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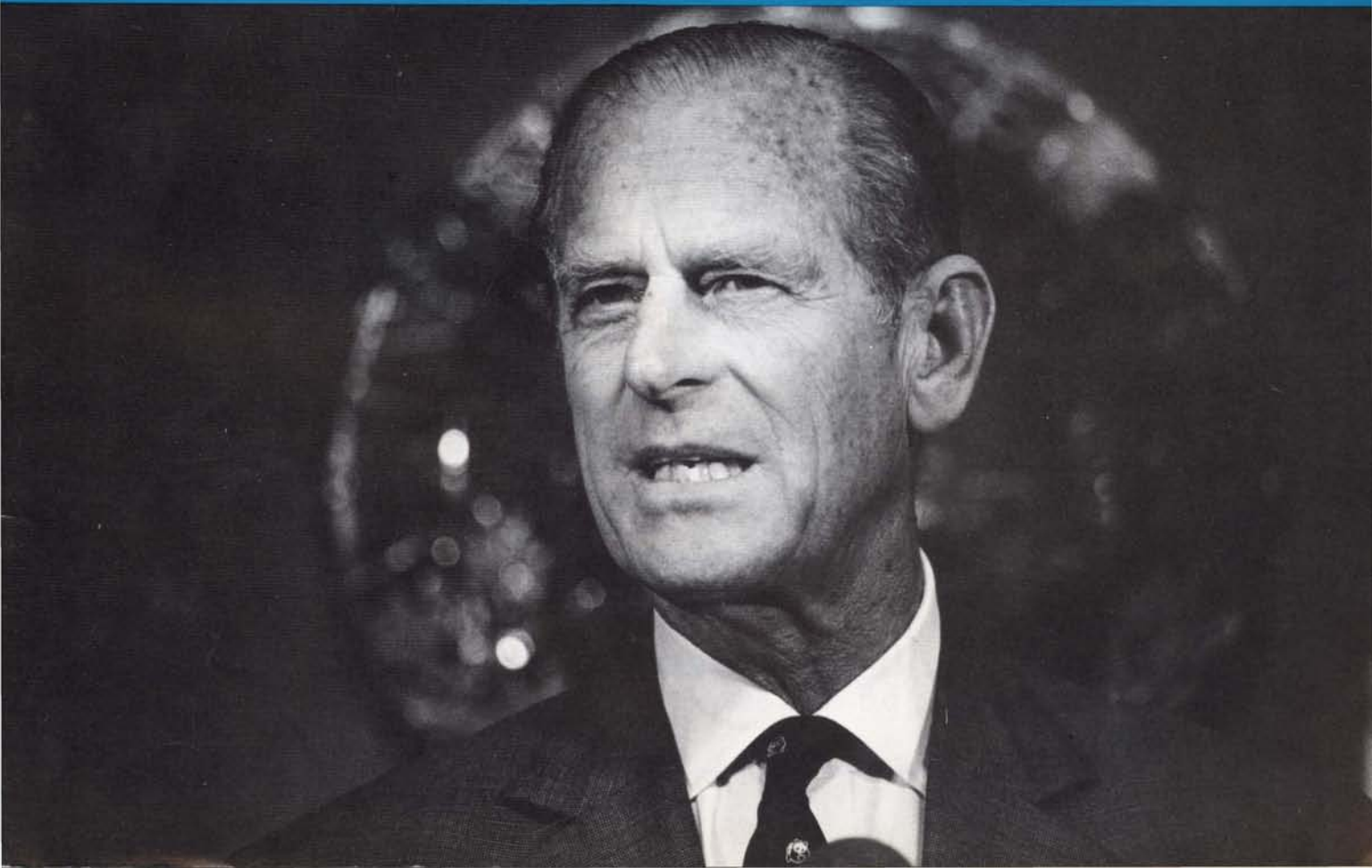
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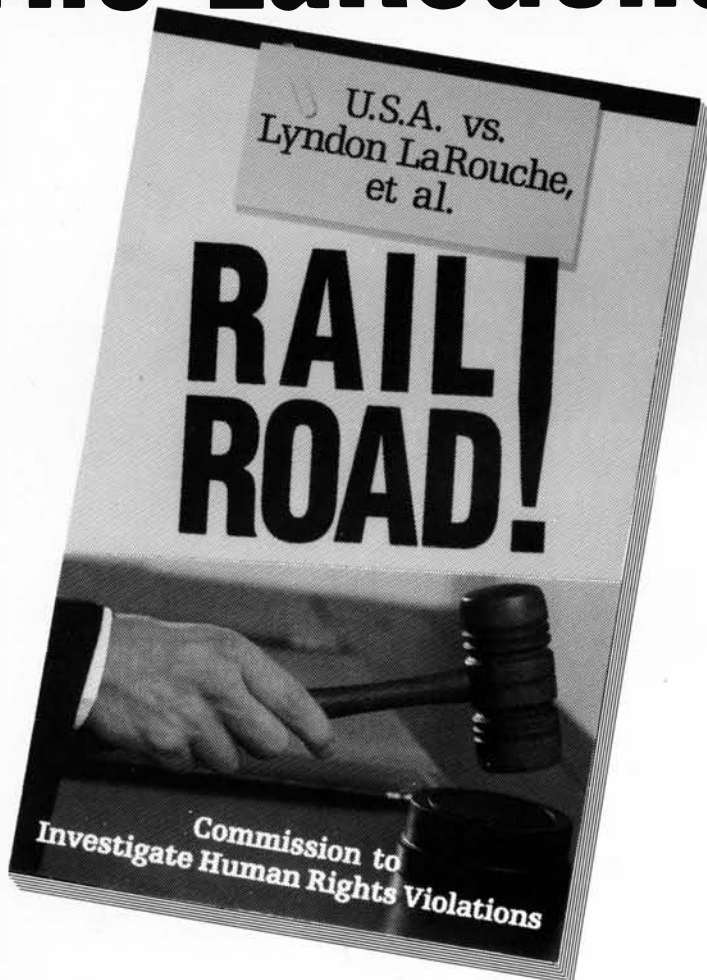
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From the Editor

“Two blind men judging a beauty contest” was Lyndon LaRouche’s capsule of the Washington summit. The public agreements, for the most part, are either meaningless or designed to plunge us all into catastrophe. The secret parts of the negotiations are likely to follow a script written by the likes of William K. Reilly, Prince Philip, and Ivan Frolov, the strategists of the revivals of pagan religious cults that will take the world rapidly back to the Dark Age (see *Feature*).

“Neither Bush, nor the U.S. government, nor the Wall Street financial community, nor the Soviets, know what economics is. Neither side understands its own economic interest!” Lyndon LaRouche made these comments May 31 on the issue of supposed trade agreements between whatever George Bush thinks he controls, and the Soviet government.

As for the military side, LaRouche warned, the typical Western assessment is that “they’re no longer able to fight a war.” But “the Soviet military institution is in place and stronger than ever. It’s the only part of the Soviet economy that really functions. They’re having tremendous morale problems, but the morale problems are essentially Russian-style barracks problems. Troops in the barracks tend to decay. It’s the dirty armies in the field, with high discipline, who are out there moving beyond what they wish to do every day, those are the armies that are controlled.”

He added, “This is particularly true of Russians. Russians are only good for the attack. They can be controlled by their commanders only by movement—or by shooting them in the back.”

Our summit reportage starts on p. 6, where Leo Scanlon reveals the economic motives behind U.S. military concessions to Gorbachov. Gorby’s problems back in Russia are updated on p. 41, and the report from our Washington bureau is on p. 56 and p. 64.

A summary of the hearings that put the “Get LaRouche” task force on the hot seat in Roanoke appears on p. 58. In a related event, the task force took a major defeat in Illinois on June 1, just before our press deadline, when the charges against three LaRouche associates were dropped in the Ogle County case (see p. 70).

As a special treat, we print Lyndon LaRouche’s essay for the occasion of the June 6 Brainin-Ludwig concert at C-256 in Washington, D.C., on p. 66.

Nora Hamerman

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Corrections: The copyrights were inadvertently omitted on the photos in the reviews for two books in our May 25 issue. The four photographs on p. 29 in the review *June Four* should be ©*Ming Pao News*; on p. 31 in the review of *Beijing Spring*, the left-hand photograph should be ©Peter Turnley, and the cover photograph should be ©David and Peter Turnley.

In the June 1 issue, there were two major errors in the official court transcript of former National Security Council aide Richard Morris's testimony which we quoted on p. 58, and which *EIR* has now corrected on the basis of the videotape of the testimony. The court stenographer erred in transcribing Morris's report of the number of times he met with LaRouche and his associates as "six or seven times in the two years." He actually said "six or seven times in *each of the two years.*" Also, Morris said that the U.S. government's intelligence was "more extensive" than LaRouche's, rather than, as the court reporter mis-transcribed this, "more expensive."

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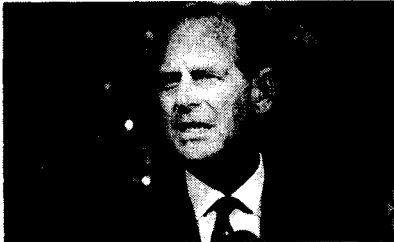
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200% tax increase won't help budget deficit

by Chris White

Individual U.S. tax obligations could easily be doubled, and more, without substantially affecting the size of the federal budget deficit. This is the result of a just-concluded study by *EIR*. The conclusion ought to shed some light on the mental state and qualifications of those who, like President Bush and his economic team, insist that current crisis negotiations with congressional leaders on the budget deficit are without pre-conditions.

Their discussions are absurd. It can probably be assumed that were the assembled luminaries never to have one emergency meeting, and never to agree on anything, the budget deficit would not increase as fast as it will once they all get together and agree on what should be done.

It is no longer secret that the subject of the meetings is not the federal government's deficit per se, but rather what the administration calls the government's "contingent" and "off-budget liabilities." This was reported May 14 by Richard Darman, director of the Office of Management and the Budget (OMB).

"Contingent liabilities" are those which, it is assumed, are backed by "the full faith and credit" of the U.S. government. Within the class of "contingent liabilities," for example, fall the deposits of savings and loan institutions which meet the deposit insurance conditions of the Federal Savings and Loan Insurance Corp. and its successor organizations, and are covered by such insurance programs.

The total of such "contingent liabilities," according to the Federal Deposit Insurance Corp. (FDIC) and the OMB is around \$5.6 trillion. Of the total, \$2.7 trillion is made up of insured checking, savings, and credit union accounts; \$1.3 trillion of insurance for pensions, floods, war risk, crops, and

overseas investments; \$800 billion in government-sponsored home mortgages, farming agencies, etc.; \$600 billion in guarantees such as Federal Housing Administration and Veterans Administration housing loans, student loans, and small business loans; and \$200 billion in agricultural and other direct loans.

Now, after five revisions so far this year, the S&L bailout is to cost around \$550 billion, once estimated interest charges are added to working capital required. Of the \$550 billion, \$130 billion is direct cost; the other \$420 billion is interest charges to finance the \$130 billion. And, there will probably be still more to come.

Financial holocaust nears

In 1986, some 103 million personal income tax returns were filed, for an average return to the federal government of \$4,470 per tax filing. Assume that these 103 million taxpayers had to cover the multi-year cost of the S&L bailout in one shot. It would take a 22% tax hike to bring in the \$5,445 per taxpayer that would be required, if the bailout financing requirement is unloaded directly onto the taxpayers' backs.

Spread over the multi-year duration of the bailout, that is roughly what each taxpayer would be expected to cough up.

The one-shot deal isn't going to happen, of course. Nor is it what the budget summit meetings are discussing. Their subject, as Darman has admitted, is the entirety of the government's "contingent liabilities." And in this case, the highest-ranking officials of government are unable to put a bottom line to the magnitude of the cost!

Testifying before Congress on May 23, neither Treasury Secretary Nicholas Brady nor Federal Reserve Chairman

Alan Greenspan could come up with estimates. For Brady, the cost of the bailout is "a moving target." For Greenspan, "The size of this hole is astronomical."

They were talking about the S&Ls. Their uncertainty was premised on the level of interest rates, and the future of the collapsing real estate market.

The big one here is not the S&Ls. It is the commercial banking system as a whole. Fully \$2.7 trillion of the \$5.6 trillion "contingent liabilities" is deposit insurance of all types. Consider also that the commercial banking sector is also affected by what happens to pensions, and, above all, to mortgages and real estate finance. Speculative real estate financings have collateralized much of what the bankers call "assets" in recent years—their lending to customers.

Last year the insurance fund for the commercial banks, the FDIC, lost \$851 million. This loss left the fund with only \$13.2 billion in assets, or 70¢ in assets for every \$100 of insured deposits. That's the lowest assets-to-deposits ratio since the fund was established in the 1930s, and far below the \$1.25 per \$100 the experts consider safe. In 1988, the insurance fund lost \$4.3 billion. In both years, the biggest losses were in Texas.

Crisis-point: real estate

This is exacerbated by the spread of a Texas-style real estate collapse into New England, and thence, down the East Coast into the Washington, D.C. area. Since 1986, bank real estate loans have nearly doubled, from \$496 billion (17% of bank assets) to \$884 billion (25% of assets) at the end of 1989, during which time problem real estate assets (non-performing loans plus repossessed property) have more than tripled, from \$13.2 billion to \$42.7 billion.

Some 361 of the nation's 13,121 banks have problem real estate assets that exceed their capital. At least 540 banks—4% of all banks—have bad assets greater than their capital plus loan loss reserves. Nationwide, bad assets were 30% of capital and reserves in 1989, compared to 27.3% in 1986.

According to the Federal Reserve Bank of New York, cumulative charge-offs for bad loans have exceeded income for the nation's 10 big money center bank holding companies since late 1986.

The debt is uncollectible

This is the end-result of the process under which approximately \$22 trillion of combined debt and speculative claims were pyramided on the bankrupt U.S. economy. Quarterly interest charges and claims of speculative investment exceed national wealth production fourfold. Thus the banking system is doomed. And so the government is going to have to do something about the "contingent liabilities" it is supposed to back with its "full faith and credit."

Now assume, for the sake of prudence, that the government *does* have to stand behind the entire \$5.6 trillion of "contingent liabilities." This does not include more than \$3

trillion directly accounted as the government's debt. Not an unreasonable assumption, if these characters continue their present policy, and the national real estate market continues down the tubes, dragging the banks along in its wake.

This eventuality will bleed the 103 million 1986 taxpayers for \$54,368 each. For this figure to be compared with the current estimate of \$550 billion over 30 years for the S&Ls, it would have to be multiplied by four, to bring into the equation the estimated interest charges, prorated over 30 years, which comes to \$217,472 per taxpayer over 30 years, or \$7,249 in annual taxes, to support the government's "unfunded" or "contingent liabilities" account alone. This does not include anything for the government expenditure categories which were supposedly covered by the \$4,782 average paid by each of the 103 million tax-return filers of 1986—nothing for social expenditure, nothing for defense, nothing for the federal government.

This prorating leads to the absurd conclusion that present tax levels increase by 150% to support the "contingent liabilities," while present government expenditures, including interest on its \$3 trillion debt, are cut by 100%!

Not exactly a workable solution.

Assuming current expenditures are maintained, and prorating it all onto the individual, over 30 years, the tax load would come to \$12,031 per average tax-return filer per year, 250% above the 1986 average return. In 1986, individual taxes accounted for about 53% of receipts. If the total were prorated between individual and non-individual taxpayers, you can be sure the result would be reflected as higher prices. The individual would be covering the same general amount, by different means. This would assume no cuts from current levels. The result is as absurd as 100% cuts in expenditure.

The total tax bite would be about 60% of the \$19,996 average pay.

The calculations put into focus what administration policymakers and their financial community co-thinkers refuse to take into account.

The government's "contingent liabilities" would not be threatened if there were not a depression under way, which has been compounded by an unparalleled growth of usury and speculation. The deepening depression means it is useless to throw money in the form of increased tax receipts at "contingent liabilities," or to attempt to achieve balance by cuts. Who is going to be around to pay taxes as the banks, insurance companies, and real estate operations which the government is standing behind come crashing down? But this is the one area not under discussion at the budget summits.

If the participants were sane, they would be having emergency meetings to discuss how to revitalize the economy and put people back to work in the high-paying productive employment that would rebuild the tax base. Anything else, and the deficit will keep growing, because it will be impossible to raise taxes or cut expenditure fast enough to keep up with the effects of economic collapse.

U.S. economic collapse is behind 'arms reduction' mania in Washington

by Leo Scanlon

The *pas-de-deux* just concluded between the superpowers in Washington has been universally mischaracterized as part of an "arms control" negotiation. In reality, both superpowers have embarked on unilateral reorganizations of their military forces, and are now attempting to negotiate a new treaty for the European continent, modeled on the 1815 Treaty of Vienna which established the Alexander II's Russia as the "policeman of Europe."

Contrary to all of the propaganda statements made by U.S. military and political officials, U.S. strategy is driven by the fact that the industrial base of the U.S. economy has collapsed to such an extent that it cannot sustain a military force capable of containing the Soviets in Europe. The current defense budget was largely planned with this reality in mind—long before the revolutionary events of 1990 changed the map of Eastern Europe.

The Soviet Union, for its part, is well aware of the implications of this economic collapse, and has targeted it as the Achilles heel of the North Atlantic Treaty Organization (NATO), which since the early 1950s has served as a barrier to Soviet aggression, but which is now in turmoil in the wake of the revolutions in Eastern Europe. The now nearly completed "Ogarkov revolution" of the Soviet military structure, precisely pits Soviet strengths against this weakness, and is designed to situate them as Europe's new policeman, in spite of the Soviet Union's own catastrophic economic collapse.

'Free market' dogma collapsed U.S. military

The origins of the perilous military situation now facing the United States can largely be traced to the economic policies pursued by the Reagan administration and the Carter administration before it. The decision was made to abandon support for basic industrial production, in favor of more "cost-effective" speculative and usurious financial practices. The long-term weakness this built into the economy was complemented by an ideological crusade which demanded "competition" in contracting for military weapons systems.

The insane idea of forcing the most capital-intensive component of American industry to engage in the duplicative efforts necessary to compete for large military contracts, was

championed by Navy Secretary John Lehman, among others. In military-related industry it operated like the deregulation schemes in other sectors, effectively cartelizing production and wiping out a network of middle-sized engineering and production facilities. A study recently issued by the Center for Strategic and International Studies at Georgetown University in Washington, D.C., reports that of 118,489 defense firms operating in 1982, 60% were gone by 1987.

In order to sustain the cost of competing for big-ticket projects, most defense firms took on large amounts of debt during the so-called defense buildup. Debt-to-equity ratios in the aerospace and defense sector soared from the historic average of 14% to over 37%. According to figures published in *Defense News*, the aerospace firm Grumman now sports a 108% debt-to-equity burden; McDonnell Douglas 88%, Lockheed 89%, and so on.

The interest costs of this debt are enormous. Northrop's interest expense increased sevenfold, from \$17.4 million in 1985 to \$123.7 million in 1989; McDonnell Douglas went from \$95 million to \$366 million; and Grumman from \$29.4 million to \$105.3 million. At this point, the stocks of these companies are considered to be little more than "junk bonds."

Copping out on R&D

An additional consequence of the dual-sourcing mania was that the process penalizes those companies which are most heavily invested in research and development. Once a contract is let, the Pentagon awards 60% of the work to the winner, and 40% to the loser, in order to keep vital production lines running. It didn't take long for people to figure out that the best tactic in this environment was to save the cost of R&D, lose a competition, and try to eke out a profit on the 40% of the production awarded to the loser. Former Pentagon procurement chief Robert Costello told the *Los Angeles Times*, "I don't think there was a single remarkable success in competition."

That is an understatement. The penalties against R&D expenditures which were built into the contracting schemes of the Reagan administration were compounded by the interest costs described above. The final nail in the coffin was the

frenzy of “waste, fraud, and abuse”—charges which culminated in the “Ill Wind” raid on the Pentagon on June 14, 1988.

The administrative and prosecutorial apparatus created under this rubric imposed a further burden on defense contractors. In one case, cited by the *Los Angeles Times*, the federal government spent \$300 million to audit a \$500 million contract. That figure does not include the cost borne by the contractor for hiring accountants and lawyers to oversee the government snoops. Smaller firms, faced with the choice of bearing these costs or being fined and jailed for minor accounting infractions, left the industry in droves.

But that does not mean that the remaining large contractors are fairing any better. Martin Marietta chief Norman Augustine told a recent congressional hearing that in the past two years, 47 companies have put their defense divisions up for sale, and 30 have been sold in the effort to raise cash to meet interest payments.

According to Robert Costello, the Bush administration is completely indifferent to this chaotic situation. Speaking to a seminar sponsored by the Brookings Institution in April, Costello talked about the collapse of the (virtually clandestine) efforts to protect U.S. manufacturing capabilities during the Reagan administration: “Under Reagan you could put ‘defense’ in front of it and get away with [support for manufacturing]. . . . In this administration, you can’t do it at all.” He pointed to the fact that since the departure of Defense Secretary Caspar Weinberger in November 1987, the Defense Manufacturing Board has been abolished, and the White House recently moved to fire Craig Fields, the head of the Defense Advanced Research Projects Agency, because he had attempted to use government funds to support high-tech electronic research.

Bush budget will finish off defense

It is from this standpoint that the Bush defense strategy proceeds. The policy of the administration is to reduce the rate of production of big-ticket defense items, stretch out procurement where possible, and eliminate the major weapons systems which should be procured to maintain a deterrent to Soviet force in Europe. This strategy has two consequences: It saves a certain amount of money in the immediate year, but it also raises the per-unit cost of each item which is eventually produced.

For defense companies struggling with huge debt burdens, the result is catastrophic. Any hope of amortizing the R&D and interest costs accumulated in the 1980s is negated by the slowdown in production rates. The resulting increase in per-unit costs are passed on to the taxpayer, and that means that Congress will take a carving knife to whatever is left of defense spending plans. The mass layoffs which are now sweeping through the defense industry will soon be complemented by large numbers of enlisted men and officers who will be leaving the armed services as manpower levels are

drawn down, further complicating any effort to manage this restructuring.

Treaties become budgetary items

In January 1990, the Congressional Budget Office produced a study which examined the possible effects of a treaty on Conventional Forces in Europe (CFE), and what potential impact it would have on military budget planning. “Based on these assumptions,” it said, “the Army would eliminate 7 of its 18 active divisions, including 2 of the 4 $\frac{2}{3}$ divisions currently stationed in Europe and 5 divisions stationed in the United States intended as reinforcements for European forces in the event of war. As a result of these reductions, the Army would need 185,000 fewer soldiers, counting only those directly or indirectly involved with the disbanded units. If proportional reductions were also made in Army overhead, another 60,500 active-duty personnel could be demobilized. Thus, the total reduction could be as large as 246,000—leaving the Army about one-third smaller than it is today.”

In short, the options described in the Congressional Budget Office paper is the one chosen, and already partly implemented, by the Bush administration in the current defense budget. The fact that this was announced in advance of the conclusion of the current round of CFE talks would indicate that those talks have effectively been concluded on these terms.

This is exactly what Paul Wolfowitz reported to Congress on Feb. 28: “We are planning future forces based on our expectation of a CFE agreement. We have not in the past incorporated into our planning guidance an assumption of reaching an arms control agreement, *before* it was actually concluded, but we are doing so now because we expect to implement a successful agreement in the near future.”

In 1985, Georgi Arbatov, who heads Moscow’s U.S.A. and Canada Institute, bragged that the Soviets no longer feared the U.S. military, or the U.S. Strategic Defense Initiative, since the budget crisis would cripple these capabilities. A paper written by the Congressional Budget Office in 1988 added: “While NATO’s technological progress provokes a genuine fear and the invectives against it continue, what was previously a really hysterical fear about Western advanced technology has become considerably muted. Some participants [in the CBO seminar] suggested that the Soviets’ fear has abated as a result of more moderate assessments of what the West will be able to do in the next 10 to 15 years to introduce new weaponry in meaningful quantities.”

Soviet policy in the Strategic Arms Reduction Talks (START) and CFE is predicated on this reality. Moscow has demanded and received concessions on every major point advanced by the Bush administration in the START talks, and have refused to budge on conventional force issues, because they know that the Bush administration budget is Moscow’s first line of defense. Detail by detail, the administration is negotiating on behalf of the Ogarkov reorganization.

Rockefeller, Kissinger, Bush push 'open door' to looting of Ibero-America

by Peter Rush

On May 21-22, at a conference of the Rockefeller family's Council of the Americas, President George Bush, David Rockefeller, friends of Henry Kissinger, and other members of the Anglo-American financial elite declared open season on Ibero-America. For two days, 300-500 top executives of America's multinational corporations heard speeches urging them to take advantage of the fact that every major country in Ibero-America is now ruled by a government willing to allow the free marketeers of the Bush administration to make mincemeat of their national economies. Not since the heyday of Rockefeller power in Ibero-America in the 1950s have political and corporate leaders been so upbeat about the prospects for U.S. companies to "invest" in Latin America—their polite term for attempting to squeeze a few extra drops of value out of these nations in order to prop up the bankrupt U.S. economy for a few more weeks or months.

The gathering took place just days after the visit of Pope John Paul II to Mexico, during which the Pope repeatedly attacked the "free market" policies advocated by Bush, Rockefeller, et al. The Pope identified free market capitalism as responsible for the great increase in poverty during the 1980s, the period in which International Monetary Fund-dictated austerity programs were implemented in most countries. In fact, the entire proceedings of the council should be seen as a direct answer to the Pope's critique: Using phrases such as "common market," "revolution," "integration," and "democracy," speakers attempted to characterize economic colonialism as good for the pocketbooks of top U.S. corporations and good for Ibero-America.

The meeting of the council, chaired by David Rockefeller, which has represented top multinationals doing business in Ibero-America for decades, made clear the tight interface between the U.S. government and this organization of supposedly private corporations. The conference was held in the State Department, its keynote address was delivered by Assistant Secretary of State Lawrence Eagleburger, the closing speech was given by President George Bush, and an entire panel on May 22 on "The Economic Importance of Latin America for the United States," was simultaneously sponsored by the Joint Economic Committee (JEC) of Congress and held in the committee's meeting room at the

Capitol.

The meeting also advanced the policy perspective laid out during the last week of March by one of the top coordinating organizations of the Anglo-American elite, the Trilateral Commission. In a report entitled "Latin America at the Crossroads: the Challenge to the Trilateral Countries," co-authored by Council of the Americas president George Landau, the Trilateral Commission called for the final destruction in Ibero-America of what it termed "mercantilism," the term used to describe efforts to develop strong national economies using the traditional tools of developing nations, especially protectionism and state involvement in fostering economic development.

'Free trade' to extract high profits

The *leitmotif* of both meetings was that with the end of communism in Eastern Europe, the "free market" capitalism so decried by the Pope now has a free hand to move into Ibero-America, wipe out national industry with cheap imports, buy up or steal the most profitable national companies, and exploit the continent's dirt cheap labor force to "invest" in Mexican-style *maquiladora* industries designed to re-export cheap products back to the United States or to Europe and Japan.

Eagleburger, one Henry Kissinger's top flunkies in the Bush administration, delivered the keynote address to the council on May 21. He made clear that the United States now considers U.S. domination of Ibero-America—a goal of U.S. imperialist interests since at least the time of Teddy Roosevelt—to be a matter of strategic security. "The prospect of ending the Cold War is, quite simply, of immediate and overriding strategic importance to the United States. . . . The fact of the matter is that, in the post-Cold War era, our national security will be increasingly a function of our economic well-being, which in turn will be dependent on our international competitive position in a more highly integrated economy. Our trade with Latin America, in short, will increasingly be seen as a vital interest."

David Rockefeller, in prepared remarks to the JEC of Congress on May 22 that were incorporated into the conference agenda, was blunt. "We believe that Latin America . . .

offers large and growing opportunities for U.S. trade and investment, which will be increasingly important to the national economic and security interests of the U.S. in the 1990s," he said. He saluted the capitulation of most of the region's governments to "free market" principles, gloating that "In a sharp reversal from previous policies, foreign investment is now courted by Latin America as one means of partially replacing bank lending." He reaffirmed Eagleburger's threats that this was now a security matter for the United States: "We are convinced that Latin America is of significant importance to the vital interests, economic as well as strategic, of the United States."

How this new policy of trade and investment is supposed to operate was defined more by omission. Hardly a speaker over the two days so much as referred to the pressing fact that in its present condition, most Ibero-Americans are not a market for U.S. exports because they are too poor to buy anything, and getting poorer by the day. Raising living standards was not on the agenda of the conference, nor of the public and private U.S. interests in attendance. Nor was investing in transportation, energy, or social infrastructure such as schools and health care, which would be required were genuine development being proposed. Even Rockefeller knows that serious industrialization cannot proceed without such infrastructure, but this is not the intention of the "investment" proposed. Rockefeller emphasized that "We are *not* proposing a new Marshall Plan for Latin America."

Rather, trade was defined not as capital goods to modernize national industry, but the import of cheaper products to compete with existing, nationally produced ones, or to import parts to be assembled for re-export, *maquiladora*-style. Investment was specified to be limited to raw materials such as oil, consumer goods industries to satisfy the limited middle-class market, or export industries. Rockefeller, for example, said that U.S. policy should focus on "an aggressive business development strategy to . . . expand our traditional export markets," "encourage new investment," and "assure a reliable and secure supply of essential energy imports," i.e., oil for the United States. Moreover, much of the "investment" is intended to be pure looting of existing companies in the form of "debt for equity" swaps, whereby the foreign debt is exchanged for the most profitable companies, both public and private, and will involve no *new* investment.

Integration, or surrender

Not trade opportunities, but the importance of "free trade" was stressed throughout the conference. Testifying to the JEC hearing, Goodyear Rubber Co. executive Alan Ockene said, "Today we are frankly discussing a North American free trade area. In a second phase, Central America cannot lag far behind Mexico. Brazil will be the key to South America. . . . A natural tendency over the longer term is hemispheric integration."

The Bush administration agrees. In April, Vice President

Dan Quayle called for integrating the Western Hemisphere "from Alaska to Tierra del Fuego" as the basis for "a new Pan-Americanism." And Alan Stoga, head of Kissinger Associates, told the Argentine newspaper *Cronista* in an interview published May 20 that he envisioned a hemispheric free trade zone, to be preceded by an "American Common Market" that would include Canada, the United States, Mexico, Central America, the Caribbean, and Venezuela, which would, among other things, ensure U.S. control over the major oil deposits in Ibero-America.

The Argentine government of Carlos Menem is pushing for the same policy. Argentine Foreign Minister Domingo Cavallo has called, according to Buenos Aires daily *Ambito Financiero* of May 10, for a reduction of tariff barriers in South America—not as a step toward Ibero-American integration, as called for by Ibero-American patriots for more than a century, and also strenuously urged by the Pope during his recent Mexican trip, but as a step toward absorption into a U.S. trading bloc. *Ambito Financiero* noted that Mexico would be allowed to join in the proposed tariff reduction, and would become "a kind of bridge between a South American common market . . . and the virtual North American Common Market, which raises the prospect for the commercial integration of the entire continent."

Under the present circumstances, any genuine common market would have to operate along the lines laid out by Lyndon LaRouche in his 1982 proposal *Operation Juárez*, and would have to exclude the United States, while providing protection for many of the region's industries against cheap foreign imports. As LaRouche and his forerunners such as Friedrich List emphasized, the "buy cheap, sell dear" mentality is the best way to ruin the national economies of buyer and seller alike.

The Argentine administration of the nominally Peronist President Menem is currently leading the continent's governments in bowing and scraping before the U.S. free marketeers. Argentina has agreed to cease production of its Condor II missile, at U.S. insistence, is likely to finally sign the Tlatelolco Treaty for nuclear non-proliferation, and has abandoned numerous traditional foreign policy positions in deference to the United States. Brazil's new government also appears to be courting the Bush administration with similar trade and foreign policy concessions.

Where such capitulation by Ibero-American governments to the "colossus from the North" might lead if it keeps up, was intimated by Eagleburger when he said that the United States sees the problem of drugs, the environment, and "unregulated immigration flows" as posing "direct threats to our national well-being and security." He said that "Panama and Nicaragua are, in an important sense, metaphors for the kind of challenge we face throughout the hemisphere, the challenge of making democracy work." In other words, the United States will intervene, militarily if necessary on the Panama model, in order to satisfy its policy goals.

The failed economics of Thatcherism

Behind the public relations hype, British industry is rusting and infrastructure has collapsed. Part II of a series by William Engdahl.

For more than a decade the "Thatcher economic miracle" myth has been hailed worldwide. With appropriate irony, the media public relations and advertising firm that was largely responsible for packaging and publicizing the Thatcher era, Saatchi and Saatchi, is teetering on the edge of bankruptcy. The best demonstration of the bankruptcy of the Thatcher economic policies, however, is in the vital area of British industrial and infrastructural capabilities.

Over the decade since Prime Minister Margaret Thatcher took office in 1979, the British economy has failed to make the promised renaissance in competitiveness and technological modernization. More alarming, as recent prison riots, hospital worker strikes, subway disasters, and food poisonings attest, the quality of living of the average Briton has deteriorated dramatically.

In its latest "World Economic Outlook" review of the British economy, the International Monetary Fund noted that this year Britain will have the lowest growth, highest inflation, and the greatest current account deficit of any of the world's seven top industrial countries. For the year to date through April, the official Retail Prices Index of inflation rose at an abysmal 9.4% annualized. Bank Base Rates have doubled from 7.5% in mid-1988 to 15% today, as part of the Thatcher program to "squeeze inflation out" of the economy. In April, Britain had another month of huge trade deficit, as exports stagnated. Let's look more closely into the content of Thatcher economic policy, to get at the roots of this debacle of what is sometimes called the Anglo-Saxon economic model.

'Investment'—in what?

Thatcherite advocates, a rare species in today's Britain, point to what they claim is an unprecedented national investment boom since the early 1980s, as proof that Thatcherite *laissez-faire* or free market policies, and a bent to "privatization" and cutting state budget spending, have indeed worked.

So we must note that since 1981, real "business investment," adjusted for inflation, has grown by an impressive 7% per annum. Even if we go back to the depression year of 1979, it has averaged 4% per annum. This is still double the growth rate of the dismal 1970s before Thatcher assumed office. But, like many isolated "facts," this one is very misleading. It is necessary to look more closely at the components of this "business investment."

If we separate out investment related to manufacture and agriculture or the production of the physical economy from that related to "services," we get a dramatic and revealing contrast. According to official government data taken from the 1989 United Kingdom National Accounts, whereas in the 10 years from 1979 through 1988, British gross investment for all business increased some 37.4%, this is entirely due to the services sector, where investment in such things as new bank headquarters following the Oct. 27, 1986 "Big Bang" financial market deregulation, or new stock market computerization, led to an impressive 93.1% investment increase for service businesses. Investment over the same decade for agriculture and manufacturing dropped 8.4%! The sharpest drop was in oil and gas investment, which fell by more than 38% over the period, and construction, which fell by 23%. In the critical manufacturing sector, British companies were absolutely stagnant during the term of the "Thatcher revolution," with a net real investment of less than 1% over a decade!

By comparison, if we look at investment in manufacturing capital stock, e.g., plant and equipment, for the 1979-88 period, and compare it with continental Europe or Japan, we find an even more dramatic contrast. Prof. Andrew Glyn, an economist at Oxford's Corpus Christi College, showed that Britain's investment of this type was less than half that of the economies of continental Europe, and a mere one-fifth the capital stock growth of Japan for the period.

According to the Confederation of British Industries (CBI), most of this "investment" by manufacturing companies, from 1979 until quite recently, went into paying the costs of "rationalizing" their work forces, one reason Thatcher's economics led to a staggering 1930s level of more than 3 million unemployed by 1983. Granted, official unemployment is down now from those levels—partly aided by changes in statistical accounting—to a level of 1.65 million this past March; but unemployment in the industrial north still ranges from 7.5% in the northwest to 14% in Northern Ireland. With the growing problems of the economy, unemployment will rise again in the coming months.

