can be the most beautiful experience of life,” has been suspected of contributing to the increase in teenage suicide in schools where death and dying classes were taught. Students would “face” the reality of death with undertakers describing the embalming process, while other students got to write their epitaphs. Then a few committed suicide.

From her earliest days, Kübler-Ross hawked a sugar-coated “compassion” for only those patients who agreed to forego all life-saving interventions. In 1972, she complained to the U.S. Senate Committee on Aging that nurses were not sensitive to patients’ needs because of long work hours. Instead of fighting for better services and more nurses (which we desperately need today), Kübler-Ross “sensitized” the medical and nursing schools, 96% of which today include programs on death education using her deceptive approach.

In one curriculum developed for 60 medical schools throughout the United States in 1972, students were subjected to group dynamics and psychological manipulation to undermine their commitment to life-saving technologies, which are portrayed as emotionally damaging to the terminally ill. During the three-day course, students are immersed in the perspective of patients suffering from incurable illnesses. To keep the environment totally controlled, recover-



A hospice in McKeesport, Pennsylvania: “kinder and gentler” death camps, when society decides it is no longer interested in healing the sick.

Chris Lewis

ing patients or those determined to beat their illness were barred from participating. The seminar begins with a gory film, entitled “Dead Man,” that is a photographic essay of a male corpse lying on a morgue table. It ends with an upbeat film on St. Christopher’s Hospice—that is presented as a humane alternative.

Feeding patients drains relatives

A key member of NHO’s National Board Ethics Committee is Father John Paris, S.J., a teacher of “ethics” at Holy Cross College, Worcester, Massachusetts. Compassion for patients or your “choosing” to die are not big issues with Father John. In the major U.S. euthanasia court case which he has been involved in, his “ethics,” like those of major health insurers, are rooted in what it costs to keep alive elderly, brain-damaged, or unconscious patients.

In a 1981 interview, Paris ranted about the “insanity” of keeping coma patients alive, it was “a waste of scarce medical resources.” Feeding such patients, he said, “drained relatives’ emotions, consuming time and resources of medical facilities and straining private and public finances. Insurance companies like Blue Cross pay the bills but pass the cost onto other subscribers.” The Clarence Herbert starvation case is equally compelling.

And last year, Boston Children’s Hospital elected to kill, by refusing to treat or hospitalize, a two-year-old girl whose chronic pulmonary condition required a ventilator several times throughout the year. When the hospital refused treatment, and lied to the mother that no other hospital would take

the child, Paris raved, "Thank God, at least someone had the courage to say *no*." (Ironically, the child did not die.) "Even if this child might die," Paris said, "we can't pull all our resources to bear for that child. This is a child who's profoundly brain damaged." He stated death is not the enemy, then asked, "More importantly, who's going to pay for all of this?"

Dying is really healing!

Despite her ostensible opposition to giving active death help, Kübler-Ross taught thousands that if you "provide the correct loving environment for a sick or dying person, there will be no question when it's time to pull the plug." Now hundreds of her devotees at hospices like the Shanti AIDS Hospice Projects in California and other states, "practice" what she taught.

To serve 80% of the AIDS victims in San Francisco in 1985, volunteers went through "Death Personalization" sessions where they looked death in the eye, role-played their own death or a friend's from AIDS, and used "transcendental meditation" to "send love and forgiveness" to their illness to accept it.

One volunteer, Marty James, like Kübler-Ross, was also affected greatly by his mother's difficult death, and went on to become the executive director of the Los Angeles chapter of Shanti. Today, James, a former heroin addict, is being investigated for murdering several clients.

He admits to administering a massive overdose of pills to one client, a victim of AIDS, allegedly at the client's request, while James and the patient's roommate sipped champagne on New Year's Eve in 1983. Because the patient was still alive the next morning, his "deliverers" put a plastic trash bag over his head to finish him off. James also says he "delivered" at least six other AIDS victims as well.

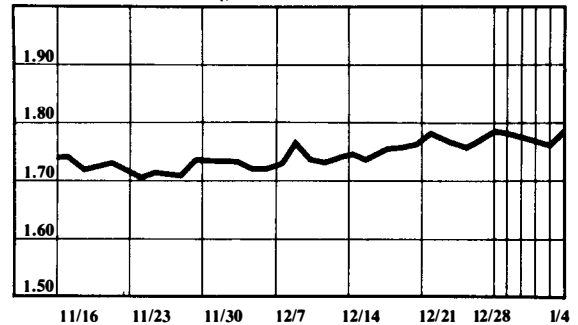
About these extermination services, James says, "There are hundreds of us across America." And indeed there are, each preying upon patients according to their personal idea of "helping" them. Whether those devoted to hospice "approve" of it or not, it is quite lawful that this monster was unleashed as a direct result of their eliminating the fight for life, the fight to cure terminal illness, and the fight to overcome chronic debilitating disorders with the best science has to offer.

Sadly, those devoted to hospice, believing that whether people have a right to kill themselves is a personal decision, have taken the nation out of that fight as well. Perhaps they do not understand that at the very center of each incredible medical breakthrough, there is true respect for those ordinary, everyday people, who have become a part of history by helping create new medical frontiers. What these patients offered was their fight against their disease. That, too, can be a personal issue, but one that touches every one of us; and one upon which many future lives and the advancement of our society depend.

Currency Rates

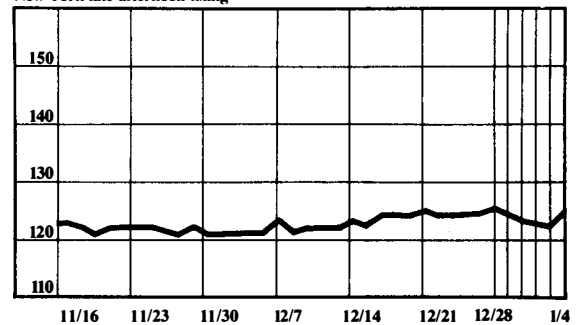
The dollar in deutschemarks

New York late afternoon fixing



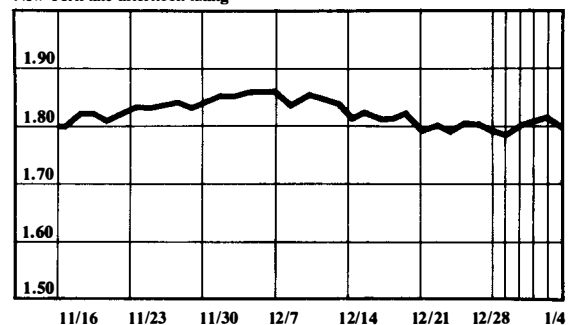
The dollar in yen

New York late afternoon fixing



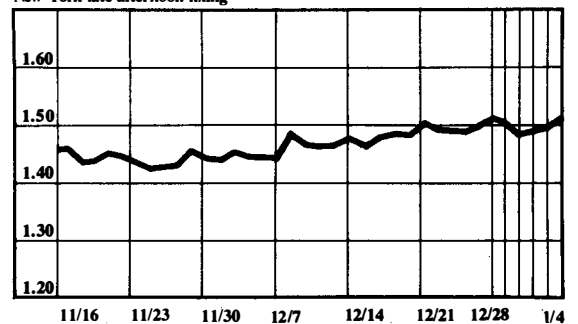
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



Moscow mobilizes all options to guarantee food supplies

by Konstantin George

The array of policies adopted during 1988 by the Soviet leadership in light of the global food crisis is based on the assumption that the West could at any time shut down, or be forced to shut down, the flow of food. The Kremlin is acting now on the dictum of "import all you can now, while you still can import." These preparations include plans to seize by military means, areas designated by Moscow as "food surplus." The expansion of the Soviet food sector, by any and all means, has become *military* priority number one.

From July 1988 to February 1989, two of the four Soviet Central Committee Plenums held, or scheduled, will have had the food supply crisis as their sole agenda item.

During the 1980s, all resources were directed into implementing the Ogarkov War Plan guiding the Soviet military buildup. This was done at a price of among other things, total neglect of agriculture, with devastating effects. Not only was no investment committed to increasing agricultural productivity, but virtually nothing was done to solve enormous post-harvest waste caused by staggering deficits in storage, transport, and a hopelessly backward food processing industry.

Until 1986, the neglect was considered affordable, given the assured ability of importing food on a large scale, financed by Soviet oil and gas exports. Furthermore, until a crash program was instituted to modernize and expand storage, transport, and food processing, in reality it hardly mattered whether agricultural productivity was increased. The following figures tell us why.

Every year, by Moscow's own admission, 25% of the Soviet grain harvest is lost because of inadequate storage, transport, and food processing. The wastage figure for meat and dairy products is as high as 40%, as the Soviet media admitted during the autumn of 1988. The higher the grain harvest, the higher the waste, because the storage and transport gap rises accordingly. Thus, a 200 million ton grain harvest, while miserable, means "only" a 25% loss, and thus ensures 150 million tons of grain reaching consumers. A "bumper crop" of say, 240 million tons, raises the wastage to over 30%, or about one-third the crop, with a net result of a mere 160-165 million tons.

As these examples show, as long as oil prices were high

and Western grain surpluses existed, it was much cheaper for Moscow to ignore Soviet agriculture, focus on the pure military side of the Ogarkov War Plan, and import to cover the food deficit. The post-1986 collapse of world oil prices, and with it a collapse of Soviet export earnings effected the first change in policy.

Dramatic shifts

In response to the global food crisis, the following new policies first begin to appear, in germ form, when Gorbachov came to power in 1985, and have expanded ever since:

1) An annual level of grain imports to ensure a continually increasing total of grain available in the Soviet Union, i.e., grain harvested plus imports. This annual increment in grain has not produced any increase in consumption by Soviet citizens. Quite the contrary, grain-based food products, along with almost all other types of food, have been in increasingly short supply, indeed in record shortages throughout 1988. This indicates that under perestroika, military-directed grain stockpiling has risen considerably.

2) A dramatic shift, starting in 1987, to accord priority to modernizing machinery in the agricultural machinery building sector. A Soviet crash program to modernize the stock of agricultural machinery was instituted. In 1985, only 1.7% of Soviet agricultural machine building equipment was new; in 1986, only 1.9%. Through 1986, agricultural machine building equipment was the lowest priority in the nine sectors of the Soviet machine building industry. Then, in 1987, the figure skyrocketed to 12% and has been climbing ever since.

3) Also beginning in 1987, was a crash program to modernize the storage, transport, and food processing industry. Every public statement by every Soviet leader has underscored this, beginning in the autumn of 1987. Some examples:

Gorbachov, Oct. 17, 1987, addressing a meeting of the food processing industry:

Modernization of the food processing industry is now the most urgent task for reducing food supply problems. It is necessary to outline a program to elim-

inate technological backwardness in the food industry; otherwise we will continue to suffer enormous losses. No real progress in agriculture is possible without improvements in the storage, transportation, and processing of farm produce.

More recently, Nov. 1, 1988, Politburo member Yegor Ligachov, assigned at the Sept. 30 CC Plenum to oversee agriculture, speaking at a Moscow meat industry enterprise:

The quickest way to resolve the food supply problem is the large-scale development of food processing industries, the creation of a modern transportation system, and the improvement of facilities for storing agricultural produce.

This is what the current autumn and winter mass flow of Western credits to Russia to modernize the Soviet food industry is all about. The credits will subsidize a Soviet crash program to modernize and expand this sector over the next two years, and by so doing, attempt to eliminate enough waste in the food chain, so as to yield an automatic 20% increase in available food.

4) Putting the food sector as the top priority for state investment. The scale of this was underscored on Nov. 4, 1988 in a domestic Radio Moscow statement by Fikryat Tabayev, First Deputy Prime Minister of the Russian Republic. Tabayev disclosed that in the 1989 State Economic Plan, one-third of all investments in the Russian Republic, which accounts for over 60% of all Soviet investment, will be in the food sector.

5) The beginning, this year, of a program where peasants will be able to lease land from the state, and after selling a fixed amount of what they produce on the leased land to the state, sell the rest for their own gain. While Soviet expectations for this program will certainly not be met, given the enormous apathy of the Russian peasantry, it will yield some increased productivity, as test cases from 1988 have demonstrated, and, in any case, all production increases will have been effected without increased investments.

6) A dramatic shift this year in the composition of Soviet grain imports; at least half of all grain imported will be feed grain. This points to an objective of increasing the size of livestock herds; and linked to the planned expansion of the food industry, greatly increased production of canned and other durable meat and dairy products, such as milk powder.

Mikhail Gorbachov himself stressed the twin focus on feed grain and leasing in a Nov. 15 speech in the Russian city of Orel, in the southern Russia farm belt. In 1988, a pilot project of leasing land to peasants and increased feed grain allocations for dairy herds was launched in the Orel region. Gorbachov reported that the program had raised milk production in this region from a pitiful average of 2,300 kg per head per year—far below the Soviet average—to 3,600 kg per head, or well above the Soviet average.

7) Enforced regional “self-sufficiency” in Muslim Soviet Central Asia. One example of many: *Pravda*, on Aug. 26, 1987, denounced Kazakhstan and the four Central Asian Republics for “producing only 30% of their canned fruit and vegetable requirements,” and “importing the rest” from other Soviet republics. The message was clear: Any excess amount of canned fruit and vegetables from the European part of the U.S.S.R. and the Transcaucasus no longer go to Central Asia, but to stockpiling.

8) A heavy increase in food taken from Eastern Europe. Polish food exports to Russia went up dramatically in 1987, and again in 1988, including large amounts of frozen vegetables and fruit, which one assumes are being stockpiled, as they are rarely to be found in Soviet shops. Poland also exports food to the West to service its debt. The number-two export of hungry Poland, after coal, is food.

In 1988, Hungary became a major wheat supplier to Moscow, exporting a record 3 million tons, double the normal quota shipped to Moscow. Under the Soviet-Czech 1988 Trade protocol, Czechoslovakia is mandated to increase its exports “especially of tractors and agricultural machinery.” Romania lives on a starvation diet, while serving as a major exporter of food, including meat to Russia. In 1986, according to Soviet foreign trade statistics, 26% of all Soviet meat imports came from Romania.

The old monetary system is dead. Put it in the closet, and open the closet to horrify children on Halloween. The question is, how do we build the new monetary system?

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The cultural inferiority behind Russia's food crisis

by William Engdahl

The most important new element in this year's Soviet demand for Western grains is the astonishing increase in purchase of Western soybeans and high-protein feed grains for animals.

The "secret" of modern Western agriculture productivity in animal production is scientific mixing of feed with varying amounts of high-protein soymeal, fishmeal, skim milk powder, and such grain substitutes, to optimize the conversion of plant energy into animal product—dairy or meat. Of all such "grain substitutes," soybeans are far the most effective and efficient. At least an important element of the current Soviet leadership has grasped this fact.

Gorbachov's reported fascination with American grain cartel chief Dwayne Andreas is linked to repeated discussions some years ago when Gorbachov was responsible for Russian agriculture policy. Andreas, head of Archer-Daniels-Midland-Toepfer, convinced the Russian official of the value of high-protein animal feed to improve efficiency of Russian livestock production, hence meat supply to the Russian population. ADM-Toepfer is one of the most important exporters of soybeans.

The Russian meat production crisis

In recent published speeches, Gorbachov has reaffirmed that the priority for Russian agriculture program goals is to "improve meat supplies at any cost." This policy is reflected in recent reports of Western grain purchases. According to the agriculture weekly *Oilworld* of Hamburg, Moscow is currently buying soybeans and processed soymeal from the West at an alarming rate 50% higher than the rate last year.

Total import of soybeans is estimated by *Oilworld* to be 3.45 million tons for the season ending September 1988, but informed soybean trade insiders in Vienna say this will more likely exceed 4 million tons. By contrast, two years ago the soybean import was between 1 to 1.5 million tons a year. And the actual amount could likely go far higher, as there are

no official disclosure rules in South America, and U.S. grain companies circumvent U.S. disclosure law by exporting to "destination unknown." The USDA allows companies to list "destination unknown" as a way to hide large Russian deals, but traders in the business know quite well such large volumes can only be to Russia. For example, traders report that in only two days in November, Nov. 1 and Nov. 4, Moscow bought 1.57 million tons of soybeans and processed soymeal, but only 1.2 million tons was officially admitted to be for Russia.

According to Western agronomists who have had direct on-site experience inside the U.S.S.R. in the recent period, as well as economists in Scandinavia, West Germany, the U.K., and Austria familiar with the nature of the problem in Russian food production, the following stark picture can be outlined.

Why there is no meat in Moscow shops

Russian meat production efficiency is in an abysmally low state and getting dramatically worse. Some examples suffice to indicate the problem. First, the quality of animal feed input is extremely low, resulting in severe "waste" of caloric input in comparison with Western standards. According to 1988 research conducted by Prof. Philipp Kellner of the Justus v. Liebig University in West Germany, the inefficiency of animal production is "*the* chronic and most serious problem" in Russian agriculture. While the animal sector (cattle, pigs, sheep, poultry) produces an official 55% of gross product of the agriculture sector, it employs 88% of all arable land and over 70% of labor input of agriculture in the U.S.S.R. The central problem is the horrible inefficiency of Russian animal feeding practices.

Russian farmers "over-feed" their animals an average of 39% in order to produce a kilo of meat or dairy product. This is dramatic when compared with scientific feeding practices

in the Western European farming, where, for example, in West Germany, 0.9% waste of feed is average. The problem is, above all, a "protein gap," as Kellner and others describe it. As American and European agronomists discovered decades ago, changing the protein content of animal feed is the "secret" to obtaining more meat from less feed.

Cultural inferiority

What does the Russian "protein gap" involve and why can it not be solved by simply importing a few million more tons of Western soybean protein concentrate?

Despite considerable efforts in recent years to breed better quality herds through selective breeding and import of better breeds of cattle, the productivity of Russian cattle-breeding remains abysmally low. According to a recent study by the Vienna Institute for International Bankruptcy Proceedings, it requires at least double the amount of feed input in Russia to yield a kilogram of beef compared to Western Europe. Thus, it requires between 10-12 kg "grain units" per kilogram of beef compared with some 5 kg in the Federal Republic of Germany or Denmark to yield a kilogram of "meat." And the quality of that meat by Western European or U.S. standards is abominable.

The reasons for this low conversion efficiency are the very poor general quality of Russian grain varieties, the very low extent of scientific feed concentrate programs (even though in relative terms such feed concentrate use has increased in recent years, it is still at the levels of, say, Portugal or Greece). According to Professor Kellner's study, Russian share of feed concentrate to animals is very low. Only 33% of total animal stock today receives such scientific feed concentrate.

Not only is the amount of feed needed to fatten cattle and pigs approximately double that of the West for the cited reasons, but the animal which comes to slaughter is vastly inferior. According to information from the American Soybean Association, the actual meat content of Russian cattle at slaughter is a staggering 40-50% fat content, compared with 20-30% for Western Europe and U.S. cattle. In addition, because the huge collective farms must raise the cattle and bring them to large central slaughter facilities built according to the Stalin-era 1930s model of collectivization, farmers must in many cases transport animals 2,000 kilometers to slaughter.

In terms of comparisons for the dairy sector, a vital part of the national Soviet Food Program, results here are also abysmally low. For the same reasons as poor meat efficiency, the dairy herds give extremely low milk yields. According to Kellner's study, in 1986 the national average milk yield per cow per year was 2,480 kilograms of milk. By comparison, in Denmark, the average yield is 5,000 kg per cow per year. Russia has half the levels of good Western dairy output.

The quality of Russian meat supply is abominable, even when it is available. According to a Vienna-based authority

on soybean utilization in Russian agriculture, the result of decades of producing protein-deficient livestock is cattle with enormous fat per weight and sparse meat, on average 60% higher fat to meat per carcass weight compared with Western standards. Official statistics on per capita meat consumption in Russia, this expert stresses, are wildly misleading as well. "Figures of 60 kilograms per capita meat consumption are for the most low quality meat cuts, including intestines, and are often packed with lard, which is a staple of the Russian diet." He adds, "Not only do they not produce enough; they can't process enough meat. They lack the necessary infrastructure—storage, refrigeration, transport." In many cases, it simply rots en route to the large urban centers.

This expert calculates a present Russian protein deficit of at least 17 million tons per year soybean meal-equivalent just to bring present livestock herds to Western protein efficiency levels. To expand herds, levels of 25-30 million tons per year soybean meal-equivalent, fully half U.S. total average production, is required. For climate and precipitation reasons, Russia must import virtually all soybeans.

But this protein deficiency cannot be solved by the simple import of U.S. and South American soybeans, since much of this under present conditions would simply never be applied properly by the brutalized and backward Russian peasantry, according to Western agronomists familiar with the problems.

Peasant cultism and the cultural problem

In the 1920s and 1930s, during Stalin's forced collectivization of the farms, a raging debate took place inside Bolshevik Russia. The losing camp was the "pro-Justus von Liebig" advocates of Western scientific application of fertilizer and soil nutrients to agriculture to improve harvest yields. The victorious opposing camp was led by the Russian geneticist I. Michurin and a man described by Danish agronomist Flemming Juncker as "an eastern Rudolf Steiner," one V.R. Williams.

Their argument was that "natural plant genetics" and "organic farming" alone were sufficient to maximize plant growth, and solve the Russian food crisis. The Michurin camp argued that inputs such as artificial fertilizers, nitrogen, or chemicals to alter soil Ph, were irrelevant. This view was embraced in the 1930s by T.D. Lysenko and became the "orthodox" Russian school of agronomy. It had the attractive benefit for Stalin that he could divert all available nitrogen production away from agriculture into explosives for the war buildup.

This Russian "anthroposophic soil cultism" prevails to this day, according to first-hand reports. The official agriculture textbooks which are published today in Moscow for farming techniques are all from the 1930s. The Russian equivalent of Western "green" nature-food cultists has dictated food policy for the past half century. The results have been predictably catastrophic. But until very recently, Mos-

cow could simply ignore the growing crisis as military and energy priorities took full attention.

The superstition and lack of understanding of scientific farming by the Russian rural peasantry in the context of this history of pushing "green" or Steinerian techniques, is the largest single obstacle to real improvement in food supply. Look only at official Russian figures for total livestock:

Development of Russian animal stock

Years	Head of cattle	of which cows
1971-75	104 million	41 million
1976-80	113 million	42 million
1981	115 million	43 million
1983	117 million	44 million
1985	121 million	44 million
1986	121 million	43 million
1987	122 million	42 million

Source: *Narodnoe khozjajstvo SSSR, 1981-1987, Moscow.*

As this clearly confirms (and we can expect official Russian statistics to be understating the case), there has been a virtual stagnation in increase of beef herds in Russia since 1983, and an absolute stagnation since about 1984-85. This, despite important efforts in the past several years to improve meat supply through increased use of soybean meal feed and scientific breeding.

Basic problems

According to Dr. Andrew Jones, agronomist with the Agriculture Chemicals Center of ICI, who just completed a three year demonstration grain-growing project in the U.S.S.R., there are two basic problems in Russian agriculture: The farms are too big—10,000 hectares versus, typically, 200 hectares in the U.K. There is no control over what should be done on these huge units. These unwieldy units mean that "input of such essential things as fertilizer is often made on the part of the farm closest to the railroad and simply ignored on remote parts" of the huge collective farms. Spraying for pests, fungi, and such is very poor or nonexistent. The overall availability of fertilizers and pesticides is also absmally low, averaging, Jones estimates, something less than 50% the intensity of Western Europe, e.g. 80-90 kg nitrogen per hectare versus some 175-225 kg per hectare in the United Kingdom.

One of the major reasons for the poor application of even this fertilizer, Jones stressed, is the "very low education level on the farms. The agronomists from Moscow have a relatively good education, but they stay in Moscow. The situation in the regions is very low. The peasants operating the State farms are extremely hostile to change. I worked on a demonstration project to show what could be done with proper fertilizer and pesticide care to improve grain yields. It was a three year project. But it was only at the end of the three years that anyone took interest, and these were only the trained

officials from Moscow who saw the productivity results. The local peasants could care less."

But there are more fundamental cultural problems, Jones stressed. "Moscow still believes nitrogen is fundamentally wrong. Their textbooks are all from the 1930s. And there is absolutely no understanding, even in Moscow, of how changes in acidity of the soil affects yields. The further problem is that Russia has absolutely no educational infrastructure to spread new ideas," such as the U.S. Agricultural Extension Service, at least until recently.

The results in terms of grain harvest productivity are clear. Jones compared Western Europe and U.S.S.R. grain yields. Compared with typical grain productivity for winter wheat of 7 tons per hectare in West Germany or Austria, the yields for Russian winter wheat run from 1 to 4 tons. The best yields are from the Ukraine, with still only 3-4 tons per hectare. Further, over years of development, Soviet varieties of wheat are selectively bred solely to last through extreme cold winters, not to maximize quality or high yield. The results are fed to animals with predictable inefficiency. "Privatization of farming and other reforms will take years to yield results," stressed this first-hand observer.

Reviving the '1982 food program'

Knowledgeable analysts of the current attempts to improve Russian agriculture stress that what Gorbachov has pushed this year is but the implementation, with only slight changes, of the already-promulgated 1982 Food Program of Brezhnev. A study published by the NATO Economics Directorate in Brussels outlines the essentials of the 1982 Food Program. Designed initially to run seven years until 1990, its central aim is to improve the Soviet diet by shifting the composition away from starches and carbohydrates to a diet of more meat, vegetables, and fruit. The aim of that program was to increase output of meat, grains, and basic foods and at the same time to reduce losses along the entire food chain.

Loss estimates in Russian agriculture are very difficult to calculate. But by all accounts, they are staggering. Some informed estimates have been made. The heart of the 1982 reform was to make the Agroindustrial Complex "an independent unit of planning and management. This will make it possible to combine more efficiently territorial, branch, and target-oriented planning" (*Izvestia*, May 28, 1982). The goals of these Agroindustrial Complexes are to act through local "agroindustrial associations" in order to practice "zonal systems of agriculture"; intensify production; construct food processing plants at the site of production; increase financial autonomy for farms.

What Gorbachov has attempted in the past 18 months is little more than implementing what has been stalled or sabotaged by the bureaucracy for six years during the Brezhnev-Andropov-Chernenko-Gorbachov succession battles and the delays in domestic programs. He was a co-author of the 1982 plan.

A 77 billion ruble carrot?

The original Brezhnev Food Program of 1982 carried the price tag of a "seven-year effort to reduce food wastage and upgrade food processing and storage by a 77 billion ruble investment program." This number, and especially its inflated Western ruble-dollar equivalent of \$127 billion (official Russian exchange rate is R = \$1.65), is currently being dangled in front of Western European and U.S. agro-industry export firms as an imminent possible market for their exports.

"The Soviets are re-circulating this figure in order to encourage generous credit terms from the West," one Austrian expert stresses. The 77 billion ruble figure was developed during the early 1980s, when oil and gas export prices to the West were at extremely high levels.

"You must look at when the food plan was produced," one West European expert on Soviet agriculture problems stressed in recent discussion. "Now, today, because of falling oil revenues, the Soviets must correct these plans. It is not possible to invest as much was thought in the past. Hence, what I call their 'privatization' is the result of their lacking money," he stressed.

"If you lease soil to the farmer for up to 50 years, it costs

you, the state, no money, so the new farm policy is designed simply to increase output without increase of investment. The problem is that the local barriers to this change are terrible. Local authorities are sabotaging the implementation. And the state is having severe problems finding farmers willing to sign such a lease."

In addition, he reports that harvesting machinery is in generally poor condition, with spare parts lacking. If you put together peasant indifference, rotting of grain in storage for lack of inside storage or covering, and lack of efficient transport infrastructure from field to processing center to city, best estimates are that Russian grain loss between field and consumption is between 25-33%. The comparable figure for Western Europe is 5-8%. This then means that the net effect of a 200 million ton harvest is between 135-150 million tons of usable grain.

The dimensions of the Soviet food problem are staggering. But every Western agronomist intimate with the actual situation inside Russia today stresses the enormous potential to revolutionize the situation and make Russia into a great grain producing country. The principal obstacle, they stress, is not climate or soil, but culture.

Top military brass runs Russian food economy

One of the most striking Soviet developments in 1988 was the militarization of the food economy. The task of upgrading the food sector on a crash basis and meeting the priority assignment of assuring adequate food stocks has been entrusted to a select group of people.

Who is running Moscow's crash program? The same leaders of the Soviet military-industrial complex who directed the Ogarkov War Plan military buildup. Moscow's highly publicized investment shift, where certain defense industry machine tool and other plants have been converted to food industry-earmarked production, is not, as some fools in the West believe, a "shift" from defense to the "civilian" sector. It is the vast augmentation of the military sector to include the entirety of Soviet agriculture and food industry under its jurisdiction.

The food supply has been accorded *military-security* priority number one, a decision institutionalized at the February 1988 CC Plenum with the following key personnel changes:

1) Yuri Maslyukov, previously in charge of the military industry component of the State Planning Agency,

Gosplan, was made the boss for Gosplan itself, i.e., put in charge of *all* state economic planning.

2) That Plenum appointed one Oleg Baklanov to Central Committee Secretary. Baklanov had been the boss for all Soviet missile and space-based military equipment production, in short, the person most entrusted by Ogarkov to successfully implement the Soviet offensive missile and "SDI" style pre-war buildup programs. In the view of this writer, this was the most stunning illustration of Moscow's wartime priority assigned to food. Baklanov is now in charge of expanding and modernizing Soviet food storage, transport, and processing, and is in charge of the strategic stockpiling program.

Moscow is already preparing military conquest options to secure food supplies. The first case has already occurred, with the de facto partition of Afghanistan. Moscow is keeping northern Afghanistan under permanent occupation, for geopolitical reasons, but also because the north is Afghanistan's breadbasket. Besides feeding the northern population, the north's annual surplus of wheat feeds the rest of Afghanistan—another 10 million people.

