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Executive Intelligence Review

November 30, 1990 • Vol. 17 No. 46

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Statesman, Philebus. IX Timaeus, Critias, Cleitophon, Menexenus, Epistles. X Laws, Books 1-6. XI Laws, Books 7-12. XII Charmides, Alcibiades I&II, Hipparchus, Lovers, Theages, Minos, Epinomia.

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EIR/Executive Intelligence Review (ISSN 0273-6314) is published weekly (50 issues) except for the second week of July, the third week of August, and first week of September by EIR News Service Inc., P.O. Box 17390, Washington, DC 20041-0390 (202) 457-8840

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In Mexico: EIR, Francisco Díaz Covarrubias 54 A-3 Colonia San Rafael, Mexico DF. Tel: 705-1295.

Japan subscription sales: O.T.O. Research Corporation, Takeuchi Bldg., 1-34-12 Takatanobaba, Shinjuku-Ku, Tokyo 160. Tel: (03) 208-7821.

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Postmaster: Send all address changes to EIR, P.O. Box 17390, Washington, D.C. 20041-0390.

From the Editor

As we put the final editorial touches on this issue during the week of the American Thanksgiving holiday, I am almost overwhelmed with gratitude to the Germans who contributed so many wonderful pages that you will read here. Even though the dark clouds of war are gathering over the world, Thanksgiving reminds us of the benevolence of God for having granted mankind the reunification of Germany just seven weeks ago. For Germany could still pick up the torch of hope and liberty for mankind and even bring America back to her senses.

I recommend you start your reading with the inspiring report on Helga Zepp-LaRouche's and her associates' electoral campaign for the national elections, now only a few days ahead in Germany, on page 47. Then, in the lead story of the *International* section, read about the role being played by Chancellor Kohl and his colleagues, in trying to put the brakes on the Thatcher-Bush war drive.

The *Feature* is an extraordinary overview of the sweep of events in the former Warsaw Pact countries over the past five years, by General Scherer, the retired head of West German military intelligence. Although it was written several months ago, the unraveling of the Soviet economy and the drumbeat for independence by the republics in the intervening period only add conviction to this by no means dated account, nor are Scherer's warnings against the bedazzlement of Western observers with Gorbachov's seeming charisma in any way lessened by subsequent events. I think you will be spellbound, as I was, by this article.

The leading item in *Science and Technology* also comes from Germany. It is a succinct refutation of the "global warming" hoax written by one of Mrs. Zepp-LaRouche's fellow candidates in the Patriots for Germany party, the scientific journalist Ralf Schauerhammer.

A few of our articles did not come from Germany: I point you to the urgent dossier on the Nazi war crimes of Ariel Sharon on p. 60, submitted with a demand for immediate U.N. investigation; and the timely interviews from Colombia and Italy, on the South American energy crisis and on the causes of the ozone hole, respectively.

By the way, you can all thank John Chambless, without whose enthusiastic and skilled efforts at rendering German into English, we would not have been able to publish about one-third of this issue!

Nora Hamerman

EIR Contents

Interviews

11 Francisco Chona

The former head of Colombia's national oil company Ecopetrol describes how the friends of Dope, Inc. sabotaged his plan for oil independence.

25 Prof. Giovanni Moreno and Dr. Bianca Melchiorri Olivo

Two Italian physicists discuss their evidence that the "ozone hole" is a result of the solar wind, and not human-caused emissions.

Science & Technology

22 There will be no climatic catastrophe

Ralf Schauerhammer, German author of *Sackgasse Ökostaat (The Dead-end Ecological State)*, systematically refutes the arguments of the "greenhouse effect" hoaxsters, who base their theories on psychosis instead of scientific method.

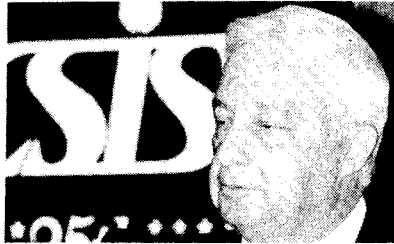
25 The ozone hole could be caused by solar wind, not by human activity

26 Mount Erebus source of chlorine in Antarctica

27 The Mozart jewel goes to auction

The recently discovered manuscripts of Mozart's C minor Fantasy and Sonata sold for \$1.7 million, but their value for gaining insight into the composer's mind is far, far greater.

Investigation



Ariel Sharon, currently the housing minister of Israel, and one of the biggest threats to world peace.

60 Make Ariel Sharon answer to charges of genocide!

Israeli warlord and Housing Minister Ariel Sharon, must be immediately investigated by the United Nations for his role in working with Anglo-American interests to foment a regional war. A dossier by Joseph Brewda on Sharon and the Anglo-Soviet intelligence networks which make him tick.

Departments

17 Dateline Mexico

Mexican industry: going, going, gone.

56 Report from Rio

Drug trade heightens threat to Amazon.

57 Andean Report

Colombian military hits FARC haven.

72 Editorial

Food for peace or food as a weapon.

Economics

4 Kissinger food weapon aimed at Soviets, Europe

The Anglo-American Establishment is telling other nations: "Either you support our Mideast war, or starve."

6 Bringing Italy into the new Europe

7 The good news of China's census

8 New Pakistan rulers caught in IMF vise

9 Philippines budgets 40% for debt service

10 Will Colombia's oil wealth go for development, or for debt?

11 'Colombia's government is being manipulated by the multitis'

Interview with Francisco Chona, former head of the state oil firm Ecopetrol.

14 Currency Rates

15 Business bankruptcies swell in Ibero-America

16 Argentines fed up with nation's decay

18 Agriculture

European farmers defend production.

19 Banking

The consolidation begins.

20 Business Briefs

Feature

28 'Gorbymania': Will the West wake up in time?

Nothing could be more strategically dangerous than for people in the West to cling to the delusion that Mikhail Gorbachov is an enlightened ruler committed to bringing Western values into the Soviet empire, argues former West German military intelligence chief Gen. Paul-Albert Scherer. Gorbachov is doomed to fail because he represents a failed system which is incapable of reforming itself. General Scherer traces 15 steps in the empire's collapse.

International

44 Europeans slow pace to war, but not enough

Pretty much everyone in Europe wants negotiations, not war, with Iraq—everyone, that is, except Britain's "Iron Lady." Will her departure convince Bush to eat his broccoli?

46 European role in Thatcher's demise

47 Helga Zepp-LaRouche pushes for seat in German parliament

50 Soviet reforms seek to stop 'dissolution'

51 Guatemala elections help 'Dope, Inc.'

52 Changing dimensions in Indian politics

India's two postwar political experiments have failed, and with no third one in sight, India is descending into chaos.

53 Moscow signals that LaRouche is once again a hot topic

Kenneth de Courcy, a "go-between" in the railroading of LaRouche, is identified by Moscow as one of their own.

58 International Intelligence

National

66 Why Bush is terrified of a real Noriega defense

If the majority of Americans ever got the real story of the Panama invasion and why Bush ordered the massacre of 4,000 Panamanian civilians, the U.S. President would be sitting in jail right now, instead of General Noriega.

68 Exposé of black slavery in Kuwait fuels opposition to war drive

70 National News

Kissinger food weapon aimed at Soviets, Europe

by Chris White

The Bush National Security Council, headed by former Kissinger Associates, Inc. official Brent Scowcroft, has reportedly blocked U.S. shipments of food to the Soviet Union in retaliation for their less than enthusiastic support for George Bush's personal vendetta against Iraqi President Saddam Hussein.

