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LaRouche: How my satanic enemies will die
Food for Peace caravans converge on Washington
Scientists don't buy 'greenhouse effect'

**Bankers unleash Nazi assault
against Mexican oil workers**



LaRouche Delivers the Signal

A worldwide anti-Bolshevik resistance struggle

Issued on Nov. 14, 1988 by Lyndon H. LaRouche, Jr.:

Moscow's pre-orchestration of the forced resignation of West Germany's Bundestag President Philipp Jenninger set off the trip-wire warning.

In this circumstance, like that of the fabled Good Samaritan of the New Testament, I find myself in the circumstance the responsibility for a certain action falls upon me. So, as the Hand of Providence fell upon that Good Samaritan, in that fashion, it has demanded that I do an awesome deed, which I do here and now.

So, let the alarm be sounded; the trumpet shall not sound an uncertain note.

Let those who refuse to submit to Soviet worldwide imperial aggression rally to the ranks of a new, global resistance movement, prepared to fight the agents and accomplices of Soviet interest in the same spirit as anti-communist resistance organizations fought the fascist tyrannies of Germany and Italy.

Let us swear the Rütli Oath from "Wilhelm Tell." Let it be made clear, that wherever the communist imperial interest shall destroy governments, or subvert them to such a degree that they become virtually pro-Soviet varieties of Quisling rule which so cease, treasonously, to be lawful authority, the new Resistance shall launch what modern China's experience defines as "People's War" against the communists and their accomplices.

Let no one doubt, that once such conflict were forced upon us, there is no turning back, whatever the cost, until the mop-up of the last remnant of the adversary has been accomplished within each and all of our nations.

The Jenninger issue

For the occasion of the fiftieth anniversary of the Nazis' 1938 Kristallnacht atrocities against Germany Jews, the president of West Germany's lower house of parliament, the Bundestag, Philipp Jenninger, prepared the written form of an address. On the subject of the conditions leading into that Nazi crime against humanity, the written text of the address is among the noblest utterances in honor of the victims during the entirety of the past fifty years.

Almost the entirety of this address was delivered to the Bundestag's open session by Herr Jenninger. During that delivery, certain members of the Bundestag walked out in actual or simulated protest. Promptly, the KGB's assets and most of the European liberal press responded to the address with statements about it which are shown to be utter lies by comparison with the written text and electronic record of the oral reading.

Investigation shows that this reaction among the liberal press was pre-orchestrated, in cooperation with known assets of the Soviet KGB, such as the VVN organization.

This coincides with a pattern of recent and current developments which show institutions of Western governments capitulating to demands of Soviet agencies and KGB-controlled or KGB-complicit persons and agencies, in a more or less equally naked, and shameless way. The fact that Herr Jenninger was induced to resign his

post under such Soviet-pre-orchestrated pressures, makes that incident the signal occurrence within a pattern of developments requiring the mobilization of a global anti-communist resistance force.

The rules of resistance

Wherever we are faced with the conditions which compel the forces of anti-communist resistance to launch "People's War" against the adversary and his instruments, we shall wage such forms of war under the following rules and conditions.

1) It shall be a form of warfare described as "People's War."

2) It shall be fought according to those rules of justified warfare associated with St. Augustine.

3) The heroes around whom this resistance shall be mobilized is the memory of those anti-communist resistance fighters, who fought German and Italian fascism, and often communists, too, during the period up to and following 1945.

To affirm our honor to the memory of those heroes, we teach children to despise Beate Klarsfeld, and all witting accomplices of the KGB's VVN, as wearing the face of the enemies of God and humanity. For the same reason, we despise as low dogs those who betrayed U.S. justice and spat in the face of God, by sending the American citizen Karl Linnaeus to his death at Soviet hands. These persons are an example of those we demand be brought to trial for their crimes against God and humanity.

4) The enemy is communist authority and the accomplices of that authority's actions against our forces. All who fit that description are the forces of the enemy for the purposes of defining our actions of warfare. All these bear the face of the enemy, and shall be brought as low as required, whenever it serves the cause for which we fight that that be done.

5) All who die or suffer otherwise in this war shall be to us as martyrs, whose honorable deeds in this cause shall be legendary in the tales told to future generations.

6) If we are obliged to enter into such warfare, it would be the enemy who has forced this upon the world. Were he wise, he would hesitate to provoke this war.

Organization of the resistance

1) The resistance is organized and spontaneous, and whether organized or spontaneous, is variously open or covert.

2) Openly organized forms of organization, serve to carry the political banners of the resistance as a whole. These are the voices which define the principles and policies of the resistance.

3) Covertly organized forms of organization flank and envelop the enemy in the institutions of society from which the enemy seeks allegiance and support. Covertly organized efforts seek to cause those institutions to exist to the enemy's disadvantage.

4) The most covert form of activity is that which is either spontaneous activity, or is caused to appear so.

5) He or she is a member of the resistance, who adheres to the principles and policies of the resistance. These principles and policies are defined by the open political organizations associated with the resistance, from whatever location, and under whatever circumstances they are able to perform this function.

6) The combat functions of the resistance are estimated to be about one percent of its total warfare-effort.

7) For the most part, the resistance does its work silently, cloaked in mystery, avoiding as much as possible, to report what it has done, or not done, or to report where it has been or not been. As much as possible, the spoor of its work is a shadowy presence in the statistics until such time as its victories enable it to assert its presence and work in its own name.

You can join the resistance, where you sit or stand, without contacting any office or person to do so. But swear the Rütli Oath against communist tyranny and its accomplices, to God and to yourself, and you have joined. Thereafter, act accordingly, as your conscience, and your knowledge of the resistance's signals, principles, and policies, compels you.

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From the Editor

The overtly Satanist faction among Lyndon LaRouche's adversaries has overextended itself rather blatantly since our last issue. Given the range and intensity of attacks, we reprint inside the front cover, LaRouche's November 1988 call for an international anti-Bolshevik resistance, which is the only adequate response.

The deepening international monetary and economic crises have prompted the followers of Satan to push for the same policies imposed on Germany through Hjalmar Schacht, Hitler's economics minister, in the 1930s—and by the same, police-state tactics.

● In Mexico, the newly installed Salinas de Gortari regime, moving on orders from the international Scottish Rite Freemasonic cult, has moved to imprison the leadership of the trade union which is putting up the strongest fight against the dismantling of the publicly owned oil sector, the keystone of Mexico's past progress toward industrial development (see page 36).

● In Alexandria, Virginia, the infamous "rocket docket" Federal District Court which railroaded the conviction of Mr. LaRouche and six associates last month, is getting ready to mete out similar injustice to the accused in the "Pentagate" affair, and again, the motivations are not hidden: not the reform of the Pentagon, but the devastation of the U.S. military-industrial complex, in the era of a global power-sharing deal with the Soviet Union (see page 63).

● Two economic surveys, respectively treating Mexico (page 6) and Brazil (page 10), make it clear how the financial oligarchy's policies are killing people.

For this week's *Feature*, Lyndon LaRouche identifies the Satan-worshippers who hope, through his imprisonment, to bring about his early death. He outlines the nature of the worldwide satanic movement, which brought into being such "peace-loving" organizations as the United Nations Organization, and which is deliberately conspiring to murder the world's children.

To complement this, we have updated our dossier of the printed attacks on Mr. LaRouche in Soviet publications (see *Investigation*, page 50) which show how the Kremlin leadership regards him as "adversary No. 1" in the West.

Nora Hamerman

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World's financial power blocs are squaring off

by Chris White

During the second week in January, Treasury Secretary-designate Nicholas Brady began his consultations on the international financial situation with his opposite numbers from Britain and West Germany. He met in sequence with British Treasury Secretary Nigel Lawson and then the next day with West Germany's Finance Minister Gerhard Stoltenberg. A third meeting is scheduled with new Japanese Finance Minister Tatsuo Murayama in the coming days.

The succession of bilateral meetings breaks the mold set in Paris during post-election consultations with representatives of the same group of nations, plus the French. At that time, it seemed, the finance officials and their senior underlings had agreed that in exchange for concerted November action to stop the accelerating fall of the U.S. dollar, the United States would hike its interest rates, and there would be a meeting of the Group of Seven shortly after the Jan. 20 inauguration of the Bush administration. France and West Germany had appeared to be the most outspoken lobbyists for the rapid convening of a G-7 coordinating meeting. The British had seen no need for such before the already-scheduled gathering in advance of the International Monetary Fund's April Interim Committee meeting.

Out of the bilateral meetings with Brady, the scheduling of the Group of Seven meeting has moved from November's "soon after Jan. 20," to January's "in the next few weeks." The agenda has reportedly shifted from November's insistence that the dollar and exchange rate policy be first up, to the present ambiguity of the meeting being either "a getting to know you" session with Brady, to Stoltenberg's reported hard stance that the meeting take up, as a matter of urgency, the question of Third World debt. This was developed further by Stoltenberg in an address to the Konrad Adenauer Foundation.

Ultimatum from Kissinger and the bankers

Stoltenberg's insistence reflected the agenda of priorities laid out on Jan. 8 by Henry Kissinger, in a syndicated column published in the *Los Angeles Times*, and by the Washington, D.C.-based Institute for International Finance (IIF).

Kissinger demanded that Mexico be made the test case in a new drive to eliminate what he called "Latin American populism," this to be accomplished through a new round of Schachtian looting schemes based on stealing state sector industries and raw materials extraction concerns across the continent. Kissinger, one of the architects of the 1970s *détente* with the Soviet Union, vented his spleen at what he called the "Marxist" character of the institutionalized commitment to industrial progress which is mediated through such institutions as state-run industries.

Two days later, the 186 banks affiliated with the IIF issued an ultimatum to the incoming Bush administration, demanding full government guarantees for their international activities before they would invest in the grand larceny schemes Kissinger advocated. They call such schemes "debt-for-equity swaps" and "local currency conversions." The general manager of the IIF, West Germany's Horst Shulman, a former adviser to ex-Chancellor Helmut Schmidt on international finance, described the ultimatum as "not a bail-out for the banks" but "a bail-in" for the governments. In between the two events, Mexico's budding Porfirio Díaz-style dictator, Carlos Salinas de Gortari, arrested the leadership of that nation's oil workers union in a nationwide military dragnet designed to clear the way for the privatization of the state owned oil company, Pemex.

The Kissinger article and the bankers' ultimatum clarify the ambiguities around whether or not there is to be a Group of Seven meeting, and what it is to discuss. From these, and

the visits of Lawson and Stoltenberg, a very clear blackmail message was delivered to the new U.S. administration, on the eve of its taking office: Accede to our demands on the handling of Third World debt, and the dollar will be maintained at roughly its present levels, against both the deutchmark and the yen. The message is roughly similar to that delivered by the headsman to his execution victim: "Don't worry, there's nothing to fear; afterwards, you'll be able to choose which part you wish to keep, the part above the neck, or the part below."

Such a message should help to clarify the illusions of those who continue to maintain that the new U.S. government can exercise control internationally without acting to overturn the constraints imposed by the international economic collapse, the fact that the United States is now the world's largest debtor nation, and that its banks, including emphatically the largest commercial banks which comprise the core of the IIF—Citibank, Chase, Bank of America, Manufacturers Hanover, and Chemical among them—are bankrupt many times over. As the latest developments in Mexico indicate, assuming charitably that things were cooked up outside the administration, preemptive action by the financial crowd will continue to change the international agenda, even before the new Bush team has got its "wish list" itemized.

Otherwise, the "do what we demand on the debt, or the dollar will get bashed" ultimatum does strangely reflect the fact that the Bush team had been moving in its own idiosyncratic way, against the principal sponsors of an early dollar crisis. As befits a combination long on bureaucratic intelligence community strengths, and short on economic policy fundamentals, the methods chosen have been the intelligence community's power political warfare manipulations and muscle-flexing. Such methods may have some impact on the players, but they don't have any effect on the kind of game that is being played.

Part of the reason for the present downplaying among official circles of the dollar's exchange rate, is the political pressure that has been brought to bear against advocates of an early dollar crisis as the means to break the will of the incoming administration.

Scandals and takeover battles

At the September meeting of the International Monetary Fund in Berlin, a line-up emerged against the United States on three questions. Leading the charge were the French through Finance Minister Pierre Bérégovoy, the Japanese through Central Bank chief Sumita, and the International Monetary Fund itself, through Managing Director Michel Camdessus. They were advocating, first, a downgrading of the dollar as an international reserve currency, along with a strengthening of the IMF's Special Drawing Right bookkeeping unit of account; second, the creation of a new entity within the IMF, to trade in Third World debt holdings for long-term bonds collateralized against Third World foreign

exchange holdings, the so-called Miyazawa Plan; and third, savage U.S. budget cuts.

This outline was opposed at the time by U.S. representative Nicholas Brady. Since then, under the impact of the Recruit Cosmos insider trading scandal, Japanese Finance Minister Kiichi Miyazawa and others of his ilk have been ousted from Japanese government. Beregovoy and others of President François Mitterrand's economic team have come under the taint of another insider trading scandal—Pechiney's takeover of the U.S. company Triangle Industries—and are expected to be further weakened by a scandal around dealings with the takeover of Belgium's Société Générale. The Pechiney matter is the outgrowth of U.S. investigations of the international activities of Drexel Burnham Lambert, and extends into Swiss financial circles, where Justice Minister Elizabeth Kopp resigned from office in another matter, the billion-dollar money-laundering associated with Sakarachi's "Lebanese Connection."

The international hype around the "chemical weapons for Libya" targeting of West Germany has functioned similarly, the more so since it is now revealed that the United States has actually been negotiating with Muammar Qaddafi for the return of the oil companies taken over by Libya in 1986—Marathon, Occidental, Conoco, and Gulf—along with the \$4 billion in assets that Qaddafi then seized. Libyan oil is important to Germany, Italy, and France, among others in Europe.

While U.S. political involvement in such affairs is beyond dispute, the profile remains that of the core financial power bloc based upon Britain, the Netherlands, Canada, and the United States, acting to direct the U.S. as a battering ram against what that grouping dislikes in continental Europe, while directing Europeans as a battering ram against what it wishes to smash in the United States, namely the independence of the presidency. Japan's job seems to be to provide the funding for the transatlantic bullfight.

This kind of arrangement is like playing musical chairs on the Titanic, with the captain's role being to pull out another chair at the end of each round. The hurt of those who are left out at the end of each round is nothing compared to what lies ahead for all participants.

Typified by the new levels of austerity demanded by Kissinger and his associates from the International Institute of Finance, the international economy, taken as the capacity to produce a late-1960s standard market basket of producer and consumer goods, is being collapsed at an accelerating pace, while the pile of usurious debt serviced by that collapsing output is increased at a faster pace. The bankers' demands for what Shulman called the "bail-in" are desperation-driven on that account. Yet what those same bankers demand will only make things worse. Until governments wake up to the reality that the bankers' desperation is a measure of weakness, not strength, that will go on, but by then it may be too late.

Why Mexico is ready to explode

Carlos Cota of the Mexican Labor Party analyzes the economic background to the present fascist inversion.

The article translated here was published in the Jan. 1 issue of *Solidaridad iberoamericana*, the official newspaper of the Mexican Labor Party, under the title, "Transition to What?"

It is quite understandable that most Mexicans built up their hopes for the new President, Carlos Salinas de Gortari. After all, the six years of Miguel de la Madrid were a dark, seemingly endless, tunnel of despair. But, the change does not mean the end of the tunnel.

The longings for change were shown at Salinas's Dec. 1 inauguration by the congressmen from the ruling Institutional Revolutionary Party (PRI) who applauded vigorously when the new President ordered an immediate renegotiation of the foreign debt.

Salinas said, "First, the net transfer of funds abroad must abate so that the economy can have sustained growth; second, the value of the historic debt accumulated up to now should be reduced; third, those new funds needed for Mexico's sustained growth should be assured on long enough terms to avoid the uncertainties caused by annual negotiations; and, fourth, the real value of the debt should diminish and its proportion relative to what we Mexicans produce should also become ever smaller, during my administration."

The new President also affirmed, "We will not grow again in an enduring way if we continue transferring 5% of the national product abroad, as we have done up to now."

The truth of the foreign debt is that our economy is trapped by the "innovative" restructurings of 1985 and 1986. De la Madrid bequeathed to his heir Mexico's promise to pay its creditors \$15.9 billion in 1989. That is 30% amortization payments and 70% interest. Mexico is scheduled to pay about \$90 billion in debt service during the coming six years. It may be noted in **Figure 1** that those debt restructurings committed Mexico to pay more than previously scheduled from 1990 to 2006. Mexico will have to pay much more if dollar interest rates do not stop their spiral upwards. Most of Mexico's debt pays interest at about 1% over the off-shore dollar rate (LIBOR). For every percentage rise in LIBOR, Mexico owes \$600-700 million more annually.

Two days before he left office, Miguel de la Madrid admitted having paid an average of \$12 billion (6.6% of the Gross National Product) in debt service in each year of his presidency. The finance secretariat's figures, on the other hand, are much higher. They put debt service paid between

1983 and 1988 at \$88.589 billion (almost \$15 billion a year).

Many comparisons can be made. Between 1976 and 1988, Mexico's total foreign debt increased from \$24 billion to \$103 billion.

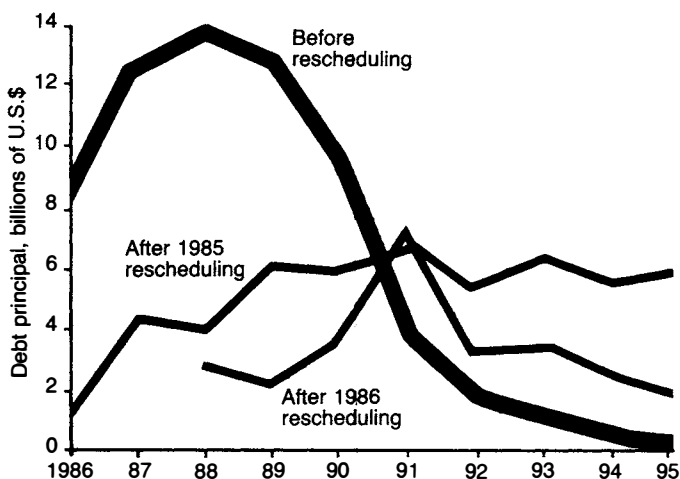
Strictly speaking, President Salinas's orders in no way counter the straitjacket his predecessor agreed to with the creditors.

Real economy vs. the computers

President Salinas posed the following realities in his inauguration speech: "Mexico's modernization is indispensable to be able to meet the demands of the 85 million Mexicans of today, to which 10 million more will be added during the next six years. All will demand food, urban services, housing, education, and an honest way of life. During my term, 9 million students will enter the national education system. . . . A million youths a year aspire to a worthy job, to a sure future."

He should recognize that, during the six years which he

FIGURE 1
Mexico's debt amortization schedule



Source: IMEF

Miguel De la Madrid's debt reschedulings set a trap for his successor. Observe the jump in payments due in 1990-92.

TABLE 1

More than 40% of Mexican workforce is unemployed

(in millions)

Year	Population	E.A.P.*	Employed	Unemployed	% Unemployed
1970	48.2	13.0	12.2	0.8	6.1
1980	66.8	28.1	15.4	6.7	30.3
1985	78.5	24.0	16.8	7.2	30.1
1986	81.0	24.8	15.1	8.7	35.0
1987	83.0	24.9	15.6	9.3	37.5
1988	85.0	25.5	15.1	10.4	40.8

* Economically Active Population

ended with his protest, 14 million Mexicans were born. The needs of almost half of them were completely unmet, because government social spending was cut to 1970 levels. The GNP per inhabitant was reduced 14% and consumption per capita by 14.3%. The total investment per inhabitant was 35.5% less.

Thus, by 1994, there will be 24 million children between the ages of 0 and 12, suffering from malnutrition caused by the sell-out of De la Madrid to the creditors.

To talk today of the need to create 1 million jobs annually is pure demagoguery which denotes the absence of any serious intent to solve the unemployment problem. Table 1 shows the structure of the economically active population. By analyzing it, the hair-raising conclusion is reached that Mexico's economy has to provide 2 million productive positions per year.

The De la Madrid regime generated 1 million unemployed annually among youth whose expectations for a regular wage were smashed by the recession it induced against the economy. Factories and farms closed. With this policy it threw almost 50% of the labor force into unemployment or under-employment.

To try to take care of more than 12 million indigents with the National Social Solidarity Program is a mere chimera. That could provoke a confrontation between those favored by the program and those who are kept out of it.

The economy does not grow

President Salinas postulated "a new epoch of growth" in which "the private sector will play a fundamental role." He also stated, "The motor for the new growth will basically come from internal savings." Such growth should translate into the expansion of the internal market, increasing employment and gradually strengthening the buying power of wages and encouraging cooperatives.

On examining where this recovery stage must begin, one concludes that the actions to be taken are much more difficult than mere statements.

What private sector? Real private investment in Mexico during De la Madrid's six-year term was negative 17.5%; real public investment was negative 50.7%; and total real investment was negative 26.4%. Industry is operating at only 40% of its installed capacity, and that reduced capacity is further threatened by the lowering of trade barriers and by the excessive importation of goods which could be produced inside Mexico.

The De la Madrid regime held Mexico's economy locked in deep recession which it will be hard to get out of.

In 1983, the GNP fell by 5.3%; in 1984 and 1985 it went up by 3.7% and 2.7% successively, but it never overcame its previous decline. In 1986, the GNP fell another 3.6%, then recovering by 1.1% in 1987, only to again drop an estimated 2.0% in 1988 (see Figure 2).

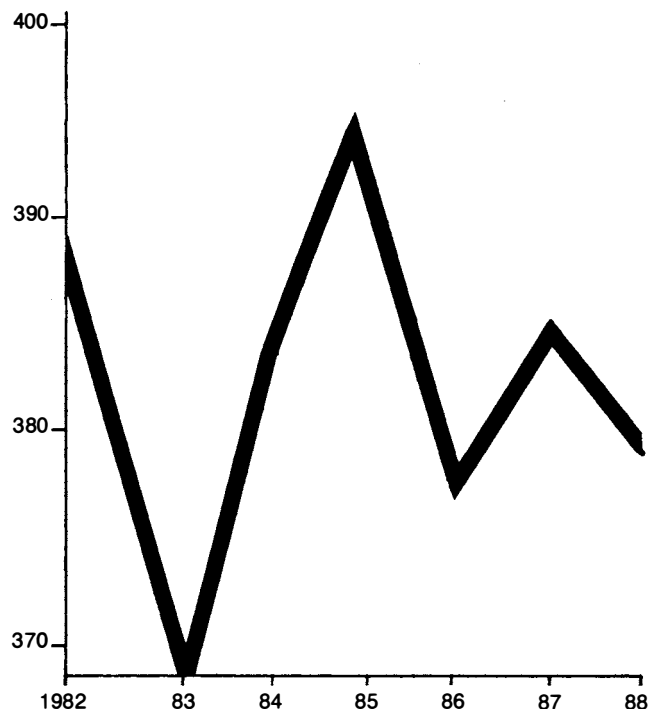
Mexico does not need "we will grow again" rhetoric; it needs the parts of its productive apparatus which have been dislocated by the previous administration's inflationary flogging to be put back together again.

In 1983, the government promised 50% inflation, but it

FIGURE 2

Mexico's Gross National Product skids downward under De la Madrid

(billions of constant 1988 pesos)



Sources: Wharton Econometrics and Mexican Planning Secretariat.

At the end of De la Madrid's six years, production was 2% lower than at the beginning.

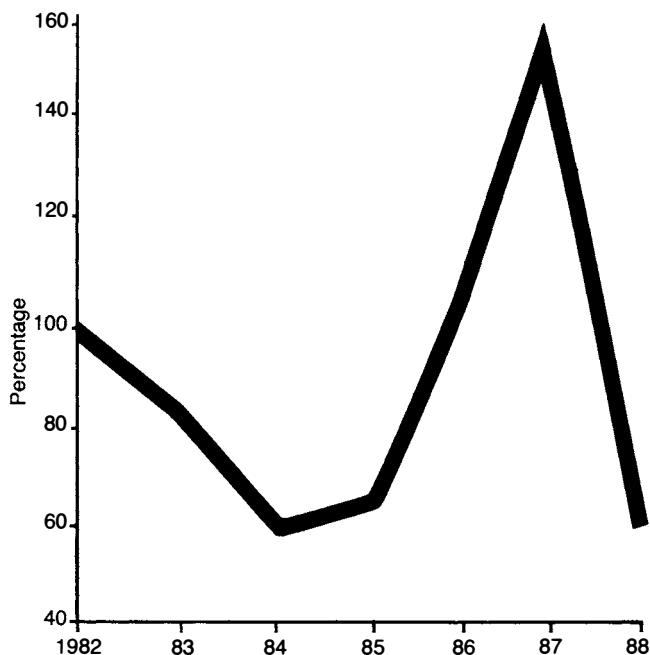
came out to 80.3%; in 1984 it promised it would reduce it to 30-35%, but the result was 59.2%. In 1985, they spoke of 45-50%, but it was 63.7%. In 1986, in the name of realism, they asked for a 85-90% target, but inflation was 159%. In 1988, inflation was reduced to 50% with brutally recessive effects. The physical economy did not grow. That shows us we are facing nothing more than statistical manipulations (see **Figure 3**). To propose a gradual recovery of real wages is to not want to recognize that dramatic measures are required here. Wages in real terms have been cut more than 50%. In real terms, that means workers have lost one-half to two-thirds of their buying power. To speak of gradualism is to stay under the conceptual dictatorship that wages are inflationary, that the inflationary crisis is due to "excessive demand" (see **Figure 4**).

1989, more recession

"The increase in economic activity should be gradual. . . . Immediate growth is limited by recent years' low investment rates. A sudden recovery would stimulate an imbalance. . . . We cannot speed up the pace. . . . 1989's economic policy will be one of transition."

To think that the economy could be kept on *stand-by*, as the IMF keeps in its waiting rooms the finance ministers who go to it to beg for loans, would be very dangerous. And, it

FIGURE 3
**Inflation rollercoaster under De la Madrid
(December to December increase)**



Sources: Wharton Econometrics and Planning Secretariat

seems that is what is going on. President Salinas also said 1989 is determined "by the time required for the firm renegotiation of the foreign debt."

The Planning and Budget Secretariat claims the 1989 expenditures budget will increase 15% from what was spent in 1988, which was cut five times by 195.5 billion pesos. If the budget were implemented, more recession and more stagnation are in store for this year, since, in real terms it would be 11% lower than last year.

A 15% increase would only restore what was taken out of the 1988 budget and add a little bit, but the 1989 budget would still be negative in respect to the 1987 one. We face a budget which is nominally slightly negative and deeply negative in real terms.

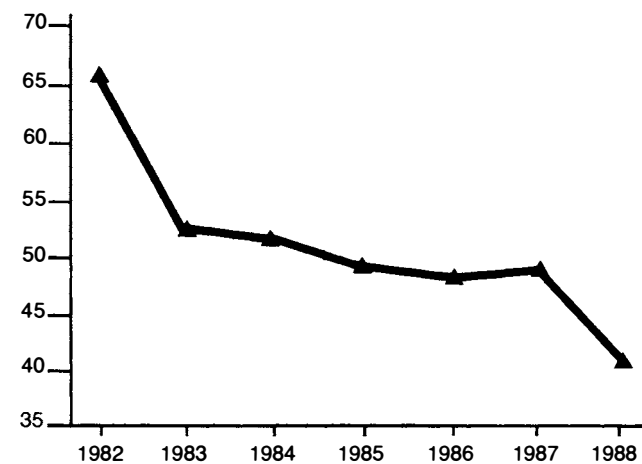
It is not true that the new President means linear continuity with the previous government. From what he has proposed, he would break the gradual downward spiral of economic recession—and accelerate us into generalized depression.

Moratorium, the only way out

The only way to resolve the dramatic situation which we are in, is to unilaterally suspend payment on the foreign debt. Whether the new President likes it or not, this is the only thing which could be done to slow the disintegration of the national economy.

The resources devoted to servicing the foreign debt must be used for a genuine economic recovery which starts by raising the real incomes of the workers, reactivating the productive apparatus with accessible credits. By increasing public investment, the federal government should encourage pro-

FIGURE 4
**Mexican wages fall under De la Madrid
(1977 = 100)**



Source: Mexican Workers' Confederation.



Juan Cedilla

A campaign poster of Mexican President Carlos Salinas de Gortari, as "doctored" by participants in a rally for Cuauhtémoc Cárdenas, July 1988, Mexico City. Salinas's original slogan, "The facts will confirm my words," was altered to read, "The frauds will confirm my words" ("Los fraudes confirmaran mis palabras").

grams to generate productive jobs, provide new incentives and opportunities for national businessmen, restore the economic infrastructure destroyed by the previous administration, and create new basic infrastructure.

Whether or not the new President agrees, Mexico should hold a summit meeting to found a Common Front of Ibero-American Debtors.

Debt moratorium should be accompanied by strict exchange controls and a domestic monetary reform to eliminate the speculative rot imposed by the Salinas government.

The federal government ended 1988 with an internal debt calculated at 96-100 trillion pesos (\$80 billion). It doubled, in peso terms, during the year. The debt ballooned last year for the same reason as the previous five years: the monetary policy of keeping the interest rates on government debt paper high. These are mostly treasury certificates bought by speculative brokers from the government. The brokers do not then sell them to "small investors," but to other government offices and state sector companies. Sooner or later this bubble will explode in the President's face. The government may simply become unable to pay interest.

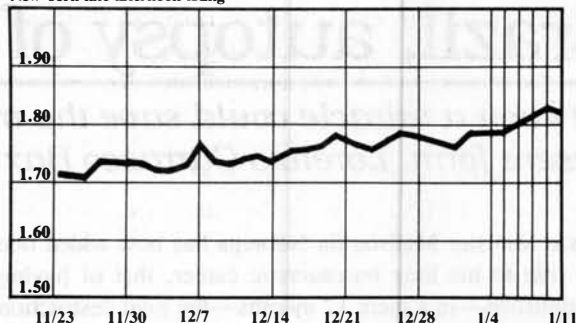
The challenge is to turn this speculative mess into efficient low-interest credit for productive activities. Small savers, who hold a minuscule part of the public debt, should get preferential treatment.

We are not talking about populist actions. We must replace the wheels of a moving train, a train which is about to go over a cliff. We have to repair it, we have to stop its fall and we have to get it back on the track.

Currency Rates

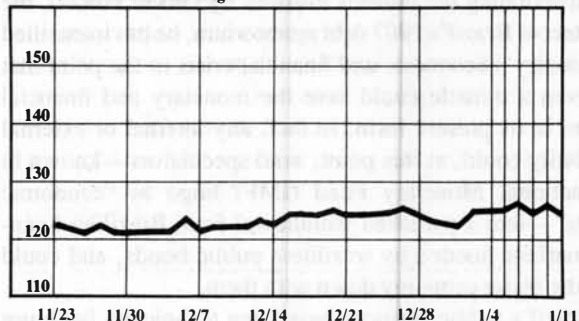
The dollar in deutschemarks

New York late afternoon fixing



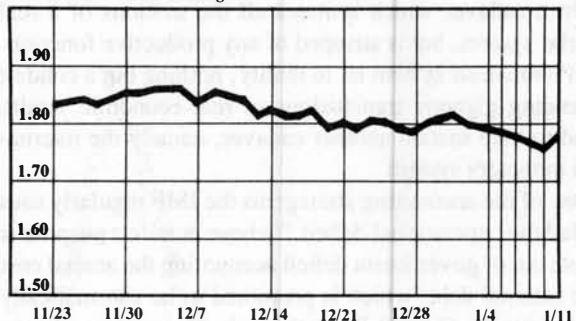
The dollar in yen

New York late afternoon fixing



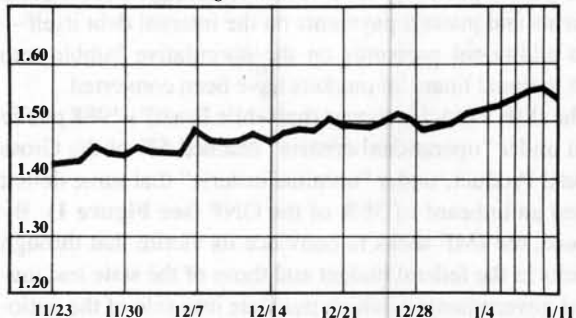
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



Brazil, autopsy of usury

Not even a miracle could save the monetary and financial system in its present form. Lorenzo Carrasco Bazúa reports.

Finance Minister Maílson da Nóbrega has now added one more title to his long bureaucratic career, that of having accomplished—in a mere 12 months—the total destruction of Brazilian public finances. In reviving the policies of his mentors, former ministers Delfim Neto and Ernane Calvêas, and abandoning the reforms initiated by Dilson Funaro, the architect of Brazil's 1987 debt moratorium, he has intensified the country's economic and financial crisis to the point that not even a miracle could save the monetary and financial system in its present form. In fact, any internal or external instability could, at this point, send speculators—known in International Monetary Fund (IMF) lingo as “economic agents”—into a panicked withdrawal from Brazilian financial markets flooded by worthless public bonds, and could drag the entire economy down with them.

Brazil's public finances have been technically bankrupt since at least 1983, but have not been formally so declared because the IMF has contrived statistical ruses to artificially sustain a cadaver which imitates all the motions of a real financial system, but is stripped of any productive function. Brazil's financial system is, in reality, nothing but a conduit for sending gigantic transfusions of real economic wealth abroad to help sustain another cadaver, namely the international monetary system.

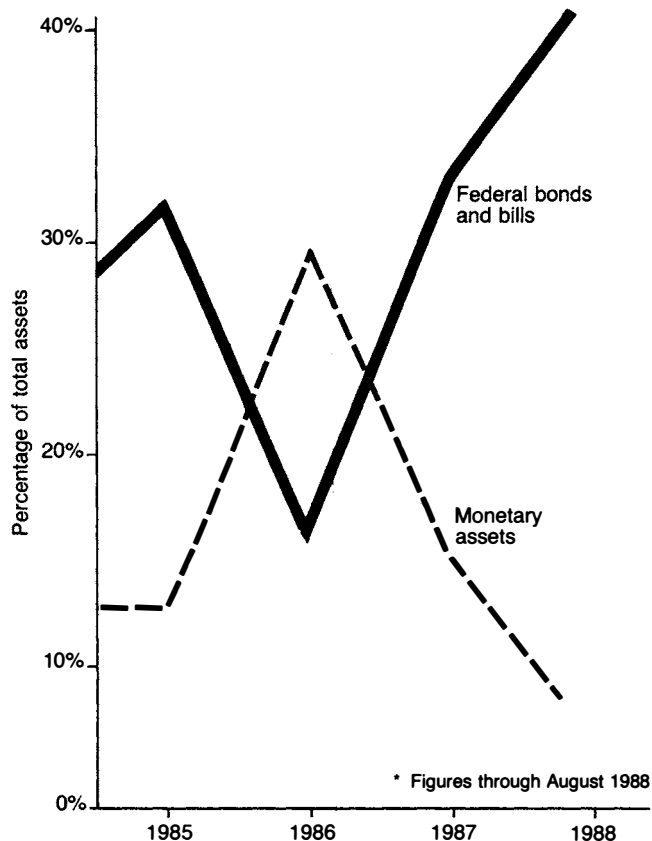
One of the accounting stratagems the IMF regularly uses is called the “operational deficit,” whose manifest purpose is to leave out of government deficit accounting the annual cost of the internal debt, which is presumed to be automatically assumed by the Central Bank through the issuance of new public debt bonds. In this way, the Brazilian internal debt—which grows primarily as a result of foreign debt service payments and interest payments on the internal debt itself—exerts additional pressures on the speculative bubble into which national financial markets have been converted.