In the partitioning of Afghanistan, that wheat surplus will go to feed Soviet Central Asia, freeing the European U.S.S.R. from this burden. Afghanistan's north also produces a cotton surplus, which now is part of the Soviet cotton crop, thus giving Moscow the ability to transfer some of the cotton lands in Central Asia to wheat crops.

—Konstantin George

Business Briefs

Trade

Reagan cuts Thai preference privileges

President Reagan has approved \$170 million in cuts in Thailand's Generalized System of Preferences privileges, a U.S. administration source said Dec. 29, according to the *Bangkok Post*.

Labor Congress of Thailand president Thanong Pho-arn said workers were afraid the cut would cost them their jobs, and the four labor congresses are submitting a letter to Thai Prime Minister Chatichai.

"A GSP cut will certainly affect a large number of workers engaged in the production of goods intended for the United States," he said.

The Reagan measure is only the latest in a series of actions amounting to generalized trade war against U.S. allies around the world.

Foreign Debt

Venezuelan 'moratorium' okayed by bankers

Venezuela's image as a model debtor has been "tarnished" by its seeming "debt moratorium," according to Reuters wire service. But the evidence is that the suspension of payments on principal declared at the end of December by outgoing President Jaime Lusinchi was prearranged with President-elect Carlos Andrés Pérez, and, as that would indicate, with foreign creditors themselves.

Venezuela, virtually the only country in Ibero-America which had continued to meet principal payments instead of just interest, was running out of liquid foreign exchange. Hence, the moratorium on principal.

Venezuela's banking community is well-pleased by the measure. Banker Pedro Tinoco said the measure "ensures the possibility of using our trade credit lines" and maintaining accustomed levels of imports. He was seconded by central bank head Mauricio Garcia Araujo.

This suggests that the Venezuelan financial elite knew in advance that there would be no retaliation against the country's trade credits, unlike the sanctions enforced against Brazil by foreign creditors during its moratorium.

Banker Tinoco is very close to Carlos Andrés Pérez (CAP), a leader of the Socialist International and so, an asset of the creditors' cartel. Tinoco's statements suffice to demonstrate that the Lusinchi debt move was made with CAP's approval, and is no doubt part of a ballet with foreign creditors' to accompany his assumption of power in February.

Austerity

Yugoslav gov't falls, debt moratorium looms

Prime Minister Branko Mikulic of Yugoslavia resigned Dec. 30, after the Federal Assembly refused to accept his austerity budget for 1989. The government had drawn up the budget to meet International Monetary Fund conditions for drawing on a \$400 million standby credit granted last June. Mikulic appealed to the parliament to accept the package so Yugoslavia could meet "its obligations to the IMF," but the budget was doomed the previous day, when Croatia and Slovenia, two of the country's six republics, rejected it.

The Mikulic budget was a prescription for social upheaval. It featured wage cuts in the state sector, and health and education spending cutbacks. Inflation in Yugoslavia is running at an annual rate of over 250%.

The Yugoslav media are now filled with the first open discussion of a debt moratorium. *Borba*, the ruling party's paper, quoted an unnamed member of the ousted cabinet, who said the vote had "essentially wrecked the standby credit with the IMF." Inability to meet the \$1.6 billion due in 1989 on principal payments, he said, "will now confront us with the possibility of declaring a debt moratorium."

There was no clear sign as to who would succeed Mikulic, but German sources estimate that possible candidates from Serbia,

Croatia, and Slovenia would each fail to win a clear majority. Serbian strongman Slobodan Milosevic has not made a bid, and may be waiting in the wings to grab for a higher post, perhaps in the party leadership.

On Jan. 5, it was reported that key economic sectors were exploiting the lack of national leadership, to impose their own price hikes—such as a 34% jump in railway fees. A strike wave, which broke out in the week before the government fell, continues to spread, including among miners in the politically volatile Kosovo province of Serbia.

Dope, Inc.

Drexel barred from casino finance?

Under New Jersey licensing law, Drexel Burnham Lambert, the "junk bond" firm recently convicted on insider trading charges, may be barred from doing business with casinos in Atlantic City. In that case, the Bally Manufacturing Corp., a major casino interest founded by the Meyer Lansky syndicate, may be the first client lost, as it is planning a major debt refinancing following the spin-off of its hotel and casino businesses.

Anthony Parrillo, the director of the New Jersey Division of Gaming Enforcement in the State Attorney General's Office, told the *New York Post*, "If you're convicted for a felony, it automatically disqualifies you for a license."

Drexel was forced to apply for a casino service industry license last year because they helped to raise billions of dollars for the casino industry in New Jersey. Under New Jersey law, a company that is paid \$50,000 by one casino or \$150,000 by several casinos must be licensed. Drexel, one of the largest financiers of New Jersey's casino racket, was the only investment firm required to obtain such a license. Its clients included Ramada, Holiday Corp., Golden Nugget, Bally, and Caesar's. From 1987 to July 1988, Drexel managed more than \$2 billion in financing for the casinos.

No Division of Gaming Enforcement ruling has been made on Drexel's New Jer-

sey license, however, pending the outcome of its insider trading settlement talks with the Securities and Exchange Commission and the U.S. Attorney's Office.

Demography

Vietnam enforces no-child policy

The Vietnamese government is punishing large families with starvation. New population control regulations announced in October cut by two-thirds the monthly rice subsidy for families who have exceeded the government's mandatory two-child-only campaign.

The *Washington Post* reviews the case of a family of nine who had already been slapped with fines which, for each "illegal" child, exceed what the father of the household makes in a month. Now, the family, whose main food is rice, will have less than a third of its already tiny ration to live on.

The government's program of contraceptives, abortions, sterilizations, and vasectomies has already reduced population growth from 3% to 2.1-2.5% annually. The goal is to cut it to 1.7% by 1990.

Malnutrition, already evident before the new Council of Ministers policy, will no doubt increase because of it. Reports from October and November spoke of a very poor rice crop, and people in various parts of the country were said to be threatened by starvation.

Agriculture

U.S. offers subsidized wheat sales to China

The U.S. Department of Agriculture on Dec. 30 offered to subsidize sales of 1 million tons of wheat to the People's Republic of China. It was the second such U.S. offer to China in that month.

According to the *Bangkok Post*, China was the leading buyer of U.S. wheat last

year, purchasing 6.4 million tons since June 1.

Weather damage to its crop and economic disincentives to plant grain have helped spur China's wheat buys to almost double last year's level, with five months left in the marketing year.

China's wheat harvests have been poor for the past four years. Droughts and flooding during the past season made 1988 a disaster year. China's state radio said on Dec. 30 that the nation's 1988 grain harvest is 394 million tons, 2% less than last year and almost 4% below the 410 million ton target.

S&Ls

New Jersey thrifts keep going under

Four of New Jersey's troubled thrift institutions have struck merger agreements with supposedly healthier institutions.

Polifly Financial Corp. of Hasbrouck Heights has agreed to acquire Fellowship Savings and Loan Association of New Milford. Fellowship has been strapped for cash since the stock market crash in October 1987.

Analysts told the press that the reason so many of New Jersey's thrifts are in trouble is that the New Jersey economy was so "strong"! By that, they meant that there was so much real estate development, in which these savings and loans invested, that the bubble burst. Office vacancy rates in New Jersey are as high as 23.4%, compared 12.5% in Manhattan. And yet, Hartz Mountain Industries recently received approval to build a 19-story office building in Jersey City, without having signed any tenants.

Three other New Jersey thrifts were declared insolvent and taken over in 1988. That brings the total of failed savings and loans in the state to eight.

According to SNL Securities of Hoboken, there are seven more insolvent thrifts in New Jersey. While experts blame primarily bad real estate loans, some S&Ls blame consumer lending, primarily an increase in bad auto loans, a sure indication that New Jersey's economy is no longer that "strong."

Briefly

● **TRADE UNION** defense attorneys in New Jersey have filed documents in federal court charging that an unprecedented lawsuit against some unions by the Department of Justice, using Racketeer Influenced and Corrupt Organizations (RICO) laws, would in effect permit the government to take over the labor movement, and abrogate the National Labor Relations Act.

● **TRADE** among Japan, South Korea, Taiwan, Hong Kong, Singapore, the six ASEAN nations, and China was \$189 billion in 1987, a 30% increase over 1986. Trade between these nations and the United States was \$258 billion, but grew only 14%. By 1990, if these trends continue, trade within the western Pacific nations would surpass trade with the United States.

● **U.S. CATHOLIC** Bishops will sponsor a euthanasia conference, "Critical Issues in Contemporary Health Care." Jan. 30-Feb. 3 in Dallas, Texas. It will discuss the "burdens" of feeding patients. Speaking will be Rev. Kevin O'Rourke, O.P., who tells families to starve relatives if keeping them alive causes the family "psychic pain" or the money could be better spent elsewhere.

● **JAPAN'S** Nikkei-Dow Stock Index led all major stock markets in 1988. Reaching an all-time record level of 30,159 points, it increased by 42% from January through December. The poorest of the big markets was London, which grew less than 3%. New York grew 7.6%. Most European stock index levels increased between 25% and 40% during the post-October 1987 period.

● **THE PHILIPPINES** will honor its foreign debt, said President Corason Aquino in a press conference Jan. 3. "We will not go into confrontational situations with our creditors, but hopefully there will be some measure which our creditors will undertake in order to ease the debt burden."

'Greenhouse effect' hoaxsters seek world dictatorship

by Carol White and Rogelio Maduro

There is no competent basis for asserting that a "greenhouse effect" will endanger the survival of this planet—or civilization as we know it—one hundred years hence. We shall demonstrate that here, and in a report in next week's issue, we shall supplement this demonstration with interviews of top scientists who directly refute evidence purporting to show the existence of the effect.

In fact, the media scare about the greenhouse effect is a deliberate hoax! The pseudo-scientists and others who are perpetrating it have three political aims: 1) They are promoting Soviet leader Mikhail Gorbachov's plan for disarmament of the West; 2) they are demanding cuts in the defense budgets of the NATO countries and promoting the shutdown of industry; and 3) they are pushing for a global debt reorganization for the Third World, but *not* one that will allow the industrial development of those nations. Instead, they back the World Bank's "debt-for-equity" schemes, whereby countries will surrender sovereignty over chunks of their national territory and industry, to conservation organizations like the oligarchy's World Wildlife Fund.

As we shall show, the measures now proposed to combat the so-called threat of the greenhouse effect are more likely to accomplish precisely that effect. Furthermore, we shall prove that the assertion that a gradual global warming trend exists, and is a by-product of unregulated industrialization, is a cynical attempt to restructure the world economy away from industrial capitalism and republican forms of government.

This is part of a series of arrangements intended to set up supranational dictatorial governing forms, as exemplified by the effort to reorganize and strengthen a neutralized European Community as a governing body—under which existing national states would become obsolete, in favor of newly formed regional bodies. A similar reorganization is portended by the U.S.-Canada Free Trade Agreement.

This political realignment is intended to facilitate a top-down New Yalta redivision of the globe between the Western and Eastern oligarchs, an imperial arrangement uniting elite Western financier interests and the Soviet *Nomenklatura* families, known in the 1920s as the Trust. They would preside over a proposed



The World Bank's idea of appropriate energy sources for the Third World: Peruvian peasants carrying firewood. Replacing modern energy production with biomass burning is causing the current global climate anomalies—not the fraudulent "greenhouse effect."

New Feudalism. The fly in the ointment for the Western neo-aristocracy is the rate of economic decline in the West, which threatens to allow military supremacy to be obtained by the Soviets, and with it, the potential for establishing a Third Roman Empire under their exclusive control.

Nevertheless, there is presently widespread agreement among the Eastern and Western sections of the Trust, that a severe austerity must be imposed upon the world's population, with explicitly genocidal implications for Africans, Asians, and Ibero-Americans—or as they would say: the world's "colored" races.

It is only in this context that the hoax of the greenhouse effect can be understood.

Scientific claims

It is estimated that the amount of carbon dioxide in the atmosphere has increased from 280 parts per million (ppm) in pre-industrial times to 345 ppm in 1986, on average globally. (We shall report below on how these observations may be biased.) There has apparently been a higher rate of increase over the recent period of about 1 to 1.5 ppm per year. This is attributed to the effects of industrial emissions, without sufficient regard to the contributory effects of large-scale deforestation and burning of tropical rain forests over the same period—which both releases stored CO₂ and removes

a natural cleansing agent from the environment.

Since 1980, there has admittedly been a warming trend in the global climate. This can be accounted for by deforestation, but is being attributed to a greenhouse effect. There are many correlatives to global climate, including astronomical conjunctions and large-scale weather movements. There is some reason to predict a reversal of the decade-long warming trend this winter, as a succession of climatological events known as the El Niño-Southern Oscillation is reversed, into what is called an anti-El-Niño event. These are major shifts in weather patterns involving an atmospheric-oceanic interaction mainly centered in the Pacific region.

All predictions about a threat to the global ecology some 50-100 years from now depend upon global climate models which have proven their inadequacy in every other application to which they have been put: from the infamous scare predictions of a nuclear winter to follow an atomic war, to long-range weather forecasting.

These models cannot adequately account for oceanic/atmospheric interaction, nor do they incorporate adequate understanding of even mere atmospheric circulation. For example, vertical interaction between the troposphere and stratosphere, and teleconnections between the Northern and Southern Hemispheres, are just now being probed by meteorologists.

Something like one-half of all CO₂ released into the atmosphere is absorbed by the ocean. One supposed result of the greenhouse effect has been to increase the depth of the ocean, which is thought to have risen over the last 100 years by about 100-200 millimeters (mm). This is attributed by Stephen Leatherman of the University of Maryland, chairman of the Climate Institute, to either thermal expansion of seawater or the melting of polar ice.

These results are contradicted by a study done by Timothy Barnett of the Scripps Institute of Oceanography in La Jolla, California. Barnett's study, which is the most comprehensive survey of the level of the oceans and their historical fluctuations, claims that the oceans have indeed risen in some places, but have receded in others, to leave the overall average unchanged over the past 100 years. Scientists who have compared Barnett's to Leatherman's study, found that Leatherman's results eliminated instances of lowered sea levels, considering these to be an "error." Even were it proven to be the case that the volume of the oceans has been increasing, this would imply a greater capacity by the oceans to absorb CO₂ from the atmosphere, since oceanic life is favored by warmer weather. This consideration has also not been taken into account by the modelers, who have been recruited to sell a scare story.

While we do not agree with any of the conclusions being drawn by purported studies of the greenhouse effect, nonetheless, were we to grant the projected rates of increase in atmospheric CO₂ suggested by the theory, and grant that these increases were causally connected to a warming trend, the effects of such a global temperature increase are yet to be determined. In other words, the predictions of the environmentalists now agitating for extreme measures to combat the greenhouse effect, are incompetent—even were their fundamental assumptions proven to be sound.

These predictions call for an increase in high-latitude winter precipitation and in tropical precipitation, with an accompanying mid-latitude decrease, and some small melting of glacial ice-caps. These effects, should they occur, would change the pattern of agriculture, and would certainly necessitate shifts in water management, but there is no reason to suppose that given 50-100 years, appropriate measures could not be taken to deal with this.

The obvious measures to deal with any undesirable emissions from the burning of carbon-based fuels is rapid introduction of a fusion-based economy with maximum use of nuclear energy as a bridge technology. The fact that recommendations to this effect are not forthcoming from those circles now proposing policies to deal with the supposed consequences of the greenhouse effect, is a clear giveaway that their warnings are a mere pretext to allow them to carry out policies to which they are otherwise committed in any case.

As to the greenhouse effect being caused by industrial growth, the data showing an increase of 0.6°C in the temper-

ature of the world over the past 100 years, also show that between 1942 and 1966 there was a very significant "cooling" period. This "cooling" occurred during the generation that saw the greatest rate of industrial expansion in the history of the human race. Therefore, it totally contradicts what these non-scientists and eco-fascists are arguing, using their own data.

At present, there are four bills before the U.S. Congress which contain measures supposed to deal with the greenhouse effect. All call for the implementation of what are essentially fascist economic measures. The most explicit of these bills was H.R. 5460, introduced by Rep. Claudine Schneider (R-R.I.). The Schneider bill, which will be reintroduced into the 101st Congress, claims that human industrial activities and overpopulation are the culprits. Therefore, it mandates the following measures, in summary:

Shutting down of any advanced modes of energy generation, to revert to solar power and "renewable resources" i.e., burning of firewood; draconian measures against polluting industries and cars; a return to animal power as a mode of locomotion; stopping of production of food by mechanical means; diversion of large amounts of productive agricultural land to produce ethanol; recycling of all—including hospital waste; and harsh population reduction policies.

The bill calls for the imposition of taxes and penalties, including jail sentences, against individuals and firms in the United States which violate the law.

The policies to be implemented by these bills would actually cause the biggest ecological holocaust in the history of the human race. Doing away with all modern modes of energy production and replacing them with biomass burning, is exactly what is causing the currently severe global climate anomalies (not to be confused with the greenhouse effect). Over 60% of all deforestation worldwide is the result of the use of wood for charcoal and firewood. The Sahara Desert has expanded almost 300 kilometers south of its 1930s boundary, largely as a result of these primitive "renewable resource technologies."

The ecologists and Gorbachov

In the same week that included Mikhail Gorbachov's Dec. 7 address before the United Nations, a three-day conference, "The Second North American Conference on Preparing for Climate Change: A Cooperative Approach," was held in Washington, D.C. Conferees enthusiastically supported the Soviet President's call for turning the United Nations into a global policeman, whose function would be to monitor the ecology and enforce pollution controls mandated by the U.N.

Sponsored by the Climate Institute, the meeting was mostly devoted to questions of policy rather than science, and it featured the world's leading proponents of the dangers of the greenhouse effect, including James Hansen, Stephen Schneider, and Robert "Ozone Layer" Watson. Political

spokesmen at the conference were upfront about their intent to use fears about a possible ecological disaster, to put across their own hidden agenda for deindustrialization and disarmament.

We shall excerpt major portions from speeches at this conference, for their intrinsic interest and so that the reader can compare them with similar utterances by Gorbachov and other Soviet spokesmen. However, summary quotations here are offered, in order to substantiate two points above: First, that the proponents of the greenhouse effect are knowingly perpetrating a hoax, and second, that they, or their controllers, have in mind major restructuring of the global economy and infrastructure.

Stephen Lewis, a leading Canadian socialist and that country's former ambassador to the United Nations, spoke in Washington. He was also the chairman of the Toronto Conference on the Changing Atmosphere in 1988. Lewis revealed his political bias quite openly, telling the Washington Climate Conference that in order to stop the greenhouse effect, a movement of ecologists must be formed to end the arms race. "Fundamental restructuring of the world economy is necessary," he said, admitting the high cost of the measures being proposed to deal with environmental pollution. He continued, "Nothing we have done before corresponds to what we have to do now."

The problem, he claimed, is that the Third World will not accept any measures which will prevent them from eradicating poverty; therefore, concluded Lewis, their foreign debt should be paid by the advanced sector, specifically from funds now used in the arms race. Lewis told conference participants to organize themselves into a group, as did the scientists who formed the *Bulletin of the Atomic Scientists* (Pugwash Conference), and to collaborate with the Soviets.

Speaking on the same day as Gorbachov, Dec. 7, Ambassador Richard Benedick, representing the United States, bragged that he and his collaborators had engineered passage of a treaty, the Montreal Protocol signed in Canada in 1987, limiting the use of chlorofluorocarbons (CFCs) because of their purported effect in widening a hole in the ozone layer over Antarctica, *despite the lack of scientific evidence to support this claim.*

That agreement imposes severe restrictions on the use of industrial chemicals, despite the fact that there is no evidence for the environmentalist claim that industrial chemical use had caused an ozone layer hole. While laboratory experiments show the interaction of CFCs which purportedly takes place in the atmosphere, for such an atmospheric result to occur implies other factors of atmospheric circulation, etc., which do not seem to hold.

A global climate treaty must be implemented *even if there is no scientific evidence to back the greenhouse effect*, Benedick announced, and cited the premature signing of the Montreal Protocol as a model for successful global "ecological" endeavors. "By their action," said Benedick, "the sig-

natories at Montreal in effect sounded a death knell for an important part of the international chemical industry." The protocol had implications for billions of dollars in investment and hundreds of thousands of jobs in such sectors as food, plastics, transportation, electronics, fire prevention, and health care.

Benedick continued, "The negotiators, in effect, weighed the social and economic costs of replacing these substances—which in many ways were synonymous, were symbolic of modern standards of living. They weighed these off against hypothetical dangers based on analysis at the frontier of modern science. All this was before there was measurable evidence of either ozone depletion or actual damages, either from the increased radiation or climate change." And so, Benedick concluded triumphantly, through a global protocol, severe environmental restrictions can be imposed on all industrial and other activities thought to generate "greenhouse gases," without having to show any scientific evidence of environmental damage from these gases.

The next day, Sen. Al Gore, Democrat of Tennessee and one of the "seven dwarfs" of the 1988 presidential campaign, delivered a vicious attack on what he called "overpopulation." The greenhouse effect offers to malthusians like Gore the perfect pretext to veto developing-sector plans to industrialize, thus dooming Third World nations to live below the poverty level—and that's a sure cure for "overpopulation." After slavishly praising Gorbachov for leading the way, Gore called for an "International Year of the Greenhouse Effect," to be modeled after the 1957-58 Geophysical Year.

More to the point, he called for making environmental pollution standards even more stringent than is now proposed. He insisted that the Montreal Protocol is too weak when it calls for the reduction by 35% of the level of CFCs in the atmosphere, and demanded that the figure be increased to 90% by the year 2000. He also called for radical measures to reduce emissions of carbon dioxide into the atmosphere, including a "carbon pollution tax."

At this same conference, the fact that the ozone hole of Antarctica has actually shrunk, was accepted without comment. Robert Watson of NASA reported the embarrassing news to the Climate Conference, and also told the assembled notables that the Optical Difuser Plate in the Nimbus satellite, which tracks ozone levels in the stratosphere, had deteriorated so rapidly in space that all of the data used to whip up the ozone depletion scare are "useless garbage." Nonetheless Watson still subscribes to the need for environmental measures to reduce the level of CFC emissions.

Watson failed to mention that a recent scientific study published in *Science* magazine shows that ultraviolet radiation and incidence of skin cancer have both declined significantly in the United States in the past few years, which can only mean that there are phenomena filtering out UV rays from the Sun other than ozone, or that the ozone layer has actually increased—at least over the United States.

Benedick: Ozone scare was a deliberate hoax!

In the documentary material which follows, we show the close agreement between major policy spokesmen for the ecology drive in the West, and the recent "one world" speeches of Gorbachov and Shevardnadze.

First is the case of the U.S. ambassador to Canada, Richard Benedick, who was a featured speaker at the Climate Institute's "Second North American Conference on Preparing for Climate Change," held in Washington, D.C. in December 1988. Benedick played an important role as the U.S. representative to the Montreal Protocol on the Protection of the Ozone Layer. The first night of the Climate Institute's conference, Sir Crispin Tickell, ambassador of the United Kingdom to the U.N. and member of the board of the Climate Institute, presented an award to Benedick "for his outstanding work in 1988 in advancing understanding within the international/diplomatic community of the challenges posed by potential greenhouse warming and stratospheric ozone depletion."

Benedick's curriculum vitae states that he is "currently on detail from the State Department as Senior Fellow of the Conservation Foundation. He was formerly Deputy Assistant Secretary for Environment and Coordinator of Population Affairs. His diplomatic assignments were in Athens, Bonn, Paris, Karachi, and Teheran. He was a recipient of the 1988 Presidential Distinguished Service Award."

We print here excerpts from his speech to the Climate Conference, entitled, "Lessons from U.N.E.P. Protocol for a Greenhouse Convention." Here, he admits that the protocol was pushed through without evidence to substantiate the environmentalists' claims.

My participation at the program here represents a transition from the scientific research to the policy aspects of the problems. . . . Diplomacy has been described as the art of the possible, and what I am going to talk about this morning is a diplomatic event which many earthbound observers had said that it would be impossible to achieve.

It is hard to believe everything that has happened in the intervening period. It was only a year ago that representatives of countries from every region of the world reached an agreement which then was characterized as unique in the annals of international diplomacy. President Reagan, for example, described the Montreal Protocol on the Protection of the Ozone Layer as the result of an extraordinary process of international diplomacy, and a monumental achievement. Other political observers termed it the most significant international envi-

ronmental agreement in history, and unparalleled in global efforts to control emissions.

The Montreal Protocol, as most of you know, establishes international control on certain chemicals that can destroy stratospheric ozone that protects life on Earth from harmful ultraviolet radiation, and which can thereby also change the global climate. By their action, the signatories at Montreal in effect sounded a death knell for an important part of the international chemical industry. The decision had implications for billions of dollars in investment and hundreds of thousands of jobs in such related sectors as food, plastics, transportation, electronics, cosmetics, fire prevention, and health care. The negotiators, in effect, weighed the social and economic costs of replacing these substances, which in many ways were synonymous, were symbolic of modern standards of living. They weighed these off against hypothetical dangers based on analysis at the frontier of modern science.

All this was before there was measurable evidence of either ozone depletion or actual damages; either from the increased radiation or climate change. At Montreal, nations agreed for the first time on a worldwide regime for specified reductions of potentially damaging chemicals. I remind you, this was not a response to an environmental disaster, such as Chernobyl or Sevesko, but rather, it was a preventive action on a global scale. Moreover, the treaty did not take the timid path of regulating according to best available technology, which has been a traditional way of accommodating to economic interests. Rather, the Montreal Protocol boldly established target dates for emissions reductions, in full knowledge that technologies for accomplishing these goals did not yet exist.

This Montreal Protocol was a landmark because it symbolized a fundamental change both in the kind of problems facing the modern world and in the way the international community can approach these problems. This new generation of issues as we have seen in previous speakers, reflects the interconnectedness of life and its natural support systems in a small planet. Localized activities can have local consequences. Dangers are slow in developing. Long-term effects are not readily reversible. The concept admittedly is not obvious. In the case of ozone, it is a perfume spray in Paris, helping to destroy an invisible gas 6-30 miles above the Earth, and thereby contributing to deaths from skin cancer and extinction of species half a world distant and several generations in the way of time.

While international law is traditionally well equipped to deal in boundary environmental problems, the ozone issue, as climate change, represents uncharted territory of a worldwide scope, and scientific uncertainties, with risks, extending far beyond normal policymaking. . . .

Negotiators at Montreal confronted a threat that could affect every nation and all life on Earth. The consequences were potentially disastrous. Yet, they could not be observed or predicted with certitude. The Montreal Protocol is thus a

local prototype for decision-making under uncertainty, in that consensus was forged on the balance of probabilities, with the risks of waiting for more complete scientific evidence finally deemed to be too great. More than a year later, the events at Montreal have ironically found an air of inevitability. It all seems very easy in retrospect. Even some activists are complaining the treaty is too little and too late.

Even after the actual negotiations began, many governments still had doubts over such fundamental questions as the possible degree of future damage to stratospheric ozone, the extent to which industrial products were responsible. The prospective growth of demand for these products, the significance of cancerous effects from ozone layer depletion, and how long before critical harm might occur. It was in fact a unique international process of scientific, technical, and economic analysis and assessment, reinforced by extensive in-

“By their action, the signatories at Montreal in effect sounded a death knell for an important part of the international chemical industry.”

formational and diplomatic initiatives, that played an essential role in developing a consensus for concerned international action. The ozone accord broke new ground in its reconciliation to complicated economic, scientific, and political factors. . . .

Now, Greenhouse Warming is an even more complex issue than protecting the ozone layer, with many more contributing factors, more wide ranging and of uncertain consequences and more economically painful choices to be made. . . . I will submit to you that the Ozone Protocol may well serve as a prototype for new diplomatic approaches to emerging global issues such as climate change. There was no single cause to the success at Montreal, rather it was a combination of key factors and events that made the agreement possible.

Analysis of these elements . . . offer some insight into a possible methodology for dealing on the international level with climate change.

Firstly, the ozone history demonstrates the absolute importance of building scientific consensus. By mobilizing the best possible scientists and the most advanced technological resources in a cooperative international effort, the development of the commonly accepted body of data analysis and the narrowing of the ranges of uncertainty were instrumental in facilitating the political consensus among negotiating parties which were initially very far apart. In this process, both collaboration between scientists and government policymakers is crucial.

It was this synergy that contributed to the irresistible logic

of the American position on ozone. It greatly strengthened the persuasiveness of the U.S. negotiators. The U.S. government did provide the financial resources for research . . . and did listen to the scientists. The American government's negotiating stance demonstrated to other countries that we were prepared to accept considerable near-term inconvenience for the sake of the future of the Earth.

Lewis: Cut defense to 'save' the environment

Stephen Lewis was until recently Canada's ambassador to the U.N., and he is currently a special adviser to U.N. Secretary General Javier Pérez de Cuéllar. He is a leading figure in the international ecologist movement, as exemplified by his holding of the chair at the June 1988 World Conference on the Changing Atmosphere, held in Toronto and hosted by Canada, in which 46 countries participated. He also chaired the 1986 United Nations session on African recovery.

His father, David Lewis, was a founder of the New Democratic Party in Canada, which is the official arm of the Socialist International. Stephen Lewis was head of the Ontario chapter of the NDP as well as its national chairman. (He has been defeated in all attempts to win election to public office.)

Lewis gave the keynote address to the Climate Institute conference in December 1988, excerpted here.

The phenomenon of climate change is now well and truly documented. Warming trends obviously menace future international security on the basis of the work, often profound and searching, which has been done, and Madame [Gro] Brundtland, the prime minister of Norway, when she appeared before the Toronto Conference on the Changing Atmosphere in June of this year, talked of environment and climate as a phenomenon second only to nuclear war in the possibilities of apocalyptic consequences. I hesitate to phrase things in apocalyptic ways, but this group will recognize the potential for catastrophe if we aren't urgently and readily mobilized. . . .