According to German syndicated columnist Peter Schroeder, a usually well-informed Washington correspondent, Gorbachov was told bluntly during his meeting with Bush in Paris on Nov. 19, that there will be no food aid for the Soviet Union from the United States as long as Moscow continues to block U.S. efforts seeking a resolution approving use of military force against Iraq at the United Nations. Schroeder's Nov. 20 column, as printed in the *Wiesbadener Kurier*, reported: "Before Gorbachov conferred with Bush, the National Security Council of the U.S.A. had already given him the *pay-back* for the *brakeman's* role of the Soviets who can veto any United Nations resolution: Planned American food aid to the citizens of the Soviet Union has been called off for the time being."

As of Nov. 23, the United States stood alone among advanced sector nations in not signing on to the Western package of winter emergency relief which is now being negotiated for the Soviet Union. This package could be worth up to \$10 billion; Margaret Thatcher's government had committed \$10 million, underlining who stands where.

German-Soviet cooperation the real target

The substance of the report involves more than the question of winter food help for the wreckage of the Soviet economy. It is also a devastating rebuttal of Bush administration propaganda about what is at stake in the Gulf crisis, and why U.S. forces have been deployed.

It is documented, from shipping reports out of Great

Lakes and Gulf Coast grain facilities that U.S. shipments during the months of August, September, and November collapsed dramatically. Shipments valued at only \$11 million were exported from U.S. ports to the Soviet Union during the month of August, compared to more than \$330 million in June.

If the shipments of food began to dry up in August, the reason cannot simply be the lack of Soviet co-operation in the Gulf crisis. The official in charge of the U.S. policy toward the Soviet Union in this matter is Undersecretary of State Lawrence Eagleburger, the number-two official under Secretary of State James Baker, who was given the responsibility about four months ago, at the end of July.

This points to the likelihood that the policy Schroeder reports, of withholding food from the Soviet Union, was actually going into place before the Iraqi invasion of Kuwait. However, it is well-documented—for example, in *EIR's* special report entitled "Bush's Gulf Crisis: The Beginning of World War III?"—that the Iraqi invasion of Kuwait was brought about by manipulation of Iraq and Kuwait. U.S. Ambassador in Baghdad April Glaspie was informing Saddam Hussein, days before the invasion, that the U.S. viewed Iraq's disputes with Kuwait, including territorial disputes, as an inter-Arab matter. During the same period, CIA officials were advising the Kuwaitis to stand firm. So, the policy of drying up food shipments to the Soviet Union was being cooked up at the same time as the war in the Gulf.

What changed between June, when the U.S. food shipments were comparable to those of the year before, and August, when they began to collapse, was the Anglo-American view of the emerging relation between Germany and Gorbachov. In mid-July, Gorbachov and West German Chancellor Helmut Kohl met in Gorbachov's hometown near the city of Stavropol, to work out their agreements on the process of

German re-unification and on the complementary aid package which re-unified Germany would extend to the Soviet Union. That meeting, portending the emergence of the unified economic power of the Eurasian land-mass feared by Anglo-American geo-politicians over the course of the century to date, set off alarm bells in London and Washington. The shut-off of U.S. food aid, beginning in the aftermath of the Gorbachov-Kohl discussions, shows that, far from the food shut-off being an expression of personal pique over non-cooperation over the war threat brought into existence in the Gulf, changing the international agenda by threatening 60% of the world's known oil reserves was the Anglo-Americans' response to the Kohl-Gorbachov agreements.

U.S. food exports drop before Iraqi invasion

Where U.S. food exports are concerned, this pattern is clear. In August, the value of U.S. farm shipments to the U.S.S.R. tumbled to \$11 million from \$391 million in June, according to the U.S. Department of Agriculture. Since early September, U.S. exports of corn have fallen 40% from a year earlier. Last autumn's exports were especially high due to heavy Soviet buying. About 25% of the corn exported from the U.S. last year went to the Soviet Union. The U.S. has reduced the export volume by not offering government export-credit guarantees to the Soviets. This is contrary to what other major food exporters have done; Canada, France, Argentina, Spain, Germany, and Italy have maintained such guarantees. U.S. exporters claim this has cost them 6.35 million metric tons of grain sales since Oct. 1. Wheat prices in the U.S. are slumping, from over \$4 a bushel in early 1989 to about \$2.75 today.

Ships out of the Great Lakes port of Duluth, Minnesota have loaded only half as much spring wheat this year as they did in 1989. At export terminals in New Orleans, Louisiana, grain shipments are down by one-third since October 1989. This has forced some of the big grain facilities to cut shifts in half and close down for several days.

"The pace the U.S. is on for September, October, and November is very similar to the dismal pace of 1986," said the top economist at one of the nation's biggest grain exporters. "It's very, very slow."

"This year the fall rush simply didn't materialize," said Davis Helberg, executive director of the Seaway Port Authority in Duluth. "It's the slowest since the depression in world agricultural trade."

A President prepared to risk war in the Middle East and the lives of the hundreds of thousands of U.S. troops sent there, in order to defend his own image and to oppose the economic alliance emerging between re-unified Germany and the Soviet Union, which represents the best available means of pulling the U.S. itself out of the depression spiral down which it is heading, is insane.

Opposite to the Anglo-Saxon part of the world—Britain, Canada, the United States, Australia, and New Zealand—

continental Europe, together with Japan, has protected itself from the lunacies of the doctrine of the post-industrial society, under which policy especially U.S. in-depth capabilities have been taken down over the last 25 years. Co-operation between continental Europe and the East, in the "Productive Triangle" design developed by economist Lyndon LaRouche, provides the most rapid means to generate the economic growth which would turn around the world economy as a whole. Under Bush and his former spine-stiffener Margaret Thatcher, the United States and Britain are rushing toward war to protect the presumed rights of their elites to plunge the world economy into the depths of depression.

Food war against Europe

If the shut-off in food to the Soviet Union is part of the policy package which created the war crisis in the Gulf area, then so, too, is what the United States and Britain are demanding of their allies at the current General Agreement on Tariffs and Trade (GATT) talks.

U.S. food cartel operative Clayton Yeutter, speaking in Sweden as U.S. Secretary of Agriculture, attempted to brow-beat the Europeans into submitting to Anglo-American demands that they abandon policies which foster food production. Yeutter's masters grabbed 60% of the world's oil reserves with the deployment into the Gulf, and they intend to be the world's sole suppliers of farm products also. "My fortnight of talks around Europe have left me very pessimistic about the outcome," Yeutter blustered. "We need a substantial movement by the EC [European Community] on their proposals if any farm deal is going to be acceptable to the U.S. Congress. At present their proposals are unacceptable to almost every other country in the world." Yeutter threatened that "The level of confrontation would rise in the absence of success."

Desperate to bend the Europeans to their will, U.S. officials are invoking the specter of "a more active role by Congress"—massive protectionism and punitive trade retaliation—if the current round of GATT talks fails. The grain cartels are leading this effort. Executives at the American Soybean Conference in mid-November said that a wheat subsidy war between Europe and the U.S. was inevitable if the talks fail. A blatant example of Anglo-American thuggery was a remark by Robert Lim, a trade policy official of the Australian High Commission, that the last major U.S.-EC wheat subsidy war in 1986 cost the Argentines most of their wheat export income, equivalent to their entire debt service obligations.

A spokesman for Cargill U.K.'s European operations, David Nelson-Smith, bluntly declared, "We're in for a period of trade wars and unilateral action which will take place on both sides."

This is the kind of insanity out of which world wars are made, for essentially the same reasons which produced the two earlier world wars of the century.

Bringing Italy into the new Europe

by Giuliana Sammartino

"I am a nuclear engineer who just got my degree from the Turin Polytechnic, and I am forced to work in marketing. All of my classmates are in the same situation. We in Italy risk ending up without the skilled cadres, without the 'brains' we need for the technological challenges which Europe is posing to us. Will we become like Russia? Pretty soon, will we have to import specialized technicians from abroad?" This question was put to Pierfranco Faletti, a member of the board of directors of the Italian national power company ENEL, during the conference, "Italy and the Infrastructural Development of Europe," organized in Milan by the Schiller Institute on Nov. 12.