The IMF's fraud is so vast that while Brazil's 1988 public deficit under “operational criteria” reached 5% of the Gross National Product, under “nominal criteria” that same deficit reached an unheard-of 36% of the GNP (see **Figure 1**). By this ruse, the IMF seeks to convince its victim that through cutbacks in the federal budget and those of the state and municipal governments—which translate into sale of the national patrimony and the laying-off of thousands of public emp-

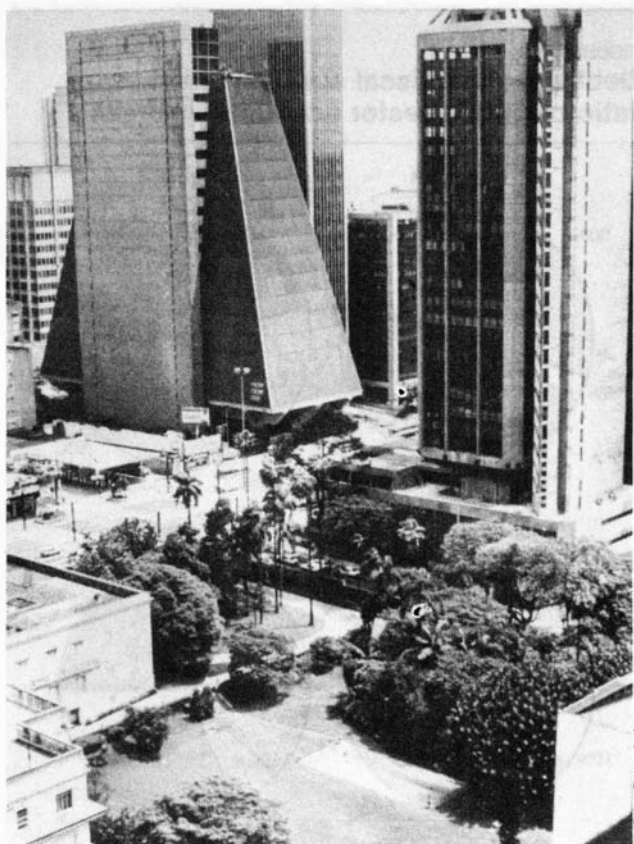
loyees—a small fiscal surplus can still be generated in 1989.

These cutbacks will mean immense sacrifices that threaten the very stability of the national institutions, but mean virtually nothing in terms of a genuine solution to the public deficit. What possible effect could a 5% reduction of the Gross National Product have for a deficit that will top 40% in 1989?

FIGURE 1
Brazil prints money while real assets collapse

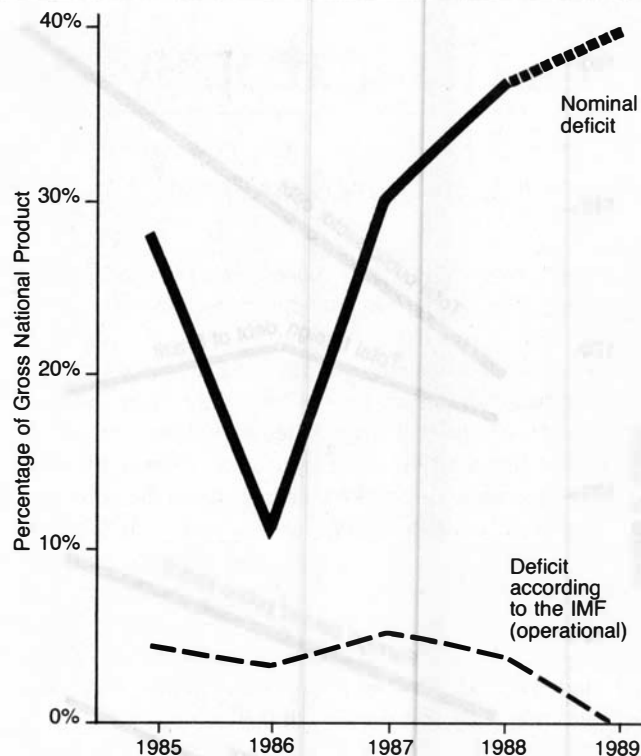


Source: Brazil Economic Program, Central Bank



Real estate boom in São Paulo. Speculative investment has turned the national credit system into a casino, as the real economy is destroyed.

FIGURE 2
Brazil's nominal public deficit far exceeds IMF figure



Source: Brazil Economic Program, Central Bank

Speculative overdose

The problem of the fiscal deficit is not caused by excessive expenditures of the public sector, but rather by the criminal insistence on servicing an unpayable foreign debt through generation of vast trade surpluses. The deficit stems not only from the direct subsidies granted exporters by the federal government, but from the growing internal indebtedness of the federal government caused by that export policy.

The connection between payment on the foreign debt and growth of the internal debt is a direct one. Of Brazil's foreign debt, 87.2% is public, while the dollar earnings of exporters are private. The government buys, in cruzados, the entire trade surplus (in 1988, it reached \$19 billion) with resources obtained either by issuing currency through the Central Bank, or by placing growing volumes of government paper on the financial markets. The purchased dollars are then sent to the international banks as interest payment on the foreign debt. In 1987 alone, the federal government paid out \$6.5 billion, and more than \$9 billion in 1988.

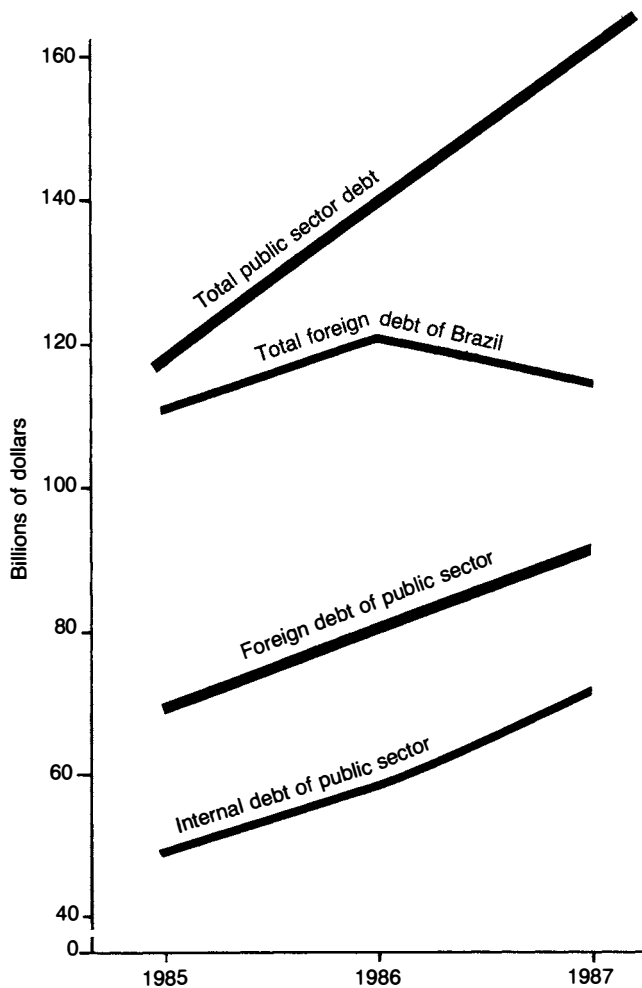
Internally, the issuance of public debt bonds absorbs a large portion of private national savings, preventing the channeling of these financial resources into real production. To this must be added the calamitous state of basic economic

infrastructure in the country—highways, railroads, ports, electrical energy, urban and rural social services, etc.—due to the lack of government investment.

In the period from January through September of 1988, the net increase in public bond placement, according to National Treasury statistics, reached the dollar equivalent of \$8 billion, a quantity which projected through December 1988 represents more than the government's payment of foreign debt service for the year. This internal indebtedness does not correspond to any investment in real production, and occurs while the Gross National Product has fallen to zero and industrial production by more than 3%.

It is in the issuance of bonds without any real wealth or productive function behind them that the real cause of the inflationary spiral in Brazil lies. These bonds are offered on the financial markets at a rate slightly higher than the standing inflation rate, which in turn sets the pace for future inflation, triggering that speculative whirlwind known as *bicicleta financeira*, or "financial bicycle." The mass of government paper now in the hands of the Brazilian public is so large that, by the end of 1988, it represented a full 40% of all the holdings of the monetary system, while money in circulation

FIGURE 3
Internal and foreign debt of Brazil's public sector, 1985-87



Source: Central Bank.

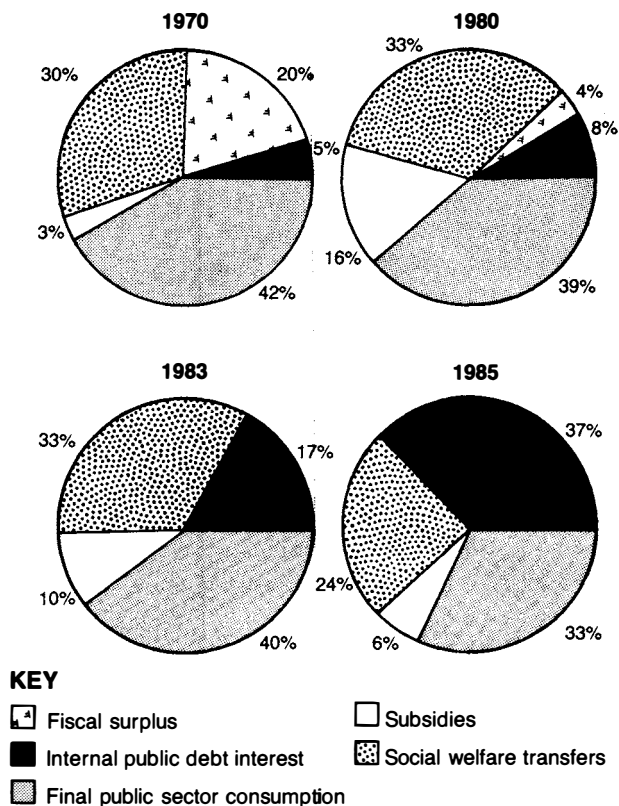
fell to less than 8% (see **Figure 2**).

Although this represents nothing in the real economy, it does faithfully reflect the hyperinflationary process which has seized hold of the Brazilian economy. No one wants money that is losing value at the rate of more than 1% a day, and so they run to the "overnight" or "open" markets which deal in government bonds, to "protect" their patrimony.

As if this weren't enough, the authorities contribute to the monetary disorder by granting such additional "incentives" to exporters as daily mini-devaluations which exceed the inflation rate by a slight margin.

In sum, the government has turned the monetary and national credit system into one immense casino delivered over to the whims and manipulations of the international bankers and their local agents; a casino where the only loser

FIGURE 4
Debt balloons, fiscal surplus vanishes as ratio of public sector accounts in Brazil



* Source: IBGE, Getulio Vargas Foundation

is always the nation itself, which covers its losses through ever-increasing internal indebtedness. As can be seen in **Figure 3**, both the foreign and internal public sector debt are growing, although the total foreign debt of Brazil decreased in the last year.

If we discount from the public sector debt all international reserves and Central Bank loans, we find that the total net debt for 1988 will come to more than \$70 billion, the equivalent of 27% of the Gross National Product. Forty billion dollars of that debt is government paper in the hands of the Brazilian public. It is not consolidated public debt, as the IMF's fraudulent concept of "operational deficit" would have us believe, but a debt of the central government, payable on demand at a moment's notice. It is, in fact, the average amount which daily circulates on the short-term financial markets, and which depends on the constant placement of new bonds at ever-higher interest rates to maintain itself.

It is now a simple matter to understand the roots of the government's deficit. As can be seen in **Figure 4** on the public sector's current accounts, all categories of expenses

TABLE 1

Debt, as percentage of GNP, grows fastest in Brazil public sector money flows

	1970	1980	1983	1983
Total tax collection	27	26	23	21
Total public sector expenditures	21	22.2	24	29
Fiscal surplus or deficit	+5.4	+3.8	-1.3	-8
Internal public debt interest	1.3	1.2	4.1	10.8
Net transfers abroad	-4	-2	2.4	5.1

* Source: IBGE, Getulio Vargas Foundation

between 1970 and 1985—wages and benefits, purchase of goods and services, subsidies and social security costs—have small fluctuations up and down throughout those years. Only payment of interest on the internal debt, which until 1980 represented less than 2% of GNP (see Table 1) surged forward by 1985 to 10.8%, or 37.2% of total government expenditures on the federal, state, and municipal levels.

Although the national records of the past three years are still not available, the continuity of Maílson da Nóbrega's policies with the period prior to 1985 are evident. Proof lies in the reports of the National Treasury, which is responsible for the greater part of this debt, which indicate that real growth of federal security debt through September 1988 was 1300% with respect to the same period in 1987.

Two currencies, and two measures

The volume of unbacked public debt paper is such that it has been virtually converted into a new currency. In fact, Brazil is currently functioning with two separate currencies, one being the cruzado which pays wages, public utilities, taxes, and all other monthly service costs. The other remunerates the overnight market, which is based on public bonds and through which the assets of commercial banks, working capital of companies, resources of exporters and surplus funds of occasional or professional speculators are daily readjusted.

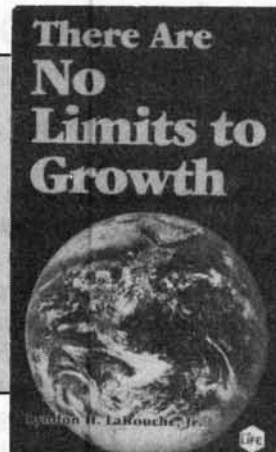
With an inflation rate that reaches 30% a month, the resources transferred from the first currency to the second are immense. And it is this perversion which in the final instance is deliberately covered up by the IMF's concept of an "operational" deficit.

There is little time before this speculative bubble must burst. Its limits have been reached. If the Sarney government persists in producing gigantic trade surpluses at the expense of the real economy, it is likely that the entire structure of the internal debt will explode before the first quarter of 1989 is out. Should that happen, there is no force on Earth that will be able to hold back the hyperinflationary holocaust to follow.

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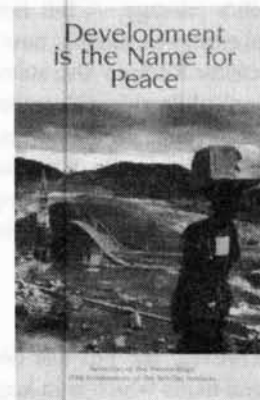
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Philippines needs debt relief to stop NPA

by Linda de Hoyos

"There is no question" that the government of the Republic of the Philippines will be unable to defeat the communist insurgency of the New People's Army, unless the debt burden now on the country is alleviated, Sen. Alberto Romulo told *EIR* on Jan. 10. Senator Romulo is the author of a bill, passed "without dissenting vote" in November by the Philippine Senate, which would limit annual debt service to 20% of the country's annual export earnings. The Philippines currently pays 45% of those earnings on its \$31-plus billion debt.

"In October of last year," Senator Romulo explained, "our then-secretary of national defense informed us that 66 out of 73 provinces had been infiltrated or influenced by the insurgents. The main reason is economic. Almost 40% of our *barangays* [equivalent of county or district] do not have clean or potable water. Now that is something that we take for granted—like air. And even in some of our urban areas, people do not have clean or potable water. Without clean water, people get sick and die. So that is a very basic need."

The motivation for the bill, Senator Romulo stated, "is to simply provide us with what we need for the basic needs of our people. We will pay what we can afford to pay to ensure growth. . . . We will honor our obligations, but we cannot be responsible if we default on our responsibility to our people. We will not be able to survive as a democracy." Senator Romulo hopes that the bill will also pass the House of Representatives, and is ready "to go on bended knee" to request the bill's passage. A bill limiting debt service to 15% of annual export earnings is now pending in the House.

Senator Romulo also stated that the "view of the administration" of President Corazon Aquino is that the debt service is a hemorrhage on the nation's resources. He reported that he had received calls of support from many members of the Aquino cabinet. It is the people in the administration who must "face the people" on the issues of social services, health, and infrastructure, he said.

Trouble ahead?

However, the bill has been decisively rejected by the financial mafia which is in league with the foreign banks and which was carried over from the Marcos government into the Aquino administration. On Dec. 7, Finance Secretary Vicente Jayme warned the House of Representatives against

voting for any limitation on debt service. Jayme claimed the bill, if passed, would slow down the country's economic growth. Jayme held out the option of delaying any such drastic action for a year, to see if the Philippines might receive a fresh supply of money—that is, incur more debt—from the banks and the International Monetary Fund.

The biggest public opponent of the bill is Central Bank chief Jose "Jobo" Fernandez, who is warning Aquino against any confrontation with the IMF or the banks. Fernandez has been trying to use the example of Peru, "to scare those who would pass the bill," reported Senator Romulo. But the senator contends that in the case of Peru, the country was unable to maximize its resources, after it had imposed a 10% limit on annual debt service, while that is not the case in the Philippines.

Nevertheless, the Philippines President will have a difficult time pleasing both sides of what is shaping up as a major political battle. In a press conference Jan. 3, Aquino declared that the Philippines will honor its foreign debt. In conformity with the Jayme-Fernandez position, she added, "We will not go into confrontational situations with our creditors," but then declared, in acknowledgment of the building political pressure, that "hopefully there will be some measure which our creditors will undertake in order to ease the debt burden. . . . What we said is that we will honor our debts, but that growth is our priority."

The political pressure can only continue to build. The Senate-passed bill would limit debt service payments to 20% of export earnings. But reports are that that amount is only one-third of the debt payments expected next year by creditors—that is, an impossible 60%!

The decision will have to be made in the next few weeks, if the Philippines is to resume negotiations with the International Monetary Fund. Talks broke off in late November, because of to the Senate bill and the administration's rejection of the Fund's terms. As columnist Rene Valuena put it Dec. 7, "Even at the risk of slowing down the economy, cutting down on project starts, and raising unemployment and poverty, the International Monetary Fund would rather have government 'reduce public investment programs including its power components by 17.4 billion pesos up to 1992 in order to improve the success of its financial program.'"

However, as Senator Romulo argued, this is a prescription for the destruction of the Philippines as a democracy at the hands of the New People's Army. Without the economy being manacled to the debt, Senator Romulo believes, the Philippine economy can revive to such a point that it will be able to pay back its debts without problems. "We do not need multilateral aid. We do not need a Marshall Plan. We can carry out our own Marshall Plan. We have to stop carrying out a Marshall Plan for the creditor countries. In the next five years, there are supposed to be \$6 billion going out of the Philippines to the creditor nations. Now that's a Marshall Plan if I ever heard of one!"

Health and hospital crisis: The buck stops nowhere

by Warren J. Hamerman

Ronald Reagan's farewell budget targets inner city teaching hospitals, Medicare, and Medicaid because they, in the words of an administration spokesman, "continue to be the primary engines driving excessive budget growth." The incoming Bush administration is expected to adopt this area of the budget as it inherits it.

Medicare is the health insurance program for 31 million older Americans and 3 million other disabled persons, and Medicaid is a federal/state health program for the poor. The budget notes that Medicare spending would grow at a rate of almost 14%, without any legislative changes, while Medicaid would grow at a rate of about 9%. Therefore, the outgoing Reagan administration has deliberately shaped the \$424.4 billion Health and Human Services budget to force the Congress to change the law. They have proposed \$106.1 billion for Medicare, some \$3.5 billion less than should have occurred under current law. Their budget calls for \$36 billion for Medicaid, an increase of nearly \$2 billion, but still \$2 billion less than under current law.

The anti-health bias in the federal budget is sure to accelerate already out-of-control health holocaust conditions in the nation's cities. In the case of New York City, on-the-scene medical professionals documented hospital and health conditions worse than in the Third World's worst hellholes in a four-day front-page series in the *New York Post* during the first week in 1989.

Dr. Nabil Atweh, the former director of the Kings County Hospital emergency room in New York City, characterized the conditions in the hospital in the following terms: "This is worse than Beirut. I worked in Beirut. . . . Beirut has much better conditions."

Dr. Barry Liebowitz, the head of New York's Doctors' Council, a union that represents 3,000 city hospital and Health Department doctors, added, "Unless something is done, we will have a Calcutta on the Hudson. . . . We will have to triage out in the street."

State Health Department spokesman Peter Slocum commented, "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."

LaRouche was right

Today's headlines confirm the warnings of Lyndon LaRouche since the mid-1970s that the cumulative effect of years of "planned shrinkage" budget crises on the city, state, and federal level would create a health holocaust in New York worse than that of Third World hellholes.

In June 1988, LaRouche went on national television and called for a massive new hospital construction program for New York and other cities. He motivated his plan by focusing attention on the looming New York hospital crisis. The federal health establishment attacked the plan as too costly.

The New York example shows that unless LaRouche's plan is put into effect, your family could soon be dying in the streets, no matter where you live.

Richard Yezzo, president of St. Clare's Hospital in New York, predicted that this year's \$20 million Health and Hospitals Budget cut will lead to a shutdown of some city hospitals in the near future. He 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, the associate medical director of Kings County's emergency room, commented, "We literally commit malpractice here. It is not willful malpractice. It is negligence born out of necessity—doctors are victims. My office is in the heart of the war zone. We have to take care of mass casualties."

Last October, the Emergency Room in Kings County Hospital ran out of beds in its intensive care unit. An internal hospital memorandum last November by the Ambulatory Care Committee charged that "patient care is frequently jeopardized as a result" of shortages of medications.

Secret minutes of a March 7, 1988 meeting of emergency room doctors at Kings County Hospital state that "some of the deaths could have been prevented if there was sufficient staff." Hospital sources said the minutes refer to four persons who died within two weeks last February.

Dr. Benjamin Chu, the acting director of the Kings County Emergency Room, said, "We were just appalled at how overcrowded everything had gotten. . . . We looked over

the charts. And we picked out these four deaths—pneumonia, cardiac arrests. We picked those four because their deaths occurred when the ER [emergency room] was absolutely overcrowded.”

Politicians blame each other

At a City Hall press conference on Jan. 3, Mayor Ed Koch tried to excuse the city on the grounds that there was not enough money: “Do you know of any service in this city that has enough resources? There is not a service in this city that has enough resources, because there isn’t enough money.”

His hospital chief, Dr. Jo Boufford, repeatedly blamed the state for cutting its budget allotments to the city and creating what she characterized as “medical gridlock.” State Health Commissioner Dr. David Axelrod lashed back, “The state just can’t print money.”

An Axelrod spokesman added, “Increasing AIDS and drug abuse-related illnesses, the absence of adequate prenatal care and acute shortage of nurses. . . . Diseases and conditions traditionally associated with poverty are playing a bigger role. . . . No one has successfully begun to deal with that—either the state, the federal government, or the city.”

Mayor Koch counterattacked, “Only the state of New York can authorize an increase in nursing beds and an increase in the reimbursement rate. I urged them to do that. They declined.”

In the midst of the charges and countercharges, experts have confirmed that Lyndon LaRouche’s call for hospital construction is the key issue.

Said Doctors Council president Liebowitz, “The major cause of the crisis was the state’s reduction in hospital beds. They wanted to close 5,000 beds, and did close 2,000 or 3,000. . . . At the same time there was a greatly increased demand for services.” Liebowitz pointed out that back in the 1970s, Gov. Hugh Carey closed state mental hospitals but never built the ambulatory care centers he promised to build. “He littered the streets with mentally ill homeless,” charged Liebowitz.

Joseph Lisa, chairman of the City Council Health Committee, added, “I attribute this directly to the policies the State Health Commissioner Dr. David Axelrod has pursued for the last eight years of eliminating hospital beds, and this has happened while each year the AIDS epidemic has become more visible. It is bordering on criminal negligence to have created a hospital shortage of this magnitude.”

Robert Gumbs, executive director of the city- and state-funded Health Systems Agency, said, “The causes of the crisis include AIDS, psychiatric and substance abuse problems, and the health personnel shortage. I blame both city and state government for not responding quickly enough to the crisis.”

The overall message which the budget-cutters and hospital administrators wish to convey is that the buck stops nowhere—because there are no bucks.

EIR

Special Report

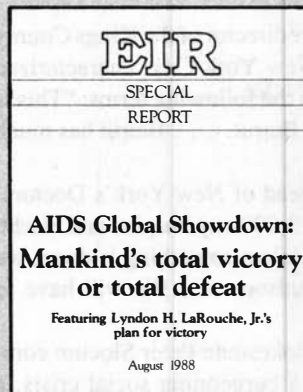
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In a new special report, *EIR* presents in depth the two alternative paths and their implications. We remain optimistic that mankind will ultimately choose victory over defeat.



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Prince Charles seeks to end modern farms

by Mark Burdman

Speaking on behalf of the highest levels of the freemasonic-satanist elites of the English-speaking world, Britain's Prince Charles has issued a declaration of war against modern agriculture. In a speech written for a conference on organic farming at the Royal Agriculture College in Cirencester, Gloucestershire Jan. 7, Charles charged that modern farmers' efforts to maximize production and feed growing numbers of people, had caused massive environmental damage. He called for replacing "intensive" forms of agriculture by small-scale, "organic farming" methods.

As several British farmers' organizations have pointed out in protest against the speech, Charles's recommendations would make food available only to those rich enough to pay for expensive "natural" foods, and would bankrupt many farmers. These, however, are precisely the gnostic Prince's goals.

His call to terminate modern agriculture is echoed in other high-level British liberal Establishment quarters. The Dec. 24-Jan. 6, 1988-89 edition of the City of London's *Economist* denounced "organized agriculture" as "the most successful

way to pervert the course of nature," in the context of an editorial that openly welcomed the possibility that the human race as a whole might become extinct.

In his speech, Charles declared: "There is no doubt that, over the last few years, a growing anxiety has developed amongst all sections of the community about the consequences of modern intensive farming methods.

"People are becoming increasingly concerned about the damage to the environment arising from the application by farmers of the principle of the maximization of production.

"It is increasingly felt by members of the public that large-scale soil erosion, the destruction of wildlife habitat, and the excessive use of chemicals and unnatural substances are unacceptable and cannot continue unabated without ruining the countryside for future generations and causing probably long-term health hazards. . . .

"It is now that farmers and policymakers must be shown that organic farming is a viable approach to agriculture and that it is one means of dealing with the problems caused by modern intensive farming methods."

He said that premiums should be placed on organic farming, to compensate for the necessary loss of farmers' income if they move away from "modern intensive" methods.

According to the London *Daily Mail* Jan. 7, Charles has been progressively banning pesticides and chemicals from his Gloucestershire farms, and is encouraging all his 1,500 "tenant farmers" in the Duchy of Cornwall to use only natural fertilizers. Ultimately, the paper says, he intends to turn all his farming over to the organic methods.

In defense of pagans and satanists

It is no exaggeration to say, that Prince Charles and his advisers are consciously attempting to encourage the paganist "Mother Earth worship" movements in the West.

After his speech, he was lavishly praised by the Bristol, England-based British Organic Farmers organization. On Feb. 6, the chairman of this group, Bill Starling, is scheduled to give a speech on the theme, "Caring for the Living Earth: The Organic Approach," before a London-based entity known as the World Service Forum. The latter is a front organization for the Lucis Trust, the London-Geneva-New York-based umbrella organization for the "New Age"/satanist movements around the world. The Lucis Trust, formerly known as the Lucifer Trust, was created in 1922, as a branch of the Russian-originated "Theosophy" mystical-paganist movement.

Charles is not the only House of Windsor influential to be cultivating the satanists. His father, Prince Philip, President of the Worldwide Fund for Nature (formerly World Wildlife International), is also a Lucis sponsor. Prince Philip's chief adviser on spiritual affairs, Dr. Martin Palmer, was a keynote speaker before the annual convention of the Lucis Trust in Britain in May 1988. On Oct. 30, 1988, the *Sunday Express* of London had identified the British Royal Family as the chief sponsors of the "green" movement in the U.K.



"I'm worried - he's taken to talking to his manure."

The Financial Times took this view of the heir apparent's rural kookery.

Reagan budget speaks 'from the grave'

It hurts producers and consumers of food, but it is helping the food-cartel giants.

When President Reagan released his budget for fiscal 1990 on Jan. 9, it was received in Washington, D.C. as "DOA"—dead on arrival. By the end of this month, newly inaugurated President Bush is expected to release his budget for fiscal 1990. So, the Reagan budget will be almost immediately outlived. However, in many areas—most prominently agriculture—the proposals in the Reagan budget reflect clearly the thinking "behind the scenes" in Washington. Or, you could say, "from the grave."

If the Reagan budget, or whatever variation of it is forthcoming from George Bush, is implemented, our nation can watch the farm crisis very shortly turn into a deadly food crisis.

Overall, Reagan proposed that the agriculture budget, covering all budget items from farm programs to total USDA staff (including thousands of dirty tricks operatives assigned to foreign missions and domestic duties under an "agriculture" cover), be cut from the present \$52.1 billion in fiscal 1989 to \$42.4 billion for 1990.

The Reagan budget is very clear about whom it hurts and whom it helps. Targeted for cuts are people who eat food and people who produce food. Singled out for favor are the food cartel companies and their pet projects to make food scarce, such as acreage set-aside and groundwater protection. These entities and projects all received funding *increases*.

Look at the proposals point by point. First the cuts.

The Reagan budget proposes a \$626 million cut in the school lunch program and school milk program,

which it is asserted, would be achieved by reducing aid to "non-needy" children. In reality, the most conservative survey estimates that there are 15 million children going hungry in the United States. The total number of Americans officially at the poverty level is around 25 million people who cannot afford a decent diet. During the 1980s, 15 million people have come to be reliant on some form of regular food relief—including school lunch programs for the children, which are now to be cut back.

The Reagan budget proposes \$5 billion in cuts from the Farmers Home Administration farm loan program. This almost guarantees mass bankruptcy proceedings against most of the 83,000 farmer borrowers of the FmHA—the USDA "lender of last resort" for a present total of 232,000 farmers. Those 83,000 received letters from the FmHA last November notifying them that they were delinquent in their loan payments, and must cooperate in loan "restructuring."

The Reagan budget proposes cutting at least \$1.1 billion, or about 5%, from the government crop programs that support farm income. He made the recommendation that the USDA should implement these cuts in such a way as to avoid the appearance of reducing the prices of farm commodities, which are already at only half of parity, that is, at half the cost of producing those commodities.

All these proposed budget cuts add up to a program of cutting farmers and cutting the food supply.

Now consider who gains.

The Reagan budget proposes that

there should be a budget increase from \$770 million to \$1 billion in the Export Enhancement Program, which is a straight giveaway to the food cartel companies (Cargill, Bunge, Continental, Archer Daniels Midland, Louis Dreyfus, et al.), and a subsidy to their chosen political partner, the Soviet Union, which is the principal beneficiary of the Export Enhancement Program.

The EEP was established by the 1985 "National Food Security Law," while Daniel Amstutz, a former top Cargill executive, was undersecretary of agriculture for international commodities trade. Each budget year since, EEP money has been increased.

The way the EEP swindle works is that government-held stocks of grain (the Commodity Credit Corp.) are given *for free* to the grain cartel companies, so they can offer low prices to preferred customers, such as the Soviet Union and China, and still maintain their profits without having to pay farmers higher prices. Both Richard Lyng, the outgoing agriculture secretary, and Clayton Yeutter, the Bush nominee for the job, are outspoken in favor of expanding the EEP. (Yeutter says it must be done in order to "compete" with the European Community.)

In reality, farmers are being forced out of operation in Western Europe, and EC food output capacity is being jeopardized, at the same crisis rate as in the United States. Says Yeutter, farmers and food-producing nations must compete in the world market on the basis of free trade and no subsidies, i.e., under cartel-determined conditions.

On releasing his budget, hapless Reagan said, "Now that the farm sector is on the rebound, it is time to begin reducing the wasteful farm subsidies that have been so costly to the taxpayer this decade." Goodbye, farmer.

The real U.S. debt problem

Companies have incurred a staggering amount of corporate debt, most alarmingly through the so-called leveraged buy-outs.

Debt is a much-discussed issue these days in Washington and in the international financial media. But the real debt problem which is causing alarm and driving policy in Washington, New York, London, Tokyo, and Basel is not that of Mexico or Brazil. It is not even that of the embattled U.S. savings and loan banks. The real alarm is over the mushrooming U.S. internal debt.

Now, debt is sometimes an elusive commodity. What is one man's debt can be another's credit. But in this case, the growth of U.S. debt, most of all private debt, is causing alarm bells to ring in more than one central bank headquarters. Here is a little indication of what they are alarmed about.

According to the Federal Reserve, total U.S. debt is growing at a breathtaking rate. Debt per se is not so alarming as the rate of increase of debt in relation to a nation's ability to repay it from production of something real. According to the Fed, in December 1984, total U.S. debt was an eyebrow-raising \$5.9 trillion. That figure included \$1.4 trillion of federal debt.

By August 1988, the latest available data period, the total U.S. debt figure had ballooned to more than \$8.7 trillion. This represents an increase of a whopping 48% in three and a half years. In addition, the rate of increase of this indebtedness continued, unabated, after the warnings of the "Black Monday" October 1987 stock market crash.

The much-publicized increase in the U.S. national debt incurred under the Reagan years, rising to some \$2.5 trillion by the end of 1988, is one com-

ponent of this problem to be sure. But the increase in U.S. private sector indebtedness is the far larger one. Here, in addition to bank debt, and mortgage and private consumer debt, U.S. companies have incurred a staggering amount of corporate debt, most alarmingly through the wave of so-called leveraged buy-outs (LBOs).

Under U.S. financial market deregulation, Reagan-era regulatory permissiveness and tax law, it is enormously profitable for a group of predators, "investors," to borrow up to 90% of the cost of taking over a company through buying all its available stock shares, in hopes the value of the target will rise. That borrowing is typically collateralized by the assets of the victim company, hence the term "leveraged." Because of tax laws which make interest on such debt tax-deductible, the "investors" often turn short-term profits of 100% or more.

Ironically, Black Monday's background was the misconceived attempt by big New York banks like Citibank, then-Fed chief Volcker, and the Reagan administration to "solve" the 1982 Ibero-American debt crisis for the U.S. banks by triggering the "Reagan recovery" consumer boom. This led directly into Oct. 19, 1987. Then, as an attempt to recover trading profits lost after Black Monday, Wall Street investment houses and large banks rushed pell-mell into LBOs at an all-time record pace. One Wall Street estimate is that the volume of all U.S. mergers and acquisitions, LBOs included, hit an all-time record well above the record in 1986 of \$205 billion. LBOs were a major part of this.

Major banks, insurance companies and pension funds have all gone into the LBO boom in recent months, joining Wall Street houses like KKR, Drexel Burnham, and others.

Already in September 1987, a Congressional Research Service report to Congress on LBOs warned that "debt is increasing at an unprecedented pace for the postwar period, and that debt is mounting more rapidly than nominal gross national product—an unusual phenomenon." Additionally, that study warned, "the composition of debt outstanding has shifted markedly towards short-term borrowing—mainly in the form of floating-rate financing—while long-term borrowing by the private sector has diminished significantly in importance." This report was actually written some weeks before the October 1987 market crash. It is even more alarmingly true in January 1989 than when it was submitted.

The problem is that U.S. interest rates for precisely short-term borrowing are rising rapidly. Since last spring, rates have gone up more than 2% to the highest levels since the crash, with no limit in sight. Fed chief Alan Greenspan "is clearly walking a tightrope trying to cool the LBO frenzy before it threatens the entire edifice, while also trying to avoid precipitating full-scale recession from higher rates," a well-placed City of London banker stressed to me. As Anatole Kaletsky of the London *Financial Times* noted recently, "Unfortunately, leverage has an appalling way of making losses spin out of control on the way down just as it sensationally magnifies rewards on the way up." Little wonder that reports of problems for KKR of New York in raising part of the staggering \$25 billion it committed to the LBO takeover of RJR Nabisco already have tremors running through London, New York, and Tokyo.