The U.K. companies which have held large cash from profits in the recent several years, usually multinational firms like GEC, have invested profits into financial assets rather than long-term plant improvement. Other firms have been forced by Britain's liberal New York-style corporate take-

TABLE 1

U.K. business investment

	Gross investment % change 1979-88	Growth of Gross Fixed Capital stock, 1987-88 (%)
Total business	37.4	3.1
Industry and agriculture	-8.4	0.6
Services	93.1	6.9

TABLE 2

U.K. material goods investment

	Gross investment % change 1970-88	Growth of Gross Fixed Capital stock, 1987-88 (%)
Agriculture	-7.2	-0.7
Oil and gas	-38.5	0.0
Energy and water	-1.5	0.3
Manufacturing	0.6	1.1
Construction	-23.5	0.0

TABLE 3

U.K. services investment

	Gross investment % change 1970-87	Growth of Gross Fixed Capital stock, 1986-87 (%)
Distribution and catering	43.9	5.3
Transport	-17.4	-2.3
Communication	51.6	2.6
Banking and finance	125.5	9.1
Business services	148.4	

Source: U.K. National Accounts, 1989 edition

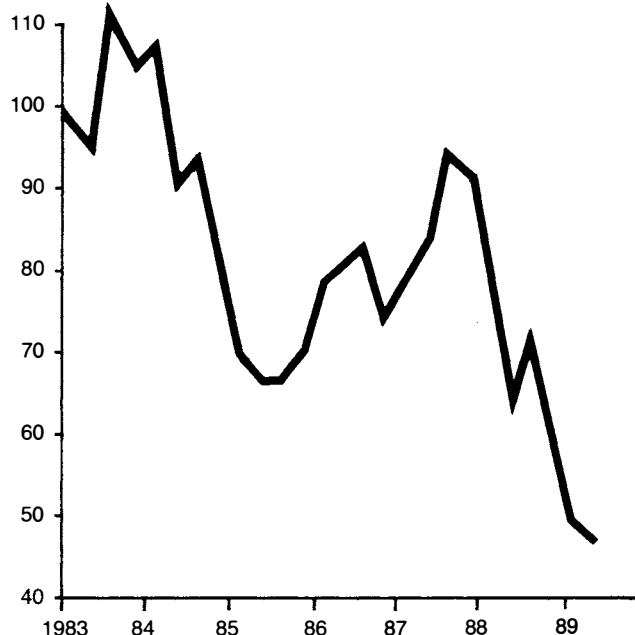
over climate, to invest in debt to fend off attack, or to borrow in order to buy, often at inflated prices, existing production capacities from other companies. This has resulted in an alarming growth of corporate debt.

According to the Bank of England, for the 12-month period up to December 1988, U.K. corporate "interest-bearing liabilities" almost doubled from some \$45 billion to \$79 billion. Since then, bank rates have been forced to the present 15% levels, and the debt burden for manufacturing companies is the worst in 15 years, since the depression of the mid-1970s. According to a CBI study, the ratio of manufacturers' short-term assets to short-term debt fell by June 1989 to the lowest level since 1975. As a result of Thatcher's interest rate policy, itself a bow to the monetarist dogma that money is more "valuable" than creation of real industrial and agriculture wealth, U.K. companies ran up a financial deficit of more than \$10 billion by 1988. In recent history, there have

FIGURE 1

Liquidity ratio plunged under Thatcher

British manufacturing companies (%)



Total current assets as a percentage of current liabilities

been only two times when British companies slipped into net deficit, 1974 and 1979, both a year before the overall economy went into severe depression.

Poor in international competition

In a speech in March to a group of U.K. manufacturers at the JIT Club in Renfrew, Scotland, Hashime Yamashina of Japan's Kyoto University warned that British manufacturing will be "finished" before the next decade if it refuses to adopt modern production and inventory control methods, such as computerized flexible manufacturing methods and computer-controlled just-in-time inventory control.

Professor Yamashina hit a raw nerve, noting the problem that investment in state-of-the-art manufacturing technology requires a workforce educated and skilled to the modern requirements. "Japan has proportionally twice as many qualified engineers as the U.K.," he noted, adding with irony that, on the other hand, the U.K. has 10 times as many accountants. "In the Japanese manufacturing organization, in addition to research and design engineers, there are two categories of engineer directly involved in production: one in systems and the other in on-line production. And the more of these you have, the better the product."

Not surprisingly, British exports have performed dismally in competition with German, Japanese, or even French or Italian companies in recent years. A March 1990 study

FIGURE 2

British current account balance

Billion £ (quarterly)

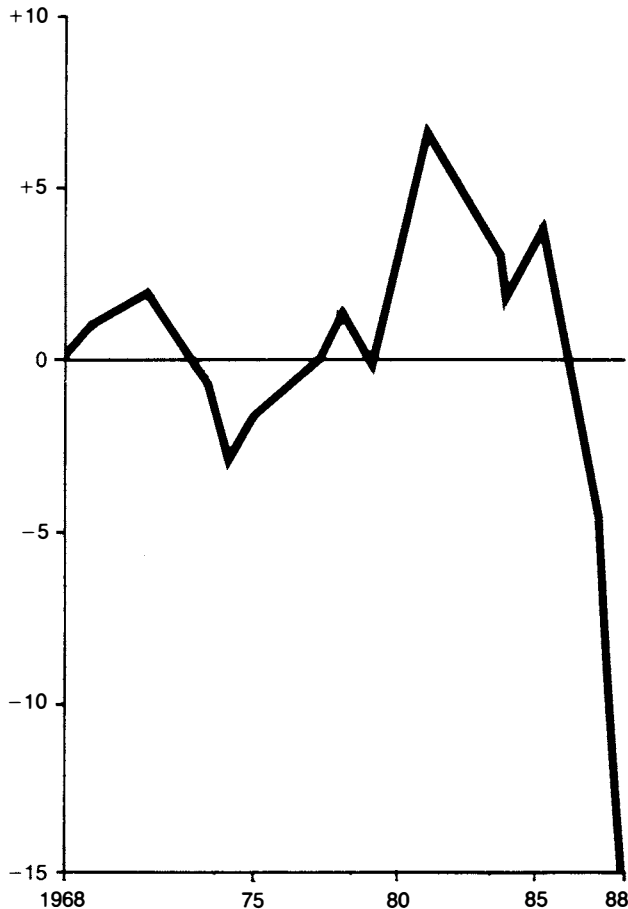
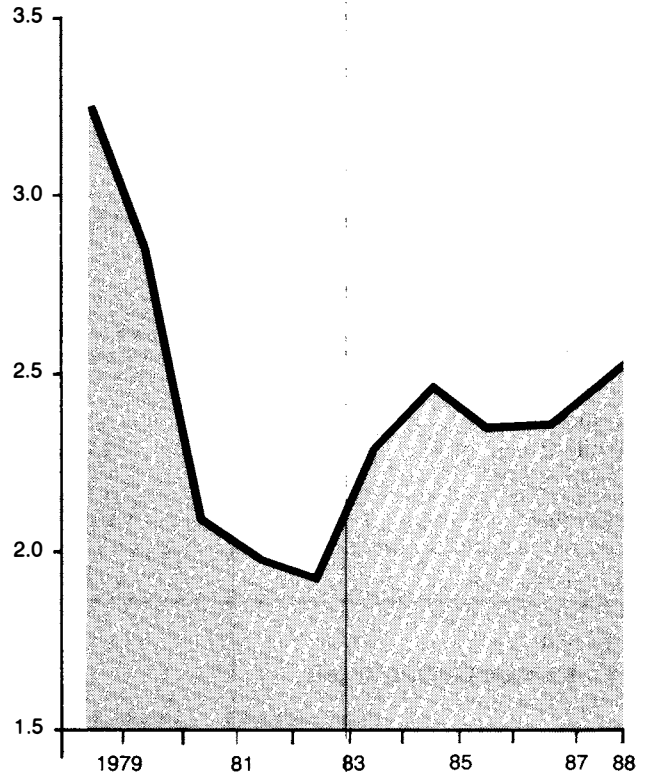


FIGURE 3

British manufacturing investment as % of GDP

Gross fixed capital formation



Source: OECD, CSO

released by Britain's National Economic Development Office (NEDO) revealed that British industry, like that in the United States, is withdrawing from sector after sector in competition for exports, "not because domestic prices are unduly high, but because Britain is out of line on quality."

The NEDO study found that the fundamental problem of British industry's slipping markets is due to its "specialization in inferior products." British companies tend to export low-value products and import high-value ones, such as German or Italian machine tools. In a survey of British manufacturing industry for the decade through 1987, NEDO revealed that the Thatcher revolution did not improve the quality of manufacture. In the important capital goods industries such as machine tools, pumps, and agricultural machinery, after a decade of Thatcherism, Britain continues to export lower quality goods than Germany, France, or Japan. In short, Britain "exports cheap and imports dear."

British industry is now faced with a devastating competitive challenge, as continental Europe opens its borders under

the European Community's (EC) 1992 Single Europe Act. In addition, the opening of Eastern European economies will now threaten those very cheap markets that British industry now holds. As of early this year, for every dollar British companies have invested to prepare for the challenges of Europe's 1992 market openings, it has spent \$5 on investment in the U.S. market—ironically, the one which faces the worst economic downturn of all industrial economies. As one commentator, John Edmonds, put it, "British industry repeatedly gets the answer wrong on all the tough questions."

But industry has had worse than no help from the "malign neglect" industrial policy of the Thatcher government.

The infrastructure debacle

A recent study by Britain's private Employment Institute insists that government spending for education, research and development, and infrastructure must be significantly increased, if Britain is not to be relegated to the bottom tier of European Community low-wage and low-quality producers after 1992, along with Greece, Portugal, and a handful of others. Nowhere is the bankruptcy of Thatcherite economics

more stark than in the government's record on state infrastructure investment, that is, the basic public rail, road, airport, and electric power grid without which the national economy ceases to function. Among the seven industrial nations, only the United States ranks lower than Britain in terms of public core infrastructure investment.

Present conditions of the road network are bad to dismal, according to a 1989 report of the Confederation of British Industry. The main highway routes are twice as congested in terms of vehicles per kilometer as those of the efficient West German Autobahns, and three times as congested as those of France. The CBI estimates that this overcrowding alone costs British industry \$24 billion annually, added to the costs of delivering its products. The situation is worst in the large cities. Since 1982, costs of U.K. road transport have risen by 36%, more than for any of the other EC major industrial countries.

In the Thatcher government's National Transportation "White Paper" of May 1989, a proposal is made to double current road investment, but almost all for simple repair and widening of existing roads. No new lines are proposed, and two routes which are desperately needed along the south and east coasts, to link the ports that give access to continental Europe, are simply not mentioned. In comparison, between 1982 and 1985, West Germany invested 130% more in its road infrastructure than Britain, and France invested two-thirds again as much as the United Kingdom. While Britain plans virtually no net increase in road network, France's current national transportation plan will increase the nation's highway network by 250% by 1997. Further, under the Thatcherite dogma, the Government Transport Ministry is trying to stimulate private investment to pay the costs of the road program in key areas so as to keep taxes low, along the lines of the Bush administration proposals from Transportation Secretary Samuel Skinner.

One of the largest construction projects under way in Europe is the Channel Tunnel ("Chunnel"), a long-delayed link across the English Channel between Britain and the continent. Here as well, while the French terminus of the tunnel already has three modern highways linking it to the national road grid, as well as a new high-speed TGV high-speed train link, the British side, to be complete in 1993, has only one connection, M-20, not yet complete.

Road transport, as bad as it is in the U.K., carries 81% of all transport, simply because of the decrepit state of the national British Rail system. But little is being done to improve the rail grid. France spends two-thirds more than Britain does on its rail infrastructure, which is today the most advanced in any industrial country. West Germany is engaged in a large-scale rail modernization project, where its version of a high-speed rail, the Inter-City Express, similar to France's TGV, is nearing completion in some areas. Britain has scarcely discussed the possibility of high-speed rail.

But the British rail infrastructure dilemma is even more



Margaret Thatcher's "economic miracle" is bankrupt.

pathetic. In a policy Britain has stubbornly held to since her rail grid was laid early in the 19th century, Britain today still uses a special narrow "loading gauge," which determines the clearances of width and height for train tunnels, bridges, and loading platforms at stations. This loading gauge, W5 as it is called, is narrower than continental Europe's Berne gauge. Because of this, wider and higher rail cars used on the continent carry up to 60% more volume than British railcars, with staggering transport cost implications.

Conversion of the existing British Rail loading gauge to the Berne standard would open U.K. transport to some 200,000 continental railcars. Obviously, such conversion could have been accomplished far more cheaply at any time in the past century. Today, with a government that has an ideological adherence to cutting government spending in all respects, such a simple modernization is hardly at the top of the British Rail agenda. Costs of total conversion are estimated to be as little as \$340 million, and the move would eliminate the need for costly transshipment at the Channel Tunnel or the use of overloaded highways. As yet, British Rail has nothing more than piecemeal plans to modify a short rail stretch from the tunnel to a central marshaling yard.

But, despite issuance of the Transport White Paper a year ago, the entire transportation plan is stalled, because of the unwillingness of the government to spend public funds. A group of leading British industrialists has issued a private estimate that at least \$14 billion over the next nine years will be needed merely to patch up London's subway and road transportation system. In response to the "free market" ploy by Transportation Secretary Cecil Parkinson, of calling for private funds to build the infrastructure, the London Planning Advisory Committee has bluntly told the government that there is no possibility of sufficient private funds, demanding that the government reverse policy and invest in infrastructure. So far little has been done. A report from the British

Property Federation states, "The Government has now rejected a program of major road building for London. Unfortunately, there is as yet little indication of what alternative transportation policy the government is to pursue."

Privatization of formerly state-owned companies, such as British Gas and British Petroleum, has brought relatively little new revenue into the Treasury, since it became the centerpiece of the Thatcher economic model over a decade ago. Privatization has enriched a number of City of London merchant banks which have advised the government on the sales, such as N.M. Rothschilds and Kleinwort Benson, however. The most ambitious privatization to date, a potential \$32 billion selloff of the Central Electricity Generating Board (CEGB) into 12 regional private boards, is due to be finalized by November.

According to industry estimates, the costs of this privatization of electricity will be immense and potentially fatal to what remains of competitive British industry. After a one-year price freeze, electric power costs to heavy industrial users are estimated to rise by 40% over the coming two years, according to Energy Department estimates, as price concessions for heavy industry are removed. This will hit electricity-intensive industries such as chemicals, glass, and steel, whose electric power costs already are among the highest in the European Community, forcing the closing of factor-

ies or transfer abroad. But N.M. Rothschilds and Kleinwort Benson downplay this aspect in their advice to the government. Further, in order to make the privatization package "saleable," the Thatcher government in effect decided to kill the future nuclear power investment program, by splitting it from the privatization. Lord Marshall, the widely respected head of the CEGB, resigned last year in protest over this short-sighted decision.

Perhaps most damaging of all has been the immense social toll of the Thatcherite "free market" economics. Aside from the teams of high-paid City of London financial center brokers and bankers who have benefited from market deregulation, the real cost of Thatcher's economics has been devastating.

One of Thatcher's prime claims is that her ruthless economic policies since 1979 have successfully "squeezed inflation out" of the economy. Granted, in 1980 inflation was at 20% and had dropped to 3.7% by summer 1983; but when Thatcher first won office pledging to halt inflation, it was running at 10%. Now, 11 years of Thatcher economic "squeeze" later, in April 1990, retail price inflation is 9.4%. Much to the prime minister's embarrassment, 10 years after her brand of radical monetarism began, bank base interest rates today stand exactly where they were, at the prohibitively high level of 15%—the highest in the OECD. Even the governor of the Bank of England, Robin Leigh-Pemberton,

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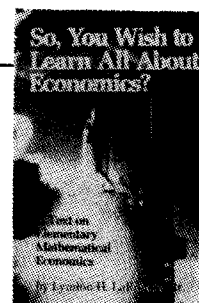
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was forced to admit in April that there might be a flaw in the government's economic battle strategy.

Living costs have soared. Shoes are 226% more expensive than in 1980, while private medical insurance has risen 265%. The average water bill to households has risen 160%, in another privatized area. Milk is 89% higher, and the famous fish 'n' chips 170% more expensive than in 1980. British Rail ticket fees have risen by 130-170%, while service has deteriorated.

Thatcher's tax policy has selectively reduced taxes on the highest income earners, while recovering revenues via indirect regressive taxes such as the Value Added Tax or the new controversial head tax known as the "poll tax."

Widespread public walkouts last year by nurses and hospital employees dramatized the crisis of government-funded health care, but little has been done since to change things. In May, John Major, Thatcher's Chancellor of the Exchequer, the man who controls the purse strings, told cabinet ministers to control government spending in order to combat inflation. Earlier gimmicks to patch up the National Health Service by sale of some of its real estate were a failure, because of the government's prohibitively high 15% bank interest rate levels, blocking funds for urgently needed new hospital construction.

In the area of livestock and food quality standards and government regulation of this, Britain is perhaps below the level of the poorest EC countries, as a result of its *laissez-faire* approach. One result is a current panic spreading over outbreak of a dangerous cattle disease, bovine spongiform encephalopathy (BSE or "mad cow disease" as the popular press dubs it). It comes from the government's lax controls on cattle feed, which have allowed sheep that have a virulent brain disease known as "scrapie," to be slaughtered and processed for cattle feed. According to an expert on the disease, Albert Roux, master chef in London's only three-star restaurant, Le Gavroche, "This country has become the laughing-stock of Europe over the quality of its food." Roux is also one of Britain's leading experts in the microbiology of food preparation. Only after a loud outcry and the slaughter of thousands of infected cattle, did the Thatcher government reluctantly take any steps to control the problem.

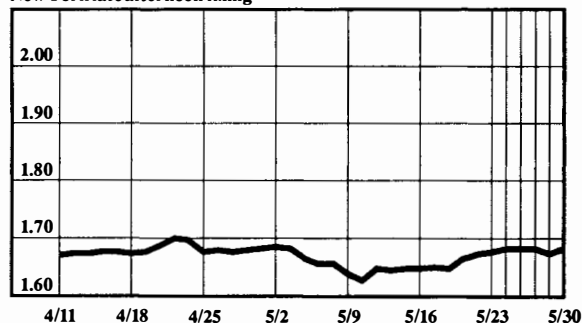
Last December, Prof. Richard Lacey resigned as adviser to the government's Veterinary Products Committee on Health and Microbiology, in protest against the government's failure to heed warnings of risks of salmonella-contaminated eggs. He now demands that 6 million cattle be slaughtered to stop the spread of "mad cow disease." West Germany and several other EC countries with high animal health standards now refuse to import any British beef.

The list is unfortunately endless of such incidents of malign neglect, spawned by the credo of Thatcher's brand of Friedrich von Hayek's radical monetarism. It can be said that the "Thatcher experiment" is still on course, but the course is leading Britain directly into catastrophe.

Currency Rates

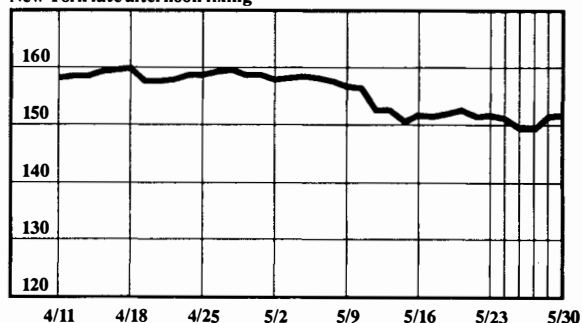
The dollar in deutschemarks

New York late afternoon fixing



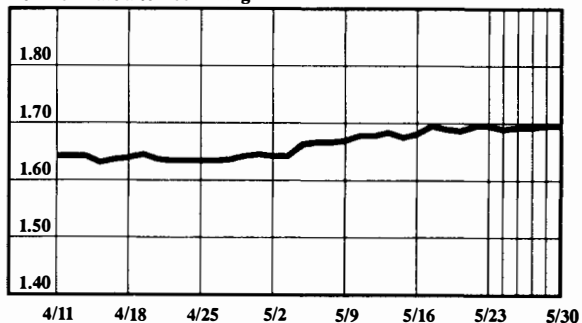
The dollar in yen

New York late afternoon fixing



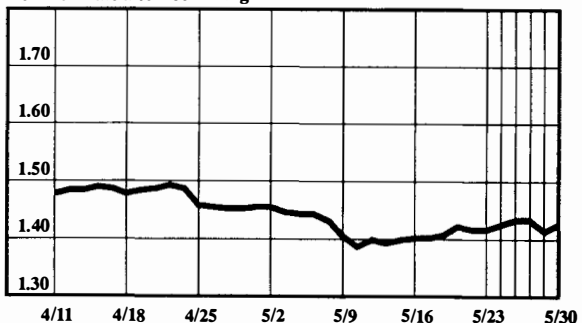
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



Is Mexico to be assimilated into the economy of the United States?

by Carlos Cota Meza

The government of Mexican President Carlos Salinas de Gortari has adopted a series of measures whose purpose is to insert the Mexican economy into what remains of the economy of the United States, as a "free-market" sweat shop. The measures range from privatization of the banks and state enterprises, to "globalization" of such services as insurance, adjustment of tax laws to facilitate capital repatriation, projects to dismember the state oil company PEMEX and deliver exploration and exploitation rights to "concessionaires," and proposals for international treaties that would prohibit expropriations by formerly sovereign nations.

The most recent measure taken is the extension of the Stability and Economic Growth Pact (PECE) through January 1991. The PECE is the heir to the Economic Solidarity Pact imposed by the previous government of President Miguel de la Madrid in December 1987. The 1987 pact froze the leading prices of the economy: the exchange rate, consumer prices, public service rates, and wages. Only interest rates were left free. Such measures submerged the productive aspects of the Mexican economy in an indefinite period of recession, with inflation in financial activities.

'Free market' means tyranny

What does such a clearly government-imposed pact have to do with the free-market orthodoxy defended by Bush and Salinas?

For Salinas's government, the most important point of the new pact is the reduction of the daily devaluation rate as of May 28 from 1 peso to 0.8 pesos. The reason for this measure is that what little remains of Mexico's consumption capacity depends on the imports it buys, primarily from the United States. The problem now is how to get the dollars to finance those imports.

According to a report by the Planning and Budget Department on the January trade balance, Mexico registered a deficit of \$81 million against an expected negative balance of less than \$20 million. Exports grew 13% against a 24% growth in imports, as compared to January 1989.

The greatest dynamism in purchases abroad shows up in consumer goods—primarily food—while those of highest value were intermediate goods imported to prop up the export capacity of the *maquiladoras*, the assembly plants located on

Mexico's border with the United States. According to the forecasts by the Mexican Trade Department and by private analysts, non-petroleum exports will not increase because all companies dedicated to these activities are already operating at full capacity.

Agriculture has collapsed

Mexico's January trade deficit shattered all estimates. One explanation is offered by the National Institute of Statistics, Geography, and Information, in its report on national agricultural activity. In 1989, activities in the countryside fell by 3.1%, and production of basic grains plummeted by 1.7 million tons. Imports for the decade between 1979 and 1989 totaled 63 million tons, comprised primarily of corn, beans, rice, wheat (in which Mexico was once self-sufficient), vegetable oils, powdered milk (of which Mexico is the world's leading importer), beef, and poultry. The crisis in Mexican agriculture is due to the depression or disappearance of price guarantees, and the high cost of credit and such inputs as fertilizer, electrical energy, and fuel.

The spring-summer agricultural cycle for basic grains, which begins its harvest in April, suffered serious delays because of lack of financing. In the month of May, the National Bank of Rural Credit had only financed 14.3% of a planned 3.3 million hectares of cropland. Private financing for Mexican agriculture practically doesn't exist at all, because of producers' diminished economic capacities, the high cost of commercial credit, and its temporary disappearance because the banks are being re-privatized and have suspended their loan operations.

According to initial investigations, only 10% of 1.7 million industrial, commercial, and service companies are able to absorb higher prices and public service costs.

What is therefore expected for 1990, is a gigantic increase in the trade deficit. This is the weakest link in the Salinas economic strategy.

Where will the dollars come from?

It is officially recognized that the Mexican government's economic program is banking on the repatriation of capital and on direct foreign investment. The flow of fresh capital following the ballyhooed restructuring of Mexico's foreign

debt has, however, proved discouraging thus far. Money from the private creditor banks has not reached \$60 million, and the Mexican government expects to receive total financing of \$580 million, which is effectively canceled out through interest payments due which equal or surpass that amount.

Thus, the Mexican government is understandably desperate for dollars, to the point that its Treasury Department has just readjusted tax laws passed as recently as December, in hopes of encouraging the repatriation of capital. According to the new ruling, if capital fled the country prior to Dec. 31, 1985, its owners owe a 1% tax. If the capital left after that date, no taxes are owed. But if those who took their dollars out of Mexico cannot show proof of the date they sent their money across the border, their word will prove sufficient testimony upon return of the cash. In other words, Mexico's tax law has now been placed at the discretion of the "flight capital" offender.

According to the Bank for International Settlements, private Mexican deposits abroad as of June 1989 were \$17.26 billion, while total Mexican deposits abroad were \$21.48 billion. Thus, the Mexican government owns \$4.22 billion of foreign deposits. Analysts now reveal that those official deposits abroad have fallen significantly, and suggest that these have returned to Mexico under the rubric of "repatriated capital." Today, Mexican Treasury authorities are claiming more than 1 billion repatriated dollars for the first quarter of 1990, a figure belied by the very desperation of the measures they are taking.

One of the reasons why this money is not returning to Mexico can be found in the United States itself. The crisis of the U.S. banks, which serve as the principal shelter for Mexican flight capital, has forced these banks to block any withdrawals and to seek, with equal desperation, new depositors.

According to U.S. financial sources, Mexican deposits in U.S. banks currently approach \$20 billion. While the Mexican government is offering every kind of guarantee to bring those dollars back into the country, the U.S. banks are offering even better terms if they stay. In the final instance, the U.S. Federal Deposit Insurance Corp. has become the guarantor for keeping Mexican reserves inside the United States.

The magnitude of the banking crisis north of the border should be sufficient reason for Mexican capital to flee the U.S.—but not necessarily back to Mexico. In fact, returning to Mexico now would be like jumping from the frying pan into the fire. The whole "repatriation" issue has been reduced to a virtual cross-border banking war, which is in turn shrinking the availability of exchange to finance Mexico's balance of trade deficit.

U.S. wants still more 'guarantees'

It is therefore clear that Salinas de Gortari's draconian policies are nothing but George Bush's program to postpone the collapse the bankrupt U.S. economy. The U.S. Treasury

Department has become the de facto guarantor of Mexican foreign debt payments to the private creditor banks.

The latest measure taken to attract investments to Mexico is the virtual elimination of the minimum wage, and the establishment, under the PECE, of a linkage between wage hikes and productivity increases. And still the investments are not coming, so the latest demand is that Mexico sign treaties in which it guarantees that direct foreign investment would not be subject to expropriation or nationalization, and that foreign investors would have the right to free convertibility of their profits. After this, the only thing Salinas will have left to offer are investments in Mexico's petroleum fields, the last economic sector in the country that offers "increases in exports."

Despite all evidence to the contrary, Mexico's rulers continue to shout to the four winds, like the proverbial captain of the *Titanic*, "Not even God can sink this ship." Nonetheless, two key factors weigh heavily on the minds of those who control national economic policy. The first is that they know their policies are the product of an illegitimate government, which lost the 1988 presidential elections but was seated through fraud. Second, they do not know what will happen in the 1991 federal elections, nor do they know how the teachings of Pope John Paul II will manifest themselves politically.

During last month's papal tour of Mexico, John Paul II censured both Marxism and the "liberal capitalism" so ably represented by Salinas and company, defended the rights of the worker, and called for Latin American-wide integration, based on common history, language, culture, and religion.

Government lives on borrowed time

High-level and confidential sources have already confirmed that the presidential house at Los Piños and the economic cabinet responded to the Pope's homilies with hysteria, and serious regret over having extended an invitation to His Holiness.

Given the economic crisis in both Mexico and the United States, the current clamor for a North American Common Market could be described as fleeting—but it nonetheless remains dangerous. The Mexican government is like a small sardine caught in the propellers of a sinking "Made in USA" *Titanic*.

In short order, the 1991 federal elections will become the hottest national issue in Mexico, and will undoubtedly be seen as a referendum on whether Mexico should join the *Titanic* on its plunge to the bottom. And if the young technocrats are still ruling after that date, the main crisis they will face is whether to let John Paul II back into Mexico in 1992, which is when the Pope expressed an interest in returning.

It is these two uncontrolled variables which will determine the future of the Salinas government.

FIEL, industrial production dropped by 20% between April of 1989 and April 1990.

Free-trade looting

Aware that the newly achieved "stability" is by no means guaranteed, Menem is hoping that his many concessions to the Bush administration in the economic, political, and military realms, will attract enough foreign investment and financial backing to keep the situation under control. According to the May 25 issue of the Buenos Aires daily *El Cronista*, Argentine and U.S. officials have now begun to negotiate the creation of a free-trade zone which will allegedly facilitate the placement of both countries' products in each other's markets.

El Cronista reports that State Department officials are pressuring Argentina to not only quickly come to an agreement on this project, but to also play a key role in helping to organize a "competitive economic region" composed of Brazil, Argentina, and Chile. According to the paper, the State Department describes such a zone as one based on "institutions of republican democracy and the development of a competitive and free-market capitalism."

As in the case of a U.S.-Argentine free-trade zone, the real purpose of a Southern Cone economic zone is simply to put an end to economic sovereignty by opening up the region to unbridled foreign looting, taking advantage of abundant natural resources, a skilled but cheap labor force, and removal of foreign investment and trade restrictions to encourage "free enterprise." By the end of June, Menem is scheduled to meet with his Chilean and Brazilian counterparts to discuss the scheme, and according to the May 25 *El Informador Público*, a strategic deal between the U.S. and the three Southern Cone countries is expected to be worked out prior to Bush's September visit.

Currently, officials such as Argentina's ambassador to Brazil, José Manuel de la Sota, are promoting a "new Pan-Americanism"—the phrase used by the Bush administration to refer to a continent-wide looting scheme based on free-market policies. De la Sota told the May 28 *El Cronista* that he will dedicate his ambassadorship to forging Brazilian-Argentine integration.

Menem's groveling before the U.S. has gone so far that he has made major concessions to Argentina's historical enemy, Great Britain, at Bush's request. Despite lingering popular anger over Britain's brutal treatment of Argentina during the 1982 Malvinas War, Menem has now agreed to increase food and medical supplies, as well as transportation and communications, to British troops stationed on the Malvinas Islands. The May 25 *El Informador Público* reported that the Argentine national oil company, YPF, is preparing to cede an important area of the country's south to a British oil company, probably British Petroleum, for oil exploitation. The same paper also reports that as part of a deal with the U.S., Menem may be willing to pay as much as \$1.1 billion to the Thatcher government for the losses during the 1982 war!

Menem sells his soul to the devil

by Cynthia R. Rush

Argentines were startled to read an interview given by First Lady Zulema Yoma de Menem to the news magazine *Noticias* the week of May 27, in which she stated that the economic program imposed on the nation by her husband, President Carlos Menem, "won't last." Explaining that she didn't want to end up like Elena Ceausescu, wife of Romanian dictator Nicolae Ceausescu who was executed along with her husband last December, Mrs. Menem warned, "This country is going to the devil." She predicted that by August, her husband's monetarist economic plan would fail.

Putting to one side the Menems' marital problems, highly publicized in recent weeks, Zulema Yoma de Menem's assessment of the government's economic policy is right on the mark. At the behest of the International Monetary Fund (IMF) and foreign creditors, the Peronist Carlos Menem has ignored the country's development needs and embraced free-market quackery instead. And now, in preparation for U.S. President George Bush's mid-September visit to Argentina, Menem is preparing to dispense with what little economic and political sovereignty the nation has left in exchange for expected monetary rewards and new investments from the United States.

Over the past months, government policy has been geared toward obtaining renewed lending from the IMF, which was in fact granted on May 25. Citing "improved management" of the economy, control of inflation, and promises to quickly implement a vast plan to privatize the state sector, which is the cornerstone of Menem's program, the IMF agreed to release \$240 million of a \$1.4 billion loan which was suspended last year due to non-compliance.

All is not roses, however. Finance Minister Erman González was able to generate an operating budget surplus over the past few months only by resorting to a series of drastic austerity measures, including keeping state sector wages well below those of the private sector and not paying suppliers who sell to the state sector. But even with these tricks, not only will the government not come close to the \$900 million surplus for the April-June period which the Fund is demanding, it may be faced with a \$200 million deficit. Add to this the fact that inflation is moving up again—May's rate is expected to be over 12%—and industrial production continues to drop dramatically. According to the private think tank

Set-aside wrecks the real ecology

Conservation Reserve and set-aside cropland fosters insects and brushfires—and deprives millions of food.

According to the most recent figures of the U. S. Department of Agriculture, 30.9 million acres were set aside from growing food and feed crops last year, in the annual acreage reduction program run by the USDA. This idled acreage represents millions of tons of lost corn, wheat, oats, barley, and sorghum, that could now be in the food chain.

In addition to the 30.9 million annual set-aside acres, another 40 million acres are in non-food use in the Conservation Reserve Program—a plan started in 1985 to take cropland out of food use for 10 years, under the rationalization that this will preserve soils and help the environment. The CRP plan offers farmers a financial inducement to receive a federal payment, and save crop production costs, by contracting not to grow food.

Therefore, in 1989, there was a total of almost 71 million acres out of food or feed production. At a rough factor of five persons per acre, this represents food lost for 355 million people for a year—more than the population of the United States, Canada, and Mexico combined. The 71 million acres represents about 13% of the total average crop acreage base in the nation.

The transfer of large tracts of U.S. cropland out of food production, combined with the decline in food output in other nations, especially the few food-exporting countries, has led to a calamitous world food shortage.

The level of grain in reserve stocks internationally is less than 50 days' worth of average use—a level itself already far below nutritional needs. Grain stocks have declined for the last

four years in a row, from over 400 million tons, down to only 200 million tons.

To provide just a minimum diet to all the world's 5 billion people, at least 2 billion tons of grain should be grown annually. The proper diet would require 3 billion tons—providing grain for direct cereals consumption, and also grain for indirect consumption through the feed supply for livestock.

For the last four years in a row, less than 1.8 billion tons of grain have been produced—below the annual average grain consumption. Therefore, a record drawdown of grain stocks has occurred.

In the face of this catastrophe, "common sense" should dictate that governments would take emergency measures to rev up basic food production. Instead, in Washington, there is talk of expanding the Conservation Reserve Program even more to take more land out of food cultivation. Some are proposing this for the new 1990 farm bill.

Agriculture Secretary Clayton Yeutter announced a reduction in the amount of land farmers are asked to idle in the annual acreage set-aside program for this year, but nevertheless, there still will be almost 30 million acres not planted in the 1990 crop season. And Yeutter has refused to even consider an emergency mobilization for expanding plantings to provide more food.

Under the conditions of world food crisis, set-aside is genocide.

Already, the lack of grain is manifest in the obliteration of whole nations in Africa. The U.N. has sent out repeated alarms about the immediate

crisis in Angola, Ethiopia, and Mozambique.

Even in its own terms of "protecting the environment" (apart from mankind), taking land out of food cultivation and converting it into wilderness is incompetent and immoral. Among other problems, brushfires and insect plagues are abetted by having land in the Conservation Reserve Program.

Earlier this year, in the dry parts of Texas, brushfires were a major problem. The field consultant for the State Firemen's and Fire Marshals' Association of Texas, Alan Fondy, said in April that the untouched CRP fields and their tall, lush grasses become a fire danger during the Texas dry periods. "It's creating a monster for volunteer firefighters," he said.

The lush growth helps grass fires start more often, spread faster, and burn hotter. They require more equipment and manpower to fight. Fondy reported, "We've lost firefighters in this stuff, and we've lost equipment in this stuff."

In the Texas Panhandle there are about 1 million acres in the CRP 10 year plan.

In the Northern Plains states, the CRP lands have harbored the carry-over of grasshoppers, locusts, and other crop pests. The untouched vegetation, under the weather conditions favorable to the insects wintering cycle, have produced thousands of perfect "staging grounds" where the pests gather, and then move out into the fields with crops.

The governors of the Dakotas and Minnesota have already asked for federal assistance to conduct needed spraying programs. But farmers trying to produce good crops are faced with the impossibility of protecting their own fields against the threat from the adjacent CRP lands.