The audience peppered the speakers with questions and comments, all prompted by faith in science and technology, and distrust and anger toward the politicians who have let Italy abandon nuclear power and are not buckling down to meet the nation's great infrastructural needs. Coverage of the meeting was aired over television channel TG3 in Lombardy. A wire story was run by the financial daily *Il Sole 24 Ore*, and an excellent report appeared in the daily *Avvenire*.

Marco Fanini, vice president of the Schiller Institute, said in his keynote that, thanks to the fall of the Berlin Wall and the reunification of Germany, new tasks can be defined for the Europe of '92: "Thinking back on the debate which unfolded in recent years, Europe '92 was being configured exclusively as a fusion between banks, insurance companies, and financial empires. Today instead, the emphasis has been shifted to the need to free our whole productive potential to rebuild the economies of East Germany, Czechoslovakia, and Poland. . . ."

"Transportation routes and infrastructure are the key elements in the Schiller Institute proposal to create a Productive Triangle in the heart of Europe, a proposal developed by the American economist Lyndon LaRouche, who is so disliked by the U.S. government that it has found no better way than to imprison him for alleged financial crimes." Fanini pointed to the favorable moment for Europe, which could become the "world's locomotive" now that the American economy is grinding to a halt, the U.S.S.R. sinks into the abyss, and the Third World cannot rise out of its underdevelopment.

"LaRouche's European Productive Triangle proposal aims to reinforce, with further rail transport infrastructure,

the areas with the highest skills and industrial, intellectual, and productive density. This triangle runs to the north from the area around Paris, via the Ruhr region to Berlin, and from there to Vienna. Thus the main lines of passenger and freight traffic would shift from North-South to East-West. Off this triangle would branch the various corridors of development, including the southward spiral arm to Italy."

Engineer Pierfranco Faletti, a well-known advocate of nuclear energy, started his speech by scoring Italy's energy "vulnerability." "Unlike Japan which from 1973 to the present has cut its dependency on imported oil from 80% to 60%, by developing its own nuclear plants, Italy has increased its dependency on foreign crude from 67% to 81%." Yet, the ENEL official revealed, Italy's per capita electrical energy consumption is one of the lowest among industrialized nations, at three-quarters of the U.K.'s, two-thirds of Japan's, and only one-third that of the United States.

As if it were not enough to block future nuclear plants in Italy, Faletti said, the anti-nuclear lobby "wanted to become the hyper-first in the class to get drastically out of nuclear, by renouncing even the important nuclear garrison which was made up of the Trino Caorso and Montalto power plants." By ENEL's figures, the shutdown of these plants cost ENEL 43 trillion liras (\$38 billion)—the present entire value of ENEL's holdings.

New tunnels through the Alps

Architect Marco Sartori, who is in charge of the great projects office for the Lombardy region, remarked that "in Italy anyone who talked about high-speed travel was seen as a Martian, a visionary. Today it seems that with the second commissioning of the State Railways, high-speed systems have come back into their own, but we still must free ourselves of the Roman, provincial approach to problems which waits for the tunnels—the basis of our integration into Europe—to be built by others!"

All the tunnels which pass through the Alps were conceived and built in the second half of the last century. This year's freight volume carried beyond the Alps was some 100 million tons. Within a bit more than a decade, this figure is expected to double. Now, after the East bloc revolutions, we have to add to these projections the greater volume of traffic deriving from exchange with the East—which could grow to 50 million tons per year, Sartori said.

In the postwar years we built roads, but these are now overtaxed. Currently 65% of freight is carried in trucks, and only 35% by rail. Obviously we must increase rail traffic. We must build at least one or two new rail tunnels, and build them to last, with the same foresight our forefathers had. So they should not be too small, but big enough to let the new containers through, which get bigger all the time. Larger tunnels are desirable too, because the bigger the dimensions, the greater the chance of using them for "high-speed" passenger transit.

The good news of China's census

by Mary McCourt Burdman

The results of Communist China's just-completed Fourth National Census are a big factor in the current leadership crisis in Beijing, which could well become a life-or-death crisis for the regime. The census results, announced Oct. 30, showed that as of June 30, China's population was 1,133,682,501, and had grown by 16.5 million in the previous 12 months.

Population control, with eugenics or "improving population quality" as its theoretical underpinning, has been one of the fundamental commitments of the insane Communist regime since it took power in 1949. The Chinese communists are committed malthusians, but with a twist: The Chinese Communist Party (CCP) can only hang on to power if China's peasants, 80% of the population, are kept backward. Agriculture must be kept primitive, and the food supply—and the population—therefore limited. The State Council had to admit that despite the good harvest of 1989, the amount of grain harvested fell 20 kilograms per person when compared to the record production year of 1984. Grain production per person in 1989 was less than 400 kilos, and the bumper harvest this year, although 6% bigger than last, will barely suffice for a population 16 million larger.

Failure of the malthusian program

The Communists' population control effort is not working. In 1980, the CCP introduced its one-child-per-couple law to limit population to 1.2 billion by 2000. It will now be "arduous" to keep below 1.25 billion by then, the official newspaper *People's Daily* stated Oct. 30. At his press conference on the census results Oct. 31, Zhang Sai, deputy director of the State Council Census Committee, had to admit that the population count of 1.133 billion exceeded the projection of the Seventh Five-Year Plan, which ends this year, by 15 million. Even this figure is most likely too low. A random recount in sample areas showed those areas were undercounted by 0.6%, according to data released Nov. 1.

The census was not done only to get a head count, but also to track down the 100-150 million itinerant workers and their families who move from city to city looking for work—and do not register their children, known as China's "black babies." Their number was estimated at 60 million by the

Shanghai Youth News 18 months ago. Zhang was confident that most "black babies" have now been counted, but journalists for China's state media are reportedly skeptical, due to rumors that the census actually found the population to be 1.38 billion or higher.

Zhang claimed that the discovery of 15 million extra people was "not unexpected," due to "overestimation of China's ability to implement birth control measures and the slackening of implementation of family planning in rural areas for a while." He claimed that China faces a "baby boom" of 15-17 million births a year until 1996, concluding, "Therefore it will be necessary to carry out the family planning policy strictly."

Strictness is already in force. In May, Beijing announced it would enforce stricter limits on births in minority populations, including Xinjiang and Tibet, where there has been rebellion. As of Aug. 1, new regulations in Shanghai, China's largest city, will fine any couple with more than one child *three times* their yearly income. By mid-October, the Population Policy Research Group issued new laws: For each forbidden child, rural families will be fined their yearly income for 14 years.

There are reports that forced abortions and sterilizations, rampant in the early 1980s, are again being carried out on Tibetans and inside China proper. Abortion is the most common method of "birth control" in China, and a doctor running a birth control clinic in Sichuan province, interviewed by the *San Francisco Chronicle* this past summer, would say only that abortions were "very seldom" forced on women who did not want them.

Such horrible measures are consistent with Chinese CP "theory." Party head Jiang Zemin and Prime Minister Li Peng wrote to the Chinese Family Planning Society on its 10th anniversary May 28: "Family planning is our country's long-term, fundamental policy. It proceeds from China's conditions and is based on the Marxist theory that a nation's population must be adapted to its material production. Family planning in our country must be geared to controlling population growth and, at the same time, raising the quality of the population through the promotion of eugenics to push forward socialist modernization. What you are engaged in is a glorious and great cause of far-reaching significance."