Business Briefs

Currencies

Israel's financial crisis deepens

Israel has suffered major capital flight since the Dec. 26 devaluation of the shekel, the Israeli national currency. Some \$300 million worth left between Tuesday, Dec. 27, and Thursday, Dec. 29, as Israelis rushed to convert assets into hard currencies.

On Dec. 30, Finance Minister Shimon Peres and the central bank halted all foreign exchange transactions by the banking system, effective through Jan. 3.

An emergency austerity package was announced Jan. 7, featuring another devaluation of the shekel and savage budget cuts.

Since most of Israel's liabilities are in dollars, thanks to its financial subsidies from the United States, the more the shekel is devalued, the worse things are going to become.

Food

Russians eat worse now than in 1913

Russians are eating more poorly today than they did in 1913 under the czars, according to Soviet economist Alexander S. Zaychenko. He made the comparison in the December 1988 edition of the official journal of Moscow's U.S.A.-Canada Institute. His statement was excerpted in the Moscow evening newspaper, *Vechernyaya Moskva*.

Zaychenko debunked official claims of a high-protein Soviet diet, insisting that if lard and barely digestible "meat products" are deducted from the official figures, Soviet citizens eat only about one-third as much meat as Americans.

According to Zaychenko, the Soviet diet, housing, health care, and consumer goods are not only of poor quality, but among the most expensive in the world, when their value is calculated in hours of labor.

Apparently, the huge amounts of grain being shipped to the Soviet Union from the

West are not finding their way into the average Russian's diet, either directly or, as in livestock feed, indirectly. From Oct. 1 to Dec. 23, 1988, a total of 8.8 million metric tons of U.S. corn, 1.5 million metric tons of U.S. soybean products, and 2 million metric tons of subsidized U.S. wheat were pledged to the U.S.S.R., with nine more months remaining in the trade year.

These tonnages are put in perspective by comparing a total annual world grain trade of about 185 million metric tons a year, and several million additional tons of soybeans. France, Australia, and many other food exporting nations have also committed huge grain and soybean shipments to Russia.

As the *Wall Street Journal* described it, the Soviets are "buying at a torrid rate."

Infrastructure

Argentina faces paralyzing crisis

Argentina's devastating energy crisis, the result of disinvestment due to that nation's obedience to International Monetary Fund policy, is now combined with a shortage of potable water in many sections of metropolitan Buenos Aires. In the middle of summer, this implies a serious health threat.

Daily life is characterized by total chaos:

- Citizens cannot cash checks because electricity rationing means that bank computers don't work.

- Nonfunctional traffic lights cause major traffic tie-ups.

- Lack of refrigeration is causing stores and restaurants to throw out food or sell it as soon as possible.

- Many businesses are preparing telegrams to their employees, suspending them until the crisis is "over." As one citizen put it, "we no longer have a country."

While President Raúl Alfonsín's government claims it is not the culprit, the former head of the National Atomic Energy Commission, Alberto Costantini, defined the real problem. "We are behind in investment and this government hasn't done anything

to improve it, because it has maintained a monetarist policy."

IMF

Egypt may be forced under conditionalities

Conditions are emerging that may force the Egyptian government of Hosni Mubarak to accept International Monetary Fund prescriptions, focused on an elimination basic food subsidies, that could lead to a popular revolt and the fall of that government. In the past, the temporary implementation of IMF programs has produced immediate unrest in Egypt's major cities.

By July 1989, some \$2.8 billion of Egypt's staggering \$46 billion in foreign debt will come due, the largest portion of it owed to the United States. The budget deficit, which was supposed to shrink by 2% under an agreement with the IMF, is thought to have grown to about 18% of gross domestic product. Unless the government can reach a deal with the IMF, Egypt will not get another debt rescheduling agreement with foreign creditors.

An IMF delegation, during several visits to Cairo, advocated raising interest rates and prices on subsidized staples, but that will risk street unrest, reported the Jan. 11 *Christian Science Monitor*. Egypt's counter-offer, to implement reform at a slower pace, was unacceptable to the IMF.

"Willing or not willing, Egypt will have to reach an IMF agreement by April or May," a European diplomat is quoted.

Hunger

U.S. diverts food stocks to cartel

There are over 15 million persons in the United States now dependent on some form of food relief, and their numbers are grow-

ing. But the U.S. Department of Agriculture, as of the last quarter of 1988, had discontinued providing most staples from the government holdings of the Commodity Credit Corporation to schools, institutions, and the Temporary Emergency Food Assistance Program (TEFAP), a government program founded in 1981, which serves food banks and soup kitchens around the country.

Instead, the government has reserved CCC stocks of wheat and other grains for free distribution to the grain merchant companies of the food cartel, such as Cargill, Continental, Bunge, and Dreyfus. The cartel in turn is supplying such stocks to, primarily, Russia and China, as well as other overseas importers of preference. (The cartel controls only 10% of domestic food trade, but 90% of world food trade.)

In 1988, for example, the USDA gave \$345 million worth of free government wheat to these companies to enable them to sell it to Russia at discount prices, with assured profits.

Current USDA plans call for no free government wheat flour to be given to the needy in the United States. Instead, in the "Hunger Relief Act of 1987," Congress voted to provide only \$120 million in funds to TEFAP to allow it to buy some food from the grain merchant companies to give out.

The USDA is giving out no dry milk powder, no cheese, and next to nothing in terms of cornmeal and wheat flour.

East Bloc

Strikes greet price rises in Hungary

Warning strikes of several thousand workers in eastern Hungary accompanied an official government announcement of drastic increases in prices of food and other consumer goods.

The increases were negotiated between the Hungarian government and the International Monetary Fund, to "help consolidate the Hungarian state budget." State subsidies to the farm sector and industrial enterprises will be phased out in several steps.

Milk and milk-product prices are up 40%, bread and cakes 15%, and chicken, sausages, and pork 13-14%. Beef is up 30%, and medicine 82%. Prices of non-prescription medicine will double or triple. Cars will cost 22% more, electricity for private homes one-third more, and water 200-300% more.

Also, tickets for public buses, railways, and intercity trains will be up to 90% more expensive.

Markets

Insider trading flap threatens Mitterrand

An insider trading scandal is rocking France and reportedly reaches "up to the highest levels" of the Socialist government of François Mitterrand. The scandal involves allegations of staggering personal profits from "insider" tips on December's \$3.5 billion takeover by French aluminum giant Pechiney of Triangle Industries' American National Can Co. division. The takeover was managed by U.S. junk-bond takeover financiers Nelson Peltz and Peter May.

Drexel Burnham Lambert, convicted in the U.S.A. on other insider trading charges, was investment banker for the sale, according to reliable reports. According to French financial market rumors, the scandal implicates Alain Boubil, chief aide to Socialist Finance Minister Bérégevoy, and several other very top figures, who bought stocks in Triangle prior to the deal's completion.

Implicated is a Paris-based Lebanese arms dealer and financial operator, Samir Traboulsi, who helped broker the sale. Also implicated is Paris financier Patrice Pelat, an intimate friend of President Mitterrand since 1940.

According to French and German press accounts, Pelat gained a \$4-5 million "profit" by buying 200,000 shares of Triangle three days before the announcement of the sale to Pechiney.

Also implicated is 76-year-old one-time friend of Leon Trotsky, socialist millionaire Max Theret.

Briefly

● **CROP CONDITIONS** remain poor in the world's breadbasket regions. The Australian wheat harvest was 2 million tons or 8% below anticipated levels. A fall drought hurt the Argentine wheat harvest, and recent dry conditions may affect corn. In North America, parts of the spring wheat belt are still parched. In Western Europe, where 1988 weather was generally good, the European Community bureaucracy is suppressing output by penalizing farmers with low prices.

● **BRAZIL** may be phasing out its "gasohol" program. The government has been steadily reducing the price differential between gasoline and alcohol, which it subsidized at \$60 per barrel.

● **EUROPEAN BANKS** are dumping their Ibero-American debt paper at as low as 20¢ on the dollar, in anticipation of a complete breakdown in collection on that \$400 billion. The large Swiss banks have reportedly already dumped most of their Ibero-American debt paper and, when a source was asked if commercial banks would give new credits, he replied, "Not at all."

● **HELMUT SCHMIDT** has launched a new "Schmidt Commission," to make "policy recommendations" in the international financial and economic area. It will have its initiating meeting in Tokyo, beginning April 4. Among known members of the Schmidt Commission are former U.S. Defense Secretary Robert McNamara, former U.S. Federal Reserve head Paul A. Volcker, and former Bank for International Settlements head Fritz Leutwiler.

● **'THE IMF means for me Infant Mortality Foundation,'** said rhetorician Jesse Jackson at the conclusion of an 11-day tour of Africa. Jackson made the comment, unusual for him, in a speech at an African-American Institute conference in Lusaka, Zambia Jan. 11. Jackson said the IMF is "made up of slave-masters."

The greenhouse effect: a scientific hoax

Why have the media blacked out the fact that most scientific experts dispute the cataclysmic warnings of a global warming trend? Carol White and Rogelio A. Maduro report.

As we showed last week in the article "Greenhouse effect hoaxsters seek world dictatorship," (*EIR*, Jan. 13, 1989) the widely touted claims of the existence of a biosphere-threatening greenhouse effect are being circulated to implement a hidden political agenda. Those in the West who are pushing the urgent need to act now, to cut back on the use of petrochemicals to fuel industrial processes, are cynically intent on reducing the capability of the developed nations to sustain their own people at their present standard of living; furthermore, they intend to use the existence of a so-called greenhouse effect to impose further extreme austerity on the developing sector.

According to the agenda of these neo-malthusians, the "Third World" is to be limited to the use of "appropriate technology." Various devices are intended to accomplish this, including debt-for-equity swap agreements, which would relieve countries such as Brazil of a portion of their debt, in return for their agreement to alienate huge portions of their land, as in the Amazon region. Organizations such as Prince Philip's World Wildlife Fund (now called the Worldwide Fund for Nature) would be given title to this land.

We have shown in previous articles (see R. Maduro, "Razing of rain forests upsets world climate," *EIR* Aug. 19, 1988, p. 16) how the deforestation of the Amazon, African, and Indonesian rain forests has been forced upon these nations by these same conservationist groups who argue that "Third World" nations should use "renewable energy sources," explicitly the burning of wood for fuel instead of petroleum and coal products, or the development of nuclear energy. At present, over 60% of all deforestation worldwide is the result of the use of fuelwood.

The ecologist grouping in the West which is pushing for radical restructuring of industry is one tool of a group of

international bankers and oligarchs who intend—in collaboration with the Soviets—to introduce a new era of feudalism. They would split the world between themselves and Russian imperialists, into an eastern and western half. So far, the Soviets have gone along with their illusions; however, we can expect that despite the Soviets' full public support to the ecology movement, and the constraints upon industrial and agricultural production which it mandates, in practice (and in secret!), they will never allow their own growing military machine to be hampered. This is so for the same reason that they do not intend to really share power with the West, but have their own evil imperial dreams.

In the article published last week, we reported on the parallel deployment of the Soviets, from Gorbachov on down, with Western ideologues, to give ideological credibility to policies intended to restructure agriculture and industry. In this article we will present the first of a series of interviews by reputable U.S. scientists who disagree about the existence of a greenhouse effect as described.

Until very recently, the news media have conducted a systematic campaign of blacking out any statements by responsible scientists refuting the cataclysmic warnings about the results of the alleged "greenhouse effect." A recent meeting of 30 top scientists took place at the National Academy of Sciences on the "Climate Change Problem." Almost every single scientist at that meeting disagreed with the statements made by the guru of the greenhouse effect, James Hansen, but the transcripts of the meeting will not be made public, and scientists present, who denounced Hansen, requested their names not be mentioned in public, otherwise they may lose their positions. At least half-a-dozen such closed-door scientific meetings have taken place in the past few months, yet, the media and the government will not disclose the re-

sults of the rather heated discussions.

Scientists who attack the prevailing mythology about the effect, have been denied fair access to the media, and in some instances have even been threatened with loss of their ability to work professionally should they continue. For example, Kenneth Watt from the University of California at Davis, gave a three-minute interview to a CBS reporter debunking the greenhouse effect which was to be aired as part of a half-hour special. The reporter received a telephone call from CBS headquarters in New York and was ordered to erase the interview and destroy any other tapes of scientists refuting the official network policy on the "greenhouse effect."

What the scientists say

The actual nature of the present climatic events is still a subject of heated debate among these scientists, some arguing that there has been a very slight warming of the Earth for the last 100 years, while others present convincing evidence that there has been a cooling. The majority say the only honest answer is "we don't have any conclusive evidence either way." But uniformly, they condemn the present hysteria being peddled by the news media as lacking any scientific basis.

The hysteria exploded in June of last year, when extreme drought was destroying much of the year's crops. James Hansen of the Goddard Institute of Space Studies in New York told Senate hearings at the time that the drought was the result of the greenhouse effect, and that "we can state with 99% confidence that current temperatures represent a real warming trend rather than a chance fluctuation." Hansen and his collaborators have based their outrageous statements on a very scant temperature record and computer models of climate that are extremely coarse and unreliable.

The truth is exactly opposite. The severe U.S. drought and a pattern of associated global weather anomalies cannot be attributed to a gradual warming trend—which even according to its proponents would only have serious effects on global climate and economy 50 to 100 years hence.

The main tool used by the climatologists causing all the hysteria are climate models, yet meteorologists who work on weather prediction are quick to point out that "long-range" weather forecasts are only approximately accurate beyond a couple of days. The climate models do not use any more sophisticated physics than the forecasting models, which are more detailed in a regional basis, and more accurate than any global model. One reason for the climate models' inaccuracy is their failure to include ocean/atmospheric interactions, a key factor reducing the reliability of the global models used to predict a 30- to 50-year greenhouse effect. This is a problem in the *theory* of the models, but it is also a limitation imposed upon them by the computational deficiencies of the computers used.

We are publishing the following interviews which Maduro held over the last months, with several leading U.S.

meteorologists to lay the basis for a campaign to debunk this latest environmentalist hoax once and for all. What kind of a world will it be, if the environmentalists are allowed to destroy the whole of industry with the same impunity with which they were permitted to destroy the nuclear industry!

Interview: Patrick Michaels

'People hide their pet issues in this thing'

Dr. Michaels is Professor of Environmental Sciences at the University of Virginia and a member of the executive board of the American Association of State Climatologists.

Q: I am studying the greenhouse effect and deforestation in the Third World, and I have studied extensively what James Hansen, George Woodwell, and Steve Schneider are stating about the greenhouse effect, and I wanted to know what you think of this question.

Michaels: The problem we have is that if you look at the earth's temperature curve [over time], it's not so clear that it's doing what it should be doing. That's the problem. The current CO₂ [carbon dioxide] concentration is 350 ppm [parts per million], but there are other trace gases that are known to be thermally active [that is, tend to produce the greenhouse effect]: methane, fluorocarbons, NO₂, and you could express their rates of effect in terms of the equivalent amounts of CO₂.

Q: So it's not just the CO₂ heating the atmosphere?

Michaels: Right. What you come up with [when you combine the effects of CO₂, methane, and so on] is that the effective CO₂ concentration in the atmosphere is about 407 ppm. The pre-industrial background is somewhere around 270 ppm. Hence, there has been a substantial increase. Several people have calculated that the equilibrium warming that should occur from that increase should be somewhere in the range of just under 2°C. And of course that hasn't happened. Then the argument is made that it is held back by oceanic thermal lag, but Wigley calculated oceanic thermal lag using the most liberal model we know of, and it still hasn't warmed up as much as it should have. It has warmed up about half of what is predicted. That gives one cause to wonder.

Q: That's very interesting.

Michaels: No, it's a serious problem. Don't get me wrong. If you want to paint me as an anti-environmentalist, I'm not

going to stand for that. . . . The problem is that CO₂ is not the only thing going into the atmosphere. [But also] the problem is that there are other effects that we don't understand. . . . So when you make a model that says something is going to happen only because of the increase in thermally active trace gases, you may be missing something. My guess is the residual, or error, is from what is missing. We can't prove that—we don't have the data. So if you ask me what I thought was really going to happen, I would say that it is going to warm up about half as much as the trace gas models

Lots of people want to rebuild society in their utopian image. And frankly, they don't have the data right.

indicate. You have to decide whether that's a nuisance or whether it's not important enough to bother with. Has anyone told you that this is going to require the virtual restructuring of the American way of life, has that phrase come up yet?

Q: Quite a bit.

Michaels: Yes, well, any time somebody starts talking about that you ought to be very suspicious of his political judgment, don't you think?

Q: I have been looking at all of the bills before Congress motivated by the greenhouse effect.

Michaels: People hide their pet issues in this thing because it's so scary. I have a great quotation, by the way, from Senator Wirth [Timothy Wirth, D-Colo.], from the Aug. 13 issue of the *National Journal*. He says, "What we've got to do in energy conservation is try to ride the global warming shift. Even if the theory of global warming is wrong, we have to approach global warming as if it is real. We need energy conservation, so we will be doing the right thing anyway in terms of economic policy and environmental policy." Now, that's a very interesting quotation because what it says is we're going to scare the bejeezus out of people to get the policy we want, and it doesn't matter whether we're right or wrong. He's very candid. He should be given the candor trophy for making that statement.

Q: That's amazing. I've been looking at the bills and it is astonishing what kinds of things they're calling for.

Michaels: The reason we have to be scientifically very careful with this issue is because of those ramifications. There are lots of people who want to rebuild society in their utopian

image. And frankly, they don't have the data right.

Q: How did the present media hysteria on the greenhouse effect occur?

Michaels: When Jim [Hansen] caused all this uproar—Jim and I are friends, this is not a personality clash—when he got in front of Congress, what he did is he compared January through May temperatures to annual averages for the last 100 years. That's essentially like comparing apples and oranges because there is going to be greater variability in samples of less than a year compared to that of an entire year. It is my understanding that Jim goes on television to excite people by showing them a lot of probabilistic nonsense on climate changes.

Q: Do you think the earth has any mechanisms to counteract the increase in CO₂ in the atmosphere?

Michaels: Eventually, but not in the short term. Again, you're making the assumption that that is the only thing going in. That's a very simplistic assumption.

But coming back to Jim Hansen's climate record: There is a record of climate over the United States, called the Northern Climate Series, developed by Tom Karl, and it is the cleanest record that you have. He shows that there is less of a warming trend. He has corrected for both the urban effect and site change. Tom compares that record to Hansen's record over the last century, which is not explicitly controlled. It turns out that Hansen's record is four-tenths of a degree Celsius higher than Karl's in the U.S. That's not appreciably different from the amount of *global* warming that Hansen claims for the last 100 years. Does that scare you? Doesn't that bother you a little bit?

Q: Yes.

Michaels: It bothers a lot of people. . . . And this stuff *never, ever* gets out in public.

People who picketed places like Shoreham [nuclear plant in New York], were inadvertently contributing to the increase in the atmosphere of CO₂. One would wonder about the clarity of their environmental vision.

Q: Yes. If the greenhouse effect is real and it's here, they should be calling for more nuclear power plants.

Michaels: Of course! In the bill that Wirth wrote on the greenhouse effect, there is a statement about safe nuclear power. And the environmentalists just walked away from him when he said that. The greenhouse effect has the ability to split the environmentalist movement into two camps. . . .

Q: Well, it's a real question because if you're serious about dealing with this thing you are going to have to build nuclear power plants.

Michaels: No kidding! The argument that you are going to solve it with solar energy and windmills, it doesn't ring true

to me. I've heard that argument before. Remember the presidential inaugural that was supposed to be heated with a solar-heated reviewing stand and everybody froze their buns off? I think you remember that day.

Interview: Jeremy Namias

CO₂ effect has not been proven by evidence

Dr. Namias of the Scripps Institute of Oceanography, at La Jolla, California is known as the "dean" of American climatologists.

Q: I have interviewed a score of scientists on the greenhouse effect, and so far, not one of them has agreed with what is coming out of the news media about the supposedly cataclysmic consequences of the greenhouse effect. . . .

Namias: Don't put words in my mouth. I'll give you my convictions on this matter; in the first place I think that the publicity that has come about associating the drought of last summer with the greenhouse effect is absolutely wrong. That there is no indication that that had anything to do with the drought. The greenhouse effect, that is. It can be explained with normal things as has been done in studies of many droughts in the past and even droughts of similar nature in the plains and so forth.

Secondly, I don't believe that the greenhouse had any effect on the path and generation and movement of Hurricane Gilbert, which was a very severe hurricane if you remember. That can also be adequately explained on the basis of air-sea interactions and many other studies of hurricanes, so that I think that we can write off what is sometimes claimed that the greenhouse effect is here now. I don't believe it is here at all yet. However, I do believe that if we keep burning fossil fuels and the accumulation of other gases at the rate we have, and carbon dioxide increases the way it has been increasing, then I think it is likely there will be a tendency to a warmer Earth as has been predicted, and also I think that the polar, higher latitudes will be warmed more than other latitudes.

I don't know about the impacts of this on the ice caps. I am not qualified to predict when it will occur, and I am not ready to believe it is here now. I am inclined to believe that it may not take place for about 50 years. But that is due to certain delaying factors. I think that ultimately it would come about *if* the carbon dioxide increases and if we keep burning fossil fuels, and so forth, so I am willing to go along with

that part of it. Even so, the effects, what this will mean, whether there will be a lot more drought like we had, or there will be more hurricanes—that is up for grabs. In my opinion, the targeting of specific areas has not been adequately established scientifically.

Q: Pat Michaels at the University of Virginia says that to blame CO₂ is too simplistic, that you have other greenhouse gases. If you add them up, you get over 407 parts per million of CO₂ equivalent in the atmosphere, so that allegedly if the

Ultimately, the warmer Earth would come about if the carbon dioxide increases and if we keep burning fossil fuels.

models are correct, you should already have had a 2°C warming.

Namias: Well, we can't prove that there has been, you know. The fact that there have been some warm years in the 1980s, that could be due just to the way the ball bounces statistically. I don't think that those warmings indicate that the CO₂ effect is here. And there are some people, the British and so forth, who have made various studies, and the early part of the temperature record a century ago is very bad, so you can't just extrapolate those numbers.

Q: I see. Do you think that the range of temperature increase that Hansen gives is accurate?

Namias: Well, in the last 40 years of his record, there is more probability that it is in the right ballpark. There has been some question about some of his work about historical temperatures. As I said, the British have studied this a lot, and I heard Professor Wigley speak two weeks ago in Cambridge, Massachusetts. He's from the University of East Anglia [Great Britain], and he read a paper which dethrones some of Hansen's estimates, showing that the temperature increases were well within the natural range of variability.

Q: I think it is very interesting that even if you take into account an increase in carbon dioxide in the atmosphere, there is no evidence that CO₂ is warming up the atmosphere. If that is so, then my question is, what is warming up the atmosphere. Can it be the amount of forests that have been cut down over the century?

Namias: There is one factor, which is believed to be a small factor, which is that there is an observed warming in cities compared with the countryside. This calls into question comparisons with the Southern Hemisphere where there are fewer

cities, and observations earlier in the century.

The observations in the Southern Hemisphere and the earlier observations are not very good. There are no observations in cities there. So, if you put all these things together—errors of the observing system, the natural fluctuations, particularly in the atmospheric system—what has gone on does not indicate that the CO₂ effect is there.

Interview: Fred Wood, Jr.

No signs of reduction in snow cover or glaciers

Dr. Wood is Senior Associate in the Congressional Office of Technology Assessment. This interview reflects his views based on independent research on climate change, and does not necessarily reflect the policy of the Office of Technology Assessment or of the Congress.

Q: The one thing everyone seems to agree with is that James Hansen lacks a scientific basis.

Wood: I think it's fair to say that he has overstated, at least the scientific certainty and scientific consensus in his testimony before Congress. His scientific, refereed papers are not as extreme, but in his public statements, I think you're right. I think he's in a very small minority with his claims that we are 99% certain that we have already detected the greenhouse warming, which I think is his statement.

Q: Yes.

Wood: That is an extreme position not held by most. Most of the scientists that I have talked to, including many mainstream scientists who do their research in detection, do not agree with Hansen. The problem they have is that he and a few other people have most of the air time, and it keeps getting repeated over and over. It suits the purposes of some environmental groups and some government agencies like the Environmental Protection Agency to try to accelerate policy action. As a result, through the conventional media the impression is given that there is no longer any scientific debate over climate change through greenhouse warming, and this is not the case.

I would say though, that most of what these people are saying is dealing with a very important problem, in that these trace gases are at unprecedented levels. People ought to be very concerned about that. Where there is disagreement is that some of us are saying that we don't yet really understand what is happening or what is likely to happen from a scientific point of view.

Q: How can the news media so systematically cover up what most scientists are saying and just limit themselves to a small group that claims the greenhouse effect is here?

Wood: It's not entirely the media. There have been a dozen or more congressional hearings in the last two or three years, and the type of scientists that get invited or tend to participate in these hearings are, in general, people who are prepared to make strong statements, like Hansen—strong, unequivocal statements. Those are the things politicians like to hear because it makes things appear to be easier to understand.

And then the press: Congressional hearings tend to have

The scientific establishment in the bureaucracies is not fully candid. People are concerned about getting funding.

a lot of credibility, even though you know as I do that you can get junk at congressional hearings, nonetheless there tends to be an amplification process from them.

There has not been a hearing to my knowledge that has taken on the scientific issues. Most of the testimony has been either done by scientists like Hansen, Watson or MacDonald, or Schneider. There are several of them who have testified repeatedly on the certainty of the greenhouse effect. There are a number of scientists who testify on the impact. A lot of these people simply accept the scientific input on the actual greenhouse effect. They will just accept what Hansen says, so that you again get an institutionalization.

That's part of it. I think another part of it is that the scientific establishment in the governmental bureaucracies in this area is not fully candid. I'm not going to suggest that there's some kind of conspiracy, although you can't throw that out. I think that people are concerned about getting funding, and the more that they can appear that there is a consensus on the urgency, etc., that may help get more funding. And frankly, some of the people in the controlling positions in the scientific establishment and in the governmental bureaucracies believe that the problem is real.

They are doing what they can to bias the presentation to Congress to help accelerate the degree of urgency. For example, I've talked to one major climate modeler, who as a scientist knows the uncertainties, he admits them, but he is extremely concerned about the trends and he's worried that by the time we find scientific certainty, or close to that, it will be too late to do anything and the problem will be much worse. So some of these guys believe that we've got to take

action, and they tell themselves, "I'm going to get out there and say whatever it takes." Some of these guys may well be acting on their true view of environmental protection. If you see what I'm saying.

Q: Yes, but the [Rep.] Claudine Schneider [R-R.I.] bill is very explicit in specifically calling for the U.S. to cut off all loans to the Third World nations which would invest money in building up industry there. She claims that this must be stopped because it would aggravate the greenhouse effect. She also proposes that hydroelectric plants not be built because that destroys the land and rain forests. Instead, she proposes that the Third World use wood as an energy source and raise sugar cane to make ethanol to replace gasoline. From the work I have done this is a major reason why the rain forests have been destroyed.

Wood: Yes, I don't know the particulars, although I have a copy of the bill. But I think your point is well taken. The complexities are very great. Even if the nations of the world decided that climate change is a top priority issue, what you decide to do about these things is not straightforward, because this is such a complex area.

Q: Several of the scientists that I have interviewed state that not only has the Earth not warmed, but there is a lot of evidence that the Earth is actually cooling. Is it possible that we are entering a new glaciation?

Wood: The evidence that is clear is that in geologic terms, we would be expecting to see close to the end of this interglacial period. There is a great deal of evidence that the interglacial periods are normally around 10-12,000 years long. It's hard to estimate exactly, but there's been roughly 11,000 years since the last glacial period. This is based on evidence from ice cores, from sediments in interglacial lakes, and so forth. It would make geological sense normally to expect an ending of the present interglacial period soon, but can you say whether that's happening right now, or in 100 or 500 years, or maybe even 1,000? It could be today, but then again it could be a few hundred years down the line.

In terms of the current indicators, I've tried to look at most of them, and I will say this—that supposedly we had in the last decade, the warmest decade on record according to Jim Hansen and others. There's been, at least as far as I can find, no indication that there's been a reduction in snow cover, or in alpine glaciers, or in the ice sheets during that period of time. Now I don't know that they have increased either. But, I guess what I'm saying is, it is hard for me to find the evidence that there is a global glaciation. But on the other hand, the indicators that one would have expected to be detected from the kind of warming that we have had, or allegedly had, haven't been turning up either.

One thing you have to keep in mind here is that this warming that we've been having has been observed at the lower latitudes and not at the higher. That could be a way to

possibly explain why there hasn't been a radical change in snow cover, because if, in fact, the warming is not at high latitudes, then you wouldn't expect to see a change. But, if *that* is true, that is not consistent with the usual scenario, where you have amplified warming in the high latitudes. So, I guess what we're saying here is that the evidence at the moment is not really supportive of the original greenhouse warming theory.

Interview: Kevin Trenberth

'Warming trend has been exaggerated'

Dr. Trenberth is from the National Center for Atmospheric Research (NCAR) at Boulder, Colorado.

Q: I've been talking to a number of people on their criticisms of the greenhouse effect.

Trenberth: You probably already found out that there are some people who are emotional at both extremes. I would be somewhere in the middle. I'm certainly familiar with the data. The people who have often been the stronger advocates, have tended to ignore inconvenient facts that perhaps don't show things quite as strongly as they might like at this time.

I think there's no question that the greenhouse effect is a real thing. I think it's very clear that the climate in the future is going to be different from what it has been in the past. Where the main scientific debate is occurring, I think are the questions—how quickly is it going to be different, how will it be different, and how much will that difference be?

One of the main things used as a basis for making statements about this, is climate models of various kinds. Some people have tended to believe the results of climate models, much more than I think is warranted, and have tended to make statements that I think cannot really be justified, because if you look at two different climate models, they give you two different results.

There is quite a lot of uncertainty as to exactly what climate change will occur in an individual location. For example, there is a fairly nice graph figure that has been put together by Jones and Wigley which shows trends in temperatures, over the Northern Hemisphere, over the last 40 years. What it shows, is regions where the temperature has increased, and regions where it has decreased. And in fact, over the last 40 years, that's a particular period where there hasn't been very much net change. Because any time you

look at a trend, it's fairly sensitive to when you start and when you finish that trend.

And the thing that's revealing about that, is the variability from place to place. And I think that's one thing which is not fully appreciated—is that although people speak of global warming, it's not going to be warming everywhere. There will be places that get colder, and there will be places that get warmer, and on balance, maybe it'll be a little warmer; but exactly what happens in any given location, is much more uncertain than I think has been generally appreciated.

Q: On Hansen's models, specifically, I have a couple of questions. How reliable is his data base?

Trenberth: He got his data base from NCAR, which is the institution I'm with, here. He did very little quality control on the data, so that there are some bad data in his record, which has influenced his conclusions a little bit. But aside from that, I think that he has somewhat misrepresented the temperature curves which he has produced. People talk about global temperature trends, what has happened globally. Well, it turns out, of course—this will probably make sense to you, but it hasn't been properly appreciated—that there are many places where there aren't observations—in particular, over a lot of the oceans, and especially over the Southern Hemisphere oceans, I estimate that about 45% of the Southern Hemisphere oceans really can't establish reliable trends. This is especially south of Australia, New Zealand, all the way down to Antarctica—all of the southern oceans, there are just no observations down there, and no one is down there making observations to make reliable trends. Over Antarctica, we only have data since the International Geophysical Year, which is 1957-58. So you can establish trends over Antarctica after that period, but prior to that, you really can't do it. So, there is a big chunk of the globe that is not very well represented, in the so-called global trends.

So these global trends really are, in some ways, approximations of what has happened. That's the nature of one of the problems. But the second problem is, what happens when you have these results: How representative are they of true climate change? And the main issue that arises there, is the issue of how much is due to things like carbon dioxide, which affects global climate, versus how much is due to the so-called urban heat-island effect.

This is the effect of taking a thermometer and making measurements in a specific place, but then you build a city around the place where you're making measurements! Or, if your thermometer is out at an airport, you go from an age of propeller-driven aircraft, to a great big jetport, with a tremendous amount of traffic and a lot of concrete and so on; and you're building that around the place where you're making your measurements! And there have been some good estimates of that for the U.S. now, and it shows, for Hansen's curve for the U.S., that quite a large fraction—in fact, the dominant fraction of his temperature increases—appear to

be due to urbanization effects, rather than due to what you might call greenhouse effects. But that can be quantified.

That's a pervasive problem in making measurements throughout the globe. Another place where it can be documented, to a limited extent, is in Australia. I think the urbanization effect is perhaps not so much related to population, as it is to, say, the amount of roads, or the amount of concrete in the area. And there are no good numbers on that; but a lot of the development that has occurred in, like, African countries—a lot of that has occurred in the last 40 years or so, since the war.

I suspect that a lot of the urbanization effect is being seen in those records. But I don't know that there are good numbers, to say how much of that is urbanization, and how much is a real carbon dioxide effect. So it's a little bit up in the air, from my standpoint. There, there has been apparently some warming—I think some of the warming is real—but it's been exaggerated, again, by urbanization effects. And I think that's in not only Hansen's, but also Jones and Wigley's records of temperatures.

So that's the comment that I would make on the temperature records. I think there is something in there, but the biggest problem is, that most of the warming appears to have occurred around the 1920s. There appears to have been sort of a jump in temperature, according to the climate record, from 1880 to 1910 or thereabouts. And during the 1920s, there was a jump. However, as I mentioned before, since 1946—the past 40 years, in fact, even since the 1930s and up to the present time—there hasn't been very much of a warming trend. In fact, it was colder in the 1960s. So there is a sort of up and downward trend, if you like.

Q: Could the trend in the 1980s—which Hansen claims is the hottest period in the last 100 years—be the result of the fact that thousands of meteorological stations were closed down in the U.S.?

Trenberth: There is a complicating factor here. One of the things that has happened is that weather observations, which used to be done in the U.S., for example, by the National Weather Service, have tended to be turned over to commercial enterprises, which do not have the same quality standards. There is a standard procedure for making measurements. They are supposed to be taken over a grassy patch of a certain reasonable size—at least a few square yards in area—and they are supposed to be taken four feet off the ground.

You need what is called a ventilated screen. The thermometer is supposed to be sheltered from the sun; otherwise you would be just measuring the temperature of the glass in the thermometer, rather than measuring the temperature of the air. So it's supposed to be sheltered; but it's also supposed to be ventilated, with a reasonable flow-through of air, so it's not measuring only the little piece of air that's right in that spot. It's supposed to be representative of an area around

that space.

That's supposed to be standard. But what has happened, especially in cities these days, is that radio stations, for example, have thermometers in all kinds of strange places, like the top of a roof or somewhere. And these non-standard kinds of exposures may be included in data readings. That's one factor. The other factor is that a lot of places have started to automate the recording of temperatures. So that instead of doing it with a thermometer—and the tradition, the most accurate, is mercury in a bulb, a glass-bulb thermometer—what is being used more, are thermistors, and these are electronic devices. That's fine to a certain extent, but the problem is that the calibration on these can drift with time. So here too, quality control becomes important. You have to go back and check on a regular basis; probably a couple of times a year, at least—to check that the electronic recording device is measuring the correct value.

Q: How much scientific truth do you think there is behind what's being published in the media today?

Trenberth: My evaluation of that, is to say that there has indeed been some warming, but it's been quite small, and to date, my assessment is that it is not outside the realm of what you would say is natural variation. The temperatures that we've had—it's even hard to get a good handle on exactly what's happened in the last couple of years; because some of the data are still not in.

Q: What other aspects of the greenhouse effect do you think are important?