Business Briefs

Regulation

Proposal to expand SEC control over markets

The Bush administration intends to shift control of the stock index futures markets from the Commodities Futures Trading Commission (CFTC) to the Securities and Exchange Commission (SEC), which is controlled by the top levels of Wall Street and is headed by Bush man Richard Breeden, as part of securing the apparatus to control financial markets.

Manipulating the futures markets is key to manipulating the Dow Jones Industrial Average. In the words of the May 23 *Wall Street Journal*, Treasury Secretary Nicholas Brady "contends that if the SEC were granted expanded authority, it could better resolve problems between the markets—problems like those that led to the October drops of 1987 and 1989."

The two agencies clashed in their analyses of the relationship between the futures markets and the stock exchanges. A CFTC study concluded that index arbitrage and programmed trading were not significant factors in the October 1987 and October 1989 crashes, whereas the SEC study concluded that they were.

Breeden told a House Subcommittee May 24 that the SEC study provides "support for the administration's proposal that a single regulator should be accountable for overseeing these linked markets," *Investor's Daily* reported May 25.

Infrastructure

Survey finds California highways in worse shape

A survey of 1,254 commuters in southern California, revealed that rush hours are becoming longer, and it takes 10-15 minutes more for people to get to work than it did merely a year ago, the *Los Angeles Times* reported May 26.

The survey, done by the Commuter Computer and the Southern California Association of Governments, found that 28% of the workforce now arrives at work before 7 a.m. and 13% leaves work after 7 p.m. to try to avoid traffic. Since there are more cars on the road

overall, this has extended the rush-hour crush.

Jim Sims, president of Commuter Computer, said, "our system cannot handle the volume of cars and trucks it currently must hold, not to mention the 3 million or so people expected to move here in the next decade." "Highly skilled and trained [workers] have choices. If we don't make the commute tolerable, their choice will be to move out of the state or out of Southern California."

In an attempt to help finance construction of new roads and mass transit facilities, Proposition 111 has been placed on the ballot to increase the state's gasoline tax 5¢ per gallon.

AIDS

Calls for mobilization against TB and AIDS

The World Conference on Lung Health of the American Lung Association held in Boston, Massachusetts, ended on May 26 with an appeal to the World Health Organization, all governments, and non-governmental organizations (NGOs), to face the formidable tuberculosis (TB) and AIDS epidemic that is raging worldwide and especially affecting poorer nations and black minorities in the U.S.

Conference speakers reported that at least 30 million people, mostly young adults, will die of TB in the next 10 years and HIV has made the situation worse. In developing nations, TB is often the way patients learn they have AIDS.

Superconductors

Advances achieved in materials manufacturing

Scientists at the University of Houston have demonstrated a method to continuously manufacture usable-grade higher-temperature superconductor material, they report in the current issue of *Nature* magazine.

The team, led by Paul Chu, announced in February 1987 that they had produced a material which stayed superconducting at 93° Kelvin (0°K is absolute zero), compared to the

4.2°K temperature previously required. Higher-temperature superconductors require less energy to keep cold and will allow more widespread use of this no-energy-loss technology.

The Houston team has used a method of differential temperature zones in the oven heating of the yttrium, barium, copper alloy, and produced a sample which stays superconducting at higher magnetic field strengths than previous processing had allowed. This is crucial, as one of the applications of superconductivity is in magnets for magnetically levitated vehicles, MHD power systems, fusion energy plants, and motors and generators.

Researchers said that the qualities of the material Chu has produced is adequate for using higher-temperature superconductors in radio receivers and transmitters, allowing for increases in instrument sensitivity.

Debt

Zimbabwe's Mugabe attacks IMF policies

President Robert Mugabe of Zimbabwe attacked International Monetary Fund policies toward the developing world and insisted that the developing nations could not sacrifice goals of economic growth over concern about the environment, in a television debate with Czechoslovak President Vaclav Havel and West German President Richard von Weizsäcker aired in late May in Europe.

Mugabe criticized the IMF for demanding "impossible conditions" from debtor nations. "You cannot ask people to give up aspirations which are realities already in the developed world. When you educate people and give them skills, you are educating them so that they can acquire a new life . . . which is related to the world elsewhere," he said.

The U.N. Development Program has similarly issued a comparative assessment of national economies intended as an alternative to the World Bank's annual Development Report, which stresses the importance of "human" factors like life expectancy and literacy over economic factors like GNP. Mahbub ul-Haq, a former finance minister of Pakistan who oversaw preparation of the report, attacked the World Bank for pressing Sri Lanka to cut its social spending from 10% of national

output to 7%, and to cut rice subsidies that had provided a baseline income for poor farmers. The report criticized the shift in the net flow of resources, from a 1981 flow of \$42.6 billion from industrial nations to the Third World, to a net flow of \$32.5 billion from the Third World to the industrial nations by 1988, chiefly due to debt payments.

Perestroika

Deutsche Bank wants Soviet dictatorship

Friedrich-Wilhelm Christians, the head of West Germany's Deutsche Bank, called for the Kremlin to tighten the screws on a restive Soviet population, in an interview with *Der Spiegel* magazine published the week of May 21.

"Freedom has unfortunately often served the criminals," Christians said. "Because the system of order no longer functions, criminality has grown explosively. . . . Gorbachov has realized that he has loosened the reins too far. . . . The freedoms have caused a great deal of confusion. And because that can't go on, pressure again has to be applied from the top. The Russians must be told what they have to do. A network of order must be woven within which the young plants of enterprise economy can sprout."

Hunger

Mass starvation seizes Soviet Turkmenistan

The first grisly details of mass famine in the Soviet Union under Gorbachov have been revealed in a report by the Turkmenistan Health Ministry and reported on in the daily *Komsomolskaya Pravda*.

The paper reported that "every hour in Turkmenistan, a child dies of starvation," and that "many women and children" are dying of hunger. The paper quoted the Health Ministry report: "Such emaciated children were not even to be seen during the Second World War. . . . Many families are going hungry, and in some

cases, especially in families with many children (the norm, and not the exception in Turkmenistan), there are already cases of death from starvation."

The Health Ministry report revealed that even before the famine, 55 of 1,000 Turkmen infants were dying due to malnutrition and disease, and, according to a study by Turkmen scientists, 300 of every 1,000 Turkmen children die before the age of 16. In one region "inspected by scientists" in the past 10 years, no meat, poultry, butter, or dairy products have been sold, and they are also absent from the private markets because 85% of Turkmenistan's farmers have no cattle of their own.

Komsomolskaya Pravda singled out the policy of cotton monoculture which leaves Turkmenistan dependent on the rest of the U.S.S.R. for food supplies which don't arrive, as responsible for the famine.

'Free Enterprise'

Marijuana production in U.S. has tripled

Production of marijuana has tripled in the United States in the past three years and is now a larger cash crop than corn, Douglas Jehl of the *Los Angeles Times* wrote in an article carried in the Virginia Beach, Virginia *Ledger-Star* in mid-May.

According to Jehl, there were over 5,000 tons of U.S.-grown marijuana that reached the U.S. market in 1989, which met 35% of demand and netted more than \$13 billion for the growers. John P. Sutton, director of the Drug Enforcement Administration's cannabis investigations unit, estimated that the street value of the U.S. marijuana was \$20 to \$30 billion.

Jehl detailed how in eastern Kentucky, where one-third of all U.S. pot grown on public lands is grown in the Daniel Boone National Forest, the marijuana traffic has taken over the economy of the entire region, one of the poorest in the U.S. Informants have told prosecutors that 4 of 10 residents in the region are now illegally growing marijuana.

Kentucky, Hawaii, California, Tennessee, and Missouri account for 90% of U.S.-grown marijuana.

Briefly

● **MITSUBISHI Heavy Industries**, NEC Corp., Toshiba Corp., Nissan Motor Co., Mitachi Ltd., and Fujitsu Ltd., formed Rocket Systems Corp., the first Japanese consortium to produce rockets and compete in the satellite-launching business, the May 24 *Journal of Commerce* reported.

● **A CONSORTIUM** to develop the X-30 National Aerospace Plane proposed by General Dynamics, McDonnell Douglas, Rockwell International, Rockwell's Rocketdyne Division, and Pratt & Whitney (United Technologies), has been approved by the Department of Defense and NASA.

● **THE RAILWAY** bridge between the East German mainland and the Baltic island of Rügen was restored in 84 hours May 10-14 by East and West Germans. The cement foundations of the railway bridge, destroyed at the end of World War II, were used for the new segments of the 540-meters-long bridge.

● **THE SOVIET UNION** has granted first-ever oil exploration rights to the French firm Elf Aquitaine in the context of the Soviet cost of oil production increasing 160% over the past decade and warnings of a 25% collapse in oil exports during the 1990s. Elf Aquitaine President Loik Le Floch-Prigent noted the deal was aimed at increasing exports.

● **DOMESTIC FUEL** prices were expected to rise 20% in Indonesia after subsidies were cut May 25, a move strongly recommended by the World Bank. They were the first major price rises since 1986.

● **THE SPACE TELESCOPE**, after the success of its May 20 "first light" image of star cluster NGC 3531 near the galactic equator, was turned to look at an ancient star cluster, NGC 188, very near the North Star. Both targets were chosen for the continuing focusing and alignment of components.

Chernobyl: seeking truth in the political fallout

Marjorie Mazel Hecht reviews how the Soviets' disregard for human life led to Chernobyl and continues covering up its aftermath four years later.

Four years after the Chernobyl nuclear accident on April 26, 1986, the political fallout continues to hinder attempts to assess the actual health effects of the radiation release. The Soviets have classified much of the health information they have collected at the All-Union Center for Radiation Medicine in Kiev. Especially guarded are the results at the center's Institute of Clinical Radiology, which is monitoring the first radiation victims. David Marples, a research associate at the Canadian Institute for Ukrainian Studies and the author of two books on Chernobyl, reports that even the more "acceptable" Western medical experts, like Robert Gale, were denied permission to visit this center.

In the West, the environmentalists have capitalized on the radiation horror stories to push for a shutdown of all nuclear power plants, which the Soviets have long sought through their support for the Greens in West Germany and elsewhere. To the environmentalists all nuclear plants are alike in "danger"; the fact that the Chernobyl reactor did not have a containment structure or safety systems like those required in the West is immaterial to their irrational arguments.

In the areas of Ukraine and Belorussia that were contaminated, the stories about mutations, deformities, and various illnesses attributed to radiation have maintained—understandably—an atmosphere of panic. Equally understandable is the still-growing rage at the official Soviet bureaucracy for the bungling, lies, unconcern, and secretiveness that have characterized the government's handling of the disaster from day one. In addition to a lack of specific information about current radiation damage and how to deal with it, there is almost no accurate information about radiation in general

and what it does, providing fertile ground for rumors.

Chernobyl has been a rallying point in Ukraine and Belorussia not just for environmentalist concerns but for broader nationalist goals. In response to the political situation, the Soviet Council of Ministers in April 1990 allocated an additional \$26 billion for an emergency aid program to protect the health and safety of residents in affected areas, even including resettlement of some villages this year. How effective the funds will be in solving actual health problems remains to be seen. As U.S. nuclear expert Dr. Richard Wilson points out below, we have a responsibility to future generations to use accurate information to determine the health results of the accident. Will the Soviets cooperate by allowing scientists access to the area to collect such information?

There are no signs that the Soviet regime, now even more beleaguered, has changed its flawed outlook on safety, where military and political expediency, not protecting human life, is the priority. The archaic Chernobyl reactor—a graphite-moderated reactor used for both power production and weapons plutonium—was the Soviet design of choice in the 1970s because it was cheaper and easier for them to produce than the more technically advanced light water reactors used in the West. On May 24, 1990, Yevgeni Velikhov, head of the Kurchatov Institute of Atomic Energy and a leading spokesman for Gorbachov, told scientists in Washington that his country could build the next-step fusion engineering reactor at three times less than it would cost the West or Japan. The Soviet nuclear industry, Velikhov said, is more "cost-effective." This statement could only be made by someone who does not include human lives lost in the balance sheet.

Interview: Dr. Richard Wilson

Tracking down data on health effects

Dr. Richard Wilson, a nuclear physicist, is Mallinckrodt Professor of Physics at Harvard University. He chaired the Nuclear Regulatory Commission-sponsored study group of the American Physical Society on "Radiological Consequences of Severe Nuclear Accidents," which released a report in February 1985, and he has frequently commented on the Chernobyl situation. He visited the Soviet Union in 1987 on an independent fact-finding tour not connected to any government or other institution. In June he plans a second visit, where he will help organize an international meeting, under the sponsorship of the Sakharov Foundation, to independently assess the effects of the Chernobyl accident. Wilson was interviewed on May 24 by Marjorie Mazel Hecht, managing editor of 21st Century Science & Technology.

Q: How much radioactivity was spread to the environment as a result of the accident and how fast?

Wilson: Almost all of the radioactive iodine (100 million curies) and 20% of the cesium (20 million curies), all of the noble gases, and 3% of the solids. Originally the Soviets (Dr. Denin of the Kurchatov Institute) thought that only 20% of the iodine and 12% of the cesium were released, but he did not account for the radioactivity that left the Soviet Union. Probably one-third of the gases were released within a few seconds and two-thirds slowly over the next 10 days.

Q: How long did it take for radioactive particles to disappear and which ones still remain?

Wilson: The iodine was gone in three weeks. Cesium-137 has a physical half-life of 30 years and an environmental half-life of 10 years when deposited on the ground. We know this from the study of the fallout from bomb tests. Originally, the Soviets, Prof. Oleg Pavlovsky of the Institute of Medical Physics, took the longer decay time. More recently their observations agreed better with the shorter decay time as suggested by the international expert opinion.

Q: How do these levels of radioactivity compare to accepted average dose rates?

Wilson: Just downwind of the plant, immediately after the accident, the levels were several hundred rems per hour. This is lethal in one hour or less. In the town of Pripyat, the levels were low at first, but went to 1 rem per hour at the nearest street to the plant, Kurchatov Street. Exposure to this for two weeks is lethal.

According to the International Committee on Radiological Protection (ICRB), one should evacuate if a total dose of 50 rems is expected. The U.S. Environmental Protection Agency (EPA) recommends evacuation at much lower levels. The levels at Pripyat on Saturday evening [April 26, 1986] exceeded both EPA and ICRB levels.

Q: What were the dangers of eating food produced in outlying areas of low fallout immediately after the accident—for example, milk in Europe and Scandinavia, or lichen eaten by reindeer?

Wilson: For 10 days, milk exceeded standards in Holland, southwest Germany, northern Italy, Belorussia, Poland, and Ukraine. Milk was impounded in most of these places, but not in Belorussia because nobody knew to do it, and not in the countryside downwind of Chernobyl, (Chistologovka) for reasons which were unclear. The European Economic Community ignored internationally agreed-upon standards to choose a level for cesium in meat 10 times lower than the agreed standard. England objected, but faced with a political ban from the EEC, reduced the level in June threefold. This caused a *delay* in killing Welsh lamb for market, which would not have otherwise been necessary.

Dr. Bo Lindell of Sweden was the scientist who urged a low level for reindeer meat. Apparently he assumed [in his calculations] that the Laplanders eat 1 pound of the most contaminated meat per day and must not have an internal dose of more than 500 millirems per year. Other authorities had assumed that no person always eats the most contaminated meat and always eats it every day. A study of the absorbed cesium in Laplanders has shown that they did not consume as much radioactivity as Lindell had feared; that previous rules were adequate to protect the public; and that the banning of reindeer meat was unnecessary. The unnecessary economic hardship caused by Dr. Lindell's pessimistic assumption in my view far outweighed any small advantage in public health.



Wilson at Chernobyl

Q: Four years later, there are reports that, in Belorussia, radioactivity in the soil in some places is at 40 curies per square kilometer, supposedly three times the accepted level. What does this mean for the food supply and the people who have been eating this?

Wilson: According to the calculations reported from the Institute of Medical Physics in Moscow, the integrated dose for people staying in this area of Belorussia might reach about 30 rems. But, alas, no one warned the people in May 1986, and milk was not banned. As a result, many thyroids were

unnecessarily exposed in 1986 to radioactive iodine and received perhaps 1,000 rems or more, which is enough to destroy the thyroid gland.

One of the reasons why that happened is because the Russians would not let any private individual measure radiation, and officially they did not measure in that area. Although the radiation figures at Gomel in Belorussia, which is closer to the power plant than the above area [where soil radioactivity is at 40 curies per square kilometer] was small enough so that no action was needed, the authorities forgot that pollution sometimes skips certain areas. Therefore, they did not measure farther away for several months. Worse still, they would not allow private individuals to buy geiger counters and measure for themselves. That's incredible incompetence. For some people it means about 30 rems total. Also, their thyroids were unnecessarily exposed in 1986.

Q: The Soviets are now planning to evacuate people from some villages in Belorussia. Does this make any difference now in terms of their health?

Wilson: No. There should be very little difference now if the 30 rem calculation above is correct. I want to go there and check, but the calculation seems sensible. If the calculation is correct, the lifetime cancer incidence might be reduced about one-quarter of 1% by leaving the area, but it is likely to increase several percent if they go to a city. No one knows why cities are worse [in cancer incidence] than the countryside, but this is true all over the world.

Q: The Soviets evacuated everything in a 20 mile radius around Chernobyl. What would we have done?

Wilson: There was no evacuation of the area for one and one-half days. And then only the town of Pripyat was evacuated. The rest of the area was evacuated a few days later and many of these people got a dose of 45 rems. We would have evacuated everyone within 10 miles within a few hours and then more after a day, to get below about 5 rems projected dose. They evacuated people too slowly, and we would have evacuated too many people.

Q: There are anecdotal reports from Ukraine of a high rate of a variety of illnesses attributed to radiation. Is this likely?

Wilson: Most of these illnesses have not been attributed to radiation before. Therefore, if the attribution is correct it is extremely important. The attribution also is not so likely, but it is vital to spend a lot of effort to be sure one way or another. I hope we will never have another Chernobyl. I hope we will never have another Hiroshima or Nagasaki. These are our major sources of the effects of radiation on people. If we fail to find out all that we can, our descendants will have every right to blame all of us for missing the opportunity to find out this important information.

Q: There are also reports of deformities in children and ani-

Measuring radioactivity

Radioactivity is the radiation released as an atomic nucleus decays and breaks apart into particles—alpha particles (helium nuclei), beta particles (electrons), gamma rays, and neutrons.

The strength of a radioactive source is measured in curies, 1 curie being 37 billion nuclear decays per second. How long it takes half of the original amount of an isotope to decay is called the half-life of the radioactive isotope. Radiation is measured in rems (R) and millirems (mR), 1 rem being the radiation that transfers 6×10^7 million electron volts (MeV) of energy to a gram of biological tissue. (For comparison purposes, 1 watt of power is equivalent to an energy release of 6×10^{12} MeV per second.)

A large dose of radiation, 750 R, almost certainly means death within a few weeks. With a dose of 450 R, there is a 50% chance of recovery; with a dose of less than 200 R, recovery is almost certain. A dose less than 150 R produces no other signs than a temporary lowering of the red blood cells, and for doses less than 25 R, even this sign cannot be observed.

The International Commission on Radiation Protection recommends that the maximum permissible dose to the general public from nuclear energy sources be limited to 170 mR (0.17 R) per year. On average, Americans receive 130 mR of radiation from natural sources—cosmic rays, radioactivity in the body, and radioactivity in building materials.

mals born since the accident. Is this to be expected?

Wilson: The deformities are typical of overuse of chemical pesticides, but are rare in the United States. They have not been attributed to radiation before.

Q: What kinds of information will you be looking for on your upcoming trip to Chernobyl?

Wilson: I'll be looking for data on health effects: Whether childhood leukemias appeared among children born to those evacuated (I would expect three by now); whether any children have a smaller head size (some Japanese survivors' children have a smaller head size); whether any of the above claims in the previous two questions are correct, whether there is any other unusual claim. I also want to encourage proper studies, in addition to those the Soviet establishment claims to be doing to see whether independent, but still proper thinking leads to the same conclusions.



Dr. Bertram Wolfe

'Magic will not solve our energy problems'

Dr. Bertram Wolfe, vice president and general manager of General Electric's Nuclear Energy Operation, has been involved in the research, development, and application of nuclear power generation for more than 30 years. A past president of the American Nuclear Society and a member of the National Academy of Engineering, Dr. Wolfe was just given the American Nuclear Society's Walter H. Zinn Award for 1990 for his outstanding contributions to the advancement of nuclear power. Dr. Wolfe was interviewed in March by Marjorie Mazel Hecht for 21st Century Science.

Q: To get from where we are today—a political standstill on nuclear—to meeting the estimated need of 100 to 200 gigawatts-electric capacity in the next decade will take some major political and economic changes in this country. It seems clear from your congressional testimony to the House Subcommittee on Energy Research and Development in February that nuclear technology is not the problem. How can we get the job done?

Wolfe: Several things will have to happen, one is that we need a licensing system that works. We've developed a licensing system that worked initially, but over the years, especially in the seventies and early eighties it got to the point where it took so long, and its outcome was so uncertain, that even the chairman of the Nuclear Regulatory Commission (NRC) couldn't predict whether a license could be issued in the future for a new plant identical to one that his agency had just approved. The uncertainty on licensing is something that just can't be tolerated in a business involving billions of dollars which is trying to meet public needs in a timely fashion.

We need to develop a licensing system that is predictable and consistent. My hope is that the new NRC initiative (10CFR52) in which the NRC has set conditions for licensing standardized nuclear plants will be a vehicle that can break the present licensing barrier. General Electric, as you know, is the first organization trying that new licensing system with the Advanced Boiling Water Reactor (ABWR).

Q: What is the new licensing system?

Wolfe: It preclicenses the plant. In the past what we've had in this country—which clearly isn't right now and didn't work in the latter part of the seventies—is a system where a utility company applied for a license and then had the plant designed and went through the licensing process as they were building the plant. The new Part 52 will allow a company to preclicense a plant in advance. In principle, therefore, General Electric with its ABWR, Combustion Engineering with its System 80 Plus, and then later on Westinghouse with its AP600 would be preclicensed. The plant sites would also be preclicensed.

In principle, then, a utility that wanted to build a reactor on its preclicensed site would tell the NRC that it was going to build a General Electric ABWR, or a Combustion Engineering System 80 Plus and, in principle, it would be able to start building right away, because the design was preapproved. It would just have to demonstrate to the commission that it was building the plant in accordance with the preapproved plans, and there would be inspections to see that the construction was done according to the plans, that the equipment was according to the plans, and so on.

Under the new system, the utility builds a plant to a design that is preapproved. There would be a number of duplicate plants, which is what the nuclear industry needs and which we don't have now.

Q: It's certainly what France has done.

Wolfe: That's exactly right. It's what France has done and what, in effect, Japan has done. France is really the outstanding country in terms of this standardization, but Japan does the same thing, getting the plant preclicensed before they start construction. I think that, first, standardization is required. Second, even after we develop the system, we are going to need a demonstration that it works. The utilities have been so burnt that they're going to be hesitant. It will be a challenge to construct the first one or two plants to show that the system really works. Third is timely demonstration of actual need; the predicted need for the next decade is 100 to 200 gigawatts (GW), and I think that these are reasonable, realistic numbers, but we're going to have to show that there is a need for

the power. . . .

Q: What could the nuclear industry do differently?

Wolfe: There are two things: First, the industry is doing what I think should be done, getting new plant designs, which correct past problems and provide more economical, improved performance. The ABWR is moving as is the System 80 Plus, and we [General Electric] and Westinghouse are starting on the AP600 and the SBWR [Simplified Boiling Water Reactor, 600 MWe]. What we need are designs which take advantage of the 30 years of nuclear experience, and we're moving on that.

The second thing the industry has to do is to decide how to build these plants. In the past there have been four manufacturers and eight or ten architect-engineers working in various combinations on each plant. I think that's too many participants, especially for the kind of market we see in the next decade or so. Probably there's going to be some partnerships on these new plants, and getting these arrangements set up is going to be another task in the next few years.

In other words, I think utilities are going to want to know that a plant can be built on a certain schedule, at a certain cost. Arrangements are going to have to be made for repetitive production, which probably means fewer architect-engineers and probably means partnerships between a manufacturer and an architect engineer so that plants can be built repetitively. Perhaps, as I understand Westinghouse has proposed, these plants can be built by a combine of a manufacturer, an architect-engineer, and a utility.

Q: Where is Westinghouse planning to do this?

Wolfe: They haven't gotten an order, but they indicated that they would be willing to be a participant in these kind of partnerships. What I'm saying is that there's apt to be a change in the structure of the way nuclear plants are ordered and built. I doubt that they're going to be built as before, where a utility buys a steam supply system from the manufacturer and then reimburses an architect-engineer for construction costs incurred. I think the utilities have found that leaves them a little helpless in terms of the final costs, but without standardization, they had no choice.

As I see it, first we've got to show that standardization works, with a precicensed plant and a precicensed site, and then we have to develop project arrangements so that we can build these plants repetitively on a predictable basis.

Incidentally, on the licensing issue, it may take the government to provide guarantees that its regulatory system will work, so that a utility doesn't get into a situation where it starts a project, and then in the middle of the project someone sues, delaying the project for years. Even if the person or organization which sues loses the case, it will have a tremendous cost impact on the project. It may well be that there has to be a government demonstration program that shows that the licensing system works. . . .

Q: The Asian-Pacific nations want to go nuclear as does Eastern Europe, which has a devastated ecology as a result of burning lignite all these years. That's a market for us. Were the United States to have the kind of attitude the West Germans, the French, and the Japanese have, we would be in there aggressively trying to get a piece of that market and export nuclear plants.

Wolfe: Well, I think that's true. Let me give you the other side though. I think that market hasn't developed yet. This is the time to get into it. If you look at those Third World, and even Eastern European nations, and you say "there's a market," well, there's a need there, that's clear, but where are they going to get the financing? And where the market is and how it's going to develop are still questions. But certainly on a worldwide basis, there's going to be a big need in the future.

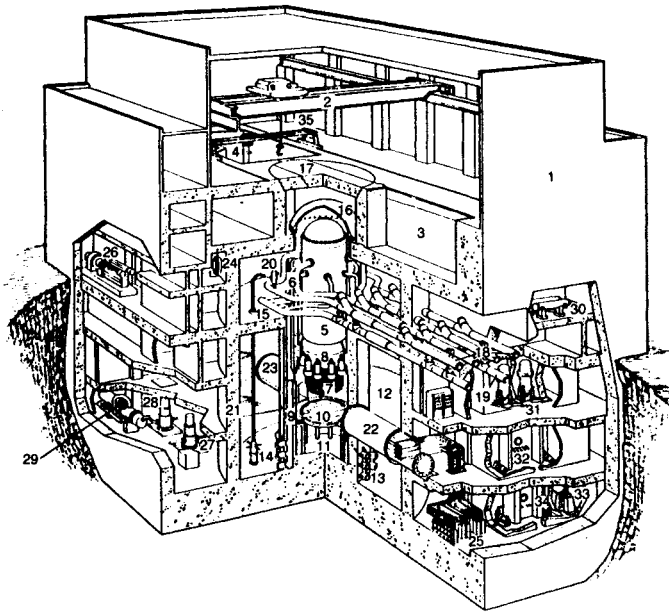
Q: The West Germans, in their recent push to develop the market in East Germany and Eastern Europe, cited the billions of dollars of German investment money that now goes to New York and other places, because there is nothing to invest in in West Germany. Karl Otto Poehl, the head of West Germany's central bank, the Bundesbank, has just said himself that money is really not the problem.

Wolfe: That may be, but I was over in China for the American Nuclear Society meeting a few years ago. We met with Li Peng before he became premier, and he took a number of us from the nuclear community out to dinner. His comment was that clearly they needed nuclear power, but that they couldn't afford it. He said that he didn't see nuclear coming until at least the end of the century, although clearly they have a crying need, and clearly coal was hurting their whole country, in terms of environmental effects.

I think that this is the problem. Now, maybe Germany has a special system with West Germany and East Germany being kindred brothers, and maybe they can find financing in some way that makes sense, but the Chinese—at least when Li Peng talked to us—didn't see a way to do it until at least the beginning of the next century. So, financing is a problem. . . .

Q: I'd like to ask you about the economics of mass production of smaller-size reactors. GE is working on an advanced boiling water reactor of 1,000 megawatts, but you noted that you thought that plants of 500-600 megawatts-electric (MWe) would soon be economically advantageous. Has GE done economic studies on the economics of scale versus mass production? From what I have seen, there are many advantages to the modular mass production of smaller-size reactors, including the speed of getting a plant online. I looked at the economic feasibility studies for the modular high-temperature gas-cooled reactor, and I was convinced that for a developing country siting three or four or more smaller reactors makes sense.

Advanced Boiling Water Reactor (1,350 MWe)



- | | |
|---|--|
| 1 Reactor building | 23 Lower drywell equipment hatch |
| 2 Bridge crane | 24 Upper drywell equipment hatch |
| 3 Steam driver and separator storage pool | 25 Hydraulic control units |
| 4 Spent fuel storage pool | 26 Diesel generator |
| 5 Reactor pressure vessel | 27 High power core spray pump |
| 6 Reactor internal pumps | 28 Residual heat removal pump |
| 7 Fine motion control rod drives | 29 Residual heat removal heat exchanger |
| 8 Reactor pedestal | 30 Fuel pool heat exchanger |
| 9 Reactor shield wall | 31 Reactor water clean-up system filter demineralizer |
| 10 Lower drywell equipment platform | 32 Reactor water clean-up system holding pump and operation room |
| 11 Lower drywell | 33 Reactor water clean-up system pumps |
| 12 Suppression pool | 34 Reactor water and suppression pool clean-up system backwash pump and operation room |
| 13 Horizontal vents | 35 Refueling platform |
| 14 SRV clenchers | |
| 15 Upper drywell | |
| 16 Drywell head | |
| 17 Shield blocks | |
| 18 Main steam lines | |
| 19 Feedwater lines | |
| 20 Safety/relief valves | |
| 21 Primary containment vessel | |
| 22 Lower drywell personnel lock | |

This cutaway shows the design of the only advanced light water reactor now under construction. The boiling water reactor, pioneered by General Electric, allows the coolant water to boil in the reactor core. The steam leaving the core is processed and conveyed to the turbine, which then drives a generator to produce electricity. The Tokyo Electric Power Company is constructing two ABWR units scheduled for commercial operation in 1996 and 1997, with GE supplying the nuclear steam supply systems, fuel, and turbine generators.

Wolfe: That's right. The ABWR is big, it's a 1,350 MW plant, and our studies show that there are economic advantages to large size. That's what the French have found; they go in for larger sizes and are now looking at 1,500 MWe plants. There are economies of scale both in building the plant, and in operating it. If you have two 600 MW plants, instead of one 1,200 MW plant, you have a larger number of operators and duplicate systems that have to be maintained as well as security and so on. Thus there are advantages to the big plant.

On the other hand, the basis on which we're developing our SBWR 600, and Westinghouse its AP600, is that, with the small size, you can do some things that maybe you cannot do with the big size. For example, there is inherent safety [if something goes wrong, the plant can cool down without any operator assistance], which is satisfying from the safety standpoint and also cuts down on cost, because fewer pumps, heat exchangers, and other equipment are required. So small size does have some advantages that may help overcome the law of scale.

In the case of the boiling water reactor, we picked 600 MW because, at that size, natural circulation could be used [with the cooling system], thus avoiding the use, complexity, and cost of pumps. What our studies thus far have shown is

that, when you get down to 600 MW and if you simplify it—which you can do because it's small—the large plant will still have somewhat better economics. But when I say somewhat better, I'm talking about maybe 10-20%, in mills per kilowatt-hour. Because there are advantages to the smaller plants, you might say, "Okay, I'm willing to pay an extra 20% if I can build a plant at 600 MW, rather than have to wait until I need 1,300 MW.

Q: Did your economic studies take into account the cost of the tremendous delays that have plagued U.S. plant construction?

Wolfe: Our assumption is that in the United States there is no natural law preventing one from building an 1,100 MW plant in four years, the way they do it in Japan. So, the assumption in the economics is that we are going to clean up the licensing mess that we have and be able to build a plant in four years.

On the 600 MW plant, we think we can build it in maybe three years, 36 to 40 months, so we will get an advantage there. The point I'm making is that on the small plants you have to look for every advantage in order to keep the economics reasonably competitive with the larger plants. And the small plants, by themselves, as you say, have their advan-

tages. If you're a country with a small power grid, you cannot afford to build a large plant because it has too much effect on the grid when it is shut down for refueling, or if it has a scram [emergency shutdown]. You need small plants.

Q: Is there a limit on the size that can easily be mass produced? Can you mass produce a 600 MW plant?

Wolfe: I think the smaller plants are easier, in principle, to mass produce, but even with the big plants, we're looking at whether we can mass produce components so that we can take advantage of mass production. And this, it seems to me, is really the advantage of standardized plants in general. Because you know the design, you can set up vendors—factories—that will turn out parts on a mass production basis, whether they are for small plants or for large plants. Now, when you get to very small plants, like our liquid metal reactor, the Prism, you can build a whole steam supply system in a factory and ship it to the site. . . .

In the Prism design, the vessel is about 20 feet in diameter, and we think we can build that in a factory and ship that with the components installed. In effect, we would mass produce the components and just repetitively build those modules at the site.

The SBWR is again a 20-foot-diameter vessel, but it's a high-pressure vessel. This makes mass production a little harder to do, but even there we're looking for ways to repetitively produce these reactors at a factory and then ship them to the site. The other thing is, when you build plants repetitively, you would have crews move from site to site, so you would have, in effect, mass production at various sites as well for the installation and the preparation of the site.

Q: Where does your design for the modular breeder reactor, Prism, stand?

Wolfe: From the technical standpoint, let me say, it stands pretty well. The design is continually being refined; we've been working on it for seven or eight years now. The Prism design won the competition in this country two years ago as to what kind of breeder we should employ. We formed a team with Westinghouse, Burns and Roe, Bechtel, and others on the basis that the Department of Energy (DOE) would fund it appropriately—the agreed-upon funding when we won the competition in January 1989 was \$14 million a year. In fact, DOE was able only to fund it for \$5 million a year. So, we haven't made the progress in the past two years that was anticipated. We're just trying to hold our own, with the hope that in the next year we will get back onto a reasonable funding level where we can make significant progress. . . .

I think that the DOE is looking at the breeder more realistically in terms of two factors: 1) its leadership in the world; and 2) the fact that we now see that the breeder may have a major impact on waste management. With the liquid metal breeder, one can recycle the long-lived actinides, the long-lived radioactive products, so that the waste problem be-

comes not a million-year problem, but really a problem of just a few hundred years.

In other words, we would take the long-lived products and put them in the breeder and transmute them; the fuel cycle being worked on by Argonne National Laboratory would allow us to do that. The Prism plant, which we think has very big advantages, would allow one, in principle, to develop the breeder reactor in a finite time-scale and with reasonable costs. The problem with breeder development, in which General Electric was the major leader, was the way we were going, as exemplified by the French.

The French built the Phénix breeder reactor, and then the Super-Phénix—both multibillion-dollar projects. The 300 MW Phénix was just an invitation to build the \$5 billion, 1,100 MW Super-Phénix, which is now an invitation to build another \$5 billion or more Super-Phénix II, which may be an invitation to build the next one. It's not clear that that process converges. In other words, these plants at the large size are so expensive, take so much time and money to build, and have to be built so carefully that by the time you build one you've got a decade or two gone before the next one comes along. In a sense you develop a bureaucracy, rather than a pioneering effort to get things done.

The idea with the Prism is to build a plant in a small size, 150 MWe, so if you wanted a 450-MW plant, you'd put three of these modules together. The thought is that you can design a steam supply system for well under a billion dollars, you take it out, you build it, you test it, you modify it, you change it, you redesign it, and you still are talking about a couple of billion, not tens of billions of dollars. When you're all done, you have the module that you want to build, and then you replicate these module units in units of three and build them using mass production.

What this does is allow you to develop these plants for what appears to be reasonable costs and a reasonable time scale. Phénix works; the problem is that it is not economical. We've got to get one that works and that is economical, so that we can build others that are economical; that's the name of the game.

Q: What is the time-scale on getting the DOE to give you more funding?

Wolfe: If we get DOE back on a reasonable program in the next year, our hope is that by the end of the century, we will be able to demonstrate a module that works. Then we could start building breeders in the year 2010 or so, and from there on out. The timing on the need for the breeder is not clear. As I mentioned, the waste problem is something the breeder can help on, and that could be a big impetus.