Population collapse

The report of the 15 million extra children is actually the best news to come out of the census. The additional children may help offset the disaster the CCP is causing—the collapse of the population. Already, China's over-60 population has increased much faster than the general population, and is now 8.2%. Beijing predicts that it will increase at a rate of 3% each year for the next 40 years, creating an unsupportable burden on the work force. Unmarried men now outnumber women by 10 million between ages 29-49, due to selective abortion of female fetuses and even female infanticide.

New Pakistan rulers caught in IMF vise

by Susan Maitra and Ramtanu Maitra

Within 10 days after assuming the office of prime minister this month, Mian Nawaz Sharif raised petroleum prices by 41.5% and natural gas prices by 41%. He also announced increased tariffs for both electricity and railways. According to available estimates, these price rises push Pakistan's inflation rate during this fiscal year into the 15-20% rage. Some political analysts have pointed out that there is a distinct possibility that the steep price rises may propel people into the streets, making it the winter of discontent in Pakistan.

Hiking petroleum and natural gas prices and electricity and railway tariffs is the first of five prescriptions recommended by the International Monetary Fund (see *EIR*, Nov. 2, 1990). Weeks before the Oct. 24 general elections, the IMF had laid down these diktats, and it was a foregone conclusion that whoever assumed power in Islamabad would have no choice but to submit. Finance Minister Sartaj Aziz—who was acting finance minister in the caretaker government under President Ghulam Ishaq Khan that took power following the Aug. 6 dismissal of Benazir Bhutto's government—had indicated that the petroleum price would be raised by about 20%, and not the 41% demanded by the IMF. But the new prime minister not only acceded to the Fund, but has given an extra 0.5%, perhaps as a bonus.

U.S. aid in jeopardy

Prime Minister Nawaz Sharif's decision to satisfy the IMF at the cost of his own people will hardly help him to stabilize his government. U.S. lawmakers, meanwhile, have made it clear that the \$500 million-plus annual economic and military aid packages to Pakistan will not be forthcoming with presentation of the necessary certification from President Bush that Pakistan does not possess a nuclear weapon.

Under the terms of the Pressler Amendment to the foreign aid bill, certification of Pakistan's non-nuclear status must be presented to Congress by Oct. 1 each year, or aid will be terminated as of that date.

Needless to say, the aid hiatus has caused a fuss in the new government.

In a letter published in the Nov. 19 issue of the Lahore-based English daily *The Nation*, U.S. Ambassador Robert

Oakley was constrained to explain that the definition of "possession" used both by the United States executive and legislative bodies applies to components of a nuclear device, not only to an assembled device. Ambassador Oakley also pleaded helplessness on George Bush's part: The U.S. Congress did not accept the President's proposal that it approve a delay in applying the Oct. 1 automatic suspension so as to keep the issue out of the Pakistani elections. On Oct. 2, Rep. Stephen Solarz (D-N.Y.) had written Bush that "I had the impression that Pakistan would no longer be eligible for this Pressler Amendment certification. According to press reports over the past few days, it appears that the President has now come to the same conclusion. . . . Under these circumstances it would appear that we have no choice but to terminate all U.S. assistance to Pakistan as required by law."

The aid suspension is hitting hard. Pakistan already faces an acute shortage of foreign exchange. The foreign exchange reserves are at the lowest point in years. The political ramifications for U.S.-Pakistan relations, if aid is shelved, could be significant. Some of the leaders of the ruling Islamic Ittehad Jamhoori (IJ), during the last elections, spoke stridently against overdependence on the United States. The same politicians, now in power, have shown a classic schizophrenic tendency. They lambast the United States for stopping the aid and, at the same time, crow that Pakistan, being a sovereign nation-state, has the right to make nuclear bombs.

Drug traffickers in the National Assembly

Prime Minister Nawaz Sharif's prostration to the IMF is not the only unseemly post-election development. Equally ominous is the presence of two prominent heroin-peddlers from the Federal Administered Tribal Agency (FATA), bordering Afghanistan, in the National Assembly. Both were elected in the last elections as backers of the ruling IJ.

Of the two, the more notorious is Haji Ayub Afridi, chief of the Zakakhel clan. His marbled palace in Landi Kotal near the Khyber Pass is mute testimony to Haji Ayub's success with heroin trafficking to the West. In May of last year, there were rumors that Haji Ayub's palace would be raided, but the government, which has little control of the FATA, backed down when it found thousands of Kalashnikov-toting clan members guarding the chief's fabulous palace. Haji Ayub is reportedly close to Lt. Gen. Fazle Haq (ret.), a close associate of Prime Minister Nawaz Sharif and the strongman in the North West Frontier Province (NWFP). The previous Pakistan People's Party government had slapped drug-trafficking charges against Fazle Haq, but they were dropped suddenly, reportedly following a meeting between Fazle Haq and Ambassador Oakley.

The second drug trafficker now in the National Assembly is Haji Lal Karim, elected from Bajour near the Afghanistan border. The authorities in Bajour claim that a raid last May resulted in the seizure of one ton of opium and the destruction of Haji Lal Karim's house.

Philippines budgets 40% for debt service

by Lydia Cherry

On Oct. 29, the Philippine government announced that it would set aside nearly 40% of its 1991 budget to service domestic and foreign debt. The announcement was made following a "budget summit" between Filipino government and congressional leaders who, acting upon orders from the international financiers on whom the country is dependent, agreed to cut back the 1991 budget. The International Monetary Fund, World Bank, and the U.S. and Japanese governments have been variously pressing the Philippines to accept the supposed necessity for cuts in government spending, a currency devaluation, tax increases, and an oil price rise—measures which are being adopted one by one and which run the risk of making the country ungovernable.

In the 1991 budget, now cut back from \$11.55 billion to \$10.58 billion, debt service is set to eat up \$4.18 billion or 39.5%, Philippine Budget Secretary Guillermo Carrague announced. In 1990, the debt-service appropriation was 37.7% of the budget.

Calls for debt moratorium fizzle

In late summer, there were numerous calls and legislative activity on limiting debt payments, by congressional leaders and the leadership of the powerful Catholic Church in the Philippines. As the overall economic situation has rapidly ratcheted downward over the last three months, these calls have become more muted. "We should have called for a debt moratorium in 1980, or certainly by 1986. Now it's useless; there's no money to pay the debt anyway," Makati businessman Antonio Valdes told *EIR*.

Numerous natural disasters have befallen the Philippines, over and above Thatcher and Bush's Gulf adventure, which by itself would have decimated the Philippines economy. Valdes predicts that without substantial financial assistance from the nation's creditors within the next month, there will be transportation and food riots and labor strikes. Food shortages and potential food riots, he thinks, may occur before the end of November in the second-strongest industrial region after Manila, Cebu City.

Of the various Philippine cities hit by a typhoon Nov. 14, Cebu was the worst hit—the storm sank 57 vessels. It is

expected that, as a result of the typhoon, the area will not have electricity for the next three months. Water shortages are also expected, because Cebu's water comes from deep wells, and there is no electricity to pump it up. The Mactan International Airport in Cebu is now open only in the daytime because it lacks the electricity to supply the lights for landing at night. The airport cannot afford its own source of electricity. Two days after Typhoon Ruping hit, Max Soliven, the publisher of the *Philippine Star*, was quoted by the *Washington Times*: "It's like gravity is taking over and pulling the country down, down in a spiral. The gravity is starting to take control."

Peso devalued

In a move described by the *Bangkok Post* as "politically risky," the government of President Corazon Aquino devalued the peso by 8% on Nov. 2, raising the cost of a dollar from 25.75 to 28 pesos. The country's foreign creditors, including the World Bank and the IMF, had asked for the devaluation as a condition of further loans. The devaluation will almost certainly mean higher gasoline costs and inflation. A few days before, President Aquino had warned that the move was coming, in a radio broadcast on Manila Radio Veritas: "We really are in a very difficult situation. On the oil imports alone, we will be having enormous problems. And also with the earthquake and the drought, plus the power shortages that we experienced this year, this has caused a tremendous burden on our budget deficit."