Trenberth: The oceans are enormous; they have a tremendous heat capacity, it gets distributed throughout the depth of the oceans. It only takes one meter or so of the ocean—I don't remember precisely but it's a very small amount—and you've got the same heat capacity as the entire atmosphere! That is to say, that if you took a 1°C increase in temperature of the atmosphere, and put it into the ocean, it would only warm up the top meter or so of the ocean. And the ocean is deeper than 4,000 meters in some places.

Q: What would you suggest should be done about the greenhouse effect, in the short and the long term?

Trenberth: Well, one of the things that has been discussed, is to try to draw a parallel between carbon dioxide and other greenhouse gas increases, and the problem of the ozone hole. Now, on the ozone hole, what they did was to have a so-called Montreal Protocol, where there was an international agreement to decrease the amount of chlorofluorocarbons in the atmosphere, because of the threat to the ozone layer. Now, reducing CFCs is one of the things that will also help the greenhouse problem. That is one thing that could be strengthened even more, is to get rid of those CFCs; that would be one thing.

But one of the things that has been bandied around, is:

Should there be a similar kind of thing for carbon dioxide. And my assessment of that is that it's unlikely to occur? And one of the reasons for that is because you're talking about a climate change. With the ozone hole, I think there was much more convincing evidence that the effects were bad for everybody. In the case of climate change, it's not clearly going to be bad for everybody. In fact, when you talk about climate change, you should be aware that in some places, the climate is likely to improve in some respects, and in other places it will get worse. In fact, there are almost inevitably going to be winners and losers. And one of the possibilities, for instance, is that the American farmer might be a loser, relative to a Canadian farmer. So why, then, should the Canadians want to agree to limit the carbon dioxide, if they think they might benefit?

Over-warmed data?

The blackout by major U.S. media of the prevalent view of the greenhouse effect in the scientific community, was finally broken by an article by Patrick Michaels published in the *Washington Post's* Sunday Outlook of Jan. 8. Michaels wrote, "Attempting to squash one side of a scientific story is a treacherous business that can have only a negative outcome."

The alleged warming of the Earth may just be the result of faulty data, according to Michaels: "Twentieth-century U.S. temperature data, which formed a part of NASA's [Hansen's] congressional testimony last year, hide a drastic warm-measurement bias. NOAA scientist Tom Karl, who arguably knows more about regional climate variation than anyone in the world, has calculated that NASA's record over the U.S. has warmed up nearly a degree during this century mainly because cities tend to grow up around their weather stations, not because of the greenhouse effect. . . . Karl's finding surprised none of us who daily toil with the data. But it should be a major shock to those who are using those figures for policy purposes. Is it irresponsible to point this out in public? . . ."

"Surprisingly, the Antarctic ozone depletion was three times less severe this past winter than it was in 1987. No proponents of the anthropo-generated ozone depletion model and none of the computer simulations expected such a big change. The total concentration may indeed have been in the 'natural' range that should occur there most every year."

How all my enemies will die

by Lyndon H. LaRouche, Jr.

This article was written on Jan. 7, 1989.

“Thou shalt not suffer a witch to live.”

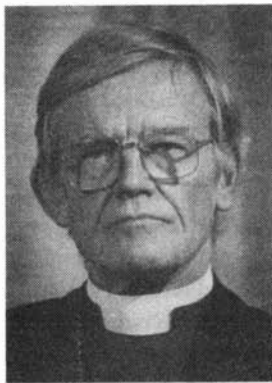
The intent is, that soon after I were sent to prison, I would be dead. The report of the cause of that death would be a fake; it would be reported as a “natural death,” an “accident,” or a homicide by some “lone assassin.” Simply, the death, and the official “cover story” would be arranged by a freemasonic network which includes judges and other relevant officials.

I have reason to believe that most of those factions of the Transatlantic Liberal Establishment which signed on to support, or to consent to the Alexandria frame-up, did not intend to have me killed. The majority of the Anglo-American Liberal Establishment simply did not wish to create the kind of political martyr who might reach out potently from his grave; they preferred that I rot quietly into obscurity. Nonetheless, a powerful faction among them, the Satanists, is obsessed with the prospect of murdering me in prison.

The Establishment’s toleration of a large and powerful contingent of Satanists within its own ranks, and toleration of the build-up of a large and growing Satanist mass movement, too, could prove to be the proximate cause of the death of the Establishment as a whole.

Given the deepening general crisis of civilization as a whole, the spread of Satanism and its acts, threatens now to become the extra factor unleashing virtually uncontrollable evils of great force of destruction. Given a widespread core of presently organized, devout Satanists, also given the deepening mood of cultural pessimism now being fed by worsening Western appeasement of Moscow, and given the terrible financial crisis on the verge of eruption, we face a monstrous social crisis within society, a crisis tending to bring out either the best or the very worst potentialities within the population. The presence of a powerful catalytic force of organized Satanism, under these conditions, could unleash from within our nations a beast which becomes uncontrollable.

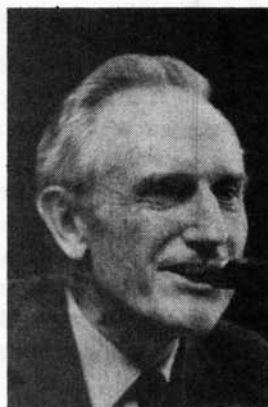
With those matters in view, this report identifies some of the most influential



Philip Ulanowsky



United Nations



United Nations

Clockwise, from top left: Bishop Paul Moore, Robert McNamara, John D. Rockefeller III, and the Knights in the Service of Satan (KISS). At the lower left is the symbol of the Scottish Rite, from an authoritative work, "The Ancient Rite of Free Masonry."



Stuart Lewis



Satanist organizations, and highlights some of the most characteristic inner psycho-dynamics of Satanism itself.

Anglo-American Satanists

The best-organized Satanist forces operating presently inside the United States, include the following prominent organizations:

The Lucis Trust: This is the leading, putatively respectable Britain-based Satan cult (it worships Lucifer).

The Lucis Trust, which runs the only religious chapel at the New York United Nations headquarters, *The Temple of Understanding*, was originally founded as the *Lucifer Trust*, in London, in 1922. The Lucis Trust associated with the UNO is the New York affiliate of the British organization. The name was changed from *Lucifer Trust*, to *Lucis Trust*, to make the nature of the organization less conspicuous.

The Lucis Trust's leading sponsors include the following prominent figures:

Henry Clausen, Supreme Grand Commander of the Supreme Council, 33rd Degree, Southern District Scottish Rite Freemasons

Norman Cousins

John D. Rockefeller IV

The Rockefeller Foundation

The Marshall Field family

Robert S. McNamara

Thomas Watson, Jr. (IBM, former U.S. ambassador to Moscow)

The United Lodge of Theosophists of New York City

U. Alexis Johnson, former U.S. ambassador to Thailand

Rabbi Marc Tannenbaum, American Jewish Committee
Prominent front-organizations sponsored by the Lucis Trust, include the following:

The Theosophical Order of Service (founded by Annie Besant in 1908)

The Theosophical Society (founded by Helena P. Blavatsky in 1875)

The United Nations Association

The World Wildlife Fund U.K.

The Findhorn Foundation

Greenpeace

International Greenpeace U.S.A.

Amnesty International

The Nicholas Roerich Society (chief connection to Russian mysticism, spirituality)

The Anthroposophists of Rudolf Steiner

The Rudolf Steiner School

UNESCO

UNICEF

The American Friends Service Committee

The Ordo Templi Orientis (OTO): This is today's best-known of the hard-core, British-based Satanist cults. Like the Lucis Trust, the OTO is a direct offshoot of the work of Britain's leading twentieth-century Satanist, Theosophy leader Aleister Crowley.

OTO enthusiasts claim this organization is an offshoot of Templar freemasonry, and hint at very influential protection from among Templars very high in British freemasonry.

The Wicca cult: The Wicca cult came to the surface early during the postwar period, as a legalized association for the promotion of witchcraft. It is the leading publicly known international association of witches in the world today.

In the United States, Wicca's outstanding sponsor is the New York Anglican (Episcopal) diocese, under Bishop Paul Moore. Officially, New York's Anglican Cathedral of St. John the Divine has promoted the spread of Wicca witchery through its *Lindisfarne* center. The late Gregory Bateson conducted such an operation out of the Lindisfarne center during the 1970s.

No later than the 1970s, and perhaps still today, the crypt of the Cathedral of St. John the Divine, is the headquarters for solemn ceremonies of the British (Venerable) Order of Malta. Key figures, such as Gregory Bateson's former spouse, Dame Margaret Mead, associated with that British order, have been associated with projects in support of the Satanist "Age of Aquarius" cause.

For obvious reasons, U.S. witches have chosen Salem, Massachusetts, as their national center. One of the most important operations of these witches is their coordination of the hard core of U.S. astrology rackets.

The Age of Aquarius: The "Age of Aquarius," or "New Age," is the generic name adopted by the modern Satanist movement.

The best-publicized among the founders of the Age of Aquarius movement include Fyodor Dostoevsky, Friedrich Nietzsche, Alex Münthe (of Capri notoriety), and Aleister Crowley. Most Aquarians trace the origins of modern Satanism to Nietzsche and Crowley.

Anti-Christ cultist Nietzsche announced that the twentieth century would see the end of the Age of Pisces, which Aquarians associate with the figures of Socrates and Christ; Nietzsche prophesied that the New Age would be the Age of Aquarius, which he identified with the satanic figure Dionysos. Crowley announced himself publicly a devotee of Nietzsche's New Age cult in his Vienna Theosophy magazine, *Lucifer*, near the beginning of this century, and indicated *Lucifer* as his preferred choice of name for Satan.

Among hard-core insiders, the New Age models its dogma on the Magis' cult of Mithra, as Nietzsche did. The cult has notable affinities to the Bulgarian-Cathar Bogomil cult (from which the slang term "buggery" is derived). The New Age's most celebrated historical figure, its choice for the original "incarnation" of the Anti-Christ, is the Roman Emperor Tiberius who ordered the execution of Christ.

Adolf Hitler and Hermann Göring were among the notable figures who followed this cult.

The best-known coordinating center for the Age of Aquarius project in the U.S.A. today is Palo Alto, California's Stanford Research Institute, whose Willis Harman is the relevant leading personality. See Harman disciple Marilyn Ferguson's 1980 *The Aquarian Conspiracy* for a

popular exposition of Harman's views and program for subversion of the United States. Ferguson is accurate when she reports that the Fabian Society's H. G. Wells (World War I boss of British intelligence) is a key figure of the Aquarian Conspiracy. Also key are Wells's ally, Bertrand Russell, and such Russell cronies as Robert M. Hutchins (Chicago University, Ford Foundation, Fund for the Republic, Aspen Institute, and the *Triple Revolution* project).

Both Margaret Mead and her husband Gregory Bateson were close collaborators of Russell and Hutchins from no later than 1938. The brothers, Aldous (Hollywood) and Julian (U.N.O.) Huxley were collaborators of H.G. Wells, and were recruited to Crowley's Satanist *Golden Dawn* cult during the late 1920s.

Satan rock: Since the launching of the Beatles as an international project, via TV's *Ed Sullivan Show*, in 1964, "rock" has been the most influential recruiter to Satanism. Rock was created, and is still coordinated by Crowley's followers and by the OTO network, in cooperation with Wicca. It is, not so incidentally, also the Satanists' biggest money-maker, and believed to provide the chief logistical support for deployments and other activities of the OTO-Wicca efforts worldwide.

There is nothing spontaneous or accidental about "rock." It is a product of classical studies of the ancient Phrygian terrorist cult of Satan-Dionysos, the model for the Roman Bacchic cults of similar characteristics. The Crowleyites' control of the "rock industry" has been documented by a team of Catholic Church investigators, who have also noted, that in addition to the Satanist lyrics, Satanist messages embedded sublimally in rock recordings are a key feature of this subversive operation.

The "rock rhythm" itself is copied from the old Dionysian-Bacchic cults. Even without the drugs and sexual orgies which are characteristic features of hard-core rock affairs, repeated, frequent, hours-long exposure to constant repetition of "rock rhythms" produces lasting, drug-like effects on the mind of the victim. Reducing sexual practices to the level of bestiality, is a crucial feature of Satanism in all historical periods studied, from the Phrygian Cybele-Dionysos cult-period onward.

From western continental Europe, among the threats to the U.S. from this quarter, the two leading open centers for hardcore Satanism today, are Turin, Italy (where actress Elizabeth Taylor's "Live AIDS" project attempted to sponsor an aborted Satan-rock festival), and Lausanne, Switzerland.

The Satanist mind

Satanists already have numerous victims. Most of the sexual and related atrocities perpetrated upon "disappeared" infants and other children, are done as part of the rituals outlined in manuals of Satanist organizations. A leading police association has received expert estimate, that of all known murders, one in five is a ritual murder, like the ritual London

assassination of Italy's Roberto Calvi, perpetrated by members of Satanist cults. The "Son of Sam" murders in New York, and the Cobb County-based cult operations in the so-called "Atlanta child-murders," fit into this pattern.

Satanism is not "just another nutty occult fad." The mind of the Satanist is pure evil; the Satanist is a former person who has been transformed into something no longer human.

It begins like drug addiction; the prospective recruit to Satanism "gets into something" on a playful impulse, but then finds himself or herself gripped by compulsions which he or she can no longer control. Drugs and other special circumstances may be significant collateral features of the initiation, but not necessarily. The key is "letting oneself go," into the depths of acting-out impulses which combine sexual impulses and rage as a unity, and expressing this form of "pleasure" in the form of an act which violates an important precept of one's own conscience.

Nietzsche's writings, especially toward the last period of life preceding his mental breakdown, address these special sorts of emotions, and refer implicitly to terrible obscene acts as the prospective fulfilment of such impulses. Nietzsche recognized these impulses as satanic—dionysiac—in quality.

Ordinarily we think of the criminal mind as representing a person whose goals are based on "normal human impulses," but whose choice of means is immoral. Doing something *illegal* is not necessarily *immoral*; the useful definition of the *criminal mind*, is the person inclined to prefer immoral means as short-cuts to some goal usually not inconsistent with normal human impulses. In the case of the Satanist, we touch upon something way beyond such a mere *criminal mind*.

Imagine a *criminal mind* which has undergone a curious transformation. Perhaps, formerly, this fellow was an habitual thief, even of that sort of twisted mind which delighted in occasions he might have imagined he had pretext to exert the power of life or death over some chance victim on the scene of his crime. Yet, up to that point, robbery or kindred results were always the prompting of his criminal activity.

Now, he has changed. Crime is no longer motivated by the impulse to employ cruel means for personal gain. Instead, the pleasure of the sense of power realized in employing viciously cruel means, becomes an end in itself. This form of criminal pleasure becomes a blend of rage and sexuality. Jaded appetites create the mental state in that man, that he must do something more monstrous than he has done before, to realize the desired level of orgiastic pleasure from the evil deed. Evil for the purpose of doing evil, has become for him, a goal in and of itself. This man has become a beast, a virtual Satanist.

That is the state of mind which Satanism seeks to develop in its initiates. It might begin with an ordinary sexual act performed under the influence of an ugly state of mind. Soon, something much more degraded becomes a need for the prospective initiate's rapidly jaded appetites. In contrast to the

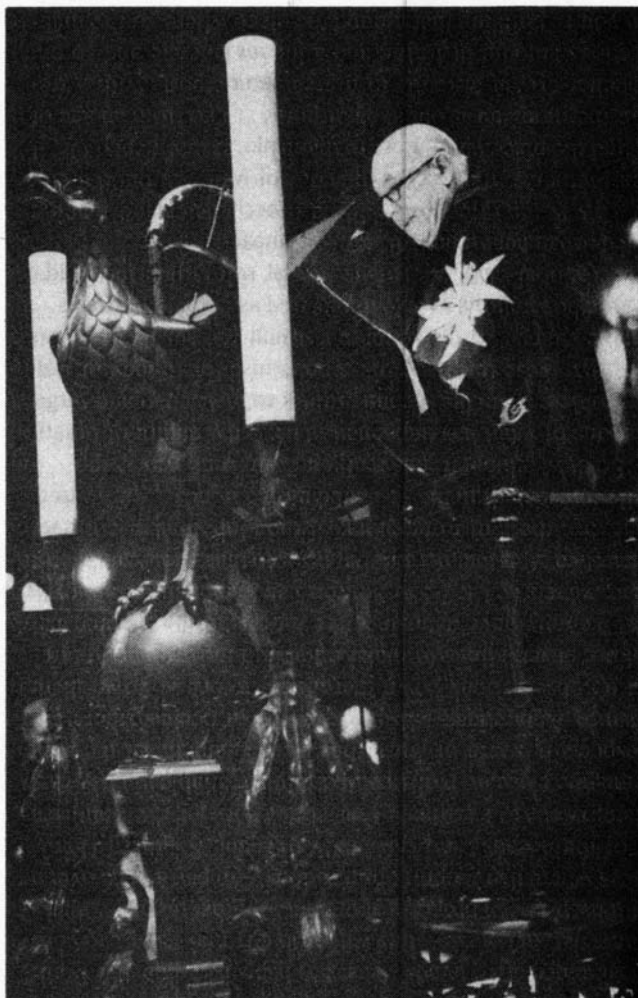
healthy mind, which seeks always to become better in what is being mastered, for the initiate to Satanism, a sense of need develops, to seek to muster oneself to do something much worse than one has ever done before.

Satanic cults organize that degraded process of self-degeneration. The potential for endemic incidence of individual bestiality within society, is transformed into an organized, institutionalized form of social behavior.

The tradition of the "Black Mass," points to the mechanisms of Satanism as such. Nietzsche's instruction is much to the point. Perform some really monstrous act of blasphemy, and associate that blasphemous doing with some sort of degraded, orgiastic pleasure.

Go back to ancient Mesopotamia, whence Satanism was transmitted to Western Europe.

The relevant figure of Satanism is not a male, but a female figure. The male figure—Satan, Baal, Lucifer, and so on—is a subordinate figure; the female principle of evil is predominant. Hence, Satan's mother, the "Whore of Babylon,"



Investiture of Knights of Malta at Cathedral of St. John the Divine.

known otherwise as the Chaldean Ishtar, the Canaanite Astarte, Isis, Venus, or the Phrygian Cybele.

The ritual of the priestesses of Ishtar was an obscene "religious service" which concluded with the priestesses' fornicating with the congregation. Hence, "Whore of Babylon," and the associated position of Ishtar, Athtar, Astarte, Isis, and Venus as the patron goddess of prostitution.

This satanic cult-practice was introduced to Mesopotamia from pre-Aryan India. The so-called "Harrappan" culture, featuring the Earth-Mother and fertility goddess *Shakti* and her satanic male figure, *Siva*, established a set of colonies in the Middle East. The Sumer established as a colony by what the local Semites named "the black-headed people" (Dravidians), was a Harrappan colony. There, among the Semites, *Shakti* became known as *Ishtar*. In the Harrappan colony of Sheba-Ethiopia, *Shakti* became known as *Athtar*. In the Canaanite ("Phoenician") offshoot of Harrappan colonizing, she became known as *Astarte*. The Hellenic cults of Isis and Osiris, were offshoots of the Harrappan cult of Shakti-Siva, by this route. When the same cult spread to an Indo-European people, the Phrygians, Shakti-Siva assumed the Indo-European forms of *Cybele* and *Dionysos* (day-night). *Apollo* and *Lucifer* are variants of the name for Satan-Osiris-Dionysos.

Among the Canaanites, for example, Satanism expressed itself in such forms as the worship of Moloch, with the included custom of making a human sacrifice of the first-born of each marriage. Notably, that Canaanite tradition is featured in the modern Satanists' ritual sexual and homicidal rituals upon infants and children used as human sacrifices.

By combining the means by which men and women are degraded into potentially satanic forms of beasts, as rituals associated with Satanism practised as an "anti-religion," large-scale satanic movements are developed through systematic proselytizing.

The result of this initiation, as we have already stressed, is no human being, but a former human being transformed into something which is not human.

Modern liberals and others frown on reports of savage witchhunts from earlier centuries. Usually, the special British "Cointelpro" operation, run in Salem, Massachusetts as a covert operation against the independence of the Massachusetts Bay Colony, is commonly referenced. A better comparison is the proliferating of Satanist movements during the fourteenth century; these witches were actually sub-human, Satanist beasts, who represented that sort of mass threat to the population of that period. So, the population, as its only defense against a genuine satanic force of that sort, hunted them down and sought to wipe them out. Not for nothing, does the Old Testament warn, "Thou shalt not suffer a witch to live." The witches of the old Middle East and fourteenth-century Europe were very real, very evil witches, no longer human, but murderous beasts.

Modern witchcraft

The modern spread of witchcraft in English-speaking nations, began during the sixteenth century, in the setting of imported cabalist and Rosicrucian cults built up around Oxford and Cambridge. Francis Bacon and his secretary Thomas Hobbes were part of this movement. The endemic inculcation in Satanism which this prompted in seventeenth-century England, exploded after the accession of King George I, in the form of the Hell-Fire Clubs which proliferated among degenerate English nobility during the long liberal prime ministry of Horace Walpole.

During the Stuart Restoration period, the pro-satanic rosicrucian and cabalist cultism around the Stuart court seized upon the case of Robert Bruce to reorganize the cult in a new form.

Robert Bruce had been the leader of a group of Satan-worshipping (Baphomet) Templars, who had fled to Scotland, away from the angered justice of the Papacy and the King of France. What they brought with them, was the Templars' exploitation of the Cathar (Bogomil) tradition in the region of Toulouse and Albi, to build up the syncretic sort of satanic worship the Templars had acquired in the Middle East. The Papacy had enough of this, and the King of France acted to shut down Templars by the means customary in those times. A group of Templars under Bruce fled to Scotland, and after some initial difficulties, made themselves the lords of the place.

The character of the Stuart court is illustrated by the characterization of one Stuart government of that period as the "Cabal." In his *History*, Macauley offers an amiable description of the affair. During this century, when the chest of Isaac Newton's laboratory papers was opened and examined, the content of Newton's actual "scientific work" turned out to be a selection of lurid and rather insane experiments in "black magic." The circles around Francis Bacon and Hobbes were, as we say today, "a prize collection of real kooks."

So, the Templar mish-mash of Bogomil Gnosticism blended into Hashishin Satanism, caused Bruce's Templar credentials to be viewed as suitable myth-building material for the taste of the Stuart kooks of the period. The Liberal aristocracy of Britain became a principal concentration of this filthy stuff. When the Liberals came to full power, under Walpole, this Liberal stuff came out in such form as the proliferating Hell-Fire Clubs. That tradition was cultivated under the Second Earl of Shelbourne's puppet prime minister, William Pitt the Younger, with satanic figures such as the powerful Jeremy Bentham in the fore.

Satanism gained new ground under the protection of Liberalism and Romanticism during the nineteenth century. In England, the more virulent new forms surfaced around Oxford University's John Ruskin and the Pre-Raphaelite Brotherhood. Out of this came Theosophy, British "guild" socialism, the Fabian Society, Bertrand Russell, H. G. Wells, and

Aleister Crowley—Satanists all.

This spilled over into the United States, notably in the circles of putative “Great Awakening” evangelist Jonathan Edwards, and his protégé, Princeton Hell-Fire Club activist Aaron Burr. During the late nineteenth century, the sort of spoonbending kookery associated with such figures as Oliver Lodge and A. Conan Doyle spilled generously among the wealthy Anglophile liberals of the United States.

In short, this sort of witchery has been endemic over the centuries. The difference is, that what was endemic has become epidemic.

Is ‘the end nigh’?

This writer is not going to indulge in any symbolic reading of the Apostle John’s *Apocalypse*—the King James’ Version’s *Revelation*. In Christianity, there are only two mysteries, Christ’s birth and Resurrection; on all other points, the the New Testament was written by very courageously level-headed apostles, who distinguished quite efficiently between the limits of the reader’s developed capacity for understanding and what would be intelligible were the capacity for understanding greater. They did not indulge in any sort of occult symbology; everything they wrote was very straightforward, and implicitly fully intelligible.

That is one of the qualities of the *New Testament*. Today, there are people who are actually taken in by the sort of Gnostic swill written and published by the British authors of *Holy Blood, Holy Grail*. The fact is, the history of the period of the life of Christ and the Apostles is no terra incognita. The concepts in the *New Testament* are durable ones for today, but they were written down under known historical circumstances, and have a very clear sort of durably intelligible meaning when read by serious people.

St. John’s *Apocalypse* points to the cults of Mesopotamia as satanic, cults then ruling through the Roman Empire of Mithra-cultist Tiberius, Nero, and so on. St. John shows the necessary outcome of the struggle between Christianity and these satanic forces. What is occurring worldwide right now, does happen to coincide with that picture; nonetheless, while this writer is much better than most living people at *forecasting*, he has never taken out a license to practice *prophesying*. So, nothing said here should be read as implying a definite date for a Battle of Armageddon.

It is sufficient to say: We are living in *apocalyptic times*, which are becoming more and more apocalyptic as the fast-paced current weeks and months come and go. The advice here is: Do not fret about the date of Armageddon. Face the reality of apocalyptic times, and act accordingly; if we do that, we are doing the best we are able to accomplish. Leave the matter of Armageddon to higher authorities than are to be found upon this planet today.

That said, no one should be altogether surprised if something looking very much like “the last days” were to appear

Old Testament on witches

“Thou shalt not suffer a witch to live.” in the oldest Biblical code, given in Exodus 22:18, ordains capital punishment for a specific class of sorcerors called “mekashshefim.” According to the Jewish Encyclopedia (New York & London 1905; Isidore Singer et al., editors) in an article on “Witchcraft,” this instance of “witch” in Old Testament language refers specifically to drug-pushers. W.R. Smith, as cited in this entry, argues that the root “kashaf” means to “use magical appliances, or drugs.” This interpretation receives some support from the fact that the Septuagint, an early Greek translation of the Old Testament, translates this verb as “farmaka,” and that the belief in the use of drugs or herbs is very old.

very soon. Whether that is the case, or not, should make no difference to us; we should act in the same manner, whatever the outcome of this worsening crisis might prove to be. In short, do not be like the dumb Quaker this writer once was, who blames God for the state of mankind; the Creator holds each of us responsible for the condition of mankind, to the extent of the potential means of each of us to do something to remedy the present state of affairs. If this should turn out to be the “last days,” do not risk being caught doing less than carrying out to the limit of your potential, your responsibility for the condition of mankind as a whole.

The reality we face, is that unless we eradicate the power of Satanism from our society, this society is not going to survive. If I am about to be murdered, that is the core of the message I wish to leave behind. I address that message to something very precious contained within each of most of you. See what this Establishment’s toleration of Satanism in its own midst has done to this world, this nation of ours. There can be nothing more precious to you, not even your mortal life, than saving mankind from this evil, and freeing society from overlordship of an Establishment which has set itself up in the image of pagan gods of Olympus, and permits such evils to be unleashed upon mankind.

If I go, I can forecast with something near to the power of prophecy: That which will have destroyed my life shall not long survive. Either the good people of this world will destroy that force, or what that force has unleashed upon this world, will surely destroy the Establishment which has permitted such evils to be unleashed. Unless the Establishment changes course, and heeds my warning, those two outcomes are the only choices for all the nations of this planet, and that a choice whose consequence will come upon this entire planet during the years just ahead.

Either way, Satan and his evil mother shall die.

Bankers unleash Nazi assault against Mexican oil workers

by Robyn Quijano

Mexican President Carlos Salinas de Gortari carried out a Nazi-style frame-up against the leadership of his nation's powerful oil workers union on Jan. 9, to eliminate opposition to the selling off of Pemex, the country's nationalized oil industry. The attack on the strongest and most militant union in Mexico was carried out on orders from the Anglo-American liberal Establishment, and the Satan-worshippers of Scottish Rite Freemasonry. Destroying Mexico's union movement is crucial to their plan to eliminate all opposition to the International Monetary Fund's genocide policies in Ibero-America.

Mexican Army units and judicial police attacked the home of oil workers' leader Joaquín Hernández Galicia, blew down the door with a bazooka, and arrested leaders of the union. Over the next 24 hours, a dragnet pulled in 51 of the union's leaders, charging them with corruption and arms smuggling. On Jan. 13, local unions leaders were also arrested, to terrorize the entire union and leave them with no leadership. Hernández Galicia, who is nicknamed "La Quina," has been charged with the murder of a police agent allegedly killed in the shoot-out at his home. Conveniently, the police officer was cremated less than 24 hours after the incident. Witnesses say that they saw the Army plant 200 Uzi machine guns in Hernández's Galicia's home.

According to the government news service, Notimex, the action was taken because the oil workers stage a strike at Pemex installations, "in a very well-orchestrated plot that threatened the national security."

The action by Mexican President Carlos Salinas de Gortari, praised by President-elect George Bush as "bold and courageous," and loudly cheered by the Anglo-American Establishment's press, could be the biggest miscalculation of the 40-year-old, Harvard-trained politician's career.

Over 20,000 workers and supporters gathered on the eve-

ning of Jan. 12 in Mexico City's main plaza, the Zócalo, to support the oil workers and denounce the frame-up as part of a dirty deal with the international banks. Mexico's workers and nationalists, who voted last July to elect Cuauhtémoc Cárdenas, the son of Mexico's best-loved President, Gen. Lázaro Cárdenas, to the presidency, have not forgotten that Salinas stole the election. The brazen move now to wipe out the trade unions and any opposition to handing Pemex, which President Cárdenas nationalized in 1938, to the multinationals, could spark an uncontrollable rebellion.

As soon as the raid on the oil workers hit the news, workers walked out of almost every Pemex installation in the country. Thousands marched to the Zócalo. Later, the union leadership called on them to go back to work, since the government planned to use the walkout to rip up the union contract, which stands in the way of their plan to split Pemex into three companies and sell them to foreign interests. Weeks before the hit on the oil workers, the Soviet agent who owns Occidental Petroleum, Armand Hammer, was in Mexico to make deals on grabbing part of Pemex.

A legal excuse

While Mexican Attorney General Enrique Alvarez del Castillo told a news conference that there were no political motives behind the arrest of Hernández Galicia, according to Reuters, one government official described the charges as "only a legal excuse" to break his grip on the union. "Government and private sector sources said Salinas planned to partially privatize state oil from Petróleos Mexicanos (Pemex) which, since 1938, has had a monopoly on the oil industry deemed a vital national interest. . . . They added, however, that no private investor would consider involvement in the industry if it meant dealing with a union controlled by Hernández Galicia." Reuters reported that "the

government source said . . . Salinas plans to privatize basic and secondary petrochemical production, and some Pemex marketing functions. . . . The government would have preferred to negotiate with the oil workers union, but . . . negotiations are impossible with leaders who use demagoguery and wrap themselves in the flag."

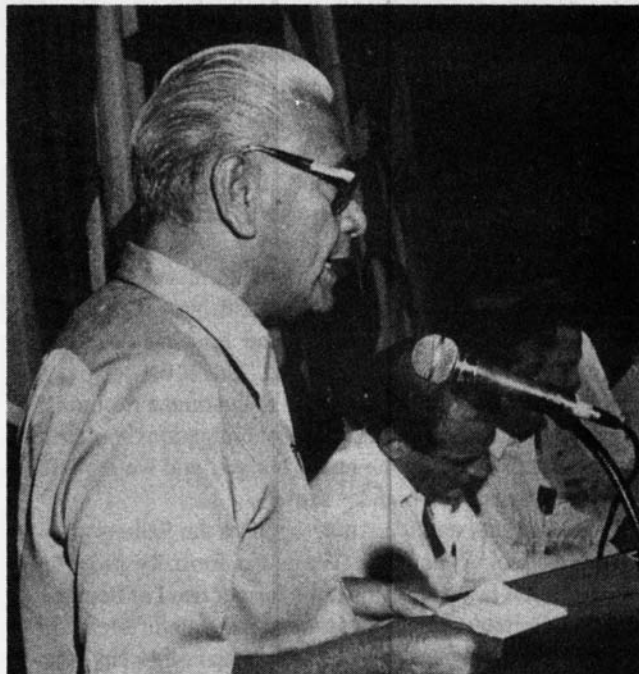
Sen. Porfirio Muñoz Ledo, a leader of Cárdenas's movement, attacked the frame-up of Hernández, calling him the first political prisoner of the Salinas regime. Cárdenas himself told the press: "Drugs are frequently introduced into the belongings of many persecuted politicians. It is naive to think that La Quina is going to risk having weapons in his own home." Cárdenas said the frame-up was revenge for the union's denunciation of corruption by Pemex managers.

The CTM, Mexico's 5 million member labor federation, attacked the arrests, which "seriously damage the labor movement and the legal structure in which we Mexicans live . . . and could put at risk the civil peace that has cost us so much to construct and maintain." But the federation has not backed up its words with any actions commensurate to the danger to organized labor that the frame-up represents.

The oil workers took out an ad in the press the day after the raid, stating, "This cunning aggression forms part of the deal the government has made with the international banks to guarantee payment of interest on the new loans and, at the same time, to hand over the national oil industry to foreign capital." The ad continues: "Solidarity and the demand for immediate release of the oil worker leaders are demands of all the nationalist and democratic forces of our country, who oppose the dismantling of *Petróleos Mexicanos* and its delivery to the multinationals. To allow this sell-out measure by the government would be tantamount to putting our motherland up for sale."

The *Wall Street Journal* had delivered marching orders to President Salinas to smash Hernández, in front-page features last Sept. 27 and Oct. 5. It tagged him "Mexico's Jimmy Hoffa," and said, "Mr. Salinas . . . knows that the modern, internationally integrated economy he envisions for Mexico cannot develop so long as La Quina-style feudalism persists." On Jan. 10, the *Journal* lauded the frame-up as "a dramatic move to clean up the renegade union that has threatened government efforts to reform Mexico's state petroleum monopoly," and claimed that the action "should give his beleaguered government an economic and political boost."

Inside Mexico, the government's slander machine has been working overtime. *El Nacional*, Mexico's semi-official daily, headlined its lead article Jan. 10, "The Criminal Economic and Political Empire Falls." The paper insisted that "the detention of these immoral leaders is an affirmation of the will of the government to . . . protect society and its institutions. . . . Mexico needs to modernize . . . and cancel once and for all the . . . feudal domains." *El Nacional's* editorial on Jan. 13 proclaimed, "What is now clear is that the actions taken against La Quina and his group by the federal government had as their essential purpose the protec-



Former secretary general of the Mexican oil workers union José Sosa, at an international conference in solidarity with Panama, Panama City, April 30, 1988. He was one of those arrested on Jan. 9.

tion of the national interest and the cutting off at the roots an attempted subversion against the state, outside of all legal and democratic channels. . . . A blow has been delivered against 'political crime.' "

But most Mexicans, including factions still within the ruling PRI party, see the move as a political vendetta that could backfire. *Siempre*, the most popular weekly magazine, called La Quina's arrest "an event that could be interpreted as a stupid confrontation between the federal government and an important sector of the workers such as the oil workers." The article went on, "The arrest of the major labor leader has caused concern, [and] it is obvious that the pretext of smuggled arms is nothing more than that, a pretext to try to defeat one of the most important leaders of recent times. . . . 'The week begins badly when there's a hanging on Monday,' runs a popular refrain, and it would be well applied to the present government administration on beginning this class of provocative actions." The article condemned the violent methods employed in the arrest of someone like Hernández Galicia, who has dedicated his life to bettering the workers' standard of living.

Demand debt moratorium

On Jan. 1, Hernández Galicia had demanded a one-year moratorium on Mexico's \$104 billion foreign debt: a "crime" the international usurers will never forgive. "The debt problem has paralyzed investments in our country," he declared. "We will not be able to grow if we continue diverting our internal budget to meet foreign commitments. Mexico will

become a moribund nation that will soon die." The oil workers' congressmen persuaded the standing committee of the lower house, which is dominated by the ruling PRI party, to proclaim Jan. 4 that it would back a moratorium, since "the Mexican people have already exhausted their economic resources to comply with servicing the foreign debt."