But the other major reason for breeders is the fuel problem, the uranium availability. Now whether you believe in the greenhouse effect or not, with the coal effluent problems, with the fossil fuel problems in general, there may be a reason to expand on nuclear. If, in fact, the greenhouse

effect is real, and one wanted to use nuclear to reduce the carbon dioxide generation by a factor of 2 in the next 30 or 40 years, then one would be talking about several thousand nuclear reactors worldwide. This is the case in which you would worry about uranium availability, and where you would really need the breeder.

Our view is that we shouldn't do what we did with the light-water reactors, wait until the need was upon us, which meant that we developed light water reactors maybe not in as systematic a way as we should have. We ought to be developing the breeder now in a systematic way, so we can do the right things and when the need really arises we can move ahead reasonably.

Q: Ten years ago we were talking about having the first fusion reactors come on line in 2010, and here we are without the second generation of nuclear fission reactors. It's a sad story, especially when you look at the Japanese, who have been keeping to their schedule.

Wolfe: The Japanese schedule is to have economical breeders in the year 2037. . . . They've set their targets; they set reasonable targets, and they moved. We've had a program which made sense on the breeder here. We went through several years of competing to make sure we had the best concept and after we chose it, as I noted before, we went from the planned \$15 million yearly program to a budget of \$5 million. That just keeps you going, but you don't get very far.

Q: How do you think we can compete with the Japanese and the Europeans, who are moving so much more aggressively to develop nuclear technologies for domestic use and export?

Wolfe: I think we've got to clean up the licensing system, so that it's predictable, and I think we've got to demonstrate that the system works and that we can build plants economically. And there's no doubt with the right system we can do it. If we do that, I think our national energy requirements can be met.

After all, the Europeans and the Japanese are using our technology. In fact, the latest Japanese plant, the ABWR, which they just licensed (the technical review was just finished by MITI), was developed with General Electric as the leader working with Hitachi and Toshiba over the past decade. We've managed to keep the technology up to date, and it's really a matter of showing that institutionally we can meet the needs of the country and the world. We pioneered these technologies and then did not really develop them here. If we continue doing this, we could end up importing Japanese standardized reactors. . . .

On fusion I know your organization has been more optimistic than I am. I think fusion has quite a ways to go still. It's got the technical problem of demonstrating breakeven, but also I think the real problem we're going to have, when breakeven is reached, is the economics. It's going to be very difficult to get fusion into an economical form.

Q: I think the problem is the way this country looks at things like this, which are really an investment in our future. When you develop a new technology—an advanced nuclear plant or the fusion-fission hybrid, for example—its purpose is also as a bridge to the next step. Now if you start cutting out that process and saying it's too expensive, you totally lose sight of your future.

Wolfe: You have to evaluate the future and decide on a long-term basis, because these are long-term programs. That's one thing that we seem to have a problem doing in this country, but which the Japanese do very well. They have a longer timespan—vision on which they act.

Q: In thinking about what has happened over the past 10 years: It occurred to me that what I knew from ancient history—that societies die and go out of existence—could happen here.

Wolfe: Well, I have some hope and confidence. One thing about our country is that it's resilient. When real problems show up, we work to solve them. The problem we have is that we don't look ahead. We think things are going well; we wait for the real crisis, and then we're magnificent in solving it—at least I hope we are. But things would be a lot better if we would plan more in the future and avoid the crisis.

Q: In the best of situations, how fast do you think we could gear up? On the Prism breeder, I think GE estimated a couple of years back that you could do it in 36 months.

Wolfe: I think if this country really saw an urgent need, we would do things; we have a history of doing amazing things. People forget that the first reactors that were built at Hanford [Washington], were built in a couple of years. The reprocessing plant at Hanford—which today would take us a decade or a decade and a half to build—as I recall was built in three years. The first boiling water reactor and the first pressurized water reactors were built from scratch starting in 1955 and going on line in 1959. So, I think that if we really had a national purpose, we could find the United States approving nuclear plants very quickly and building these plants. Not overnight, but in a matter of a few years, you could start seeing that upturn in production. My feeling is that the American public and the American government have to recognize the need. If they recognize this need, I think we have the capability to bring nuclear plants on line in large quantities in less than a decade. . . .

What we need is the understanding that we should have the capability, that we're not going to solve our energy problems with magic. We may hope that conservation and solar power will do wonderful things, but there's a reality that says that if we want to live decently, we're going to need more power to meet our needs, and there aren't many alternatives: We've got coal and we've got nuclear. We may need both, but I think it's clear that nuclear is the superior technology that we need to have available.

Prince Philip and the EPA revive paganism as 'ecology'

by Kathleen Klenetsky

Britain's Prince Philip, the Bush administration's Environmental Protection Agency head William Reilly, scientific quack Carl Sagan, Sen. Albert "Global Warming" Gore (D-Tenn.), and a congeries of Mother Earth worshippers, theologians, religious figures, and green fascists have issued an open declaration of war on the fundamental tenet of Judeo-Christian belief—that man is made in the image of God, that he is therefore the pinnacle of God's creation, that his role on Earth is to master the laws of nature, and that he must "be fruitful, multiply, and subdue the Earth."

The occasion was the first international meeting of the North American Conference on Religion and Ecology (NACRE), an outfit spawned a little over a year ago as an outgrowth of an international religious meeting on ecology, sponsored by Prince Philip in Assisi in 1986, and the Global Forum on Spirituality. William Reilly, who furnished NACRE's initial nest-egg while president of the World Wildlife Fund (WWF), and Prince Philip, who heads the Worldwide Fund for Nature, were NACRE's chief instigators.

NACRE's May 16-19 "Caring for Creation" conference, which took place in part on the grounds of Washington's National Episcopal Cathedral, launched a continent-wide "grass-roots" campaign to spread what can be rightly termed "ecopaganism" to North America's 650,000 religious communities.

One of the most explicit statements of this eco-paganism came from the Duke of Edinburgh himself. Speaking to the National Press Club during a break in the conference on May 18, His Royal Highness, who has previously expressed the desire to be reincarnated as a "deadly virus" because this would enable him to eliminate the world's excess human population, castigated the "revealed religions" for having tried to "draw people away from what they have seen as the pagan worship of natural phenomena." This, he said, has caused an ecological catastrophe.

"It is now apparent," he asserted, "that the ecological pragmatism of the so-called pagan religions, such as that of the American Indians, the Polynesians, and



A startling assortment of kooks, shamans, druids, and revisionist theologians met to receive their marching orders from the Duke of Edinburgh and other "big" of the new ecology movement. Weird, but very dangerous.

the Australian Aborigines, was a great deal more realistic in terms of conservation ethics than the more intellectual monotheistic philosophies of the revealed religions."

NACRE was established for the express purpose of devising a battle plan for infiltrating such overtly pagan beliefs as those voiced by Philip into the mainstream churches. Its strategy is premised on winning over religious leaders and lay people alike to the blasphemous view that God somehow didn't really mean it when he told man, as cited in the first chapter of Genesis, that he should have dominion over nature.

What God really meant, according to NACRE and its collaborators, is that man should be a "steward" of nature. "Stewardship" is a euphemism, devised initially by circles around the neo-malthusian Club of Rome, to give currency to the oligarchical—pagan—concept, that man holds no special place in the hierarchy of nature, and that his role is to serve nature (the Earth goddess, Gaia), rather than vice versa. To the extent that man has tried to master nature and its laws ("dominion"), as opposed to passively worshipping nature ("stewardship"), he has not only destroyed the environment, but is committing the worst imaginable sin against God.

The eco-paganist paradigm shift

By spreading this garbage, NACRE's sponsors hope to subvert the churches and synagogues—the institutional representatives of the Judeo-Christian tradition—and ultimately transform them into instruments of the final destruction of

that same tradition.

A recurring theme of the conference was the important role played by religions and religious institutions in shaping the most deeply held beliefs and behavior of masses of people. Thus, if the churches can be bent to the will of the environmental pagans, they are likely to have the most success in transforming the peoples of the world into hordes of irrational eco-fascists.

"The religious leaders are the ones who can persuade people that they must change their lifestyles, consume less, and stop thinking about mankind as somehow being above the rest of nature," confided one NACRE spokesman. In a similar vein, Dr. Lester Brown, head of the pro-genocide Worldwatch Institute, told the conference: "One of the great challenges to the religious community throughout the world now is to adjust human behavior at the lifestyle level, and to bring about the economic restructuring that will permit us to preserve the creation."

A NACRE official privately revealed that the organization has every intention of fostering paganism—although, he cautioned, the group won't say so outright—by promoting Native American spirituality as the model of an ecologically correct religion, as well as the "Earth goddess" or "Gaia" ideology and its multiple variants.

"We must foster the understanding of the interconnectedness of all religion," the official said. "Native American spiritual traditions will have a major function to play in awakening people to Earth spirituality. This represents a deepened

and more penetrating nature of humanity's relationship to the planet. The environmental crisis is forcing every major religion to re-understand its relationship to nature, and it is this which is creating a true paradigm shift."

Indeed, the NACRE conference featured a number of native American Indian speakers and performers, including "Ecoman," the spiritual descendant of Black Elk and author of a new book, *Mother Earth Spirituality*. And an "ecological fair" which took place on the grounds of the National Episcopal Cathedral on the final day of the conference, featured a blessing of the oak grove (oaks are an ancient Druidic symbol), and workshops on such subjects as "Youth's Role in the Greening of Religion," given by NACRE's Dr. Eugene Wilhelm.

"Native American spirituality" is seen as especially useful in promoting eco-paganism, not simply because it is obviously pagan, but because it melds perfectly with another key aspect of the eco-fascist assault: the goal of balkanizing the U.S. into an agglomeration of "bioregions," supposedly modeled on the geographic distribution and organization of pre-Columbian North America. We shall explore this further below.

Bring back the Earth goddess!

Although an air of typically green kookery dominated the conference, it would be a grave mistake to downplay its significance, or the objectives which NACRE has set out for itself. Prince Philip's patronage of the event, and his presence there for three days, signifies that NACRE is an arm of the highest echelons of international Freemasonry, both East and West. William Reilly's integral involvement in all phases of NACRE's development, signifies that it has the backing of the Bush administration. If NACRE succeeds in its war against Judeo-Christian humanism, the consequences will be the destruction of humankind as we know it.

As with Prince Philip, the other featured speakers at the conference left little to the imagination; their overarching theme was that the Judeo-Christian concept of man is essentially evil. Unless man abandons this anthropocentrism, and adopts instead the pagan view of man as one mere element of nature, on an equal footing with others, then he will be swept away by an environmental cataclysm.

The Prince's basic theme was echoed by one speaker after another. William Reilly, who, along with Prince Philip, was the prime mover behind both NACRE and its conference, gave a speech in which he attacked the "human-centered approach, which looks at the needs of the human community" rather than those of nature.

Dr. Michael Fox, an official with the Human Society of the United States and director of its Center for Respect for Life and the Environment, gave a slide presentation containing the message that man's "doministic" attitude toward the animal kingdom has resulted in a "holocaust."

Bemoaning the loss of the "religious traditions of earlier

times, which linked humanity to the animal kingdom through the Earth Mother, the matrix-creatix . . . Gaia, Pan, Diana," and their replacement by the "male, monotheistic, religion of reason," Fox longed for a return to the "golden age of our hunter-gatherer ancestors and the silver age of sedentary sustainable agrarian peoples."

Jürgen Moltmann, a theology professor from Tübingen University in West Germany, where he is a collaborator of the schismatic Hans Küng, talked of the need to "change the image of God." The reason for "humanity's seizure of power of nature," he said, lies in "modern man's vision of God as Lord of the world, with Earth as a passive object, which dates to the Renaissance. . . . We need to change the image of God, because that determines how man views himself and nature."

Referring favorably to the gnostic Gospel of Thomas, Moltmann called for developing a "Divine Ecology" and a "declaration of the Rights of Nature. . . . Nature must be recognized as a subject in its own right." Furthermore, he said, "We need to integrate animal rights, nature rights into a new Constitution."

Eco-paganism means human sacrifice

When Prince Philip and others praise paganism, they are not indulging in rhetorical excesses. What they are talking about is, quite literally, a return to the worst aspects of paganism, with its irrationalism, its disdain for human dignity, its practice of sacrificing human life to appease the gods and goddesses.

That was nowhere more apparent than in the economic and "lifestyle" changes which were called for at the conference, and especially in the constant stress that was placed on curbing human population growth.

Dr. Lester Brown, head of the neo-malthusian Worldwatch Institute, gave one of the most important presentations in this area. He insisted that the global environmental crisis demands "an environmentally sustainable global economy," which would require three essential prerequisites: First, "stabilize population;" second, "phase out fossil fuels" in favor of renewable energy sources, especially solar and wind; and third, protect the ozone layer and eliminate the (fraudulent) greenhouse effect, by enacting such measures as a punitive "carbon tax."

Brown went on to call for the elimination of all income taxes, and their replacement with "environmental taxes." Since the personal and corporate income tax bill in the United States amounts to approximately \$450 billion annually, the magnitude of the environmental restrictions which Brown proposes amounts to a sure-fire prescription for bringing all productive economic activity to a halt. It's hardly surprising that Brown predicted that the principal mode of transportation in this "sustainable" dystopia would be the bicycle.

The sustainable economy that Brown et al. envision

would be physically incapable of sustaining a global population of more than 500 million, which leads to the underlying goal of the eco-fascist movement: global population reduction.

Although many conference speakers paid lip service to the need for economic development in the Third World, this was simply a cynical ploy to lure Third World nations into adopting the same industry-wrecking ecology measures now being promoted in the advanced sector.

It takes very little to pierce this rhetorical veil and get to the real agenda: the brutal depopulation of vast areas in Africa, Asia, and Ibero-America, coupled with a ruthless reduction in the industrialized nations' standard of living.

Jessica Tuchman Matthews, a former leading member of the National Security Council staff in the Jimmy Carter administration—the sponsors of the notorious *Global 2000* blueprint for population reduction—and now head of the World Resources Institute, told the conference that, of course, the Third World should have economic development. But to accomplish this, the industrialized world must “drastically lower its consumption of resources,” while the developing sector “must agree to drastically lower their population growth.” “That’s the bargain,” she flatly stated.

The same formulation came from almost every other conference speaker, from Donald Lesh, head of the Global Tomorrow Coalition—set up to promote the genocidal recommendations of *Global 2000*—through a particularly disgusting version put forth by NACRE’s “scholars’ group.” Presenting the group’s findings, one of the “scholars” reported that there had been lengthy discussion of how to convince the poor that ecology was good for them, even if it meant an end to economic progress. The scholars solved that thorny development by deciding that “we should no longer see the poor as victims, but as sources of wisdom, because they are so close to the Earth.”

This contempt for human life was most nakedly expressed by Prince Philip, who, when asked whether he would intervene to try to get Protestants and Catholics in Northern Ireland to stop fighting each other, retorted: “I don’t mind what they do to one another” as long as they “agree on conservation.”

Gaia against the Pope

By identifying population growth as the main threat, NACRE—and the environmental movement as a whole—have de facto named those who oppose population curbs as obstacles which must be overcome or destroyed. This means the Roman Catholic Church. For, while there are plenty of nominal Catholics who are eco-fascists, including some in NACRE’s top echelons (William Reilly and former Notre Dame President Theodore Hesburgh among them), the Church as an institution continues to hold firm against the neo-malthusians. And while numerous environmentalists, including many in NACRE’s ranks, praised Pope John Paul

II’s Jan. 1 statement on environmental concerns, there is no getting away from the fact that the Pontiff is fighting tooth and nail against the two main premises of the eco-fascist creed: that human population growth is evil, and that man holds no special place in creation.

Thus, it was shocking but not surprising, when keynote speaker Russell Train delivered a deliberately insulting and provocative attack on the Pope, during a gala conference banquet May 18. Train, who currently heads the World Wildlife Fund, is a longtime ally of George Bush, and who recommended William Reilly as EPA chief, was utterly enraged by John Paul’s trip to Mexico, where he repeatedly polemicized against population control, and unwaveringly defended the dignity of every human being.

Train led up to his attack on the Pope by asserting that “overriding all other threats [to the environment] is the burgeoning human population, and here we have no one to blame but ourselves. . . . Environmental problems will be compounded exponentially” as population grows.

Train complained bitterly that, despite the constant warnings emanating from the genocide lobby about human harm to the environment, “yet Pope John Paul II in Mexico” reiterated the Catholic Church’s opposition to artificial birth control, by stating that in using artificial means to frustrate conception, couples “cut themselves off from God and oppose His will.” “Personally,” Train continued, “I find it difficult to accept that it is the will of God that humanity should degrade, deface, desecrate and, ultimately, possibly destroy His creation on Earth. . . . Yet that is the course upon which we are embarked.”

Lamenting the loss of animal and plant species, which he blamed on “anthropocentrism,” Train blasted the pro-life movement: “We hear much today about the right to life, and the phrase as normally employed, seems to extend only to human life, as if the rest of life is somehow irrelevant.”

(Prince Philip has been frenetically courting the Pope’s involvement in various eco-fascist schemes, and he recently announced, following a meeting with the Pontiff, that the Vatican will collaborate with the Worldwide Fund for Nature. Knowing this, this reporter approached Philip, who had been seated on the dais during Train’s remarks, to ask him if he agreed with the criticism of the Pope. His Highness pursed his lips, turned his back, and walked away, without uttering a word.)

Train was by no means the only speaker who excoriated the Catholic Church. Dean James Park Morton, of the Episcopal Cathedral of St. John the Divine in New York, which is home to a host of pro-pagan organizations, including the Gaia Institute and the Temple of Understanding-Lucis (formerly Lucifer) Trust, snidely criticized “a certain New York cardinal”—i.e., John Cardinal O’Connor—for failing to appreciate Earth Day.

NACRE’s hostility toward orthodox Christianity was also evidenced in its sponsorship of two Catholic priests who

espouse beliefs ranging from the pagan to the near-satanic. These are Matthew Fox, who in 1988 was silenced by the Vatican for a year because of his sponsorship of witchcraft; and his fellow Dominican, Fr. Thomas Berry, a member of the Club of Rome and a favorite theologian of the "New Age" circuit.

Berry, a devotee of Teilhard de Chardin, is an admirer of Native American spirituality; believes that not only eating meat, but also some forms of agriculture, should be extirpated because they harm Mother Earth; thinks that Christianity has cut people off from nature; and calls democracy a kind of human conspiracy against the natural world, and the U.S. Constitution a conspiracy of humans against the North American continent.

Although neither was personally present, their influence was palpable. One of the featured speakers at the conference was Brian Swimme, who teaches at Fox's Institute of Culture and Creation Spirituality, and who also is a student and collaborator of Berry.

Doing the devil's work

The marching orders handed down at the conference were of several different levels. Carl Sagan reported on the success he's had in getting scientists and religious figures to sign a call he issued last year for cooperation between the two communities on ecological concerns. A joint project of himself and Dean Morton, Sagan indicated that he will vigorously pursue this initiative. "The religious community must commit itself as boldly as possible to preserving the environment," said Sagan, and this includes helping to "halt population growth."

William Reilly made a special appeal to all religious denominations represented at the conference, to issue a pastoral letter, or its equivalent, on nature and the environment. "In the next year, I would like to see each faith, each denomination represented here, formulate its own restatement of the moral and spiritual basis for the stewardship of nature," Reilly said. "These statements could have a powerful influence for environmental betterment."

Plans were hatched for holding at least two follow-up conferences, one in Brazil in May 1991, and the other in Japan the year after. Prince Philip is integrally involved in the plans for both.

Dr. Donald Conroy, NACRE's president and former "ethical adviser" to the World Bank, is writing the religious study guide for the ten-part eco-fascist propaganda series, "Race to Save the Planet," scheduled to air on the Public Broadcasting System this fall.

There was also extensive discussion of how to radically restructure American education, so that ecology would be the underlying theme of all disciplines. Dr. John Kirk, who runs a school for conservation education in New Jersey, reported, for example, that he is a member of a state commission charged with advising Gov. James Florio on the best

methods for reorienting the state's educational system to environmental issues. One of the commission's recommendations is that every school be required to teach at least some courses in environmentalism, and to incorporate ecology into other parts of the curriculum.

'Bioregional' groups are shock troops

The shock troops for implementing NACRE's eco-pagan vision will be the numerous grass-roots "bioregional" groups which were set up at the conference. The bioregional concept, which is one of NACRE's core components, is where the eco-fascist movement converges with another, related conspiracy—also inspired by the British royalty—that against the nation-state (see *EIR*, April 27, 1990, "Are British oligarchs trying to balkanize the U.S.A.?")

Bioregionalism holds that modern nation-states are artificial structures, which should be broken down into much smaller regional associations, under the top-down control of some supranational governing structure, such as the United Nations. Bioregionalism was born from the realization of the eco-fascist elites that a modern nation cannot function without a technologically advanced, large-scale industrial, energy, and agricultural base, and that the nation thus has a built-in resistance to the "small is beautiful" lunacy of the ecology movement. The bioregionalism movement was spawned as a vehicle for balkanizing the United States, in order to facilitate the imposition of eco-fascism. Prince Philip, in his National Press Club remarks, noted that NACRE "is seeking to link religious communities in this country into what are called 'bio-regions.' "

A speaker at the NACRE event was Peter Berg, head of the Planet Drum Foundation, and the reputed godfather of American bioregionalism.

The two bibles of the movement are Joel Garreau's *The Nine Nations of North America* and Kirkpatrick Sale's *Dwellers in the Land: The Bioregional Vision*. Sale founded the North American Bioregional Congress, and serves as secretary of the E. F. Schumacher Society, Schumacher being the late British ecologist who preached against science, technology, and the modern nation-state on the grounds that "small is beautiful."

In Sale's words, bioregionalism envisions a world "based not on arbitrary political borders but on natural geographic regions defined by their particular flora, fauna, landforms, and waterways." The concept of [Gaia] bioregionalism "springs from the ancient concept of Gaea and is embodied in part by the programs of the current-day Green movement."

In the dark, grim world of bioregionalism, human scientific and economic progress must stop because it hurts Gaia (Mother Earth), and will lead to catastrophe. Mankind should be content with a "steady-state economy" (i.e., negative economic and population growth), which can best be achieved by junking the nation-state in favor of feudal-style regimes and a "Gaian consciousness."



We must win the battle against the eco-fascists

Helga Zepp-LaRouche is the founder of the Schiller Institute, formed in 1984 to rebuild the German-American relationship on the basis of reanimating the best in both nations' cultures. In 1982, she created the Club of Life, committed to combating neo-malthusianism and other genocidal ideas propagated by groups like the Club of Rome. She was interviewed on March 23 by Mark Burdman.

EIR: For years, Lyndon LaRouche, yourself, and your political associates have been battling the neo-malthusian “ecologist” movement. Recently, in Washington, Prince Philip praised “pagan pragmatism” as preferable to the Judeo-Christian tradition, for solving problems of “conservation.” In London, Prince Charles attacked the Book of Genesis, insisting on “stewardship” and “kinship with nature.” As someone who has spent the better part of two decades leading fights against such ideas, what is your reaction to this?

Zepp-LaRouche: Our characterization of the ecological movement as *eco-fascist*, is completely proven. These people, like Prince Charles and Prince Philip, are attacking the foundations of Judeo-Christian civilization, the conviction that man is created in the living image of God, which is the foundation of everything that is best in our civilization and tradition. The last time that this idea was attacked in this way was by the Nazis. The inner core of the SS and the group around Hitler not only wanted to eliminate the Jews, but, as recent historical papers have pointed out, this was only the first step; the next step was to eliminate all Christians.

The very basic idea of the inner Nazi belief structure, was the idea of going exactly back to the pre-Christian mythologies, the idea of the pagan gods, of the nature gods. It was the idea of Gaia, the so-called “eternal return of the same,” of which Nietzsche was a spokesman. The same barbaric ideology was common to the Roman Empire of Tiberius. This is the philosophy out of which Nazism and Bolshevism developed in the 20th century. So, Prince Charles and Prince Philip are espousing the ideology of the Roman Empire, and later picked up by the Nazis. Now they sit in the same boat as the Nazis.

As for Prince Philip talking of the “pragmatism” of paganism: Let nobody have any illusions, such talk of the “pagan pragmatic solution” is another term for genocide. The

eco-fascists have advocated this for years, when they have said that population control is not enough, that the death rate had to be increased by “natural causes.” This was advocated by William Paddock, in his proposal for cutting the Mexican population by half. The same concept has been advocated by [Club of Rome co-founder] Alexander King, by the Worldwatch Institute. What they mean, when they say increasing the death rate by “natural causes,” is denying credits for development, in order to create the conditions of starvation and regional chaos that reduce population. They have the same mentality as those who were in the dock at Nuremberg, who sat at their desks in the years before, signing the death sentences under the Nazis.

EIR: In 1974, you had some interesting encounters with such people. Can you tell us about this?

Zepp-LaRouche: I really understood for the first time, when I attended the World Population Conference in Bucharest, in August 1974, what this mentality is about. Besides the government involvement there, there were parallel events, including people like John D. Rockefeller III. He addressed the gathering, talking about “overpopulation.” That word was a “Rockefeller baby.” People from the developing countries knew that it was absurd to talk about overpopulation when the real problem was massive *underpopulation*, from the standpoint of what would be required for an adequate division of labor for an industrialized society. They would need massive population growth to develop. So, everybody saw it was a hoax.

Behind the whole concept, were the two hoaxsters from MIT, Meadows and Forrester, who had written their *Limits to Growth* in 1972. I say hoaxsters, because they said that the world had reached some kind of equilibrium, in which there would be ever scarcer resources. This book was promoted with massive propaganda. Years later, Meadows and Forrester admitted that they had invented the figures, programmed their computers, to create an artificial debate.

So we understood the absurdities, but also the dangers involved in this idea. We intervened, by attacking John D. Rockefeller III, Margaret Mead, Lester Brown, and so on, accusing them of genocide 100 times worse than that committed by Hitler. This produced some raving reactions.

In the meantime, since 1974, even such a moderate political figure as Egypt's President Mubarak, in a speech to the World Food Council, estimated that International Monetary Fund policies since the beginning of the 1980s have caused 512 million people to die. In my view, that is a conservative estimate. But that is still 100 times worse than Hitler. And now we have the present explosion of migrations, famines, and epidemics.

Obviously, the World Population Conference in Bucharest was one key inflection point for the eco-fascists to come out in an open fashion.

EIR: What was the public disposition of the Soviets and the East bloc crowd at Bucharest? Today, they are completely open in their endorsement of such perspectives.

Zepp-LaRouche: The people from the Soviet Union who were openly in favor of eco-fascism at that time were relatively few. It was restricted to people like Ivan Frolov, people participating in the projects of IASA [International Institute for Applied Systems Analysis], and so on. But while they kept their profile low, the Soviets nonetheless had a major role in launching the green-ecologist movement as a fifth column to undermine the industrial perspectives in the West. This needs to be investigated more: the conscious warfare by the Soviets against the West, to undermine Western industrial society.

In any case, the Soviets haven't shown much concern about conservation, have they? Look at Chernobyl, Bitterfeld [in East Germany]. They couldn't care less.

EIR: The LaRouche political movement has been the target of hysterical attacks, culminating in a wide range of pseudo-legal attacks in the United States, the jailing of LaRouche and various associates, and so on. Could you say something about how the ecological question comes into this adversarial relationship? How do those who ran that Bucharest event and who coordinate the eco-fascist movement today view the threat posed by LaRouche?

Zepp-LaRouche: In 1974, Lyndon LaRouche made an excellent analysis, predicting that the then-dominant policies toward the developing sector would lead to a potentially irreversible ecological catastrophe, especially for Africa, but also elsewhere in the developing sector. In the meantime, what he warned about has been 100% confirmed for Africa, by the combination of AIDS—spreading very fast because of the weakened immunity caused by malnutrition and disease—and famine, locusts, etc.

But LaRouche also proposed a program for the industrialization of Africa, and also for the developing countries—development of infrastructure, industry, and agriculture, education policies, an integrated program spanning two generations. Had these policies been adopted, not only would the present catastrophe have been prevented, but there would no more hunger, and people around the world would be able to lead a decent life in human dignity. It would be a different world.

Looking at the perspective from 16 years ago to the present, it is obvious that these people haven't changed their attitude from the time of Cecil Rhodes, who proposed at the turn of the century to eliminate black Africans from the African continent, and to reinhabit Africa with white Anglo-Saxons. Prince Charles and Prince Philip are in this tradition.

The international financial eco-fascist elite wants to maintain its own privileges, as outmoded and outdated as that may be, by keeping the developing nations as producers of nothing except raw materials. From their world outlook, which is racist and fascist to the hilt, they would see as a big threat somebody who puts forward economic policies based on the right of development, in which every person is seen as in the living image of God, and has the inalienable right to live in this sense, of the living image of God. This, in my view, is the essence of the conflict. If you believe that every human life is sacred, then you cannot carry out genocide. They have understood very clearly, that the economic policies of LaRouche would make rule based on eco-fascism impossible.

EIR: As someone who has led the fight for a New Just World Economic Order, what is your reaction to the TV shows that are being aired this week as part of "One World Week?" Like the BBC-made movie "The March," which shows "fictional events" of 1993, millions of starving Africans, led by a messianic leader, "invading" Europe?

Zepp-LaRouche: It is identifying a real problem. We have watched the new malthusianism for a long time, and we know their view, that mass migration would be a means of population reduction. There is a true element in this. You cannot have the better part of the developing world living in conditions of starvation, with hundreds of millions of people having no perspective except to die of hunger. There cannot be an economic collapse in the East bloc, the Soviet Union, and China, while you think you sit on a little island of prosperity somewhere else, while the majority is dying before your eyes. This is quite real. However, their solution, which is really to have none, is ridiculous. If the idea of the BBC film were to wake people up, then you are obliged to say right after this: We need a crash program of developing agriculture, a mass food production program, as the LaRouche Food for Peace program indicates. So, there is a positive function in waking people up, but not to mention a solution is evil.

Mankind is now confronted indeed with what Lyndon LaRouche warned: The world food shortage is the main dynamic leading toward war. There cannot be the breakdown in the dimensions we are seeing today, without the danger of war—regional war, but also global war. The answer is to stop the malthusian policies, and start the ideas of LaRouche: a New World Economic Order in line with the papal encyclical *Populorum Progressio*. We need a crash food production program, the Food for Peace program—now.

Soviet Union endorses new eco-fascist world order

by Carol White

The official journal of the Soviet Foreign Ministry, *International Affairs*, published an article in its English-language April issue by Mikhail Kaloshin, entitled "The global dimensions of ecology," which could as well have been written by Britain's Prince Philip. The article is a landmark in the Soviet campaign for an ecological fascist world order—a campaign which Mikhail Gorbachov launched in a Dec. 7, 1988 speech to the United Nations General Assembly.

International Affairs goes beyond previous Soviet press treatment of international ecological issues, to develop a systematic conception of a world order that will be neither Christian nor Marxist, but characterized by a gnosticism of flamboyantly Dostoevskian coloration. The new One World regime will police the citizens of what were once nation-states, to enforce the dictates of those who believe that man, technology, and industry are cancers that pollute the pristine face of Mother Nature.

The article comments upon a six-day international meeting which was held in Moscow in January of this year, and was addressed by Mikhail Gorbachov himself. Kaloshin describes the conference as keynoting this decade, "The Decade of Ecology." That meeting, and the North American Conference on Religion and Ecology held in Washington, D.C. in May, constitute an open attack upon the Western Judeo-Christian tradition. The argument of the article, and the theme of the Moscow conference, is encapsulated in the following quotation:

"The paradox is that the main, the only destructive force in nature is man, *homo sapiens*, who hardly comports himself as a thinking man. No animal, not the simplest organism in nature, destroys its habitat as ruthlessly, as senselessly, as consistently and extensively as man does. Even the simplest germ is programmed for ecological self-sufficiency, self-regulation, and restoration of the habitat. Only man engages in self-destruction. Man has never been so merciless towards the environment and himself. He has become similar to a cancerous tumor which appears in the body and feeds on it and grows, gradually destroying the body and, as a result, itself."

Such a view of mankind suggests that the kind of radical population reduction now being advocated by these same ecologists is not only justified, but mandated by a moral imperative. After all, how do we treat cancers!

We have traveled a long way down the path of fascism, when an official Soviet publication will openly endorse these views, or when the Duke of Edinburgh, husband of the head of the Anglican Church, openly espouses paganism. In both cases, we are dealing with the evil oligarchical world view.

An oligarchy's primary aim is to establish or maintain the oligarchical system. Such a world system is not a utopia, but a set of rules of the game, with certain game objectives built into the rules, and nothing is supposed to interfere with the operation of the rules. The ruling elites may change the rules, but they reserve such an option as their own prerogative. As long as the potential of war exists, they cannot do away with their reliance upon technology; therefore, they wish to eliminate the nation-state and the conflicts or potential conflicts which arise with the nation-state, and jeopardize their own control. They do not accept the idea that human beings, as human beings, have certain inherent rights under natural law.

The development of Soviet-style fascism

While Kaloshin's article is shockingly explicit, the material covered in it is not really new. As early as 1982-83, Lyndon LaRouche had identified the increasing hegemony in the Soviet Union of a fascist tendency, which was dedicated to making Moscow a "Third Rome," according to the dogma of the Russian Orthodox Church.

In the spring of 1982, at a conference of the Russian Orthodox Church held in Moscow, Patriarch Pimen attacked the strategic ballistic missile defense policy that Lyndon LaRouche was vigorously advocating. He threatened that were the United States to pursue this policy—as President Reagan did a year later, calling it the Strategic Defense Initiative (SDI)—this would be a destabilizing factor which could lead to war. At the same time, the Orthodox Church vigorously supported the ecologist movement.

At this time, it was LaRouche and his associates who were vigorously campaigning for a strategic ballistic missile defense, based on new physical principles, throughout the United States and the Western Alliance. Thus Pimen was directly answering LaRouche's proposal. LaRouche had received a similar answer in back-channel discussions, on behalf of the Reagan administration, which he was conducting with representatives of the Soviet government at the begin-

ning of 1983. The Soviet representatives recognized the validity of LaRouche's contention that his conception of the SDI would lead to enormous productivity gains in the economies of the West. They also recognized that, while this was so for the West, Soviet culture would not be able to assimilate such a technology burst.

When their rejection of LaRouche's proposal occurred in April, LaRouche came to the conclusion that the response of the Kremlin leadership, under General Secretary Yuri Andropov, was based precisely upon the commitment to an imperial "Third Rome" strategy. Soviet endorsement of the ecology movement *for the West* must be understood in this context. They recognized that the greatest danger to their imperial aspirations, was the demonstrated ability of the United States during World War II, and then again after the Kennedy-era Apollo program to land a man on the Moon, to rebound into technological optimism and a corresponding surge in productivity.

Rather than embark upon the kind of cultural transformation proposed by LaRouche, which would have allowed them to benefit from a program such as the SDI, they embarked upon an attempt to subvert the United States and Western Europe. Their vehicle was the environmentalist movement, which fanned every current of irrationalism in populations already demoralized by two decades of the rock-drug-sex counterculture.

It is thus not surprising that Kaloshin's article begins by drawing attention to the connection between Soviet endorsement of the ecology movement and military questions—i. e., a strategy to disarm the West. He writes: "The Global Forum on Environment and Development for Survival, which was held in Moscow this past January and gathered 1,400 delegates from 83 countries—political, religious, and public figures, scientists, diplomats, and journalists—demonstrated once again that ecology, being closely linked with the task of eliminating the military menace, above all the nuclear danger, is a sphere in which the fundamental and vital interests of the whole of humanity are concentrated."

Kaloshin abuses the Bible

Kaloshin represents the Russian Orthodox view, which rejects the Christian belief that man was created in the living image of God, with God-given responsibility to further the moral purposes of the Creation, as outlined in Genesis: that mankind should be fruitful and multiply, and subdue the Earth. Therefore, unlike Prince Philip, who is forced to reveal himself as a pagan in opposition to the Bible, Kaloshin pretends to take the message of radical ecologism from the Bible as a source.

Thus he deceitfully cites the Bible, writing: "Will the prophetic words of the great book, the Bible, which has been warning humanity for several millennia of the inevitability of retribution for violation of the principles of the harmony of the universe and for transgression of the threshold of man's

incursion into the environment, really come to pass? . . .