The Philippine government has less than a month's supply of gasoline. Since the Gulf crisis hit, many orders for oil have been made and canceled, Valdes notes. "It's not an oil crisis here, it's a financial crisis; there is no foreign exchange to buy it." The shortage of oil is compounding the "brown-out" problem in metropolitan Manila, where from two to four hours each day, companies and offices were being shut down, even before the shortage of oil.

With higher oil prices expected and rationing already started, panic is setting in around metro Manila. During the second week in November, huge lines formed at gasoline stations throughout the capital, as a government plan went into effect to limit sales and save fuel. Aquino ordered the three oil companies to curb sales by 10%. Under the order, service stations will receive supplies every 10 days. Pedro Lobos, vice president of the Philippines Petroleum Dealers Association, is quoted by Bangkok's *The Nation* noting that if the panic-buying continues, the 10-day supply will be gone in two or three days.

The World Bank, IMF, and other major creditors however, are emphasizing only that the Philippine population must "bite the bullet." The *Bangkok Post* quotes one foreign banker: "It has not sunk in yet that they have a major crisis looming. . . . Filipinos have not yet realized the magnitude of the problem." This banker's major complaint is that the government has not yet raised oil prices to \$40 a barrel.

Will Colombia's oil wealth go for development, or for debt?

by Javier Almario

A huge brawl has erupted in Colombia between those who want to preserve the Colombian oil company Ecopetrol as a state enterprise for national development, and those who want to privatize it and pay off part of the country's foreign debt with the proceeds. Behind the attack against Ecopetrol is the Bush administration, which wants to seize all of Ibero-America's oil and incorporate it into the strategic U.S. oil reserve.

On Oct. 31, in an article published in the Mexican daily *El Financiero*, the managing director of Kissinger Associates, Alan Stoga, wrote that Ibero-America "has enormous untapped potential in hydrocarbons which, properly developed and financed, could translate into a substantial increase in production. . . . The most productive way to accomplish this would be to open up Latin America's energy sectors to foreign investment."

Similar sentiment is expressed in a "Study on Energy Cooperation in the Western Hemisphere," prepared by the U.S. Department of Energy, which says that pressure should be used toward the privatization of Ibero-America's energy sector. According to the Mexican daily *Unomásuno* of Nov. 15 and 16, the study says that "in exchange for private capital's access to the strongest energy industries, such as Mexican and Venezuelan oil and Colombian coal, the United States proposes an increase in the necessary investments," something which the study claims can only be done through the private sector.

A plan of liberation from the multinationals

In Colombia, the defense of Ecopetrol is headed by its former president Francisco Chona, who asserts that his policy is "nationalist." As Ecopetrol's director, Chona refused to permit the company's financial resources to be used to pay the foreign debt, for which reason he was removed in 1988. In a conference sponsored by *EIR* on Oct. 29 in Bogotá, Chona charged that "what they want to do is sell Ecopetrol in bits and pieces, like Carlos Menem is doing in Argentina in selling Yacimientos Petrolíferos Fiscales in little pieces."

Chona was named Ecopetrol's president in August 1986, after having worked for the company for 24 years as a petroleum engineer. He designed the plan "Ecopetrol 2000," whose objective was to use the oil for the accelerated economic development of the country. As part of his plan, he

created the Ecopetrol Exploration Fund (Fexpetrol), which began to take 10% of oil export income to finance national oil exploration so as to guarantee the country's independence from the oil multinationals.

In the accompanying interview, Chona charges that because his plan was abandoned, and because of his successors' zeal to export petroleum at all cost and without reinvesting in exploration, Colombia will be faced with the prospect of *importing* oil as of 1992, when a probable Middle East war could drive the oil price up to as much as \$100 a barrel. Chona explains that the country's proven oil reserves are rapidly diminishing, and that while the government is stripping Ecopetrol's exploration funds, the multinationals want still more concessions from the government. The result, laments Chona, is that barely 30% of the national territory has been explored.

"Ecopetrol 2000" also proposed construction of a refinery that would have been capable of processing the nation's crude oil, thus eliminating the colonial legacy whereby the country exports crude petroleum but imports processed products such as gasoline and oils. One of the plan's projects was to construct both an oil and gas pipeline from La Guajira to Bogotá, to use natural gas for domestic consumption. Chona himself promoted the Tarpel Societies for national distribution of fuels, which is now controlled by Exxon and Texaco.

The plan further foresaw investment in a series of advanced petrochemical projects. Toward that end, Ecopetrol funded a research center for petroleum technology, and carried out several studies to determine how national industry could participate in the construction of such technology.

Chona was removed in 1988. "My development philosophy is nationalism. That is why I had this confrontation, because the Colombian political class believes that the oil doesn't belong to the Colombian people but to them, and I wanted to change that scenario," says Chona. He says he owes his nationalist education to former Ecopetrol president Mario Galán, father of the political leader Luis Carlos Galán who was murdered by the drug cartel in August 1989.

Mario Galán was removed as Ecopetrol's president in 1974, when the newly elected President of Colombia Alfonso López Michelsen took office. López is today known as the "political godfather" of the drug traffickers.

‘Colombia’s government is being manipulated by the multitis’

by Javier Almarío

EIR: Why is it that Colombia has oil-producing neighbors, and yet no oil is found here?

Chona: Mexico and Venezuela have the advantage of nationalized oil exploration, through the state companies PEMEX and PDVSA. Colombia, which has depended on the oil multinationals, has not even explored 30% of its territory. I am certain that if oil were sought in the other 70%, it would be found.

Mario Galán [father of the assassinated political leader Luis Carlos Galán], who was president of Ecopetrol for 20 years, had a very nationalist policy. He wanted to raise the company to PDVSA standards, to PEMEX standards, but in a very elegant way, without dispensing with foreign investment, through business dealings which were both delicate and ethical. And so, he told the companies: It is not profitable for you to exploit those concessions, so sell them to me. And he set me to studying the purchase of those concessions. Then we bought COLPET, where I began as a worker; we bought Casabe, we bought Orito. The purchase of those concessions during the Galán era notably strengthened Ecopetrol. The purchase of the Cartagena refinery was the final negotiation carried out during Galán’s term.

That was the management which did the most to strengthen Ecopetrol. Beyond this, Galán had carried out major investments in expanding the refining capacity of Barrancabermeja, and also the expansion of petrochemical production.

EIR: Galán was president of Ecopetrol until the Alfonso López Michelsen government came in in 1974. . . .

Chona: With the advent of the López administration, there was a total change in Galán’s nationalist plan. López said: “Just a minute. No more nationalism. No more nationalizations, no more buying of oil fields.” The first thing López did was to change the whole structure of the company. He dumped Galán, he dumped the vice presidents, and imposed a new philosophy. López said: “We are going to raise prices.”

López raised the prices of crude, and of course with the price hikes, those concessions which had not been profitable for the multinationals . . . became profitable again. The López epoch was critical because we had to import petroleum. In 1975, imports began and lasted until 1985. The whole López government was a government of imports.

EIR: López began to pay international prices for the oil that the multinationals produced in Colombia, at the same price as if it were imported.

Chona: Yes, as of 1976 we began to pay the international price for oil produced in Colombia. This was already a desperate measure. Because the multinational companies told the government, “As long as you have controlled prices, there will be no exploration in the country.” And that measure, of paying international prices for the crude discovered in Colombia, remains the policy today. When one speaks of the oil bonanza that is filling the coffers of the oil-producing nations, one must make this distinction.