In a New Year's press conference, Hernández Galicia urged that the \$15.9 billion to be saved by a one-year moratorium be productively invested in agriculture and small industry. It could also pay for finishing half-built highways, dams, hydroelectric power plants, and housing developments, and for renewed oil exploration. "That is the only way we could obtain the healthy structure to guarantee resuming payments. . . . Mexico is faithful to its obligations, but it is unjust when this takes up the entire budget, and we are left naked and exposed," Hernández said.

The oil workers union not only opposes the Salinas government's economic policies. They also formally brought charges of fraud last year against the former head of Pemex, Mario Ramón Beteta, now governor of the state of Mexico. Beteta and his family are part of the financial oligarchy, the key movers in Mexico of the vendetta against the union.

Documentation

'I am innocent'

Joaquín Hernández Galicia spoke for more than four hours before the Ninth District Court on Jan. 11; his statement was attended by more than 100 reporters, photographers, lawyers, and sympathizers who shouted, "We are with you, Joaquín."

I am innocent. All this is a dirty trick prefabricated by Mario Ramón Beteta and some officials of the past and present government—Eduardo Pesqueira and Francisco Rojas—who are bothered by the criticisms of the government we have made, and because we are teaching other unions and social or political groups how to resolve the crisis, the foreign debt, and, above all, by declaring that the property and natural resources of the nation should be exclusively managed by the state to the benefit of the Mexican people. The property of the nation, as the Constitution determines, should always be administered by the state, to the benefit of the Mexican people.

This statement of my supposed declarations is not what I signed. The one I signed was not so compromising. But if I did sign it, it was because they threatened me. They told me that if I didn't confess, at least in part, they would make the oil workers work by force. They knew that the brothers were

Why they fear 'La Quina'

The oil workers union, Revolutionary Union of Petroleum Workers of the Mexican Republic (SRTPRM), is unique not just in its wealth and power, but in the quality of life it has brought to its members and in its devotion to defending and developing the Mexican nation.

A foreign visitor to Ciudad Madero, the oil center on Mexico's Gulf coast where the union's headquarters are located, is struck by how different it is from other industrial centers. It is a tidy city. There is no sign of public drunkenness or of the rowdy bars that proliferate in Mexican towns and anywhere in the world where there are a lot of oil workers. When the visitor asks about it, he is told that the union chief Joaquín Hernández Galicia once berated the wives of his members for not keeping their husbands at home and out of trouble. The wives answered they had tried, but could not compete with the attractions of the red light district. Within a few months, the union had bought the district, bulldozed it, and built a church and a school. Today, it is hard to find a bar anywhere in the place.

On the streets and in the union-owned supermarkets and department stores, one sees whole families walking and shopping together. The union has invested heavily in services for its members and communities during the past 30 years. In its 36 supermarkets at work sites around the country, food costs 20-40% less than "market prices" for

stopping work.

They also told me that my family was kidnaped and that if I continued to refuse to authorize the prefabricated statement, I would never see them again. Those from the Attorney General's office treated me well, under the circumstances. They were even attentive, you might say. Not so my brothers. . . . I didn't want my union brothers to continue suffering. I heard them complaining, suffering. They told me that the inquiries were going to last many days. This didn't bother me. What bothered me was that they were going to kill my companions, male and female.

I signed . . . but this statement doesn't tell the truth. It is prefabricated.

I call on Don Fidel Velázquez [CTM union federation chief] not to stop helping us, because this is an action that wants to do away with the little autonomy that exists within the public sector unions. . . . This maneuver is not only an effort to disintegrate the oil workers union, but other unions.

members and the public in general. It has built numberless housing projects, health centers, and vacation centers for its members.

It is true that the union has built an "economic empire." Union leaders live modestly in houses comparable to those of the average permanently employed U.S. oil worker. The union makes far more productive use of its income than any Mexican capitalist or the government. It has used its money and its members' skills to build all sorts of industries in the oil zones, including factories making furniture, small appliances, and other products to supply its stores.

"La Quina," as Hernández Galicia is known, travels constantly to agricultural development projects the union sponsors and finances to improve the productive capacities of the peasants in the oil-producing states. One factory in Ciudad Madero specializes in farm implements for these peasant communities. Most of those working there are oil workers doing the voluntary labor, which is required in lieu of union dues. The members seem quite willing to do that for a union which has given them security, even in the midst of the depression foreign creditors have foisted on Mexico.

All over the oil zone, there are signs saying things like "Oil workers, You Are Responsible for the Country." The quotes come from the speech President Lázaro Cárdenas made in 1938 when he nationalized Mexico's oil. Cárdenas expropriated the industry because the British and U.S. oil companies were sucking out all its capital, destroying the wells, creating dangerous working conditions, and provoking strikes.

Cárdenas's courageous act was the most important assertion of national sovereignty in this hemisphere in this

century. The oil cartel thought it could collapse Mexico's output by pulling out all the foreign technicians. But the Mexican oil workers found in themselves the talents to keep the wells functioning, then to expand output, and later to develop a modern petrochemical industry.

Some of Cárdenas's aides suggested sending troops to the oil wells to protect them from the anticipated sabotage of the enraged former owners, but he wisely endowed the oil workers' union with stewardship over the national patrimony. It is out of that patriotic loyalty that the union asked its workers not to strike, even when its leader was framed and jailed. It is also why La Quina threatened Jan. 3 to strike if a "millimeter" of the oil industry were sold off by the government.

General Cárdenas, in appreciation for the union's attitude, made it the policy of the state oil monopoly, Pemex, that the union be given priority for any contract for which it could provide equal or better terms than other bidders. That, and not any alleged corruption, is the source of the union's wealth. La Quina has been ruthless against union officials who use their positions to enrich themselves. And, for the past few years, he has been at war with managers like Mario Ramón Beteta who line their pockets while eliminating work safety investments.

A union leader told the tens of thousands rallying in support of La Quina in Mexico City Jan. 11, "He used the union's money to build houses, stores, and hospitals. Do you think he robbed the oil workers' money?" The response was a resounding, "No," *La Jornada* reported.

While good management and strong motivation have made the union's enterprises flourish, Pemex has been decapitalized to pay Mexico's foreign debts.

—Mark Sonnenblick

[Unionists should] continue working as they always have, with patriotism and efficiency, not abandon their labors. . . . I also call on [my colleagues] not to leave the CTM, and in regard to myself, I repeat that I am innocent. We will legally defend our innocence. . . .

They want us permanently in jail, because we have always wanted a clean Pemex, not just an honest union, but also an honest Pemex. We have realized that our accusations of fraud regarding the ships belonging to Isidoro Rodríguez, the accusations against this great fraud committed in Somex by Mario Ramón Beteta in financially authorizing a company called Maizoro whose product did not exist on the market, hurt and affected them a great deal.

I see a maneuver against us for defending Pemex, the workers, and the people in general. For our policy of never forgetting—and we never will forget—the great Gen. Lázaro Cárdenas. We hope that the authorities do not lend themselves to continue this infamy adorned with prefabricated

legal trappings.

Of my friends who care for me, I ask that they care for my family who must be filled with worry, that they not abandon those who love me, that no matter what is said, I declare here and now that I, Joaquín Hernández Galicia, am innocent, as are Salvador Barragán Camacho and Pepe Sosa Martínez.

Let it be clear that we are not against the government, much less against the people. . . . This, in our opinion, is the fight of the true Mexicans who love Mexico, against those who do not love her. Against those who would continue selling her to the Mexican financial community which, tired of earning money through stock market deals, through the banks, the devaluations, the inflation, allied with the foreign financial leadership want to see the oil workers union and all of us who are friends of the truth, of the government, and of the people, on our knees or prisoners like myself. . . .

I will be a physical prisoner, but my conscience is free.

Labor support calls flood into Mexico

Less than 24 hours after the attack against the Mexican oil workers union SRTPRM, labor organizations throughout Ibero-America began to rally their support. Here are excerpts of some of the messages that poured in:

Argentina

The Argentine Federation of Unified State Oil Workers Unions joins in solidarity with its brothers, the Mexican oil workers.

—*Roberto Ferioli, Adjunct Secretary General*

On behalf of all our affiliates we demand . . . that the leaders of the SRTPRM be released, and we understand that this attack against them is because they are defending the nation's resources, and fighting against the usurious privatization being pushed by the IMF.

—*Ernesto Dovalos, Union of State Gas Workers*

Bolivia

The only crime committed by our brothers, the leaders of the oil workers, is to have defended the national patrimony of Mexico, in this instance, Mexico's oil. This type of thing is not only happening in Mexico, but also in our country, Bolivia, where the government of Paz Estensoro plans to privatize the state oil company, YPF, on orders from the IMF and imperialism. The COB joins in solidarity with Brother Joaquín Hernández Galicia and the other leaders who have been incarcerated, and we demand . . . their immediate release.

—*Heriberto Mamani, Secretary General; Rufo Rivera, Secretary of Organization, Bolivian Labor Federation*

Colombia

The arbitrary detention of Brother Joaquín Hernández Galicia and other leaders . . . should serve as a warning to us all . . . that the interests of the imperialists are ready to crush any manifestation of nationalism. From Colombia, workers are in a state of readiness to fight, to mobilize in defense of Mexico's working class and that of all of Latin America. Your fight is our fight.

—*Aurelio Ossa, Secretary General, Antioquia Workers Union*

Panama

We . . . resolve: To condemn the criminal acts against

the Mexican oil workers union . . . and the privatization of Mexico's state sector companies.

—*Hector Alemán, Secretary General, National Federation of Public Employees Unions; Marcos T. Moscoso, Secretary General, Association of Unions of State Sector Companies*

Peru

We . . . charge that such an act against the Mexican workers is a serious attempt to annihilate all the patriotic forces of that country and of the entire Latin American continent that are against the genocidal policies of the IMF. . . . The workers of Peru and Latin America have received with shock and indignation the news of the criminal attempt against the life of Hernández Galicia and the armed, Nazi-style attack against the union . . . in an act that represents a historical retrogression from the principles instituted by Gen. Lázaro Cárdenas."

—*Juan Bernaola Cueto, Secretary General, Confederation of Workers of the Peruvian Revolution*

Trinidad and Tobago

The Oilfield Workers Trade Union of Trinidad and Tobago support the Mexican oil workers in their just struggle to ensure national ownership of Pemex and to prevent foreign and IMF intervention. . . . The struggle against the IMF is a struggle common to all Third World people.

—*David Abdullah, OWTU*

Venezuela

I demand that the government presided over by Dr. Carlos Salinas de Gortari immediately release Brothers Joaquín Hernández Galicia, Salvador Barragan Camacho, and the other labor leaders. End the repression against the Mexican labor movement!

—*Congressman Casto Gil Rivera, Acting Secretary General, Venezuelan Labor Federation*

We repudiate the totalitarian and anti-democratic practices of the Mexican authorities. . . .

—*Juan Marcano, Autonomous Unions Federation, Federal District and State of Miranda, Venezuela*

As a Latin American patriot, I am ashamed by seeing how the sell-out governments of our continent more and more blindly obey that genocidal entity, that racist and satanic sect, the International Monetary Fund. I see how they remain indifferent in the face of the slanderous campaign against General Noriega . . . how they prefer to eat their own children—as Saturn—to pay the immoral foreign debt. . . . I demand the immediate freedom of Joaquín Hernández Galicia and the other oil leaders. . . .

—*Antonio José Guerra, Secretary General, Autonomous Unions Federation, State of Tachira*

PLM: Freedom for oil union leaders!

The following statement was issued on Jan. 10 by the National Executive Committee of the Mexican Labor Party (PLM):

The arrest of oil workers union leader Joaquín Hernández Galicia, together with other oil workers union leaders, was ordered by the usurer banks' Eastern Liberal Establishment controlled by the Scottish Rite freemasonry, which worships Satanism. Contrary to the charges made against Hernández Galicia, the motive for his arrest is clear and unequivocal: to kill him and thus privatize the state oil company Pemex for the benefit of the creditor banks. The country would thus be submitted to a dictatorship, permitting a looting of the nation worse than the combined dictatorships of Hapsburgs of the colonial era, and Porfirio Díaz.

The threats have been constant: In articles dated Sept. 27 and Oct. 5, 1988, the bankers' official mouthpiece, the *Wall Street Journal*, demanded that Hernández Galicia get the same treatment as Jimmy Hoffa, the U.S. Teamster leader who was kidnaped and murdered. His body was never found.

Previously, attempts were made against Emerico Villarreal, the oil workers leader from Poza Rica, Veracruz; more recently, Lenin Falcón, oil workers leader from Tabasco, was assassinated.

Together with these threats and assassination attempts, creditor proposals to privatize the entire Mexican state sector, particularly Pemex, have become more open and outrageous.

On Jan. 9, 24 hours prior to Hernández Galicia's jailing, national newspapers published an article by the nefarious Henry Kissinger, in which he proposes that U.S. President-elect George Bush take Mexico as a "test case." Kissinger says "it makes no sense that state capitalism continue to reign supreme south of the Rio Bravo . . . privatization, the free entry of capital flows and the reduction of government regulation, must be primary elements of such a program."

The new phase of the so-called "restructuring of Mexico's foreign debt," begun by Finance Minister Pedro Aspe, is directed toward the same end.

In a study allegedly prepared for Aspe, the economists from the Massachusetts Institute of Technology, Rudiger

Dornbush and Nobel Prize winner in economics Franco Modigliani, propose total privatization and Mexico's incorporation into a North American Common Market together with Canada and the United States.

His so-called "Interest Recycling Plan" proposes that interests on the foreign debt be paid in national currency and that these funds be used by creditors to "invest" in Mexico. The role of the Mexican government in this scheme would be to "guarantee a broad liberation of investment opportunities."

Debt moratorium: Hernández Galicia

Contrary to these gigantic steps toward "privatization" of Pemex, Joaquín Hernández Galicia has systematically criticized a government policy that is more attentive to the interests of the country's creditors than to national needs.

In 1986, then-secretary general of the oil workers union Juan Sosa, who was also arrested with Hernández Galicia, told President De la Madrid: "If Pemex sinks, you will sink, we will all sink, Mexico will sink." Thus they criticized the absence of maintenance, upkeep, and equipment as well as the absence of a budget for the company.

In 1988, the oil workers union charged then-director of Pemex Mario Ramón Beteta and Isidoro Rodríguez Ruiz with corruption and with privatizing, by means of concessions, activities of Pemex that should, according to constitutional mandate, have been carried out by the state.

On Jan. 5, 1989, during the traditional New Year's greeting, as he visited Carlos Salinas de Gortari in the presidential residence "Los Pinos," Joaquín Hernández Galicia was clear, judicious, and forceful on the problem of the foreign debt: "Mexico must suspend payments on the foreign debt for one year. . . . The problem of the foreign debt has paralyzed internal investment in our country. We cannot grow if we continue diverting the internal budget to fulfill our foreign obligations. Mexico is becoming a moribund country that will soon die. . . . Mexico is trustworthy but it is not just that the entire budget be taken and that we be left unprotected."

In denouncing the government's actions against the oil workers, Salvador Barragán Camacho, secretary general of the oil workers union said: "Of course this is no present. This is no present for any Mexican."

The fact that the National Army was used to arbitrarily arrest Joaquín Hernández Galicia, who has shown himself to be the most lucid of the country's labor leaders, jeopardizes what the Mexican Revolution bequeathed us, endangers the National Constitution, and places the country on the brink of totalitarian dictatorship.

On the other hand, with all the risks that this implies, Carlos Salinas de Gortari is facing a historic conjuncture: Either he succumbs to creditors' pressures, or he supports the country's nationalist forces and all of Mexico's people to declare a moratorium on the debt.

Afghanistan moves toward partition plan

by Ramtanu Maitra

The Soviet hammer is now poised to fall again on Afghanistan, as the Feb. 15 deadline for Russian troop withdrawal draws near. On Jan. 9, the Pakistan-based seven-party mujahideen guerrilla alliance said it would not hold further talks with Moscow on a future Afghan government until all Soviet troops withdraw. Yuli Vorontsov, first deputy foreign minister and Soviet ambassador to Kabul, told newsmen in Moscow, upon his return from Islamabad on Jan. 10, that "things might take a turn forcing the Soviet Union to postpone the scheduled withdrawal." It is still an open question, whether that complete withdrawal will happen at all.

The Soviet determination to keep a part of Afghanistan, if they cannot get the whole country, is fast becoming a reality. The purpose of bringing Vorontsov into Kabul in November, 14 weeks before the due date for total withdrawal, was to create a crisis within Afghanistan that could lead to its partition, with Moscow keeping control over the northern part.

The one card that Vorontsov—a smooth talker and suave diplomat with friends in the subcontinent—kept out of the pack, was the Afghan groups' demand for the removal of the ruling People's Democratic Party of Afghanistan (PDPA) from any power-sharing arrangement following the Soviet withdrawal. This demand is a crucial one. Vorontsov knew all too well that no Afghan rebel group would accept participation of the PDPA, the party that brought in the Soviet invaders to save their own skins and then participated with the invaders in killing more than 1 million Afghans and driving 5 million more into neighboring countries.

Vorontsov also contacted King Zahir Shah, who for the last decade has lived in considerable comfort in Rome without raising his voice against the Soviet invasion and the subsequent plight of the Afghans. Vorontsov also knew well that it was King Zahir Shah who, while he was in power, allowed the growth of the PDPA and supported the secessionist movement to carve out a separate "Pakhtoonistan" from the western wing of Pakistan.

Soviets learned from the British

The Soviet gameplan, as it has unfolded following the signing of the Geneva agreement on April 15, 1988, bears an uncanny resemblance to the British colonial policy in the

subcontinent. The British succeeded in creating enough hostilities among various political forces within India to get away with partitioning the country. The Soviet plan follows the same line. Unfortunately, there is no Mahatma Gandhi living in Afghanistan to stand up and tell the Soviets: "Quit Afghanistan!"

Vorontsov, who was sent to Kabul to do the same job the British sent Lord Mountbatten to India for in 1946, began to sort out the Afghan imbroglio. Along with Vorontsov, the Soviets sent 30 MiG-30 Flogger D fighter planes and SS-1 Scud missiles which can hit the interior of Pakistan, and moved their SU-24 bombers closer to their own borders with Afghanistan. This message was duly delivered to Pakistan, while the latter was preparing for a general election after 11 years of President Zia ul-Haq's military rule.

Vorontsov set about to exploit the inherent contradictions existing among the various factions of Afghans. The method was akin to that of the British during the last days of the Raj in India, when they exploited a segment of the Muslim population and the contradictions that existed within the Indian national Congress—the main voice claiming India's independence. Indian Communists, as in Afghanistan, collaborated with the occupying power.

While Vorontsov was meeting the Peshawar-based and Iran-based Afghan rebel leaders with the purpose of enhancing hostilities between the groups, Soviet President Mikhail Gorbachov went to New York to lay down before the U.N. General Assembly a new set of conditions for the troop withdrawal. Gorbachov's proposals called for a ceasefire and "neutralization" of Afghanistan through an international peace conference. Following this, Vorontsov made a much-publicized trip to Rome to meet the former Afghan King, asking him to play a role in the post-Soviet Afghanistan.

Needless to say, the Afghans are deeply divided on some of the issues that the Soviets have raised, and the Soviets, in turn, have rejected the rebel leaders' proposal to form a council consisting of all the Afghan factions except the PDPA. The Soviet gameplan has always been to magnify these differences, as the rationalization for why the Soviet troops cannot leave Afghanistan and, eventually, the country requires a partition. The trick is in no way original.

The Soviet plan is to partition Afghanistan three ways. The northern part, which must include Kabul and the Kabul-Termez Road leading to the Soviet border, will be under Soviet control with the PDPA in power, and may even be called the Soviet Socialist Republic of Afghanistan (S.S.R.A.). The western part will be in control of the pro-Iranian Afghans—most of whom are Shi'ites—with the tacit blessings of Iran's rulers. The eastern part will remain under the control of various warring Afghan groups.

In the coming days, Moscow will further intensify its military and political pressure, to keep alive the option of swallowing that part of Afghanistan which they came to grab nine years ago.

Chemical warfare against Germany

Chemical weapons in Libya are not the issue. It's the German chemical industry that's under fire.

Are German chemical companies really building what one newspaper called "an Auschwitz in the sands" of Libya? So far, no proof has been offered for the charges of West German involvement in what the media call the "Third World's largest complex for production of chemical weapons" at Rabta. But there is plenty of proof, going back years, of the political involvement with Libya of German Foreign Minister Hans-Dietrich Genscher. And the U.S. State Department has no quarrel with Genscher on this score.

The real target of the media campaign is Germany's chemical industry, which plays a leading role in supplying the Third World with pharmaceuticals, pesticides, fertilizers, and insecticides. German deliveries of insecticides and related technologies have come under attack, with allegations that "it is easy to turn pesticides into lethal chemical weapons." The aim of the campaign is tight export controls on German chemical technology.

For the past six years, Genscher has resisted any international action against Libya's Muammar Qaddafi. The call for a boycott came up in 1982 in response to Qaddafi's terrorism against the Americans. Among Europe's foreign ministers, Genscher was loudest in disavowing any action against Libya, then. His argument was that Libya's role in international terrorism was "grossly overrated."

Libyan hit squads killed exiled opposition figures in Bonn, and some of the arrested terrorists were put on trial in a German court. Genscher intervened in the case, arguing for a silent

expulsion of the terrorists, ostensibly in order to protect the lives of Germans working in Libya from "potential retaliation."

Germans working in Libya? Yes. West German businesses were encouraged by Genscher to invest in Libya, which became one of Germany's major suppliers of crude oil. The political preconditions for an increased German investment in Libya were set, and expanded, by Genscher personally. He is to blame.

But Genscher has come under no real attack by the U.S. government. Genscher has even joined U.S. calls for prohibitive laws on German "sensitive chemical exports." In spite of media stories about "clashes between Bonn and Washington," Genscher and the State Department are on good terms on the chemical question.

They are in full agreement that non-proliferation of advanced chemical technology is to be put on the international diplomatic agenda. This is also in line with the policy of the Soviets, who have warned that there can't be nuclear disarmament as long as there is a "gray zone" in the chemical realm, which allows "chemical weapons to be the poor man's nuclear bomb." The same argument has surfaced in Washington, Paris, and Bonn, in the current debate on Libya and chemical weapons.

It is a well-known fact that both the United States and the Soviet Union are developing a new generation of chemical weapons, the so-called "binary potentials." Unlike the lethal substances Lost, Tabun, and mustard gas, the binary weapons consist of two chemicals, neither of which is lethal

unless the two are brought together. It is much easier to store and transport these new weapons, and both superpowers find it sensible to get rid of the older chemical weapons. Exclusive control over binary weapons technologies is only possible, naturally, if others are prevented from getting them.

This debate is proceeding almost the same way as did the international debate on nuclear non-proliferation during the 1960s, when the U.S. and the U.S.S.R. began modernizing their nuclear arsenals. The Nuclear Non-Proliferation Treaty that was signed in 1968 did not reduce the arsenals of the nuclear powers, but limited Third World access to nuclear technology in general, and curbed West German nuclear technology exports to the developing countries.

Memories are still fresh in West Germany of the years 1976-77, when President Jimmy Carter charged the German nuclear industry with supplying Brazil with sensitive technologies that would serve a nuclear bomb project there. When the Germans protested against these allegations, Carter imposed an embargo on U.S. deliveries of nuclear fuels and technology to West Germany.

This embargo was accompanied by the growth of the radical-ecologist movement of the Greens in West German politics. As the role of Carter's zero-growth *Global 2000* report and the Soviet KGB's control of the Greens show, the rise of the Greens was a joint East-West project, used to influence policymaking in Bonn. The same Greens are fully activated on the "c-weapon" issue now.

One of the main results of Carter's blackmail was that within a few years, Germany's nuclear industry had pulled out from much of the Third World, and even from European countries like Spain and Turkey.

Save Brunelleschi's dome!

The Schiller Institute has addressed an urgent plea to the authorities to reverse the damage done in 1979.

Just before the close of 1988, a ceremony was held at Palazzo Pitti in Florence to mark the beginning of restoration work on the 16th-century frescos by Vasari and Zuccari in Santa Maria del Fiore, the celebrated cathedral of Florence. Italy's press reported this with great fanfare; but in the midst of all the mutual plaudits for this event (which has been gestating for a decade!), it was forgotten that the primary and most urgent restoration that has to get done is not the work on cleaning the frescos, but that on the structure of the dome itself.

The dome built by Filippo Brunelleschi between 1418 and 1436, the most famous dome in the world and the model for all other Western domes thereafter, is rapidly being deformed, because of the pressures put on it by the reinforced concrete which was put into all 48 of the staging-holes around its octagonal base.

In December 1988, the Schiller Institute of Italy held a press conference in Rome with Prof. Lando Bartoli, an architect who is one of the world's experts on the Brunelleschi dome. Early in 1989, the Schiller Institute sent a letter to the authorities in charge of preserving this world-famous monument, asking:

1) That the Superintendency of Monuments of Florence present the tests of the scaffolding of the dome, to prove that it really functions. In fact, according to journalistic sources, and despite the "launching" ceremony for the restoration, the relevant Local Health Unit has not approved the scaffolds, because the official testing of

their statics has not taken place! On this important question, which was the subject of a query by a journalist during the Palazzo Pitti ceremony, the authorities did not even give an evasive answer.

2) Information is sought on the photo album which has been mentioned several times in the memoranda of Professor Bartoli, which was handed over in 1938 by the Commission of Father Alfani and Pier Luigi Nervi to the Superintendency of Monuments of Florence, and which contained the documentation of the status of the dome at that time.

3) It is stressed once again that it is urgent to free the obstructed staging holes by some provisional, but expeditious, solution. This solution is more urgent than restoring the frescos.

4) The data resulting from the recording systems installed and managed by the ISMES company, to document contraction and expansion of the masonry of the dome, must be made public, together with the Superintendency of Monuments's figures, and with those of the Cathedral Works, such that taken all together, these data can lead to a clear judgment of the phenomenon which is still going on and which is being kept under the most absolute silence.

5) The restoration of the frescos, if it is not to be postponed, can be carried out simultaneously with the intervention to free the staging-holes, which has been so long delayed.

6) The figures put together by Bartoli, and those gathered so far in 1988 show that the entire base of the dome

is becoming deformed. The octagon of the base is spreading out under the pressure of the perceptible spreading of the holes which have been filled with cement and iron.

7) What is hidden behind the curtain of silence which has fallen over the entire problem? Does no one realize that this is a guilty silence? Could one not hypothesize the crime of *ideological fraud*?

That sums up the letter. Attentive observers have asked various questions about the illogical behavior of the authorities, including the really singular actions of the Cathedral Works, which is the "landlord," (the real owner being the Archdiocese of Florence, through the Works), is acting as though nothing were going on in their own house, as if the responsibility for actions or omissions concerning the damage to the dome would not be attributed to the first responsible one—the landlord.

One also wonders what the administration of ISMES thinks about the problem. ISMES had the job of installing the reporting systems placed on the dome as well as gathering the data and "processing" it. Is it possible that ISMES never suspected anything serious was happening to the dome? And for what reason have these data been kept secret for months, and not been communicated to the Commission for the Dome, a commission which, still today, is responsible to the Ministry of Culture for studying the "stability" of the cathedral complex, and which has not been dissolved, even though it has not been functioning for months? To whom or to what agency is ISMES supplying its readings, since it is not giving them to the Commission? Should not ISMES be concerned about the fact that somebody could officially ask them for an accounting of what they do?

Nervous about decoupling

French spokesmen for a "New Yalta" deal are ants about what the Russians plan for their future, but. . . .

Let's stop cheating. Our days are numbered; our future is being played away before our eyes. If the Federal Republic of Germany pursues its current evolution all the way, Europe will go from the Atlantic to the Urals, in other words it will not exist, and it will be in the 21st century what the Balkans were in the 19th." This solemn warning about "Europe 1992" is all the more striking because it came from an unexpected quarter: This is a quote from *The Great Illusion*, a book published the first week in January by Alain Minc.

"The debacle of the political commissar [in the U.S.S.R.] does not establish the joyous advent of the manager, the information expert, and the jurist, because it may also be the prelude to the return of the high priest, the Sufi, the Dostoevskian *Starets* and the plunge along the pathways of the 'faiths in Christ' into the Third Rome, heir to Byzantine caesaro-papism." This analysis of the greater risk which is arising today in the East is all the more amazing, as it comes from Régis Debray (*New Perspectives Quarterly*, of Los Angeles, repeated by France's *Libération* daily).

Minc, chairman of the Society of Readers of *Le Monde*, who defended up and down some weeks ago a policy of opening up to the East, is the right-hand man in France of Italian financier Carlo De Benedetti, author of the proposal to bail out Gorbachov with a "Marshall Plan for the East."

As to ex-presidential aide Régis Debray, his "revolutionary" past as the companion to South American terror-

ists is well known.

Thus, in the bosom of the Paris hack writers' elite, the reality principle is manifesting itself: Minc and Debray now realize—as usual, "sniffing the winds of the time five minutes before the others," as Mrs. Alia correctly noted in *Le Nouvel Observateur*—that Soviet pressures are a threat in the face of "American weakening and German vacillation."

We are all the more in accord with this diagnosis, since we formulated it ourselves more than five years ago.

However, Mr. Debray's only proposed solution is a nationalism without substance or depth, a nostalgic return to the spirit of 1981—or for that matter, 1848 or 1793. That doesn't weigh much in the face of the Soviet system, especially since, like his New Right admirers, Debray rejects the United States not only as it currently is, but as it ought to be.

As to Mr. Minc, his analysis goes further: "Decoupling from the United States is a reality, the repositioning of Germany in the center of Europe is a fact. . . . The system [of European security] of yesteryear presumed a balance of forces between the great European powers; today's postulates the crushing superiority of one of the players [the U.S.S.R. vis-à-vis France]. This is no security system; it's a latent tool of domination. Thus on the economic level there is set up, at Germany's instigation, that 'common house' between East and West which Gorbachov wishes for."

This remarkable analysis was echoed by Minister of European Af-

fairs Edith Cresson: "To properly center our European project, from now on we must balance Germany. This necessary counterweight can be carried by France, a politically and economically strong France, a France tied to the Mediterranean, a France as a factor of independence, equilibrium, and stability for all of Europe to come."

Where does this analysis lead? With Minc, to praise of the European Commission in Brussels, the very body which is preparing for the destruction of Europe's nation-states. He recognizes all its defects—"giant bureaucracy," "uncontrollable tower of Babel," "technocratic vision," and yet, he still perches on this "broken down horse." Yet, says he, "subjected to a college of qualified commissioners, awakened by the extraordinary shaker-up of bureaucracies which Jacques Delors can be, it has regained trust and effectiveness. . . . It is the only possible administration for managing new skills, but it is also . . . the only embryo we can envision for a European government."

Bureaucratic supranationalism thus appears to Minc as the only possible framework: after his brilliant analysis, what a fall!

What is going on in the circles Minc speaks for? The danger and the way the wind is blowing are well perceived—"the end of the postwar period"—but they don't want to give up the master who holds the soup bowl. The bowl in this case, is the financial profit from which the De Benedettis, the Ferruzzis, the Cargills, and their ilk operate; and these cartel operatives need a hunting-ground that is bigger, and administrated "from above": They can't dispense with the helping hand of a multinational bureaucracy.

So they hope that the enemy pawing the ground in the East does not notice that they are riding on a broken down old nag!

The enemy of my enemy. . .

The Anti-Defamation League capitalizes on a short-sightedness in the foreign ministry.

On Jan. 5, three high-level representatives of the Anti-Defamation League of B'nai Brith (ADL) left New Delhi for Bombay after talks with top officials of the External Affairs Ministry, including Foreign Minister Narasimha Rao. Though officially billed as "private," the visit marks a significant advance in the Mossad plan to get a foothold in India—a plan which has been implemented by the Zionist lobby in the United States though the Indian embassy in Washington.

By contrast with the secret visit of then-Israeli Foreign Minister Moshe Dayan with then-Prime Minister Morarji Desai in 1977, ADL national chairman Burton Levinson, national coordinator Jess Hordes, and Washington office chief Abraham Foxman visited the capital openly. Their meetings, which also included parliamentarians and selected journalists, were noted in the press, though government spokesmen refused to comment on the talks.

The general impression that the visit is part of a process to establish full diplomatic relations between India and Israel is most certainly misleading. The state of Israel—which India recognized in 1950, but declined full diplomatic relations—is one thing. The ADL is quite another, and India has particular reasons to be more than cautious when it comes to this particular creature: Leaders of the ADL and individuals in its orbit have been instrumental in promoting the cause of Sikh separatism.

For instance, Ecuador's recognition of the "Khalistan Government-in-

Exile" of Dr. Jagjit Singh Chauhan and the plan to establish "Eretz Punjab" on some 30,000 acres of prime cocaine-growing land in Ecuador, which came to light in July 1985, was entirely the handiwork of the Mossad and its agents in the ADL. Ecuador had become South American headquarters for the Mossad in 1977, when Israeli Gen. Rehavan Ze-evi, a counterterrorism adviser to Menachim Begin, emigrated to Quito.

Among the leading figures in the plan was Rabbi Morton Rosenthal of New York, director of the ADL's South American division, and reputedly among the top 10 Mossad operatives in the Western hemisphere. Rosenthal's friend, then director of the U.S. State Department's Human Rights Division, Elliott Abrams, was in on the scheme, which was projected to pave the way for U.N. recognition of the Sikh terrorist leadership.

Abrams included a justification of Sikh separatism in the 1985 State Department Annual Report to the House Appropriations Committee, in defiance of the Reagan administration's opposition to Sikh terrorism.

Rosenthal is a business partner and close political associate of the Anglo-Soviet spook Jon Speller—exposed in *EIR's* book *Derivative Assassination: Who Killed Indira Gandhi?*—who sponsored all of Chauhan's tours of the U.S. as part of an effort to dupe the American government into aiding and abetting the Khalistan movement.

Speller was also the link for Sikh terrorists to weapons supplies via the British Lord Bethel's "Free Afghani-

stan" operation. And it was the Mossad that played the key role in linking Sikh terrorists with Islamic fundamentalists in Canada, and in facilitating arms smuggling through that country.

Ironically, this same crowd has now been laundered to Indian officials as "friends of India." Congressman Stephen Solarz (D-N. Y.) has used his position as head of the House Foreign Affairs Subcommittee on Asia and the Pacific to orchestrate this magic show.

Solarz was instrumental in promoting the first congressional forum on "human rights violations against the Sikhs in India"—pulling out at the last minute, perhaps to enhance his image as the "friend of India." He also arranged for Prime Minister Rajiv Gandhi's meeting with the Conference of Major Jewish Organizations in New York last June.

There the prime minister promised that relations with Israel would be upgraded, as indeed they were in September when the Israeli consulate in Bombay, closed in 1982 when the consul attacked Indian foreign policy in an interview, was reopened.

Solarz's success cannot be attributed to his own cleverness. Nor is it the case that Indian officials do not know the facts stated here. Most likely, Solarz offered the chairholders in the Washington embassy something they couldn't refuse: a big fuss in Congress over the "Pakistan bomb." The Foreign Ministry's obsession with Pakistan evidently did the rest.

Prior to his recent groundbreaking visit to Pakistan, Rajiv Gandhi secretly sent an emissary from his own staff, because he could not trust the Foreign Ministry mandarins on the subject of Pakistan. Whether he follows through on the implications of his own insight, to put the ADL overtures in the "national security risk" category, remains to be seen.

Weapons for drugs . . . again

Interception of two vast weapons shipments to Colombia's guerrillas bares once again the narco-Soviet link.