"The reasons for this behavior by man lie above all in his base moral and spiritual qualities, which lag far behind the requirements of the modern level of the technological development of civilization. The formation and development of man and his consciousness, spirit, and morality are evolving. Revolutionary spurts, bypassing certain stages, are impossible here. At the same time, humanity is advancing, especially in the 20th century, at a cosmic pace in science and technology. Here one revolution is following another. Today we have learned to orbit huge chunks of metal, which just recently seemed fantastic, and relay information over any distance. Yet man has remained what he was 2,000, 4,000, and more years ago in his spiritual and moral development.

"This has led to a situation where we have violated the warnings contained in Holy Scriptures, for example, not to cross a certain line, not to touch technologies and discoveries which man has not yet matured morally enough to utilize.

"The more serious consequence of the lag of man's spiritual and moral development has been the fact that he has placed himself in the center of the environment as its master and directed efforts at altering, adapting, and subordinating it to fit his needs. Man has concentrated not on himself, not on the goal of his evolutionary development in nature, but on acquiring machines and gadgetry designed to replace man, perform physical and mental work for him, and even think for him. On the one hand, the results of such an approach have been the separation of man from nature, a split of internal biological links with it, a gradual undermining of the foundations of evolutionary development for it, and the ultimate transition to degradation as a biological species; on the other hand, uncontrolled exploitation by man of the environment and its wealth, which is fraught with catastrophic, destructive consequences, has begun. The overlapping of these processes, which have been developing increasingly rapidly, is especially manifest at the close of the 20th century. The urgent task today is to save both the environment and man; the ecology of nature has become indivisible from the ecology of the spirit."

Not only does Kaloshin pretend to be a Christian, but he claims that atheistic communism is really a type of Christianity, writing: "For the purpose, all of us, in the East and West alike, need to depart quickly from the ideologies that disunited humanity, and turn to the teaching of the great spiritual prophets of humanity who for centuries called for unity among people on the basis of universal values and joint creation for the sake of the future. In the West this is Christian teaching with its lofty humanistic precepts; so far, no one has come up with anything better. It should be admitted that our code of the builder of communism which we tried to introduce is in effect suffused with the spirit of many Christian precepts. . . . It is not fortuitous that the Moscow ecology forum was attended by representatives of virtually all the main religions and religious teachings of the world.

“Yes, the ecology of the spirit is very important and necessary, and work needs to be stepped up in this direction. It should be admitted, however, that the evolution of the consciousness of man and his spirit and morality will not be able to make up for the destructive consequences of technological advance. The onslaught on nature is proceeding so rapidly that it would be unforgivable to pin one’s hopes solely on the moral facet of man and not take urgent practical measures to protect the environment.”

“We need to create a mechanism of world monitoring and control of the state of the environment. We should think about instituting an international ecological court or tribunal. . . . Today, we cannot do without legislative measures.”

—Mikhail Kaloshin

Kaloshin exposes his own cynicism in citing the Bible—and the gnostic character of his thinking—in the following passage where he invokes the satanic mystic Fyodor Dostoevsky: “Religions and religious teachings provide their own empirical interpretation of the question. However, their explanations are not quite convincing for people, as they lie outside human experience and cannot be tried in a lifetime. A universal search for a universal answer to the question is needed. As Fyodor Dostoevsky put it, ‘the mystery of human life is not in living but in the purpose of living.’”

“When every person understands and realizes deep in his mind the answer to the question, then within the Earth’s every denizen there shall be a switch on the natural and universal mechanism of co-evolution of Man and Nature as the decisive factor of the civilization’s survival. Then the Universal compass and universal clock shall be started which are to determine the direction, purpose, and tempo of the mankind’s development.”

Call for a ‘new development model’

Kaloshin picks up the theme of Mikhail Gorbachov’s December 1988 U.N. speech, in which the Soviet leader called for the formation of a global ecological police force which would be able to override the governments of sovereign nations. Here, Kaloshin expands on the theme of a world federalist fascist alternative to industrial capitalism. Of course, he tries to present the package in a more attractive wrapping:

“The record of world development has clearly shown that, regrettably, there is no political system or development

model that would guarantee in and of itself ecological prosperity and harmony between man and society, on the one hand, and the habitat on the other. Although it has proven its high effectiveness in providing the population with material boons and services and comfortable living conditions and although it has created a society of constantly growing consumption, the Western model has not been able to blend in with the environment and ensure preservation of nature; it has proven to be destructive for it. Western and Eastern ecologists, religious leaders, and representatives of developing countries are becoming more critical of the Western model in its present form as being anti-ecological and not ensuring the survival of civilization.

“Our Soviet model, which we have followed up to now and from which we are trying to depart during the course of perestroika, is also anti-ecological and inadequate to meet the needs of the normal development of the individual and society. For one thing, most importantly, this model has proven incapable of providing the population with the requisite level of material goods and services at any stage in its 70-year existence; it has functioned with constant intensiveness of all its structures and also manpower and material resources and, having been brought to other countries, has not proven itself in any of them, which is why it has not become firmly entrenched on Earth. For another, the structures of this Soviet model not only have not blended into the environment; they have proved more destructive for it than the Western ones.

“Obviously, the question is arising of the need to develop a new and all-purpose development model that would ensure countries and peoples rapid attainment of an adequate level of well-being with harmonious relations with the environment being maintained, and would guarantee preservation and reproduction of nature and the survival of civilization. What with the absence of such a model in the East European countries and in our country, too, for that matter, we are observing a tendency toward copying the Western model. It appears that in advancing along this path we will not catch up to the West, for it will also be making progress. While we are catching up it will shoot far ahead. Therefore, we indeed need other development models that would lead to the rapid self-sufficiency of the country and the creation of the optimal standard of living and of self-regulating ties with the environment.

“It is quite obvious from the ecological standpoint and for the sake of civilization’s survival that neither we nor the rest of the world can afford to blindly copy the specifics of production and consumption typical of advanced Western societies. The world simply does not have the resources and the space where the wastes of such a civilization could be sent.”

Fascist controls, ‘legislative measures’

Following this preamble, Kaloshin moves directly to the imposition of international fascist controls over production:

“Development of an international strategy of survival is the overriding task facing the world community. Radical reorientation of the economic development of individual countries and human civilization as a whole and of the world’s material resources and means, and self-limitation and a rational approach to natural resources should be the focal point of this strategy. It should ensure economic development, which used to be tackled by the method of trial and error over a lengthy historical period, over a very short span with minimal damage to the environment. It cannot but be admitted that this task is unprecedented in its complexity, so the entire world’s intellectual potential should be mobilized to tackle it.

“The point at issue is the elaboration of a strategy of the ecological survival of humanity. The main prerequisite for the solution of this problem is support by the world public at large, governments and international organizations, the involvement of the media, and the creation of an international network.”

This includes a program for brainwashing children, with international controls on education: “It is high time to work out an international ecological code of behavior that would be studied from the first grade in all the schools across the planet.

“We need to create a mechanism of world monitoring and control of the state of the environment. We should think about instituting an international ecological court or tribunal. Of course, a spiritual leader can impel industrialists to concern themselves, the losses notwithstanding, with the purity of the air and rivers and instill in people a careful attitude to nature by appealing to their moral instincts. It should be admitted, however, that today we cannot do without legislative measures.

“The formation of a global mechanism to protect the biosphere requires the creation of ramified organizational and technological structures, which in turn demands enormous expenditures. The military organizations of countries possess good possibilities for taking immediate and effective measures in the ecological field, and a special role could be played by the Warsaw Treaty and NATO, especially in emergencies (accidents, natural disasters, etc.). The two military alliances and the military organizations of the biggest countries possess a well-organized structure of transport and all types of communication, including space communication, and dispose of top-class specialists in many fields. Why not use this enormous potential in the ecological sphere and carry out conversion along these lines? Special subdivisions could be set up even now within the framework of both military alliances, or international forces formed to render rapid assistance in the event of different disasters or catastrophes on any point on the globe. The participation of Soviet chemical defense troops in dealing with the Chernobyl disaster proved very effective.”

Global Forum vs. human civilization

by Mark Burdman

During the week of Jan. 14-20, as Moscow’s Mikhail Kaloshin points out in *International Affairs*, an important international gathering took place in Moscow, the Global Forum on Environment and Development. The conference attracted little attention in the media, because the Soviet Union was in the midst of spilling blood in the streets of Baku, Azerbaijan at the time. Indeed, there is a relation between the two events: Soon after the massacres in Azerbaijan, one individual close to the Global Forum exulted in a private discussion, that the Soviet leadership was contributing wonderfully to reducing world population by what it was doing in the Transcaucasus and Soviet Central Asia.

The meeting was sponsored by the Global Forum of Spiritual and Parliamentary Leaders on Human Survival. This is, in significant part, a joint venture of Anglo-American and Russian elites. It held its first meeting in Oxford, England, in April 1988. The Oxford gathering was one of many that have occurred in recent years, under the auspices of this or that world federalist group, which presumes to be rallying to the defense of “our endangered planet,” and which uses that slogan to propose ideas and policies that would cause genocide vastly worse than that committed by the Nazis.

An official account of the Oxford meeting, written by Sri Lankan psychologist Anuradha Vittachi, emphasized that it was filled with attacks on “technological wizardry,” “the human ego,” and “free will.” “At times during the conference,” she wrote, “it sounded like technology was our real enemy.” Presaging Kaloshin, Vittachi stated that “only humans, with our free will, are disorderly.” She reported that a central concept shared by many participants was belief in the “Gaia [Mother Earth goddess] Hypothesis,” whose inventor, James Lovelock, was a featured speaker. Vittachi insisted that humans are “umbilically tied to Gaia,” and warned that Gaia will “eliminate us with no pity” if we don’t stop “exploiting the Earth in the name of technological efficiency and progress” (see *EIR*, Jan. 12, 1990, “Green fascists plot against humanity”).

The Global Forum of Spiritual and Parliamentary Leaders on Human Survival is the inspiration of a Japanese named Akio Matsumora. Matsumora is a former employee of various United Nations agencies, including the United Nations Fund for Population Activities. In recent days, the UNFPA

has released a report demanding harsh malthusian population-reduction measures across the globe. At one point, Matsumora worked with the Global Committee of Parliamentarians for Population and Development.

In putting together the Global Forum, Matsumora relied extensively on the networks of New York's Episcopal Cathedral of St. John the Divine. The cathedral's dean, James Park Morton, is one of the co-chairmen of the organizing committee of the Global Forum. Matsumora has also established good working links with senior circles of the Church of England, an institution whose leaders have renounced any practical connection with Christian doctrine, under the leadership of Queen Elizabeth II's appointee, Archbishop of Canterbury Robert Runcie. Runcie personally participated in the first Global Forum meeting in Oxford.

Green 'dirty war' against LaRouche

One of the distinguishing characteristics of the Cathedral of St. John the Divine, aside from its overt sponsorship of satanist and paganist movements, is that leading officials there have constantly coordinated dirty operations against Lyndon LaRouche and associates. They have never forgiven LaRouche for his attacks, beginning in the early 1970s, on the late unlamented Isis cultist Dame Margaret Mead, who was instrumental in launching the malthusian ecologist movement in the early 1970s. In the latter 1970s, cathedral officials privately boasted that they would utilize "Jewish organizations" like the Anti-Defamation League (ADL) against LaRouche.

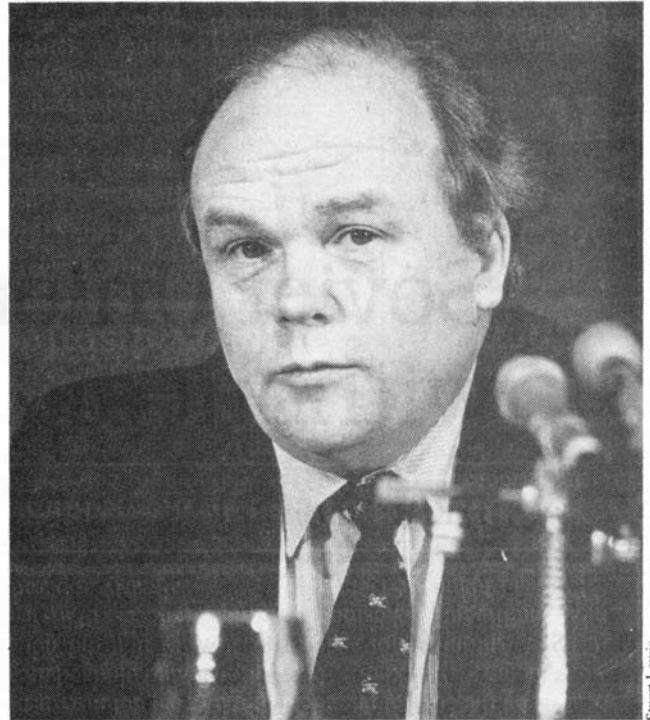
The first Global Forum meeting at Oxford was permeated with hostility to the republican historical tradition that LaRouche defends. Lovelock, for example, attacked Socrates for having been a steadfast supporter of cities, and attacked city life for reinforcing "the heresy of humanism." Other speakers attacked the technological optimism of the 17th century that is associated with the philosopher Gottfried Wilhelm Leibniz.

Another Global Forum co-chairman, Manuel Ulloa, is LaRouche's most vocal political enemy in Peru.

Soviet ecological subversion strategy

The Moscow event was co-sponsored by the Soviet Academy of Sciences, the Supreme Soviet, the Moscow-based International Foundation for the Survival and Development of Humanity, and the Russian Orthodox Church. The ROC has also recently initiated a series of ecological projects in cooperation with the World Wide Fund for Nature of Britain's Prince Philip.

The key individuals on the Soviet side of the Global Forum efforts are scientist Yevgeni Velikhov, Gorbachov's adviser on disarmament affairs, who has helped cultivate such ecological groups as Greenpeace, and Aleksander Yablokov, the head of the Soviet branch of Greenpeace. At



Yevgeni Velikhov, adviser to Gorbachov on disarmament affairs and a participant in the Global Forum meeting. Active in the past to head off U.S. development of the SDI, he is now circulating a resolution on "culture and ecology."

the Moscow event, a resolution on "culture and ecology" put forward by Velikhov was endorsed by the ROC's Metropolitan Pitirim and by Dean Morton of the Cathedral of St. John the Divine.

The Soviets involved today, are those who have done everything to sabotage LaRouche's proposal, made in 1982 and later adopted in approximate form by Ronald Reagan, for parallel U.S.-Soviet deployment of space-based strategic defense systems. LaRouche's central contention was that such programs would provide both dramatic technological spin-offs, and an accompanying mood of optimism in the population for assimilating new technologies, such that the economic and infrastructural breakdown crises of the two superpowers could be reversed.

Now, in 1990, we see the Soviets in the midst of a giant food-production breakdown crisis, with the risk of world war growing out of their desperation. Mikhail Kaloshin and the Soviet Global Forum participants may think they are cleverly manipulating and undermining the West, by pushing "ecologism." Whether they fully believe in such green ideas or not for the U.S.S.R. itself, what they are advocating is precisely what will drive the U.S.S.R. into the abyss, and to make a world war inevitable.

Of course, that might accomplish Gaia's wish to "eliminate" that "cancerous tumor," the human species.

Soviet Union faces chaos without aid from the West

by Konstantin George

The U.S.S.R. has come to a crossroads where either it soon receives a huge, *competent* Western economic aid package, or plunges into economic and social chaos. The first phase of chaos has already begun, on the eve of Soviet leader Mikhail Gorbachov's departure for his summit with President Bush. This chaos, which has been manifest in a never-ending round of panic-buying, already of unimaginable dimensions in all cities and towns of Russia and Ukraine, forms the backdrop to the Washington summit.

While all the "noise" concerning Moscow's request for an economic aid package is occurring in the context of the Gorbachov-Bush talks, the crucial components that will determine whether the aid is capable of beginning to solve the U.S.S.R.'s economic crisis, will be determined in the Soviet-German economic investment, aid, and trade negotiations. The best that can currently be expected of the Washington talks, is that they do not *sabotage* Germany-centered economic projects to modernize the infrastructure and industrial belts of Central Eastern Europe, and do nothing to place competent German initiatives in a political straightjacket.

The political backdrop to the summit was the May 28 election by the Russian Parliament of Russian nationalist and populist Boris Yeltsin as president of the Russian Federation. The prospect of Yeltsin's election had presented Gorbachov with a dilemma: Suffer a severe humiliation and loss of face by allowing a person widely perceived, to a large degree falsely, as a "rival" to Gorbachov, to win, or deny Yeltsin the Russian presidency and thereby ensure that the social-political crisis goes out of control. Gorbachov chose to accept the former, or lesser of the two evils. He may dislike Yeltsin, but politically he *needs* Yeltsin, since Yeltsin is the only political figure who is popular, at least presently and into the near future, and thus can contain the rapidly escalating panic,

chaos, and threatened strike waves in Russia and Ukraine. Gorbachov can survive a humiliation, but cannot survive if the core goes out of control.

Moscow calling for help

At the highest official level, that of the U.S.S.R. Presidential Council, council member and Gorbachov economic adviser Stanislav Shatalin sounded the alarm, in a pre-summit interview with the London *Financial Times* on May 29. Shatalin stated plainly that if there is no Western aid on a large scale, then whatever stability remains in the Soviet economy and society will vanish.

"Maybe on the eve of the visit to the U.S. it is not convenient to say so, but I believe we should make it very clear that without big credits from the West, we will not be able to build the market economy. I believe the U.S. and others are simply bound to do something. Just for the sake of keeping things stabilized here, the West must lend a hand," Shatalin said.

Shatalin blasted the economic package of Soviet Prime Minister Nikolai Ryzhkov, with its solitary emphasis on price increases and its refusal to accept that nothing Moscow does will work in the absence of Western aid. Shatalin's statements mean that the Ryzhkov government will be thrown to the wolves later this year, to appease popular anger.

"The government has no clear position, whether credits are needed and when they are needed. We need loans for commodity goods, loans for capital, and a two-way exchange of brains. I know that the commercial risk is greater now. I know the situation with our capacity to pay is more difficult. The country is not asking for charity. But for a dynamic process to start, the West should help us," Shatalin said.

Shatalin announced that under his direction, a Presiden-

tial Council alternative plan to Ryzhkov's government plan was being drafted, to be ready by the summer or September at the latest. The Shatalin Plan would promote private property, private enterprise, and direct foreign investment. Commenting on the Ryzhkov Plan, which requires approval in a popular referendum, Shatalin added:

"If we have a referendum now, I am afraid the people will say no. If you just ask them do you want a market, they will say no, no, and no again. So the question must be very precise.

"The President is not the government. The government worked out the plan. Now the Supreme Soviet will decide. and the President will say later what will *really* be done. Yesterday's statement by the President was by no means an endorsement of the plan as the correct formula. . . . We need new and much more radical measures. We are just working out an alternative plan now. Our President is a very undogmatic person. He is open to new ideas. When the economy becomes his favorite child, he will do many of the things we have been speaking about."

Even the black market is crumbling

Hair-raising reports from travelers who visited ordinary Russians and Ukrainians during the second half of May, confirm that something drastic must be done, and soon. Whatever shreds of "stability" and "order" had remained in the country's supply and distribution of food and consumer goods, collapsed after Ryzhkov's announcement of future price increases, beginning with a tripling of the price of bread on July 1. On the surface, the Ryzhkov Plan was "moderate," containing no across-the-board price increases until Jan. 1, 1991.

But the government had miscalculated the population's mood, which could be characterized as follows: "The government says it's only going to be bread, but we know better, we know them, they're liars. Everything is going to go up on July 1—not next year. Grab what you can now, before the price goes up, and before it all disappears." Within hours, a panic-buying spree was under way, and continued unabated through May. Panic-buying is nothing new under Gorbachov. It has happened before with soap, detergent, salt, sugar, and even matches. This time, all commodities are affected.

The energies of an entire people are now thoroughly engaged in procuring or trying to procure food and other items that everyone is convinced will soon vanish. The effect on the economy is devastating. The average Russian or Ukrainian worker in the cities works only half a day, spending the rest of his or her "working time" standing in queues or engaging in barter with a neighbor or fellow-worker for scarce goods. Millions of man-days of labor are lost every single day, with no strikes; in fact, the cumulative loss is far greater than that from almost any conceivable strike wave.

Whether Soviet statistics will show this phenomenon is doubtful. The majority of the lost man-hours never appear in

plant records. Plant managers and foremen, office directors, and supervisors gladly "look the other way" in exchange for cash bribes or, as is usually the case, a "cut" from the scarce consumer goods procured.

The buying sprees in the cities, the crowds storming department stores, fighting with one another over whatever items are to be found, is only one side to what is happening. The anticipation of a prolonged and bitter time of turbulence and suffering has created, across the country, the practice of urban-rural bartering of consumer goods for food on a scale not seen since the 1920s.

The peasants of Russia and Ukraine had, in their own way, foreseen that a "Time of Troubles" was arriving. The state received from the 1989 harvest what the law compelled peasants to surrender, while the main energy of the peasantry went into maximizing the harvest of what could be kept and stored in the villages. As they have learned from the bitter experience of life under the Bolsheviks, to do anything else would doom them, as the first victims of any famine. In this situation, even what could have been termed "pillars of black market stability" have crumbled. Until recently, it was always possible, by using a fair sum of Western currency, to procure a decent dinner in Moscow's hotel restaurants. This is no longer the case. The better quality food in these hotels has now been funneled into new black market outlets, fetching even higher prices.

Yeltsin's role

Given all this, it's clear why the Russian elite decided that nothing short of electing Yeltsin, and giving the green light for a campaign for "Russian sovereignty" and "Russian rebirth" *against* the despised "Center" in Moscow, could even hope to provide some stability.

Right after his election, Yeltsin wasted no time in getting off on this track, addressing reporters on May 30:

"We must withstand the diktat of the Center. Russia will be sovereign in every respect. Russian laws should have priority over Soviet laws. The Russian constitution should have priority over the Soviet constitution." Yeltsin then echoed a declaration one day earlier by the Ukrainian government. Denouncing the Ryzhkov price increases, he said, "We are not Poland. We are used to stable prices."

The reason why Yeltsin was elected was clearly stated when he pronounced his program for the next 100 days: "We will establish a new competent government that will have the trust of the people." The big question remains whether Gorbachov and the Soviet leadership orient quickly enough to a U.S.S.R. economic assistance package, based on the crash development of the economy of united Germany and Central Eastern Europe, as the only possible motor that could regenerate the collapsed Soviet economy. Any other course, Yeltsin or no Yeltsin, will only worsen the economic and social chaos, with incalculable and dangerous political and strategic consequences.

Gorbachov meets with the Trust in Canada

by Matthew Guice

With his popularity at an all-time low—only 15% approval in recent polls, lower than any sitting postwar prime minister—Brian Mulroney hosted Soviet President Mikhail Gorbachov from May 27-28. The *Ottawa Sun* editorialized that “Gorby is closer to being his country’s Brian Mulroney,” but other than such mild jibes, the Canadian news media tried to maintain the myth of the “beleaguered democratizer” Gorbachov, focusing on the public agenda of his 29-hour visit: pollution in the Arctic, the changes in NATO, disarmament, German reunification, and Canadian wheat sales to Russia.

Coming on the two days prior to his summit with Bush, this was Gorbachov’s second visit to Canada, but his first since his rise to head of state. Back in 1983, as a new Politburo member, Gorbachov led a delegation from the Supreme Soviet, visiting with then-Agriculture Minister Eugene Whelan, making splashy headlines, speaking to a parliamentary committee, and fielding questions on Afghanistan. That first trip was important for building Gorbachov’s image as a “new breed” Soviet politician. It was also on this trip that Gorbachov met Aleksander Yakovlev, who was then finishing a term as ambassador to Canada. Yakovlev now heads the Soviet Communist Party’s propaganda department.

Why Canada?

Writing in the *Toronto Globe and Mail* on May 29, the Canadian Broadcasting Corporation’s Soviet watcher Leonid Maximenkov noted, “Soviet leaders have never stopped off to visit someone else en route to a session with a U.S. leader,” and raised the question of why this time it should be different. Maximenkov postulated that “Canada is something of a lucky talisman in Soviet foreign policy,” and cited Prime Minister Pierre Trudeau’s 1982 visit to Moscow a year prior to Richard Nixon’s, and other Canadian friendship connections. Other explanations offered by press pundits, such as “so that Gorbachov can get over jet lag before meeting Bush,” were just as thin.

Canada’s important role in the Anglo-Soviet Trust explains better. Minister of External Affairs Joe Clark is busily promoting the policy of including Russia in the Houston summit of the Group of Seven this July, if only as an observer. He has also been downplaying continued Soviet Nuclear Testing in the Arctic by emphasizing the “environmental issues in that shared region,” while expending greater energy

pushing for changes in NATO. “Security must become cooperative, rather than competitive,” he said recently. “Even more than in the past, NATO must embrace security through arms control with as much vigor as it has pursued security through armament.”

One television commentator went so far as to interpret the remarks of Prime Minister Mulroney on Gorbachov’s departure as an effort “to make NATO a more and more political organization which could satisfy the security interests of the Soviets.”

Other Soviet interests were catered to as well. Over the past 15 years Canada has been Russia’s largest grain supplier, averaging 16 million metric tons per year: 26.8% of Soviet imports, and 75% of Canada’s exports. No figures have been released yet, but in order to compete with European and U.S. grain sales it was expected that more favorable terms of trade would be offered to get Gorbachov to renew the five-year contract, at whatever cost to Canadian farmers or taxpayers. Other deals have been pushed, including some 34 joint ventures between Russia and Canadian firms and the Reichmann family’s office tower in Moscow, recently personally endorsed by Gorbachov.

Under the cover of a visit to Ray Hnatyshyn, Canada’s governor-general, Gorbachov requested private meetings with Eugene Whelan and Pierre Trudeau, the content of which are still unknown.

Anti-bolshevik resistance in the streets

As Gorbachov was meeting with Mulroney and with Trudeau, over 1,000 demonstrators from the Baltic States, Vietnam, Poland, and Ukraine (the latter with a banner reading “Gorbachov Beware: Ukraine Is Rising!”), gathered on the nearby streets, passing around leaflets containing U.S. political prisoner Lyndon LaRouche’s call to recognize Lithuania. Another leaflet attacked Mr. Trust himself, Armand Hammer, for polluting Lithuania and raping its environment with his Occidental Petroleum. When Gorbachov entered his limousine to leave for the airport, none seemed inclined to kiss the hem of his garment, and Gorbachov left rapidly, skipping the opportunity to “press the flesh” in a fashion rather different from that he’d exhibited for the cameras in a carefully stage-managed romp the day before.

Arriving at the airport, Gorbachov’s joint press conference with Mulroney was marked mainly by a question regarding Lithuania. Mulroney—with comparisons to the possible secession of Quebec hanging over his head—ducked the question by refusing to comment on a matter internal to the Soviet Union. Gorbachov launched into a hardline tirade with his fabled smile only marginally in place, calling the Lithuanian government’s actions “thief-like,” and the Lithuanians “political adventurers” who “made use of national feelings . . . in order to realize their—as yet unrealized—political ambitions.” Gorbachov hinted that he was under pressure to “apply some very, very hard measures.”

British documentary exposes OSI fraud in Demjanjuk trial

by Mark Burdman

Britain's Independent Television (ITV) is to be commended for its documentary "Ivan the Terrible: A case of mistaken identity." The show has done justice to retired Cleveland auto worker John Demjanjuk, falsely accused of being the murderous Treblinka concentration camp guard "Ivan the Terrible" and then convicted and sentenced to be hanged by a court in Jerusalem. At the same time, ITV has presented devastating evidence of how the U.S. Justice Department's Office of Special Investigations (OSI) lies, covers up evidence, and treats its targeted victims with utter contempt and disrespect for the principle of law.

The documentary was aired on May 15 in Britain, on ITV's "Viewpoint 90" show, just as Demjanjuk's appeal to the Israeli Supreme Court was being launched. On May 17, in his first statements to the court, Demjanjuk's Israeli lawyer Yoram Sheftel underscored how unique and important this case is, when he drew comparisons between the 15-month trial of Demjanjuk and the Dreyfus Affair in France and the show trials in the Soviet Union under Josef Stalin. Sheftel's summation, over a period of days, lasted 60 hours in total, with the lawyer summing up on May 29: "There is not a shred of real evidence to prove the appellant is Ivan the Terrible." The ITV documentary bore out that contention.

The airing of the show appears to be stiffening the resistance of leading political forces in Britain, against establishing "war crimes trials" in the U.K. and creating a British version of the OSI. During the week of June 4, the House of Lords will be voting on legislation that would do exactly this, following the recent passage by the House of Commons of a Thatcher government-sponsored "war crimes bill." Some of the most prestigious members of the House of Lords, especially those who are themselves lawyers, are strongly against such legislation, and there is a possibility that Britain will experience the highly unusual event, of the House of Lords torpedoing a piece of legislation already agreed to in the lower house. Meanwhile, articles citing the "Demjanjuk precedent" in Israel, as a good reason for Britain *not* to establish a "war crimes" apparatus, have appeared in London's Establishment *Times* and *Sunday Times* newspapers.

Hopefully, some means will be found to air the feature on American television. The U.S. Justice Department has become a runaway monster, with its "Thornburgh Doctrine" justifying the American invasion of Panama and other travesties against international law; its frameups of political fig-

ures, such as Lyndon LaRouche, who oppose the policy "consensus" in Washington; and its illicit collaboration with Edgar Bronfman's World Jewish Congress, the Anti-Defamation League, and the Soviet KGB, in such ventures as the "Nazi-hunter" fraud.

The ITV broadcast makes a great contribution to truth, in the various segments where an ITV interviewer confronts Allan Ryan, OSI's first director (since succeeded by Neal Sher). Having ably done its homework, the ITV team was able to ask Ryan, point blank, about cases where the OSI withheld evidence, obstructed the work of the defense, etc. Ryan's arrogant and contemptuous "body language," coupled with the fact that he is obviously either lying or obfuscating the truth, does more to describe the mentality of the senior Justice Department establishment, than reams of print could accomplish.

An indictment of the OSI

In the course of the show, the ITV team presents the following examples of OSI misbehavior:

1) The OSI had withheld from the defense the testimony of 26 survivors of the Treblinka concentration camp who did *not* identify Demjanjuk as Ivan. All 26 had been shown a montage of photographs, one of them of Demjanjuk, and none could identify him, even though the photos were arrayed in such a way as to make Demjanjuk stand out as the most likely "Ivan." In contrast, there were only *five* statements from Treblinka survivors who did claim that Demjanjuk was Ivan, again based on a suggestively displayed photo montage. Only these five were presented by the OSI as evidence.

The OSI spent \$100,000 to resist releasing the exculpatory material, after a Freedom of Information Act initiative by the Demjanjuk defense, but only *after* the case was already concluded. Demjanjuk defenders interviewed by ITV say this evidence is "devastating," and could have led to a "completely different" result, were it to have been made available while the trial was ongoing. They denounce OSI behavior as "ethically totally improper." Confronted with having made a "conscious decision" to withhold information, Ryan squirmed and denied, smugly but unconvincingly, that any such decision had been made.

2) The OSI threw into the garbage, the transcript of an interview conducted by former OSI associate director George

Garand with a senior Nazi SS official named Otto Horn in 1979. At that time, Horn had stated unequivocally that he could not identify Demjanjuk as Ivan. Later, however, in October 1986, Horn contradicted himself, and claimed that Demjanjuk was Ivan. That 1986 statement was entered into evidence by the prosecution, while the previous interview ended up in the garbage dumpster of a McDonald's hamburger restaurant across the street from the OSI's original office on K Street in Washington, D.C., and was only discovered because the janitor happened to be a Demjanjuk sympathizer!

3) The OSI never bothered to keep written records of testimony from senior SS operative Kurt Frantz, described by the OSI itself as the number-two man at Treblinka, with special responsibility for overseeing the work of Ukrainian concentration camp guards. In 1979, during questioning from the OSI, Frantz said he had never heard of Demjanjuk, nor did he know anything about him. Mysteriously, the OSI claims "no records were kept" of these statements. Ryan pleaded that he could not recall the Frantz affirmations.

4) The OSI sat for 10 years on evidence from a Soviet witness named Ignat Danilchenko, that would have placed Demjanjuk at another concentration camp, Sobibor, during the time that he was supposed to have been at Treblinka. Ryan, asked about this, stared incredulously and said, "The Danilchenko memorandum? As far as I am aware, everything was turned over." Danilchenko later died, in 1985, conveniently *before* the Demjanjuk trial in Israel began.

5) The OSI, immediately upon being founded in 1979, established the precedent of using information provided by the Soviets' chief legal officer, Roman Rodenko, who was notorious for fabricating evidence, including at the Nuremberg trials, where he concocted material to claim that the Nazis were behind the Katyn Forest murder of Polish officers. In the ITV broadcast, Rodenko is harshly denounced by a leading Polish archivist on Nazi war crimes, Jacek Wilczur, as "a murderer from his desk, like Hitler and his henchmen."

This OSI-Soviet cooperation gets to the heart of the what is particularly devious about the case against Demjanjuk. There is, for example, the matter of the Soviet-supplied "Trawniki ID card," which supposedly proves Demjanjuk's presence at Treblinka. A U.S. expert on forgeries, William Flynn, told ITV that he was forcibly prevented by the prosecution from carrying out a normal procedure that might have shown the card to be a forgery.

Also astonishing, is that the Demjanjuk case began in the first place when he was fingered by a pro-Soviet Ukrainian living in the United States named Michael Hanusiak, after Hanusiak returned to the U.S. from a visit to the Soviet Union. While in the U.S.S.R., he had been given a list of names by the Soviets, of Ukrainians living in the U.S. whom the Soviets claimed were "war criminals taking refuge." Hanusiak piously told the ITV interviewer that he had felt duty-bound to report this information to the authorities. Unfortu-

nately, Ryan and his ilk were all too eager to listen to such a tainted source.

Beyond the matter of the OSI, the show makes several other critical points.

Chief prosecution witness Eliahu Rosenberg, a survivor of Treblinka who swore in the Jerusalem court that Demjanjuk was the infamous Ivan, had signed a statement back in 1945, much closer in time to the actual events, strongly implying that Ivan had been killed in Treblinka, by a Jewish concentration camp Kapo.

Also, the photo-identification procedure used by the Israeli authorities is called into question by Willem A. Wagenaar, a professor of experimental psychology at the University of Leyden, Holland, who is a renowned specialist in this field (Wagenaar's 1988 book, *Identifying Ivan*, is a devastatingly thorough account of the shoddy methods by which Demjanjuk was "identified"). Wagenaar told ITV that the procedure used by the Israeli police was "the poorest I've ever seen." Former Attorney General Haim Cohen expressed his doubts about the reliability of testimony provided by eyewitnesses to extremely emotional events, so many years after the events occurred.

'Nazi hunters' set their sights on New Zealand

The Simon Wiesenthal Center of Los Angeles, a self-defined "Nazi-hunting" organization closely associated with Canadian liquor baron Edgar Bronfman, president of the World Jewish Congress, has launched a new hoax designed to force New Zealand to change its criminal code, which functions under the common law system of the British Commonwealth.

On May 16, the center (which is not run by the Vienna-based Simon Wiesenthal, and is often at odds with his views) announced that it had sent a list of 10 alleged fugitive Nazi war criminals to the New Zealand government. These "fugitives," it claimed, had been hiding out in New Zealand all these years. No evidence whatsoever was released to prove the accusations.

For such reasons, New Zealand Prime Minister Geoffrey Palmer said that the Wiesenthal Center's action had made "the law enforcement job in New Zealand much more difficult." He warned against "witchhunts," and called for an "atmosphere of calmness and deliberation which ensures that justice be done."

Other Israelis raised doubts about the court's verdict of guilty—for example, the Israeli writer Tom Segev, author of the book *The Commandants of the Nazi Concentration Camps*. Related to this, is the disturbing matter of the strange death of chief defense lawyer Dov Eytan, who was found dead after having supposedly jumped out of a 14th-story window in 1988, only days before the appeal was originally to have been heard. Eytan was a prominent member of the Israeli legal community. His wife informed the interviewers that Eytan, as well as herself and their children, were repeatedly targets of threatening phone calls, death threats, etc. Demjanjuk's son-in-law Edward Nishnic told ITV that he believes Eytan was killed.