Colombia *is* an oil-producing nation at this moment. But Colombia does not own all the oil that is exported, nor does it own all the oil it produces. In August of this year, for example, 462,700 barrels of oil per day [bpd] were produced. Let’s look at whose oil it was. About 89,500 bpd are Ecopetrol’s; 315,700 bpd are from the “associations,” that is, are produced in association with Ecopetrol; and 57,400 bpd belong to the companies that have concessions to produce crude. Of the 315,700 bpd, 40% or 126,300 bpd belong to the associated multinationals. During August, the amount refined was 241,000 bpd. What was their makeup? Direct participation from Ecopetrol was 89,500 bpd, while the concessions provided 57,400. That gives us 147,000 bpd. If we subtract those 147,000 bpd from the 241,000, that leaves us 94,000 bpd of oil that had to be bought from the multinationals to complete the refining quota. The rest is exported.

The exports are 200,000 bpd, of which 100,000 belong

to Ecopetrol. But note that the 94,000 bpd had to be paid for at international prices, while the 57,400 bought from the concessions had to be paid at 53% of the international price. Thus, the 100,000 bpd that Ecopetrol has to sell at the international price is compensated with what Ecopetrol has to buy from the multinationals to complete the refining quota, 94,000 bpd.

Outside of this, Ecopetrol has to import gasoline. So, Ecopetrol's balance—which in the end is the country's balance—is neither interesting, nor productive, nor very profitable, if we want to speak in economic terms, because one must pay for crude produced here inside the country at international prices. Beyond this, we have to import gasoline at international prices. In fact, the most interesting profit Ecopetrol makes is in the export of fuel oil, which, through August, was an average of 66,000 barrels per day. In effect, these exports of fuel oil are the net profit that comes to oil-producing Colombia.

Despite accepting the pressures of the multinationals, Colombia only became self-sufficient and an oil exporter in 1986, with the discovery of the Caño Limón reserves by Occidental Petroleum Co. But Caño Limón is not eternal. It has been operating for five years now, and, as of 1991, will begin to decline and the country will be faced with the problem of importing crude oil.

At this moment, the growth of Colombia's oil reserves has been negative. That is, instead of growing, they are dwindling. This is a factor which should concern us. In the past two years, there has been a tremendous decline in reserves. For example, in 1989, some 147 million barrels were extracted and only 47 million more were discovered, meaning that reserves declined by 100 million barrels. If we estimate that an average 450,000 bpd will be extracted in 1990, that means that during the year, 164 million barrels will be extracted, and yet during the same year only 25 million barrels of reserves were detected and registered. This means that we have reduced reserves by approximately 140 million barrels. I estimate that if the country had 2.2 billion barrels in reserves in 1988, we are going to end 1990 with reserves on the order of 1.8 billion barrels, and it will continue to decline.

At this moment, the policy is to produce a lot of dollars no matter what the cost, because crude is currently going at very high prices and the only thing that matters is producing more dollars. Although extraction is going on, no investment is going into exploratory activity, which is what builds reserves. . . .

EIR: Is this the result of not having applied the Ecopetrol 2000 program?

Chona: Exactly. That plan is not being carried out. I know the entire history of petroleum in Colombia. I know that what is most important is technology, which continues to be taboo in our oil industry—"only the white Northern races are capa-

ble of having technology." This is not true. Technology is acquired by whoever wants to have it. But one must have a purpose: to want to have it.

Therefore, under this development plan Ecopetrol 2000, a technology institute was created—a technology institute in which we would have to invest money. We had to search out the best people, the best human elements, to go to France, Germany, England to understand these technologies. Because those who have technology, sell it; it's a business. Then we began to see results: Putumayo was an abandoned region, and the first group—made up of French and Colombians—did a study of Putumayo and got results. . . . Later, we got a private Canadian company to offer us help and to study the oil basins, one by one.

The results were inconclusive, because they were never finished. That institute also was suspended.

EIR: How did Ecopetrol International function?

Chona: Ecopetrol International was the best thing of all, because everyone is always talking about dependencies, especially in terms of markets. . . . At that time, many steps had been taken in Latin America toward economic integration: the Andean Group, ALALC, ALADI, etc. I said, "Only the multinational companies, and in this case, the state companies, can achieve economic integration." So, I met with the presidents of the major Latin American state companies and told them, "Let's do this." And everyone liked the idea. We were going to exchange technology and to do business with each other. What does Colombia know? Well, we know how to do *this*. What do you know? We know how to do *that*. We'll do an exchange.

EIR: When was that meeting?

Chona: There were various meetings in succession in 1987. From them emerged Ecopetrol International. The President of the Republic [Virgilio Barco] made it easy. He invited me to a border meeting in the Amazon with Peruvian President Alan García. I went to the meeting. For Alan García, one of the points on his agenda was petroleum. All the foreign companies had pulled out of Peru, and there was no exploration going on. So I proposed to him that we form a binational company between Peru and Colombia, to carry out the exploration that Peru needs. That gave me the opportunity to get out a decree signed by the President, and facilitated the creation of Ecopetrol International, of which the binational company was to be a subsidiary. It was created. But . . . there it sits. The fear was so great—because this country is not accustomed to thinking big—that events then took place leading to my retirement from Ecopetrol.

EIR: And what happened to the refinery?

Chona: The plan included construction of the refinery. From the moment I became president of Ecopetrol, I began to work on the refinery. I kept introducing the subject of the

refinery, and it was approved by the President of the Republic, by the board of directors of Ecopetrol, by everyone. I had approved the refinery. It was going to be built then, in 1988. But certain interests were out to stop it. Why was the refinery inconvenient? Because, apart from being an installation that was going to produce the gasoline we import today and will continue to import for many years, the refinery was going to be an export regulator, because they had to sell me the crude oil to supply the refinery, and the business the state was going to carry out was going to be profitable. I bought crude and sold processed products. Then the exporter of that crude was going to be the state. The multis were well aware what that was all about; the state didn't understand, but the multis did. That is why there was such opposition. The fact is that this is a government manipulated by the oil multinationals.

EIR: And what about the gas pipeline that was part of the Ecopetrol 2000 plan?

Chona: A gas pipeline was also proposed. A gas pipeline that would have been the salvation of this country, because it was to have brought gas to Bogotá. If that gas pipeline had been built, it would not have been necessary to raise the cost of electricity because the majority of the people would have switched to gas cooking, and gas is extremely cheap compared with electricity. The demand for electrical energy

would have fallen, and logically people would have paid for electricity for illumination, but not for cooking. That project was also halted.

Now I can very clearly see the deception today behind the *la apertura* [free-trade opening of the economy—ed.] and privatization. It is very clear: We are going to do what Mr. Carlos Menem in Argentina did, which is selling off [the state oil company] Yacimientos Petrolíferos Fiscales in bits and pieces. They have just sold a field that produces 300,000 bpd and has 2,900 oil wells to a group of foreign companies. It wouldn't surprise me if one of these days we were told that the refinery will be built by such and such a multinational company, in association with certain sources of capital. It seems that there is much questionable capital in this country, that is going to enter, or is hopeful of entering. . . . The profitable companies, those which are yielding profits, are the targets of that capital. It is very sad that a company which produces results, gets sold.

EIR: One part of your plan was the creation of an Ecopetrol Exploration Fund.