Two large clandestine shipments of weapons from Europe to Ibero-America have been intercepted since the beginning of 1989. The shipments were paid for with illegal narcotics profits and were destined for Colombia's guerrilla movement. The size of the shipments, one of them alone worth \$8 million, suggests that Soviet irregular warfare against the geostrategic Andean Spine may be slated for a final showdown this year.

The first shipment, including 1,000 long-range attack rifles, 250 machine guns, 10 grenade launchers, 600 grenades, and an undetermined number of pistols, was bought from the Hecker und Koch company of West Germany, shipped by boat from Portugal to Jamaica, and was to be flown from there to the Colombian region of Uraba, which is dominated by the Moscow-linked FARC guerrillas.

Alerted by Colombian military intelligence which had been following the deal since its planning phase in January 1988, the Jamaican authorities seized the shipment and the smugglers. The shipment was transported to Colombia by Colombian Air Force jet. The arrested smugglers, both Jamaican and Colombian authorities say, worked for the cocaine-running Medellín Cartel, and had reportedly paid cash for the weapons in Portugal in exchange for a shipment of cocaine from the FARC.

While FARC chief Jacobo Arenas issued a communiqué denying the weapons were his and charging a military conspiracy to discredit the guerrilla group's peaceful vocation, Colombian Defense Minister Gen. Man-

uel Jaime Guerrero Paz charged in a Jan. 10 press conference that the FARC's unilateral declaration of a Christmas truce was clearly a cover for smuggling the weapons in.

A second shipment of weapons was purchased, also from Hecker und Koch, by a German arms dealer based in Belgium. The payment was made through a letter of credit drawn on an East German bank, and the crates of guns embarked from the East German port of Rostock. The scheme was thwarted by the British government.

Drawing the obvious conclusions, the Bogotá daily *El Espectador* editorialized Jan. 10, "Once again the alliance between that irregular militia and the drug trade comes into the public light. And not just in any old way [but] to warn us, among other things, of the sinister presage of its eventual domination. . . . One last question: Where does this leave the much-crowded-about peace talks?"

El Espectador's final point goes to the heart of the tragedy playing itself out in Colombia. Even as the defense minister identified the FARC's pretended truce and professions of peacefulness as a smokescreen for escalating its war, the Barco government was pushing ahead with its fantasy of "dialogue" with the M-19 guerrilla group. On Jan. 11, the government co-signed its first peace treaty with M-19 chief-tain Carlos Pizarro León-Gómez, which pledged "democratic reforms" in exchange for "demobilization" of the rebels.

Although the Barco government made much of the fact that the M-19 had been singled out for special treat-

ment because it had proven its peaceful vocation "by word and deed," every Colombian knows that the M-19 operates within the same umbrella organization, the Simón Bolívar Guerrilla Coordinating Council, with the FARC and its equally bloody EPL and ELN terrorist partners.

In fact, during the M-19's three hours of talks with presidential peace adviser Rafael Pardo Rueda, a document written by Pizarro León-Gómez was read, demanding that the government's willingness to hold a dialogue be extended to the entire Coordinating Council since it is "absolutely united." FARC chief Arenas told the daily *La Prensa* that same day, "The government and its advisers think that it is better to speak to us individually and I say they are wrong. [The Coordinating Council] has accepted the foundations of a political philosophy based on unity . . . [and] I could not subscribe to any agreement without approval by the entire Coordinating Council."

Demonstrating its credentials for inclusion in the government/M-19 dialogue, the FARC began the new year by invading a cement factory in Antioquia department, and stoning to death six plant directors who were allegedly working with the Armed Forces in the area. And, lest the M-19 convince the naive that it is the "good boy on the block," the reader is reminded that it was the M-19 which, in 1986, stormed the Colombian Justice Palace, slaughtered half the Supreme Court, and gutted the national legal archives—all on orders of the drug mafia. It was also the M-19 which only last year kidnaped ex-presidential candidate Alvaro Gómez Hurtado, murdered his bodyguard, and blackmailed the government into initiating a "peace dialogue" as Gómez's ransom price.

International Intelligence

U.S. to become Maghreb power?

In the wake of statements by commander of the U.S. Air Force-Europe Gen. William L. Kirk, that the U.S. Air Force might pull out of Germany because of limitations on low-level training exercises there, intelligence sources have told *EIR* that Morocco would be the favored alternative.

If North Africa is to be a new basing location of U.S. forces, the sudden decision by Washington to engage in confrontation with Qaddafi's Libya is thrown into a new light.

Morocco has been considered an "appendix" to NATO forces in the Mediterranean for some time. In recent years, the United States has been involved in building major air bases there, as well as relays for NASA.

In 1987, Morocco was mooted as an alternate site for the 72 F-16 jet fighters expelled from Spain and eventually relocated to Italy.

In late 1988, the Libyan-sponsored Polisario Liberation Front separatists in the former Spanish Sahara, now part of Morocco, used a SAM-7 to shoot down an American DC-9 involved in locust spraying operations in the southern desert. It is obvious that should the U.S. Air Force move into Morocco, it cannot afford to be under threat from the Polisario Front.

The sources also point out that Gen. Vernon Walters, the incoming Bush administration's ambassador to West Germany, is a Maghreb specialist, and on particularly close terms with Morocco's King Hassan.

So, these intelligence sources say, look for Qaddafi to be overthrown in the near future.

Satanists send delegation to Moscow

The Lucis Trust, the U.N.-linked umbrella organization for the satanic "New Age" movement, is sending its first "fact-finding mission" to the Soviet Union during 1989,

a Lucis Trust official has told *EIR*.

The Lucis Trust, which boasts such luminaries as former Defense Secretary Robert McNamara on its board, was formerly called the Lucifer Trust, and is a central institution in what a British intelligence insider called the "Jack the Ripper Freemasonic network." For related reasons, the organization is enthralled by Russian "culture." The official said that the Lucis Trust has deep historical connections to "Russian spirituality."

This Lucis official also expressed considerable enthusiasm for Mikhail Gorbachov's Dec. 7 United Nations speech, exclaiming, "Gorbachov has made the impossible possible," by appealing to "ecological concerns" and to the "ecological movement," thus helping to bring closer the "new world order" for which Lucis and its collaborators are striving.

Lambsdorff says Pope is being 'irresponsible'

Trilateral Commission member Count Otto Lambsdorff, former West German finance minister, launched a malthusian attack on the Pope for his effort to block genocide against the world's black, brown, and yellow peoples. He charged John Paul II with acting "irresponsibly on the issue of population growth in the Third World," in a speech at the convention of the liberal Free Democrats (FDP) in Bonn Jan. 6.

Count Lambsdorff, who is the national FDP chairman, attacked Pope John Paul for repeatedly issuing, "in view of all the need and misery he is certainly taking notice of, the Church slogan: Be fruitful and multiply." The Pontiff, Lambsdorff charged, is closing his eyes to "reality" in most developing countries, which are incapable of feeding their growing populations.

Lambsdorff said population growth in the Third World, and the abundance of children, are also the main cause of the "massive and nefarious cutting of the tropical rain forests in Brazil," because "fuel and food for an increasing number of people" are required.

He made no mention of his friends' efforts to prevent Third World nations from receiving more advanced energy and other technologies for development.

Terrorist incidents reported in Russia

Leningrad sources claim that "neo-Nazis" may have been responsible for three mysterious explosions in the city on New Year's Eve, which created scenes of horror there.

According to an account in the Jan. 7 London *Independent*, one bomb was thrown into a crowd on the main avenue, Nevsky Prospekt. *Sovetskaya Rossiya* commented, "The city has never before seen such a wicked crime," especially as half a million people were out on the streets for the New Year festivities.

Meanwhile, two other bombs shattered windows of houses on two of Leningrad's most famous streets. "The affair is mysterious," comments the *Independent*. "One theory is that neo-Nazis were responsible. In a city full of memorials to the victims of the German blockade during the Second World War, this tiny counterculture surfaced a few years ago, and there have been incidents of hooliganism, including the desecration of Jewish graves."

Government resigns in Montenegro

Yugoslavian party and state leaders resigned *en bloc* in Montenegro Jan. 12 in the face of mass demonstrations in the capital of Titograd. Witnesses said tens thousands of people danced and sang when the resignations were announced, shouting "Montenegro has risen."

Montenegro, with a population of 600,000, has over 110,000 people living below the poverty level, with an average monthly wage of less than \$80, unemployment running at 25%, and inflation over 250%.

The protests in Titograd had begun a day earlier when 1,500 factory workers demon-

Briefly

● **KRASNAYA ZVEZDA** (*Red Star*), the Red Army newspaper, reported unprecedented criticism of top Soviet military leaders, at a meeting of the "party committees and activists of the General Staff." "Meaningful criticism" was leveled at four of the five deputy chiefs of staff.

● **SIKH MILITANTS**, pledged to avenge the execution of Indira Gandhi's assassins, gunned down 14 Hindus in two attacks in the north Indian state of Punjab on Jan. 7. The assassins had been executed a day earlier in New Delhi. In one atrocity, the Sikhs shot dead 10 poor farmhands, and in another, killed four brick kiln workers.

● **SAUDI DIPLOMATS** are being assassinated by Islamic terrorist groups thought to be linked to Iran. The groups claiming responsibility are the Soldiers of Justice and the Islamic Holy War in Hejaz. The latest casualty was a secretary at the Saudi Embassy in Bangkok, Thailand.

● **ISRAEL** and China will increase contact through their United Nations ambassadors, Israeli Foreign Minister Moshe Arens said Jan. 9. This is one result of "hallway meetings" at the Jan. 7-11 chemical weapons conference in Paris. Arens met with Chinese Foreign Minister Qian Qichen there. Israel and China do not enjoy diplomatic relations, but have extensive ties in the areas of arms and drugs.

● **JAPANESE** Foreign Minister Sosuke Uno will visit Moscow in May. In March, a working group on a Japan-Soviet peace treaty will meet in Tokyo. Ministerial talks are ongoing around five bilateral accords suggested by Soviet Foreign Minister Shevardnadze during his December visit: environment, space utilization, economic cooperation, investment, and banking.

strated, sparking a protest march of 30,000, under slogans calling for an improved supply of food and consumer goods, more democracy, and replacement of the leadership. The march culminated in an attempt to storm the building of the provincial government in Titograd. Many injuries were reported from the ensuing clashes with police and militia.

In the Jan. 12 protest, as many as 120,000 people poured into Titograd from across the republic, and besieged government buildings.

Tanjung, the federal news agency, said the entire Montenegro government tendered a collective resignation, as did Montenegrin delegates on the Yugoslav Politburo and a Montenegrin member of Yugoslavia's collective state presidency.

Unrest is also reported in other parts of the country, primarily from the larger cities Split, Zagreb, Undine, and Dubrovnik.

Gorbachov warns against 'panic'

Mikhail Gorbachov has issued his second warning in as many days against "panic" in the Soviet Union about the collapsing economy. "There is no basis for pessimism, dependency, let alone panic," he told a group of Russian intellectuals Jan. 6.

Gorbachov attacked both the left and right opposition to *perestroika* after he was compelled to admit that the economic and social structures of the empire are breaking apart.

"In the latest period," he said, "we saw a very critical evaluation about the situation coming from the population, from the press, and some experts. People have denounced the lack of food in the shops, the lack of merchandise in general, the queues in front of the shopping centers, and the lack of apartments. People tend to identify these problems with *perestroika*, but it is not responsible. The heavy heritage of the past is guilty."

Meanwhile, Gorbachov's reforms have been attacked, and the KGB called upon to shut down civilian unrest, in a series of

"reader's letters" to Soviet newspapers. Apparently leading as a mouthpiece of calls for a Stalinist solution is *Sotsialisticheskaya Industriya*, whose editors reported that "many such letters" had arrived.

"I think," wrote one reader from Dagestan, in the Russian Republic, "that in Stalin's time, the fight against such phenomena was conducted more efficiently." The police and secret police should begin to intervene, he wrote. "You were supplied with weapons and power. Act as the situation requires, therefore."

Soviets tighten AIDS testing of foreigners

Effective Feb. 1, foreigners visiting the Soviet Union for more than three months will have to undergo an AIDS test unless they can produce a certificate proving they are free of the disease, the Foreign Ministry announced in the second week of January.

Spokesman Gennady Gerasimov said that anyone carrying the AIDS virus will be "requested" to leave the country. "The Soviet Union is still lagging behind in terms of AIDS cases and we do not want to catch up. Hence our concern."

By the end of 1988, some 17 million Soviet citizens had been tested, of which only 112 carriers are officially reported. The Presidium of the Supreme Soviet had decreed compulsory AIDS testing for both Soviet citizens and foreigners in August 1987. Gerasimov said that the new regulations adopted Jan. 5 were a modification of the 1987 decree. It is not clear from Gerasimov's statement whether the U.S.S.R. intends to begin testing at all the country's ports, airports, and land borders on Feb. 1.

All Soviet citizens who leave the U.S.S.R. for more than a month are also to be tested upon their return, cancer researcher Dr. Nikolai Trepeznikov told a London *Guardian* correspondent in Italy.

The *Guardian* notes that the World Health Organization is opposed to any form of screening for the HIV virus—but will the WHO, which is Soviet-dominated, oppose the Soviet move?

Soviets' 'LaRouche' dossier: their attacks on adversary #1

by Rachel Douglas

In an interview televised nationally in the United States on Nov. 5, 1988, Gen. Paul-Albert Scherer (ret.), the former chief of military counterintelligence for West Germany, remarked that the economist and political leader Lyndon H. LaRouche, Jr. had become "deadly enemy number one on the KGB's list of Americans alive today." The Soviets themselves have given ample indication, even in their printed utterances, of why this is the case.

Before 1983, Soviet actions vis-à-vis LaRouche fell into three classifications: 1) attempted assassinations, kidnappings, other "rough work," and libel and slander campaigns in their own and the foreign communist press; 2) attempted penetrations of organizations with which LaRouche is associated; 3) collaboration with Western agencies in joint covert operations against LaRouche and his associates. In the late 1970s and early 1980s, Soviet publications limited their references to LaRouche to certain policy areas in which he and his associates were active.

On June 22, 1983, for instance, the weekly *Literaturnaya Gazeta* carried an analysis of the Iranian revolution by Prof. Rostislav Ulyanovsky, a top official of the Soviet Communist Party Central Committee's International Department. Ulyanovsky attacked the book *Hostage to Khomeini*, commissioned by LaRouche and described by Ulyanovsky as "published in New York in 1980 in connection with the election campaign," for going "beyond the limits of credence" in its exposé of the Carter administration's abetment of Khomeini. The next month, in a feature on the assassination attempt against Pope John Paul II, *Literaturnaya Gazeta* described the newspaper *Neue Solidarität*, put out by LaRouche's as-

sociates in Europe, as "the West German Branch of an American subversive institution."

During 1981 and 1982, Soviet agencies probed the possibility that LaRouche might be a useful, additional back-channel to the Reagan administration. Once President Reagan announced a new strategic doctrine, on March 23, 1983, Soviet agencies ordered all contact with LaRouche et al. broken off. They assessed LaRouche as the intellectual author—as one East German magazine was to say in so many words—of the new U.S. Strategic Defense Initiative and as more dangerous to Soviet interests than the President himself. From that time on, the dossier of Soviet published attacks on LaRouche comprises a record of Soviet hatred of LaRouche's policies, as the antidote to Moscow's drive for world domination, and of their growing recognition of the power of the movement he leads.

The SDI

Literaturnaya Gazeta, October 26, 1983. On Aug. 10 of that year, this Soviet Writers' Union weekly and frequent leak-sheet for Soviet intelligence had published an attack on U.S. military policy by Fyodor Burlatsky, long-time adviser to KGB and party leader Yuri Andropov, and unofficial Soviet liaison to the international nuclear freeze movement. In that article, Burlatsky had attacked the Strategic Defense Initiative in the most violent terms:

"If you allow for a minute that the Americans could be the first to create a somewhat effective space defense system and reduce the effectiveness of the retaliatory nuclear strike, then this would create a practically irresistible temptation for

the American military men and politicians: to inflict a first strike and forever get rid of the adversary. On the other hand, the Soviet Union and its allies would be faced with a totally new military and political dilemma. In other words, space weapons are provocative weapons; they are, absolutely, a *casus belli* for nuclear war.”

On Oct. 26, 1983, Burlatsky wrote a follow-up, in which he attacked LaRouche directly:

“In the responses to my article ‘War Games,’ foreign commentators tried to contest this conclusion [about the *casus belli*]. . . . They pretend that they believe that space weapons, in counterbalance to strategic weapons, are not arms of attack, but means of defense. . . .

“Another response was sent from Wiesbaden (FRG) in the name of some ‘European Labor Party.’ Its headline sounds like this: ‘Beam Weapons: Soviets Threaten Nuclear Strike.’ The problem, as we see, is immediately turned upside down. . . . ‘Burlatsky,’ says the response, ‘a fervent supporter of the nuclear weapons freeze . . . threatens a Russian preventive strike. . . . Instead of accepting Reagan’s proposal for joint development of beam weapons, which the Soviet Union is secretly developing anyway, Burlatsky threatens a Russian preventive strike.’

“Reading these lines, I did not know if I should be indignant or laugh about the amusing and ridiculous maxims of the authors, the conjugal symbiosis of the American LaRouche and his wife, the German Helga Zepp-LaRouche, who come out in the name of the committee of a nonexistent party.”

Izvestia, Nov. 15, 1983. The daily newspaper of the Soviet state attacked LaRouche in an article by its Rome correspondent, N. Paklin, who attended a seminar held by *Executive Intelligence Review* in Rome. It was the first of a slew of articles, expressing Soviet rage at the campaign LaRouche and his associates were waging, for joint work on the Strategic Defense Initiative to be the occasion of reinforcing the Western alliance, which Moscow wanted to dismember. *Izvestia* duly noted the presence at the seminar of prominent military men from several European countries and the United States. Paklin’s report, “Sabbath at the Hotel Majestic,” began like this:

“Outwardly, they in no way looked like cavemen. They were well-dressed, clean-shaven, and their manners were courteous and polite. And the conference hall in the chic Roman Hotel Majestic where they assembled in no way resembled a cave. But all it took was to turn up in that hall and listen to the speeches, and no doubt remained . . . you were among the troglodytes. They came to Rome from various countries, on invitation from a certain Lyndon LaRouche. In the United States, this economist by profession sought to advance his presidential candidacy in the last presidential elections, but burned out in the very first steps. Now he is once again trying to run. As the hobbyhorse of his electoral campaign LaRouche has chosen . . . space weaponry. He



Moscow’s press empire, mobilized against LaRouche. Shown is KGB “journalist” Fyodor Burlatsky.

Terry Lincoln

was delighted with the proposals Reagan made on March 23 of this year, to fill near-Earth space with lasers and other types of ‘total weaponry,’ and now he is sparing no effort in the propaganda of this misanthropic idea. The get-together at the Hotel Majestic showed that both Reagan and LaRouche have followers in the Old World.”

Literaturnaya Gazeta, March 28, 1984. The writers’ weekly attacked an *EIR* seminar held in France, again on the SDI, which was addressed by LaRouche. Author Aleksandr Sabov dubbed LaRouche a fascist:

“Here is another forum . . . ‘The Activity of Franklin Delano Roosevelt in the USA in 1938-1943 and Charles de Gaulle after 1960—Two Twentieth Century Examples Which Inspire Our Movement.’ The organizers of this get-together did not invoke the name of Roosevelt in the sense of honoring him as a champion of dialogue between the great powers! His authority is steered onto a narrow military path: It was under him, they say, that work began on the atom bomb. Charles de Gaulle, too, is exalted only as the creator of the independent French nuclear forces. . . . Such cynical speculations on the heritage of Roosevelt and de Gaulle are resorted to by the U.S.-based ‘International Caucus of Labor Committees,’ which in Europe is called the ‘European Labor Party.’ Even the ‘free’ press directly calls this caucus and party neo-fascist

organizations, protected by the CIA, and calls its leaders, the American Lyndon LaRouche and the Frenchman Jacques Cheminade, 'Führers'

"Had this been altogether a sparsely attended and insignificant meeting, I would not for the world draw a parallel with the forum of intelligentsia from 40 countries [a meeting of Soviet front groups, also mentioned in the article—ed.]. . . . But alas, it was quite well attended."

Pravda, April 2, 1984. The senior commentator for the Communist Party daily, Yuri Zhukov, wrote about the same Paris conference, under the title, "A Colloquium of Murderers."

Kernenergie, January 1985. This East German magazine on nuclear energy published a review of LaRouche's book, *There Are No Limits to Growth*. The reviewer, D. Albert, traced the SDI to LaRouche's thinking:

"Certainly, several reasonable standpoints are put forward: The danger of a global nuclear war threatens life on all continents; the conviction, that the most pressing problems in the world can be solved through technological progress; the conclusion, therefore, that the projections of the Club of Rome fallaciously . . . presuppose a sudden and absolute end of technological progress. Although the author is advised in physics questions by the Fusion Energy Foundation, the book remains essentially stuck below the popular scientific level. . . . The vision of the colonization of Mars by man remains downright vague: agro-industrial complexes under giant plastic domes, and by 2100, about 10 million people on Mars. . . .

"The ideological connection to current imperialist tendencies is clear. The author, co-founder of the so-called Club of Life in 1982-83, is a supporter of replacing the military strategy of deterrence with the strategy of anti-missile systems with beam weapons, so-called ABM systems, i.e., he is a direct forerunner of the doctrine pronounced by Reagan about a year ago, which leads to qualitative rearmament and a possible 'war in space.' We are dealing here with a performance which offers little to the scientist and energy expert, and which is more suited to the analysis of the ideologies of late capitalism, including religious zealotry."

Reagan break with LaRouche demanded

Izvestia, March 12, 1984. In the wake of the European seminars and the first of LaRouche's half-hour television programs for the 1984 presidential campaign, which exposed the Soviet drive for strategic superiority, a TASS item carried in *Izvestia* went public with the "scandal" of LaRouche's input into the Reagan administration. A derogatory program on LaRouche, broadcast by NBC television, provided the occasion for the article, entitled "One More Scandal."

"Under the pressure of irrefutable evidence, the White House was forced to acknowledge the existence of secret ties which the National Security Council (NSC) of the U.S. and the CIA maintain with a neo-fascist organization calling itself

the 'International Caucus of Labor Committees.' This grouping in recent years extended its tentacles from the U.S. into many countries of Europe, Asia, and Latin America.

"Using the methods of Italian Black Shirts and the German Nazis, the 'caucus' headed by its 'Fuehrer' Lyndon LaRouche is striving to undermine the influence of communists and other left forces among the workers and student youth. . . . The scandalous ties of the Reagan administration with LaRouche were exposed in a special report on NBC television. Their proofs were so weighty that the White House did not even try to deny them. 'From time to time,' mumbled White House official representative L. Speakes, 'we meet with different people who have information which might be useful to us.'

"A former NSC representative and currently an advisor to the Reagan reelection campaign, N. Bailey, spoke about some of these details in an interview with the *Chicago Tribune*. Having said that sometimes he met with LaRouche representatives and that he continues to have ties to the 'caucus,' Bailey openly said that the 'help' of the LaRouchites is highly useful since 'they have a fine intelligence network'

"The acknowledgment by the White House not only exposes the true face of LaRouche but it also shows that the current Washington administration does not shy away from the services of neofascist provocateurs."

1985: 'Global Showdown'

In the Summer of 1985, the *EIR* Special Report *Global Showdown: The Russian Imperial War Plan for 1988*, with a preface by LaRouche, swept the intelligence community and military leadership circles of the NATO countries. It was the first internationally circulated exposé of Mikhail Gorbachov, as the man hand-picked by the KGB and approved by the Soviet military, as best suited to fool Western leaders with a charade as "liberalizer" and to apply the so-called Ogarkov Plan to militarize the Soviet and East bloc economies, to sustain strategic superiority. Authors of the report presented its findings at seminars throughout Europe and America, which were well attended by Western military men. In Turkey, where *Global Showdown* circulated, it was later learned that the Soviet embassy convened a press conference for the sole purpose of denouncing the report's Chapter 3.3, "The Imminent Knockout of NATO's Southern Flank," which had exposed the Soviets' military and infrastructure build-up in the Transcaucasus, bordering Turkey.

Paese Sera, August 10, 1985. This Italian Communist paper carried a frantic-sounding report on *EIR*'s Rome press conference on *Global Showdown*, entitled "Attention: The Soviet Union is Going to Attack," and illustrated with a picture of the report's cover.

Literaturnaya Gazeta, July 31, 1985. One theme of *Global Showdown* was that the Soviet leadership looked to 1988, the millennium of the Russian Orthodox Church, as a

mystical milestone in their drive to make Moscow the capital of a new, Roman-style world empire. In this feature, one of the first articles in the propaganda lead-up to the church jubilee, Aleksandr Nezhny attacked *Global Showdown's* analysis, in the person of a *Neue Solidarität* article on the close cooperation between church and state in preparing for the millennium. "From an article published not so long ago in the West German *Neue Solidarität*," Nezhny protested, "one can learn that 'the state has sent student brigades and teams of specialists' to work on the Danilov Monastery restoration. . . . In a word, every sort of malicious nonsense abounds."

Literaturnaya Gazeta, Oct. 30, 1985. The piece of Soviet disinformation that gained the most international notoriety in 1985 was this full-page feature by Valentin Zapevalov on the AIDS epidemic, entitled "Panic in the West, or what is behind the sensation around AIDS." It was here, that the Soviets put out the line that the AIDS virus had been manufactured at Ft. Detrick in Maryland, as an experiment in biological warfare. Appended to the article was a postscript that lashed out at LaRouche, for *EIR* had just published its first exposé of the Soviet role, through the World Health Organization, in covering up the scope of the AIDS plague and thereby stalling measures to stop it. The note said:

"P.S. As we were going to press, a 'sensational' report appeared in the American journal *Executive Intelligence Review*, that the Soviet Union was supposedly blocking the struggle against AIDS. Let us note, that this publication is one of the press organs of the extreme rightist American grouping of LaRouche, known for his ties to the CIA. It is not excluded, that the publication in *Executive Intelligence Review* is nothing other than a clumsy attempt at covering up tracks."

The Palme gambit

Swedish Prime Minister Olof Palme was shot to death on a Stockholm street, on Feb. 28, 1986. An international Soviet disinformation campaign began with no delay, to blame LaRouche for the murder.

On March 1, Soviet Central Committee member Georgi Arbatov, co-founder of the Commission on East-West Relations or Palme Commission, told Swedish correspondents in Moscow: "I do not know who killed Palme, but I know all too well who hated him. I saw demonstrations against him by fascist hooligans, inflammatory articles, and provocations. Reaction loathed Palme." The next day, *Pravda* and *Izvestia* asserted that "right-wing circles" and "Western circles" were behind the hit. Then, left-wing press in Sweden began to report that the European Labor Party in Sweden, associated with LaRouche, was a "right-wing extremist group," under investigation in the Palme case; this campaign crescendoed with the arrest on March 12 of suspect Victor Gunnarsson (later released), whom the police and press inaccurately portrayed as a European Labor Party "member."

Once this disinformation line was picked up in the media all over the world, the Soviets began to play it back, and didn't stop for months:

Radio Moscow, March 19, 1986. Gunnarsson is connected to "the right-wing extremist European Workers' [sic] Party."

Izvestia, Krasnaya Zvezda, March 19, 1986. The government and the military dailies carry a TASS release, which in the *Krasnaya Zvezda* version says, "The Swedish newspaper *Svenska Dagbladet* reports that the arrested 32-year-old Swede appears to be an extreme anti-communist. Since April 1984, he has been a member of the so-called European Workers' Party. This organization is characterized as a 'political sect' with strict discipline, which carries out persecutions of its political opponents. Some years ago, the party started a 'Save Sweden' campaign. Such a 'rescue' would be carried out by Sweden's entry into NATO."

Vremya (Soviet TV), March 21, 1986. "It has become known that the person arrested belonged to the so-called European Workers' Party, an international pro-fascist organization that established itself in Sweden in the mid-1970s. Members of the organization are in favor of Sweden joining NATO and of arming the Swedish Army with neutron weapons. The party headquarters is in the United States. It is headed by a U.S. millionaire, LaRouche."

Izvestia, July 8, 1986. A TASS release in this issue renewed the campaign against the ELP, citing a *Dagens Nyheter* article which said that the statements of one "right-wing extremist" group, which "appealed to the Almighty for Palme's death, . . . have something in common with those of representatives of the reactionary European Labor Party, headquartered in Brussels [sic], who demanded the 'departure of Palme' from his post and who campaign for 'saving Sweden through the country's joining NATO.'"

Soviet TV, Jan. 27, 1987. The smear campaign to tie LaRouche to the Palme murder eventually led to a television docu-drama, broadcast also in Sweden subsequent to this airing, called "Why Did They Kill Olof Palme?" Here, the assassination was tied to shadowy "neo-fascists," who were explicitly identified with LaRouche. Against footage of a 1974 ELP demonstration against Palme's policies, the program quoted Stockholm Police Chief Hans Holmér, "One of the links in the chain of hypotheses is the neo-fascists. Some tracks lead to the European Labor Party." Then, a Soviet actor portraying a "neo-fascist" thug spoke:

"These gallant lads already in 1974 declared, 'We will shoot Olof Palme.' The European Labor Party is already a force, in more than 10 countries; its headquarters is in the U.S.A. Its precise goal is the struggle against communism. Fighting with the reds, they don't forget about the pinks, too! Listen, to what their leader, LaRouche, says: 'Palme was a madman. All his words and actions, his speeches in favor of democracy, are hypocrisy. Behind that mask, is a real devil!'"

The Leesburg raid

The Palme smear campaign fizzled with the release of Gunnarsson, and LaRouche's international clout grew, in the wake of victories by candidates, running on his program, in March 1986 primary elections in Illinois. That summer, a weekly newspaper linked to the newly formed Soviet Culture Fund (a project of Raisa Gorbachova, Armand Hammer, and others) shifted to a new type of coverage. It carried two articles, openly demanding LaRouche be removed from the political arena.

On Oct. 6, 1986, the U.S. Department of Justice raided the Leesburg, Va. headquarters of LaRouche-linked publications and companies, in the armed attack that preceded a barrage of assaults in the courts and the eventual indictment of LaRouche himself.

Sovetskaya Kultura, Aug. 7, 1986. Georgi Oganeyv writes:

"Today, a new name has been added to the list of [American] gentlemen of fortune. The name is Lyndon LaRouche, a typical American nouveau riche businessman, the owner of a large network of financial and credit organizations, who got himself suddenly in the center of attention of reporters dealing with the criminal world of the United States. . . . First Fidelity Bank is suing him for \$750,000, which LaRouche appropriated for himself in one stroke, using the resources of his financial empire. This money has been transferred to his account by credit card manipulation. . . . All this would not be worth mentioning, were it not for one interesting detail. In recent years, Lyndon LaRouche, who professes extreme right-wing opinions, has wanted to assume the role of a political leader to revive America. He even was a candidate for President of the United States. . . . If one U.S. President could get involved in the Watergate scandal . . . why can't LaRouche manipulate credit cards in the fight? . . . Wouldn't he try his luck and combine the useful—all sorts of tricks with credit cards—with the fight for the presidential seat and become a big shot?"

Sovetskaya Kultura, Sept. 30, 1986. A. Sisnev reported at length on the impact on "astonished" politicians, of the LaRouche ticket's Illinois victory. The Soviet author, taking stock of the movement's growth, endorsed a call (cited from the *Washington Post*) for action against LaRouche:

"For a long time, LaRouche was in the shadows. Then, in the beginning of the 1970s, he appeared on the U.S. political arena as a politician proclaiming himself a friend of the American workers, enemy of the monopolies, and friend of the interests of the poor, hungry, and homeless. . . . LaRouche did not limit himself to the U.S. The notorious International Caucus of Labor Committees emerged, with headquarters in Wiesbaden, and subdivisions in several countries of Europe, Asia, and Latin America. Producing dossiers was put on a commercial basis. . . . At the same time, LaRouche did not stop blowing his horn, that he defended workers' rights and the giving of aid to the poor.

"The sums which LaRouche and his followers have control over are kept under very strict secrecy. But the fact alone that LaRouche paid \$3.5 million for his television appearances during the 1984 presidential election campaign speaks for itself. . . .

"For many in the U.S., the really concrete question arises: How is it possible that the LaRouchites can act so openly and fearlessly? In this respect, the *Washington Post* wrote, 'Why doesn't anybody ask the question: Why isn't the Internal Revenue Service interested in the affairs of a man who receives millions of dollars from publications and in the form of contributions, but has not paid any taxes, claiming he doesn't know who pays for his estate in Virginia? Why hasn't anybody clarified, so far, what useful information the administration received from this sheikh of ruffraff?' The fact of the matter is, that behind the external eccentricity and the untrained demagoguery stands in essence an anti-communist, a provocateur, a true servant of 'big business and power.' In reality, the LaRouchites are always in the first ranks of those who spread the anti-Soviet fantasies of official Washington.

"LaRouche and his followers are zealous supporters of the notorious 'Star Wars' program. . . . These obscurantists accuse the forces of progress and democracy in the United States of 'ties with Moscow' And it is not at all surprising, that LaRouche declared his candidacy for the 1988 presidential elections. In a word, LaRouche is now clearly going through a definite period of growth."

Pravda and Izvestia, Dec. 8, 1986. After the Leesburg raid, the Soviets added one more twist to their "Palme" smear campaign against LaRouche. The two leading dailies reported, quoting Irwin Suall of the Anti-Defamation League of B'nai B'rith, on alleged discoveries during the raid (which turned out to be reporters' notebook entries on the Palme case and the Soviet disinformation about it). *Pravda* wrote, "The FBI has discovered ELP documents mentioning the Palme murder," while *Izvestia* embellished, "A few days ago, the FBI searched the Leesburg, Va. headquarters of the far-right organization, the National Caucus of Labor Committees, whose West European branch is the ELP. FBI agents discovered documents, which in 45 instances contain information, relating to the murder of O. Palme. . . . To LaRouche personally, the head of the NCLC, belong the words, 'Olof Palme is a traitor to the U.S.A. and ought to be killed for this treason.' "

'Nazism without the swastika'

New Times, Sept. 15, 1986. In the month before the Leesburg raid, this flagship of the Soviet world propaganda machine offered its state-of-the-art, five-page slander against LaRouche. The title, "Nazism Without the Swastika," was adapted from a pamphlet by professional LaRouche-hater Dennis King, called "Nazis without Swastikas." Assembled by Lev Bezymensky, the packet of articles was followed by commentary from a senior Soviet intelligence figure, Ernst

Henry (a.k.a. Semyon Rostovsky). The concluding paragraph:

“To sum up briefly, groups and organizations like the EWP [sic, European Labor Party is intended—ed.], even if their complicity in the murder of Olof Palme is not legally proved, are a specific form of the fascism of the late 1980s. As an integral component of the much vaunted ‘Western democracy,’ they are in practical terms a tool of the most reactionary forces of international anti-communism. As such these groups are extremely dangerous and must be closely watched by the world public so that their aims and ambitions do not become reality.”

What makes the ELP fascist, according to Henry? “The first and most important is anti-communism. This is a feature of any fascist movement.”

The included report from *New Times’* West German correspondent, illustrated by a popular poster with the slogan “*Frieden schaffen mit Strahlenwaffen*” (Make Peace with Beam Weapons), was an attack on Lyndon LaRouche’s wife, the German political leader Helga Zepp-LaRouche, and on the Schiller Institute and Patriots for Germany, two organizations she helped to found:

“The Schiller Institute founded in 1984 is a strong proponent of SDI. . . . It has four departments: military strategy, economic and scientific cooperation, culture, and history. The institute operates on a grand scale. It does not confine itself to the Federal Republic, but sponsors conferences and symposiums in other West European countries and in the United States. . . .