'Hitler will have had the last laugh'

The show has drawn positive commentary in Britain.

A reviewer for the British daily the *Independent* May 16 commented that, in the face of the evidence provided by ITV, "It is hard not to bend before a conspiracy theory. . . . If I were a member of the prosecution, I would be strongly considering an early bath."

On May 18, British Jewish writer Barbara Amiel com-

mented in her column in the *Times*: "When the Demjanjuk case first surfaced in the United States, Office of Special Investigations officials made two statements: first, that the OSI had total confidence in Soviet evidence and, secondly, that if the Soviets ever forged a document, the OSI would be able to detect it. Both statements were individually untrue and mutually exclusive. . . . Those two statements told me almost everything one needs to know about the prosecution. When the ITV program revealed the extent to which the OSI had tried to withhold evidence helpful to Demjanjuk's defense team, I was not surprised.

"The second problem I had with the case was based on my understanding of the character of Ivan the Terrible. As a guard, he had stood out at the Treblinka death camp for his wickedness. That is like standing out in hell for your evil. Among other things, Ivan was an alcoholic, a psychotic and a compulsive sadist who quite literally cut off ears and mutilated bodies of gassed Jews. If Ivan the Terrible had made the transition overnight into churchgoer and sober family man John Demjanjuk, he would make psychiatric history. The high degree of unlikelihood raises a *prima facie* doubt not put at rest by the incomplete case against Demjanjuk.

The announcement of the existence of the list has been timed with an international campaign, based in Moscow, London, Jerusalem, and Washington, which is demanding that New Zealand create its own version of the U.S. Justice Department's Office of Special Investigation (OSI), its "Nazi-hunting" arm.

What the witchhunters demand

What do the forces behind the Wiesenthal Center smear want? First of all, New Zealand law does not provide for prosecuting its naturalized citizens for crimes allegedly committed in another country prior to the point that they became citizens. To do otherwise would be to violate the principle of sovereignty—but that is what the center and its patrons are demanding.

Then there is the question of the admissibility of evidence originating in Soviet courts—the source for almost all the recent accusations against "Nazi fugitives." Soviet documents are notoriously forged. Soviet witnesses are usually either professional liars, or forced to lie to evade torture. To even admit such "evidence," as the United States now does, is itself a violation of international law.

Then there is the question of extraditing alleged Nazis to the Soviet Union. One such alleged "war criminal," the Latvian-American Karl Linnas, was illegally extradited by the OSI and sent to a Russian jail in 1987. He died of a "heart attack" in prison a few months later. Ukrainian-

American John Demjanjuk is currently appealing a death sentence in Israel—for crimes he never committed.

The Wiesenthal Center propaganda campaign has had its effects. Solicitor General John McGrath has announced that he will provide the New Zealand government with an "urgent legal opinion" in respect to the charges. At issue, the government admits, is whether there is a need to change New Zealand law either to extradite war criminals or try them in New Zealand.

Smearing Lithuania

That the two New Zealanders on the hit-list who are most cited by the center are of Lithuanian origin, is no surprise. Ever since the new government of Lithuania repudiated Russian rule, the professional "Nazi hunters" have begun an international campaign of vilification, claiming that the Lithuanian independence movement has Nazi origins.

For example, on April 6, the *Jewish Heritage* of Los Angeles, a paper closely affiliated with the Wiesenthal Center, ran an editorial entitled "Amnesia in Lithuania: History of Nazi collaboration ignored." The editorial demands that Lithuanian President Vytautas Landsbergis "dissociate himself from Lithuanian Nazi collaborators." It lies that no Lithuanian nationalists ever fought the Germans, and claims—as do the Soviets—that the only resistance came from Jews and Soviet partisans.

—Joseph Brewda

Now a man who may be innocent is under sentence of death. If the Israelis execute him, Hitler will have had the last laugh."

She concluded by saying that the Demjanjuk case is one good argument against legislating a new "war crimes bill" in Britain, and expressing the hope that the House of Lords will vote down such a bill.

The May 27 *Sunday Times* of London published a similar commentary, written by senior editor and noted Oxford historian Norman Stone. Without directly referencing the ITV show, Stone stated that the Demjanjuk case in Israel should only reinforce the argument against having war crimes trials in Britain. The evidence used against Demjanjuk, Stone noted, is "mostly Soviet, coming from people who are skilled in forging evidence," while the chief informant on the Soviet side was "the man who tried to make out at Nuremberg that Stalin's killing of Polish officers at Katyn was really a German atrocity." With such miscarriages of justice in mind, Stone advised: "British legislators should think carefully of the consequences of their actions: they are not in business to discredit the law." To legislate war crimes trials in Britain would be "counterproductive."

Stone affirmed: "And I do not believe that war crimes trials would do anything to improve the position of people of Jewish origin in Europe. Yes, there is still anti-Semitism. Most of it is harmless—a matter of sniggering at the preponderance of Jews in showbiz—and some of it is just a matter of clumsy phraseology. But relations between Jews and non-Jews are better than they have ever been, and that is also true of Eastern Europe. . . . Scares about a rise of anti-Semitism are overdone; there is now a serious chance, in Eastern and Western Europe, for Jews and non-Jews to work together, and I doubt if the spectacle of some old men, of doubtful identity, brought before the wrong courts in the wrong country, will do any good to that cause. . . . We could do without the whole wretched thing."

'From the prison in which the politician's career expires, the influence of the statesman is raised toward the summits of his life's providential course. Since Solon, the Socratic method has become the mark of the great Western statesman. Without the reemergence of that leadership, our imperiled civilization will not survive this century's waning years.'

—Lyndon H. LaRouche, Jr.

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Presidential Elections in Colombia

Gaviria gets mandate

by José Restrepo

Despite the environment of wholesale terror created by the drug cartels in an attempt to sabotage Colombia's presidential elections, millions of Colombians braved the terrorists' intimidation on May 27 to vote into office the one presidential candidate who has pledged to continue the country's war to the death against the drug cartels.

"We will defeat narco-terrorism," said Liberal Party victor César Gaviria Trujillo in his first statement to the nation after learning the election results. The battle against the drug trade "will be fought in defense of our fundamental principles," he pledged, adding that his victory was also the victory of his predecessor Luis Carlos Galán, murdered by the drug mafia in August 1989. It was Galán's son who called on Gaviria to take up his father's banner and carry it into the presidency.

In pre-election campaign speeches, Gaviria told foreign correspondents, "No society can lose the fight against terrorism without risk of dissolving. I am in favor of facing up to terrorism, without making concessions to it."

The drug mafia's number-one enemy

As the number-one target of the mafia's assassin teams, Gaviria was forced to campaign under brutal conditions. Perpetually surrounded by an army of bodyguards, always accompanied by an ambulance, he could not make public appearances. Since last fall, three presidential candidates have been felled by mafia bullets. Gaviria's own campaign manager in the city of Medellín was slain just two weeks before election day. The remaining candidates—Alvaro Gómez Hurtado, Rodrigo Lloreda Caicedo, and Antonio Navarro Wolf—had all offered negotiations with the cartels, suspension of extraditions, and legalization of the drug trade as their campaign promises.

In the week prior to the election, car-bombs had been triggered in at least three major cities, killing 40 and injuring scores more at randomly chosen populated areas. The traffickers had threatened to bomb voting booths, and pledged to wipe the city of Pereira—Gaviria's hometown—from the map should Gaviria win the presidency. Rumors of mafia hit-teams roaming city streets began to circulate. People were terrified to leave their homes.

But on May 27, some 6 million Colombians went to the

for war on drugs

polls, with 48% of those giving Gaviria a clear mandate to wage total war against the traffickers, and against the “narco-tolerants” who have aided and abetted the cartels in their drive for political and economic power.

The threats of the narco-terrorists to sabotage the voting were thwarted in part by the creation of a highly effective joint security command force made up of army, police, and other security agencies. Some 250,000 troops patrolled the country. The government had promised to cover the costs of medical and hospital services in the event of terrorist incidents on election day. Curfews and alcohol bans were strictly enforced.

Gaviria has already taken some well-aimed swipes at the advocates of appeasement, saying that while tolerance was usually a laudable liberal attribute, he could not understand an attitude of tolerance “as a means of accepting the practice or preaching of violence.” He added, “The most valuable gift Colombia could receive is peace. We will fight relentlessly for it,” but not at the cost of “delivering our institutions in shreds.”

Gaviria has also issued a call to the developed nations to take up their part in the war on drugs. He argued, “The drug trade is a multilateral problem, and the industrialized countries are doing little to confront the problem of consumption. If they do not, it will become increasingly difficult for the Colombian people to understand that their sacrifice has no counterpart, and could be in vain. Rhetorical support, recognition that we are not a complicit country but a victim of the drug trade, is not enough. . . . [The consumer nations] have the historic commitment to work to reduce the consumption of drugs, to control arms trafficking and money laundering.”

In his victory speech, Gaviria said he would seek out dialogue with all political forces of the nation, since “this is not the victory of a single man or a single party. It is the victory of a nation. Today I am the President of all Colombians and, as such, I represent the desires of every citizen.”

Dialogue, or accommodation?

With Gaviria now President-elect, the campaign of the drug lobbyists has been launched to force him to “strike a deal,” to “make concessions,” and to “be flexible” with the

enemy. While the Colombian Constitution obliges Gaviria to proportionally represent the runner-up—in this case, Alvaro Gómez Hurtado (24%)—in his cabinet, Gaviria is in no way required to share power with those political forces who have opted for appeasing the narco-terrorist enemy. And yet the U.S. news media have pushed Gaviria in precisely that direction, falsely characterizing Gaviria’s victory as “a diminished mandate,” and claiming that the 55% abstention rate on election day had “weakened his authority” and would force him to turn to other political forces.

Among those other forces is the corrupt former President Alfonso López Michelsen, who hopes to force Gaviria into an accommodation with his associates among the cocaine cartels, and who is already maneuvering to capture key posts in the new government. Also waiting in the wings for such an opening is the narco-terrorist M-19, which won legalization as a political party from the weakened government of President Virgilio Barco. The M-19’s media-puffed image as “repentant guerrillas” and “peacemakers” lured nearly 13% of the vote to its candidate, putting former terrorist commander Antonio Navarro Wolf in third place. Just before the election, Navarro Wolf had publicly confessed his friendship with the fugitive leader of the Medellín cocaine cartel, Pablo Escobar.

U.S. media promote terrorists

The M-19 and its spokesmen have been extensively quoted in the U.S. media warning against Gaviria’s hard-line stance against the drug cartels and terrorists. The *Christian Science Monitor* of May 25 ran a display quote from M-19 candidate Navarro Wolf, describing Gaviria’s “two options: either fall back toward authoritarianism, or advance toward change.” Navarro is hinting that if Gaviria does not turn in the M-19’s direction, the “former” narco-terrorists might just have to return to the mountains to fight a new “authoritarian” regime. Also on May 25, the pro-drug *Washington Times* warned that “Gaviria’s strong position [against drugs] may mean that many Colombians could lose their personal liberties in the war against the drug traffickers.”

Gaviria is also under intense pressure to make liberal “reform” the watchword of his presidency. Both the López Michelsen and M-19 forces are clamoring for a “reorganization” and “reform” of Colombia’s security forces, many of which are in the vanguard of the anti-drug fight. This campaign has not surprisingly dovetailed with charges emanating from the drug lobby in both Colombia and the United States, that the Colombian armed forces are waging a “dirty war” against the population—with U.S. money and materiel—in the name of fighting drugs.

In the face of universally acknowledged corruption throughout Colombia’s political and economic circles, Gaviria’s task is indeed one of reform. A good place to start would be with a series of indictments against Colombia’s treasonous “narco-tolerants,” for aiding and abetting the enemy.

A flow of capital goods to the East

Restrictions on "free market" policies are paving the way for the recovery of East Germany.

The intercity train from Frankfurt on May 28 crossed the former border between the two Germanys and traveled on to Leipzig, opening a new rail link that will reduce the average seven-hour travel time along that route by 1½ hours. A small improvement, but East Germans saw it as a symbol of the positive future they expect in connection with the German Monetary Union (GMU), which goes into effect on July 1.

Arriving at Leipzig Central Station, the train was welcomed by a crowd of several thousand citizens with flags and cheers. It was ceremoniously "baptized" with the name of Johann Sebastian Bach. An improvised performance of the world-famous St. Thomas Cathedral Choir, which was originally founded by Bach, completed the festivities in Leipzig that day.

The event documented that, contrary to the image created by predominantly leftist-controlled media, East Germans are less preoccupied with fears about the GMU, than they are infused with hopes for its success. Most East Germans are confident that with the GMU, their country will rapidly be transformed into a Western-style modern society, like the West German one.

The grand project of such a transformation, over a period of only 5-10 years, will not be without problems, but there will also be big advances, a "second economic miracle in Germany."

The precondition for a repetition of the West German postwar economic miracle in the East is, however, that the policy proceed outside the control

of the usual credit conditionalities imposed by the International Monetary Fund and the private creditor banks on investment projects. The phony "Polish recovery model" has been the latest in a long series of IMF-launched disasters.

The problem has been recognized by both German governments. Although the credit lines linked to the GMU treaty signed by the two governments are not entirely free of conditionalities, they do put a big emphasis on developing the capital goods sector and transport and energy infrastructure:

- Tax breaks of 12% this year and 8% next year for all new investments in capital goods;

- Tax breaks of 12% this year and 6% next year for all imports of capital goods from West Germany;

- A low-interest credit line of 7 billion deutschemarks this year and DM10 billion next year for capital goods investments in the industry;

- A credit line of DM3 billion this year and DM7 billion next year for infrastructure projects;

- A protective tariff, consisting of a special tax of 11% this year and 6% next year on all imports of consumer goods, to develop a viable consumer goods sector in East Germany;

- Fifty percent of all domestic debt in East Germany will be written off.

The entire package will cost the East German government DM110 billion in "lost" revenues (in terms of the previous socialist looting system), which will be covered by a West German state bond program of DM115 billion over the next four years.

The positive potentials of this package are also seen by those who will count in this process—senior spokesmen of West German industry who are looking eastward.

Edzard Reuter, for example, the chairman of Daimler-Benz Corp., visited the Ernst Thälmann Heavy Machines Combine in Magdeburg on May 29. In an address before managers and workers at the plant, he predicted big growth rates for the East German economy on the condition that a "mixed" approach is taken, "not setting all hopes exclusively on the free play of deregulation and re-privatization, which would indeed be dangerous."

Reuter declared that the best way toward higher productivity of the industry is to dismantle the state sector combines and thereby create room for "efficient, new enterprises in the mid-sized sector."

On May 30, Berthold Leibinger, vice-president of the West German machine-building association, pointed out that the GMU, with its many incentives to investments in the capital goods sector, will lead to a drastic increase of orders from the machine-builders not only in the western, but also the eastern part of Germany. Annual growth rates of 15% and more will allow the East German machine-builders to double their output and reach Western quality standards in a few years.

The joint German approach can be a model for other regions of the world. Lothar de Maiziere, East Germany's President, addressed the issue at a convention of German Catholics in Berlin May 24. "I'm thankful for all the solidarity and support our country has received from abroad," he said, "but I would wish that the same be granted also to other countries in need, in Eastern Europe and the rest of the world."

Battle over nuclear technology

The U.S. State Department, the CIA, and others are brandishing "economic neocolonialism" against Brazil's technological future.

Following President Fernando Collor de Mello's election last December, the so-called "universalist" faction inside Brazil's Foreign Ministry, Itamaraty, has resurfaced under the auspices of the President's brother-in-law, career diplomat Marcos Coimbra. This faction has advocated modifying Brazil's foreign policy toward an unconditional realignment with the free-trade administration in Washington. Thus the renewed pressures, through the Central Intelligence Agency and the U.S. State Department, for Brazil to sign the anti-technology Nuclear Non-Proliferation Treaty (NPT).

Encouraged by the weakness of the Carlos Menem government in Argentina in defending its own technological achievements, U.S. Secretary of State James Baker intends to take advantage of the 50th meeting on the treaty—to be held in Geneva, Switzerland in August—to force similar concessions from Brazil. Following his meeting with Brazilian Foreign Minister Francisco Rezek in Washington in May, Baker sent a high-level delegation to Brazil headed by the U.S. representative to the International Atomic Energy Commission, Richard Kennedy.

On May 23, Kennedy gave a press conference at which he scorned the Brazilian Constitution for failing to offer "guarantees" against use of nuclear technology for anything but peaceful purposes. The Constitution's restrictions, said Kennedy, are "for internal consumption" only.

President Collor has been forced to respond to such explicit attempts to

intervene in Brazil's internal affairs. In a speech at the Foreign Ministry on May 25, the President protested the unjust treatment Brazil has received at the hands of its old World War II ally: "We hear that our access to those extraordinary instruments of high technology used to combat our structural ills depends on a certificate of good behavior from a small club of countries self-endowed with the role of supreme judges of international scientific ethics."

José Luis de Santana Carvalho, the president of the National Nuclear Energy Commission, responded to Kennedy's visit by telling the daily *O Globo* that the State Department's deployment was "economic neocolonialism" intended to prevent the country's technological advances. "It is due to the constitutional restrictions" which Kennedy had protested, said Santana Carvalho, "that we are developing independent technology."

This latest State Department offensive was preceded by pressures from the CIA and the Carnegie Endowment to get the Collor government to sign the NPT. On April 18, *O Globo* reported that CIA chief William Webster had told a meeting of the World Affairs Council in Boston that the nuclear development of "certain" Third World countries "poses serious dangers to the interests of the United States."

The Carnegie Endowment issued a study, entitled "Nuclear Exports: The Challenge of Control," which accuses Brazil, Argentina, Pakistan, India, and Iraq of dealing in "contraband" to expand their capacity to build

nuclear weapons. This provoked widespread repudiation, above all from the higher ranks of the Brazilian Armed Forces, which have been historically linked to the country's advanced technology projects. Air Force Minister Brig. Socrates de Castro Monteiro declared, "The Brazilian program is clear. Brazil doesn't need permission for its development." Navy Minister César Flores described Carnegie's charges as total lies.

Despite this unanimity within Brazilian military circles and the nationalist scientific community, elements within Brazilian diplomatic circles have indicated a willingness to "reevaluate" everything, including those aspects of national sovereignty on which Brazil has been crystal clear in the past. In this sense, they are playing with fire.

This division was clear in President Collor's own speech; even while defending Brazil's sovereign right to technology, he asserted that it was time to take up "universalist" diplomacy once again. This term is generally understood to refer to the most oligarchical grouping within the Foreign Ministry, those who endorse British free-market liberalism and have let it be known that they are prepared to "reevaluate" the Nuclear Non-Proliferation Treaty.

In line with this, the Brazilian press has lately revealed that Foreign Minister Rezek will be traveling to France, to urge that country to sign and ratify the Tlatelolco Treaty, a milder and less restrictive version of the Non-Proliferation Treaty. Brazil is a signator to the Tlatelolco Treaty, which nonetheless cannot be enforced until signed by all nations with interests in the region.

State Department envoy Richard Kennedy had publicly urged Brazil to undertake precisely such a role with the non-signators.

Venezuela's AD party disintegrating

CAP's efforts to dissolve the traditionalist underpinnings of the AD party could lead to a cross-party insurrection.

The elections for governor and mayor, held for the first time in Venezuelan history last Dec. 3, proved to be a total disaster for the ruling Democratic Action (AD) party. But not so for President Carlos Andrés Pérez. The President, known as CAP, is seizing the opportunity to launch an all-out offensive against the traditionalist political machines which control the AD party and which, ironically, carried him to power. For CAP to impose vicious austerity, he must seriously weaken or eliminate these political machines.

A few weeks after the AD's electoral defeat, CAP organized a diabolical alliance with a number of his old enemies, such as the Mussolini-styled populist Luis Piñerua Ordaz, who tried to put CAP in jail for corruption toward the end of his first term in 1979. Also included in this alliance are such young "renovators" of the party as Deputy General Secretary Héctor Alonzo López and the official spokesman of the AD's executive committee, Antonio Ledezma. Both are part of the "ideological reform" school, which advocates turning the AD into a neo-liberal party. The third component of this "Pérez-troika" is made up of a gaggle of social democratic labor leaders trained by the American Institute for Free Labor Development (AIFLD) and by the International Confederation of Free Trade Unions (ICFTU). This last group is headed by the current president of the Venezuelan Workers Federation (CTV), Antonio Ríos, although its most intelligent spokesman is former CTV head Juan José Delpino.

This group's strategy is to eliminate the party's regional political machinery, transforming the AD into a promoter of the economic reforms dictated by the International Monetary Fund (IMF), the creditor banks, and their national partners—that is, the investor groups identified with Cisneros, Vollmer, Febres Cordero, and Mendoza.

The AD is currently wracked by a scandal over party purges decreed by an AD ethics tribunal, made up of Piñerua's followers. The purged elements were subsequently exonerated, but the scandal is serving as a mechanism to dissolve the party itself, which is broadly based on labor, farmer, and professional organizations. The operation began just weeks after phase two of CAP's IMF-dictated austerity package was launched.

The meeting of AD's National Directorate Committee (CDN) held last Jan. 25, clarified what the real issues are. At that meeting, AD General Secretary Humberto Celli emphasized the need to change the government's economic policy, which has been universally identified as the primary reason for last December's electoral defeat. Celli urged the CDN to propose strict exchange controls, a drastic reduction of interest rates, price controls—in sum, "a Venezuelan economic program," as distinct from the IMF's plan.

CAP responded with an unequivocal defense of his economic program, and pledged the dissolution of the party if it did not support him. But the success of his assaults on the traditional party apparatus is not assured. The

"anti-corruption" circus run by government spokesmen inside the party has proven insufficient, by itself, to do the job. And so, on May 14-25, the Venezuelan Armed Forces were deployed to conduct "training maneuvers" in various cities around the country. Those maneuvers were seen as a de facto state of alert to head off a feared popular insurrection, like that which occurred in February 1989. Given expectations of protests against a wave of early-June price hikes, "they want to turn the National Armed Forces into an IMF police force," said Christian Social leader Abdón Vivas Terán on May 24.

There remain many doubts as to how effective the government's political strategy will prove. There is generalized anger over the appointment of Henry Kissinger as the President's "foreign investment adviser." To many, the nomination is a transparent effort to benefit the partners of the Rockefeller interests in Venezuela, a point suggested by the daily *El Nuevo País* May 29.

Discontent also exists among the Armed Forces, which have been unable to disguise their disgust at being dubbed "IMF police." And some directors of the state enterprises, such as Leopoldo Sucre Figarella, the president of the Venezuelan Corporation of Guayana, violently oppose the privatization of such key industries as the steel manufacturer Siderúrgica de Orinoco.

And, finally, there are the regional labor leaders who maintain a firm stance against CAP's economic package, to the point of allying with the political opposition. Such, for example, was the case with the successful civic strike held in the state of Sucre to protest the imminent gasoline hike.

Added together, these elements make a potentially powerful opposition.

Did Bush know U.S. helped arm narcos?

Israeli weapons found at a Colombian drug lord's ranch can be traced back to White House decisions.

Last Aug. 25, this news service broke the story that Israeli Col. Yair Klein (ret.) was working with former U.S. Assistant Secretary of State Elliott Abrams in a covert operation to topple Panama's Gen. Manuel Noriega. Klein was training a mercenary anti-Noriega force led by Col. Eduardo Herrera, who was on the payroll of the CIA, we reported. Herrera is now the chief of police in the U.S.-installed Panamanian government.

Earlier this year, a cache of Israeli weapons was found at a ranch owned by Colombia's cocaine cartel kingpin Gonzalo Rodríguez Gacha. Those weapons have been traced back to Klein, who purchased them for Herrera's anti-Noriega forces.

Elliott Abrams provided the funds that paid for the weapons. According to a U.S. General Accounting Office report, Abrams improperly diverted \$1 million from monies stolen from Panama by the administration under the International Emergency Economic Act and the National Emergencies Act. Those economic sanctions were first adopted by the Reagan administration in March 1988, and renewed by President George Bush in March 1989.

Some of the Panamanian funds were used to establish an account to support a fictitious "government of Panama" headed by former Panamanian President Eric Delvalle, operating out of Coconut Grove, Florida. Using this fictitious entity, the White House conducted money to its cronies and financed the covert operations ordered by both Reagan and Bush against Panama and Noriega.

John Zagame, former aide to Re-

publican Sen. Alfonse D'Amato (R-N.Y.), was involved in arranging for the Israelis' participation. In a Jan. 23 interview with the *Washington Times*, Zagame said that, for a "significant" amount of money, the government of Israel provided a consultant for Herrera. "What we got was a very detailed intelligence-military-political blueprint on what to do to destabilize and oust General Noriega," said Zagame, who was hired as an adviser to the Panamanians in the spring of 1989, with the Panamanian funds conducted through Delvalle.

At that time, Zagame was sharing an office in Alexandria, Virginia with Bond and Donatelli, another consulting firm owned by cronies of the administration that was also the beneficiary of the administration's largesse with the Panamanian funds. Partner Richard Bond was Vice President George Bush's deputy chief of staff and deputy chairman of the Republican Party, while William Donatelli was the political director of the Reagan White House.

Besides Herrera's forces, Klein also trained killer squads for the Colombian cocaine cartels and the Nicaraguan Contras. Abrams was one of the chief architects of the drugs-for-arms Contra policy.

During the 1988 congressional hearings on the Iran-Contra scandal, Abrams admitted that he had lied to Congress. He also said that he had received high marks for his performance from his superior, Secretary of State George Shultz.

The discovery that the weapons, bought through an operation sanctioned by the government of the Unit-

ed States for Herrera and his CIA-sponsored forces, ended up in the hands of one of the world's top cocaine traffickers, shows that the administration was not and is not conducting a war on drugs, but a war for drugs.

An estimated 7,000 people have been murdered in Colombia this year in the campaign of terror launched by the cocaine cartels, with the ultimate aim of forcing the legalization of drugs. Much of that killing has been done with arms provided through U.S. covert programs, such as the Klein-Herrera operation.

Colombia's narco-terrorists possess sophisticated equipment that is supposed to be available only to elite U.S. units, such as infrared nightscopes. These weapons are not generally available on the international black market. So, where do they get them?

In the spring of 1989, when Klein sought to move his Spearhead, Ltd. mercenary training school to Antigua, because Colombian authorities were going to put him in jail for training the narcos' killer squads, the CIA told Antiguan officials they had no objections. Antigua's former defense chief, Clyde Walker, consulted the local CIA agent, Robert Hogan, and the CIA station chief for the Eastern Caribbean, Robert Kenning, then at the U.S. embassy in Barbados. Kenning told Walker that Klein's school "appears to be all right."

This April, when it became public that the weapons Klein and his partner, Maurice Sarfati, had obtained for Herrera had been passed along to Rodríguez Gacha, U.S. chargé d'affaires Roger Gamble complained to Wilfred Jacobs, Antigua's governor-general, that publicity about the case was "embarrassing the American government," and it should stop, according to an Antiguan official.

International Intelligence

Concert at C=256 thrills Hamburg's musicians

Violinist Norbert Brainin and pianist Günter Ludwig took by storm a concert audience including many professional musicians from the Hamburg Musikhochschule and the NDR-Orchestra, and convinced them of the superiority of the scientific tuning of C=256 Hz, the so-called "Verdi tuning."

Dr. Brainin, who led the world-renowned Amadeus Quartet for four decades, is engaged in an international effort to demonstrate that today's higher pitches do violence to the musical intentions of the great classical composers, and that indeed the older, lower tuning is crucial for bringing out the beauty of fine instruments, like the Stradivarius violins. This musical initiative was sparked by Brainin's collaboration with Lyndon LaRouche and the Schiller Institute. Brainin and Ludwig are performing in concert in Washington, D.C. on June 6.

In a concert on May 20, Brainin played the Sarabande and Double from J.S. Bach's First Partita for Violin Solo, first at today's International Standard Pitch (A=440), and then at C=256 (A=432). The two musicians then performed Beethoven's Kreutzer Sonata, with a standing ovation from the audience.

Said one 80-year-old violinist, "That is by far the best performance I have heard in recent years."

After the concert, musicians greeted the performers with a barrage of questions: "Is your violin built in a special way?" "Can my violin sound equally warm and beautiful, if I tune it down?" "How did you get the idea to do this?"

Yugoslavia faces threat of civil war

Yugoslavia is facing the threat of "civil war" and "foreign intervention," warned the country's new State President, Borisav Jovic, in a statement to the Parliament in Belgrade on May 28, in which he insisted that

a new, tougher federal constitution must be adopted.

He warned of the growing power of "anti-socialist forces" and wartime "collaborators seeking revenge," and stated, "The coming to power of extreme right-wing parties and revanchist forces would bring about civil war and the possibility of foreign intervention."

Jovic, who is a supporter of the populist-fascist Serbian leader Slobodan Milosevic, exclaimed, "The spread of anti-Yugoslav and anti-socialist forces is taking us to the brink of violent ethnic conflict which would endanger the very existence of Yugoslavia."

Evidently referring to Slovenia and Croatia, he said that voters have been subjected to "typically fascist methods of pressure, including bribery, manipulation, physical attacks, and the unprincipled involvement of the clergy."

Burmese opposition wins first free election

In the first free election in Burma in 30 years, the country's 20 million voters on May 27 appear to have turned the polls into a show of defiance against the military government. As of May 29, with two-thirds of the vote counted, the government-approved National Unity Party has won only a fraction of the vote, and the opposition National League for Democracy winning a landslide victory.

Officials of the State Law and Order Restoration Council now ruling Burma gave a news conference saying they would not impede the handing over of power, nor interfere in the drafting of the constitution, which must be approved before a government can take over. The new Parliament could take two years to write the constitution, diplomats estimate.

Western governments and human rights agencies are dismissing the election as an attempt by the government to win some legitimacy and woo back foreign aid. Australian Ambassador Geoff Allen, however, is quoted by the Western media saying the election had gone off much better than most

people had anticipated.

Opposition leader Aung San Suu Kyi remains under house arrest.

Israeli sentenced for defacing Jewish graves

An Israeli court on May 27 jailed a fundamentalist religious Jew for three years, after he confessed to desecrating some 300 Jewish graves in what he called an effort to unite Israelis against Arabs and anti-Semitic threats. The Haifa court gave David Goldner, a 41-year-old former computer engineer, the maximum sentence for vandalism and dishonoring the dead. It added a one-year suspended sentence.

Goldner admitted to police that he daubed graffiti such as "Burn the Jews" on graves in three Haifa cemeteries earlier in May, after the desecration of Jewish graves in the southern French town of Carpentras. He said he was trying to arouse awareness of the threats to Israel's existence.

The scandal occurs amid turmoil in the Israeli political system, and unsuccessful efforts to form a new government.

Israeli sources say that Goldner, and another young man arrested with him, Gershon Tannenbaum, are members of a sect called Sicarrim, which, according to Robert Friedman, author of a biography of Israeli fanatic Meir Kahane, is a splinter group from Kahane's Kach Movement.

According to the Roman Catholic daily *Avvenire* of Milan on May 15, Goldner, the leader of the sect, believed himself to be the Messiah. He would sleep at night in a hut in the cemetery, then emerge during the day to proselytize among visitors to the cemetery. Until a few years ago, Goldner was "one of the most appreciated technicians of the Rafael military industry of Israel."

Soviet general sees border tensions rising

Gen. Lt. Ilya Kalinichenko, the head of the Soviets' 200,000 border guards, was quoted

in the Soviet military newspaper *Krasnaya Zvezda* on May 27, saying that tensions were rising on the country's frontiers from Poland to Afghanistan, and a thorough review of border policing was needed.

He said the border guard needed a complete reorganization to cope with new problems. "All events in our country, whether we want them or not, reflect on our frontiers," he said. "The events in the Baltic area, in Moldavia, Transcaucasia, and other regions show we need serious changes in our approach to protecting our borders." He promised to file a report with proposed changes by the end of the year.

Superpower deals seen in Romanian vote fraud

Roberto Formigoni of Italy, the vice president of the European Parliament, charged in a radio interview in Italy on May 24 that the transparent fraud in the recent Romanian elections, which returned the pro-communists to power, was the result of unscrupulous deals reached between Presidents Bush and Gorbachov at the Malta summit last December.

Bush, he said, has the "extremely grave political responsibility of protecting the Bucharest regime and of hiding the incredible illegalities perpetrated by the National Salvation Front during the election campaign and during the voting procedures. All European observers have seen irregularities and fraud, to the point that the opposition parties received fewer votes than they did with Ceausescu. Only the American observers saw nothing, even if they were more numerous and better equipped. Thus, after Lebanon, Lithuania, and the Baltic Republics, Romania, too, learns the meaning of the new partition of the world worked out by the two 'bigs' in Malta in the winter of last year."

In a related commentary published in the British *Sunday Telegraph* on May 27, titled "A carve-up in Malta," Christopher Booker reported evidence of fraud, including direct Soviet intervention. "This lends credence not only to the widespread belief in Bucharest that Moscow was behind last Decem-

ber's coup d'état, but to an even stranger story seemingly confirmed in an interview given to *Le Monde* by the courageous Romanian ambassador in Paris, M. Palelogu. This was that, at last December's Malta summit, Presidents Gorbachov and Bush agreed that Poland, Czechoslovakia, Hungary, and East Germany could now pass into the Western sphere of influence, so long as Romania and Bulgaria, on the Black Sea, remained in the Soviet sphere. The West would not make too much trouble about those two countries—which might explain why President Bush's own small team of observers hurried last week to give a seal of approval to Iliescu's elections. In Eastern Europe, it seems, for Yalta now read Malta."

Lithuania appeals to Europe for help

Lithuanian Prime Minister Kazimiera Prunskiene appealed to Europeans, and Catholics in particular, for support against Soviet political and economic pressure, in a speech in West Germany on May 26. "It is not our fault that we were robbed of our freedom for so many years. . . . We need this help more desperately than ever before," she said.

Mrs. Prunskiene was the guest of the all-German Catholic Congress, and had a talk with German Chancellor Helmut Kohl. She said there was no chance of Lithuania revoking its March 11 independence declaration, despite an economic blockade imposed by Moscow.

"Western countries tend to overstate the danger Gorbachov faces from reactionaries and in doing so fail to notice he is in fact in conflict with the democratic movement," she said. "I don't believe [he will impose presidential rule], because it would compromise Gorbachov's image as a democratic leader, and there is already enough doubt about that," she told reporters.

Prunskiene said Lithuania was morally right in its struggle, although it was prepared to compromise by taking into account Soviet interests. "We are ready to reach agreement and mutual understanding through negotiations on this transitional process," she said.

● **THE ARMIES** of the two Germans established official contact on May 28, after talks between the two ministers of defense, Gerhard Stoltenberg (F.R.G.) and Rainer Eppelmann (G.D.R.). They resolved to have regular meetings, but not interfere with sensitive aspects of the different military alliances to which the two German armies belong, NATO and the Warsaw Pact.

● **PLO CHIEF** Yasser Arafat, in a speech to a summit of Arab leaders on May 29, denounced the U.S. for its support of Soviet Jewish emigration to Israel. Jordan's King Hussein also raised the issue, calling the influx of Soviet Jews into Israel a plot to destabilize his kingdom, and appealed for Arab support. "In whose place will those immigrants settle? And where will the Palestinian people be pushed?" he asked.

● **SHIMON PERES**, the Israeli Labor Party leader, suggested on May 23 that Soviet Jews should settle in the country's Negev Desert, in an apparent bid to allay Arab fears over the immigration issue. "I think to overcome a desert is less expensive than to overcome hostility," he said.

● **PAKISTAN'S** President Ghulam Ishaq Khan criticized police for their role in violence that killed at least 152 people in the city of Karachi at the end of May. He called the police intervention "ill-planned" and denounced "indiscriminate firing" against the crowd during ethnic unrest.

● **ALLEGATIONS** of coup plots are circulating in the Philippines, with the latest story being that Defense Secretary Fidel Ramos is plotting with a group of "oriental-looking" U.S. Marines to stage a coup against the government of President Corazon Aquino. Both Ramos and Aquino denied the reports.