Chona: That fund, Fexpetrol, was created to avoid dependence on anyone. Rather, the fund was to be financed by taking the income from 10% of all of Ecopetrol's exports, and would have that to put its hands on, especially in the period when there weren't going to be exports, so the fund

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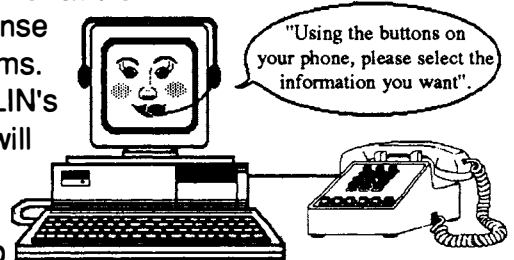
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would have the wherewithal to respond and execute a plan that was already operational. Then, the government came along and said it needed the money from the exploration fund because the international entities would not lend to the Finance Ministry of the [previous Virgilio Barco] government, and so they availed themselves of Ecopetrol. I told the government that if they let me proceed with my plan, for each dollar invested, I would return two in the future. The government didn't understand. They needed the money *now!* The government said, "We are not going permit the refinery, nor exploration, nor the pipeline, nor distribution. Foreign capital will do it."

EIR: In other words, the exploration fund was used to pay the debt?

Chona: Money was taken from Ecopetrol to build highways, and for many other things—for example, to finance the National Rehabilitation Plan. And what remained of Fexpetrol was given to FODEX [Fund for the Payment of the Foreign Debt]. Ecopetrol was forced to buy dollar-denominated paper of the Central Bank, and these funds have yet to be returned to Ecopetrol. And another thing to keep in mind is that Ecopetrol's debt will soon have to be refinanced, and it has nothing to pay it with because all of Ecopetrol's resources have been taken. In addition, Ecopetrol is currently managed by someone who knows nothing about oil. So, everything leads to the privatization of Ecopetrol.

EIR: One of the conflicts you had when you were president of Ecopetrol was over the handling of the state coal company Carbocol. Did you want Carbocol to become a dependent of Ecopetrol?

Chona: At that time, the manager of Carbocol was Andrés Restrepo Londoño, the current Ecopetrol president. As was his custom, he was managing the company at a loss. Note that 50% of Carbocol's assets were Ecopetrol's.

So, Carbocol's management and the government were considering the sale of Carbocol to a multinational company, because they had nothing to pay its \$540 million debt to the U.S. Export-Import Bank with. I told them, "Don't sell it to the multinationals. Let me buy Carbocol." That way, Ecopetrol—an efficient company which turned a profit despite everything being squeezed out of it—would have owned 97% of Carbocol, and would have administered the country's coal in an efficient manner.

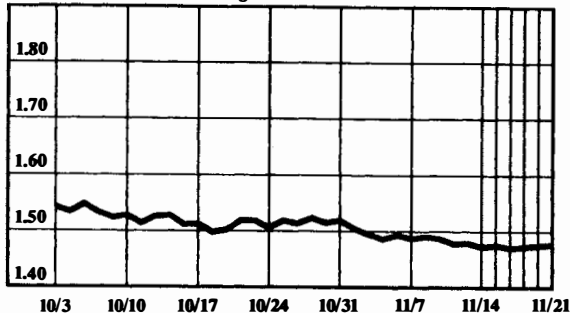
But it would appear that the political class doesn't like efficiency. They wanted Ecopetrol to take on Carbocol's debt but to stay out of its management. The political class doesn't like efficiency.

I am convinced that they have determined to sell Ecopetrol, but they are going to sell it the way they sold the national railroads, like junk. They want to sell Ecopetrol, but first they want to steal it blind. And they will sell it when it has been completely looted.

Currency Rates

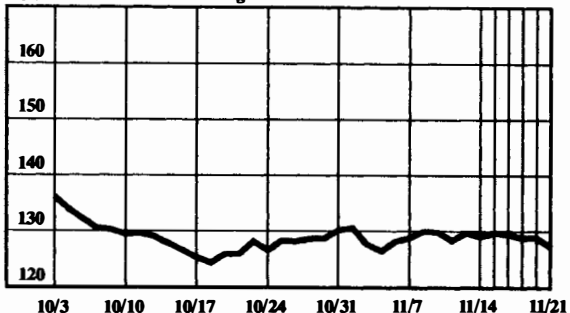
The dollar in deutschmarks

New York late afternoon fixing



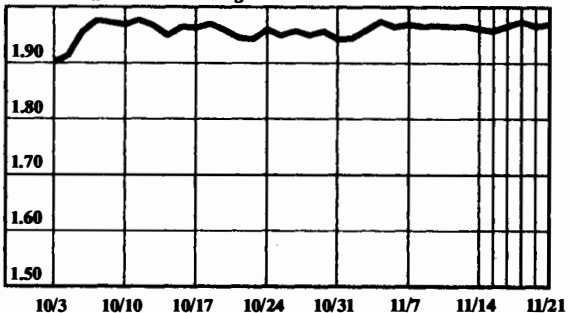
The dollar in yen

New York late afternoon fixing



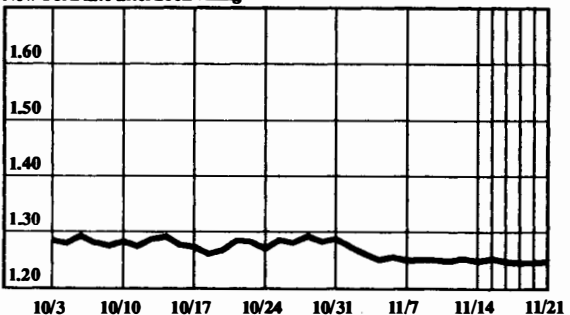
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



Business bankruptcies swell in Ibero-America

by Mark Sonnenblick

A wave of bankruptcies is hitting the business sectors of the principal countries of Ibero-America, as a result of International Monetary Fund- (IMF) dictated domestic credit policies combined with the Bush administration's insistence on British-style "free market" economics. In the wake of the bankruptcies, foreign multinationals are moving in to buy up the pieces, a nickel on the dollar.

The pattern is similar from Mexico to Argentina to Brazil. In São Paulo, Brazil, where most of South America's industry is located, 33 companies filed for bankruptcy in October, according to the *Wall Street Journal*—five times the recent monthly average.

Under IMF and Bush administration pressure, Brazil's government has cut off credit to the economy, forcing up interest rates. Industrialists and other believers in the "free market economy" were sold this "shock" policy as "the only way to stop hyperinflation." Inflation did fall from 84% monthly in March to 3% in April, but it is expected to be back up to 17-18% in November. Applying monetarist measures, the central bank drove up interest rates on the free market to 23-27% for the month of November. That works out to real interest rates of 5-10% per month, or 70-200% annually.

Mario Amato, president of the powerful Federation of Industries of the State of São Paulo, is one of those businessmen who supported the monetarist policies. Now, Amato accuses the government of leading business into "a trap. Businessmen believed in low inflation and low interest rates, borrowed money to invest, and are now having to deal with unheard-of real interest rates."

The collapse has hit all sectors of private enterprise in Brazil. The big machine-makers, operating at only 10% of capacity, are folding. With the \$60 a month minimum wage insufficient even for basic food requirements, sales of other goods are drying up and retail store chains are buckling. Even speculators such as cocoa traders are filing for bankruptcy, unable to roll over bank loans they took to hoard cocoa.

Buying up the bankrupts

The multinational sharks are moving in for the kill. In the case of cocoa, the trade is being taken over by cartel companies such as England's ED&F Man trading house. "The multinational companies have the distinct advantage of possessing independent overseas financing. They don't have

to worry about whether the local banks are loaning money to cocoa exporters or not," one trader noted.

Public sector companies are faring as badly, or worse. Under pressure from international creditors, they are being driven close to bankruptcy, and then auctioned off cheaply, in many cases in exchange for the country's heavily discounted foreign debt paper. For example, Embraer, the big Brazilian Air Force-run airframe manufacturer, is now on the chopping block. On Oct. 31, a third of its work force was fired and executive salaries cut in half. Rumors were that that was to facilitate a takeover by British Aerospace.