“In late October 1985 a new grouping appeared on the political scene. The right-wing newspapers carried full-page advertisements placed by ‘Patriots of Germany’ [sic]. What did they propound? The speedy conclusion of an official agreement on the participation of the F.R.G. in SDI (such an agreement, as we know, was signed this spring), and the strengthening of the alliance with the U.S. They were against the revival of detente and called for preventing the ‘red-green friends of Moscow’ from getting into government. To offset this they advocated combating drug addiction and also ‘technological renewal.’ It was not difficult to discern the EWP behind the ‘Patriots of Germany,’ for one of the signatures on the advertisement was that of Zepp-LaRouche.”

To comment on LaRouche’s role in the United States, *New Times* invited an expert from the Institute of World Economics and International Relations, Yuri Oleshchuk. After quoting former Attorney General Ramsey Clark and Dennis King against LaRouche, Oleshchuk fulminated against LaRouche’s programs and endorsed U.S. press slanders:

“It is a well known fact that LaRouche stands for stepping up the arms race, believing it essential to increase the nuclear might of the United States. He is all for SDI, with the emphasis on the nuclear component deployed in outer space. . . .

“The American press regards LaRouche as a rabid anti-Semite. . . . He sees world history and international politics

as a chain of sinister conspiracies with the participation primarily of the Jews, but also the International Monetary Fund, the Rockefellers, the Jesuits, and Henry Kissinger personally. For the general public he has ‘simpler’ demands. For instance, it is proposed that the entire U.S. population be screened for AIDS. LaRouche and his followers call for severe punishment for drug pushers. They promise that if they get into the government they will set up tribunals all over the country to try ‘traitors’ of all kinds. Meanwhile, legal action has been taken against LaRouche and his accomplices on charges of fraud and illegal financial operations.”

1987: The exchange with International Affairs

International Affairs, March 1987. This monthly is published by the Soviet Ministry of Foreign Affairs. Under the headline “Neo-Fascism: Weapon of Reaction,” lawyer Vladimir Pustogarov, an activist in Moscow’s front, the International Association of Democratic Lawyers, penned one of the most scurrilous, lying attacks on LaRouche ever. Concentrating his fire on LaRouche associates in West Germany, he described the European Labor Party, the Schiller Institute, and Patriots for Germany as “an organizational center of neo-fascism.”

He wrote, “The founder of the EWP [European Labor Party] is Lyndon LaRouche, an American neo-fascist who took part in U.S. presidential elections in 1976 and 1984 as a candidate from the so-called Workers’ Party [sic]. . . .”

“The forms and methods of neo-fascist activity differ depending on the political and national traditions in one or another country. . . . In a bid to gain grassroots support, neo-fascists are casting about for catchy political slogans, for ways to influence various strata of the population, especially young people.

“It is not by chance that Western journalists have dubbed the European Workers’ Party and other right-wing extremist organizations ‘Nazis without a swastika.’ That fact that neo-fascism is trying to disguise its true essence and resorts to new methods tends to increase the neo-fascist danger because their ‘new image’ demagoguery, skillfully using topical political and social issues and popular demands, has a better chance of deceiving the masses.”

But Pustogarov not only feared an alleged “neo-fascist” like LaRouche taking over the presidency. He was concerned that LaRouche might have power over the presidency already! He wrote, “Today, there has emerged a new danger, namely, the danger of neo-fascists gaining access to nuclear weapons. . . . One can imagine a neo-fascist political maniac . . . gaining access to the circle of people who have access to the nuclear arsenals and might gain control over them. In this way, neo-fascists could gain access without seizing political power. It is an unlikely situation in terms of traditional notions, but it is not as far-fetched as it might appear.”

International Affairs, October 1987. In this issue, there

emerged a discernible Soviet tendency to admit openly that LaRouche is a force to be reckoned with—for, remarkably, *International Affairs* printed in full a letter-to-the-editor sent by LaRouche six months earlier, in reply to the Pustogarov diatribe. The editors introduced the letter, and followed it with a reply of their own.

From this, diametrically different “voices” were evident in the Soviet leadership. The introduction reflected that Soviet leadership current which clearly believes LaRouche correct in his identification of the fundamental issues of this crisis period, whereas the reply returned to the style of the original Pustogarov article.

LaRouche’s letter stated, “In light of the importance of the AIDS pandemic and eruption of the worst financial collapse in history . . . even should I fail to secure my party’s [presidential] nomination, there is a 70-80% likelihood that I shall be a major influence in shaping U.S. domestic and foreign policies.

“Academician Pustogarov and others may believe that publishing even the wildest fantasies against me is politically sound practice, since I am classed as a prominent political adversary of the Soviet Union. The academician overlooks the small point, on which Marshal N. Ogarkov might instruct him, that it is the U.S. and U.S.S.R. which are adversaries, and will probably remain so for the span of two generations to come. Since I am an influential voice among those U.S. figures working consistently for a constructive form of durable war-avoidance between our nations, your journal should think it most counterproductive to frighten Soviet children with the imported, obscene fantasies featured in the identified article.”

The Soviet editors had introduced the letter with the statement, “Had it only been a question of Mr. LaRouche’s squabble with the journal, his letter would not really have been worthy of note. But he touches on some fundamental realities of today, and we therefore print the full text of his letter and our answer to it.”

That’s one Soviet “voice.” But someone else’s “voice” came through in the reply, which in no way addressed those “fundamental realities of today” which LaRouche “touches on.” The reply stated, “It was not immediately that *International Affairs* decided to reprint the full text of the letter from Mr. Lyndon H. LaRouche, Jr. concerning the article ‘Neo-Fascism: Weapon of Reaction’ contributed by Vladimir Pustogarov. . . . This was not due to fear of making Mr. LaRouche’s attacks public, but to the harsh discordance of his letter from the general tenor and the political and analytical standard of the items carried by our journal”—an utter contradiction with the editors’ statement introducing the LaRouche letter!

After leaping to the defense of European Social Democrats, whom LaRouche in his letter identified as actual “neo-fascists,” the editorial reply referred to “*Vorwaerts*, the West German social democratic weekly, which described the EWP

as an ‘anti-democratic, anti-Semitic, racist, and anti-trade union’ organization. Nobody can dismiss this assessment . . . as a ‘wild fantasy.’

“We believe Mr. LaRouche’s letter merely confirms the relevance and timeliness of the article on the neo-fascist danger published in *International Affairs*.”

‘Yankees and Teutons’

Literaturnaya Gazeta, Feb. 3, 1988. Under the headline “Yankees and Teutons: The united neo-fascist party of Europe and the U.S.A. can’t wait to get power,” the intelligence-linked weekly carried a full-page attack on Lyndon LaRouche and Helga Zepp-LaRouche. The byline was Aleksandr Sabov, the journalist who had attacked LaRouche’s Paris speech four years before. It was accompanied by a picture of a Teutonic warrior statue and an American gun-toting Rambo. The number of factual errors and misspellings made it appear to have been rushed into print, and several “quotes” attributed to Mr. and Mrs. LaRouche were simple fabrications.

The article opened by again blaming LaRouche for the Strategic Defense Initiative, especially for the support it gained in Europe. It reviewed the 1983-84 *EIR* conferences in Rome and Paris, Burlatsky’s “*casus belli*” article, and how *EIR* drew attention to it. Sabov rehashed the “Palme” smears, despite the fact that Gunnarsson was long since cleared.

Sabov betrayed Soviet awareness of LaRouche’s growing electoral support. Whereas the Soviet TV caricature of LaRouche, in the “Palme” special one year earlier, had lamented, “Not a single voter supported us,” Sabov now ascribed “already around 10 percent” of the vote to LaRouche.

He wrote, “In 1979, LaRouche dissolved the ‘American Workers Party’ [sic] and created a new takeover group, ‘the National Democratic Policy Committee.’ This time a different strategy was chosen: The group, with lightning speed, infiltrated the Democratic Party of the U.S.A., which was weakened by its failures of the past years. Now it is making the third attempt to win for its leader the party mandate for the 1988 presidential elections. The chances of the ‘eternal candidate for the nomination’ are, of course, insignificant, but when, in March of the year before last, in the state of Illinois’ primaries, two associates of LaRouche were among the winning Democrats, a terrible word swept the ranks of the party: ‘infiltration’! The lists were thoroughly cross-checked: in the primary elections in 29 states, the LaRouchites had fielded 800 candidates! People started talking aloud about a right wing trying to ‘take over the whole party.’

“ . . . ‘Political paranoia’—that is [Western journalists’] unanimous diagnosis cum verdict. But history has already known a case when a maniac with analogous symptoms succeeded. . . . NBC in a program devoted to him called him ‘a small-time Hitler.’ This, of course, is an insult, but to a certain degree also an honor. But is it really so small-time, if literally from the beak of the nuclear lobby, knocked together

by the 'European Workers Parties' of the Old World and the ultra-right 'Democrats' of the U.S.A., the American administration that is in power today snatched the idea of the 'Strategic Defense Initiative'? 'That is the biggest threat to the Russians, and at present it is my biggest victory over them,' LaRouche repeats in all of his interviews. So then, if fate really did raise the LaRouche couple to the pinnacle of power on both sides of the Atlantic, would they really, having generously and recklessly given their nuclear offspring to others, stay there with their hands empty?"

Lastly, *Literaturnaya Gazeta* voiced alarm over the international popularity of LaRouche's programmatic solutions to the world financial and economic crisis, which leave no room for Soviet imperial ambitions:

"The 'European Yankees' and 'American Teutons' . . . also have a jointly developed plan already prepared, for worldwide restructuring. Although they are citizens of different countries, they are united by their affiliation to organizations under the single name, Fusion Energy Foundation. All of them, furthermore, are grouped around *Fusion* magazine, which these foundations publish in Europe and the USA. The journal has bragged of already having a readership of 100,000 on both sides of the Atlantic. . . .

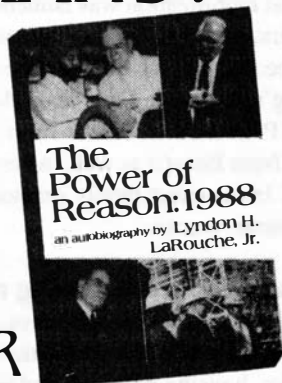
"In November 1982 in Strasbourg, there took place the constituent assembly of the European Committee for Nuclear

Energy; the national foundations, scattered throughout various countries, were set in an all-European glue. The deputy mayor of Strasbourg, François-Georges Dreyfuss, a professor at the University of Strasbourg, delivered greetings to the participants: 'For many years already, we, a small circle of co-thinkers, have been fighting against the economic policy based on the theories of Malthus . . . against the supporters of the Club of Rome, whose concepts have inflicted damage not only on the French, but on the entire European and even the world economy. . . . For our countries, which are experiencing an energy shortage, the only salvation is the development of the nuclear industry. . . . I particularly welcome Monsieur Lyndon LaRouche, the founder of the American Fusion Energy Foundation, a tireless fighter for a new, dynamic policy in the ranks of the Democratic Party of the USA. And also Frau Helga Zepp-LaRouche, for the active engagement of the Club of Life, created by her, which has become truly an Anti-Club of Rome.' "

About *EIR*, "the American weekly of Lyndon LaRouche," Sabov said: "This political-economic journal, like the more "scientific" journal *Fusion*, preaches universal access to modern nuclear technology, as a factor of rapid economic growth and prosperity for all countries. With the exception, it goes without saying, of those who must perish or . . . change completely."

FED UP WITH WASHINGTON POLITICIANS?

Then
Throw
The Book
At Them
(but read it first)



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Food for Peace caravans converge on Washington

by Marla Minnicino

Thousands of people, arriving in buses, caravans, and tractorcades from around the United States, will demonstrate in Washington, D.C. on Jan. 16, the day which commemorates the birthday and leadership of Martin Luther King, Jr. Taking place as the nation's capital prepares for the inauguration of President George Bush on Jan. 20, the march's purpose is to demand economic and political justice in the United States and a pardon for former Democratic presidential candidate Lyndon LaRouche. Participants will include farmers, civil rights activists, ethnic groups, and others concerned about the Soviet-style erosion of constitutional rights.

Sponsored by the Schiller Institute and Food for Peace, the march is intended to show that the very injustices which Martin Luther King fought to eliminate, are now being directed against LaRouche and his supporters. LaRouche and six associates were framed up on bogus "conspiracy" charges and convicted by a rigged jury in Alexandria, Virginia on Dec. 16. Issuing a call for the march, veteran civil rights leader Amelia Robinson, an associate of Dr. King (and who testified on LaRouche's behalf at the trial), noted that although much has been gained since the first nationwide civil rights march held in Washington, D.C. in 1963, in the LaRouche case, "justice has been set aside, and these people's rights have been taken away from them."

To protest these KGB-style tactics, and to draw attention to the U.S. economic crisis, groups and individuals from at least 40 states are mobilizing for the march. Many are bringing with them signed petitions urging President Reagan to grant a full pardon to LaRouche and his six co-defendants. More than 10,000 signatures have been collected and will be presented to the White House following the march. The petition states: "As a nation, we have survived many blunders, but if we allow the perversion of our justice system to serve

political ends, this nation will quickly degenerate as a world force. If they are jailed, LaRouche and his associates will be vulnerable to the kind of fatal accidents in which the KGB specializes. Should this occur, this will go down in history as an intolerable blot on your administration."

March organizers had to wage a battle with the District police in order to receive a march permit for the political demonstration. Washington's bureaucracy attempted to deny the permit, on the pretext that the city budget would not permit funding to provide police manpower for the march. When march organizers pointed out that only a handful of policemen would be required to block steets briefly, the D.C. administration remained adamant. At this point, an international mobilization was launched by civil rights activists and others, outraged that the city would refuse to permit a march in the national's capital on the anniversary of Martin Luther King's birthday. Calls and telegrams went to Mayor Barry and Police Chief Turner from throughout the United States and from Europe as well. After nearly a week of stalling, the D.C. bureaucrats finally granted a march permit down Constitution Avenue.

Grass-roots organizing drive

"Freedom Caravans" have been criss-crossing the country, organizing people to the march from churches, food banks, housing projects, and trade union halls. One tractorcade—a tractor mounted on a flatbed truck decorated with signs proclaiming "No Farm Foreclosures," "Stop the KGB Frame-up of LaRouche"—traversed Pennsylvania, gathering crowds in every county seat it visited from Scranton to Erie. The Pennsylvania Food for Peace tractorcade also made stops in Frederick County, Maryland, and Loudoun County, Virginia, where it was greeted by a rally of 50 supporters

singing "Va Pensiero" from Verdi's opera *Nabucco*, which celebrated Hebrew resistance to Babylonian tyranny. Arriving in Washington, D.C., the Food for Peace organizers, including LaRouche congressional candidate Donald Hadley, who won the April 1988 Democratic primary in Pennsylvania, delivered letters to Sen. Arlen Specter (R.-Pa.), a member of the Senate Judiciary Committee, and Attorney General Richard Thornburgh, urging them to investigate the jury-rigging that convicted LaRouche and his colleagues.

From California, a caravan set out across the country, planning to visit 8 states and 30 cities. One of the high points was a rally and press conference in Dallas at the John F. Kennedy Memorial, a block away from the site where President Kennedy was assassinated. The organizers held posters promoting the D.C. march and urging a pardon for LaRouche. The striking red and black posters showed pictures of Kennedy, Martin Luther King, and LaRouche and proclaimed: "Don't Let Them Kill Again!"

A caravan from Texas is headed by a recently retired Army sergeant and two retired workers. The California caravan is made up of a former Democratic central committee member and his wife and two children.

On the East Coast, another tractorcade made up of a flatbed truck with a tractor, one pick-up truck, and two cars, departed from Brunswick County in the southern part of Virginia, with stops in Lawrenceville, Fredericksburg, and Richmond. In Richmond, they targeted state Attorney General Mary Sue Terry for her role in the political frame-up of LaRouche and his associates.

The caravans and tractorcades have played a key role in breaking the national press blackout on what's behind the LaRouche frame-up. In regions of the country hard hit by the economic collapse, the demonstrators' programmatic demands struck a responsive chord. Their presence in rural areas and small industrial towns commanded the attention of both media and public officials at almost every stop. Prominent articles on the Pennsylvania tractorcade have appeared in the *Scranton Tribune*, the *Delaware Daily Times*, the *Pottstown Mercury*, and the *Johnstown Tribune-Democrat*.

The *Scranton Tribune* quoted Food for Peace activist and former congressional candidate George Eddleston, asserting that "Opposition from LaRouche is why the [international grain] cartel wants to see him put away." The article also quoted Donald Hadley, the candidate who won the 5th District congressional primary, contending that the jury was "slanted" against LaRouche and stacked with government workers. The Jan. 7 *Houston Post* covered a rally outside the Port of Houston led by Harris County Democratic County chairman Claude Jones, under the headline, "Protestors Seek LaRouche Pardon, End of Food Shipments to Soviets." In Illinois, a tour of the Quad Cities area by Midwest Food for Peace organizers drew an article in the *Sterling Gazette*, which reported on the composition of the delegation (an Iowa farmer, a Republican precinct captain, a missionary, and a

"captive nations" leader) and their meeting with an aide to Illinois Congresswoman Lynn Martin. It quoted spokesman Rob Hart saying, "If LaRouche is sent to prison, it is doubtful he will be around in a 60-90 day period to offer advice to solve the pressing issues facing the Bush administration. In effect, President Bush will face the same challenges as the captain of the Titanic just as it was about to hit the iceberg." In Dallas, the tractorcade was met by four reporters when they staged a rally at the John F. Kennedy Memorial.

Meanwhile, in other areas, rally organizers have been drawing together coalitions among people usually divided in the normal course of pragmatic American politics, under the slogan, "Farmers and Eaters Unite." To explain why producers and consumers must join forces to promote increased food production, parity prices for farmers, and an end to the genocidal policies imposed on the Third World by agencies like the International Monetary Fund, farmers are speaking at inner-city churches, food banks, black churches, and soup kitchens. They are stressing that food shortages are the conscious policy of the Soviet-allied grain cartels and the U.S. Department of Agriculture. Two black activists and a Baptist minister toured a cattle-raising area near Frederick, Maryland to urge farmers devastated by the drought and the latest farm foreclosures to join the march.

International support

Prominent voices have been raised in Europe and Ibero-America, denouncing the conviction of LaRouche and his associates as a KGB-style railroad by factions in the U.S. government to eliminate their political enemies. Petitions are being circulated in West Germany, France, Italy, Scandinavia, and Mexico, demanding a presidential pardon for LaRouche, who is known and respected worldwide as a statesman and policy-maker.

As part of this international mobilization, the Paris-based Commission to Investigate Human Rights Violations is organizing a Martin Luther King Tribunal in Rome, Italy, to be held Jan. 19-20, just after the Washington march. The Tribunal will try those responsible for crimes against humanity, and has designated as one of those crimes the LaRouche frame-up.

In Europe and Latin America, rallies are taking place outside U.S. embassies, and telegrams are going to President Reagan demanding that he pardon LaRouche as one of his last acts before leaving office. European leaders have stressed, "There is an overriding security interest to the United States in preserving Mr. LaRouche's life, and his availability to carry on national missions of importance." They note that LaRouche's commitment to the defense of NATO and his push for the Strategic Defense Initiative have "made him the spokesman for those who fear the United States will lack the determination to decisively counter Soviet aggression" and point out that this is why the Soviets have targeted LaRouche as "public enemy number one."

New EPA head William Reilly: an Establishment 'ecofascist'

by Kathleen Klenetsky

Several weeks before the U.S. presidential election, a prominent leader of the American zero-growth lobby predicted that George Bush, once ensconced in the Oval Office, would drop his conservative anti-abortion rhetoric and emerge as a vocal proponent of population control, environmentalism, and the other major weapons of the neo-malthusians. "Bush has always believed in the limits-to-growth ethos," this person explained. "He's had to keep his views to himself over the past eight years, but that'll soon end. We're all very optimistic that he'll put overpopulation and global warming on the top of Washington's policy agenda."

With his nomination of William Reilly to head the Environmental Protection Agency, George Bush seems intent on fulfilling these expectations.

Reilly is not only a devoted member of the "greenie" cult, but, as he indicated at the press conference where his appointment was announced, is also eager to collaborate with the Soviet Union to bring about the new international ecology order which Mikhail Gorbachov called for in his Dec. 7 speech to the United Nations (see *EIR*, Jan. 6, 1989). Reilly had already gone on the record favoring new international institutions to deal with acid rain, the greenhouse effect, and related ecological hoax-issues.

As president of two of the key neo-malthusian organizations in the world, the World Wildlife Fund and the Conservation Foundation, whose merger he engineered in 1985, Reilly has helped further the real objective of environmentalism, the drastic reduction of the world's population, through a host of operations.

For instance, under Reilly's direction, the CF has carried out a multi-pronged attack on "excess" American agricultural production, urging reductions in agriculture output at a time when large numbers of the world's people are dying from famine. Also under Reilly, the World Wildlife Fund has pioneered the "debt-for-nature" schemes through which the international financial community intends to take over large portions of debtor countries' territory under the guise of protecting their natural resources and helping them with their debt problems. The WWF has already negotiated several such swaps in Ibero-America, the largest being a \$3 million deal with Costa Rica announced last March.

No wonder that U.S. environmentalists greeted Reilly's appointment with great enthusiasm, as typified by Environmental Defense Fund director Frederic Krupp's comment that the environmentalist movement "now has reason to be very optimistic that this administration will take great strides to solve environmentalist problems."

'The most evil man'

Although Reilly has carefully built himself a reputation as a conservation "moderate," who doesn't share the radical greenies' commitment to shutting down all industry and agriculture, and wants to encourage "conflict resolution" between pro- and anti-growth advocates, his credentials are ones any true eco-fascist would covet.

In Reilly's case, the old saw that you are known by the company you keep certainly applies. He is the protégé of Russell Train and William Ruckelshaus, two of the most important "Establishment" ecology fanatics in the United States, who help propagate the perverted idea that human beings have no more right to exist than an insect or a rock. This is an explicit rejection of the core belief of Judeo-Christian civilization, that man is made in the image of God, Who enjoined him to have dominion over nature.

Republicans both, Train and Ruckelshaus served as EPA directors at various times, where each made decisions that have wreaked incalculable damage on millions of lives.

A member of the Trilateral Commission and Council on Foreign Relations, Train was recently described by a prominent entomologist as "the most evil man in America" for banning the pesticide dieldrin—an action he took while head of EPA, even though a scientific committee convened by the agency to study the issue said there was no reason to outlaw use of the substance. According to another entomologist, Prof. Gordon Edwards, writing in the Sept. 2, 1988 issue of *EIR*, that decision led directly to the locust plague which has ravaged Ethiopia and neighboring African countries.

Train is a close friend of George Bush, and reportedly recommended Reilly for the EPA post.

Ruckelshaus, Train's predecessor at EPA, not only set the stage for the dieldrin ban, but also banned another important pesticide, DDT. Like Train, Ruckelshaus ignored a rul-

ing by the EPA's own hearing examiner, Edmond Sweeney, who flatly stated in an official decision that, contrary to the environmentalists' arguments, DDT was "not a carcinogenic hazard to man" and that its uses under proper conditions "do not have a deleterious effect" on wildlife. Ruckelshaus's principal concern, however, was killing people, not protecting wildlife, so he banned DDT anyway.

Train now serves as chairman of the Conservation Foundation, and Ruckelshaus sits on its board.

All the evidence suggests that Reilly shares his patrons' genocidal commitments. For one thing, he has already indicated that he will fully exploit the "greenhouse effect" hoax. In "Conservation Agenda for the '90s," published in the November/December 1988 issue of the WWF's newsletter, Reilly urged the new U.S. President to "promote scientific research into the effects of global warming on natural ecosystems and, as part of a concerted national effort, take forceful action to mitigate the severe consequences for life on Earth. I would be surprised," he continued, "if this does not entail major changes in energy policy and large investments to mitigate the ill effects of the world's heavy dependence on fossil fuels." Reilly did not spell out what those major changes should be, but sources close to him say he believes that cow dung could provide a major new energy source.

Nazi heritage

Trained at Harvard, Reilly first learned the malthusian ropes while working as executive director of the Rockefeller Task Force on Land Use, and as a member of the President's Council on Environmental Quality. From there, he went on to become president of the Conservation Foundation, headquartered in Washington, D.C., and the World Wildlife Fund.

The WWF, a creature of European oligarchical interests, is perhaps best known as a forum for the savagely racist views of its most prominent member, Prince Philip, who regularly fulminates against the "excessive" birth rate in the Third World, while insisting that man must stop meddling with nature by building dams and other basic requisites of existence. The good Prince is otherwise known for his statement that, were he to be reincarnated, he would like to "come back as a killer virus."

The Conservation Foundation was established for the express purpose of giving a patina of respectability to Adolf Hitler's eugenics policies—policies which led millions of Jews, Poles, and other "useless eaters" into the gas chambers.

The CF was set up in 1948, as a direct spin-off of the International Union for the Conservation of Nature, which was dominated by the leading European oligarchical families. The moving force behind the organization was American eugenicist Fairfield Osborn, who, four years later, set up the Population Council, underscoring the direct link between "conservation" and genocide. Fairfield's father, Henry, a nephew of J.P. Morgan, helped create the American eugenics movement in the early years of the 20th century. Together

with the Harriman family, and such self-styled race scientists as Charles Davenport and Madison Grant, Osborn campaigned for forced sterilization of "defectives," and for harsh laws to severely restrict immigration from Southern and Eastern Europe, whose populations he deemed genetically inferior to white Anglo-Saxon stock.

In 1932, Osborn teamed with Averell Harriman and other members of his "liberal" family to sponsor the Third Eugenics Conference in New York City, which called for "purifying" the white race, and which unanimously elected Dr. Ernest Rudin president of the International Federation of Eugenics Organizations. Dr. Rudin later wrote Hitler's Nazi race laws.

The Conservation Foundation's aim was to revive Hitler's policies, but, because of the obvious political difficulties presented, to use the cover of "protecting nature" against the depredations of mankind, especially the peoples of Africa, Asia, and Ibero-America. In its 1961 annual report, the organization asserted the need for "adult indoctrination on an unusually large and well-organized scale" to overturn American's inbred belief in scientific and technological progress.

To accomplish this, the CF set about to introduce a "conservation curriculum" into U.S. schools—a task which met with mild success—and to create environmentalist shock troops which could be deployed against industrial and agricultural development to keep "natural limits" on population growth in place. To this end, it established a slew of activist organizations, including Resources for the Future and the Environmental Defense Fund—which initiated the legal proceedings which led to the EPA's genocidal banning of diel-drin and DDT.

The outfit was a seminal force behind passage of the 1969 National Environmental Policy Act, which created the apparatus for gutting America's industrial and technological base, and was the only non-governmental sponsor of Earth Day, the 1970 extravaganza which kicked off the mass eco-fascist movement. Its board includes such loudmouthed no-growthers as Richard Lamm, the former governor of Colorado who triggered an international uproar in 1984 when he bluntly stated that the elderly and the sick should "die and get out of the way."

The Foundation set out its genocidal goals in its first annual report, which stated, "Increasing population causes a drain on natural resources which is geometric, not arithmetic. . . . Science cannot be expected to supplant the vital processes of nature."

Thirty years later, Reilly echoed that genocidal outlook in another Foundation annual report, asserting that the "continuing population explosion" had to be addressed, and praising Fairfield Osborn for identifying this as an inescapable priority.

Susan J. Kokinda contributed some of the research for this article.

Rights panel blasts Virginia trials of LaRouche associates

The Commission to Investigate Human Rights Violations denounced, in a statement issued on Jan. 11, the "continuing witchhunt" against Lyndon LaRouche and his associates, represented by the trial set to begin in Leesburg, Virginia on Jan. 23, of 16 individuals and five corporations associated with Mr. LaRouche. The defendants are: Rochelle Ascher, Michael Billington, Barbara Boyd, George Canning, Richard Freeman, Anita Gallagher, Paul Gallagher, Fred Haight, Laurence Hecht, Keith Levit, Donald Phau, Martha Quinde, Stuart Rosenblatt, David Shavin, Richard Welsh, Kathy Wolfe, Campaigner Publications, Caucus Distributors Inc., Executive Intelligence Review, Fusion Energy Foundation, Publication and General Management.

Below is the full text of the commission's statement:

On Sept. 25, 1987, The international Commission to Investigate Human Rights Violations, meeting in Paris, France, warned against the "lawless, anti-constitutional political prosecution" of the political leader Lyndon LaRouche, his associates, and supporters. Our warnings went in large part unheeded. A Soviet-style "show trial" against LaRouche and six associates in federal court in Alexandria, Virginia, resulted last month in the conviction of LaRouche and six associates for conspiracy and mail fraud charges, for which the seven will be sentenced on Jan. 27.

Now, unless some force of reason and judicial fairness intervenes, this unprecedented witchhunt will escalate on Jan. 23, when the Loudoun County (Va.) Circuit Court trial begins against 16 individuals and five corporations associated with LaRouche.

This trial is the result of indictments handed down in February 1987, by a Loudoun County Grand Jury, for alleged securities fraud. The impetus for the investigation can be directly traced to the order for a nationwide witchhunt against LaRouche, put out at a conference convened by then U.S. Attorney William Weld and the FBI in February 1986.

This mega-trial could last as long as 63 months—or 5 years—as each defendant is tried separately, three months apart.

Not only is the length of the trial outrageous, but the substance of the charges is exactly the same as the charges in the federal trial last month, with the addition of the thoroughly bogus "securities fraud" charge. Were the double jeopardy

not obvious enough, defendant Michael Billington, who was convicted in Alexandria in December, will be tried in Loudoun County as well, on essentially the same charges for which he was tried and convicted in federal court.

The idea that associates of LaRouche could receive a fair jury trial in Loudoun County is so absurd as to be laughable. An organized smear campaign by local political opponents against LaRouche, who maintains a residence in Leesburg, has been so intense as to inflame virtually every resident of the county. Additionally, since in the Commonwealth of

The Commission is particularly concerned about the precedent being set in this trial, that loans to a political organization can be construed to be "securities."

Virginia, juries are responsible for sentencing, a prejudiced jury is especially threatening to defendants.

The Commission is particularly concerned about the precedent being set in this trial, that loans to a political organization can be construed to be "securities," and that fundraisers must therefore register with the state before raising loan monies for political campaigns. Not only is this an entirely new, *ex post facto* interpretation of the Commonwealth's securities statutes, but such a ruling strikes at the heart of our constitutionally guaranteed freedoms, chilling the right to free association. A guilty verdict on this count would also set precedent for the trial set to begin against LaRouche associates on similar charges in New York later this month.

The LaRouche associates and related organizations are being tried for "conspiracy" to violate the Commonwealth of Virginia's security statutes, by taking loans for political associations without registering to sell securities. If this charge, and the related counts, are allowed to stand, then we have reverted as a nation to the kind of barbarism that we see in the Soviet Union, where political opponents of the regime are imprisoned, while charges against them are cooked up based on *de novo* interpretation of the law.

Remaining counts are simply mirror-image copies of the loan fraud charges on which LaRouche and his associates were convicted in the Alexandria show-trial.

It is said that history repeats itself the second time as farce. This situation, however, has no humor in it for this nation, or for freedom-loving people anywhere. It took a civil war to put this kind of injustice to rest the last time. Let us pray that it doesn't come to that again.

Hudson's 'police-state tactics' draw first blood in Pentagate indictments

by Leo Scanlon

The U.S. Attorney for the Eastern District of Virginia, Henry Hudson, presented the first round of indictments in the celebrated "Pentagate" case to the Alexandria court on Jan. 6, and immediately moved to his favorite forum, the press conference, in furtherance of his efforts to convict the defendants before the trial begins. Fifty to sixty representatives of the news media were crammed into a small room at the offices of the U.S. Attorney, and treated to a dramatic reading of the indictments of former Navy official Stuart Berlin and consultants William Parkin and Fred Lackner, as well as the Teledyne Corporation, on racketeering and conspiracy charges.

Earlier that day, the Hazeltine Corporation, a subsidiary of Emerson Electric, entered a plea agreement with the government admitting wrongdoing by corporate officers, and agreed to pay fines totaling some \$2 million. Consultants Michael Savaides, Charles Furcinetti, and Joseph Colarusso pleaded guilty to fraud and bribery charges. Other individuals and companies charged pleaded innocent at their arraignment on Jan. 13.

The charges and pleas are the outcome of a lengthy investigation which included the widespread use of wiretaps of high-ranking Defense Department officials, and an unprecedented raid on the Pentagon on June 14, 1988, planned without knowledge of the secretary of defense or the President. Those actions were characterized as "police-state tactics" by David Packard, the man who headed up the President's blue ribbon commission on defense reform.

EIR warned after the Pentagon raid, that Hudson's assault on the defense community was part of the same broad-based politically motivated offensive that had already targeted Lyndon H. LaRouche and his associates. In both cases, Hudson's method was the same: Sweeping allegations were issued with great media fanfare; innuendo and smear tactics were used to create the appearance of criminality, yet the actual "overt acts" with which the defendants were charged are *not* criminal (and the government did not even allege that they are). "Conspiracy" counts were added to make otherwise innocuous actions appear to be criminal.

In the case of the first round of Pentagate indictments, the accused are charged with "trading in unauthorized information." Is that a crime? No specific acts of contract manipulation are charged. In fact, the "collusion" with which the

indicted defense contractors are accused, would in the past have been considered perfectly normal business practice.

The weak legal constructions used by the prosecution, and the relatively small fines imposed, have prompted some defense circles, especially the larger contractors who have remained untouched so far, to feel relieved, and to hope that Hudson's zealotry is under control. This illusory view appears to be based on the fact that Attorney General Richard Thornburgh's team at the Justice Department advised Hudson to trim his prosecutorial strategy down from the scatter-shot approach he trumpeted to the media last summer, and limit himself to those issues which would bring a guaranteed conviction in the court. The strategy is said to be typical of the "Thornburgh style," and is designed to protect the integrity of the ongoing investigation, protecting Hudson's basic "police-state" techniques.

Those who have been so lulled will find that the tyranny they denounced last summer has been strengthened, not weakened, by the current indictments.

'Improper influence'?

The elements of the case presented in the indictments returned by the grand jury are deeply embedded in the arcane world of defense contracting. The prosecutors claim that Stuart Berlin, a civilian employee of the NAVAIR and SPAWAR commands of the Navy who had some influence over the award of contracts for electronic devices involved in the development of Identification-Friend or Foe (IFF) systems, improperly influenced purchase decisions to favor companies associated with a group of consultants who were paying Berlin for his influence, and selling that relationship to the companies bidding on the contracts.

Teledyne and Hazeltine hired the consultants precisely because they were formerly involved in procurement, knew the ropes, had contacts, and might even be able to "grease the skids" inside the Pentagon on a particular contract. Allegedly, the consultants paid Berlin to influence contract decisions by providing information that would allow their clients to bring their proposals into direct correspondence with the Pentagon's budgetary specifications.

It is risky to believe anyone's claims to "influence" decisions which are not made openly—whether one is buying the "influence" or complaining about it—and the government

is not alleging that Berlin caused a bad or inferior product to be purchased. The losing bidders aren't complaining, because they were awarded other contracts, with the consultants raking off their fee for services rendered in the dividing of the pie.

The indictment describes these activities as an attempt to "defraud the United States of America out of the honest, conscientious, loyal, and unbiased performance for the duties of a public official, to deprive the public of the lawful right of the United States to maintain control over how money is spent on procurements, and the lawful right to the exclusive use of confidential documents and information." Hudson concedes that the government is not attempting to prove that the alleged acts of the defendants affected the cost or quality of any weapon in any way.