I watched General Secretary Gorbachov from beginning to end, and I thought it was an encouraging performance. I spent four years watching speakers of the podium of the General Assembly, left only this last August, and I thought it was an enormously encouraging performance in a variety of ways. Intrinsicly, it was vastly different and vastly preferable from the shoe-banging spasms of a Khrushchov, to the more urgently argued positions of a Gorbachov. But number one, he maintained the reversal of Soviet foreign policy, which we have seen at play for some considerable time now. Number two, it is obviously, in its own ways, a spur to the quest for international peace and security, because on behalf



Anti-nuclear demonstrators from the Communist Party in West Germany. Stephen Lewis wants a "grand coalition" of environmentalists, modeled on the Soviet-sponsored Pugwash Conference for world disarmament.

of the Soviet Union, he enjoined others to collaborate.

Number three, it confirms the revival of international cooperation through the United Nations, which is experiencing quite an astonishing metamorphosis at this point in time. Quite a remarkable renaissance in international legitimacy. And the more I think nations in the world, particularly dealing with issues like climate change, see the U.N. as an international vehicle through which nations can collaborate to seek positive and useful change, that is all to the good.

And what, of course, was said this morning, was merely the next step in a litany which began more than a year ago. Let me quickly remind you of it. I think . . . it was Sept. 16, 1987 when there appeared on the front page of *Pravda* an article under the byline of Mikhail Gorbachov, in which he set out for the first time the particular dispositions of *glasnost*. . . .

More and more nations signed the ozone protocol of Montreal. And in the middle of this year, especially in the literature, as every one of you knows, the sudden, preoccupying emergence of climate change as the centerpiece of environmental primacy for this world. . . .

Lewis quoted from the statement, "*The State of the World*," by the WorldWatch Institute:

"Putting the world on a sustainable development path will not be easy given the environmental degradation. . . . Getting on such a path depends on a wholesale reordering, a fundamental restructuring of the world economy and a quantum leap in international cooperation on the scale that oc-

curred after World War II. Unless the desire to ensure a sustainable future becomes the central concern of national governments, the continuing deterioration of the economy's natural support systems will eventually overwhelm efforts to improve the human condition.

"A sustainable future requires that a series of interlocking issues be dealt with simultaneously. Stabilizing population will prove difficult until poverty is reduced. It may be impossible to avoid a mass extinction of species as long as the Third World is burdened with debt. Perhaps most important, the resources needed to arrest the physical deterioration of the planet may not be available unless the international arms race can be reversed."

Lewis endorsed this and continued:

I hope that was as simple and eloquent a statement of the proposition as one could find, and therein lies the tickler. Nothing we have done before corresponds to the challenge of what we must do now. Not even in the responses to the oil shocks of the 1970s, and the very considerable progress that was made in the fields of energy conservation and the public policy shifts, nothing we have done in the last 25 years corresponds to the imperatives which now we are facing. . . .

Not a single government or organization, so far as I know, with the exception of the Institute, has managed to forecast the respective costs of shifting policy and where perhaps the money might come from, and not a single government has contemplated the fundamental economic restructuring internationally which would cope with, or counter the consequences of climate change. We really are on the edge of the shift, moving into a precipice. There is agitative concern, yet there is no universal sense of urgency.

If the industrial countries were relatively self-contained, if this were a compartmentalized world, we might be able to make the indigenous policy operations ourself. We could do it slowly; there would be dislocating economic and social consequences, but we probably would get around to it. . . . [But] the rest of the world is indispensable to the process, and the rest of the world, especially the developing countries, cannot cope with the implications. They simply cannot handle them. . . .

[The Third World can't make it] because of the external constraints. . . . Debt and debt service obligations have crippled the recovery. . . . How does one ask countries to deal with the phenomenon of climate change, to deal with reforestation, to deal with soil preservation, to deal with desertification. . . . One now has the obscenity internationally of more than \$13 billion a year coming *out* of the developing countries and into the developed world, instead of the other way, as the flow was just 10 years ago. We will never be able to deal with the consequences and the reality of the massive environmental shifts which are prophesied, unless in the developing world there is the kind of support which allows them to make the economic adjustments.

Not all of the creative and innovative measures which are

adopted in the Western world, the Eastern world, or the developed world generally will be sufficient to contain the consequences unless the Third World is engaged. So, how does one work with the balance? Well, the balance is enormously expensive. The WorldWatch Institute . . . gives the rough estimates of the future expenditures to achieve sustainable development from 1990 to the year 2000. And the categories that were laid out are comprehensive and intelligent. They are: protecting top soil on cropland; reforesting the Earth; slowing population growth; raising energy efficiency; developing renewable energy; retiring Third World debt.

There you have it, a simple panoply of policy that doesn't need to be elaborated. And how much do they say will be required between 1990 and the year 2000 to achieve those ends? \$1.4 trillion. And in fact, it is an underestimate. The one place where their figures are underestimated is in the retirement of Third World debt. And my calculations tell me that what will be required to achieve what we fear will be the likely consequences of climatic change, which are engaging all of your collective activities at this conference, is roughly \$1.7 trillion over a 10-year period.

Where does this money come from? It comes from only one conceivable place, and that's the money that we are now spending on the arms race. Because society is spending over \$1 trillion a year in the arms race, and over a decade, we are going to require almost \$2 trillion in order to redress the degradations which we have imposed on the environment. Then, the only place it can come from is that reservoir of public expenditure. Which means that the link between disarmament and development must become real. Indeed, the links must become a triad—disarmament, development, environment.

What is so hopeful about all of that is that, in the middle of 1987, under the auspices of the U.N., there was an international conference on the relationship between disarmament and development, in which every single country in the world, save the United States, agreed to a consensus document . . . which demonstrates that we can [meet the challenge]. If the world continues to move toward reductions in strategic weapons, conventional weapons, chemical, bacteriological, and radiological weapons, then the money that is freed has to go in some measure to development and environment, rather than merely being used to satisfy the priorities of domestic economies.

But there is something else involved here, which I want to put to you as strongly as possible, as scientists assembled in this room. It is truly important that given this sense which you all have of the issue, that you move from analysis to advocacy. That is the true measure of a scientific community which is mobilized in defense of a cause. It is not without precedent, I remind you. Numbers of scientists all over the world, and certainly in the United States, the United Kingdom, and Canada, numbers of scientists who understood the full horror of the potential uses of atomic weapons (many of whom had participated in the Manhattan Project and knew

something of the consequences of the building of atomic weapons), they gradually over the years, since the 1950s, formed a group in solidarity, under the auspices of the *Bulletin of the Atomic Scientists*. They fought vigorously, intelligently, indefatigably to get arms control policies in place, and to shift away from the insanity of the arms race. Let me remind you as well of the physicians, who decided some years ago that the greatest single public health hazard in this world would be a nuclear war. They formed the International Physicians for the Prevention of Nuclear War, East-and-West collaboration, working tenaciously and relentlessly. . . .

What we need now in a similar way on the environment is a grand coalition of scientists, environmentalists, and non-governmental organizations, and the policymakers who care to be involved to save this Earth and humankind. . . .

I appeal to you today that you combine science and advocacy. That you become both analysts and protagonists. . . .

I don't pretend that you are the last great hope for humankind. But perhaps collectively you are the strongest voice for mobilizing change. We certainly haven't come this far in human civilization to see it atrophy, before our very eyes.

Shevardnadze: a global environmental strategy

The theme of global environmentalism was featured in a statement before the United Nations, delivered by Soviet Foreign Minister Eduard A. Shevardnadze on Sept. 27, 1988. The following are some excerpts:

It is perhaps for the first time that we have seen the stark reality of the threat to our environment—a second front fast approaching and gaining an urgency equal to that of the nuclear-and-space threat.

For the first time, we have clearly realized that in the absence of any global control, man's so-called peaceful constructive activity is turning into a global aggression against the very foundations of life on Earth.

For the first time we have understood clearly what we just guessed: that the traditional view of national and universal security based primarily on military means of defense is now totally obsolete and must be urgently revised.

Faced with the threat of environmental catastrophe, the dividing lines of the bipolar ideological world are receding. The biosphere recognizes no division into blocs, alliances, or systems. All share the same climatic system and no one is in a position to build his own isolated and independent line of environmental defense.

Man-made "second nature"—the technosphere—has turned out to be dangerously fragile. The consequences of

many of its breakdowns are becoming international and global.

Environmental crisis is being exported on an increasing scale, with toxic technologies, facilities, products, and wastes spreading, overtly or covertly, through the channels of economic relations.

Quite deliberate attempts are being made to turn densely populated areas of the Third World into toxic waste dumps.

In a situation like this, it is suicidal to try to economically rein in progressive national developments, to wear down an imaginary enemy through economic pressures.

It is unreasonable to impede the economic reconstruction of countries that seek to restructure their energy industries and introduce resource-saving and waste free technologies, thus making the world less dangerous.

It is much more sensible, as we are proposing to the United States and other countries, to abolish some planned or ongoing military programs and channel the funds thus released towards instituting an international regime of environmental security.

All the environmental disasters of the current year have placed in the forefront the task of pooling and coordinating efforts in developing a global strategy for the rational management of the environment.

All of us, and I emphasize all of us, need an international program to manage the risks involved in economic activities and to shift to alternative technologies that spare both man and nature.

We need resources to save our planet, instead of destroying it. I think that the world community has such resources. But they have to be supplemented by the will and readiness to act, and, secondly, by an effective mechanism for international ecological cooperation.

It is quite clear that in this area, too, nothing can be done without the tools of new political thinking.

In this area, too, it must emphasize the factor of time. We have too little of it, and problems are piling up faster than they are solved.

Even the implementation of the positive decisions already adopted could take years and years. Just the physical elimination of intermediate- and shorter-range missiles will require three years of continuous daily work, and the [INF] Treaty's entire "sequence of implementation" will take 13 years. . . .

What are our liabilities?

Tens of thousands of nuclear warheads. . . .

Holes burnt in the ozone layer and the eroding biosphere.

The greenhouse effect and the depletion of non-renewable sources of energy.

Acid rains and deserts devouring the green world. Forest fires and floods.

Drying seas and dying fauna.

Terrorism against the peoples and aggression against nature.

What are our assets?

The world's growing maturity which makes it possible to pose and solve global problems on a planetary scale. The growing worldwide "green peace" movement.

Shared perceptions of environmental scientists and policymakers who are becoming increasingly active as environmentalists, as evidenced by the document of the states party to the Warsaw Treaty and by the recent appeal issued by the Pugwash movement. . . .

It is, we believe, within the framework of the United Nations that an international mechanism should be established to formulate urgent decisions on pressing global problems, above all economic and environmental problems.

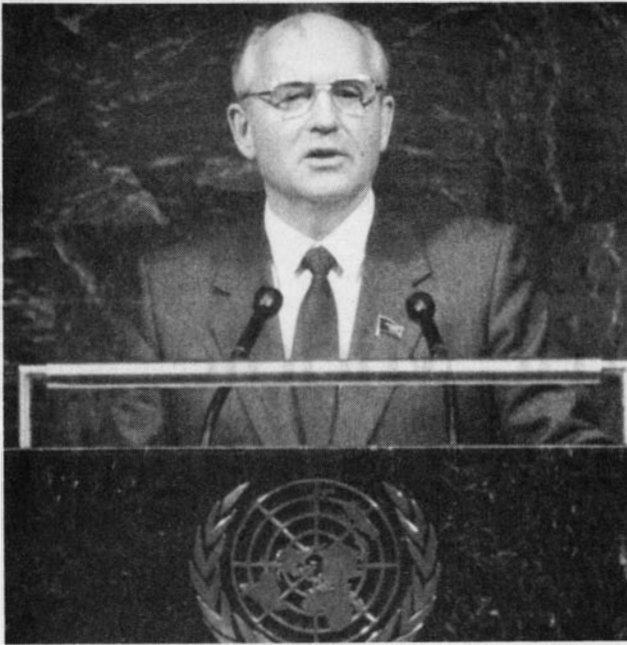
The Soviet Union proposes a discussion on how to turn the United Nations Environment Program into an Environmental Council capable of taking effective decisions to ensure ecological security. It proposes that a three-event series of emergency meetings should be held—of course, under the auspices of the United Nations—to coordinate efforts in the field of ecological security."

Gorbachov: toward a new ecological world order

The Dec. 7 U.N. speech by Mikhail Gorbachov has been widely reported for its announcement that the Soviets would unilaterally reduce their force strength in Europe. The bona fides of that proposal are questionable in themselves, but the majority of the speech was not devoted to disarmament, but to an announcement of Soviet support for a global environmentalist movement. Up to this point, their support to the Greens—particularly in the Federal Republic of Germany—has been covert. While the Greens have been used as a cover for professional sabotage against NATO defense infrastructure, now Gorbachov proposes a global policing operation to accomplish a similar task. The measures proposed are a tax on industrial production, which could not be assimilated under present conditions of economic depression and a portended international financial collapse. The following are excerpts from the speech.

. . . The scientific and technological revolution has turned many economic, food, energy, environmental information, and population problems, which only recently we treated as national or regional ones, into global problems. . . . Today, the preservation of any kind of "closed" societies is hardly possible. This calls for a radical review of approaches to the totality of the problems of international cooperation as a major element of universal security.

The world economy is becoming a single organism, and



Soviet President Mikhail Gorbachov addressing the U.N. General Assembly on Dec. 7, 1988. He called for a one-world environmentalist program.

no State, whatever its social system or economic status, can normally develop outside it. This places on the agenda the need to devise a fundamentally new machinery for the functioning of the world economy, a new structure of the international division of labor.

At the same time, the growth of the world economy reveals the contradictions and limits inherent in traditional-type industrialization. Its further extension and intensification spell environmental catastrophe. [Emphasis added.] But there are still many countries without sufficiently developed industries, and some have not yet moved beyond the pre-industrial stage. One of the major problems is whether the process of their economic growth will follow the old technological patterns or they can join in the search for environmentally clean production. . . .

Concurrently with wars, animosities, and divisions among peoples and countries, another trend, with equally objective causes, was gaining momentum—the process of the emergence of a mutually interrelated and integral world. [Emphasis added.]

Today, further world progress is only possible through a search for universal human consensus as we move forward to a new world order. We have come to a point when the disorderly play of elemental forces leads into an impasse. The international community must learn how it can shape and guide developments in such a way as to preserve our civilization, to make it safe for all and more conducive to normal life. We are speaking of cooperation which could be more accurately termed co-creation and co-development.

The formula of development “at the expense of others” is on the way out. In the light of existing realities, no genuine progress is possible at the expense of the rights and freedoms of individuals and nations, or at the expense of nature. Efforts to solve global problems require a new scope and quality of interaction of states and socio-political currents, regardless of ideological or other differences. . . .

The Soviet Union is prepared to institute a lengthy moratorium of up to 100 years on debt servicing by the *least developed countries*, and in quite a few cases to write off the debt altogether. [This proposal in itself is of little interest, since Soviet debt holdings are minimal, but taken as a policy initiative, and in conjunction with similar proposals by the Socialist International, they are a significant initiative toward restructuring global financial relations, and they cohere with the proposals of Western ecologists. In particular, they serve to promote the World Bank’s debt-for-equity schemes.—CW/RM].

As regards *other developing countries*, we invite you to consider the following:

—limiting their official debt servicing payments depending on the economic performance of each of them, or granting them a long period of deferral in the repayment of major portions of their debt;

—supporting the appeal of the United Nations Conference on Trade and Development for reducing debts owed to commercial banks;

—guaranteeing government support for market arrangements to assist in Third World debt settlement, including the formation of a specialized international agency that would repurchase debts at a discount.

The Soviet Union favors a substantive discussion of ways to settle the debt crisis at multilateral forums, including consultations under the auspices of the United Nations among heads of government of debtor and creditor countries.

International economic security is inconceivable unless related not only to disarmament but also to the elimination of the threat to *the world’s environment*. In a number of regions, the state of the environment is simply frightening.

A conference on the environment within the framework of the United Nations is scheduled for 1992. We welcome this decision and are working to have this forum produce results that would be commensurate with the scope of the problem.

But time is running out. Much is being done in various countries. Here again, I would just like to underscore most emphatically the prospects opening up in the process of disarmament—particularly, of course, nuclear disarmament—for environmental revival.

Let us also think about setting up within the framework of the United Nations a center for emergency environmental assistance. Its function would be promptly to send international groups of experts to areas with badly deteriorating environments. . . .

Overturning the Middle East chess board . . . again

by Jeffrey Steinberg

It's become as predictable as death and income taxes. Every time an American administration launches a potentially sane policy course toward the war-ravaged eastern Mediterranean region, some combination of international forces stage manages a new crisis—usually via a terrorist incident—and all hell breaks loose. Then, before you can say “Abu Nidal,” the long-term policy initiatives are buried under a mountain of crisis management papers, superpower hot-line chats, etc.

And so things stand now once again. No sooner had Secretary of State George Shultz bowed to pressure from the incoming Bush team and opened up formal diplomatic talks with the Palestine Liberation Organization (PLO) of Yasser Arafat, than a major international terrorist incident, the blowing up of Pan Am flight 103 on Dec. 21, took place.

Within days of the Pan Am bombing, an international furor was triggered over the “discovery” of a chemical weapons plant in Rebta, Libya, fueling rumors that the United States was about to bomb that plant back to the stone age. And so the stage was set for a Libyan provocation over the Mediterranean which resulted in the downing of two Libyan MiG-23s by U.S. Navy F-14s conducting maneuvers off the aircraft carrier *John F. Kennedy*.

On Dec. 30, already apparently responding to the Pan Am 103 bombing and the Libyan brouhaha, the United States had dispatched a taskforce of 20 warships led by the aircraft carrier *Teddy Roosevelt* to the eastern Mediterranean—mission unknown.

And as this issue of *EIR* goes to press, Abu Nidal, recently spotted in Beirut, has announced that he and his 200 followers are fully behind Libya's Muammar Qaddafi and will unleash a spate of terrorist attacks if the United States takes any more action like the downing of the two Libyan MIGs.

Familiar faces

It is notable that the Libyan chemical factory scare first surfaced in Washington, D.C. on Dec. 19—at a conference at George Washington University sponsored by the Anti-Defamation League of B'nai Brith and the Leon and Marilyn Klinghoffer Memorial Foundation, which is itself a branch of the ADL.

At that conference, Robert Kupperman, a senior adviser at the Center for Strategic and International Studies (CSIS), issued the first public call for the United States to take out the Libyan chemical plant:

“It is my view, certainly since the PLO's turnaround, that we are going to see some spectaculars. We are going to see an Abu Nidal and others engage in very serious, very, very dangerous and spectacular acts of terrorism. . . .

“The real menace at this point in time—and I think we've got to be prepared to take serious, concerted actions that may offend some—is Libya. These people have built, with Japan's help and West Germany's help, a substantial chemical warfare capacity. It is not yet in production. They are likely—and the *Washington Post* reported the same thing today—they are very likely to employ these agents, or at least give them to terrorists.

“Another fact is that there is hardly a Third World nation around, no matter how impoverished and no matter how obscene their hunger level is, that doesn't have a pair of Exocets or some other weapon. I think we're in for considerable periods of real violence. Libya is going to contribute massively. I think today—today—we ought to attack that plant before it goes into production. Maybe we can try out and see how well our cruise missiles work.”

The fact that Kupperman's remarks were delivered at a conference sponsored by the ADL is key to evaluating the

string of incidents that now leave the eastern Mediterranean once again on the verge of chaos and war. The ADL represents the branch of the American Zionist Lobby most closely linked to Israeli crazy Ariel Sharon and to those forces most hysterically opposed to any kind of diplomatic opening to Arafat. Not coincidentally, Sharon has been one of the key Israeli back channels to both Moscow and Damascus, scheming to cut a "separate peace" with the Soviets and their leading regional client states that would leave the United States as the odd man out in the Middle East.

The entire sequence of events following Washington's opening of the dialogue with the PLO has in fact been steered in a direction that only benefits those forces.

Speaking out against a bomb attack against the Libyan chemical plant, former Joint Chiefs of Staff chairman Adm. Thomas Moorer (ret.), in a series of radio and television interviews on Jan. 5, stated that any American action beyond the downing of the two Libyan jets would fuel a regional crisis that would only benefit the Russians, Israel, and the radical Arabs.

Missing elements

For his part, President-elect George Bush has restricted his involvement in the unraveling Middle East events to a vow that he will take strong action against the authors of the Pan Am 103 bombing—once hard intelligence has established precisely who was responsible. In fact, Bush circles, as well as the majority of Pentagon spokesmen, have been circumspect about both the Pan Am 103 and Libyan situations. It has been the State Department which has been most bellicose in its Qaddafi-bashing.

Because of the central role being played by the State Department in the Middle East crisis, it is crucial to take careful note of what is not being said about both the Pan Am 103 bombing and the charges of Libyan chemical warfare.

First and foremost, scant mention has been made of the possible role of the Soviet Union, Syria, or even Israel in the Pan Am bombing. The primary suspect in that brutal act of blind terrorism remains Ahmed Jibril's Popular Front for the Liberation of Palestine-General Command. Headquartered in Damascus, the PFLP-GC is known to be a closely held asset of Syrian intelligence.

Jibril himself, according to European security specialists, was a captain in Syrian intelligence at the time that he formed the group several years ago as part of Syria's proliferation of anti-Arafat Palestinian fronts. Jibril reportedly closely coordinates his activities with Abu Musa, the other Syrian mole in the Palestinian camp. Both report to Gen. Ali Duba, the head of Syrian military intelligence.

The PFLP-GC has been active for months in continental Western Europe, building up an infrastructure headquartered out of East Berlin.

Since 1984, Syria has also been the principal recipient of Soviet bloc chemical warfare technologies in the Middle



CSIS, Stuart Lewis

Georgetown's Robert Kupperman (left) and the man whose factional aims he appears to be promoting, Ariel Sharon (right).

East. Unlike Libya, Syria also possesses a fleet of intermediate-range missiles capable of delivering those chemical arms to targets inside Israel.

In other words, the specific faction of the outgoing Reagan administration that has been most hostile to the dialogue with Arafat, that has been most slavishly loyal to Israeli foreign policy goals, and has been most enthusiastic for the New Yalta global power-sharing arrangement with Moscow, has been most vocal in its cries for Qaddafi's scalp. In short, something rotten is afoot.

As if to underscore this pattern of events, Secretary of State George Shultz has seized upon the Libya chemical scare to add his voice to the chorus of one-worlders calling for a new United Nations convention on chemical weapons that would create a global monitoring agency responsible for licensing all chemical plants. Given that virtually any fertilizer or pharmaceutical plant is by its very nature capable of producing chemical weapons, such a mega-agency would be capable of exerting total top-down control over the distribution of food and medicine.

This madcap effort to squeeze as many crises as possible out of the final days of the Reagan presidency should be taken by President-elect Bush as ample warning that powerful global forces are out to confront him with a rigged agenda of crises. While sources close to the incoming administration insist that Bush is committed to pursuing the PLO dialogue and will take a much tougher stance toward Israel than his predecessor, any tendency to underestimate the magnitude of the pending attack against the institution of the presidency could be politically fatal.

For his part, Yasser Arafat has reportedly told the United States that he has assembled "lots" of information on precisely who carried out the Pan Am massacre, and has reportedly dispatched teams of Force 17 commandos to deal with the bombers.

Soviets prevent publication of speech on their beam-weapon program

by Dean Andromidas

It was recently revealed to *EIR* that in a closed-door East-West disarmament conference held Nov. 14-16, 1988 in the city of Amsterdam, Soviet representatives responded in a "very heated" manner when one of their Western counterparts detailed the ambitious Soviet commitment to develop weapons based on "new physical principles," particularly radio-frequency weapons. Following the conference, the Soviets demanded that the conference organizers *not publish* the presentation by Lt. Gen. G.C. Berkhof (ret.), in their forthcoming book on the proceedings of the conference. The conference organizers acceded to that demand.

It was at an *EIR* seminar held in September 1987 in Munich, West Germany, that Lyndon LaRouche first put forward the assessment that the Soviet Union was in the midst of its own crash program to develop electromagnetic or radio-frequency weapons, as a spearhead of their drive to achieve military superiority over the West. The aforementioned action by members of the Moscow-based Institute of the World Economy and International Relations (IMEMO), was the first public response by Soviet representatives, upon being confronted with the facts of their effort to develop and field these weapons. The September 1987 seminar was the first in a series held in all the major capitals of Western Europe over the course of 1987 and 1988. *EIR* then published a Special Report; "Electromagnetic Weapons, the Technology and Strategic Implications," in the English, French, and German languages, which received extensive circulation throughout military and political circles in Western Europe and the United States.

The Amsterdam conference was sponsored by an organization called INSTEAD, whose aim is to conduct research in the area of "alternative defense" strategies. Those in attendance at the meeting, which was held at the Free University of Amsterdam, included arms control experts from various institutions in the Netherlands as well as the Rand Corporation of California. It was one of several such conferences held since the signing of the INF agreement, to develop principles for conventional disarmament negotiations, as well as to probe the question of "alternative" or "nonprovocative" defense. These latter terms have been popularized by such peace movement ideologues as Mary Kaldor of European Nuclear Disarmament (END).

The Soviet representatives, Dr. Alexander Konovalov and Dr. Valeri Mazing of IMEMO, in their presentation

entitled "Conventional Imbalances and Technological Threat," took the opportunity to lay out a Soviet strategy for conventional disarmament talks aimed principally at hamstringing NATO's only advantage, its technological edge. Their presentation not only sidestepped the issue of the tremendous conventional superiority of the Soviet Union in Central Europe, but also totally ignored the huge Soviet research and development effort in weapon systems based on "new physical principles." Confining themselves to the technological areas of microelectronics, etc., the two Soviets argued that NATO's more advanced weapons systems, particularly the development of "smart weapons" and more advanced strike aircraft, are more threatening than Soviet absolute numerical superiority, because they are aimed at bankrupting the Soviet economy. The Soviet spokesmen charged that these technologies "give the possibility of the maximum use of American technological leadership and make it difficult for the U.S.S.R. to keep parity in the military field, and seriously devalue Soviet investments already made in the military sphere."

Discussing NATO's deep strike doctrines such as Follow on Forces Attack and the U.S. Airland Battle, the Soviet representatives asserted that U.S. advanced technology is dangerous from a "psychological" and "moral" standpoint, because they "depersonalize" warfare. In conclusion, they said that conventional arms control talks should proceed in the direction of outlawing all categories of weapons where the West has the technological advantage—smart weapons, missiles with highly accurate guidance systems, etc. They went further, calling for the withdrawal of aircraft with deep strike capabilities to points several hundred kilometers from the German-German border, a proposal that would eliminate the fighter-bombers of West Germany, the Netherlands, and Belgium, and would force the withdrawal of U.S. air forces from Western Europe.

The fraud of Soviet 'disarmament'

To the surprise of the Soviet scientists, General Berkhof pulled the rug out from under their argument by introducing into the debate the Soviets' own development of what they call "the new revolution in military affairs" and the development of weapon systems based on "new physical principles" such as high-energy lasers and radio-frequency weapons. General Berkhof is one of the Netherlands' and Europe's

leading military and strategic thinkers, and spoke from a highly informed standpoint. His presentation was a devastating exposure of the sham of the Soviet argument.

Entitled "Strategy and Technology," General Berkhof's presentation compared the development of military technology in the Soviet and Western systems. While the West has a far more dynamic research and development methodology, allowing rapid interchange between the military and civilian sectors, the Soviets, through a centralized system that gives full priority to the military field, have a "surge potential" in areas given priority. Radio-frequency weapons are one of those areas.

The general explained:

"R&D of weapons based on new physical principles, such as lasers, particle-beam weapons, and radio-frequency weapons, is in general not a responsibility of the defense production ministries, but of research institutes, often specially set up for this purpose. If the General Staff, or in some cases the Defense Council, accords a high priority to a particular program, for instance because they believe that it will give them a strategic advantage over the United States, an organization will quickly be created and provided with the necessary resources. Such special programs are recommended by the Scientific Committee of the General Staff, in close cooperation with the Academy of Sciences, thus ensuring the fusion of technology and strategy at an early stage. This policy is comparable to the American 'Competitive Strategy' elaborated by Alexander Konovalov and Valeri Mazing.

"The Soviet General Staff looks far ahead. For instance, as early as 1962, Marshal Sokolovsky, in the first edition of his book *Military Strategy*, had this to say of weapons based on new principles in physics: 'Possibilities are being studied for the use, against rockets, of a stream of high-speed neutrons as small detonators for the nuclear charge of the rocket, and the use of electromagnetic energy to destroy the rocket in the descent phase of the trajectory or to deflect it from its target.' "

The general emphasized the profound impact these developments will have on the science of war:

"Surprisingly not mentioned by Konovalov and Mazing, weapons based on new principles in physics could have an equally revolutionary effect on warfare at the turn of the century. They include high-powered lasers, particle-beam weapons, and radio-frequency or microwave weapons. The latter consist of phased array antennas or gyrotrons emitting nonlinear combinations of radio frequencies which, depending on the power output and the frequencies used, could disorient or kill people and damage or destroy electronics.

"Most high-energy lasers or HELS—the abbreviation used by American experts with their often macabre sense of humor—particle-beam weapons (PBWs), and radio-frequency weapons (RFWs) use large amounts of energy. They all project electromagnetic energy at or near the speed of light. But the beam ranges and the modes of interaction with

both the target and the environment through which the beam is propagated differ considerably. For instance, lasers might destroy a given target by depositing large amounts of energy on its surface. RFWs use complicated pulse shapes and pulse trains involving several electromagnetic frequencies and modulations with a wide spectrum ranging from extremely low frequencies to the hundred-gigahertz range. They can penetrate weapon systems and damage the electronics inside. In human beings, they induce an effect called 'biological coupling,' damaging or destroying the nerve synapses. In an anti-personnel mode, RFWs use relatively little energy, as the power output needed for disorientation is low. Defenses against RFWs will be difficult, if not impossible, to devise.