Gorbachov and Bush reach the nadir of summitry

by William Jones

“Much Ado About Nothing”—this might serve as an appropriate caption for the much-touted Bush-Gorbachov May 31-June 3 summit. The original purpose of the summit was ostensibly to give a boost to the Soviet President’s rapidly deteriorating position at home. As he was preparing to leave Moscow, Gorbachov’s strongest rival, Boris Yeltsin, was elected President of the Russian Republic. One of the first measures which Yeltsin took, while Gorbachov was in Washington, was to meet with Lithuanian President Vytautas Landsbergis. Yeltsin has stated that he will support the independence of Lithuania. At the same time, food is disappearing from the shelves of the Moscow shops.

But even in Washington, things were not exactly going Gorbachov’s way. Already in Canada on a visit with Canadian Prime Minister Brian Mulroney before his arrival in the United States, Gorbachov sent warning signals to the Bush administration that its stand on maintaining a united Germany within NATO would seriously impede any arms agreement. After the Gorbachov warnings, it was leaked from the White House that President Bush would attempt to break the deadlock over the future of Germany by proposing a compromise involving limits on the future size of German armed forces and the promise of West German economic assistance for the Soviet Union—a question, of course, which only the German government itself can really decide.

The selling of a dictator

The Soviet Embassy in Washington did its best to “talk up” the summit, holding five forums during the preceding week, dealing with various aspects of Soviet policy. Gorbachov’s entry to the United States was played up big by the pro-Soviet Washington media. Gorbachov also did his best,

during the course of his visit, to live up to the characteristic “Gorby” public relations gimmicks, like stopping his car in the middle of the street to shake hands with surprised passers-by—to the delight of the mass media who stood prepared with their cameras. This was not, however, the jaunty and buoyant Mikhail Gorbachov of the 1987 Reagan-Gorbachov summit. He looked tired and haggard, undoubtedly reflecting the difficult straits he found himself in at home.

Most of the Gorbymania which characterized the 1987 summit had also waned considerably. Washington during this Gorbachov visit was the scene of continual demonstrations, by the Lithuanians, the Uzbeks, Vietnamese living in America, and Armenian-Americans. Undoubtedly the most colorful of these demonstrations was that of associates of congressional candidate Lyndon LaRouche, who were distributing LaRouche for Justice campaign buttons with a picture of broccoli and the caption “Eat It, George!” which has become something of the LaRouche campaign slogan. A LaRouche supporter wearing a green dress and a dark green chef’s cap, calling herself Miss Broccoli, distributed broccoli to the journalists passing by, many of whom stopped to do interviews with her. Miss Broccoli became a permanent demonstration outside the summit press center at George Washington University during the summit proceedings.

Deadlock on German reunification

The first series of discussions on May 31 were one-on-one meetings between Gorbachov and Bush with only translators and notetakers—much to the surprise of the White House staff, who expected this to be a plenary session, with the whole flurry of advisers assigned to each delegation. The talks dealt with the gamut of questions which they hoped to

cover during the following three days. In the afternoon, they discussed the critical question of Germany. After the first session, Bush tried to appear "upbeat," saying that progress had been made in "narrowing" the differences.

But whatever agreements or promises might have been made behind closed doors, it was obvious that nothing of substance on the issue of Germany would be forthcoming at the summit. It was rumored on the second day of the summit that Gorbachov was putting forward a "new proposal" on the issue of Germany which would bridge the differences between the two superpowers. Rumors were flying that he was proposing something similar to that floated in a letter by Foreign Minister Eduard Shevardnadze to the foreign ministries of Europe, where he proposed making the Conference on Security and Cooperation in Europe (CSCE)—the 35 nations which signed the Helsinki Accords—into a "Concert of Europe," a notion which has been compared to the Congress of Vienna which shaped Europe in the post-Napoleonic era between 1814 and 1848, and was ultimately overthrown by the revolutionary wave sweeping through Europe in 1848.

At a press conference on June 1, White House press spokesman Marlin Fitzwater was asked about an expanded role for CSCE. Fitzwater said that he thought the answer to that was "No." Although the U.S. considers CSCE to be important in the future, he said, it is also concerned about the importance of NATO. Whatever the nature of the Gorbachov proposals, it was obvious that the question of Germany would be subject to much further discussion before agreements could be reached.

The summit was characterized by continual delays and false press reports. On June 1, the day Bush and Gorbachov were to sign all the major agreements, last-minute obstacles came up, possibly due to Soviet stonewalling on key issues, which seriously disrupted the schedule. Already a week before the summit, arms control negotiators were hard at work at the State Department trying to conclude some "framework agreement" on long-range nuclear weapons which could be ready for signing by Bush and Gorbachov.

Since serious difficulties were not resolved, Shevardnadze was sent to the State Department to try to sort things out with Secretary of State James Baker III. Although they were able to do so by early in the evening of June 1, in time to sign a statement outlining what the parties were in agreement on in Strategic Arms Reduction Talks (START) negotiations, it was obvious that on key issues with regard to long-range nuclear weapons, there was no basis for agreement.

Lunch with the 'intellectuals'

On May 31, the Soviet Embassy arranged a luncheon for Gorbachov, which they billed as a luncheon with American intellectuals. The "intellectuals" included such mental giants such as Henry Kissinger, Jane Fonda, Gregory Peck, Jesse Jackson, and the ethereal pianist Van Cliburn. Gorbachov made a point to praise Kissinger in his luncheon speech for

having "undergone an evolution toward these types of ideas," i.e., collaboration with the Soviets. Gorbachov again and again warned the United States not to "spoil the tremendous potential of the present situation" by returning to "old modes of thinking." "We are one civilization, one world," Gorbachov said, waxing melodramatic, appealing to them to become "seekers and searchers."

The key issue for Gorbachov, however, was a trade agreement. In a series of meetings, Gorbachov sent out an appeal for help on the trade issue. On June 1, Gorbachov met with congressional leaders in an effort to break their opposition to trade agreements and to the granting of Most Favored Nation trading status to the Soviet Union.

At one point Gorbachov became somewhat acrimonious. After hearing their criticism of Soviet policy on Lithuania, he lashed out, "If you love freedom so much, why did you allow your own government to invade Panama?" Majority Leader Sen. George Mitchell (D-Me.) responded lamely that the Panamanian people had already decided that they didn't want General Noriega before U.S. troops were sent. "If there were a referendum in Lithuania today," continued Mitchell, "the overwhelming majority would undoubtedly decide that they want independence." "Fine—let them do it," snapped Gorbachov, "and they will get it—but only if they follow the legal procedures."

Initially, the White House insisted that there would probably be no U.S.-U.S.S.R. commercial agreements because of the problem of Lithuania and the fact that the Soviets had not passed legislation liberalizing their emigration policy—a prerequisite for waiving the Jackson-Vanik amendment, which restricts trade with the Soviet Union.

In spite of the White House hype on that issue, President Bush did in fact announce before the signing of the agreements, that he and Gorbachov would sign a commercial agreement, anticipating the passage of Soviet legislation on emigration. In what was obviously an eleventh-hour marathon, Bush acceded to everything that he felt Gorbachov needed to keep him afloat in the very choppy waters of Kremlin politics. In return, the Soviets agreed to sign a long-term grain agreement, which the Soviets were refusing to sign if the United States did not come up with a more general trade agreement.

The summit occurred in the shadow of Lithuania and in the shadow of the Yeltsin election. Gorbachov's press secretary Arkady Maslennikov, when asked what significance the Yeltsin victory would have on Gorbachov's political future, refused to comment. White House aides were likewise very nervous about Gorbachov's weakened position. "Can Gorbachov deliver?" was the question echoing in everyone's head during this summit meeting. If the next few weeks show that Gorbachov indeed is a "lame duck" in his own country, then the fanfare of the summit pageantry will come back to haunt the President who bent over backwards in a futile attempt to save Gorbachov's falling star.

'LaRouche' trial in Roanoke got out some of the truth about the ADL

by Nancy Spannaus

The Roanoke revelations began with a judge, Virginia Circuit Court Judge Clifford R. Weckstein. Having learned that Weckstein was a beneficiary and colleague of Murray Janus—national commissioner of the Anti-Defamation League of B'nai B'rith and a leader in the national "Get LaRouche" task force—friends of LaRouche associates on trial in Weckstein's court put out tens of thousands of leaflets on this blatant corruption of a presiding judge. They hit the bull's eye!

On April 12, when Weckstein had to respond to a defense motion to recuse himself from the case because of the animus he showed by, among other things, giving LaRouche associate Michael Billington a 77-year sentence for alleged "crimes" which would have gotten Ivan Boesky a 5¢ fine, Weckstein felt compelled to make some disclosures: He released letters he had received from, and sent to, the ADL!

This was only the beginning of a whole series of letters—nine in all, which were presented to the defense in the trial of LaRouche associate Richard Welsh. It finally came out that Weckstein himself had initiated the correspondence. And, most revealing, one letter included an official ADL resolution seeking to get the Commonwealth of Virginia to appoint a Jewish judge to the state supreme court. Right there in black and white, the ADL was attempting to bribe Judge Weckstein, who is Jewish!

But even though on May 25 Weckstein closed hearings on the ADL's involvement in government prosecutorial misconduct by dismissing the defense's evidence as "moonbeams" and "stardust," the issue is still far from settled. Judge Weckstein had refused to recuse himself, at the end of two pre-trial hearings in which the ADL was center-stage. He and the Department of Justice refused to acknowledge that the ADL carried out a crime by attempting to influence, or bribe, a judge.

Round one

The first pre-trial hearing was a so-called Kastigar hearing, dedicated to showing that prosecution of Welsh would violate his Fifth Amendment right against self-incrimination, since he had been compelled to appear as an immunized witness in several previous trials. What came out of this hearing, was that none other than the ADL served as the transmission belt by which members of every "Get LaRouche" prosecution team across the country were both

plied with anti-LaRouche propaganda, and filled in on what had happened in other courtrooms in the so-called LaRouche cases.

The individual representing the ADL was one Mira Lansky Boland, a member of the staff who worked under Fact-Finding Division head Irwin Suall. Boland had begun appearing around the "Get LaRouche" prosecution task force in the aborted Boston federal "credit card fraud" case against LaRouche and associates in 1988. At the Roanoke hearing, through the course of examination of federal and state prosecutors and investigators, it was proven many times over that they had all been in regular and continuous contact with Boland for years. Boland had provided them with reviews of other cases, abstracts of testimony, and even witnesses for their use. In the case of the local officials in Loudoun County, Virginia, where LaRouche resides, she provided the first "information" about LaRouche "illegal activities" they ever received.

Yet, despite five days of hearings along these lines, Judge Weckstein did not force Boland, who had apparently fled the country in order to avoid his subpoena, to appear as a witness. And despite full documentation of how the prosecution had been thoroughly polluted by the ADL's renditions of Welsh's immunized testimony, Weckstein ordered that the trial should go ahead.

Round two

At that point, Welsh decided to make a plea agreement with the prosecution. He made an "Alford plea" to a felony (securities fraud)—a plea which states that he believes the evidence will lead to a conviction, despite his belief that he is innocent—and to three misdemeanors. The plea was conditional, however, on his getting a 7- to 10-day hearing on another motion to dismiss the charges, this one stating that he was the victim of selective, and vindictive, and bad faith prosecution. He also preserved his rights to appeal the conviction, should the motion be denied and the plea go ahead.

Thus on May 14 began a hearing in which the defense sought to prove that the prosecution was selective, vindictive, and in bad faith. In the course of the next seven days of proceedings, the defense put on at least a dozen witnesses to demonstrate that the government had acted against LaRouche

and his associates because of political animus stirred up by the ADL and other individuals opposed to their policies, rather than because of any evidence of violation of law.

The testimony provided the following shocking information about ADL activities:

- Virginia State Corporation Commissioners relied upon venomous ADL brochures, among other “information,” in putting together their case against LaRouche associates.

- The ADL had coached witnesses against LaRouche—in one case having at least two dozen conversations with a witness.

- The ADL had actively recruited witnesses against LaRouche associates, and in one case actually introduced the so-called victim to a law enforcement official in ADL official Mira Boland’s office.

- The ADL had been involved in instigating attempted extortion by the family of a contributor to LaRouche’s political cause, in collaboration with Virginia state police investigator C.D. Bryant.

- The chief ADL case officer against LaRouche, Mira Boland, was so integrated into the prosecution that she was the only non-government official who attended the “victory party” of the government after the LaRouche’s December 1988 “railroad” conviction in Alexandria, Virginia.

The revolving door

The two witnesses who gave the most new evidence on operations against LaRouche, were Boland herself, and Richard Morris, an aide to former National Security Adviser William Clark. They were supplemented by extensive testimony by LaRouche himself, who told of his political campaigns, and the counter-operations which he encountered.

Boland’s most revealing statement concerned her history. She acknowledged that in 1978 and 1979, she had been an agent of the Central Intelligence Agency. Following that, she worked as a subcontractor for the Defense Department’s Office of Net Assessment, an office run by Albert Wohlstetter, a bitter foe of LaRouche and the LaRouche-authored Strategic Defense Initiative (SDI) policy adopted by President Reagan in 1983. Boland went to work for the Anti-Defamation League in December 1982—just as the multi-agency “Get LaRouche” strike force was about to be authorized through the President’s Foreign Intelligence Advisory Board (PFIAB).

She also admitted that she knew Roy Godson, a staffer for the National Security Council, whom she met at a meeting sponsored by Project Democracy organizer Walter Raymond in the spring of 1983. That meeting, held at the home of New York financier John Train, pulled together an array of intelligence operatives and ADL stringers in the media, and organized the international slander campaign against LaRouche. This media assault was conceived to lead directly to the federal prosecutions.

As the individual in charge of the anti-LaRouche efforts,

Boland wrote articles for the *ADL Bulletin*, in which she not only took credit for successful prosecutions, but also declared, after the Alexandria case, that the next step was to stop outright financial contributions to all entities associated with LaRouche’s philosophy—including the legal defense fund which has paid attorneys’ fees in LaRouche cases.

Boland followed through on her intentions, through her direct involvement in soliciting suits by contributors in Illinois and Pennsylvania. In these cases—of the elderly supporters Harriet Driver, Elmer Yoder, and Helen Overington—there is evidence that Boland was involved in applying extraordinary pressure, and the form of brainwashing called deprogramming, in order to “change the mind” of the contributor.

The testimony of Richard Morris added a new aspect to the picture of operations against LaRouche. After identifying the contributions which LaRouche and his associates made by providing intelligence to the National Security Council on the SDI and economic policy, Morris was asked to identify any persons who objected to this input. He identified three individuals—Roy Godson, Walter Raymond, and Kenneth DeGraffenreid. Morris noted that LaRouche’s input was against the Contra policy, which Raymond, as head of the Project Democracy operation, was handling. He also remarked that Godson called LaRouche everything from a communist to a fascist, in order to argue that his input should not be heard. No evidence for any of his charges ever appeared in writing, Morris said in response to a question.

The government is corrupted by the ADL

Now there is nothing wrong, of course, with a fair political fight. If the ADL, Project Democracy, PFIAB, or the Socialist International chose to debate with LaRouche or his associates on various elements of foreign or economic policy, that would be fair indeed.

But the reality is, these agencies have chosen instead to hide behind and use other institutions—government institutions—in order to try to destroy LaRouche and the political ideas for which he stands. They have spread lies in the media and defamed him and his associates through contacts with prosecutorial agencies. They have instigated secret, *ex parte* court proceedings, and have launched secret national security investigations, all on the basis of their desire to destroy. They have threatened judges and lied to potential witnesses. They have effectively corrupted whole sections of government, who have worked with them in this effort.

It is time that this corruption came to an end. Back in the spring of 1988, Boston federal Judge Robert Keeton ordered a search of then-Vice President George Bush’s files, for material exculpatory to LaRouche and his associates. Bush never had to comply. Now the cry must be made to carry all the way into Bush’s White House: Open up the files of the government on LaRouche, and let the world see who is guilty of corruption.

Mira Boland: I was a vigilante for Project Democracy

by Herbert Quinde

Mira Boland, nominally employed as the Fact-Finding Director in Washington, D.C. for the Anti-Defamation League (ADL), has dedicated a substantial portion of her professional career to attempting to destroy Lyndon H. LaRouche and those associated with the political movement he has inspired, according to her testimony in a Virginia court on May 24.

Dripping with the animus of a yuppie turned vigilante, Boland testified that since 1982, she was the central figure in the nation's capital for the ADL's "counteraction" program directed at LaRouche and associates.

"You will be known by the company that you keep," seems an appropriate bit of motherly wisdom, when one reviews Boland's *curriculum vitae*:

In 1978, she graduated, with a specialization in Soviet affairs, from the Fletcher School of Law and Diplomacy at Tufts University. **Jonathan Pollard**, now serving a life sentence for espionage in a maximum security federal prison in Marion, Illinois, was a classmate and colleague of Boland.

Reagan administration Secretary of Defense Caspar Weinberger said that Pollard's espionage was the "most damaging" case to U.S. national security. Although Pollard was publicly accused of being a "mole" for Israel, it was determined that the same U.S. secrets he stole were finding their way into the hands of Soviet intelligence. But the Labor Party government of Israel, up to its eyeballs in the Iran-Contra arms deals, took the rap, under duress. Why? To protect a larger "mole hill" of social democrats (better known as neo-conservatives) who were exercising substantial policy influence by the second Reagan administration, say some intelligence experts. Pollard was a "sanctioned" courier working for what is today the pro-Gorbachov wing of U.S. intelligence, an arrangement initially formalized under Reagan's first secretary of state, Alexander Haig.

The Pollard case seems strange to those accustomed to the "spy vs. spy" formulas of the Cold War—and Cold War scenario novels. Pollard and Israel were in fact elements that mediated a back-channel of diplomatic and intelligence intrigue, Venetian-style, which helped transform U.S. policy from the days when President Reagan denounced the "evil empire," to the appeasement politics of the most recent "We Love Gorby" summit in Washington.

Mira Boland's professional associates include a cast of

allegedly pro-Israeli anti-communists, but recently converted pro-Gorbachov "spooks."

The Fletcher School Class of 1978 was a rather small group of 251, which permitted not only much student interaction but intensive student-faculty exchanges. Boland was taken under the wing of **Prof. Uri Ra'an**, director of the International Security Studies Program. His offspring Gavriel, also a member of the Class of 1978, became Boland's close friend, but died of cancer several years later.

Professor Ra'an was born **Heinz Felix Frischwasser**, in Central Europe. Ra'an/Frischwasser was picked up and given a career by the Kim Philby, i.e., pro-Soviet, wing of British intelligence, giving him the credentials to join the superpower condominium wing of the CIA as a consultant and recruiter.

During the Pollard spy investigation, beginning in 1985, Ra'an came under suspicion. He was the "talent spotter" who had helped the young Pollard initiate his career as a naval intelligence analyst, with the high-level security clearance that allowed him to betray U.S. national security secrets. In the Nov. 27, 1985 *New York Times*, Ra'an praised Pollard as "bright and articulate."

Pollard's Israeli controller was Col. Aviem Sella, who was indicted in the espionage scandal, but never extradited to the United States. Colonel Sella's wife worked in the legal department of the ADL in New York City. Both escaped to Israel when Pollard was exposed.

In 1976, two years before Boland joined Ra'an, his true colors were briefly revealed. He urged the FBI to investigate the "LaRouche organization" as alleged Soviet agents, according to a document obtained through the Freedom of Information Act (FOIA).

Having been well trained and with the recommendation of the likes of Professor Ra'an, Mira Boland landed a job at the CIA. From there she did some contract work for the Pentagon's Office of Net Assessment, which was set up under Defense Secretary Robert McNamara, and since that time has been primarily staffed by Rand Corp.-linked strategists who always manage to cook up ideas to undermine U.S. defense posture while selling them to the Pentagon brass as anti-communist.

Project Democracy's Mata Hari

By 1982, Boland's association with "spooks" led her to a full-time job with the ADL. Besides spending a lot of time on the LaRouche case, she would concentrate her energies in support of the Reagan administration's pet project—the Contras. This was the operation that Oliver North referred to as "Project Democracy."

In 1983, the Contra policy in Central America didn't make sense to many people. The administration needed to create an "aura of support" for the Nicaraguan rebels. Under the direction of **Walter Raymond**, a career CIA propaganda and psychological warfare specialist, the Reagan National Security Council and State Department launched a "public diplomacy" campaign, cynically aimed at the U.S. Jewish population. The theme of the propaganda drive was that the Sandinistas were not only communists, but anti-Semites to boot.

Rabbi Morton Rosenthal, head of the Latin American Division of the ADL and a published co-author with Boland, took the point in the propaganda campaign. The U.S. ambassador in Nicaragua sent a cable to Washington saying that there were many bad things to be said about the Sandinistas, but accusing them of anti-Semitism was absurd. Leaders of the American Jewish Committee and the World Jewish Congress denounced the ADL for its partisan political stance. Oliver North's notebooks, recently declassified, confirm the story and even cite Rabbi Rosenthal to that effect.

'Active measures'

In candid conversation, Boland would brag about her work in support of the Contras. It is alleged by knowledgeable sources that part of that job included "counteraction" programs aimed at left-wing groups critical of the administration's Central American policy. Suggestive is the fact that Boland is acknowledged as having been "particularly helpful," along with other ADL staff members, in the production of the book *Far Left of Center: The American Radical Left Today*, ostensibly written by Harvey Klehr. The book is a series of dossiers about the Communist Party, U.S.A., Trotskyist and Maoist sects, as well as the Committee in Solidarity with the People of El Salvador, Clergy and Laity Concerned, Mobilization for Survival, National Lawyers Guild, the Rainbow Coalition, and the Institute for Policy Studies. The book was funded through a grant from the ADL.

The FBI and CIA ran such a program, known as Cointelpro. The KGB calls it "active measures."

The ADL is not new to such activity. A 1969 ADL letter sent to the FBI as part of a "counteraction" program aimed at the Black Panthers, civil rights activists, and anti-war organizations was obtained through FOIA. One of the authors of the letter, **Carl Gershman**, then a young staffer in the Research Division, is today the head of the National Endowment for Democracy (NED), principal funding conduit for Project Democracy.

On Nov. 17, 1988, near Washington, Boland and a col-

league attended a "Who's Who in Terrorism" conference, where a participant asked one speaker his opinion of the "LaRouche organization." The speaker said that it was wrong to label LaRouche a "neo-Nazi" and stated his opinion that the "LaRouche organization" was being unfairly harassed by the government, something he did not approve of, as a civil libertarian. Boland argued with the speaker, denouncing him. A colleague followed up and let the cat out of the bag: "You have a suggestion that there was this secret agenda on the part of the government to go after the organization. . . . Isn't it a fact that the organization in some parts of Central and South America was influencing government officials there in a way that was not in line with what the U.S. was all about? Wouldn't that make them legitimate targets of interest on the part of the United States government?" The speaker responded, "It shouldn't make them targets of a malicious prosecution."

Boland testified that in April 1983, she attended a "Get LaRouche" task force meeting in New York, at which **Prof. Roy Godson** was also present. Godson, an intelligence community gadfly who aspired to the post of CIA congressional liaison but was denied the appointment because of his dubious background, according to intelligence community sources, eventually received a contract as an NSC consultant. His major function was as co-chairman of the "private donors committee" of wealthy businessmen that Walter Raymond had set up to finance "public diplomacy" dirty tricks in support of the Contras.

Raymond and Godson's committee counted on several prominent ADL-affiliated individuals, according to documents released by the congressional committee that probed the Iran-Contra fiasco. **Leonard Sussman**, an ADL board member and executive director of Freedom House, along with ADL financial angels **Dwayne Andreas** and **John Kluge**, respectively the chief executive officer of Archer Daniels Midland Co. and *Forbes* magazine's anointed "Richest Man in America," were described as "on board" in Raymond's NSC memoranda.

The meeting was hosted by **John Train**, a Wall Street investment banker financially tied to the Rothschild family and a Swedish company that figured in the story of Irangate. Sol Sanders, a neo-conservative writer and participant at one "Get LaRouche" task force meeting, described Train as "one of the last remaining intelligence community 'old boys' on Wall Street."

Train is known as the "*noblesse oblige* banker" for the social democracy, and is reportedly a major contributor to Freedom House, a New York-based think tank which is funded by the NED and is alleged by some to be a front group for the CIA. Freedom House and its personnel figure prominently throughout the Iran-Contra affair. Boland's husband, **John Boland**, a financial writer and investment adviser, is a business associate of Wall Street trader **Walter Schloss**, the treasurer of Freedom House.

The ADL, Pollard, and the Mr. X Committee

by Scott Thompson

In her testimony in the selective and vindictive prosecution hearing in the case of Lyndon LaRouche associate Richard Welsh in Roanoke, Virginia, Mira Lansky Boland, of the Fact Finding Department of the Anti-Defamation League of B'nai B'rith, revealed that she came to the ADL through a career track that is similar to that of Soviet "false flag" agent Jonathan Pollard. Boland not only studied under Pollard's recruiter, Prof. Uri Ra'anani, at the Fletcher School of Law and Diplomacy and graduated in the same class with Pollard before working for the Central Intelligence Agency, but did subcontracting work, over a period from September 1979 to 1982, for the Pentagon's Office of Net Assessment (ONA).

The significance of Boland's work with ONA is to be found in a Feb. 19, 1988 article by *Washington Post* associate editor Bob Woodward detailing the Pentagon and CIA's futile search for "Mr. X," the designation for a high-level intelligence community mole believed to be steering Pollard's espionage, among other things providing him top-secret code numbers of classified documents that he subsequently requested. *EIR*'s own investigation discovered not one mole, but a molehill or "Mr. X Committee," many of whose members worked for ONA while Boland was employed there.

Irwin Suall, Boland's boss at the ADL, gloated to *EIR* on May 29: "You'll see. Mira Boland is protected." So far, many of the higher-ups in the "Mr. X Committee" who directed the network that Secretary of Defense Caspar Weinberger charged in classified papers during the Pollard sentencing had actually spied for the Soviet Union under the "false flag" of Israel, have proven to be protected.

Chief among those agencies doing "damage control" to limit fallout in the Pollard affair have been Boland's employers at the ADL, who, according to the *ADL Bulletin*, in May 1987 sent a mission led by ADL national director Abraham Foxman to Israel for meetings with then-Prime Minister Yitzhak Shamir, Foreign Minister Shimon Peres, and other Israeli leaders, to warn that the recent Israeli promotion of Pollard's controller, Col. Aviem Sella, to commander of Israel's Tel Nof Air Base, was like waving a red flag before the United States. The ADL had good reason to wish to see Colonel Sella out of the limelight, since his wife, Ruth, was employed during the entire time of the Pollard-Sella operation in the Legal Department of the ADL's headquarters in New York.

Who's who in the 'Mr. X Committee'

Andrew Marshall. Currently the director of ONA, a post he held since 1973, Marshall was Mira Lansky Boland's boss during the time she worked for the Pentagon. The ONA oversees the subcontracting of all Pentagon studies comparing the relative strengths of the U.S. and Soviet forces through such firms as the Rand Corp., which Marshall had co-founded. ONA has also served as a liaison with the Israeli Defense Ministry. Among Marshall's protégés was future Defense Secretary James Schlesinger who in 1973 appointed Marshall to run ONA.

Albert Wohlstetter. This current member of the President's Foreign Intelligence Advisory Board, the "quality overseer" of U.S. intelligence and counterintelligence, had been a member of a Trotskyite splinter group known as the League for a Revolutionary Workers Party run by Leon Trotsky's friend Max Gould (a.k.a. B.J. Fields) in the 1930s. Wohlstetter's communist past was covered up by Andrew Marshall when he joined Rand. Together with Fred Iklé, who had been Marshall's boss as Undersecretary of Defense for Policy in the Reagan administration, Wohlstetter co-chaired the Commission on Integrated, Long-Term Strategy, whose *Discriminate Deterrence* report was the fulfillment of Soviet Marshal Nikolai Ogarkov's dreams: It called for the United States to lift the nuclear umbrella from NATO and to engage in brushfire wars in the Third World—like the subsequent Panama invasion. ONA provided support services for the *Discriminate Deterrence* report, while Boland's boss Andrew Marshall was chairman of a working group for the Iklé/Wohlstetter Commission.

Henry S. Rowen. Assistant Secretary of Defense for International Security Affairs, Rowen was the director of the CIA National Intelligence Estimates Office under CIA head William Casey, went on to the Smith Richardson Foundation, which financed Dennis King's book attacking Lyndon LaRouche, and was chairman of a working group for the Iklé/Wohlstetter Commission.

Richard N. Perle. From 1981 through April 1987, Perle was Assistant Secretary of Defense for International, Economic, Trade and Security Policy, serving under Iklé. Perle's mentor was Wohlstetter, whom he met while dating Wohlstetter's daughter in high school, when, as Perle admitted in a published interview, he, too, was "a socialist."

Stephen D. Bryen. Perle's deputy at the Pentagon, he and Perle co-founded the Jewish Institute for National Security Affairs. In 1978, Bryen was caught with the Mossad's Washington station chief, Zvi Rafiah, discussing giving the Israeli government classified information.

These and other suspects in the "Mr. X Committee" directing Soviet "false flag" agent Jonathan Pollard, as has the ADL's Mira Lansky Boland who has the same pedigree as Pollard, have so far been protected, although many live in fear that their treason will soon catch up with them.

Did a Thornburgh dirty deal backfire?

by Steve Komm and Jeff Steinberg

Attorney General Richard Thornburgh had a rotten Memorial Day this year. The *New York Times*, the so-called “newspaper of record,” delivered a one-two punch with a news article by correspondent Neil A. Lewis, recounting the cocaine probe into one of the Attorney General’s most trusted aides, Henry Barr, while syndicated columnist William Safire, citing the Lewis piece, tore into Thornburgh for his selective handling of the Barr affair while using the most underhanded and unscrupulous tactics to nail Washington, D.C. Mayor Marion Barry on far less serious drug charges. Safire ended his attack by calling for a special prosecutor to probe the “ ‘Pennsylvania Mafia’ at Justice.”

As our regular readers know, *EIR* has been ahead of the rest of the media in exposing Thornburgh’s dirty activity to public scrutiny. Virtually all of the information reported by Lewis and Safire on May 28 has been featured in *EIR* going back to March of this year.

Yet, with all of the attention, not one word has been uttered from the mouth of Senate Judiciary Committee Chairman Sen. Joseph Biden (D-Del.), the man most appropriately situated to formally request the appointment of a special prosecutor.

When it was revealed in another *New York Times* story on May 26 that, for the first time in history, a serving attorney general had been forced—under protest—to submit to a polygraph examination by the FBI and his own Criminal Division at the Department of Justice (DoJ), everybody with their head screwed on straight in the nation’s capital turned toward Biden, expecting to hear those two magic words: “special prosecutor.”

In the weeks leading up to the Thornburgh polygraph revelation, well-placed sources in the Pennsylvania Republican Party hierarchy began providing some possible explanations to *EIR* for Biden’s silence. According to these former Thornburgh GOP associates, the ex-governor of the Quaker State has information that Senator Biden received a big contribution from Pennsylvania organized crime-linked circles in the summer of 1987 to his 1988 presidential campaign, and that the Delaware senator has no interest in seeing the Attorney General using that information against him.

Adding further credence to this as yet uncorroborated accusation, other Pennsylvania sources have reported that Thornburgh has put out the word to his political patrons to

sock money into Biden’s 1990 reelection campaign chest. It seems that self-preservation arrangements run much deeper than party allegiances.

According to these sources, the Biden-Thornburgh alliance also involves another member of the Senate Judiciary Committee, longtime Thornburgh home-state colleague Sen. Arlen Specter (R-Pa.). Specter reportedly solicited the Attorney General’s aid in targeting Rep. William Gray (D-Pa.), the popular and powerful House Democrat whom Specter feared would pose a serious challenge to his reelection bid. According to this story, Thornburgh’s “Pennsylvania Mafia” set about leaking a potentially damaging false story about grand jury probes into corruption on Gray’s staff last year, just days after House Speaker Rep. Jim Wright (D-Tex.) and Democratic Whip Rep. Tony Coelho (D-Calif.) had been forced to leave office in the face of corruption scandals.

A bit of circumstantial corroboration of this story came out in the May 26 *New York Times* story, which identified acting Philadelphia U.S. Attorney Michael M. Baylson as a third DoJ official who flunked an FBI polygraph test during the probe of the Gray leak to CBS News. Baylson has been identified by Pennsylvania Republicans as a longtime campaign aide and counsel to Senator Specter.

Pennsylvania scandals haunt Thornburgh

Why did Thornburgh oblige Specter’s request for such a low-down trick as the Gray leak? One version says that Thornburgh was concerned about mounting scandals back in Harrisburg—including an ongoing drug probe of top aides (both past and present) and continuing demands for an investigation into the circumstances that led former Pennsylvania State Treasurer and Republican Party activist Budd Dwyer to take his own life in front of a press conference in Harrisburg in January 1987. And he wanted his trusted crony, James “Jimmy” West, the acting U.S. Attorney, to be confirmed in that post to ensure that his own hide was protected. Specter reportedly obliged and sent a letter to the White House asking that the West nomination be formally placed before the Judiciary Committee for consideration.

Senator Biden had already signaled his willingness to play ball with the Pennsylvanians. At the end of 1986, he had refused to act on a plea from Budd Dwyer to open up a Senate inquiry into the Thornburgh-ordered “sting” that had resulted in his frame-up conviction. Biden had deferred to Specter who had assured him that the Dwyer case had been handled on the up and up.

At the close of his *New York Times* column calling for a special prosecutor to probe the Thornburgh mafia at Justice, Safire predicted that Mayor Barry will outlast Thornburgh in office. If the sharp-tongued columnist is to be proven correct, it may be that two members of the Senate Judiciary Committee have to be asked some tough questions themselves. Otherwise, Richard Thornburgh may survive through his body-guard of lies.

Baltic nations void Washington summit

by Leo Scanlon

The foreign ministers of the three Baltic nations have formally declared that any bilateral agreements reached at the Bush-Gorbachov summit which involve "obligations or stipulations relating to the Baltic States" are null and void, since these would only affirm previous arrangements negotiated by the Soviet Russian and Nazi Third Reich "superpowers" 50 years ago. They state they will only welcome U.S.-Soviet agreements "that assist the Baltic states to restore their state independence," and assert that Mikhail Gorbachov has "no legal authority" to negotiate on behalf of the Baltic nations. Their bold intervention into the summit euphoria was completely blacked out in the U.S. news media.

The joint declaration was signed on May 26 in the Latvian capital of Riga by the three Baltic foreign ministers, Lennart Meri of Estonia, Janis Jurkans of Latvia, and Algirdas Saudargas of Lithuania. It is titled, "Declaration Regarding the Mandate of U.S.S.R. President Mikhail Gorbachov during the Upcoming Summit with U.S. President George Bush, Beginning May 30, 1990, in Washington, D.C."

One Molotov-Ribbentrop pact too many

The text reads in part: "Based upon the unshakable will of the people of Estonia, Latvia, and Lithuania, which has been embodied in the legal acts of the Supreme Councils of the three Baltic states, we proclaim the following:

"On Aug. 23, 1939, the Soviet Union and the German Reich concluded the Molotov-Ribbentrop pact and signed its additional protocols, criminally dividing Central Europe into spheres of interest between the two superpowers, and assigning the Republic of Estonia, the Republic of Latvia, and the Republic of Lithuania to the Soviet Union's sphere of interest. As a consequence of this political deal between the aforementioned superpowers, the three Baltic states came under Soviet military occupation during June 15-17, 1940, and were subsequently forcibly incorporated into the U.S.S.R. Democratic nations have never recognized these acts of aggression *de jure*.

"In the meaning of this term, the Republic of Estonia, the Republic of Latvia, and the Republic of Lithuania still continue to exist.

"The people of Estonia, Latvia, and Lithuania have re-

peatedly expressed their unbreakable and steadfast will to restore democracy, state independence, and the constitutional institutions which were destroyed as a consequence of this political deal between the two totalitarian powers. The Supreme Councils of the three Baltic countries have proclaimed as null and void the declaration, on joining the Soviet Union, which was staged under Soviet military pressure, and have adopted decisions, with great majorities, to restore (*restitutio ad integrum*) the Republic of Lithuania, the Republic of Estonia, and the Republic of Latvia, respectively on March 11, March 30, and May 4, 1990.