Fraudulent 'espionage' charges

Behind the indictment lies a complex behind-the-scenes brawl within the Reagan-Bush administration, whose nature was revealed in the congressional hearings conducted by Sen. Charles Grassley (R-Iowa), one of the key senators leading the charge against the Pentagon. On Dec. 21, 1988, hearings were sponsored to highlight a report issued by Grassley's staff. The controversy came into the open during the course of the attempt of the Justice Department to indict GTE Corp. and a consultant working for GTE, Bernie Zettl, on espionage charges. The allegation rested on the theory that officers of GTE were in possession of Navy budgetary planning documents which they had received through "unauthorized channels"—even though all involved had the security clearances necessary to see the documents, and no one was accused of improperly exposing classified material! Where, then, is the espionage?

Behind that case, which foundered, was an orgy of "investigation" directed by the Reagan administration-created Inspector Generals apparatus. It used this definition of espionage to justify surveillance of at least 10 major defense contractors, more than 30 top Pentagon officials, innumerable consultants, NASA's Lewis Research Center, and the Wright Patterson Air Force Base.

In September 1983, the Alexandria office of Richard Sauber, head of the Defense Procurement Fraud Unit of the Justice Department, held a meeting to evaluate the ongoing investigations. Grassley's staff reports that "Sauber was not convinced that the trafficking in classified documents was a violation of Federal law or that there was a prosecutable conspiracy to commit fraud. . . . Sauber's reaction to the evidence they produced pointing to a conspiracy was, 'Conspiracies are bullshit.' "

Sauber was replaced as head of DPFU shortly after the meeting, but the conspiracy theorists were still unable to force the Meese Justice Department to launch a witchhunt.

The bureaucratic police agencies then tried to turn up the heat on Defense Secretary Caspar Weinberger, using a 1985

memo prepared for his signature and circulated by Joe Sherrick, the Inspector General of the DoD, which demanded action. Weinberger refused; the memo was returned, unsigned.

This was one of the last attempts of the anti-defense plotters to act through traditional channels. From this point on, they turned to William Weld, U.S. Attorney in Boston, who was brought in as the number three man in the DoJ, overseeing the DPFU. Weld had been running the Boston prosecution against Lyndon LaRouche and associates.

'Grey terrorism' unleashed

Victor Suvorov, a former officer of the Russian *spetsnaz* commando forces, describes a stage of irregular warfare which the Russians call "grey terrorism." The term refers to a process by which a target nation is induced, by means of agents and agents-of-influence, to turn its legal and bureaucratic apparatus against its own vital institutions.

William Weld is an expert in this form of warfare. His prosecutorial style was described by one judge as "based on the Soviet legal theory of 'crime by analogy.'" When Weld came to Washington, his mission was to settle this fight in the Justice Department and unleash the "police-state tactics" of the federal police agencies. He swore to Senator Grassley, during his confirmation hearings, that he would put "procurement fraud" at the top of his agenda. The other item on his agenda was the destruction of Lyndon LaRouche. "He hit the Alexandria prosecutor's office like a hand-grenade, demanding action against LaRouche," according to one account.

The man picked to head both the Alexandria get-LaRouche effort and the Pentagon case was Henry Hudson, a prosecutor described as "ambitious," "shallow," "fanatical," and a "self-promoter." His nickname in the press corps is "Headline Henry."

The essential technique used by Hudson in the prosecution of LaRouche was contained in his request, granted by the court, to prevent the defendants from bringing into evidence the actions by government agencies against them, including evidence that the government had fabricated parts of its complaint and sworn testimony by its witnesses. If LaRouche and his associates, whom Hudson knew to be innocent, could be framed up using this methodology, then the Defense Department would be a "piece of cake." The vicious and tyrannical actions of Hudson in the Pentagon investigations are illustrated by the mechanism used to gain the authority to wiretap the highest officials of the Pentagon: He entrapped victims with calls made by a consultant who was a convicted pederast, and was involved in entrapment operations run by the FBI.

Anyone in the Washington defense or defense contracting community who is breathing easy after round one of Pentagate, can rest assured that he will be looking over his own shoulder soon enough.

Intelligence faction denounces the 'Trust'

by Scott Thompson

Given the rate at which the cheering section for Soviet Communist leader Mikhail Gorbachov as a great and sincere reformer is growing, it is very useful that a handful of intelligence specialists have joined *EIR* in exposing how Soviet practices of deception and provocation are at work today. They are focusing attention on the *modus operandi* of the model Soviet deception ploy, the so-called "Trust," run by Cheka (Soviet intelligence) founder Felix Dzerzhinsky during the New Economic Policy period in the 1920s. Importantly, this patriotic faction in the U.S. intelligence community points to how the "Trust" bid to fool Western intelligence about the nature of the Soviet Union went hand in hand with the NEP campaign to get capital investments and credits from the West, as is Moscow's goal again today.

Specific reference to the Trust and the NEP is made in the November 1988 issue of *Nightwatch*, a publication of the Security and Intelligence Foundation. The foundation's initiator, the late James Angleton of the CIA, was one of the first to rediscover the links of the original "Trust," a network of bogus Russian opposition groups run by the Cheka, with Soviet attempts to gain economic advantage from the West by means of the deception that the NEP was a retreat from socialism. The *Nightwatch* piece, entitled "The Opposition: A Danger or a Deception?" raises many worthy tasks for U.S. intelligence.

Key excerpts from *Nightwatch* include:

"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. As a result, if the current pace of economic reform is to be sustained, substantial monies must be found for investment in the civil sector. According to the report, these monies can only be obtained by diverting them from the military sector, foreign borrowing, or both. Because there exist powerful psychological, institutional, and political prohibitions against

diverting substantial sums from military expenditures, the Soviet ruling elite's best hope for funding lies in foreign and specifically Western loans and credits. The Western powers, though, have long had a marked disinclination to extend large scale economic assistance to the Soviet party-state during periods of East-West tension. . . . Assuming that they [the Soviets] are unwilling to abandon their designs upon the Western powers, a deception operation aimed at promoting the misapprehension that Mr. Gorbachov and his reformist allies are less hostile to Western interests than a reactionary opposition makes eminent sense. . . .

"Such a campaign is not unprecedented in Soviet history. During the period of the New Economic Policy (NEP) of the 1920s—the apparent historical model for Mr. Gorbachov's policy of perestroika—the Soviet Union was able to obtain desperately needed aid, trade, loans, and credits in part because of a massive strategic deception operation known as the TRUST. Because the TRUST was such a complex and multifaceted operation, it defies simple description. It is worth noting, though, that one of its most important sub-operations was designed to exploit the vulnerabilities of the Western press to systematic deception in order to promote the entirely fictitious notion among attentive Western publics, and among Western public policymakers, that the NEP was a concrete manifestation of a retreat from communism and, by implication, an indication that Bolshevik Russia might be induced to return to the community of nations if sufficient incentives were forthcoming. Although it is impossible to measure the precise effects this sub-operation had upon the Western publics and public policymakers, most authorities believe it played a substantial role in alleviating Western apprehensions and inducing Western governments and enterprises to enter into a series of extraordinarily ill-advised economic ventures with the Bolshevik regime. . . .

"It would therefore seem to follow that the Western powers should adopt an attitude of skepticism and a policy of cautious restraint. Sadly, this has not been the case. During the month of October, for example, banks in West Germany, France, the United Kingdom, Italy, and Japan are reported to have advanced loans to the Soviet Union totaling nine billion dollars. . . .

"Such haste in extending economic assistance to the Soviet party-state is at best ill-considered. There are two reasons for this. The first is, if Mr. Gorbachov is in fact the liberal reformer that he is represented as being, the West is doing him, and itself, a disservice in removing or at least alleviating the economic pressures that give urgent meaning to his calls for restructuring. The second is that if he 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."

'Marshall Plan' opposed

A second factional document, which echoes many of the themes of Soviet deception discussed by the first, is a study

by the U.S. Global Strategy Council, "Gorbachov's Challenge: Detente II."

This is a report of the Task Force on the Dangers of Detente II, whose chairman, Dr. Richard Pipes, was deputy assistant national security adviser to President Reagan during the early part of the administration. The two co-directors of the task force were L. Francis Bouchey and Ray S. Cline. The former represents the Council for Inter-American Security, which co-sponsored the study, while the latter was CIA Deputy Director for Intelligence, before his current role as chairman of the U.S. Global Strategy Council. In writing for the *Washington Times* on the task force report, Dr. Cline directly raised the NEP-style deception as a precursor of that being carried out by Gorbachov today.

Some key passages from the executive summary of the report, which is available for \$9.95 from the U.S. Global Strategy Council in Washington, D.C., include:

"The central problem the task force addresses is a readiness on the part of many Americans to embrace Gorbachov's enticing new line about Soviet 'reforms' and the wonders of a new age of detente, peace, and cordiality. The siren song promises: that, if the outside world will only reduce its military weapons and extend economic help to bail out the perpetually collapsing Communist economy, the prospects are that 'Good Communists' in the Kremlin will prevail and all will be well; that still deeper nuclear missile cutbacks will be made, thus benefitting Western politicians worried about financing big defense budgets and staying in office; that less hostile propaganda and less intimidating diplomacy will be forthcoming from Moscow; and that expanded trade and investment opportunities will be available to market-hungry businessmen and farmers, provided that credits can be extended to the Soviet Union. . . ."

"We believe the Kremlin leaders have four key objectives:

- First, they are attempting to foster a less threatening image of themselves in order to gain unwarranted Western cuts in defense spending.

- Second, the Soviets hope to parlay this less threatening image into the acquisition of massive American-taxpayer subsidized cash loans and the loosening of controls on the transfer of military-related or dual-use technologies.

- Third, the Soviets are fervently attempting to stop the Strategic Defense Initiative, while they rapidly expand their efforts to develop a country-wide ballistic missile defense (or 'Red Shield') in direct violation of the Anti-Ballistic Missile Treaty.

- And fourth, the Soviets want to protect the territorial gains they achieved in the 1970s. Thus they have spent billions in the 1980s to defeat anticommunist freedom fighters. . . ."

The task force warns against the vision of a Soviet "Marshall Plan" that is being peddled by the "Trust friends of glasnost" in Western Europe and the U.S.:

"Many in the Reagan administration favor a real 'partnership' with the Soviet Union and want to assist it in attaining economic superpower status. . . . Granting Most Favored Nation status would require the United States to suspend—even if temporarily—the Jackson-Vanik Amendment, which mandates that a demonstrated free flow of emigration from the Soviet Union exist prior to any granting of MFN. . . . We conservatively estimate that, if present trends in Western lending to the Soviet Union continue under Dé-tente II, the Soviet Union could receive up to \$70 billion in cash loans during the next ten years from banks in the United States, Western Europe, and Japan. If the Soviets are granted Most Favored Nation status and allowed entrance into international financial institutions, the amount they receive in loans, bank deposits, and profits from the sales of bonds and securities could rise significantly."

No Christmas gift

On Jan. 3, the *Wall Street Journal* carried as its lead letter to the editor another criticism of taking Gorbachov at his word, a letter from noted author on Soviet strategy and tactics Joseph D. Douglass, Jr., on euphoria over Soviet leader Gorbachov's forces cut announcements. Under the title "Gorbachov's 'Christmas Gift,'" Douglass questioned whether the proclaimed reductions would mean anything, given "the massive size of the Soviet army" and 30,000-tank advantage in Europe.

He continued: "What is particularly surprising is Central Intelligence Agency Director William Webster's conclusion that the Soviet reduction would 'substantially reduce' the Warsaw Pact's ability to launch a surprise attack on the West. The ability of the Warsaw Pact to launch a surprise attack is mainly dependent on just about everything other than troop strength. Among the more critical factors are Soviet deception and disinformation skills, radio-electronic combat capabilities, special forces (spetsnaz) operations, in-place KGB and GRU agent networks, and airborne forces. None of these assets are likely to be included in the force reductions."

The chances of Gorbachov's being sincere may be better evaluated, Douglass suggested, by referring to "two especially compelling historical references": "The first is Lenin's enormously successful deception, the New Economic Plan [sic], in which communism was portrayed as changing and embracing capitalism in order to gain economic and technical assistance from the West. This eminently successful strategy . . . is described by former KGB officer Anatoli Golitsyn in *New Lies for Old*. The second is the strategic deception 'peaceful coexistence,' which was launched by Nikita Khrushchov in 1955 to gain economic and technical assistance from the West and to hasten the defeat of the West. This strategy is described by the former secretary of the Czechoslovak Defense Council, Jan Sejna, in 'We Will Bury You.' . . . Both situations bear an uncanny resemblance to the recent events taking place under Gorbachov."

Kaufman forecasts socio-economic crash

Henry Kaufman, formerly the top economic forecaster for one of Wall Street's most prestigious investment firms, Salomon Brothers, predicted that the United States is headed down the fast track to economic and social ruin, because its corporate sector has become addicted to piling up debt. Kaufman, known as "Dr. Doom," was addressing a National Press Club luncheon here on Jan. 10.

There was more indigestion than usual resulting from the luncheon, as Kaufman described how debt financing of mergers and acquisitions, and leveraged buy-outs (known as "M&As and LBOs") has infected every sector of the U.S. economy, to the point that the first hint of a recession will send the economy into a panic.

Kaufman was introduced as a man who has written on the parallels between the current trends in the U.S. economy and those in Germany which led to the rise of Nazism. He fled Germany with his family as a youth in 1938.

While he did not mention this parallel in his National Press Club speech, he did warn that the effect of the current debt financing frenzy will result in a loss of the political freedoms that are cherished in the United States.

This, he said, will come as a by-product of the government's necessary intervention to bail out the collapsed corporate sector once the "house

of cards" of the trillions in unsecured corporate debt comes crashing down.

Kaufman was particularly pessimistic about the political will of Congress or anyone else to take the necessary steps to remedy the situation until it is too late.

The reason for this, he said, is that there is just too much easy money to be snatched up under the current arrangement. This means that even those corporate institutions historically the most conservative, like commercial banks and "non-cyclical" industries, are jumping feet-first into the business of profiting from unsecured notes ("junk bonds").

The only real losers right now are those holders of existing long-term bonds who watch helplessly as the ratings on their holdings drop. But these people, he said, do not have any organized political lobby, and therefore cannot prompt any real change.

The other factor inhibiting the Congress from making the necessary reforms now is the fact that any effective remedy would result in a short-term downturn for the market.

Efforts to slow the flight of capital out of equity into debt will have the necessary short-term effect of inhibiting investment in equity, he said. Although such a move would prevent a catastrophe in the long term, its short-term impact mitigates against it.

Kaufman said that 26% of the cash flow of major U.S. corporations is now diverted to paying only the interest on debt—a worse interruption of cash flow than during either of the last two recessions.

Although Kaufman did not predict a recession in 1989, he indicated that the preconditions for one will be set. That is because, he projected, the Federal Reserve will not be able to slow the growth of the economy to the 2.4% rate desired. The "overheating" will cause inflation to rise too fast, and the

Fed will compensate by tightening money and raising interest rates.

This is the perfect recipe for a rip-snorter of a collapse, especially when the ingredients of a Third World debt crisis and a contraction of foreign investments are added in.

Yet, the *Washington Post*, in its Jan. 11 edition, said that Kaufman had expressed optimism in his National Press Club speech, in a departure from his reputation for predicting "doom and gloom."

The *Post* reporter explained that the "optimism" was in Kaufman's forecast that the recession would not come this year. One can only assume that the *Post* reporter was asleep or otherwise preoccupied during all but the 30 seconds of Kaufman's hour-long address when he said this.

Either that, or the editors of the *Post* simply did not want their readers to know what Kaufman really said.

Weinberger appears before foreign press

On Jan. 9, the day President Reagan's largely symbolic budget for Fiscal Year 1990 was announced, former Defense Secretary Caspar Weinberger made a rare appearance before reporters in Washington.

At the Foreign Press Center, Weinberger spoke to 50 foreign journalists about the achievements of the Reagan years in the area of national defense.

Weinberger has almost never come before reporters since retiring over a year ago, but this time he came armed with a fact sheet identifying the milestone achievements of the Reagan defense policy.

It was vintage Weinberger, but it wasn't clear whether this was something of a farewell address (before moving on to *Forbes* magazine), or the start of something new.

The swan song of the ancien régime

There has been a good deal of discussion concerning the budget proposed by President Reagan, but not because of its own merits or significance. Since Reagan will be leaving office on Jan. 20, his budget is considered a non-starter. But it has provided a focal point for the real discussion, the nature of the budget proposals which George Bush will soon be presenting.

The Reagan budget, a collaborative effort between aides of the outgoing and incoming Republican Presidents, was, indeed, crafted to give Bush a tactical edge in negotiating for his own budget, with \$17.5 billion in deficit reduction leeway.

Eyes are focused anxiously on Bush to see what the actual budget is going to look like. Bush called the Reagan budget proposals "an excellent budget" and said that he supported "its intent." The massive cuts in domestic spending are perhaps to his liking, although he may feel that they don't go far enough. An analysis of the budget by the Senate Budget Committee said the budget proposed nearly \$25 billion in domestic spending cuts, including the elimination of 82 programs.

House Agriculture Committee chairman Kika de la Garza (D-Tex.) said the budget took a "punitive attitude" toward agriculture programs, but admitted that it was "probably dead before arrival." Senate Budget Committee chairman Jim Sasser (D-Tenn.), while himself calling for a tougher hand on the budget deficit, characterizes the Reagan proposals as "a formula for a meaner, harsher America rather than a kinder, gentler one."

According to a Bush transition team source, Bush plans to call a joint session of Congress in February to seek

more spending authority for education, energy, and the environment. Bush's planned amendments include a reduction in the capital gains tax and a restoration of tax incentives for oil and gas producers. The President-elect may be considering some cuts in defense and other areas of the Reagan budget to use as bargaining chips with Democrats who want more spending in other areas. If Bush agrees to the austerity packages mandated by the budget deficit "mandarins," the *ancien régime* of the Reagan era could be transformed into the Reign of Terror, with Bush fitted for the role of Robespierre.

Aspin proposes freeze on new strategic weapons

Rep. Les Aspin (D-Wis.), chairman of the House Armed Services Committee, in remarks critical of President Reagan's record on strategic modernization, on Jan. 11 called for a long-term bipartisan consensus to ensure a 10-year spending freeze on new strategic weapons. Aspin said the change in administrations and a stagnant Pentagon budget represent opportunities to make choices about which long-range missiles and bombers the United States needs most.

Under Aspin's approach, money for all new strategic nuclear weapons and missile defenses would be put in a single pool, which would grow only with inflation. Aspin recommended that Congress "put our strategic forces on a fixed income" of \$31 billion a year, after allowing for inflation, for the 10 fiscal years from 1990 to 1999. He said he would try to force the new arrangement into being this year through language in the defense authorization bill.

The Strategic Defense Initiative would be relegated to research for several years, while research funding for it would be held at about \$4 billion through 1996. Aspin said production of the Air Force's new B-2 Stealth bomber could be delayed a few years. Aspin also wanted to postpone the rail-based MX deployments until 1996.

Aspin said that future Pentagon budgets will not contain enough funds to begin large-scale production of all planned strategic weapons, many of which are scheduled to reach their peak funding between 1991 and 1993.

Aspin described new Secretary of Defense John Tower as "a Weinberger kind of personality in a Frank Carlucci budget era." He added, however, that Tower's "conservatism" gives him sufficient credibility to enact the deeper defense cuts that Aspin deems are necessary.

Democrats did very poorly in the South

A study conducted by the Institute for Southern Studies, analyzing the results of the 1988 elections, came up with more bad news for the Democratic Party. The Republicans did best in the fastest growing areas of the South, while the Democrats' best showing came in counties with zero or little population growth. Also, there was a much higher rate of voter participation in GOP-leaning counties than in those that voted Democratic.

The data signify that the Republican Party's hold on the Sun Belt will be even stronger in 1992 after congressional redistricting moves seats from the Northeast and Midwest to the South and West. The study shows that the Southern counties that favored Bush by more than 2-to-1 margins are

growing much faster than those that backed Dukakis.

"It poses serious problems for the Democrats," said Bob Hall, research director for the institute.

Johnston rejects Defense Science Board plan

In a commentary in the *New York Times*, on the page opposite an attack on the Defense Science Board, Sen. J. Bennett Johnston (D-La.), a member of the Senate Subcommittee on Defense Appropriations, added his voice in criticism of the Board's recommendation to have the Department of Defense play a greater role in the development of national economic policy.

The *Times*, undoubtedly upset by the Science Board's criticism of the Wall Street speculators, formally acknowledged the warnings raised by the Science Board with regard to the erosion of our military industrial base. The editors nevertheless attempt to make a case for shifting the blame from the Wall Street get-rich-quick mentality, attacked by the Science Board, to the Pentagon's "gracing" the fat cats with its "largesse."

Johnston finds the Defense Science Board's recommendations "ironic," since he claims that government-supported research tends to cut back on production when it starts to produce a technology with some "commercial potential." Therefore, he maintains that the Department of Defense involvement in R&D is inherently unproductive or possibly counterproductive.

"In the past," says Johnston, "military technologies spun off a host of civilian products, such as computers, semiconductors, and commercial jetliners. But today the spinoff has re-

versed direction. Commercial technology is now driving military innovation."

Johnston agrees with the Science Board that there is a need for "rejuvenating the civilian technical base," although he sees no use for an increased role of the Defense Department in working out such a policy, since budget restraints will mean a tight defense budget, giving them little ability to "boost civilian R&D." Johnston also argues that tax credits to spur corporate research and development, a part of the Science Board's proposals, "have proved difficult to target on vital technologies."

Johnston then falls into the favorite pastime of many congressmen, engaging in a bit of ally-bashing, demanding that the Japanese and Europeans pay more for their own defense so that the United States can put more into R&D.

Soviets deny access to missile plant

In a letter to President Reagan, Sen. Jesse Helms (R-N.C.), the ranking Republican on the Senate Foreign Relations Committee, reported that American inspectors assigned to a Soviet missile plant have failed to verify whether or not the Kremlin is building SS-20 missiles banned by the INF Treaty.

"Due to Soviet intransigence," writes Helms, "the United States has been totally unable to monitor effectively or verify whether the Soviets have continued to manufacture and deploy perhaps dozens of banned SS-20 missiles from the Votkinsk factory for the last eight months the treaty has been in force."

In his letter, Helms urges president Reagan to address the issue of

why the Soviets have not agreed to the installation of special x-ray equipment permitted by the treaty. The equipment is needed to verify whether a missile leaving the factory is, indeed, an SS-25 ICBM, which is permitted by the treaty, or a medium-range SS-20, which is banned.

"The U.S. inspection rights at Votkinsk factory portal," says Helms, "were correctly proclaimed by your administration as the heart or keystone of the INF verification regime." Failure to permit the United States to x-ray the missile cannisters, the senator concludes, "constitutes the most serious Soviet violation of the INF Treaty so far."

Austerity for all but members of Congress

The budget-cutting hysteria now widespread on Capitol Hill, has not seemed to affect the survival instincts of U.S. congressmen. Under the pretext of eliminating outside income, e.g., honoraria for speeches and other engagements, which congressmen normally use to supplement their income, the Congress has allowed itself a considerable pay raise—which will also go to top-level government civil servants and federal judges.

Not that our legislators should be deprived of a "fair day's pay for a fair day's work," but there is indeed a supreme irony in the fact that Congress will slash Medicare and other expenses while looking out for number one. Perhaps if our lawmakers got a better taste of an "austerity diet," they might begin to look for other solutions to our economic problems than "curing the disease by killing the patient," their prescription for America's poor and elderly.

National News

N. Y. area governors warn of austerity

Governors of New York, New Jersey, and Connecticut warned in their state of the state messages on Jan. 5 of imminent, severe fiscal austerity.

"We must close . . . an anticipated gap between projected revenues and expenditures of more than \$2 billion—\$2 billion," emphasized New York Gov. Mario Cuomo, which will mean a "budget for next year that will grow . . . under the rate of inflation" and "will require you and me to raise hundreds of millions of dollars more in new revenues."

New Jersey is facing a budget deficit optimistically estimated at \$290 million, as estimates of tax revenues continue to be scaled downward. State projected increases of 8.9% in sales tax revenue, 22.4% in corporate taxes, and 13.8% in income taxes have now fallen to increases of only 3.3%, 3.6%, and 7.7% respectively. Gov. Tom Kean and his aides pointed to the increase in corporate debt due to the takeover binge and leveraged buy-outs, as a major factor for the sharply reduced tax payments.

Connecticut Gov. William O'Neill said, "We will have to say 'no' when what we, as elected officials, really want to say is 'yes.'" Estimates of the state's deficit have grown monthly, and it is now projected at \$882 million, out of a budget of \$6.3 billion—a 14% shortfall. "Clearly we have now entered a period of retrenchment. . . . We now have to face the realities. . . . There are going to be cuts."

AIDS infection threat to 5.3 million workers

Secretary of Labor Ann McLaughlin warned a conference on AIDS and Health Care Workers on Jan. 9 that an estimated 5.3 million Americans at 600,000 work sites risk AIDS infection in the workplace.

These workers, she said, can "potentially be exposed to the AIDS or Hepatitis B viruses if they do not receive adequate pro-

tection." Americans who work in health care, sanitation, fire, and rescue are the "front-line fighters" who "deserve the best protection we can offer them against AIDS and other blood-borne diseases," she said.

McLaughlin's warnings came as the *Washington Post* reported on Jan. 10 that new cases of AIDS attributed to heterosexual contact or "undetermined causes" doubled in 1988 over 1987, and grew from 7% of cases reported in 1987 to 9.5% of cases reported during 1988.

Supreme Court refuses to hear securities case

The U.S. Supreme Court announced Jan. 9 that it has denied the petition of three organizations and individuals associated with former presidential candidate Lyndon LaRouche which sought to overturn a Minnesota state court's finding that political loans are securities.

The Supreme Court's refusal to hear this case now raises the possibility that all political organizations and candidates can have their fundraising efforts, specifically loans, curtailed by overzealous political opponents who control state offices at the time.

On June 4, 1986, the Minnesota Securities Commission issued a Cease and Desist order preventing the taking of political loans by Caucus Distributors, Independent Democrats for LaRouche, and Campaigner Publications. Minnesota Attorney General "Skip" Humphrey, who had been waging a political vendetta against LaRouche Democrats in the state, made his vendetta clear three months after this decision, when he stated in written form on stationery bearing his letterhead, "We must show the nation that Minnesota will not tolerate the LaRouche fringe."

The Supreme Court decision ignores two critical First Amendment issues. First, do the First Amendment rights of politically oriented organizations and the individuals who support them prevent a state from using securities law to inhibit the fundraising activities of those organizations? And second, can a state preempt federal laws regulating presidential campaign committees?

John Silber, president of Boston University, will give the keynote address, "Ethics in the Practice of Medicine." Silber, nominally a right-wing conservative Catholic, recently commented, "The patients who are dying, we'll let them die."

Another speaker is infamous neurologist Fred Plum, who created a new diagnosis, to make killing unconscious patients more palatable: He calls them vegetables or labels them in a "persistent vegetative state."

The Knights of Columbus is underwriting the event.

Greenpeace wins battle in War for Drugs

The environmentalist movement Greenpeace "has won a battle with the Reagan administration, this time over the War on Drugs," reported *Newsweek* in its Dec. 19 issue.

Newsweek reviews the history of the attempt by Peru to use the chemical "Spike" which destroys coca plants, and the successful efforts to block its use on the part of the environmentalists and the narco-guerrillas. Most interesting is *Newsweek's* crediting Greenpeace with the success against the country of Peru.

Newsweek also acknowledges that the environmental damage from the chemicals being used to refine the coca leaves into coca paste are destroying plant and fish life in large areas of the Amazon, while rain forest is being cut to grow upwards of 5 billion coca plants.

Bishops to promote 'ethical' euthanasia?

The Massachusetts-based Pope John XXIII Center has launched a major effort to have American bishops promote and export Nazi euthanasia as Catholic policy. Bishops from Canada, the Caribbean, Central America, Mexico, the Philippines, and the United States will attend a conference, "Critical Is-

sues in Contemporary Health Care," to be held Jan. 30 through Feb. 3 in Dallas, Texas. It will include a debate over the benefits and "burdens" of feeding patients.

Speakers include euthanasia advocates such as Rev. Kevin O'Rourke, O.P., director of the Center for Health Ethics at the St. Louis School of Medicine. O'Rourke says that the purpose of life requires "cognitive-affective functioning." If a patient lacks that, there is no obligation to save him. And if a patient is treated (given food and water) and is still unable to achieve the purpose in life, then the therapy (food and water) is "useless" and "burdensome," and the patient should be starved to death. O'Rourke tells families to starve their seriously ill or unconscious relatives if keeping them alive causes the family "psychic pain" or if the money could be "better" spent elsewhere, like a child's college education! The Right to Die Society uses O'Rourke's material in their newsletter.

Court questions fines on LaRouche groups

In oral arguments Jan. 9 before the U.S. Court of Appeals in Boston, a three judge panel questioned whether a federal judge should have imposed \$21 million in fines on four organizations associated with Lyndon LaRouche.

The fines had been imposed in February 1987 by Federal District Court Judge A. David Mazzone because the organizations allegedly refused to comply with subpoenas from a grand jury, convened by former U.S. Attorney William Weld, for documents beginning in 1985. At the time the fines were imposed, hundreds of thousands of documents had in fact been produced.

Defense lawyers argued, among other things, that Mazzone was required to hold a hearing before imposing the fines to inquire into the financial wherewithal of these entities, whether compliance with the subpoenas had occurred, and the harm which would result to the companies versus to the government. Mazzone had failed to hold any hearing.

The three judge panel became combative at the point that the unprecedented question of whether or not contempt fines can be imposed after the grand jury had expired was argued. The government argued that the expiration did not matter, since the documents could be produced to the government instead of the grand jury at any time as long as an investigation was ongoing, a position which would abrogate the grand jury system.

Recognizing this unwholesome precedent, the Court told Justice Department attorney Patti Stemmler, "with such openness" the keeping open of an investigation would be left to "the whim of the government." Therefore, what would prevent the fines from continuing to run? The Court also asked, "Wouldn't this mean every time an agent opens a file" the investigation could be kept open? Stemmler argued that "the order to produce is not tied to the grand jury."

The judges then rhetorically asked Stemmler, "To whom does a subpoena command that documents are delivered to?" Evading the issue, Stemmler contrived a technical argument that the clerk of the court issues the subpoena.

The First Circuit Appeals Court usually takes two to three months to render a decision. Defendants have asked the court to vacate the fines or remand the case to the district court for a full and fair hearing.

Bush completes cabinet appointments

President-elect George Bush completed the nominations for his cabinet on Jan. 12, announcing Adm. James Watkins as his choice to become Secretary of Energy. Bush stressed his strong support for nuclear power in announcing Watkins.

Admiral Watkins pointed to his experience working with nuclear power in the Navy, and said he is "firmly convinced that safety, the environment, and nuclear power can exist in harmony."

Bush also announced that he has chosen former Secretary of Education William Bennett to fill the newly created position of "Drug Czar."

● **THE NATIONAL** Economic Commission was ordered by U.S. Federal District Judge Joyce Hens Green Jan. 6 to keep all of its meetings open to the public. Judge Green said that since Congress must deliberate policy before the public, so should the NEC. The lawsuit to open the meetings was brought by an advocacy group called Public Citizen.

● **WILLIAM REILLY**, George Bush's pick to head the Environmental Protection Agency, is co-sponsoring a "Clean Air Inaugural Ball" on Inauguration Eve, which is designed to "raise public awareness" of the phony "greenhouse effect." Among the key groups sponsoring the event is Renew America, which recently held a press conference in Washington advocating zero population growth.

● **FEDERAL JUDGE** Albert Bryan denied motions filed by Lyndon LaRouche and his six co-defendants on Jan. 9 asking the court to overturn the Dec. 16 jury-verdict conviction against them, and to either acquit them, or hold a new trial.

● **THE SPACE** Shuttle *Discovery* is set for a Feb. 23 launch, according to a NASA statement from Houston Jan. 12. The shuttle's mission, which will carry a crew of five, will include launching a communications satellite, and various biological experiments.

● **THE 'U.S. Needs Nuclear Power'** is the title of a *Christian Science Monitor* editorial Jan. 11. It argued that "the U.S. economy is going to need any power it can get in the next decade," and therefore, the United States should adopt a national policy for nuclear power. "After some 30 years of operation, no deaths or injuries have been directly linked to radiation from a nuclear power plant," the paper argues.

Editorial

The death of the emperor

The recent death of Emperor Hirohito, and his replacement by his son, the new Emperor Akihito, calls for a suppleness of statecraft which to date the United States has yet to display. This event represents a potential shift of the direction of the entire nation of Japan away from its traditional close cooperation with the United States.

Let us explain.

Emperor Hirohito represented the era in Japan called the Showa or "Enlightened Peace." Despite the tragedy of World War II, Hirohito faced the consequences of his nation's defeat with both dignity and humility, and forged with America's military hero and occupation chief, Douglas MacArthur, a new era of cooperation between Japan and the United States. This unique relationship between the Emperor and General MacArthur endured, despite every problem which has arisen between the two countries—most emphatically, notwithstanding the U.S.'s idiotic financial and economic policies, which have led the U.S. to conduct a trade war against Japan on behalf of the International Monetary Fund and its banking and insurance cartels.

With the enormity of these problems, Japan is still determined to continue to finance the U.S. deficit as well as to invest into U.S. industries. Although this is not sufficient to meet the global catastrophe unfolding in the Third World and key industries in the advanced sector, Japan's present interest and intent is to ensure that the United States remains a superpower, despite itself.

This outlook in Japan is in part due to the unique relationship that the Showa Emperor forged with MacArthur. Now that the two nations stand on the threshold of a new era led by Emperor Akihito, any major error on the part of the United States could undo their work. The name of the new era, Heisei or "Consolidated Peace," indicates that Akihito intends to follow in his father's footsteps, despite being educated by an American Quaker, followed by years at Oxford University. However, he is known to harbor a different outlook, more hostile to the United States; the British Royal Household, specifically Prince Philip, views

Akihito as the key in breaking the unique relationship between the U.S. and Japan.

In the last century, the British gameplan was aimed at breaking the arrangement of the Emperor Meiji and his court with the United States. The financial and political interests of a pro-British faction in Japan, called the Mitsui interests, were mainly responsible for pushing Japan into a war with the United States.

It must be understood that the Emperor, even since World War II, is not simply a symbolic figure. Representing the world's oldest royal institution—26 centuries—the Emperor, while appearing to play only a ceremonial role, sets the cultural tone for the direction and meaning of the Japanese nation.

Therefore, if the present combined forces of the pro-British faction and its international allies, who have prepared the U.S. financial collapse, succeed in shifting the Japanese Emperor and his court to break with the U.S., then the full extent of the disaster will hit the U.S. and the world with a far greater impact than the surprise attack at Pearl Harbor.

The incoming Bush administration's first major foreign policy decision has been a correct one and that is to have President Bush attend the funeral of Emperor Hirohito. This has signaled the beleaguered pro-American forces in Japan that at least the new President intends to maintain the bridge to past policy. The decision has also sent a message to the European oligarchs that their attempts to drive a wedge between the U.S. and Japan might not easily succeed.

The recent release of a BBC documentary accusing the Emperor of being a war criminal, a piece of virulent anti-Japanese propaganda sanctioned at the highest levels of the British intelligence establishment, has not, apparently, succeeded in swaying Bush and his advisers. What remains to be seen, is whether circles around Bush can seize the opportunity to break openly with the forces of the International Monetary Fund and forge a new era of a "Consolidated Peace," based upon a U.S.-Japanese alliance for the development of the Third World.

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