"PBWs, using electrons in the atmosphere or neutralized hydrogen atoms in space, possess an immense destructive force. On impact, the high-energy particles both irradiate the material and subject it to kinetic energy, causing rapid burn-through, damage to electronic components, and in some cases the ignition of fuels and explosives. Protective measures such as hardening, which is effective against lasers, are unlikely to be of assistance here. HELs are also more strongly affected by dust, smoke, rain, and atmospheric turbulence, and require complex adaptive lenses which automatically compensate for the heat waves generated by the Earth's surface."

General Berkhof, who is also an expert on Soviet spetsnaz commando forces and other aspects of irregular warfare, underscored that these technologies are not for the indefinite future, but for the here and now, and can be integrated into operations of special forces:

"Although all beam weapons kill people, only RFWs and some lasers offer realistic prospects for use as anti-personnel weapons. One-shot briefcase-size RFW devices can be used in operations of special forces, while larger devices with a range of several kilometers carried by large trucks or transport aircraft can be deployed against C³I [command, control, and communications infrastructure] modes, military and civilian electronic databanks, harbors, and other targets of opportunity. Both RFWs and lasers can function as air defense weapons by disorienting or blinding pilots. Indeed, Soviet low-energy laser designators aboard ships illuminated American patrol aircraft, and temporarily blinded their pilots during missile tests on the Kwajalein missile range. In addition to blinding, high-energy lasers ignite plastics in the cockpit and render the canopy opaque. All types of beam weapons are suitable for a missile defense role. RFWs and lasers are probably best for tactical operations."

U.S. and Soviet programs compared

While reviewing how the United States launched its R&D program in 1978, following the realization that the Soviets were making advances far beyond U.S. capabilities, General Berkhof compared the Soviet and American capabilities:

"Owing to the asymmetrical developments in the Soviet

Union and the United States, it is difficult to ascertain which country is ahead. On the analysis of the American and Soviet literature, the impression is that the United States is in the forefront in all areas using microelectronics, i.e., surveillance, pointing and tracking, and battle management and C³I systems. Both countries are about equal in lasers—though the U.S. could be ahead in free electron lasers—while the Soviet Union heads the field in high-power particle beams and radio frequency weapons, not surprisingly in the light of pioneering research work of V.I. Vernadsky (1863-1945)

“Concentrating on the reduction of classical weapons, while neglecting the new weapons which, though not nuclear, chemical, or biological, can hardly be termed conventional, will be futile at best. It may be a favorite pastime for politicians, but not one that brings a greater military stability within reach.”—Lt. Gen. G.C. Berkhof (ret.)

and A.G. Gurvich (1874-1954). Moreover, research on magnetohydrodynamic (MHD) generators, which convert explosive power into electrical energy, started earlier in the Soviet Union than in the United States. An MHD generator developed by the vice president of the Academy of Sciences E.P. Velikhov produced 50 megawatts in 1977. The device, called Ural, was used for geological exploration. It is quite small, and can probably also be used for powering mobile RFWs.”

Pointing to the revolutionary impact of these developments on the practice of warfare, General Berkhof stated:

“Although the implications of these new weapons are still being studied, it is clear that they will have a revolutionary effect, negating entire classes of traditional weapons. At sea, surface combatants could become obsolete (unless defenses can be found), and in the air and in space, manned aircraft and satellites in lower orbits could be highly vulnerable. It is equally clear that while the Soviet military scientists can hardly be confident that their industrial base can cope with the ‘revolution in electronics,’ their prospects with regard to the ‘revolution in physics’ are less gloomy, if the West keeps its research programs at the present low level and does not embark on a catch-up effort.”

General Berkhof concluded by pointing out the impossibility of controlling the development of these technologies through the arms control process, because there is no real difference between “civilian” and “military” science and technology:

“Can the introduction of these weapons be averted through arms control negotiations? The prospects are not very encouraging, for one thing because most of the technologies also have important civilian applications. Low- and moderate-energy lasers, for instance, are used for a wide variety of civilian purposes, including surgery, high-precision welding, cutting and manufacturing, cartography, the generation of electricity by controlled nuclear fusion processes, isotope separation, communications, and even light shows, to give only a few examples. Particle beam research is also needed for the generation of nuclear fusion energy. High-energy research laboratories are now on the brink of mastering the technique required to harness the force of conventional and even nuclear explosions so as to generate very high energy levels. Tests have yielded excellent results and proved that the projects are technologically feasible. It may still take some time to bridge the gap between small-scale laboratory experiments and cost-effective power stations based on this principle, but the technology of generating power by this means, including the intricacies of related high-energy transmission and switching, is being acquired.

“This is one of the principal reasons why research on lasers and particle-beam technology cannot, or rather will not be stopped. In this field there is no such thing as civilian science and technology or military science and technology; they are inextricably intertwined. Of course, it could be agreed not to deploy certain weapon systems such as ASATs [antisatellite weapons] or ‘Battlesats,’ or even larger ground-based stations, but the technology would still be there. Moreover, even if both sides were to agree to conduct negotiations on weapons of this kind, verification would be a difficult problem, because of the asymmetries existing in this as in other areas, and because of the intricacies of devising formulas on the basis of destructive power or range, etc., even for installations that can be detected by the national means of verification. Installations could, for instance, be tested at a lower power output or even camouflaged to look like civilian laboratories, while ‘zap guns’ and smaller mobile RFWs carried by trucks or aircraft cannot be detected at all. . . .

“Concentrating on the reduction of classical weapons, while neglecting the new weapons which, though not nuclear, chemical, or biological, can hardly be termed conventional, will be futile at best. It may be a favorite pastime for politicians, but not one that brings a greater military stability within reach.”

The complete text of General Berkhof’s speech will be available in the forthcoming issue of EIR’s “Global Showdown Update.”

Washington and Moscow worry over nationalist upsurge in Argentina

by Cynthia Rush

In the aftermath of the December 1988 military action by nationalist Col. Mohamed Ali Seineldín, Washington policymakers are nervously watching developments in Argentina. Colonel Seineldín's successful challenge to the Alfonsín government's anti-military policies, combined with an explosive debt crisis and the May 1989 presidential elections which could see a victory by the opposition Peronist party, has created a situation which the pro-Soviet Project Democracy apparatus in the United States considers to be out of control.

State Department socialists and like-minded policymakers fear that Argentina's continued submission to the International Monetary Fund, and the dismantling of independent political institutions carried out over the past five years, will be jeopardized by the constellation of forces which has been shaped very rapidly as a result of Seineldín's patriotic action.

What was it that this hero of the 1982 Malvinas War unleashed in Argentina?

During the weekend of Dec. 3-4, Seineldín and 400 loyal troops took over the Infantry School at the Campo de Mayo military base in Buenos Aires, and then moved on to the suburban base at Villa Martelli to make their point that the government must alter its policy toward the armed forces. Social democrat Raúl Alfonsín has used his term in office to carry out Project Democracy's demand that the institution of the armed forces be dismantled—not only in Argentina, but throughout Ibero-America.

Seineldín's action was not an attempt to alter the nation's constitutional order, as local and international press lyingly insisted. The colonel stated that his action was intended to force the government to seriously address such issues as the military budget, wages, and halting the trials of officers accused of human rights violations. He also demanded the resignation of Gen. José Dante Caridi, the monetarist Army chief of staff who had purged the Army of many nationalist officers and failed to stand up to the government's anti-military onslaught.

Alfonsín sent General Caridi out to Villa Martelli with

orders to repress Seineldín and his troops. Instead, Caridi met with the colonel, after which the military action quickly ended. Caridi announced, "We both realized that our aspirations coincided" and that bloodshed was unnecessary. Immediately following this action, the government granted a 20% wage increase for Army personnel, and a \$100 year-end bonus.

On Dec. 21, Caridi resigned as chief of staff, as the nationalists had demanded, and was replaced by Gen. Francisco Gassino, head of Argentina's military institutes (war colleges and training academies). Gassino has a reputation as a hardliner, who has been loyal to the government. However, sources in Buenos Aires say that the new chief of staff is nonetheless open to resolving the Army's internal problems and to representing the institution's aspirations.

Following Gassino's appointment, five other generals of greater seniority announced their resignations, and more are expected to follow.

Washington panics

President Alfonsín has repeatedly asserted that his government has made no concessions to nationalist officers. On Dec. 21, he gave a major address to a special session of Congress in which he rejected calls for amnesty for officers jailed for human rights violations during the 1976-83 military government. Argentina, he said, "was not willing to tolerate a vindication of state terrorism . . . to do so would be to go against the principles of democratic government."

Many observers saw Alfonsín's speech as an attempt to retake the initiative, after three weeks in which the government appeared to be bending to military demands. Just a few days earlier, however, his own defense minister, Horacio Jaunarena, asserted that the military's desire to be respected and recognized for its efforts in the 1970s war against subversion was "a logical aspiration," adding that what is usually referred to as the "dirty war" was "necessary." At the same time, Vice President Victor Martínez stated publicly that "genocide did not occur" during the "war against subver-

sion,” and that “the military in general is not genocidal.”

As evidenced by the degree of teeth-gnashing over these developments in both the local and international press, Alfonsín and the social democracy have taken it on the chin. U.S. Secretary of Defense Frank Carlucci was so concerned about the situation, that he made it the topic of his year-end letter to Jaunarena, warning that Argentina’s future security relationship with the United States would depend on maintaining a “democratic” form of government.

In an article in the Jan. 3 issue of the *Washington Times*, author Martin Sieff lamented that “although he is currently behind bars, Colonel Seineldín was the real victor in the mutiny,” and chastised Alfonsín for failing to “break his country’s sinister rhythm of extremist popular movements and military takeovers.”

What worries the right-wing social democratic factions for whom Sieff is a spokesman, is not just that Seineldín’s bold action could lead to a reorganization of Army leadership along nationalist lines, as suggested by General Caridi’s departure and the subsequent resignations of other generals. They fear that if these military leaders link up with the traditionally nationalist Peronist movement, and Peronist candidate Carlos Menem wins next May’s presidential elections, the resulting combination is not likely to be controlled from either Washington or Moscow.

The realization that such a combination would also have profound effects on nationalists elsewhere in Ibero-America is seen in Sieff’s and other press attacks on Seineldín’s ties to other “far-right” figures in Central America—notably Panama’s Gen. Manuel Antonio Noriega—who haven’t yielded to Project Democracy’s assault on their nations.

The attacks on Seineldín’s devout Catholicism also reveal these factions’ fear of a strengthening of the Catholic cultural matrix which has traditionally characterized Argentine society as well as the Peronist movement. Sieff fulminates over the fact that Seineldín’s troops “carried images of the Virgin and prominent crucifixes, while repeating their abhorrence of ‘communist subversives.’ ”

A ‘self-coup’?

One of the options available to Alfonsín and his backers to prevent this nationalist combination from coming to power, is to deliberately provoke a response from military factions opposing Colonel Seineldín, unleash civil conflict, and go into exile abroad claiming to be the victim of military persecution. In September 1988, sources close to the Menem camp suggested that Alfonsín might resort to an *autogolpe*, a self-coup, to prevent a Peronist victory in next May’s elections.

More recently, an unnamed adviser to Carlos Menem, quoted in the Dec. 21 issue of *Somos* magazine, reiterated the concern of Peronist circles that Alfonsín is now actively considering this option. “I don’t think he’s figured out that his image would deteriorate if he gave in completely to this kind of a proposal,” this adviser remarked. “Probably he’s

decided to burn his bridges and portray himself abroad as a victim of ‘military power.’ ”

This source added that it was significant that two of Alfonsín’s most trusted political operatives, Foreign Minister Dante Caputo and Interior Minister Enrique Nosiglia, are both currently outside the country with no planned date of return, suggesting that they might be there to form part of a government in exile.

Narco-terrorist threat

Like its cothinkers from Project Democracy, the Soviet government does not consider the existence of nationalist military or political institutions in Argentina to be coherent with its strategic goals. It is prepared to unleash the same weapons of terrorism and drug-trafficking visible in other Ibero-American nations, and return Argentina to the right-left terror it suffered during the 1970s, if that’s what it takes to destroy the nation state and Catholic cultural matrix.

During Colonel Seineldín’s military action, the Argentine Communist Party and affiliated Marxist and ecologist groupings were among the most vocal supporters of Alfonsín’s “democracy.” Representatives of these groups gathered in front of the Villa Martelli base to violently confront Seineldín’s troops, and to demand that the government arm them to confront “the fascists.” In demonstrations held at Buenos Aires’ Plaza de Mayo a few days later, these same groups called for the creation of armed resistance, claiming that “to resist is to fight,” and evoking the memory of the 1960s guerrilla leader Che Guevara.

Anti-drug activists in Buenos Aires have told *EIR* that former members of the terrorist Montoneros group and members of the Trotskyist Movement Toward Socialism (MAS) have been arrested in recent drug busts. Members of a dissident faction of the Montoneros were also involved in a carefully orchestrated, commando-style bank robbery, which occurred in the Mataderos section of Buenos Aires in early December. A few days later, unknown individuals bombed the Communist Party headquarters in Buenos Aires, indicating the potential for the development of right-left terror.

More “respectable” members of this narco-terrorist apparatus include Rogelio García Lupo, a journalist of impeccable Nazi-communist credentials. Forty years ago, García Lupo was an avowed fascist in Buenos Aires; but after undergoing a Damascus Road conversion, he helped found the Cuban press agency Prensa Latina in 1959, and has served as a mouthpiece for Cuban/Soviet views ever since.

In the Dec. 22 issue of the leftist *El Nuevo Periodista* magazine, García Lupo attacks Seineldín as a fascist, war-mongering Druze (a reference to the colonel’s Lebanese family background), whose conversion to Catholicism was merely an act of opportunism to permit his entry into the Argentine Army. A few years ago, the same García Lupo authored a vitriolic attack on *EIR* founder Lyndon H. LaRouche, identifying him as “the North American Perón.”

Salvadorans charge Inter-American Dialogue serves communist interests

by Gretchen Small

"Internationalist usurers" and "devotees of convergence with socialism" infiltrated into positions in Washington, D.C., have imposed a losing strategy upon El Salvador's military, because they *seek* to hand this country over to the communists, leading Salvadoran geopolitical strategist, Edgar Chacón, charged at year's end. Chacón named Sol Linowitz's Inter-American Dialogue as a center of this conspiracy, and warned that the Dialogue is running similar operations against other Ibero-American militaries, on behalf of "internationalist usury."

Chacón is president of El Salvador's International Relations Institute, an institute linked to the ARENA party. His charges, reported in two separate articles appearing in San Salvador's daily, *El Diario de Hoy*, in late December are not merely his own, however, but reflect the view of a broader grouping within El Salvador's military and political elite.

That grouping has concluded that only if El Salvador breaks with the policies coming out of Washington, do they have any hope of stopping the terrorist insurgency there from seizing power in the next year or, maximum, two.

They have also concluded that the policy is not an accident. The "Low Intensity Conflict" strategy for fighting the insurgency which the United States has imposed upon the Salvadoran military, "was designed by U.S. conspirators (Fabian socialists infiltrated in Washington), who seek to complement the Prolonged Popular War strategy of the communists," *El Diario* reports.

Low intensity conflict strategy is no counter to the communists' people's war strategy, "but rather both are destroying the country; each with its own methods, at its own pace, is bringing us to the same point: that is, El Salvador's fall to communism," Chacón explained.

El Salvador is not the only country which will lose if the Fabian usurers' policy continues to dominate in Washington; the United States will also lose.

Already, the Establishment press has put out the word that "El Salvador could be Vice President Bush's first foreign policy crisis," the formulation of Morton Kondracke's *American Interests* television program on Dec. 31. That program posed the question raised by every article on El Salvador which has appeared in the major U.S. newspapers since Dec. 23: "Civil war, economic woes, and urban terrorism—elements that could push El Salvador to the brink, and the Bush

administration to the edge of crisis. . . . Can El Salvador be saved?"

A broader battlefield

The alarm bells are not based on any sudden surge in the strength of the terrorists' army, the Farabundo Marti Liberation Front (FMLN), however. The immediate danger to El Salvador stems, rather, from the global deal which the United States has struck with the Soviet Union.

The FMLN has launched a two-pronged military and political offensive, to seize the advantage during the conjuncture created by the combination of a new administration coming into Washington (they believe committed to that U.S.-U.S.S.R. deal), and the national elections being held in El Salvador for March 1989.

Militarily, the FMLN has adopted the tactics of Peru's Shining Path terrorists, targeting local authorities who provide leadership to their towns and villages. Mayors in territory claimed by the FMLN have been ordered to collaborate with the terrorists, or quit.

In the last two months, the FMLN has murdered eight mayors who refused to submit. By early January, 33 mayors had quit out of terror, on top of the 51 of the 262 mayors elected to office last March who never took up their posts "because their towns are usually under rebel control," Reuters wire service reported on Jan. 5.

The FMLN has also stepped up attacks on the country's economic infrastructure. Electrical blackouts now occur almost nightly in the capital, San Salvador, because of FMLN bombings of the nation's electricity grid. Since the majority of the capital's water supply is electrically run, the abrupt changes in water pressure caused by the black-outs have produced ruptures in the pipes, which in turn, has cut off the water supply for some sections of the city. Bombings and kidnappings in the capital have escalated dramatically.

Meanwhile, on the terrorists' "legal" front, the social democratic Democratic Revolutionary Front (FDR) has announced it will participate in the March elections, as candidates of the "Democratic Convergence" election coalition.

This retooling has won the FMLN more advocates abroad than in El Salvador. The U.S. State Department hailed the FDR's election announcement as a "dramatic departure . . . [from] the past eight years of armed conflict," in a November

1988 Public Information Series bulletin. This, despite the fact that in the same Bulletin, they quote FMLN documents captured by the military in February 1988, which state:

“Dialogue is not an end. It is a means. . . . Whatever form a negotiated political solution takes does not mean that we cease the struggle. . . . In the most likely event, it would mean the continuation of the struggle in all its forms—political and military—but now from a position of legitimate and recognized power at the national, and to a good extent, international level.”

Given such benefit of the doubt in Washington, the guerrilla commanders themselves have joined in the campaign to gain international legitimacy. Top FMLN commander Joaquín Villalobos personally visited several Ibero-American capitals in December 1988, to request that other countries pressure the Salvadoran government to open negotiations with the terrorists.

His trip appears to have been best received in the United States, where the *Wall Street Journal* went so far as to paint the Villalobos trip as a signal that the Soviet Union had cut off the FMLN, thus “forcing” them to opt for negotiations.

Power-sharing

Since Dec. 23, articles have appeared in the *Wall Street Journal*, the *Washington Post*, the *New York Times*, and the *Los Angeles Times*, calling for Washington to accept the fact that the Salvadoran FMLN is too strong to be beaten on the battlefield. If the Salvadoran military refuses to go along, the U.S. Congress must cut off U.S. aid to the country until the military accepts, several papers argued.

The media blitz is nothing but public packaging for the sell-out policy outlined in the Council on Foreign Affairs’ *Foreign Affairs* quarterly this winter, (see *EIR*, Vol. 16, No. 2).

To defeat the FMLN army, requires the implementation of a full-scale economic development program for all of Central America, centered around infrastructure construction, a debt moratorium, and a crackdown on the drug trade. Fixated on cutting the budget and striking a global deal with Moscow, the U.S. Liberal Establishment has no intention of spending that kind of money.

The *Los Angeles Times* Dec. 27 editorial spelled out the budgetary rationale for defeat: “While there are links between the Salvadoran guerrillas . . . and their ideological kin in Havana and Managua, the FMLN forces have proved that they are capable of waging their own war quite effectively without help from Fidel Castro or the Sandinistas. The same claim cannot be made by the Salvadoran security forces. Despite almost \$3 billion in U.S. aid that the Salvadoran government has received since 1980, military analysts still question the battlefield effectiveness of the Salvadoran army,” they wrote.

Therefore, they argued, El Salvador must capitulate: “The incoming American administration must reassess its policy

toward El Salvador, giving up Reagan’s wish-dream that the insurgency can somehow be defeated.” Negotiations must quickly be convened between the government and the FMLN, and a cease-fire arranged as a prelude to the “more realistic, if difficult option . . . [of] a power sharing arrangement,” the *Times* wrote.

This is the kind of thinking which has forced nationalists within El Salvador’s elite into rebellion against U.S. orders. If the Bush administration attempts to implement the Establishment’s sell-out of El Salvador, they may find the resistance in El Salvador’s military and civilian policy tougher than they expected. As former Army Colonel Sigifredo Ochoa (now the vice president of the National Assembly) told the *Associated Press* on December 28, “we [may] resort to nationalist guerrilla warfare. . . . A frustrated people could do just that.”

Chacón’s charges

El *Diario de Hoy* ran the following article on Dec. 27, 1988, under the headline, “International Organization Plans to ‘Domesticate’ Militaries”:

A political program to achieve the “domestication” of the Ibero-American militaries to the benefit of a regime of party rule which answers to the dictates of international political organizations, includes El Salvador, a political analyst charges.

The president of the International Relations Institute (IRI) Mr. Edgar Chacón points out that last May, the Inter-American Dialogue issued its fourth report. . . . “The model of the Inter-American Dialogue can be summarized,” the political analyst emphasizes, “as the re-education of the Ibero-American militaries, to transform them into gendarmes of party rule. Their success or failure will depend on the annulment of national values which still exist in the Ibero-American countries, paving the way for internationalism.”

. . . Chacón points out that for these devotees of convergence with socialism, the problems left unresolved by their new democracies stimulate tendencies for coups in the militaries. . . .

The successes of this inter-American group on behalf of internationalist usury are indisputable, he adds. “That is how Mexico and Brazil, with incredible natural and human resources with which to excel as true powers, have been reduced to the category of mortgaged nations, with more than \$100 billion in debt apiece.”

The political analyst notes that the Inter-American Dialogue proposes “a concerted effort to redefine relations between democratic governments and the armed forces,” in order to confront the military challenge. According to the report, this redefinition includes the authority of civilian governments to “establish the precepts which rule the armed forces and their relations with the rest of the state and society. . . .”

The JVP: Nazi-communist terrorism in Sri Lanka

by Susan Maitra and Ramtanu Maitra

A ray of hope of settling the complex Tamil issue in Sri Lanka has emerged with the installation of a Tamil-dominated coalition government in the newly formed North-Eastern Province. But the Janatha Vimukti Peramuna (JVP) has unleashed a reign of terror which has seriously undermined the prospects for a political resolution of the conflict that has engulfed Sri Lanka over the past six years. The rise of the classic communist-fascist JVP, an ethnic terrorist Sinhalese organization, from virtually nothing in 1980, to a controlling factor in Sri Lanka's political arena is perhaps the most dramatic testimony to the toll the strife has taken on the social and political fabric of this island nation.

On Nov. 13, the Colombo-based *Sunday Times* published a written interview with JVP leader Rohan Wijeweera, who has remained underground since the 1983 Colombo riots in which the JVP's role was mentioned by then President and head of the ruling United National Party (UNP), Junius Jayewardene. In the interview, Wijeweera said that the JVP's foremost task is to "chase out the Indian troops," a reference to the Indian Peace Keeping Force battling remnants of the belligerent Tamil militants under provisions of the 1987 Indo-Sri Lankan Accord; "repeal the pact of betrayal," the Accord; "dissolve provincial councils," set up to give some degree of autonomy to the Tamil majority in the North-Eastern Province; "and chase out the Jayewardene-Thondaman government." Thondaman is a Tamil leader who heads the Ceylon Workers' Congress and was a minister in the Jayewardene government.

Though they have the ring of the empty boasts of a "revolutionary," Wijeweera's words sent a chill down the spine of Sri Lanka's politicians. Aided by assassins and an indifferent law-and-order machinery, the JVP has established a strong foothold as the group which can terrorize the public to get what it wants. JVP terrorism, which means walking into public meetings with guns ablaze and burning down homes and railway stations, has gripped the entire south and most of the central, western, and northwestern provinces in paralyzing fear. Public figures with political affiliations and political workers are gunned down at their homes as they step out the door in the morning. Anyone supporting the Indo-Sri Lanka Accord is particularly targeted.

The JVP membership is estimated at 10,000, with 2,000 full-time workers.

The impact of terrorism

The JVP-inflicted terror has virtually frozen the entire political leadership. In spite of former President Jayewardene's February statement that he would "crush the JVP," the same President agreed on Nov. 10 to the JVP demand that he dissolve the parliament and install a caretaker cabinet to oversee the presidential and general elections. Jayewardene did set terms for the JVP—that they would have to join the democratic process—but it was clear who had the upper hand. Since the JVP later raised the stakes, demanding a "total change," President Jayewardene had to back out. Meanwhile, the terror continued.

On the other side, the main opposition group, the Sri Lanka Freedom Party (SLFP), has used the JVP to its own advantage. In 1971, soon after SLFP leader Mrs. Sirimavo Bandaranaike assumed office, the JVP led a lightning attack across the island on police stations and army barracks in an attempt to grab power.

Although the "instant revolution" was brought under control, the JVP went underground. Officially, 1,000 insurgents were killed by the armed forces, but most independent estimates put the figure at over 10,000. At Mrs. Bandaranaike's request, the Indian government had flown in 5,000 Indian troops, and ordered the Indian Navy to seal off Sri Lanka to prevent any external support for the insurgents.

Following the large-scale outbreak of violence in 1983 in Colombo, targeting the Tamils, then-President Jayewardene, who had lifted the ban on the JVP in 1977, accused the JVP and two other leftist groups of inciting the violence. From then on, the Tamil issue pushed Jayewardene into a corner. On the one hand, he realized that the discrimination against the Tamils had to be ended. On the other hand, he was aware of the capability of the chauvinist Sinhalese, the majority community, to make gains politically and chaos socially. Moreover, after the ban on the JVP was lifted, some UNP ministers with close caste affiliations to the JVP, men such as Cyril Mathew, had recruited JVP cadre into the UNP. It is these "ex-JVP" men within the UNP who are believed to

have been responsible for the pogroms against Tamils in 1983.

Mrs. Bandaranaike did not miss the chance to make political gains, and began to court the JVP while spewing Sinhala chauvinist rhetoric. She attacked President Jayewardene for succumbing to Indian pressure to give the Tamils what they want. Added comfort to her at that point was the JVP tactic of selectively killing ruling United National Party members only. Even when the JVP turned its guns toward other groups like the Sri Lanka Mahajana Party (SLMP), a leftist breakaway from the SLFP, Mrs. Bandaranaike did not give up hope that an arrangement with the JVP would be possible. Last February, JVP gunmen killed SLMP leader Vijaya Kumaramatunga, Mrs. Bandaranaike's son-in-law.

The JVP proved no more responsive to Mrs. Bandaranaike's opportunism than to Mr. Jayewardene's sticks-and-carrots. Following Jayewardene's JVP demands, Mrs. Bandaranaike made a desperate attempt to get JVP support for her presidential candidacy, but to no avail. Rohan Wijeweera made it clear that he considered any election held by the Jayewardene government to be fraudulent. As for Mrs. Bandaranaike, on Nov. 12, the JVP put up posters in the southern provinces, its stronghold, telling SLFP members to quit the party or "face execution."

A political cancer

Although the JVP broke into the international media in 1971 following its abortive coup attempt, the organization was formed in 1964 and had been involved in sporadic violence since 1965. Led by Wijeweera, son of a petty businessman of Kotteguda village on the outskirts of the southern town of Matera, the party had its initial base in southern Sri Lanka. Wijeweera's early dabbling in Marxism was solidified during a stint at Patrice Lumumba University in Moscow. He soon gave up his medical studies and embraced radical Marxism.

Under the impress of the Sino-Soviet "split," Wijeweera became disillusioned with Soviet "revisionism" and, tracked on to North Korea and China, styling himself a "Maoist." At the time of the 1971 coup attempt, Sri Lanka severed diplomatic links with North Korea on the grounds of its alleged involvement in the JVP-led insurgency. Wijeweera was also widely understood to have undergone guerrilla training in the Middle East under a left-wing faction of the Palestine Liberation Organization (PLO).

From the outset, however, Wijeweera was a confirmed Sinhala chauvinist, and his Marxist-Maoist litany was draped over a core of Nazi-like racism. He explained his distaste for President Jayewardene, for instance, by citing documents that the former president's ancestry was Tamil, and that he had simply adopted a Sinhala name to cover it up.

It is the Nazi-like racism that accounts for the JVP's virtually symbiotic relationship with the most rabid and degraded elements of the Liberation Tigers of Tamil Eelam

(LTTE) in the Tamil movement.

To raise funds, Wijeweera adopted fascist methods, authorizing armed robberies of banks and homes on the plea that the "capitalist class" wanted to destroy his "patriotic struggle." No mere babe in the woods, Wijeweera also established a beachhead among Sinhala chauvinists employed in the Army, Navy, and Air Force. Wijeweera retains a number of friends and fellow-travelers within the military to this day.

Though JVP's activities were confined to southern Sri Lanka in the early days, in such towns as Hambantota, Matara, Tangalle, and Galle, they began to spread northward in the post-1983 period. Briefly, following Wijeweera's release from prison and the lifting of the ban on the party in 1977, the JVP surfaced and began working with the Tamils in the North and Eastern provinces. But the group's anti-Tamil bigotry was not forgotten. In the 1982 presidential election, the only one in which it ever contested, the JVP came in third in the predominantly Sinhala areas and fifth out of six in the Tamil-dominated North and East.

The 1983 anti-Tamil riots forced Wijeweera and the rest of the JVP leadership to go underground once again. From underground, JVP denied any link with the Tamil extremists and denounced the Tamils as "imperialist stooges" trying to divide up Sri Lanka. Reverting back to its pre-1971 organizing tactic, JVP accused the Jayewardene government of "selling out to the Tamils." JVP activity since 1983, recruitment from the Sinhala population in particular, has been boosted by LTTE militancy in the north.