"Taking into account the acts of the freely elected legislative bodies of the three Baltic states, the signatories consider it necessary to emphasize:

"1) the Republic of Estonia, the Republic of Latvia, and the Republic of Lithuania are declaring that the President of the U.S.S.R. has no legal authority to represent them during the upcoming summit with the President of the United States in Washington. Any eventual agreement signed there will not be binding upon the Baltic states, and;

"2) that the governments of the Republic of Estonia, the Republic of Latvia, and the Republic of Lithuania will not recognize any obligations or stipulations relating to the Baltic states which may result from bilateral agreements concluded between the two superpowers during the upcoming summit in Washington;

"3) the three Baltic Nations will welcome agreements between the U.S.A. and the U.S.S.R. that assist the Baltic states to restore their state independence, eliminating the unsolved problems left after World War II and thus creating a fundamental lasting peace."

Demonstrations and appeal to Vatican

The Joint Baltic American National Committee, representing the Estonian, Latvian, and Lithuanian American Councils, held a very visible series of marches and demonstrations throughout the June summit in Washington, D.C., beginning with a Memorial Day rally to commemorate those American soldiers who have fallen in the fight for freedom.

The campaign was supplemented by a series of television advertisements, newspaper ads, and a vigorous intervention into the call-in talk shows which had been rigged by C-Span to showcase Soviet propagandists. The most hard-hitting advertisement was an appeal to Pope John II, reminding the Pontiff that "Western authorities did little or nothing to bring down the Wall of Shame" in Berlin. The ad beseeched the Pope to intercede against the "enigma . . . [exemplified by] the shameful 50-year-old Ribbentrop-Molotov pact." The Pope was urged to make a gesture that would undermine press speculation that "the Vatican is supposedly unwilling to sacrifice its *Ostpolitik* for the sake of Lithuania's freedom."

The advertisement concludes: "If the aspirations of our nation flounder, not only Lithuania, but also, and above all, the entire cause of Christian Civilization itself will suffer."

'Green' referenda a \$900 million swindle

by H. Graham Lowry

The first week of June marked the beginning of a planned, three-month wave of protests, disruptions, and threatened sabotage aimed at shutting down most of northern California's timber industry. Billed as a new "Mississippi Summer" under the slogan, "Only Mother Earth has rights," the environmentalist onslaught's primary target is the Pacific Lumber Company, owner of some of the largest and historically most productive old-growth forests in the region.

Led by the terrorist organization Earth First!, the organizers have declared their objective is to "slow the timber companies down now" until "voter initiatives" on the state's November ballot can put an end to up to 80% of the area's lumber production. What they don't publicize is that those same ballot measures would fork over \$900 million of the taxpayers' money to Pacific Lumber—a company which since 1986 has been in the clutches of the notorious Wall Street raider Charles Hurwitz.

Forests targeted by corporate raider

Suspicious are widespread in the timber industry that Hurwitz views Pacific Lumber as just another "cash cow" to be milked as quickly as possible for the maximum yield—and then abandoned. In financial circles, insiders point to his long trail of worthless junk bonds, and his unusual dealings with such figures as Carl Lindner and Marc Rich, the crony of Henry Kissinger who is now a tax-fugitive in Switzerland. Hurwitz and his Houston-based Maxxam Corp. have been the subject of investigations by both the Securities and Exchange Commission and a committee of the U.S. Congress.

Maxxam seized Pacific Lumber through a leveraged buyout financed with \$660 million in junk bonds, out of a total purchase price reportedly around \$850 million. According to sources familiar with the company, Maxxam proceeded to sell off a Pacific Lumber welding subsidiary for \$400 million, looted nearly \$60 million in cash from the company's pension fund, and jacked up profits by nearly tripling the lumber cut the first year. For over a century before that, the company had operated on a sustained-cut management basis, ensuring they could cut timber forever. Maxxam also sold off Pacific Lumber's office building in San Francisco for another \$30

million. Then, in 1989, using \$24.6 million of Pacific Lumber profits in another leveraged buyout, Maxxam took over Kaiser-Tech Ltd. (formerly Kaiser Aluminum), and began selling off some of its assets as well.

Environmentalists allied with raiders?

The environmentalists' war against the lumber industry has all the trappings of bitter antagonism: violent anti-industrial and anti-Wall Street rhetoric, deceitful huckstering about ecological disaster from state Attorney General John Van de Kamp and would-be "eco-czar" Tom Hayden, and printed appeals for "eco-kamikazes" willing to end it all in high-explosive attacks on Pacific Lumber targets. But if Charles Hurwitz simply intends to loot the company and leave an industry in ruins, he could hardly have found more valuable partners than among the well-placed and well-financed directors of the so-called environmentalist movement.

The first signs of environmentalist help for the corporate raiders appeared with the design in 1987 of an enforced wilderness plan for Humboldt County, where Pacific Lumber's timberlands are located, at the northernmost end of California. The scheme was advanced in January 1988 under the auspices of Earth First! as a proposal for a "Headwaters Forest Wilderness Complex," citing "the crisis situation precipitated by the hostile takeover of the major corporate landholder within these watersheds—the Pacific Lumber Company. . . . Most of the forested area proposed for wilderness designation, including virtually all of the old growth, belongs to PALCO," the Pacific Lumber Co. Earth First!'s proposal notes that by eminent domain, government can take over the company's timberlands for "the fair market value." To pay for the deal, the report recommends, "A method to obtain the necessary funds is that of a state bond issue."

There are two referenda on California's November ballot authorizing state bond issues to purchase private timberland: Big Green and Forests Forever. The first, jointly sponsored by Van de Kamp and Tom Hayden, would establish a virtual eco-fascist dictatorship over industry and agriculture, under an "eco-czar" for which Hayden is the self-anointed candidate. It would also direct \$200 million into the purchase of 3,000 acres of old-growth forest in Humboldt County. All 3,000 acres are owned by Maxxam's Pacific Lumber.

The second initiative, Forests Forever, would have the taxpayers pick up the tab for another \$710 million for a similar private forest takeover by the state. The advisory council for Forests Forever includes David Brower, founder of the Soviet-linked Earth Island Institute, and Dave Foreman, the founder of Earth First!, jailed in 1989 for conspiracy to blow up power lines in three states. The acreage targeted for purchase is almost entirely owned by Maxxam.

If the voters fall for it, Charles Hurwitz, notorious asset-stripper and junk-bond wheeler-dealer, will walk off with close to \$900 million—more than he paid for the entire Pacific Lumber operation!

The power of 256

Lyndon H. LaRouche, Jr. tells why classical musical composition should be performed with a fixed value of well-tempered scale.

Written on the occasion of a concert given in Washington, D.C. in honor of Mr. LaRouche, by violinist Norbert Brainin, formerly the first violinist of the Amadeus Quartet, and pianist Günter Ludwig, on June 6, 1990.

Why should classical musical composition be performed in agreement with a fixed value of well-tempered scale? Why must that scale be fixed to a middle C of approximately 256 cycles? During three centuries, or more, several sound explanations have been supplied. Ultimately, all valid replies are subsumed by two facts, one primary, the other supplementary, but essential.

The primary fact is that all great classical music is of superb beauty precisely because the composition is governed pervasively by something sacred, and expresses this connection in a way which only a strictly classical form of well-tempered polyphony can supply. The essential function of classical music, is to reflect, celebrate, and enrich that sovereign creative reason of the human individual, the which sets mankind apart from, and above the beasts.

That quality of potential for *sovereign creative reason* in the human individual, is that feature of man which defines the person as *imago viva Dei—in the image of the living God*. This quality is more quickly identified as the aspect of reason, distinct from, and superior to deduction, by means of which an individual scientist generates the valid discovery of universally lawful physical principle, which is the germ of a scientific revolution. In the instance of the great classical musical compositions, as from the mind of J.S. Bach, W.A. Mozart, or Beethoven, the same principle of creative reason is essential. This is also the case for all true works of classical art, such as those of Leonardo da Vinci, Raphael, or Friedrich Schiller.¹

The supplementary fact governing classical well-tempering, is the *bel canto* mode of demonstration of the natural, fixed characteristics of registration for each “species” of the healthy, properly developed human singing voice (**Figure 1**). If we look at the matter more deeply, we see the same principle in the intrinsic musicality of the speaking voice, especially as this is situated in the known historical evidence of classical sung poetry as far back as Vedic hymns from earlier than the 4th millennium B.C.

Vocal and instrumental registration

For the benefit of those readers who may not be familiar already with the empirics of voice registration, we identify the most relevant definitions to be adduced by aid of reference to Figure 1.

First, *registration*. The trained, healthy human singing voice spans a range of tones, from lowest to highest, within the ability of that person to produce beautiful tones. This entire range of the trained adult singer’s voice is divided into sub-ranges, from bottom to highest; the composition of classical song requires three such ranges, and four of these sub-ranges are often employed, at least in part, in classical scoring for the most challenging arias of the repertoire.

These sub-ranges are termed *registers*. Any trained singer can easily demonstrate the difference in quality inherent within a distinct such register.²

This brings us to *register shift*, or *register passing*. Reference the soprano voice in Figure 1. Note those points at which the voice passes from F, in the relatively lower register, to F-sharp, in the relatively higher. This is true only for C=256 (A=430-432); at A=440+, the F-sharp lies in the relatively lower register, and the register-passage is from E to F natural (except by straining the voice, and shortening the life of that voice).

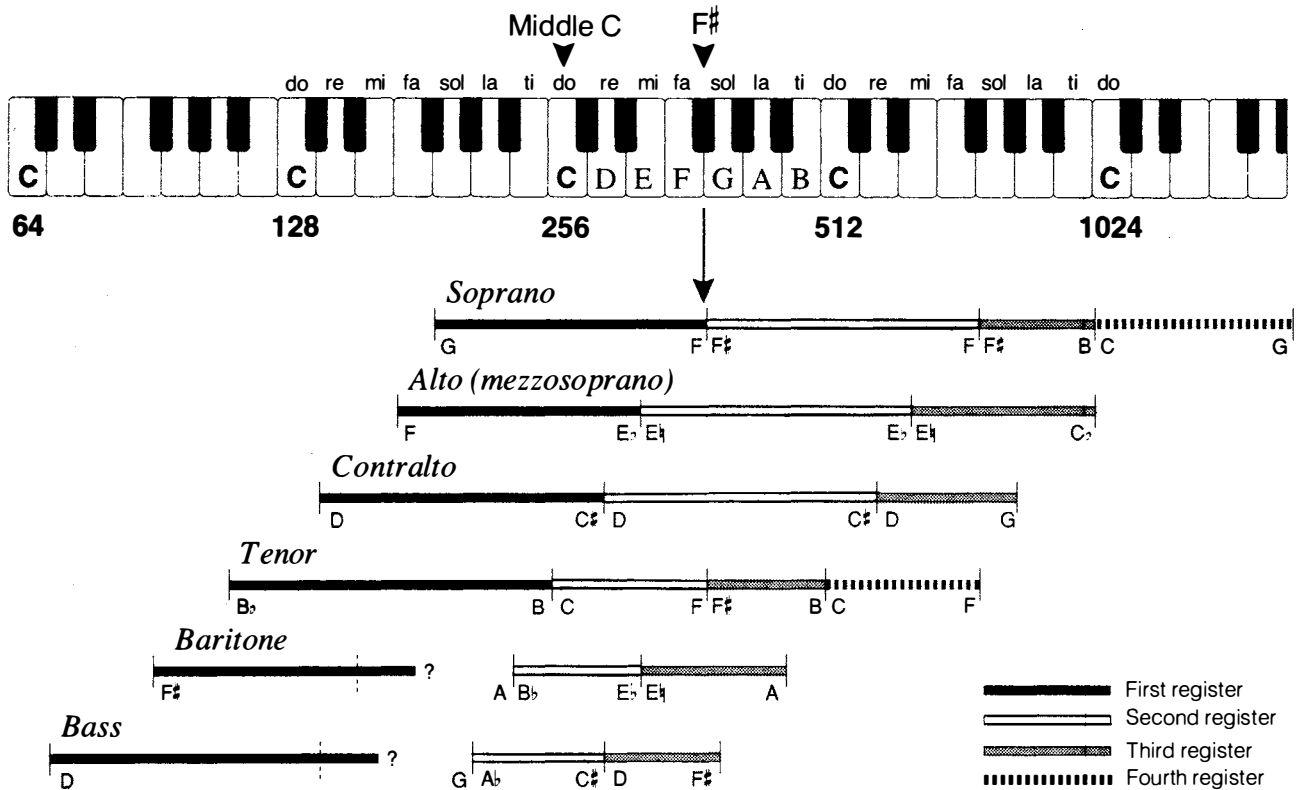
This *register passage*, as from F to F-sharp in this example, defines a kind of vocal “no man’s land” somewhere in the range between F and F-sharp. At A=430, this “no man’s land” lies somewhere between F and F-sharp; at A=440+, the “no-man’s land lies between the E and F natural.

Let us, then go back to the 15th-century Europe of the Golden Renaissance. **Figure 2** is a series of photos of carvings from the cathedral in Florence dating from the early 15th century. Those carvings show the singers in *bel canto* mode. Let us think of the predominantly soprano boys’ choruses used in the cathedral choirs of that period, and earlier. Let us situate the famous Guido’s scale in those terms of reference.

Take the central register of the boy chorister’s soprano voice as a point of reference. Let half of an octave lie in that register, and half in the register below. Thus, if the mid-point of such a well-tempered octave coincides with the relevant soprano register-shift, and if C is the denomination of the octave line, then the register-shift lies between F and F-sharp.

FIGURE 1

The six species of the human singing voice



Source: Schiller Institute research team. Ranges are based on known examples in the classical vocal repertoire.

So, the notion of G of the C scale as *dominant*, and the F as *subdominant*, are derived directly from such a construction of the bel canto-sung well-tempered scale.

In brief, what we have just represented is the evidence, based upon the empirics of ordinary *bel canto* choral practice, immediately under consideration by the musicians predecessor to Leonardo da Vinci's knowledge of existing musical-theoretical practice.

The crucial point here, is that all we have referenced, pertaining to voice-registration, is determined by *God*, not the artifice of man. All healthy soprano, alto, tenor, baritone, bass voices, and so forth, are born that way; their bel canto-added registrations are *God-given* to each and all members of that singing-voice species. Thus, once we have determined that the scale divisions between octave tones must be well-tempered, we need but know where the *God-given* values of the register shift lie, to locate the necessary, fixed values for a well-tempered classical scale.

The argument is made that some musicians are variously atheists, agnostics, or professedly agnostics. As we shall notice here, although some composers of the Romantic and Modernist factions have been overtly satanists, or atheists,

no classical musician could accept that. *Classical music*, like all great classical art, is directly motivated by a belief in a God like the Christian's God. That point will become clearer ahead; for now, it is sufficient, that we register the point.

The successful development of classical musical instruments, as for the case of such periods as circa A.D. 1500 (Leonardo da Vinci), until radical and arbitrary changes in tuning of wind instruments circa A.D. 1850 and beyond, is consistent with perfection of a well-tempered vocal polyphony pegged to C=256 cycles. As well-tempered vocal polyphony grows out of the singing of classical poetry, so the classical chart of musical keyboard and other instruments is based upon imitation of the principles of the human voice.

In short, the idea of an "instrumental music" distinct from vocal-polyphonic principles, is an anarchistic violation of classical principles which was popularized first by the Romantic enemies of Beethoven, Chopin, Schumann, and Brahms.

Notably, the great Cremona stringed instruments show conclusively, that they were constructed to be in agreement with C=256, and that they were otherwise intended to be congruent with principles of vocal polyphony. The history

FIGURE 2

Bel canto singing, as sculptured by Luca della Robbia for the choir loft of Florence Cathedral



Nora Hammersman



Nora Hammersman

of the classical pre-1850 wind and keyboard instruments is comparable. Admittedly, the reactionary incompetent Helmholtz and the confused statistician Ellis show disparity of constructed tuning among organs of the 1500-1850 period, but to the extent organs were used with choruses, the organ was adapted to the tuning requirements of vocal polyphony. Any competent keyboard performer of this period, simply tempered the keyboard score to bring the organ's tones into tuning agreement with the chorus' standard $C=256$.

The classical principle

Since I am responsible for launching, beginning about ten years ago, the present international campaign to restore classical tuning, I am obliged to account for the nature of the developments which led me to my present views on the meaning of the classical principle.

The entirety of my intellectual and related development is situated in a project which I conducted between my 12th and 17th years. At 12, I made a listing of names which I believed then to be the most influential English, French, and German philosophers of the 17th and 18th centuries: I selected Francis Bacon, Hobbes, Descartes, Locke, Leibniz, Hume, Rousseau, and Kant. I soon despised Bacon, Hobbes, Locke, Hume, and Rousseau; I chose Leibniz as the only truthful thinker of the list; and, I assigned myself the chore of constructing an original defense of Leibniz's *Monadology* against the contrary standpoint of Descartes and Hume.

It was out of this project, that my notions of classical principle emerged later, during the postwar period.

The essential philosophical issue, is that Descartes and Kant, like Aristotle earlier, reject the existence of a knowable form of creative reasoning. On this false premise, Kant and the Romantics generally, insist that there is no lawful yardstick for aesthetical beauty, and no rational aesthetics at all,

but rather only the capricious whims of both popular audiences, or the current generations of self-esteeming "professional" artists. So, the conflict between Leibniz and Kant is forerunner for Richard Wagner's satanic malice against Johann Sebastian ("Beckmesser") Bach.

The matter of defining "creative reason" is treated in several among my published writings in several languages; the recent, short book, my 1989 *In Defense of Common Sense*,² is recommended as most convenient.

Briefly, if we define a successful scientific revolution in terms of deductive forms of mathematical physics, the essential difference within science, immediately before and after the revolution, is that none of the old theorems is truly consistent with any of the new ones. There exists, thus, a *deductively* unbridgeable chasm between the old and new sets of mathematical theorems. This chasm is of the form known as a "mathematical discontinuity" or a "singularity."

No deductive mode of thought, such as that of Aristotle, or the neo-aristotelians Descartes and Kant can represent a function characterized by such "non-linear" entities as such "mathematical discontinuities." This follows.

The act of creative discovery of a more correct general scientific principle, which prompts a scientific revolution, generates thus the kind of "non-linear" singularity referenced here. The "register shift," which is the passing-over from the lower to higher register of scientific knowledge, is the act and power of creative reason. From the vantage-point of a merely deductive method, this passing-over of scientific discovery is, as it was for Descartes and Kant, an intrinsically incomprehensible phenomenon.

From the standpoint of Leibniz and his followers of the 19th century, no such difficulty exists. My own life's work became, essentially twofold. First, the discovery of a more



Nora Hannerman

adequate sort of intelligible representation of the process of successive acts of creative reason. Second, the useful applications of such improved representations.

In that state of mind, during 1947-1948, I first encountered the bestial dogma of “information theory” as presented by Professor Norbert Wiener. I committed myself to refute Wiener’s evil, neo-Kantian brutalizations of the human mental processes. To this purpose, I chose the relationship of technological progress to the increase of the productive powers of labor, as the empirical standpoint of reference for my refutation of “statistical information theory.” Hence, my original discoveries along that line belong chiefly to my profession of physical economy.

By 1952, as I completed my initial discoveries in physical economy, I was not satisfied to represent creative mental processes only as they pertain to the subject modes of mathematical physics. It was necessary to account for the role of the same powers of creative reason in classical art, for example. I was obliged to do this by my commitment to refute both of the attacks on Leibniz which Kant sums up in his *Critique of Judgment*.

My political philosophical standpoint is a coherently universalizing one. For me, the universe is defined not by assigning a fundamental role to fixed, discrete objects; *God* is essentially the *Creator*, the universe a process of unfolding *creation*, and individual *creative reason* our only map for tracing and influencing real existence in the universe. *Creation*, not discrete *thingness*, is the essence of *universal substance*; for me, *substance* is *hylozoic*.

So, in politics. As I show (afresh) in my *In Defense of Common Sense*, man is *imago viva Dei* by nature of an individual person’s *sovereign potential* for developing the *power of creative reason*, the latter the only quality which deserves the name of *reason*. A suitable form of *human life*,

is a mode of day-to-day individual and general practice which generates, disseminates, and employs the power of creative reason, to the effect of celebrating and strengthening that which sets man apart from and above mere hobbesian, lockean beasts, which is suitable for mankind as *imago viva Dei*. To do good, is to celebrate and to affirm practically the joyous fact that we are *imago viva Dei*.

Thus, true art must be confined to creative problem solving within the constraints of a powerful socratic kind of rigor, defying all *purely arbitrary* innovation. Only as art embodies nothing but that representation of creative reason—as I have defined creative reason—does art cohere with the requirement of being practice *imago viva Dei*.

So, true physical science and classical art are two independent, inseparable facets of a single, universal principle.

Emotion and art

We experience two qualities of emotions, one, the *erotic*, below the belt line, so to speak, and the other, *Agapē-caritas*, above. The difference between Classical and Romantic art, is the difference between Leibniz and Kant, the difference between the rule by Christian *Agapē* and Dionysiac *Eros*. So do would-be “Romantic” performers butcher, erotically, a classical Beethoven, Schubert, Chopin, Schumann, or Brahms score.

Those of us privileged to have effected genuine creative accomplishments know better than most, of course, that we are driven emotionally to our successes, over long periods of labored concentration-span, by a quality of lovingness consistent with *Agapē*. The lives of many of us so occupied are gripped by classical music, because nothing but the music of Bach, Mozart, Beethoven, and Schubert evokes within us those strong forces of *Agapē* essential to all successful creative work. We know, in a parallel way, that Dionysiac *Eros* is full of destruction of creative potential. By aid of those relatively exceptional qualities of relevant experience, we understand more profoundly what is essential in the transaction among the composer, the artistic performer, and the audience.

The mechanisms by which a student assimilates a scientific discovery are the same quality of mental processes by which the discovery was effected. The faculty by which the performer and audience is enabled to receive the creative work of the composer is the same power of creative reason employed to create the composition. The message of classical music is the creative process which seeks to unite the composer, performer, and audience across space and time. This message enriches the performers and audiences touched, and like successful performance of a good Schiller tragedy, sends the performer or audience from the theater genuinely enriched in their nature as *imago viva Dei*.

Notes

1. This is not true of “Romantic” or “Modernist” compositions, which, by definition, are modes of practice premised upon defiance of the “constrictive” features of the classical principle.
2. *In Defense of Common Sense*, by Lyndon H. LaRouche, Jr., Washington, D.C.: Schiller Institute, 1989.

National News

Prosecution folds in Illinois 'LaRouche' case

Ogle County, Illinois prosecutor Dennis Schumacher dropped all charges against LaRouche associates Ron Fredman, Pat Noble-Schenk, and Richard Blomquist on June 1.

Earlier in the day, defense attorney Michael Null filed a motion asking the Court to compel NBC-TV and Schumacher to produce documents and out-takes relating to an NBC Nightly News slander that featured the Ogle County case. The motion charges that Schumacher "arranged, promoted and induced" the interview and that Schumacher "stepped outside of his prosecutorial role and acted as a zealous advocate of anti-LaRouche action, giving the lie to his statements that he is not conducting these prosecutions because of the defendants' First Amendment activities and beliefs."

The motion also charges that NBC News "acted as agents and deputies of the State's Attorney."

The three associates of Lyndon H. LaRouche, Jr. were scheduled to be retried on June 4 on a total of 18 counts of robbery, theft by intimidation, and burglary. An earlier trial of the defendants ended in a mistrial when the prosecution's chief witness, Harriet Driver, had a stroke, after being forced by Schumacher—against her will—to testify for 45 minutes.

'Organic farmers' jailed for making drug 'crank'

Leading North Dakota "organic farmers" Barry and Serena Dossenko were sentenced May 31 on charges of manufacturing illegal drugs and tax evasion by federal district judge Patrick Conmy. Barry Dossenko was sentenced to four years on charges of manufacturing methamphetamine, known as "crank" or "speed" and his wife Serena to one year on charges of tax evasion. The Dossenkos have been identified to *EIR* as associates of the satanic Son of Sam cultist

John Carr in Minot in the 1960s. Satanic paraphernalia was discovered on their property during the drug raids on their farm according to police. The prosecuting U.S. Attorney referred to Dossenko as a pioneer in the organic farming movement. They are activists who publish a newsletter and head an organic farming group called "Organic Futures," which sponsors meetings and seminars.

They are active in the 'sustainable agriculture' circuit. A character witness for Dossenko was Dan Carlson, a University of Minnesota based geneticist who has invented a "miracle" fertilizer called "sonic bloom."

Oligarchs call for tax increases

Mouthpieces for the Eastern Establishment are calling for tax increases, including the *New York Times*, J.P. Morgan chief economist Rimmer de Vries, and First Boston economist Darwin Beck, among others.

"As it happens," the *Times* noted May 27, "the noble-sounding sentiments about deficit reduction largely coincide with Wall Street's self-interest," since "a tax increase might well send the stock market up further, at least in the short term."

The *Times's* lead editorial on May 27 called for tax increases. "Your taxes are going up. President Bush knows that. Congress knows that . . . and taxpayers know it too." The "fairest" way would be via the income tax, but "Bush's obdurate refusal to contemplate" that is a barrier. Therefore, the "best choice is higher energy taxes" through "a small tax on energy consumption." Another "good option," the *Times* said, is higher "sin" taxes. "Sizable tax increases need not be forbidding, but they are necessary."

The *Washington Post* claimed in its lead editorial May 27, that "environmental legislation" is the "great exception" to "America's exasperation with their government." The present clean air rules are expensive, costing \$30 billion a year, and the Clean Air Act will add another \$20 billion to that. "But despite the vociferous resistance to taxes for

other purposes, public support for the new clean air requirements remains strikingly broad and durable," the *Post* said.

NOW admits RICO use is political vendetta

The National Organization of Women admitted that its use of the Racketeering Influenced and Corrupt Organizations (RICO) law is to conduct a political vendetta. Commenting on NOW's legal assault against Operation Rescue, NOW official Patricia Ireland told the May 22 *Wall Street Journal*, "We're making every effort to hit them in the pocketbook. We know ourselves that it's hard to organize when you don't have money."

NOW won RICO suits against Operation Rescue, as a result of which the anti-abortion organization has been fined \$150,000 in New York. The fear that money will be seized by the government, has had a chilling effect on Operation Rescue's potential contributors.

G. Robert Blakely, the Notre Dame law professor who wrote the RICO law in 1971, while defending his monster, admitted, "Unfortunately, RICO is being used as a political tool and people are being brought in not for doing something unlawful on the picket line, but because they have a certain viewpoint."

Blakely fretted that "These two sides in this death struggle have grabbed this statute and are pulling it down with them."

Court rules states can't stop hydro projects

The Supreme Court ruled unanimously on May 22 that California could not impose stricter environmental standards for a proposed hydroelectric plant than those already promulgated by the Federal Energy Regulatory Commission.

The specific issue was the water flow rate necessary to protect fish and wildlife in a California river, but the implications are far-reaching.

For years, environmentalists have tried to have state and local regulations supersede federal standards, including for projects from commercial nuclear power plants to nuclear weapons production plants. Communities have tried to declare "nuclear-free zones," stop the shipment of nuclear waste through their areas, and stop other projects where local eco-terrorists claimed the federal standards were not strict enough to "protect" the environment. The decision should squash attempts at sabotaging necessary production facilities.

Dallas DEA seizes Federal Reserve funds

Dallas Drug Enforcement Administration agents seized \$25 million in cash packed in eight canvas bags from an American Airlines flight at Dallas Fort-Worth Airport, only to find that it was money from the San Antonio branch of the Federal Reserve Bank of Dallas destined for a bank in New York.

Vernon Parker, head of the San Antonio DEA, said, "We knew the cash was legitimate—it had been declared before they put it on the airplane here." He speculated that someone reported the cargo as a tip to Dallas DEA as a "suspicious cash shipment." Phil Jordan, head of Dallas DEA office, ordered the money released.

One regional banking expert commented that it might not have been a mistake. "The San Antonio Federal Reserve district is notorious for its cash surplus due to money laundering," he said. "Maybe the Dallas DEA was right, the money might have been drug money which had already been successfully laundered," he told *EIR*.

Lenders may be liable for cleanup, says court

A federal appeals court in Atlanta ruled the week of May 21 that lenders may be liable for the toxic waste cleanup costs of their clients, the *Wall Street Journal* reported May 29.

The court upheld the Environmental

Protection Agency's contention that a unit of Fleet/Norstar Financial Group, which had sold off the inventory of a bankrupt printing company in Georgia to which it had lent money, was so liable.

The *Journal* noted, "The panel said that lenders must insist that debtors comply with environmental standards as a requirement for continued and future financial support."

Boston residents sue FBI for drug proliferation

The residents of the Dorchester section of Boston, Massachusetts have filed a \$300,000 damage suit against the FBI in an attempt to recoup some of the costs of cleaning up a drug and prostitution infestation which was created by an FBI-run sting program.

The blue-collar neighborhood had successfully survived some of the worst of the drug ravages of the 1970s until a former taxi driver named Charles Matta opened up an after-hours club and brought drug dealers, prostitutes, and gamblers into the neighborhood. Matta was arrested repeatedly on gambling and alcohol charges by the local police, but the charges never seemed to stick. "He would always say, 'You can't bother me—I'll show you,'" said Dorchester police deputy Lt. Paul Bankowski.

Matta continued to operate his club even after his first guilty plea to drug possession, and only after being sentenced to 10 years on his second charge of possession did he reveal that he was an FBI informer.

FBI agent Paul Cavanaugh says "If an informant goes bad, that's a tragedy." But residents of the Savin Hill neighborhood which was ruined by Matta's clientele say, "It's the kind of thing you can imagine the CIA doing to destabilize a foreign government." Bill Walczak, a member of the local civic association told the *New York Times*, "You wouldn't think our government would do it to destabilize a neighborhood here."

On May 26, the Columbia-Savin Hill Civic Association demanded an apology and \$300,000 restitution from the FBI to pay for a special Dorchester foot patrol, two neighborhood youth workers, and for improvements at their local Boys Club.

Briefly

● **SEN. CHUCK ROBB** (D-Va.) called for "substantial revenue increases" and said, "If [Bush] proposes taxes, he'll get the necessary support from both parties," the May 22 *Richmond Times-Dispatch* reported.

● **JOAN QUIGLEY**, the Reagans' astrologer, said the stars were not right for the Bush-Gorbachov summit. "Whatever is signed June 1, 1990, at 6 p.m. in Washington, the situation will have changed within two months and diplomats will be disagreeing over it then, especially if it involves the military," she told Reuters in a May 28 interview.

● **POLLSTER** Louis Harris said in a May 23 *New York Times* commentary that "Voters are ready to hold the President accountable for our shrinking share of the global economy."

● **THE U.S. NAVY** has reopened its investigation of the explosion aboard the battleship Iowa that killed 47 sailors in 1989. Investigators told the Senate Armed Services Committee May 25 that tests show the 16-inch gun's rammer could have snapped forward, slamming faulty gunpowder bags into the barrel too hard, and exploding them into the gun turret.

● **D.C. MAYOR** Marion Barry charged the federal government may have tried to murder him. "They had me ingest cocaine, crack cocaine, which could have killed me. . . . I could have been dead now, with 70, 80, 90% pure cocaine," he told the May 30 *Washington Post* of the Jan. 18 sting operation which led to his arrest.

● **ROBERT MCFARLANE**, the former National Security Adviser, in an upcoming *National Review*, calls Caspar Weinberger's published charge that McFarlane played a key role in the Iran-Contra scam, "an outright lie."

Summitry flummery

There has been a great deal of interest in just what kind of deals would be signed or initialed at the Bush-Gorbachov summit. The truth is that whatever agreements were signed, are worth little more than the paper on which they are written.

On the one side, there is the question of just where the power now lies now within the Soviet Union. The election of Boris Yeltsin, and his rapid-paced moves toward independence for the Russian Republic, place a large question mark over Gorbachov's future as President of the rapidly disintegrating Soviet Union. On the other had, the Bush crowd hasn't got a clue about how to avert an economic crisis on its own doorstep.

Neither Bush nor Gorbachov, nor their advisers, understand enough about economics to see even their own nations' economic interests; so how can they cut a deal—dirty or not—with each other, that makes any sense, even in the medium term?

Bush and his advisers are controlled by deluded beliefs in "the magic of the marketplace," beliefs just as kooky as the more outspoken paganism of the United Kingdom's Prince Philip. Gorbachov is no more a genuine reformer than Vladimir Lenin was when he was forced to introduce the New Economic Policy which allowed a limited market economy.

The only economic policies which can rescue both the United States and the Soviet Union from the economic collapse which both face, are the policies espoused by Lyndon LaRouche. These all center around the notion of development, which in turn is a subsumed feature of the Judeo-Christian belief that man has been created in the image of God. Not unless Bush and his advisers, and Gorbachov and his advisers, genuinely committed themselves to defending the sacredness of human life, would they be capable of negotiating the kind of policies to guarantee stability and progress for either nation.

As Gorbachov himself has been at pains to make clear, it is a disastrous miscalculation on the part of Western pundits, to believe that the Soviet economic

collapse means the U.S.S.R. is no longer a military threat to the West. Such a judgement fails to take into account that the Soviet military has been protected, despite the chaotic situation in the economy as a whole, and is the only part of the economy that really functions. The same kind of blindness characterized the British government in the period leading up to the 1938 Munich agreement, when they did not believe that Hitler was economically prepared to launch a war.

We can easily be on the brink of a war by miscalculation. The chaotic forces that are being unleashed today, can create a situation which combines features of both of the last two world wars. It may not begin this year or next, but all of the preconditions of war in the first half of the decade are being put into place.

In this period, several political figures of a high moral quality, such as Lithuania's Vytautas Landsbergis and Czechoslovakia's Vaclav Havel, have stepped to the fore. The problem is that they lack the demonstrated qualification in economics which is the only guarantor for a way out of the kinds of disaster which now threaten mankind—if not war, then a globe overrun by famine and plague and the destruction of Western civilization which would follow.

In this regard, LaRouche is unique. He is the living leader today of a political faction which has spanned 2,500 years of Western history, since approximately the time of the Ionian city-states. In modern times, Gottfried Leibniz is the figure most like LaRouche, in the quality and scope of his thinking on the subject of republican philosophy and republican morality.

On the opposite side, there is the oligarchical model—the so-called Persian model. This was the model of pagan Imperial Rome. And in their separate ways, that is the governing ideology today of both the Anglo-American elite and the Soviet elite.

The fate of civilization depends upon the outcome of the combat between genuine republicans who uphold Judeo-Christian morality, and oligarchs of the stripe of Prince Philip or the just-concluded summit of fools:



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This amazing little book by one of the top leaders of Taiwan's Kuomintang party, published by Chinese Flag Monthly in December 1988, charted the course for the Chinese students' revolution that erupted just a few months later. Preface by Lyndon H. LaRouche, Jr.

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The Anti-Defamation League's top "fact finder" says she worked for CIA—but her credentials stretch all the way to Moscow.

Court revelations prove that Mira Lansky Boland, a key private player in the U.S. government's "Get LaRouche" task force, is part of the U.S. intelligence network which will do anything for Mikhail Gorbachov—a network which was first exposed by *EIR*.

EIR

SPECIAL

REPORT

The Kalmanowitch Report:

Moscow's Moles in the Reagan-Bush Administration

with a preface by Lyndon H. LaRouche, Jr.

On December 23, 1987, some were shocked at the news that Israeli playboy and arms trafficker Shabtai Kalmanowitch had been caught working as a top agent for the Soviet KGB. But it was no shock to Vice President George Bush's "secret government," which had just finished brainwashing President Reagan into swallowing Moscow's phony "peace" treaties.

For more than 20 years Moscow has been using the Israeli intelligence services as a conveyor-belt to place its agents high within the U.S. government. Jonathan Jay Pollard, who was caught passing U.S. secrets to Israel—secrets which ended up in Moscow—is only notable because he got caught: The man who recruited him, Uri Ra'anana, is still walking free, along with another of Ra'anana's students, Mira Lansky Boland of the ADL.

The Kalmanowitch Report tears the mask off this network, which has been involved in virtually every

dirty deal coming out of the White House, the State Department, the CIA, and the Justice Department during the Reagan-Bush tenure—from Oliver North's Iran-Contra guns-for-drugs deals, to the spreading of Soviet disinformation throughout the U.S. news media, to forcing Soviet Jews to become cannon-fodder for a genocidal war in the Middle East, to framing up the author of the Strategic Defense Initiative, Lyndon LaRouche.

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