Since 1983, the JVP's targets for recruitment have been students, both at the college and school levels, and Sinhala Buddhist chauvinists represented by such vicious anti-Tamil figures as Palipane Chandana Thero, chief of the Asgiriya Temple in Kandy, and Rev. Maduluwawe Sobitha, who leads the Khomeini-style *Maubima Surakima Vyaparaya* (Protectors of the Motherland). Although the Buddhist monks appear to have very little sympathy for Wijeweera's "proletariat," his anti-Tamil and anti-India vitriolics have touched their hearts. Other high priests, such as Mahanayake Thero of Malwatte, Venerable Maruttuwewe Ananda Theri of Janata Satan Peramuna, and others, have identified themselves as antagonists of the Indo-Sri Lanka Accord and boosted the JVP by preaching Sinhala chauvinism.

Having succeeded in generating support from a significant section of the Buddhist *Sangha* (Organization), Wijeweera set about to do what he knows best: He unleashed his young activists to terrorize, burn, and kill. As the UNP leaders and workers were being killed in their homes, the opposition SLFP began to realize that JVP might be useful in unseating the ruling party. Mrs. Bandaranaike, 11 years out of power and victimized by President Jayewardene herself, began attending the chauvinists' meetings along with the JVP and hawkish Buddhist monks.

Mrs. Bandaranaike may have failed to realize that the JVP does not believe in any political process, and that when

the time comes, she would also be discarded like the UNP and SLMP. The Buddhist monks, on the other hand, do not believe in any political process either, and will be perfectly content as long as rabid Sinhala chauvinists assume power in Colombo, to break the Accord and reject all Tamil demands.

The terror campaign

After the signing of the Accord by Jayewardene and Indian Prime Minister Rajiv Gandhi on July 29, 1987, JVP raised the politics of violence to a higher plane. Wijeweera circulated recorded tapes in which he, like the Communist Party of China following the Sino-Indian war of 1962, expounded on "Indian expansionism" motivated by the economic needs of Indian capitalists. The five-tape lecture not only denounced India, but also spread venom against the tea plantation workers, Tamils of Indian origin, and Tamils in the North.

Over the past year, JVP violence has been reported as far north as Kalpitiya—more than 100 km north of Colombo. In the center province, in the hills, the JVP's violence has been increasingly reported, and virtually the entire south is fully terrorized by Wijeweera's people. By November of 1988, Sri Lanka was forced to admit the country was not safe for tourists in full diplomatic complements.

The campaign of terror, centered on annihilation of top

political leaders, began with the throwing of a hand grenade into the parliament building on Aug. 16, 1987, when parliament was in session. A week earlier, JVP had killed Jinadasa Wedasighe, a member of parliament, in Ratnapura, about 60 km southeast of Colombo. The campaign escalated:

- On Nov. 10, 1987, at least 50 people were killed when a powerful time-bomb exploded inside a transport van in the densely populated section of Colombo.

- On Dec. 23, JVP gunmen shot down UNP chairman Harsh Abeywardene and three of his staff in Colombo. On the same day, a trade unionist and active member of the UNP was stabbed to death in the southern district of Galle.

- On Feb. 16, 1988, two JVP gunmen shot dead Vijaya Kumaramatunga, the son-in-law of Mrs. Bandaranaike and a strong backer of the Indo-Sri Lankan Accord. The JVP front, Deshapremi Janata Vijaparaya (DJV), claimed responsibility. It has since been established that the DJV functions as the "brown shirts" of the JVP.

- On May 20, 1988, UNP General Secretary Nandalal Fernando was shot dead in south Colombo.

- On Oct. 14, 1988, two provincial council members belonging to the UNP were killed, along with eight others.

- On Oct. 24, 1988, several members of the JVP carrying submachine guns, entered the UNP office in Colombo and mowed down four UNP members. Twenty others were injured in the firing.

- On Dec. 1, gunmen opened fire and exploded bombs at a leftist presidential candidate's campaign rally, killing four and wounding about 100. The candidate, Ossie Abeygoonasekara of the SLMP, was unhurt, and later reported that the army and police had remained inactive while the JVP gunmen were shooting people down. It was the second attempt on Abeygoonasekara's life in two weeks.

This is but a sampling of JVP terrorism over the past year. Nearly once a week reports come of bombing of railway stations and attacks on police stations and army depots by the JVP. While the bombing of bus and railway stations is aimed at terrorizing the population, the attacks on police and military targets are to collect weapons, and are done in concert with JVP sympathizers within the law enforcement agencies. In addition to Abeygoonasekara's report, JVP infiltration of the police and military was confirmed when JVP attacked a military detention camp in Pelawatta, 70 km southeast of Colombo, on Nov. 6 and released 153 prisoners, all of them JVP activists.

That JVP terror had become perhaps the most potent force in central and southern Sri Lanka became evident in early November, when JVP called for an indefinite strike throughout the country. On Nov. 10, when candidates for the presidential election went to submit their nomination papers, the capital city of Colombo was shut down. In the interior, food shortages were reported as the transport workers, many of whom are with or at least feared to cross the JVP, refused to work.

Who Killed Olof Palme?

A Classical KGB Disinformation Campaign:

NBC-TV and the Soviet military daily *Krasnaya Zvezda* both blame LaRouche. . . .

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The British press breaks the story of Emma Rothschild's love affair with Palme—and the possibility that her father is a Soviet spy. . . .

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India's Gandhi meets with Deng Xiaoping

by Susan Maitra

"A good beginning," one reliable insider here in New Delhi concluded, on Prime Minister Rajiv Gandhi's Dec. 19-23 official visit to the People's Republic of China. Three signed agreements and a commitment to resolve the border issue were the formal intendment for two days of talks between Gandhi and his high-powered delegation and the potentates of Beijing, including Prime Minister Li Peng, General Secretary Zhao Ziyang, and Deng Xiaoping.

It is the first visit of an Indian prime minister in 34 years, when Jawaharlal Nehru and Zhao En-lai announced the Panchsheel, the Five Principles of peaceful coexistence that later became a platform of the Non-Aligned Movement—an effort at Indo-Chinese friendship that was derailed with the 1962 war. With general elections less than a year away, Indian opposition politicians have charged that another glamorous foreign tour and "accord" with China was just a poll gambit. "Sellout" to Beijing was also thrown by opposition leader V.P. Singh, on the strength of the London *Economist's* disinformation.

The border dispute was removed from the position of a "precondition" for relations. Gandhi's effort to get a "time-bound approach" to the dispute evoked no response from the Chinese, but the final communiqué announced that "steps will be taken, such as establishing a joint working group on the boundary question." India also reiterated its position that Tibet is an "autonomous region of China," and that Tibetan anti-China political activity is not allowed in India. Indian officials had met the Dalai Lama prior to the visit.

In the meantime, agreements on cooperation in science and technology, civil air transport, and culture were signed. Already, exchanges have multiplied greatly in the past year. However, economic ties between the two countries are not likely to take off quickly. China-India trade, presently governed by an annual protocol, stands at a paltry \$95 million, with India exporting \$10 million and importing \$85 million. Since both remain essentially raw materials suppliers, with highly imbalanced economies, the commercial aspect of the relationship is bound to be weak.

'The missing link'

The most important aspect of the trip, as Gandhi told the press upon his return, was establishing direct relationships with China's leaders. Senior foreign office officials see this as greatly enhancing India's "diplomatic maneuverability," since the prime minister has fashioned a personal equation

with both Mikhail Gorbachov and George Bush; they say, "China was the missing link."

The meeting with Deng Xiaoping—which India considered critical to the trip's success—was the high point. Deng talked with Gandhi for 90 minutes, going out of his way to reassure him of China's intentions and motivations. "By the middle of the next century, China will be a middle-level power only," Deng reportedly told Gandhi. "The old alliances are changing and we must change with them. Unless we encourage that change and work together, we will both be left out in the cold. We must employ pragmatism and not rhetoric."

The joint communiqué following the visit emphasized the Five Principles of peaceful coexistence, as the basis for Sino-Indian relations and as "the basic guidelines for the establishment of a new international political order and the new international economic order."

The communiqué appears in counterpoint to the "Delhi Declaration" of November 1986, in which Gorbachov and Gandhi outlined the Indo-Soviet program for the new world order with much fanfare. Reports of the Beijing trip indicate that Indian officials took pains to keep mention of the Soviet Union or Gorbachov out of the proceedings. Indian press musings on the great potentials for Sino-Soviet-India cooperation had met with a thundering silence in the pre-visit press conferences in Beijing.

Gandhi stressed before he left for Beijing that India's relationship with China is independent of all other ties. Moreover, he said, "we started working to normalize relations with China long before the Sino-Soviet thaw came about." "Protocol-wise," as the former diplomat and adviser to Indira Gandhi, A.K. Damodaran, put it, the visit was long overdue.

In a public forum on Sino-Indian relations, Damodaran pointed out that despite the 1962 war, Sino-Indian relations were never as bad as portrayed. As early as 1968, he said, Mrs. Gandhi had taken the first step when she put a halt to the stream of official "white papers" reviling China that had become ritual fare in the wake of 1962.

Three years later, when Henry Kissinger tried to invoke the "China card" during the Bangladesh crisis, Beijing did not exactly rise to the occasion. China demanded only that India remove some bunkers from Nathu La (in Sikkim) and complained that 400 sheep had been lifted from Chinese territory.

In 1976, several years before the establishment of annual joint border talks in 1980, Mrs. Gandhi sent back the Indian ambassador to Beijing. Although eight rounds of border talks gave no hint of an early settlement, India revealed recently that Mrs. Gandhi was preparing the ground for a settlement at the time she was assassinated. Her emissary, R.N. Kao, the former head of the Research and Analysis Wing (RAW)—India's foreign intelligence arm—was in fact secretly in Beijing presenting a comprehensive proposal to Chinese leaders on Oct. 31, 1984, the day Indira Gandhi was slain.

Book Review

'A question left over by history. . .'

by Susan Maitra

Aksaichin and Sino-Indian Conflict

by John Lall

Allied Publishers Private, Ltd., New Delhi, 1989
Rs. 150.00 hardbound, 356 pages with index and maps

For anyone who wishes to get a grip on the essentials of the seemingly intractable dispute that has kept relations between India and China frozen in suspicion and hostility for 26 years, this book is must reading. Though eminently accessible to the layman, its authority and incisiveness make this book a prime candidate for required reading in the relevant university courses and for purchase by libraries everywhere.

The author has succeeded in putting into focus a great sweep of geopolitical history in the remote Himalayan ranges—from the early efforts of the British to engage the Manchu dynasty as a buffer and ally against imperial Russia's southward march in the Pamir mountains of the northwestern Himalayan range, to the creation of the so-called McMahon Line border between India and China in the southeastern Himalayas, down to the 1962 conflict.

The book is packed with details of the historical record gleaned from British and Indian archives as well as communications with still-living actors in the drama, yet it never weighs as a pedantic tract. Instead, the reader is carried along on a fascinating journey through difficult terrain, as a novice in the hand of a mountain guide is led from outlook to outlook suddenly finding himself at the summit, with a commanding view. The analogy is to the point.

John Lall is uniquely qualified to speak on the Sino-Indian border dispute. "In one way or other the Himalayas have been an obsession with me all my life, the form changing with occupation and the passing years," he writes in the preface. An enthusiastic trekker for starters, Lall studied history in India and England before joining the Indian Civil

Service. As the first Dewan (prime minister) of Sikkim from 1949 to 1954, he saw the "liberation" of Tibet from close quarters. Subsequent service in the defense ministry from 1958 through 1963 spanned the deterioration of relations between India and China, the war, as well as India's effort to "learn lessons," as he puts it, from the debacle.

It is his view that the 1962 war should never have taken place. In unraveling the origin and evolution of the border dispute that was its immediate cause, he not only shows why this is so but brings to light the bases for its resolution today. The book is most timely, and gives a critical insight into the meaning of Prime Minister Rajiv Gandhi's recent steps to move the India-China relationship forward.

A barren patch of land

Aksaichin, the "White Chinese desert," is a piece of uninhabited territory, at an elevation of 15-17,500 feet between Ladakh and Tibetan Changthang in the plains defined by the Karakoram and Kuenlen mountain ranges. It contains not a trace of human civilization, and was once described by Jawaharlal Nehru as a "no man's land" where not a blade of grass grows. This piece of real estate is at the heart of the Sino-Indian conflict.

In 1865, a junior British survey officer was persuaded by the Wazir of Ladakh—presumably at the behest of his ambitious Dogra master, the Maharaja Ranbir Singh of Kashmir—to survey the area and mark it out as part of the Dogra dynasty's Ladakh territory. The Maharaja's interest was commercial: the western end of this inhospitable tract contained three alternative trading routes to the main one through the Karakoram Pass, linking Tibet with Sinkiang. And since the Chinese were temporarily out of power in Sinkiang, it was an opportune time to stake the claim.

Though the British nominally disowned the errant surveyor, his hurriedly sketched map of 1865 became the foundation for subsequent Survey of India maps, even though no surveyors before or after agreed with the lines. At first the British sat tight. As long as the Russians, whose agent Grombchevsky was active in the Pamirs on behalf of Russia's forward policy, didn't grab the territory, they did not mind.

But when China returned to Sinkiang and Britain wanted to firm up the alliance against Russia, the inaccurate map was dispensed with. The Dogra's claims were repudiated in an 1899 proposal made to China by Britain, in which Aksaichin was divided between India and China along the Lakhsang mountain range that cuts it in half. There is thus scant justification for the government of independent India to have revived the 1865 claim, as it did.

Middle Kingdom mandarins

If India clung to arbitrary survey maps, the Chinese attitude to the border problems was no less dubious. From the outset, British negotiating efforts were met with Chinese assertions that "the traditional boundaries are well known,"

and zero cooperation in even discussing, much less jointly surveying, mapping or otherwise determining just where the boundary lay.

The Simla Conference of 1913-14 in which Britain, Tibet, and China participated, resulted in the so-called McMahon line as the boundary in the eastern sector, but this was never ratified by China. In later rounds with India, Lall points out, the Chinese presented virtually no evidence, relying instead on the *non sequitur* that since India had not proved its case, China was right.

It was China that in a government note of 1962, stated: "The Sino-Indian question is a question left over by history." But history did not stop with the 1954 agreement on Tibet, or even the Dalai Lama's flight to India in 1959. As Lall puts it, "The main actors of the time were living with as well as creating the Sino-Indian problem as it evolved."

The book does not attempt to account for or evaluate Chinese motives in depth in the run-up to the 1962 war, but does make clear they conducted themselves on the basis of a well-laid military plan. As Lall comments on the 19th-century observation of a British official that China was a "most impractical nation," this may have been true when it came to getting them to come to grips with problems of international relations in a Western way, but it could not be taken to mean the Chinese didn't know what they wanted.

The actions and acts of omission on the Indian side that offered the chance for miscalculation by Beijing, are presented in detail. There is the spectacle of Nehru, cornered politically on the border issue, telling the military to hold their fire and then delivering bombastic speeches on "not giving an inch," secure in his belief that China would not resort to force. There is the irony of Defense Minister Krishna Menon, the loudest champion of the Indian army's "forward policy," whose suspicion of his own military was not even barely concealed, and who later revealed that he did not think India's intransigence on Aksaichin was valid.

In the end, the war settled nothing. China seized what it wanted in the northwest without India's abandoning its claims, and withdrew from territory it overran in the northeast without giving up its claim to that turf. That is the "status quo" today. Contrary to one common line of thought, Lall does not believe this status quo is the basis for a settlement. What he has shown in combing the history of the efforts to define the Sino-Indian boundary, is that there is the basis for a settlement in both the northwest and east in terms of both tradition and natural features, mainly watersheds—provided the commitment to joint determination, is serious.

The fact is that beneath the overlay of what Lall calls "imperial imposition" by Britain and China over the years, a traditional process of social interchange together with the area's sharp physical features exists, that is the basis for defining a border that is, as Lall insists it must be, more than "a line on the ground where both sides confront each other eyeball to eyeball."

Books Received

Anti-submarine Warfare and Superpower Strategic Stability, by Donald C. Daniel, University of Illinois Press, Champaign, Ill., 1986, \$32.50 hardbound, 222pp.

Kelly: More Than My Share of It All, by Clarence L. "Kelly" Johnson, with Maggie Smith, Smithsonian Institute Press, Washington, D.C., 1985, \$17.50 hardbound, 209pp.

Printers and Press Freedom: The Ideology of Early American Journalism, by Jeffrey A. Smith, Oxford University Press, New York, 1987, \$24.95 hardbound, 233pp.

The Bogman and the Archaeology of People, by Don Brothwell, Harvard University Press, Cambridge, Mass., 1987, \$9.95 paper, 128pp.

Klaus Fuchs: Atom Spy, by Robert Chadwell Williams, Harvard University Press, Cambridge, Mass., 1987, \$25.00 hardbound, 267pp.

Space Resources: Breaking The Bonds of Earth, by John S. Lewis and Ruth A. Lewis, Columbia University Press, New York, 1987, \$30.00, 418pp.

The Great Triumvirate: Webster, Clay, and Calhoun, by Merrill D. Peterson, Oxford University Press, New York, 1987, \$27.95 hardbound, 573pp.

The Great Scientists: The Story of Science Told Through The Lives of Twelve Landmark Figures, by Jack Meadows, Oxford University Press, New York, 1987, \$35.00 hardbound, 256pp.

The Secret Country, by Frank O'Neill, Crown Publishers, New York, 1987, \$17.95 hardbound, 357pp.

Menzies and Churchill at War: A Controversial New Account of the 1941 Struggle For Power, by David Day, Paragon House Publishers, New York, 1988, \$18.95 hardbound, 271pp.

Jonas Savimbi: A Key to Africa: The Story Behind the Fight For Angola, by Fred Bridgland, Paragon House, New York, 1986, \$21.95 hardbound, 512pp.

Mexican Politics in Transition, edited by Judith Gentlemen, Westview Special Studies on Latin America and the Caribbean, Westview Press, 1987, \$34.95 hardbound, 320pp.

The Sixth Continent: Mikhail Gorbachev and the Soviet Union, by Mark Frankland, Harper and Row Publishers, New York, 1987, \$22.95 hardbound, 292pp.

Prime Minister Bhutto addresses Pakistan's drug-trafficking menace

by Ramtanu Maitra and Susan Maitra

At her first press conference on Dec. 3, two days after she had been named prime minister, Mrs. Benazir Bhutto Zardari said her government would take measures to rid the country of the curse of narcotics which had "eaten into the vitals of the nation," and added that a special ministry will be created for the purpose.

Over the last decade, Pakistan has become the center of drug trafficking for the area known as the Golden Crescent, consisting of northwestern Iran, western Afghanistan, and northern Pakistan. Although production of opium in Pakistan has dropped significantly in recent years, large consignments from Iran and Afghanistan are funneled through Pakistan to the vast consumer market in the West. This funneling system, which handles close to 100 tons of heroin annually, has not spared Pakistan. Drug addiction in Pakistan, estimated to afflict nearly 2 million people, is growing at a much faster rate than the country's population, GNP, or literacy.

Although poppy-growing in the hills of Afghanistan, Iran, and the Northwest Frontier Province of Pakistan is a very old custom, the overthrow of the Shah of Iran and subsequent takeover by the theocratic regime of Ayatollah Khomeini and the Soviet invasion of Afghanistan, combined to make Pakistan the target of opportunity for truckloads of heroin enroute to Western markets. While the Khomeini regime in Iran put death sentences on drug traffickers, the Afghans established a network inside Pakistan to sell their products.

International drug enforcement agencies sat up and took notice when opium production within Pakistan reached 800 metric tons (m.t.) in 1979-80. Subsequent enforcement measures brought opium production down to 200 m.t. in 1982 and 45 m.t. in 1984. But it took off again, and in 1986 was reported at 130 m.t.

According to available reports, Pakistan's opium production this year will be 80-100 m.t.

In addition, opium production is expected to be 600 m.t. in Afghanistan and 400 m.t. in Iran this year. This 1,100 metric tons of opium will be converted into about 110 tons of

high-grade heroin which, according to going prices, will fetch close to \$250 billion when it hits the Western markets. A kilogram of heroin which can be picked up near the Afghanistan border for \$5,000, can be sold at a premium price of \$250,000 in Britain. By the time that kilogram of heroin travels to the coastal areas of Pakistan—the major outlet to the West—the price has already risen tenfold.

Massive 'profit-potential'

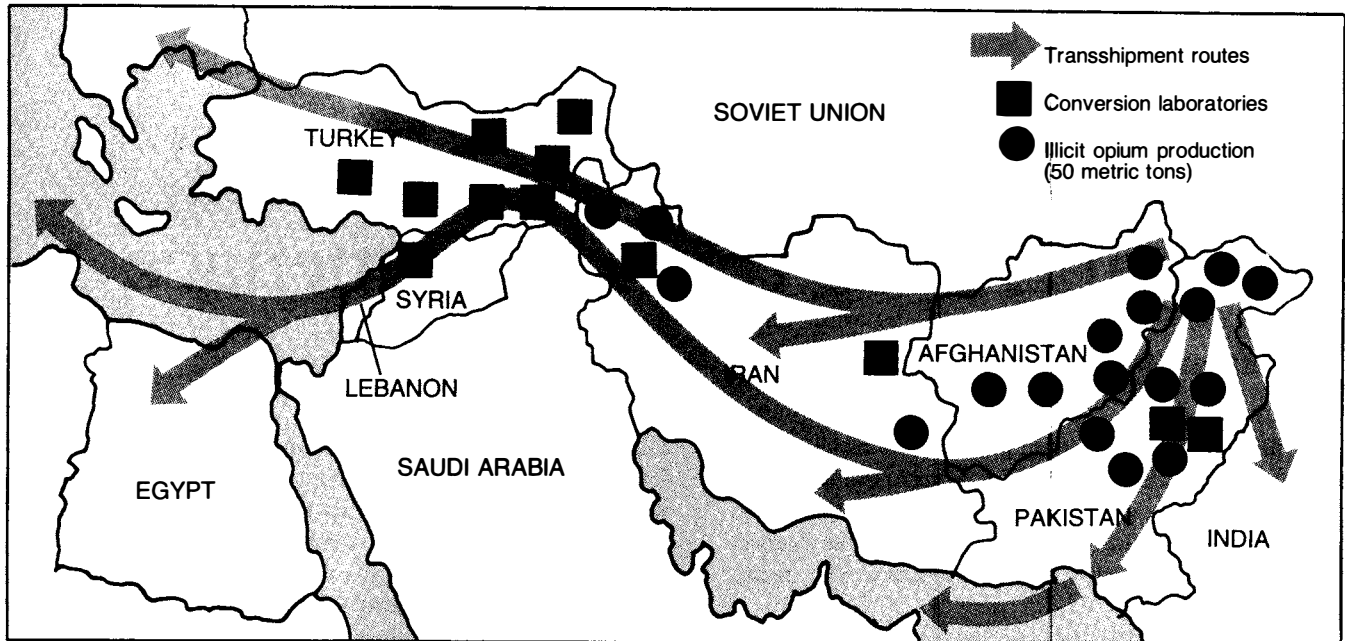
Such massive "profit-potential" makes drug trafficking in a poor country like Pakistan almost irresistible. It can also buy protection at a very high level. And, since poppy and opium use has been a way of life for hundreds of years, handling opium carries no particular stigma.

In the Northwest Frontier Province (NWFP), poppy is grown along the Pakistan-Afghanistan borders which are sparsely populated and marked as tribal agencies. Local politicians point out that if poppy cultivation in these areas is stopped, then the government must make amends with a plan to provide the tribals with alternative sources of income. Islamabad is also afraid that any attempt to physically destroy the poppy will only provoke tribal wrath in an already-troubled area in which the government prefers to keep a low profile.

In 1987, the government did make an attempt to destroy poppies in the field in the Gadoon-Amazai area in Swabi and Abbotabad districts. The 60-day operation, under then-NWFP Chief Minister Arbab Mohammad Jehangir Khan, from February to April, engaged 500 police and hired laborers. Supported by 400 vehicles, the force confronted the hostile tribesmen and succeeded in destroying poppies which would have yielded \$700 million on the international market. Subsequently, preventive measures were also taken to stop sowing of poppy seeds in Gadoon, Buner, and Malakand agencies in 1987.

With the help of donor countries and international aid agencies, Pakistan has now come up with comprehensive

The Golden Crescent: illicit source of opiates



Source: U.S. Drug Enforcement Administration

projects to provide alternative income opportunities for farmers in the Buner subdivision of Swat district, the Gadoon-Amazai area in the Swabi and Abbotad districts, and the Malakand agency. More poppy-growing areas nearby are soon to be included. Although most of these projects are running behind schedule, efforts are afoot to declare some of the poppy-cultivating areas industrial zones with a view to facilitating long-term rehabilitation. This means building of roads, installation of tubewells for drinking and irrigation water, supplying electrical power, and setting up agricultural extension services.

Behind PNCB smokescreen

However, Pakistan is expected to harvest about 100 m.t. of opium this year. The poppy-cultivation acreage is much more than the Pakistan Narcotics Control Board (PNCB) would like anyone to believe. Also disturbing are statements made by the PNCB to the media, which indicate that Pakistan is no longer a major drug-trafficking nation. Board officials cite statistics to suggest that smuggling of heroin from Pakistan to Europe has decreased from 39% to 7% of all heroin entering Europe over the last five years. But the statistics are misleading. While it is true that Pakistan has reduced its opium production, a vast amount of Iranian and Afghan heroin is passing through Pakistani couriers overseas. (In fact, Afghan President Najibullah has said privately that so long as Pakistan remains hostile to Kabul, the drug problem in

Pakistan will continue.)

On Aug. 9, 1988, a PNCB spokesman announced in Islamabad that the top 20 drug-traffickers named by the federal government two years before, had all been arrested and convicted. Yet, an independent investigation carried out by the news daily *The Muslim* showed that while two of those named on the list, Malik Mishtaq and Aqleem Akhtar, were arrested abroad by foreign anti-narcotics agencies, most of the others are in fact continuing their life of crime in broad daylight in the major cities of Pakistan. Such efforts to pull wool over the eyes suggest that the PNCB, if not in league with the top heroin traffickers, is at least trying to cover up for those in the higher echelons of the administration who are benefiting enormously from the trade.

Twofold problem

The drug problem in Pakistan is twofold. First, there has been an explosion of drug addiction in recent years. According to the Narcotics Control Board report of January 1985, the number of heroin addicts, which was around 20,000 in 1980, rose to 500,000 in 1985. According to the latest Pakistani report, the number of addicts in Pakistan has risen to 1.91 million, which includes about 700,000 heroin addicts—a 40% increase in three years.

The second aspect of the problem is the extensive network of drug-traffickers that has been allowed to be set up over the years. The traffickers, who are interlinked with the powerful

international narcotics cartel, Dope, Inc., also oversee the conversion of opium into heroin. The Afghan drug gets converted into heroin in the Chagai hills area of Baluchistan-Afghanistan and also in the NWFP-Afghanistan border areas. From these areas, heroin starts moving south and east—part of it is going to the Makran coast in southern Baluchistan, while the greater part is traveling to Sind and eastern Punjab. In Sind, the heroin travels to Karachi, whence it goes by air and sea toward Africa, Europe, and the United States. Narcotics moving to eastern Punjab as well as some of the heroin moving through Sind, crosses the border into India, a route whose popularity has soared in the past five years.

The number of heroin-refining laboratories operating in the hills is unknown. According to a 1982 interview with a Western newspaper, Zia ul-Haq estimated that “half a dozen such contraptions” were in operation on the Pakistan side. However, intelligence reports indicate that at least 12 laboratories operate in the Chagai hills alone, and the overall number could be as high as 30. In 1983, the *Pakistan Times*, a government newspaper, said that the political authorities in cooperation with the tribal chiefs of the Khyber Agency brought the tribesmen into an agreement to ban the conversion of opium to heroin, and as a result, 41 laboratories were demobilized.

Over the years, the port city of Karachi has been set up as the main outlet for drugs. The Pakistan National Shipping Corporation (PNSC) has been tainted as a major drug-trafficking line. In 1986, within a span of three months, three PNSC vessels were seized with heroin in Antwerp, Belgium. During the same period, other seizures were reported from European and American ports. Last July, the national flag carrier, *M.V. Multan*, was found with 8 kilograms of heroin during its stop in the Suez Canal. During the same ship’s stopover in Baltimore, U.S.A., customs searched and found another 7 kilograms of pure heroin stashed away in the engine room. In the process, *M.V. Multan* earned the dubious honor of becoming the first national flag carrier to be fined for heroin trafficking.

As early as 1981, Western press indicated that, according to intelligence reports, “narcotics networks have become increasingly active with the Pakistani International Airlines.” The U.S. State Department has long been aware of this development, according to the reports, but chose to look the other way.

Karachi shows impact of Dope, Inc.

The Soharab Goth market in Karachi, where Pathans of Afghanistan origin dominate the scene with the help of AK-47 assault rifles, is overflowing with both heroin and drug-pushers. According to the London *Sunday Times* correspondent who visited Karachi in the spring of 1985, the police in the city are fully aware of the situation. During his talks with one police officer, the latter said, “Look, the government is making money. Take the Coast Guard. They make millions

out of smuggling. Not just heroin. Everything. Of course, the police are paid not to raid Soharab Goth.”

The Pakistani daily *The Muslim* has exposed in detail the impunity with which the top drug-traffickers move about in Pakistan. *Muslim* correspondent Kamran Khan, in a report published in August 1988, pointed out that drug traffickers such as Anwar Khattak, Mohammad Ashraf Rana, Abdul Hazzak Awan, Mirza Iqbal Baig, Malik Salim, Afzal Khan, and others are not only not on the list of the five anti-narcotics agencies, but are living a life of great luxury and laundering their drug money through legal business. Khan points out, for example, that Anwar Khattak, who was tried and convicted *in absentia* by a special military court after it was proven that he was behind the smuggling of 13 tons of hashish to Holland and Belgium using army embarkation headquarters personnel, can be seen regularly in Karachi inspecting the luxury residential complex that he is building. Khattak never went to jail because, as Kamran Khan says, “The multimillionaire trafficker has the capacity of providing enough feed to the corrupt officials.” It is said that Khattak has friends in high places, one of whom allegedly is the deputy inspector general of police in the city.

At the lower level, Afghans like Awal Khan, Ghani Khan, Shorang Khan, and Olus Khan are using Karachi’s Afghan refugee camp to peddle heroin. More Pathans like Haji Ayub, Iqbal Shah, and Haji Arbab are running restaurants and hotels, while trafficking in millions of dollars worth of heroin to the Western markets. The guests who accept Haji Arbab and Iqbal Shah’s hospitality in those hotels and eateries include officials from the five anti-narcotics agencies of the country, according to the evidence compiled by *The Muslim*.

In 1981, this newsweekly reported that Lt. Gen. Fazle Haq (ret.), who was the chief minister of the NWFP until Dec. 1, 1988, and is now one of the deputy leaders of the opposition Islamic Democratic Alliance in the National Assembly, is up to his neck in drug money and was a source of constant embarrassment to the late President Zia ul-Haq. Fazle Haq, who remained close to the late President and was portrayed as the “uncrowned king” of the NWFP, has a brother who has long been on the Interpol list for drug trafficking. It is not clear whether his notoriety as a protector of drug traffickers played any role in Fazle Haq’s loss of all four Provincial Assembly seats he contested in the recent general elections.

Drug trafficking has permeated every level of Pakistani society. The drug money has brought the traffickers, besides luxury living and protection at every level, AK-47s and other weapons, and the dynamic has turned cities like Karachi and Peshawar into tinderboxes where, at the drop of a hat, a riot can be organized. In effect, the drug mafia, with billions of dollars at its disposal, controls these cities. It will be an uphill task to uproot this cancerous growth, but for the nation’s security, Prime Minister Bhutto has been left with no other choice.

Thailand opens the door to Indochina

by Linda de Hoyos

On Dec. 23, Thailand's Prime Minister Chatichai Choonhavan, in a speech before the Foreign Correspondents' Club, announced a shift in Thailand's foreign policy with his public invitation to Kampuchean Prime Minister Hun Sen to visit Bangkok. Thailand has no diplomatic relations with the Vietnam-backed Phnom Penh regime, as it is one of the staunchest backers of the Cambodian resistance coalition and has abetted the supplying of the Khmer Rouge by the People's Republic of China.

The invitation to Hun Sen, which was immediately accepted in principle by the Kampuchean prime minister, culminates a series of steps Thailand has taken to advance relations with the countries of Indochina—Vietnam, Kampuchea, and Laos. According to informed journalist Jacques Beckaert, Hun Sen had already secretly met with Thailand's Supreme Commander of the Armed Forces, Gen. Chavalit Yongchaiyudh, when Chavalit had visited the Laotian capital of Vientiane in October 1988.

In explaining his initiatives Dec. 23, Chatichai declared that it was crucial to take steps for regional cooperation, and implied that Thailand's initiatives have the full imprimatur of the other ASEAN countries.

He also indicated Thailand's willingness to talk directly to Vietnam: "I also believe that Vietnam is in the process of adjusting itself to reality and reaching out in earnest to adversaries, both to extricate itself from the Kampuchean quagmire and to develop its ailing economy. For this reason, I would like to reaffirm my desire to visit Hanoi, when circumstances are appropriate." Chatichai also added two days later that he would like to visit Hanoi after Thai Foreign Minister Siddhi Savestila returns from his Jan. 9-12 visit to Vietnam.

Relations are also moving apace between Laos and Thailand. In the last six months, it would appear as if the negotiations forced upon the two countries in the aftermath of the Bon Rham Klao border war of last February have become the vehicle for renewal of ties between these two culturally and ethnically close neighbors. Laotian Deputy Foreign Minister Soubanh Salithilath arrived in Bangkok Dec. 27 for border talks. The negotiations reportedly resulted in agreement "satisfactory to both sides" for the resolution of the border issue.

As Soubanh arrived in Bangkok amid much fanfare, members of the Thai House Committee on Foreign Affairs, including former Prime Minister Kriangsak Chomanan, left

to cross the Mekong River to Vientiane for a two-day visit and discussions on the Mekong River development project. In fact, on Dec. 29, Chatichai had asked Japanese ambassador Hisahiko Ikasaki to convey his request that Japan help finance the construction of a bridge across the Mekong River that would link the Laotian capital with the northeastern Thai city of Nong Khai. The concept for the bridge had been agreed upon when Chatichai himself visited Laos in November.

Adjustments to regional changes

That Chatichai's diplomacy toward Thailand's neighbors on the east is a departure from past practices there can be no doubt. In an editorial following the prime minister's Dec. 23 speech, the *Bangkok Post* noted that Thailand's "traditional foreign policy usually devolves on relations with the West and ASEAN. . . . In focusing our relations with neighboring countries, Chatichai shows his realism as well as pragmatism in rising to the challenges of the rapidly changing political and economic pace in this region."

Among the changes perceived in Thailand is the consistent pattern of American political and emotional withdrawal from Southeast Asia. Numerous Thai editorials and commentaries over the last year have called upon Thailand to shift its foreign policy to one that seeks to balance and maneuver among the superpowers—including the People's Republic of China—rather than basing policy upon reliance on the United States.

However, the United States has officially endorsed the shift. Richard Childress, director of Asian Affairs for the U.S. National Security Council, according to a Thai foreign ministry spokesman, told Siddhi Savestila that "the United States will stand behind the new initiatives of the Thai policy." Childress met with Siddhi just before the American himself was to visit Vientiane.

There is also speculation that the high publicity given in the *Washington Post* in late October to reports of alleged Thai skimming of U.S. funds designated for the non-communist factions of the Cambodian resistance coalition, was the State Department's not-so-polite way of pressuring Thailand to loosen its bonds to Beijing's backing of the Khmer Rouge. Such American pressure may have helped to prompt Thailand's new readiness to deal with Hanoi and Phnom Penh, in particular.

However, other sources warn that the shift in Thailand's foreign policy was crafted by the academics in the prime minister's private think tank, some of whom are known to have close ties to the leftist circles around General Chavalit. For his part, Chavalit has led the way in Thailand's efforts to forge relations with Beijing and Moscow. Various members of the think tank have been pressuring for a change in Thai foreign policy, and in the early days of Chatichai's prime ministership, had come out in open opposition to the more traditional policies of Foreign Minister Siddhi.

The Moscow faction in the military

Senior officers in West Germany have begun a campaign for the dismantling of NATO.

The U.S. Ambassador to Bonn, Richard Burt, returns to the States at the end of January. At the end of his term in Bonn, one notices a decline in German loyalties to the Americans, and a tide of overtly pro-Soviet views.

This shift of attitudes has to do with Burt in a very direct way. Calling for a "more mature partnership between the Germans and the Americans" in numerous speeches, he played a key role in encouraging intensified political contacts with the Soviet Union. Demonstratively, he also chose to meet with leaders of the opposition parties, the Greens and the Social Democrats, during periods of heightened tensions between Bonn and Washington.

Burt's bad example contributed to a climate shift in the Bonn political establishment which enhanced the impact of the pro-Soviet diplomacy of West Germany's Foreign Minister Hans-Dietrich Genscher (Free Democratic Party), and the correlated surfacing of a "Moscow Faction" in the Christian Democratic Union of Chancellor Helmut Kohl.

Recent statements on the future of the NATO alliance, launched through the West German media by Admiral Elmar Schmaehling, head of the Bundeswehr Department of Studies and Exercises, since mid-December, mark the drastic shift in West German policy.

In a commentary in the Dec. 29 issue of the KGB-leaning weekly *Stern*, Schmaehling called for a "thorough re-examination of the foundations of our postwar policy." The West Germans should, he wrote, finally stop being Washington's "model child" and

put an end to the "militarization of German foreign policy," which he blamed on what he called "a fundamental conflict" between Germans and Americans: The U.S. sees a strategic conflict with the Soviet Union, but the Germans believe they can live with the Soviets in a neighborly "system of common security in Europe."

Schmaehling accused the U.S. (and NATO as a whole) of pursuing a nuclear strategy against the will and the interests of the Germans on both sides of the Iron Curtain. He called for withdrawing all nuclear battlefield weapons from Germany and a ban also on all sea-based nuclear weapons that could reach Germany. "Nuclear weapons should be allowed to be stationed only on the territory of a country that also has them at its disposal," Schmaehling wrote.

He invoked a new West German defense concept based on "alternate forms of war-avoidance," which would allow the dismantling of the Bundeswehr regular troops, and their replacement by a lightly armed militia. This, he said, would also end the "unnatural situation of foreign troops on one's own territory." "When this is mutually done," Admiral Schmaehling wrote, "military alliances with integrated forces can be dissolved."

Beside sounding as if taken directly from the notorious arsenals of Soviet propaganda, this essay represented a statement of intent for German capitulation to the Red Army. It stands without precedent in postwar West German history, as the first public surfacing of the "Moscow Faction" in the West German military.

A historical parallel comes to

mind: the pro-Soviet propaganda, at the close of World War II and during the next decade, of the National Committee for a Free Germany (NKFD), which the Red Army founded in 1943 with German prisoners of war and German Communist Party cadre. That current was fought ruthlessly by West Germany's first postwar Chancellor, Konrad Adenauer, who chose to build up the Bundeswehr and to assume full membership in the Western alliance.

The real scandal is not even Schmaehling's remarks, but the fact that he has been spared any official penalty. While presenting himself as the "Red Admiral" to the West German public, he still heads the crucial Department of Studies and Exercises, which does the outline for the military field exercises of the Bundeswehr and coordinates with the other NATO allies with troops stationed in West Germany.

Rumors in Bonn have it that even if he wanted to, Chancellor Helmut Kohl couldn't intervene, because a larger group of his own Christian Democrats and of the government coalition partner, the liberal Free Democrats, think like, and support the "Red Admiral." Shortly after Schmaehling's essay appeared, Foreign Minister Genscher joined the signal of capitulation, attacking Western mistrust in Mikhail Gorbachov's intentions as a sign of "narrow-mindedness."

Quoting opinion polls on changing defense attitudes, Genscher mocked "old-fashioned defense doctrines [that] no longer find moral support in the people at large." To top it all off, Genscher told critics that his views are "fully in accord with views of the U.S."

The new U.S. President Bush's choice of ambassador to Bonn will tell if he wants to change policy at all, from the virulent legacy of Richard Burt.

Peru drifts back to the IMF

The economic breakdown stems from Alan García's failure to destroy drug-money laundering and narco-terrorism.

The man who appeared on Peruvian television Dec. 29 to reveal that President Alan García had been meeting with a representative of the International Monetary Fund (IMF) was not Alan García. It was Economy Minister Carlos Rivas Dávila. García said not a word about it in public, neither before nor during the week after the announcement.

That led observers in Lima to conclude that he either maintained the staunch opposition to dealings with the IMF which he proclaimed at his July 28, 1985 inauguration, or that he was just continuing to refuse to take decisive leadership in any direction.

That leadership vacuum has turned a difficult economic situation into a desperate one. Peru's productive economy has been destroyed by narco-terrorist sabotage, by financial warfare from foreign creditors, and by García's own self-sabotage.

Every morning before dawn, long lines form at bakeries to get bread. It is also difficult to find rice, sugar, or milk. The shortages persisted even after Rivas Dávila raised bread and pasta prices by 50% and rice prices by 30% Dec. 27. With a series of such increases, "Over the past month we have reduced by nearly 50% the subsidies that were being granted on imported products. This is a great achievement in the government economic program for reduction of the fiscal deficit," he boasted.

He claimed that a \$15 monthly wage bonus would prevent the subsidy reductions from "affecting the consumption capacity of the population."

Peru had a record 1,772% inflation in 1988. That is, prices went up by 17 times, up by 41% in December alone. In reality, the intent of the price increases is to cut consumption to match the 8.4% decline in Peru's output this year.

Shining Path terrorists have been delivering death blows to the economy. Their dynamitings do hundreds of millions of dollars in damage. But the indirect effects add up to billions annually. The food shortages are partly due to the narco-terrorists having driven farmers out of the countryside by systematically murdering those who support the republic.

Their infiltration of a copper miners' strike dragged it out for 56 days, causing a loss of \$400 million in mineral exports. Just when the strike ended at New Year's, the terrorists blew up the three locomotives used to haul copper and zinc to the port.

Since October, the dynamiting of electrical towers has been so persistent that the country's industrial centers have barely been able to function. Lima industrialists ask how they can afford to pay \$8 million per day in wages to workers idled by the nonexistence of electricity to run the machinery. Amid such uncertainty, capital is fleeing the country, rather than being reinvested.

Prime Minister Luis Alva Castro, reputedly a prime mover of Peru's rapprochement with the IMF, on Jan. 2 ascribed Peru's crisis to Alan García's July 28, 1987 "disastrous" nationalization of the banking system. That move brought chaos, because

García did it as a socialist stunt to gain popularity, rather than single-mindedly prosecuting the bankers for the \$3 billion in cocaine money they launder each year. On the contrary, the government has step-by-step legalized drug-money laundering all over Lima.

The bank imbroglio was used by Washington's Project Democracy to undermine the government and by bankers to cut off Peru's remaining credit lines. Peru's inability to pay freight bills reportedly prevented many shiploads of foodstuffs from being unloaded in its ports.

Alan García, in an interview broadcast Dec. 23, denied Peru had exhausted its foreign reserves and shipped out all its gold. He said, "Yesterday, total assets amounted to \$639 million. . . . The total is now greater than on Sept. 30, 1988, when our reserves amounted to \$451 million." He posed the gradual cuts in food subsidies as an alternative "to the formidable impacts proposed by the international financial organizations," i.e., the IMF.

Alva Castro defended orthodox IMF shock measures as needed to "restore business confidence" and bring the investments needed to get the country producing again. The IMF invariably turns recessions into depressions, bankrupts industry, starves populations, and drives them into the arms of communist insurgents.

Alva Castro is right to insist that confidence must be restored. But there is, at this time, no way to do that short of a major war to wipe out the Shining Path narco-terrorist apparatus over the next 90-100 days. That is the only shock which could create conditions for Peru's survival.

García is straddling every fence and shows not a tinge of willingness to fight any battle. Thus, he is losing everything by default. And so is Peru.

Labor revives moratorium cry

The oilworkers are in the vanguard of a renewed push for a moratorium on foreign debt payments.

For his traditional New Year's greeting, Mexican oilworkers leader Joaquín Hernández Galicia gave a press conference at the presidential residence of Los Pinos, accompanied by the full executive committee of the Revolutionary Union of oilworkers, at which he declared that Mexico must suspend payments on the foreign debt for one year.

"The problem of the debt has paralyzed internal investments in our country. . . . We will be unable to grow if we continue to divert the internal budget to meet our foreign commitments. Mexico will become a moribund nation that will soon die." With postponement of payments for one year, said the labor leader, we will be able to invest in agriculture, small industry, there will be financing for re-launching construction of highways, dams, hydroelectric plants, housing, and to expand oil exploration. "Only in this way can we achieve a healthy structure to guarantee re-starting of payments. . . . Mexico is faithful to its obligations, but this is unjust when it takes up the entire budget and we are left naked and exposed."

It is no accident that during the congressional discussion and approval of the 1989 Mexican budget—which allocates 59.3% of its total to paying service costs on the internal and foreign debt—the bloc of seven oilworker congressmen voted against its approval. The budget also establishes a real reduction of what the federal government will allocate to the state oil company, Pemex. The allocation of 13.56 trillion pesos is barely 10.5% higher than the 1988 allocation, and

since the average inflation for the year was estimated at 22%, what Pemex will receive in 1989 will in real terms be 10% less than one year earlier.

The oilworker congressmen backed instead a proposal by Democratic Current (DC) deputy Alfredo Pliego Aldana—another oil worker—who demanded an increase of the oil industry allocation by 17 trillion pesos. His plan included increases in investment for exploration intended to recover proven reserves, for maintenance of equipment of Ibero-America's largest industry, to increase storage capacity from the present pitiful figure of just two days' production. The proposal of the congressmen—who are allied to defrauded presidential candidate Cuauhtémoc Cárdenas—specified that not a single peso of the proposed 17 trillion increase could go to expanding administrative or advisory personnel.

Said Adolfo Barrientos Parra, head of the oilworkers' congressional bloc, in explaining its vote in favor of the DC proposal: "We are not voting against the PRI. . . . It's up to the PRI if it contributes to the asphyxiation of Mexico." The PRI is Mexico's ruling party.

The PRI majority in the Chamber of Deputies voted against the DC proposal. However, according to the president of the chamber's energy commission, Gonzalo Martínez Corbala, the Congress would approve a suspension of foreign debt payments and any other measures, "however serious they might be," as long as the economic growth of the country is benefited. Martínez protested that an

important portion of resources currently being transferred abroad as debt payments should be used in productive projects inside the country instead.

Hernández Galicia's proposal for debt moratorium is thus far the clearest, most sensible, and most concrete that has been presented in the context of a renewed debate on the debt. The oilworkers union, linked to the PRI, had been, during the six-year rule of former President Miguel de la Madrid, the principal critic of International Monetary Fund austerity dictates applied by that government.

In 1986, then-oilworkers leader José Sosa had declared in his New Year's greeting to President De la Madrid: "If Pemex sinks, you sink, we all sink, Mexico sinks." He denounced the state oil company's budget cuts, excessive administrative costs, and lack of maintenance. The head of Pemex at the time was Mario Ramón Beteta Monsalve.

At the end of the De la Madrid term, the oilworkers formally presented an accusation of fraud against Beteta, who had just been inaugurated as governor of Mexico state. The accusation, which shook the foundations of the Mexican political system, prompted a defense of Beteta by De la Madrid himself, who called the former Pemex boss "an honest, patriotic, honorable man, who is my friend." Since then, the Attorney General's office, the Comptroller's office, and the commissions of justice and of constitutional matters of the Chamber of Deputies have issued rulings out of thin air to exonerate Beteta.

Nonetheless, the oilworkers' bloc in Congress has just issued a booklet detailing the charges against Beteta, which include the accusation that Pemex lost \$60 million and was virtually privatized under Beteta, in violation of the constitution.

International Intelligence

Gandhi, Bhutto hold historic talks

Two days of talks between Pakistani Prime Minister Benazir Bhutto and Indian Prime Minister Rajiv Gandhi were held Dec. 30-31 at the presidential palace in Islamabad. Both sides said the official talks were the dawn of a new era.

"I think you will find that we will move things forward in these two days more than we have in the past 11 years," said a senior official accompanying Gandhi. Reuters wire service quoted Pakistani officials saying that Mrs. Bhutto must move slowly in relation to India, because of her newness in office and domestic constraints.

Nevertheless, the two leaders reached an agreement not to attack each other's nuclear installations. This was reported by Pakistan television, which showed Mr. Gandhi and Mrs. Bhutto witnessing the signing by their foreign ministers. It said the two leaders also reached agreements for cultural cooperation and avoidance of double taxation between the two countries.

Other reports said that the two agreed in principle to work to stop the illegal trafficking in arms and other goods across their border. Prime Minister Bhutto said categorically that she was opposed to using extremist Sikh terrorists in Punjab against India.

There are now plans to follow up the summit meeting with discussions at the foreign ministry level.

East German leadership seen in trouble

East German leader Erich Honecker is coming under extreme pressure now, and Soviet leader Mikhail Gorbachov wants him out, according to some Western intelligence sources. Markus Wolff, former head of the state security and intelligence apparatus, the Stasi, who stepped down in the spring of 1987 under unexplained circumstances, is said to be Moscow's choice to replace Honecker.

Lending credence to that report, factional warfare is now visible inside East Ger-

many's ruling SED communist party and intelligence apparatus.

Honecker rejected outright any change of policy, in a speech during the official event commemorating the 70th birthday of the KPD (German Communist Party) in East Berlin Dec. 30. Referring to calls for East Germany to imitate Gorbachov's reforms, Honecker said that the 1976 SED party program was more than adequate, and nothing new had to be introduced. Calls for change, he said, only aimed at introducing Western principles, which would undermine socialism and must be repudiated.

For his part, the 64-year-old Wolff gave an exclusive interview to West Germany's ultraliberal *Der Spiegel* magazine, a KGB outlet, taped in Moscow. Wolff used the interview to present himself as the incarnation of German-Soviet communist friendship. His young wife was depicted close by his side, in a "campaign photograph."

There are also targeted leaks into Western channels, for example, that the Honecker regime has grown so unpopular among the East Germans that 1.3 million people, almost 10% of the population, have applied for emigration to West Germany. Growing unrest and organized protest are reported, along with raids and arrests of dissident group members by the Stasi. At least 2,400 political prisoners are now said to be in East German jails, and this fact was made into a prime news item on West German radio Dec. 30.

The West German government has apparently taken account of the unsettled situation to the east. Bonn government spokesman Friedhelm Ost stated Dec. 29 that, contrary to earlier announcements, Chancellor Helmut Kohl has "no plans to visit East Germany in the course of 1989."

Strikes, riots push Sudan toward chaos

Tens of thousands of people took to the streets of Khartoum, capital of civil war-torn Sudan, in the closing days of December, denouncing the economic and political policies of the government. In successive days' strikes and rioting, at least four were reported shot dead and some 50 wounded by gun-

fire. Khartoum is now rife with rumors of an impending coup.

The demonstrations and riots were provoked by a 500% price increase of such basic commodities as sugar, ordered by the International Monetary Fund. Starting as an economic revolt supported by the national trade unions, the movement quickly took a political turn, with violent denunciations of Islamic fundamentalism and the imposition of Islamic Law.

On Dec. 28, the major coalition party, the Unionist Party, left the government. Some two weeks earlier, that party had negotiated a preliminary agreement with southern rebel leader John Garang for the holding of a national constitutional conference on Sudan's future and the issue of Islamic Law. This was rejected by Premier Mahdi and Justice Minister Turabi.

Turabi, an Islamic fundamentalist, is an advocate of a partition of the country to solve the problem of the south, populated by black African Christians (animists) whom Khartoum has deliberately been starving.

A Benedictine-educated black Christian, Garang is also a self-proclaimed Marxist-Leninist who demands political change in the whole of Sudan, and thus, has been opposed to partition. He is supported by Ethiopian and Cuban troops.

Egypt is believed preparing to step into the crisis. One coup attempt has already been reported from Khartoum. A Sudan in chaos dooms all chances of Nile water management, and would create the world's largest, unimpeded breeding ground for locusts.

Britain could develop its own 'Star Wars'

British Defense Ministry experts believe Britain could develop its own "Star Wars" missile defense system to protect its nuclear bases from attack, the London *Times* reported Jan. 3. The paper said that ministry scientists, after an 18-month study, had concluded that existing weapons systems could form the basis for a defensive umbrella eventually capable of being deployed throughout Europe.

The umbrella would complement the Strategic Defense Initiative, creating an

overall defense shield linking Europe and the United States.

The *Times* quoted a senior Defense Ministry source, "We have shown in our study that if we are prepared to shoulder the expense, we can protect our nuclear retaliatory assets against an all-out nuclear attack by the East bloc. If the systems looked at were deployed throughout Europe, they could have a beneficial effect on the whole SDI concept and significantly enhance deterrence."

The system could be developed from Sea Wolf anti-air and anti-missile weapons used by the Royal Navy and from a new laser-guided anti-air missile called Starstreak, which is not yet in service. These would then be linked to surveillance sensors attached to satellites that would track incoming missiles. Space-based weapons would also be deployed.

Defense Secretary George Younger confirmed the *Times* report that a system could be developed. "But as far as we are concerned, we are not involved in establishing or developing any anti-ballistic missiles or systems ourselves" Younger said in an interview with BBC that the study "is part of the American SDI program. There is no intention, money, or need in Britain for such a system at this moment."

Andrew Duncan, defense analyst with the International Institute for Strategic Studies, said that such a British system would only form a part of the lower tier of an anti-missile defense. "The Sea Wolf and Starstreak missiles could only perform the task of intercepting in the upper atmosphere."

Second Soviet Mars probe in trouble

The second Soviet probe of the Martian moon Phobos is in trouble, according to reports by the Associated Press and the *Houston Chronicle*. Two Soviet probes were launched last July, and were supposed to arrive in Mars orbit in January. They were to perform a series of scientific experiments there, and then orbit and land on the Martian moon in April.

The Soviets admitted losing contact with

Phobos I in September, due to an incorrect computer command, but hoped that the second probe would still make the half-billion dollar, international project a success.

Now, according to Samuel Keller, NASA's deputy associate administrator for space science, "What I heard is that some of the Phobos II instruments allegedly have failed. . . . There is no question they are having problems." Another source told the *Houston Chronicle*, "There is no prospect of any science data return" from Phobos II.

Over half of the Mars spacecraft that the Soviets have launched over the past 20 years have failed.

Israeli firm profiled Pan Am security

An Israeli firm profiled Pan American Airways security procedures in London and Frankfurt, according to the Dec. 29 *Washington Post*. The private security firm, headed by a former military attaché at the Israeli embassy in Washington, did a detailed profile of Pan Am security vulnerabilities in May 1986.

The disclosure may fuel speculation that an Israeli private intelligence network, opposed to the U.S.-PLO dialogue, may have been involved in the terrorist bombing of Pan Am Flight 103 over Lockerbie, Scotland Dec. 21.

Yossi Langotsky, an official of the firm, KPI, Ltd., told the *Post's* Glenn Frankel, "We were shocked by the tragedy, but I'm sorry to admit we were not surprised. . . . If something is not changed, I am afraid it is going to happen again."

Responding to Langotsky's remarks, Pan Am Vice President Jeff Kriender said he was "sick and tired" of Langotsky "bad-mouthing us."

In May 1986, an Israeli team that included Langotsky, as well as a former head of protection and security for the Shin Beth, Israel's domestic intelligence service, and the former security chief of Israel's El Al Airlines, did an extensive profile of Pan Am's security procedures at 25 international airports including Frankfurt and Heathrow, London, finding what they called major flaws in the procedures in most of cases.

Briefly

● **AYATOLLAH KHOMEINI** had a letter delivered to Soviet leader Gorbachov on Jan. 4 telling him that Communism is dead and he should study Islam. "It is clear to everyone that Communism should henceforth be sought in world museums of political history," Khomeini's son Ahmad quoted the message.

● **SOVIET WOMEN** have been recruited in significant numbers to *spetsnaz* special forces military units, given intensive training, and deployed under cover abroad, often as "peace activists," reports *Jane's Defence Weekly* from Britain. Some of these participated in anti-missile protests at Greenham Common.

● **FIDEL CASTRO**, on the 30th anniversary of the Cuban Revolution, betrayed fears that the Soviets may abandon him in a *quid pro quo* with the United States, as they divide up the world. "It is almost certain," he said Dec. 5, "that the peace of the empire [U.S.] is peace with the powerful, with the Soviet Union. But it will be war with the small, revolutionary socialist or simply independent countries of the Third World."

● **THREE BOMB** threats forced Scandinavian Airlines to mount one of its tightest security operations ever. Phone-in bomb threats were followed over the New Year's weekend by a warning from Interpol offices in Budapest, Hungary.

● **U.S. AMBASSADOR** to Pakistan Robert Oakley may have deliberately delivered a kiss of death to Pakistani Prime Minister Benazir Bhutto, when he told the Lahore-based daily *The Nation* that from the moment George Shultz arrived in Islamabad to attend General Zia's funeral, the United States used its influence to push Bhutto into power. The statement makes Mrs. Bhutto look like a puppet, and almost forces her to adopt an anti-American posture.

If LaRouche goes, can Bush administration survive?

by Lyndon H. LaRouche, Jr.

The following analysis was released on Jan. 4, from Wiesbaden, West Germany.

The cheering crowd gathers at the docks. The ill-fated Titanic's newly appointed Captain George Bush is ascending the gangway to assume command. Never in recent memory, has a new administration sailed out with such a memorable collection of past celebrities composing its crew. Amid the waiting mists, a few days out, the growling icebergs are waiting.

Unless George Bush has a "secret agenda," which runs counter to every policy-posture seen around the Bush Team so far, this is the memory of the short-lived new U.S. administration which will be recorded in the history books. Unfortunately, all the indications are, that is the way the upcoming 60 to 90 days shape up as of this moment.

He, as the "Hamlet" of this threatened tragedy, is now confronted with two classes of dangers. The first class is composed of strategic developments, presently visible or upcoming during the next weeks, which reflect the state of the world without considering my presence in the world. The second class of problems centers around the Bush team's, and others' inability to comprehend the historic significance of my presence or absence from the scene, during these upcoming developments.

I summarize the nature of the first class of crises, to situate a report on the leading features of the second.

The breaking financial crisis

The most obvious and immediate threat to the administration, is the outbreak of the worst U.S. financial crisis since President George Washington's inauguration. In part, this crisis is an objective one, for which there is no solution under

the continuing monetary and financial policies of present Treasury Secretary James Baker III. In the lesser degree, the exact timing of the outbreak of this financial crisis, is a decision in the collective hands of powerful Western European financier interests.

The special added danger, is that the arrogance of the incoming Bush team is setting up the new administration for an early fall. In particular, that team greatly underestimates the degree of control which certain European establishment forces have over the policy-shaping of that team itself.

The team's own arrogance is its blind side. Where reality shows contempt for Baker's monetary and financial smugness, the team, collectively, prefers to act upon its blind faith in the illusions of Mr. Baker's policy-commitments. Its fanatical mood of belief in "American Exceptionalism," which pervades the team collectively, impels it to deny the existence of very real puppet-strings on its policies, strings controlled by elements of the European establishments.

The upcoming financial crisis is the center of it all.

There are four transatlantic factions predominantly controlling the policy-shaping of the U.S. establishment today:

1) The Soviet government, through the set of "globalist" agreements being negotiated through, chiefly, London channels of the post-December 1984 "I love Gorby" fad.

2) The principal Western establishment partners of Moscow in such "globalist" arrangements, whose Western component is built up around those grain cartel and other financier interests which were partners of the Soviet regime in the 1918-27 period of the "Anglo-Soviet Trust."

3) The "Lombard" faction in international finance, including those outside the ranks of the revived "Trust" proper, which is committed to a modern version of the same policies

of international usury which brought 14th-century Europe into the depths of a New Dark Age.

4) Overlapping all three of the foregoing three elements, is a powerful federation of occult fanatics, Gnostics, and outright satanists of the Crowley-OTO varieties, who are represented at some of the highest levels of finance, and in certain powerful factions among the sundry denominations of freemasonry.

The scandalous case of Lt.-Col. Michael Aquino, is but symptomatic of the degree to which a "flaming liberal's" sort of toleration of outright Satan-worship has infected leading institutions. This latter is the most insane, and dangerous component of all four elements of the transatlantic establishments.

These four, incidentally, are my principal adversaries, and the international combination of forces which has rigged the recent legal and news-media witchhunt against me and my associates. I have no important adversaries but these, not overlooking the credulous fools who do their bidding.

The agreed policy of all four transatlantic elements, is to break once, and forever, the potential revival of the sovereign power of the United States. To that purpose, they are all committed to breaking the Bush administration at some early point during 1989. The orchestrated detonation of the monstrous international financial bubble, is the principal means by which those forces intend to accomplish the result.

This game-plan has sundry leading complexities.

It has been Soviet policy since the October 1917 Revolution, to effect world conquest through breaking the ties between the United States and Western Europe. This policy was developed into a specific form under former KGB Director Yuri Andropov, as the Andropov-Ogarkov strategic doctrine. This policy is continued, with secondary tactical revisions, by Andropov's designated "crown prince," Mikhail Gorbachov.

This objective is supported by the Western elements of the revived "Trust" partnership. The doctrine of "Europe 1992," is an expression of this Trust influence on Western Europe. The efforts on both sides of the Atlantic, to withdraw substantial U.S. military forces from Europe, is a reflection of the influence of this Trust faction on both sides of the Atlantic.

"Europe 1992" defines an explosive quarrel within the European establishments, as well as transatlantic disputes.

It is agreed, that European agriculture and industry is to be collapsed into certain limited regions of Western Europe as a whole, with the surviving small fraction of agriculture and industry under the control of a handful of mega-cartels, the latter operating freely under the conditions created by virtual dissolution of sovereign national borders.

It is not agreed, which set of European cartel interests will dominate the arrangement. The principal lines of division on this matter, are defined in terms of a "northern faction," generally echoing that 17th- and 18th-century "Vene-



tian party" associated with the rise of the East India companies, and a competing "central European," southerly faction.

All of these Western features of the crisis, touch upon all of the leading establishment factions of Europe, Japan, and the United States, including the highly unstable set of current agreements among these regions. The map of the coming months is fairly defined so; the travel itinerary is not.

The most volatile feature of the immediate situation, is the virtual bankruptcy of the U.S. economy and nation, which has been built up since October 1982 through ever-wilder innovations in "creative financing."

The new, explosive potential detonator of a general U.S. financial crisis, at this moment, is the recent orgy of Leveraged Buy-Out (LBO) ventures, which have the effect of pushing the relevant U.S. corporate debt above the level of corporate equity. For such and related reasons, the European financier establishment views the U.S. as ready to be put through the financial wringer at almost any moment certain powerful non-U.S. interests might choose to set off the financial chain-reaction collapse.

One of the obvious vehicles for bringing about the breaking of U.S. sovereign will and power, is Mr. Baker's latest versions of the Kissinger-Baker tactic for dealing with the mass of spiraling, intrinsically unpayable indebtedness of Central and South American nations. In and of itself, this represents more of the lunacy of "creative financing" which has dominated U.S. policy since October 1982; on that ac-

count, the difference in the currently mooted versions of the Kissinger-Baker scheme, is that the bankruptcy of these debt holdings is near the breaking point.

The political danger in this, is that, under conditions of triggered financial crisis, the very process of attempting to negotiate a new version of the Kissinger-Baker debt reorganization schemes, would become the means by which the sovereignty of the U.S.A. is destroyed, and our national political will broken.

Politically, the implementation of such a tactic depends upon breaking the Bush administration, and, in the process, Mr. Bush personally. On that point, all of the forces are in position, ready to be unleashed. The object is to break the institutional power of the President of the United States; to accomplish that near-term objective now, means breaking Mr. Bush.

Once the political will of the U.S. administration is broken in these dimensions, the possibility of solving successfully any other element of strategic and foreign policy crises is near zero.

For the moment, to many, especially those caught up euphorically in admiration of the Bush team's firmness of unified will, insist that nothing like this will be allowed to occur. In reality, Bush-team illusions aside, what the team appears firmly resolved to enforce, are precisely those conditions which tend to ensure the easy success of the kind of operation we have described.

Such are the ingredients of true classical tragedy.

Yankee Yahoos

Individually, and in fractional components, many elements of the present Bush combination are far from being unintelligent persons. Like George Bush himself, most of them are merely political "technicians," none statesmen in the classical sense. Worse: Collectively, culturally, the team's decision-shaping process is that of Yankee Yahoos. That shows most clearly in their actions of recent years respecting "the LaRouche case"; that is consistent with their follies on different, but related matters.

Like the worst side of the outgoing Reagan administration, the Bush presidency enters office with the qualifications of men and women who tend to excel at making money, without knowing how to earn it. As typified by the outgoing treasury secretary, James Baker III, the more they think themselves to know about money, the less they know about economics.

As Treasury Secretary Alexander Hamilton understood, the function of money is merely the facilitation of the process of steering technological progress, capital-intensive investment in farms and industries, and investment in basic economic infrastructure, into the fostering of the increase of the physical productive powers of labor, and the increase of the average standard of living and real national revenues by those means.

The raw power of a nation, is measured immediately in terms of the per capita physical productivity of the average member of the labor force, with physical output measured in terms of standard market-baskets for producers' and household goods. If the use of credit and money are employed to further those investments, and the circulation of those goods, happiness; if credit and money are used, instead, in the way monetary, financial, and economic policies have been steered increasingly during the past 20-odd years, especially the recent six years of "creative financing," disaster. (Apologies to Dickens's Mr. Micawber for that parody.)

Mr. Baker has shown himself not to know the difference; the Bush team as a whole has produced no visible objection to Mr. Baker's announced intent to persist in his follies.

Talk of social welfare, federal deficits, tax shortfalls, old-age pensions, and national defense as passionately as one may choose; if the development of the per capita physical productivity of the labor force as a whole is not sustained and improved, all talk on these other issues soon becomes empty rhetorical posturing. If the nation is not producing sufficient bread and meat to put on the tables of all our family households, nothing can be done except to rearrange the distribution of hunger. It is the same in other other facets of policy, in which performance ultimately demands a supply of physical goods. Without those goods, money is toilet paper.

As to other leading qualities projected from the Bush team as a whole, the following observation sums up the relevant feature. In a sense, Yahoo America needs Moscow, to prove to the world than there is one great power which is more brutishly inconsiderate of those nationalities deemed its subjects, friends, or allies, than the United States.

To wit: The economy of Western Europe, on which the existence of the economy of the U.S.A., and our national defense depend, is pivoted on the central role of the economy and defense forces of the Federal Republic of Germany. Yet, in North America, it is fashionable to be anti-German, and to exhibit similar Yahoo chauvinism against the French, the Italians, and so on.

To wit: Bush's election would not have been possible without massive financial and economic assistance to the U.S.A. from Japan. Yet, "Jap-bashing" was, during all this time, a favorite occupation of both the Reagan administration and the Congress.

To wit: We have become a liberal nation, ostensibly sensitive to the feelings of black and Hispanic minorities. This does not deter us from continuing those IMF "conditionalities" and related policies which have virtually wiped the political existence of Uganda from the map, biologically, with famine and disease, and which are developing similar circumstances among the majority of 400-million-odd black Africans. Our attitudes toward the well-being of the nations and peoples of Central and South America, runs in the same vein of racist indifference and cruelty witnessed in our policy toward Africa.

That Moloch which is the American liberal establishment, eats the living bodies of the children of nations which are our allies or friends, and strokes our enemies with a quality of concern worthy of a professional prostitute.

Sorry, John, but we seem to be a nation of Yahoos, the more so the closer we approach the top rank of our establishment.

One is disposed to suspect the best of a new President, even to hope, contrary to our public appearances, that a noble, secret agenda reposes in his bosom. Some of the new President's appointments were encouraging to this effect; the most recent ones usually not. In the totality, every part of the establishment spectrum is represented, including the worst. Since every such shading of principle is represented, in the whole, of principle, there is none. To the degree the new President's practice is shaped by that combination, we must generally expect Yahooism to prevail in the net result.

This appears to be an incoming administration dominated by obsession with the perception of its own power, a government in the tradition of Napoleon III and caesarism: long on the exertion of administrative arrogance of power, and short on concern for those human values which this nation, when young, was founded to affirm.

The potential power of the United States of America, is reflected in the submission to the Christian conception of natural law expressed by our Declaration of Independence and the Preamble to our Federal Constitution. Since the young American republic had demonstrated in perilous battle its belief in such principles, our emergence as a sovereign republic, dedicated to government of, by, and for the people, rendered us a temple of liberty and beacon of hope for all informed men and women of good will throughout this planet.

On that account, our young republic is still today a rallying point for all those nations and peoples which aspire to the same condition for which our War of Independence was fought. That is, therefore, the continuing mission to which we must adhere, respecting both our present generations and posterity here, and abroad. If we were but to revive that heritage, and seek to honor it with practice, there is perhaps no problem presented to government which we could not master, in our domestic welfare, the well-being of foreign nations, and the common security of our republic and its friends.

There is no emanation of this American spirit from the incoming Bush administration so far, but rather the cruel obsession with the mere administration of power, both at home, and abroad. In the greatly weakened condition to which we have been reduced by the follies of policy-shaping of our governments during the recent 20-odd years, a government of such a morally and cultural shallow character, especially obsessed with the technical administration of power, is a vulnerably brittle entity, like stands of buckwheat sitting under a darkening sky, awaiting the windstorm soon to come.

Hence, the unpleasant term, Yahoo. One might hope that the unpleasantness, and appropriateness of that term might provoke the new administration to effect the obvious corrections in its posture.

The LaRouche factor

Throughout Europe and the United States, leading representatives of the transatlantic establishment, are bragging openly of the way in which they rigged the legal process of the United States, to accomplish a fraudulent verdict intended to "put away" Lyndon LaRouche forever. The Europeans claim that they ordered the frame-up trial and arranged the verdict; the U.S. establishment retorted, "That is absurd; we did it." The word is, that elements of the incoming Bush administration bought into that frame-up.

The only truth in that bragging, is four things: 1) The frame-up and verdict were prearranged by the four elements of the transatlantic establishment identified earlier; 2) The U.S. establishment was complicit in carrying out the orders of that transatlantic establishment; 3) Crucial facts of the indictment and trial, including the packing of the jury to ensure the predetermined verdict, show that the dirty deed was done as these various sources brag it was done; 4) It was done for the purpose of eliminating Lyndon LaRouche and his voice, permanently.

What does this tell us of justice in the United States today? What does this tell us of the morality of those in the transatlantic and U.S. establishments who condone such corruption? What do elections mean, and institutions of law, when a relative handful of men and women, working from behind and above governments, exert such power over the judicial process, that constitutional government is reduced to an empty charade?

What will the incoming Bush administration's response to all this tell us about its morality and respect for the Constitution?

There are also numerous lies in these bragging reports—from leading circles and intelligence channels in Washington, London, Paris, Munich, Rome, and elsewhere. None tell the truth about the establishment's motives. Some intelligence channels are merely repeating the explanations supplied to them, by the CIA and other sources. Others, at a higher level, know the truth, and are lying, telling these silly cover-stories, in the effort to distract attention from the true motives.

There are several, converging actual motives.

First, there is the matter of global agreements being reached among Washington, London, and Moscow. Moscow has agreed to curtail certain among its activities, in return for the incoming Bush administration's systematic victimization of the persons and groups on a Soviet-designated hit-list. At the top of that hit-list is LaRouche, closely followed by patriotic circles within and close to the military establishment, the TV evangelicals, the Eastern European anti-Bolshevik

lobby, and so on. In return, the U.S. is offered a free hand with Qaddafi, but not with Syria's Soviet puppet and international-terrorism coordinator, President Hafez Assad.

This proposal is supported by such friends of Moscow as Armand Hammer and Edgar Bronfman, and by the "I love Gorby" set generally.

Second, there is the issue of the consistent dedication of LaRouche and his friends to the principles of the encyclicals *Populorum Progressio* and *Sollicitudo Rei Socialis*: commitment to the principles of sovereignty and economic justice for developing nations. This is most offensive to the financier circles which tend to express their views to Mr. James Baker, among others.

Third, there is the issue of drugs. Since the internationally active U.S. financial institutions, of the U.S.A. and elsewhere, have been subsisting by aid of large margins of laundered drug-money, since 1978-79 measures of deregulation, usually a bank which defames LaRouche turns up to be implicated in laundering of drug-monies.

Fourth, there are the rabid Gnostics and outright satanists, including satanist circles of actress Elizabeth Taylor. These are a powerful, mass-based force, with the penetration of higher circles of power we indicated earlier.

The real reason for the targeting of LaRouche by corrupt judicial means, is the policies which LaRouche represents, those identified most emphatically. There may be other reasons certain individuals and circles hate LaRouche, but those are only a resource of support for the action directed from the highest levels of the transatlantic establishment. Without the complicity of the majority of the U.S. liberal establishment, such a frame-up could not be conducted against a figure of the present power and influence of LaRouche.

If the Bush administration accepts that rigged verdict, then, by so doing the Bush administration adopts for itself the character of a bonapartist form of totalitarian rule. If it does, given the present circumstances of crisis, that administration establishes itself as the leadership of a nation which will not long survive, and as a government which is virtually doomed to become a footnote in the pages of infamy.

If who lives by the sword, must tend to die by the sword, then who adopts injustice as a standard of practice of government, must tend to be destroyed by the instrument of that same injustice. Let a Bush administration appeal to the Constitution in a time of its troubles, and the mocking rebuke will be, "Who are you to speak of the Constitution whose subversion you condoned for mere reason of perceived expediency?"

For these two sets of reasons: my unique and crucial role respecting the the principal issues of policy for a period of existential national crisis, and the effect of a Bush administration's tacit adoption of such a flagrant sort of judicial frame-up, virtually ensures the early doom of the Bush administration, and, most probably, with that, the United States, and, with that, you, too.

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Defense asks new trial in Alexandria case

In motions filed in Alexandria, Virginia on Dec. 28, Lyndon LaRouche and his six co-defendants have asked the federal court to overturn the Dec. 16 jury verdict of conviction against them, and to either acquit them, or hold a new trial. The gross inadequacies of the jury selection process and the insufficiency of the evidence presented in the trial are two of the grounds on which the post-trial motions are based.

The hasty and inadequate jury selection process violated the defendants' constitutional right to a fair trial and an impartial jury, defense attorneys argue in the motions. Because of the extensive publicity surrounding the case, and the controversy surrounding the defendants, "it was particularly incumbent on the Court to take the requisite steps to ensure the jury's impartiality," contends the defense motion.

Prior to the trial, defense attorneys had filed motions asking for extensive questioning of potential jurors, based on the intensity of attacks on the defendants in the news media—especially the *Washington Post*—over the previous four years. They also asked for the use of a questionnaire similar to that used in the Boston trial of LaRouche and others. But because the court did not allow any of this, and picked a jury in less than two hours, the result was "a jury composed of three federal government employees, including a jury foreman who works for an agency of the United States government—Department of Agriculture—that has been attacked over and over again in articles published by the political movement . . . two jurors who worked for defense contracting companies and another who is married to a Navy engineer. Thus," the motion continues, "at least six of twelve jurors are directly or indirectly dependent on the federal government for their economic well-being."

The defendants have identified Buster E. Horton, the jury foreman, as the principal prosecution plant in the jury who railroaded through the "guilty" verdicts on all 48 counts. Horton is the number-two official in the Emergency Operations Section of the USDA.

LaRouche tax count

Attorneys for Lyndon LaRouche also filed a motion for a judgment of acquittal (directed verdict) on the basis that the

evidence was simply insufficient for the jury to have convicted LaRouche on any of the 13 counts with which he was charged, and that this was especially so with respect to the tax count. The tax charge was that LaRouche had conspired with others to impede and obstruct the IRS. But there was no evidence of concealment presented in the trial; proving acts of concealment is an essential element of proving such a so-called "Klein" conspiracy. LaRouche's lawyers argue that the evidence presented at trial showed that there was no effort made to hide or conceal anything, and that on the contrary, a system of computerized accounting records was kept of all expenses relating to Mr. LaRouche.

An expert witness accountant "stated unequivocally that he found no evidence of the concealment contemplated in a 'Klein' conspiracy. This testimony remained unchallenged and uncontradicted." The evidence also showed that LaRouche had sought and obtained expert advice, and had followed that advice. "The jury's verdict . . . was clearly contrary to the weight of the evidence," his lawyers argue.

In the motion for a new trial, the principal objections to the jury selection process are described as follows:

"A. The Court denied defense counsel's pre-trial motions for an expanded voir dire, thereby eliminating many probing questions relating to their awareness that the defendants belong to a highly prolific and controversial political movement and possible bias emanating from such awareness.

"B. The court permitted seven veniremen to openly declare in front of the entire panel that they had formed a sufficiently adverse opinion of the defendants as to preclude them from being impartial, thereby polluting the mindframe of the remainder of the panel.

"C. The Court permitted any prospective juror to be excused for hardship without any individual questioning by the court concerning the nature of that hardship, thereby depriving the defendants of jurors who may simply have preferred not to sit in judgment.

"D. Despite defense counsel's pre-trial motions, the Court engaged in a minimal amount of individual voir dire and posed its questions in general non-probing terms. As a result, none of the veniremen were effectively examined for bias.

"E. In an effort to streamline the jury selection process, a jury was selected in less than two hours. Under such immense time pressure, defense counsel were prevented from being able to properly convene and decide on their peremptory challenges. Rather than the intelligent exercise of challenges that is contemplated under the law, defense counsel's exercise of their peremptory strikes may best be described as an unmethodical scramble to keep up with the Court's rapid pace.

"F. In addition to the time pressure placed on defense counsel, the Court permitted defense counsel only ten peremptory challenges. This was an inadequate quantity given that the jury pool still contained numerous government employees and relatives of government employees."

DoJ moves to protect Iran-Contra apparatus

by Herbert Quinde

The two key criminal charges against Oliver L. North, stemming from the Iran-Contra scandal, will soon be dropped. The dismissal of the criminal charges means that the full story of Irangate will probably never come out in a court of law, while North is "left out in the cold" to face 12 other felony counts that, upon his probable conviction, could find the scapegoated Marine in a federal prison. His crime was to dutifully carry out a series of disastrous administration foreign policy initiatives. Despite much speculation about a pardon, it is very unlikely.

The dropping of the two conspiracy charges, which deprives North of a defense based on classified material, demonstrates the complete political control of the U.S. judicial system. A decision was made top-down to protect "national security," i.e., administration officials from the President and President-elect on down.

Although both President Reagan and the President-elect have been led to believe that the worst is over, the legal maneuver still leaves in place the guts of the "secret government" structure that brought us the Irangate fiasco, to blackmail President Bush. Bush is already facing the prospect of short-leash control by a coalition of Wall Street banks and Congress.

On Jan. 4, Attorney General Richard Thornburgh met with independent counsel Judge Lawrence Walsh to tell him that the "intelligence community" had determined that North's request to use classified documents in his defense threatened national security. Therefore, Walsh is instructed to drop the charges. The Department of Justice issued a statement saying that they were happy the charges were to be dismissed.

A week earlier, the administration bureaucracy had gone into in an uproar, as North's lawyers served trial subpoenas on President Reagan, President-elect Bush, and numerous other high-ranking officials involved in the scandal, seeking to force them to testify in open court.

A Washington insider summarized the popular political sentiment in the nation's capital as subpoenas rained down on the White House. Alluding to the role of the President's wife in creating the mess, he commented, "The bloodletting will really start now. Nancy had it her way and both the President and Bush will pay for it."

Sources report that the national security establishment as well as numerous Republican Party political operatives had been advising Reagan to take advantage of the Christmas

season to pardon both North and former NSC director Adm. John Poindexter. The pardons would signal that Reagan was taking the blame, reestablishing the credibility of the Executive Branch, and leaving the "private profiteers" of the secret government such as retired Maj. Gen. Richard Secord and Iranian businessman Albert Hakim to fend for themselves.

But Nancy Reagan strongly advised the President that a pardon would provoke "bad press" and mar the perception of his Hollywood-perfect presidency, say sources who are part of the pardon lobby.

Even liberal journalists who have been in the forefront of using the Irangate affair as a way to weaken the Office of the Presidency, opined in candid conversation that an executive pardon would be accepted as honorable and at worst would provoke a few days of critical editorials.

Numerous proponents of a pardon have emphasized that there is a principle involved, not simple pragmatic political considerations. Both North and Poindexter were military men in uniform following the orders of their Commander-in-Chief. Even though many believe that the Iran-Contra foreign policy gambit was fundamentally stupid, even criminal, military and intelligence community professionals feel that scapegoating the two would seriously undermine the process of government.

Ironically, the root of the Iran-Contra policy was President Reagan's Executive Order 12333, signed in 1981, which permitted the creation of what Sen. David Boren (D-Okla.) termed a "parallel government." Reagan's executive order allowed for the flourishing of a "private" intelligence apparatus, allegedly loyal to the government. The Reagan-Bush administration's rejection of Lyndon LaRouche's advice to disband that "secret government" apparatus, is what led the pair into their present dilemma.

A comparison with the judicial railroading of LaRouche has been made by some Washington insiders. If North and Poindexter deserve a pardon, LaRouche, who served the administration much better with his policy inputs, has similar standing. According to testimony by a former NSC official in the recently concluded "LaRouche trial" in Alexandria, Virginia, LaRouche was the victim of a political vendetta resulting from the "policy wars" within the White House. Ninety percent of the policy establishment, early on, opposed LaRouche's input, which resulted in the creation of the Strategic Defense Initiative.

A former top White House Reaganite who served in the first term, having come to Washington from California, commented that by Reagan's second term, which some call the "Nancy-Baker administration" (the First Lady and soon to be Secretary of State James Baker), disastrous foreign policy initiatives were made worse by the immoral back-biting and back-stabbing which became dominant in and around the White House. "We were told to be team players. Protect the President at all costs. Take no prisoners and eat our own wounded," he said.

Carlucci okays base closure plan, in self-inflicted 'Pearl Harbor'

by Nicholas F. Benton

Defense Secretary Frank Carlucci gave his blessing to the report of his Commission on Base Realignment and Closure Jan. 5, moving the nation's military one step closer to taking its worst hit since Pearl Harbor.

The Commission calls for the realignment or outright closure of 145 military installations in the United States, throwing over 58,000 military and civilian personnel out of their jobs, in a move that will save a tiny fraction of the nation's annual expenditure on national defense.

The Commission released its report at a Pentagon press briefing Dec. 29, jolting every region of the nation by calling for closing down 86 military installations, outright, partially closing five others, and realigning 54.

The impact of the Commission's recommendations will be far worse than if 86 major American factories closed simultaneously. Not only will the loss of over 58,000 jobs occur overnight, but entire communities that have been built up to provide services to the military and civilian employees and their families around these facilities will be equally affected.

Communities like Victorville, California, which exists to service the 24,500 personnel and their families at George Air Force Base in California, and Chanute, Illinois, which exists as an auxiliary to the Chanute Air Force Base, will be virtually wiped off the map, together with scores of other communities across the nation.

Worse, the national security implications of the contraction of military facilities, both from the standpoint of military readiness and in the signals it sends to allies and enemies, alike, around the world, are extremely ominous.

Carlucci endorsed the report in an almost fatalistic fashion, saying that if Congress fails to provide the 2% real growth in the defense budget President Reagan will call for, when he submits his last budget on Jan. 9, then the base closings will necessarily come ahead of personnel pay cuts or cuts in vital strategic readiness areas.

However, the Commission's co-chairmen, former Sen. Abraham Ribicoff (D-Conn.) and former Rep. Jack Edwards (R-Ala.), both took it for granted that Congress would adopt

their report, since no one in all of Washington thinks that Congress will adopt Reagan's proposed budget.

In fact, the Reagan budget has been declared "DOA" (dead on arrival) even by Republican partisans. It is seen as a merely ceremonial gesture by the outgoing administration, while George Bush has already signaled that he will settle for a zero-growth defense budget for the foreseeable future.

As a further assurance of virtually guaranteed passage, the enabling law passed last October to give the Commission its mandate prohibits the Congress from dissecting the report, but limits it to either vote it up or down in its entirety. This is ostensibly in order to prevent congressmen from getting into a brawl over trying to protect regional interests.

As Congress has been increasingly wont to do since passage of the Gramm-Rudman-Hollings deficit reduction law in early 1986, it made a law to protect it from itself by deliberately curtailing the democratic process. Therefore, not only is the Congress restricted to the single option of voting the entire package up or down, but it will take a two-thirds vote to reject it, and that would have to be done by a pre-set mid-April deadline.

So, having won Carlucci's blessing, the report had virtually the power of law even before any congressman even saw it, much less debated it or voted on it.

Freeze!

This pattern of unprecedented self-immobilizing by Congress has come as a result of those who have set the priority of federal budget deficit reduction as the single dominant priority of Congress. They do not bat an eye at the suspension of the democratic process involved in their obsession, nor at any risk to the strategic security of the free world.

But there is more than simply an attempt at attaining fiscal responsibility behind the base closings move, since it will create insignificant savings, at best, for all the catastrophic effects it will generate. Observers in Washington point out that there is little the Soviets could do, short of launching all-out thermonuclear war, that would be as effective in demoralizing the U.S. military and its allies than a measure of this

kind. Whoever is ultimately responsible for foisting it on the nation could not be entirely insensitive to that fact.

Just look at how little will be saved by exacting such an enormous cost. Namely, out of an annual U.S. defense budget of \$300 billion, the 145 closings and realignments are projected to save an average of only \$693 million in base operating costs annually over the next six years. That is a negligible 0.3% of the total annual budget.

That is a savings in operating costs, and does not take into account the cost of closing the facilities, moving the equipment and personnel (in the case where they will be reassigned and not just dismissed), and putting the land up for sale or other use.

In reality, the closings and realignment program will increase the size of the defense budget in order to cover these expenses, and the savings of \$693 million annually is projected by the Commission as the average per year only after six years has passed. The Commission says it will need an extra \$300 million in the coming fiscal year budget just to "prime the pump" for the closures and sell-offs.

For example, the Commission projects it will cost \$11 million to close the Navajo Army Depot in Arizona, while the payback will be only \$3 million annually. Therefore, the net effect of the closure will begin to save money only after four years have elapsed.

Such minuscule savings projected after six years also assumes a continuation of the current trends in the over inflated real estate market and other highly volatile economic factors which many experts consider unreliable, at best.

In fact, the value of real estate was a major factor in the decisions taken by the Commission on which facilities would be put on the chopping block and which would be saved.

In response to a question on this subject by this reporter at the Dec. 29 Pentagon news conference, Edwards said, "Of course, our first consideration was military value." But then he quickly added that the "only real criteria" for selecting facilities to close was whether or not the move would result in a savings after six years.

The six year time limit was the rather arbitrary one set for the Commission. In some cases, he noted, there were facilities whose closure would generate net savings after 20 years, but that did not meet the constraints the Commission was working in.

Real estate fantasies

Under such constraints, real estate values naturally played a major role in considering which facilities to close and sell off, Edwards conceded. He cited the case of the San Francisco Presidio as one, he said, "located in a high-value area."

In that case, Edwards was unaware of the fact that the Presidio, whereas it will lose its 5,290 military and civilian personnel, will not go onto the real estate market because it is a national monument. Therefore, it will fall into the hands of the Department of the Interior. One wonders how much of

the total \$693 million annual savings estimated by the Commission for all its closings was based on the erroneous notion that they could collect a small fortune by sub-dividing and selling off the Presidio to eager real estate developers.

Edwards also cited a case of a facility that was not closed, even though it retains little use, because of its low real estate value. For example, he said that the historic Fort Monroe in Hampton Roads, Virginia, was left untouched by the Commission mainly because, he said, "No developer in his right mind would want to develop it."

There is no way, observers noted, that such a crass approach to decisions on which facilities to close would avoid having an negative impact on the national security interest. By placing unreliable real estate values ahead of use value in assessing a facility, every one of the nation's 4,200 military properties, and the personnel on them, are inherently degraded, fueling morale problems everywhere.

Members of the Commission have also been accused of other, even more unseemly criteria for their decisions by some congressmen. For example, a number of congressmen pointed out that there were virtually no changes made in the states of Georgia and Wisconsin, the states the chairmen of the Senate and House Armed Services Committees (Democrats Sen. Sam Nunn and Rep. Les Aspin, respectively) hail from. It comes as no surprise that both Nunn and Aspin have, for all intents and purposes, already put their stamp of approval on the report.

On the other hand, California takes by far the biggest single hit. A total of 24,555 jobs—17,658 military and 6,653 civilian—are slated to be lost there. In addition to the Presidio, with its 5,290 personnel, the 4,225 personnel at the Hunter's Point Naval Station, almost all military, will also be put out of their jobs in San Francisco. That means that 9,515 solid jobs in San Francisco, which have provided for much of what little sanity is left in that ravaged city, will disappear.

Also, Norton Air Force Base, with 6,653 personnel, George Air Force Base (5,358), and Mather Air Force Base (3,000), all in California, will be closed.

Other big losers include the Army's Fort Huachuca in Arizona, which will lose 2,032 personnel, Chanute Air Force Base in Illinois (3,068), the Army's Fort Sheridan in Illinois (3,000), the Army's Fort Devons in Massachusetts (3,068), Pease Air Force Base in New Hampshire (2,650), the Army's Fort Dix in New Jersey (4,656) and the Army's Cameron Station in Virginia (4,692).

When Ribicoff and Edwards were asked by this reporter at their Pentagon press conference how many total jobs would be lost by the closures and realignments, they ducked the issue, pretending not to know. In all their efforts, they said, they somehow failed to add up the total. Instead, they handed out a chart with the jobs lost for each affected facility, and told reporters that if they wanted the gross total, they should take out a calculator and total it up for themselves.

Chemical ban pretext for global police state

Formation of a supranational "environmental" policing operation, along the lines called for by Soviet leader Mikhail Gorbachov at the United Nations on Dec. 7, 1988, may be the purpose behind convening the 130 nations scheduled to participate in the Conference on Chemical Weapons Use in Paris Jan. 7-11.

Gen. William Burns, director of the U.S. Arms Control and Disarmament Agency (ACDA), told reporters at the State Department on the eve of the conference that it would have no binding authority, but that he hoped it would "carry over" into changes in the charter of the United Nations.

The aim would be, he said, to give greater powers to the U.N. secretary general to investigate allegations of chemical weapons use throughout the world.

Such powers would involve the ability of the U.N. to impose stiff economic sanctions on any nation that did not cooperate with an investigation. General Burns said that the need for such enhanced powers was demonstrated last year, when U.N. Secretary General Javier Pérez de Cuéllar wanted to look into allegations of chemical weapons use by the government of Iraq against Kurdish rebels, and the Iraqi government would not permit the delegation to enter the country.

However, Washington sources point out that the sudden preoccupation with chemical weapons is coherent with the move toward an enhanced global policing role for the U.N. as part of the emerging U.S.-Soviet "condominium" arrangement.

The new drive is not merely the result of use of such weapons in the

Iran-Iraq war, or allegations that Libya is building a chemical weapons production facility. Such developments overlook the fact that the Soviets used chemical weapons widely in Afghanistan, and that the Cubans reportedly also used them in Angola. In fact, the Soviets have been producing and exporting chemical weapons for 45 years, experts note.

Gorbachov's call has been echoed in remarks by President-elect George Bush, who has said he intends to make a chemical weapons ban, and environmental issues generally, top priorities for his administration.

Carrying out a global ban on chemical weapons production would require an environmentalist policing apparatus, because of the special problems of verification associated with such a policy. Since virtually every kind of industrial plant can be converted into a chemical weapons production facility, verification would require frequent inspections of virtually every industrial facility in the world.

General Burns conceded this when I asked him about it at the State Department press conference. He said that such tough questions are being grappled with at the talks on banning conventional weapons now going on in Geneva, which involve 40 nations which have agreed to find a way to ban chemical weapons use, stockpiling, and manufacturing.

"No one has an answer to that problem yet," Burns replied. "But I can tell you the solution would be highly intrusive."

In an interview given to the *New York Times* earlier the same day, Burns noted that a draft treaty to ban chemical weapons offered by the United States in 1984 included "wide-ranging inspections to ensure that factories that make pesticides or handle chemicals are not making chemical weapons,"

and that the successful negotiation of such a policy has been long and arduous.

You can picture what the result would be like. Imagine U.N. inspection agents empowered to go, at will, into any industrial plant in any nation of the world. If they didn't like the political posture of a particular nation, they could declare its industrial capabilities "a threat to global security," and force it to close them down, on penalty of an economic embargo or worse.

Goodbye, national sovereignty

The mandate for such a policing agency would be rapidly expanded beyond preventing chemical weapons production, to preventing anything deemed to be a crime against the environment. Such an agency would be capable of bringing industrialization to a halt wherever it would arbitrarily choose.

The Paris conference is designed to build momentum toward this kind of arrangement. It is organized on a "lowest common denominator" basis, namely, in support of the language of the 1925 Geneva Protocol, which bans only the use (not the manufacture or stockpiling) of chemical weapons.

This, Burns said, was in order to attract the largest possible number of participants to five days of speeches on the need to surrender national sovereignty to the higher goal of making the world safe from proliferation of chemical weapons.

The conference will serve as a spur to move the Geneva negotiations along, and to get the U.N. to sharpen the teeth of its charter. In addition, analysts here are speculating that the Soviets are not above ordering the use of chemical weapons by a client state like Libya, in some heinous incident to help speed along the process.

Congress conciliatory, but tough road ahead

The 101st Congress convened on Jan. 3 on a generally conciliatory note. The political pundits have it that President Bush will be able to establish a much more favorable rapport with the Congress than was the case for President Reagan.

George Bush opened the session with the formal counting of the electoral votes from the presidential election. Speaker of the House Jim Wright (D-Texas), who has often been accused by his Republican colleagues of ruling the House with an iron hand, also struck a conciliatory tone. "There is a need for greater consultation and cooperation between the two political parties in the House of Representatives," said Wright.

This tone will no doubt soon prove to be the calm before the storm. In spite of calls for cooperation and bipartisanship, skeptical voices have already been raised. "I would be very surprised 90 days from now if anyone's convinced of serious bipartisanship," said Georgia Republican Newt Gingrich, a leading critic of Jim Wright.

More significantly, it is generally admitted that the 101st Congress will have to grapple with what is perhaps the worst economic crisis in the country's history.

The Savings and Loan crisis will be the first question on the agenda, with hearings of the House Banking Committee already well under way. As the financial structures start to unravel amid rumblings of new attacks on the dollar, it's certain that there will be no smooth sailing for this Congress, but rather lots of toil and turmoil.

The first signs of conflict will be on the budget question. Many expect

President Bush either to back down on his promises of "no new taxes," or to come up with a vicious austerity budget, for which he would bear the political opprobrium. If he does not, the austerity-prone Congress is well-prepared to force him to his knees on the issue.

Anti-defense liberals gain new strength

A combination of deaths and retirements could put some important House posts in the hands of some downright anti-defense, perhaps KGB-run, congressmen.

The death of Rep. Bill Nichols (D-Ala.) on Dec. 20 was the latest event to shake up the Armed Services panel. Two other Armed Services subcommittee chairmen, Reps. Dan Daniel (D-Va.) and Mel Price (D-Ill.), died earlier this year.

Another pro-defense subcommittee chairman with long tenure, Rep. Sam Stratton (D-N.Y.), is retiring this year. Another veteran Democrat, Rep. Charles Bennett (D-Fla.), who heads the seapower subcommittee, is 78 and is not expected to play a leadership role for much longer.

The ultra-liberal Ron Dellums (D-Calif.), who now chairs the military installations and facilities subcommittee, may want to switch to Stratton's procurement or Nichols's investigations subcommittee. Unilateral disarmament advocate Pat Schroeder (D-Colo.) is also said to want one of those two currently available Armed Services subcommittees, on condition that she be allowed to hire her own subcommittee staff.

A Pat Schroeder in the defense procurement post does not exactly

strike fear in the hearts of the military planners on the Soviet general staff!

S&L crisis first agenda item

The House Banking Committee began hearings the first week in January to investigate the rush of year-end deals negotiated by the Federal Home Loan Bank Board to sell or merge dozens of insolvent savings and loan associations.

In a letter to Bank Board chairman M. Danny Wall, new House Banking Committee chairman Henry B. Gonzalez (D-Texas) and Rep. Chalmers Wylie (R-Ohio) noted that there had been "numerous questions raised on Capitol Hill and in the media about the Bank Board's rush to close billions of dollars of assistance packages in December."

The Bank Board was working late on New Year's Eve trying to wrap up the final stages of a program which shut down 217 savings and loans associations. After Dec. 31, federal tax advantages for purchasers of S&Ls were essentially to be halved.

Senate Banking Committee chairman Donald Riegle (D-Mich.) called on the General Accounting Office to review all of the Bank Board's December deals, to see if the bidding process was fair and the new owners can manage an S&L, and to determine how generous the tax benefits and assistance packages are for the new owners.

In their letter, Gonzalez and Wylie asked the Bank Board to provide estimates of the total cost to the federal government, to name the source of Federal Savings and Loan Insurance Corporation funding in the assistance packages, to give an analysis of the

tax benefits in each deal, the amount of capital being provided by the new owners, the quality of the new management teams, and the method of valuing assets in the institutions being purchased.

The chairmen of the House and Senate banking committees have both just taken over their posts. Gonzalez, who prides himself on being something of a maverick, is no friend of high interest rates or big banks. Gonzalez considers himself to belong to a long line of populists whose main concern is the "allocation of credit."

In 1981, he tried to use the impeachment procedure against then-Federal Reserve chairman Paul A. Volcker, introducing a resolution to eject him from office for pushing up interest rates.

The chairman of the Senate Banking Committee, Donald W. Riegle, Jr., has been an active member of the Senate Banking Committee, heading the subcommittee on securities. He has played his cards close to his vest, and declines to comment on where he thinks he will take the Banking Committee.

Both Gonzalez and Riegle acknowledge that the thrift crisis will be the first item on the agenda during January.

Dornan offers Bush advice on AIDS

Rep. Robert Dornan (R-Calif.) sent a letter to President-elect George Bush with advice on how to deal with the AIDS question. Dornan's remedy: Launch a just-say-no campaign involving sex, and make experimental drugs available to people with the disease. Basically, don't do anything.

It is heartening that the good con-

gressman is concerned about the nation's biggest and most catastrophic health problem. There are, however, tried and true public health measures which can be utilized to deal with this 100% fatal epidemic disease.

Congressman Dornan should consult with his fellow congressman and Californian, Republican William Dannemeyer, who has done his homework on the issue, before writing another letter to the President-elect.

Expect attack on agricultural 'pollution'

A renewed attack on agriculture for "pollution" is expected in the new Congress, especially with William Reilly now to head the Environmental Protection Agency.

At a water projects meeting in Oklahoma in December, Rep. Mike Synar (D-Okla.) and the World Wildlife Federation, which Reilly headed, attacked run-off of fertilizers and chemicals as a major pollution source, and the current system of commodity support payments as antithetical to pollution control.

Synar claimed that 95% of water pollution is caused by "non-point sources," i.e., farm run-off.

Bank regulator seeks new powers

L. William Seidman, chairman of the Federal Deposit Insurance Corporation, has proposed that the Congress institute a number of changes in the structure of banking insurance.

Seidman recommended that the Federal Home Loan Bank Board, which charters and regulates federal savings and loan associations, be separated from the insurance function.

Seidman, referring to the close relationship between the Bank Board and the FSLIC, said that when the insurance function "gets mixed up with other duties, such as promoting housing, it tends to weaken the insurer's resolve to protect his fund."

Senate Banking Committee chairman Donald Riegle thought that such an idea would be well-received by the Congress. "I think in the course of structuring an answer for the S&L problem, separating those two functions is something that may very well be done."

'Work makes free' bill soon to be introduced

Democratic Senators Sam Nunn (Ga.) and Chuck Robb (Va.) will soon introduce legislation that will set up a thinly disguised slave labor program, in which unemployed or underemployed youth will be given a \$10,000 voucher for job training or college tuition, if they work for a year as "volunteers" in community service projects. The \$10,000 voucher will be the only pay which enrollees in the program will receive, raising questions about how they will survive for that year with no pay.

Robb and Nunn are touting the bill—which they say will become "one of the top bills in both the House and the Senate," as one which will "reestablish basic values" in the U.S. population.

"Many of us think that it's important that we reestablish a sense of values and a sense of understanding that there are not only entitlements that the government gives to its citizens, but reciprocal obligations on the part of the citizens to their government," Robb told a television interviewer Jan. 4.

National News

Foundation hits Trust, Gorbachov deception

Nightwatch, the newsletter of the Security and Intelligence Foundation, which was founded by former CIA counterintelligence specialist James Jesus Angleton, exposes Gorbachov's and the Trust's strategic deception of the West in a December issue.

"At the present time the Soviet party-state unquestionably has a compelling motive for deceiving the West. According to a recent CIA/DIA study, the economic dislocation caused by Mr. Gorbachov's policy of restructuring has been severe," the newsletter states. Since the Soviet military will not allow money to be taken from them easily, Gorbachov must get it from the West. "A deception operation aimed at promoting the misapprehension that Mr. Gorbachov and his reformist allies are less hostile to Western interest than a reactionary opposition makes eminent sense."

"Such a campaign is not unprecedented," it states, since under the New Economic Policy during the 1920s, desperately needed credits were obtained "in part because of a massive strategic deception operation known as the TRUST," which promoted the "entirely fictitious notion" that the NEP was "a retreat from communism."

"It would therefore seem to follow that the Western powers should adopt an attitude of skepticism and a policy of cautious restraint" in offering financial aid, but "sadly, this has not been the case. . . . Such haste in extending economic assistance to the Soviet party-state is at best ill-advised. . . . If Gorbachov is not what he purports to be, the West is inviting its own exploitation on a scale not dissimilar to that of the NEP/TRUST."

New York Hospitals face 'doomsday' alert

Medical experts and hospital administrators are warning that the New York City health crisis is reaching "doomsday" proportions.

If something isn't done soon, "middle-class" people will be "dying in the streets." The latest warnings were published as a series of interviews in the Jan. 3 *New York Post*, and were all part of a grisly four-page exposé feature.

"Unless something is done, we will have a Calcutta on the Hudson. . . . We will have to triage out in the street," predicted Dr. Barry Liebowitz, the head of the Doctors Council, a union that represents 3,000 city hospital and Health Department doctors.

State Health Department spokesman Peter Slocum stated, "We're dealing with a burgeoning social crisis, a breakdown of the social fabric. It's drugs; it's AIDS; it's poverty. And the lack of adequate primary medical care and nutrition."

Richard Yezzo, president of St. Clare's Hospital, predicts that this year's \$20 million health and hospitals budget cut will lead to a shutdown of some city hospitals in the near future. Yezzo warns, "You are going to have people dying in the streets. They're not going to be able to get care. The people who are going to get hurt are the middle class. Middle-class people are going to die at home; they may die in the streets."

Dr. Kildare Clarke, associate medical director of Kings County's emergency room said, "We literally commit malpractice here. It is not willful malpractice. It is negligence borne out of necessity—doctors are victims. My office is in the heart of the war zone. We have to take care of mass casualties."

In a nationally televised broadcast last June, Lyndon LaRouche specifically addressed the New York hospital crisis and called for construction of more hospital beds. The national health establishment responded by stepping up their attacks on him and his proposals as too costly.

Generals claim troop pullouts inevitable

A number of ranking generals have come out publicly claiming that President Bush will be forced by a combination of budgetary pressures and Gorbachov's peace initia-

tives to pull U.S. troops out of Europe.

Gen. Edward C. Meyer, former Army Chief of Staff, told the Jan. 3 *Washington Post* that a combination of events will force Bush to withdraw "significant numbers" of troops in his first term of office, and that the new administration should start preparing for the inevitable now. Meyer suggests that the U.S. organize a new kind of army for the NATO front—armed with eavesdropping equipment and unmanned reconnaissance planes to keep track of Warsaw Pact forces in Eastern Europe—to increase the warning time for a Warsaw Pact invasion from days to weeks.

Former Carter administration CIA director Adm. Stansfield Turner endorses Meyer's proposal. And Gen. Andrew Goodpaster, NATO Supreme Commander from 1969 to 1974, stated, "If a so-called zone of confidence does develop in Europe, this will require us to go back to the drawing board and rethink what we're doing tactically, operationally, and strategically."

Air Force Gen. John Vogt, however, ridiculed such thinking. "The zone of confidence is a fraud," he said. "There is little reason for comfort because new Soviet tanks continue to be produced at a 'prodigious rate.'"

A general cited by the *Post* who did not wish to be named, refused to be impressed by the Gorbachov initiatives, saying the Warsaw Pact will continue to have overwhelming superiority in Europe. "All the pullback would mean is that we'd go nuclear in three weeks instead of two."

Times covers Verdi A=432 tuning war

The *New York Times* gave major coverage to "the war" over musical tuning in an Jan. 1, "Arts and Leisure" section article by Bernard Holland entitled "Singers Join in a Lament About Rising Pitch: Opera Stars Are Complaining That Standards of Pitch Have Fallen Victim to Inflation and That Their Voices Are Suffering."

The article is remarkable in its determination that the name Lyndon LaRouche shall

not appear in print in this connection. It quotes extensively from *EIR* and Schiller Institute material, including a Schiller Institute conference in Milan, without attribution or even mention of these organizations, and without mentioning LaRouche, the initiator of the fight for lower tuning.

The *Times* reports on legislation for lower tuning in the Italian Senate, and extensively quotes opera star Renata Tebaldi and other performers who "say that escalating pitch is hurting their voices and distorting music." Holland admits that "in a competitive operatic world where backbiting is a common order of the day, they are saying these things with unusual unity."

LaRouche hits problems of 'American Ideology'

Lyndon LaRouche released a new essay Dec. 20 entitled, "The Impact of the American Ideology Upon the Failures of U.S. Strategy," which seeks to illuminate those worsening flaws in American ideology and culture which must be quickly reversed if civilized society is to survive beyond the few years ahead.

LaRouche postulates that the United States on its present course has lost the will to survive and "appears doomed to conquest by the Soviet empire," probably before the turn of the century. But the economic deterioration in every region of the globe, including the economic disintegration of the Soviet and Chinese empires, will leave Soviet rule shortlived. Therefore, future civilized society, LaRouche states, demands a successful "Anti-Bolshevik Resistance."

"Formerly, Americans would have reacted to a Soviet invasion with fierce resistance. At the moment, the polls tell us, the majority among Americans would be racing to be first to the Soviet-occupied city hall, to make favorable personal terms with the occupation forces," LaRouche writes, pinpointing the decline in American morality, and resulting American weakness.

"Before World War II, waves of mass foreclosures on farms brought militant farmers out en masse to protest and obstruct

the sheriff's auction. Today, the farmers still gather, but like vultures gloating over the elimination of yet another member of the agricultural competition."

The founding fathers, LaRouche notes, set the nation on a course directly counter to such immorality. Citing the Preamble to the Constitution, LaRouche states, "As a nation, we hold ourselves accountable to our posterity on these accounts: an axiomatic rejection of the dogma of Adam Smith, of existentialist criteria, and of irrationalist hedonism in general."

LaRouche traces the introduction of Liberalism and American pragmatism as the chief elements of this moral, cultural corruption, along with a systematic attack on the Western "cultural matrix" in the form of rock-drugs-sex counterculture. It is this defense of culture, referred to as "People's War" or "fighting democracy," values which every citizen must locate within himself as that worth living and dying for, which is necessary for successful defense of civilization. Patriotism by itself, LaRouche says, will not be enough.

Hudson denounced for legal tactics

David Vasquez, pardoned on Jan. 4 by Virginia Gov. Gerald Baliles after having spent four years in prison for a murder he did not commit, let out a scathing denunciation of U.S. Attorney Henry Hudson for his "criminal" conduct during the case. Hudson is also the federal prosecutor who arranged the political frameup of Lyndon LaRouche.

Vasquez announced on Jan. 5 that he is going to sue Hudson and the Commonwealth of Virginia for \$100 million for the four lost years of his life. Vasquez accused Hudson of framing him by threatening to "throw me in the electric chair if I didn't plead guilty." Hudson, he said, "just wanted a conviction," and Vasquez was his "victim."

Vasquez's mother choked back tears, saying, "They knew my son wasn't guilty. Now I hate the courts, I think the justice system in this country stinks."

Briefly

● **THE SCHILLER** Institute announced Jan. 3 that it will republish the book, *Bridge Across Jordan*, the powerful account of the American civil rights movement written by Amelia Boynton Robinson of the Tuskegee Institute. Mrs. Robinson intends to add a final chapter on "the continuation of the civil rights movement today, in the movement led by Mr. and Mrs. Lyndon LaRouche."

● **CREO SOCIETY** records have been subpoenaed by New York State Attorney General Robert Abrams after allegations that this high society AIDS charity had misled donors, juggled books, and misspent funds. Nancy Reagan, U.N. Secretary General Pérez de Cuellar, the King and Queen of Spain, and other glitterati, finance the society.

● **ARMAND HAMMER** asked Watergate special prosecutor Henry S. Ruth, Jr. to help him get a pardon from President Reagan on his conviction for illegal contributions to the Nixon campaign, according to the Dec. 29 *Los Angeles Times*. Ruth reportedly declined, saying, "I don't see any injustice in any of the Watergate convictions."

● **MORTON BLACKWELL**, Virginia GOP National Committeeman, warned George Bush in the *Washington Times* Jan. 3 that he can either "be to Ronald Reagan what Madison was to Jefferson" or "give us the Rockefeller administration that never was, the eastern Re-establishment." The latter "would prove unstable, unable to survive politically," he said.

● **SEN. MAJORITY** leader George Mitchell (D-Me.) said Congress would undertake a "careful review" of the leveraged buy-out process which is widely considered capable of provoking a "systemic" financial crisis, and which is fueled by tax breaks.

Editorial

What about human rights!

In virtually the last week of the Reagan administration, the United States signed on for the Moscow Human Rights Conference—a conference planned for four years from now. Why the haste? Why indeed!

It appears that the Soviets have been demanding this most cynical of all concessions as a precondition for allowing the arms reduction talks to proceed apace. Perhaps it is appropriate that there should be a linkage between U.S. betrayal of the oppressed nations of the East bloc, by acquiescence in the charade of a Moscow-sponsored conference on human rights, and disarmament agreements whose only purpose is to strip down Western defenses and decouple the United States from Europe. Perhaps the old saying might be more aptly paraphrased: The Road to Hell is Paved with Bad Intentions.

On Nov. 17 representatives of national-democratic movements in the U.S.S.R. drafted an appeal to the Vienna conference on the Helsinki Accords while meeting with members of a U.S. congressional delegation in Moscow to meet with Soviet officials and dissidents. The appeal urged the Vienna conference not to agree to hold a conference in Moscow on humanitarian affairs. It was signed by groups representing Estonia, Ukraine, the Crimean Tatars, Latvia, Lithuania, and Armenia.

They state in their petition: "The realization of political reforms that are being proposed by the new leadership of the U.S.S.R. attests to the fact that it does not wish to democratize the government, which is subordinate to the Communist Party of the Soviet Union.

"We are witnessing the sped-up process of centralizing economic and social life. Russification of national minorities has not been halted. Nothing has been done to give genuine sovereignty to the republics. Prisoners of conscience continue to languish in concentration camps and in exile. Public movements are being repressed. Meetings and demonstrations are forbidden. New laws that regulate the civic and political activity of citizens have a reactionary, anti-democratic character."

The statement concludes by agreeing to such a conference only on the fulfillment of four conditions: true sovereignty to republics; expanding the rights of the individual which includes allowing democratic elections; releasing all prisoners of conscience; adopting a law on cults which would guarantee freedom of conscience.

We heartily agree with the signators of this call. If anyone needs convincing that the Soviets have in no way changed their policy of brutal disregard of all human rights, they have only to ponder the viciousness with which the Russian government has escalated its persecution of the Armenian people in face of the devastating tragedy of the earthquake.

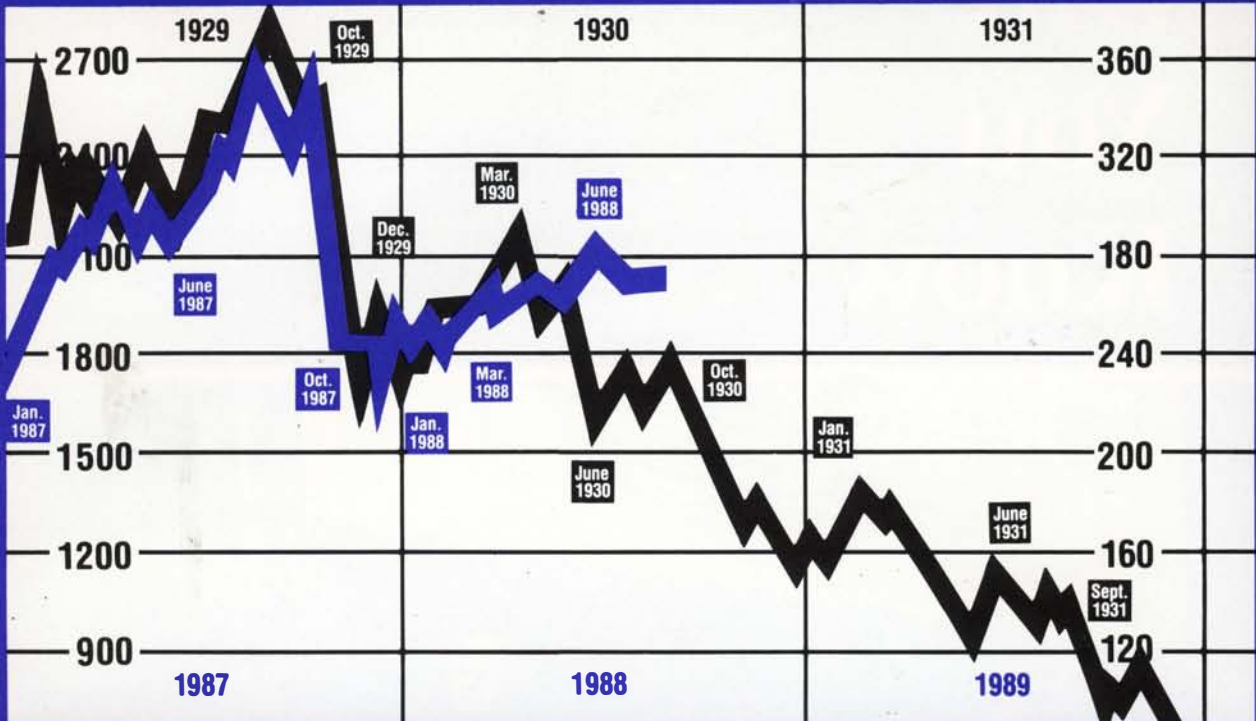
It was reported on NBC national television news, by on-the-spot observers, that relief supplies were not getting to the victims of the earthquake in the first few weeks. Now the Soviets have reversed their policy.

They are making bread available to those victims of the earthquake whom they have not forced to emigrate to camps outside Armenia, but they are *selling* all other relief supplies to those who remain. Since most Armenians are not only homeless but without jobs, this means that they are now in danger of dying of malnutrition, despite the generous international efforts to come to their relief.

At the same time the Soviets are jailing Armenian officials as well as members of the Nagorny Karabakh Committee as enemies of the state. Among other punishable crimes in the Soviet Union, is the complaint that Armenian children have been removed from the country and sent to camps where they are out of reach of friends and families. Are these children to be brainwashed to become *spetsnaz* and terrorists of the future?

Some Armenians believe that the Soviets deliberately suppressed warnings about the incipient earthquake in order that the maximum destruction of their nation might occur. Whether or not this is proven so, Moscow has used the occasion to accomplish its genocidal purpose to the fullest extent, considering that there has been an international spotlight on Armenia.

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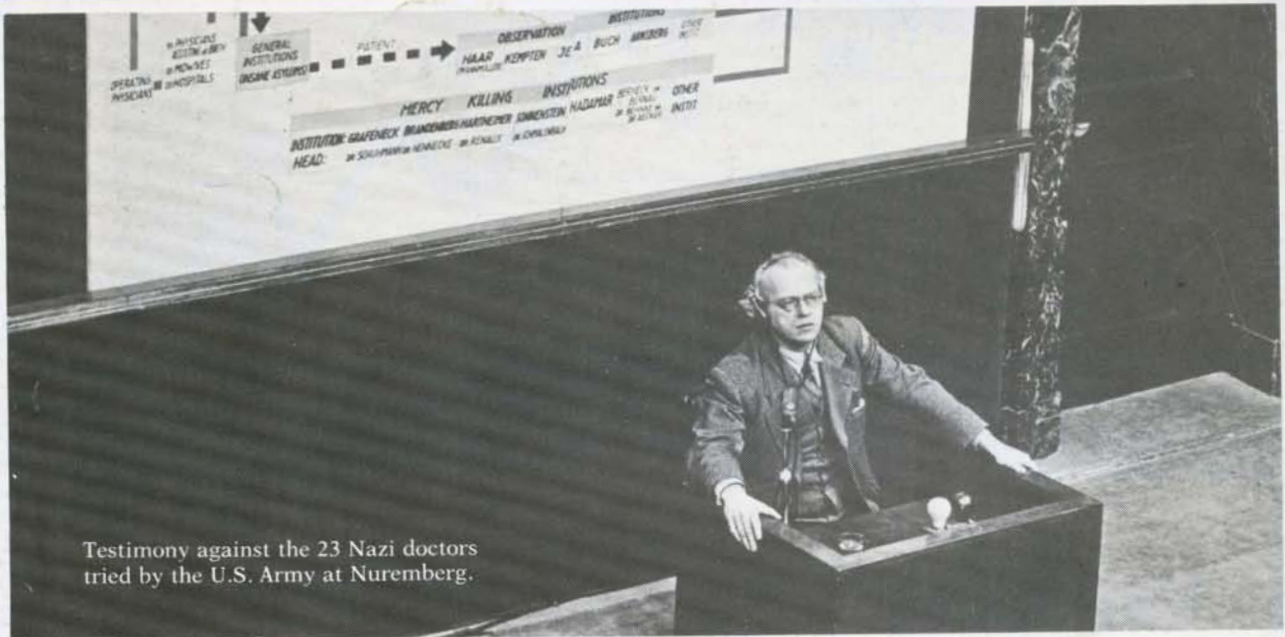
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Did You Know

- that U.S. and other courts around the world are steadily legalizing the crime of euthanasia, for which we hanged Nazi doctors at Nuremberg?
- that AIDS is being used as a pretext, by the insurance companies and death-cultists, to turn medical ethics inside-out?



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