The J.P. Morgan investment bank arranged for a similar sale of Argentina's state phone company a week ago, and S.G. Warburg is auctioning Mexico's huge state steel company, Sidermex, including one of the world's most modern steel plants. Since the debt crisis began in 1982, more than \$38 billion of Ibero-America's \$450 billion foreign debt has been exchanged for productive assets.

The U.S. Establishment media are reporting the buyouts as if Ibero-America is being flooded with fresh new foreign investment. For example, the Nov. 19 *U.S. News and World Report* feature, entitled "Bullish on Latin America," proclaimed that "foreign investors are flocking back because of the brighter prospects for growth," reporting that foreign investment in Ibero-America is expected to jump 40% this year. But the article failed to mention that almost none of it is *new* investment; foreigners are simply buying up existing plant and equipment.

The prized state-run oil companies are the biggest target. An October 1990 U.S. Department of Energy report entitled "Western Hemisphere Energy Cooperation," argued in the name of "the reliability and security of the energy supply" that Mexico and Venezuela must open their oil reserves to the Six Sisters oil cartel in order to obtain the capital to develop them. They must, the DoE argued, "institute programs of deregulation, privatization and reliance on market forces, which will in turn direct energy trade and investment flows."

Voices are being raised in sharp opposition to these "bankrupt 'em and buy 'em out" policies. Teófilo Núñez, the editor of the leading Venezuelan daily *El Universal*, told a television interviewer on Nov. 18: "The creditors are going to take over the companies. . . . Many Venezuelan businesses have lost their investments and have had to hand them over to foreign creditors. . . . Toyota here was a car assembly company 100% owned by private Venezuelan capital. Today it is Japanese. The owners were forced to hand over the plant."

The Mexican Bishops' Conference similarly charged Nov. 13 that in the free trade treaty the Bush administration will negotiate with Mexico next year, "we are not dealing with Sisters of Charity but with sharks who will try to eat us up by all means at their disposal. . . . The country could be subjected to a new form of disguised slavery."

Argentines fed up with nation's decay

by Cynthia R. Rush

Argentine press sources report that during the 35-minute audience held with President Carlos Menem in late October, Pope John Paul II expressed his concern over the extreme poverty faced by many Argentines, and lectured Menem on the need to make changes in economic policy. According to the Nov. 1 issue of the intelligence weekly *ABC Político*, the Pontiff also warned that "moral deterioration"—a reference to the government's notorious corruption as well as to Menem's personal behavior—is what leads to the type of economic crisis now existing in Argentina. The Pope has reportedly received detailed reports on the national situation from the country's bishops.

The Pope's warnings apparently fell on deaf ears. On the recommendation of the World Bank, on Nov. 19, Menem signed a decree authorizing the "rationalization of state sector companies," which will lead to mass firings of public sector employees, shutting down of several public companies, and the beginning of a new round of privatizations. In October, the government achieved a \$300 million Treasury surplus, \$100 million above what the International Monetary Fund (IMF) had demanded. According to the daily *Clarín* of Nov. 4, the government attained this goal by maintaining a "rigid wage policy, and by the finance undersecretary [responding with] a resounding 'No!' to the provinces and the health and social action sectors." Saul Bouer, the finance secretary in question, says he intends to make no concessions on his "rigid" wage policy.

A report in the Nov. 11 issue of Brazil's *Jornal do Brasil* reveals the cost to the Argentine people of such policies. Ramon Dano Medina, economics professor at the University of Tucumán in northern Argentina, says that poverty levels in the province's rural areas, where the economy depends on the now-collapsed sugar industry, "are like those of Africa or northeastern Brazil . . . lack of schools and malnutrition are creating a new generation of slave laborers." In another northern province, Jujuy, 47% of households live below the poverty line. Each year 900 new cases of tuberculosis are reported, almost all of them fatal because of lack of medical attention. The school year has been reduced to 75 days, because teachers are out on strike the rest of the time.

Carlos Menem says that the crisis afflicting the provinces is due to the fact that the local governments haven't done a good enough job in applying economic "adjustment." His advice to government officials who meet with him, according to the Nov. 7 issue of *Somos* magazine, is to disregard protest: "Cover your ears and go ahead and do what you have to do."

Moral outrage

The citizens of Argentina are repudiating the IMF's policy of sacrificing living standards, health, education, and other vital services to guarantee foreign debt payment. Demonstrations protesting economic collapse, non-payment of wages, or demanding wage increases and better social services, occur almost daily around the country. But protest is now also increasingly addressing issues like corruption, nepotism, and government abuses, which citizens see as a sign of the disintegrating moral fabric. Argentines are rejecting the institutions and political parties they see as responsible for the current crisis.

Although the government is nominally Peronist, the Peronist governors and legislators in the provinces are getting trounced. In Jujuy, citizens fed up with the corruption of Gov. Ricardo de Aparici, and the non-payment of wages, held a huge public meeting which forced him out of office shortly thereafter, chanting the slogan, "The people want to know what's going on." In Chubut, in southern Argentina, Peronist governor Nestor Perl was also forced out of office by angry citizens.

In Tucumán, people are rallying behind the gubernatorial candidacy of retired Army Gen. Antonio Bussi. Bussi served as governor under the hated 1976-83 military junta and gained notoriety when he gathered up all the beggars in the capital city and deported them to neighboring Jujuy. One local analyst referred to him as a local version of Peruvian President Alberto Fujimori. He is getting support now, because people see him as untainted, and independent of the existing political establishment. Bussi has also indicated that he has ambitions for the 1995 presidential race.

For two months, thousands of citizens in the northern province of Catamarca have joined in silent marches to protest the rape and slaying of a 17-year-old student, Marí Soledad Morales, apparently by members of the provincial security forces. From an initial demonstration of 2,000 people, the marches have now grown to over 30,000—one-quarter of the inhabitants of the provincial capital—and are held every Thursday. Sister Marta Pelloni, principal at Marí Soledad's school, explained that, as brutal as the young girl's slaying was, people are thinking beyond this issue: "The crime against Marí Soledad was a drop of water. . . . Catamarca is tired of abuses, of corruption, and of the nepotism of the Earth's powerful." The latter is a reference to the Saadi clan which has ruled the Catamarca province for years, and whose members hold most of the top posts in the provincial government.

Mexican industry: going, going, gone

Bush's policy means only one thing for Mexican industry: First bankrupt 'em, then buy 'em out.

Pepsi Cola's takeover of the Mexican consortium Gamesa signaled the wave of the future for Mexican industry.

Gamesa was one of Mexico's leading producers of pastas and cookies, and it controlled the purchase of a significant percentage of the national wheat crop. As its principal stockholder, Alberto Santos de Hoyos, declared, if it had not been sold to PepsiCo, its only alternative would have been to drastically cut back operations due to lack of financing, lack of market, and unfair competition because of the duty-free imports of the very products Gamesa produced.

Under the Free Trade Agreement being negotiated with the United States, this will be the future of Mexican industry: Either shut down or be taken over by U.S. companies.

This is already happening. In what has come to be known as the "international war of the Colas," Coca Cola company has also begun its takeovers in Mexico, but in a different manner from that of its rival PepsiCo, which, through the takeover of Gamesa, now controls the majority of the junk-food market in Mexico, as well as part of the production of wheat flour, potatoes, and chicken.

Coca Cola is now repurchasing its own bottlers and distributors, concessions which for years had been majority controlled by the infamous Monterrey Group. The carbonated liquid is packaged through the conglomerate Visa, in glass bottles produced by another Monterrey conglomerate, Vitro. Plastic bottles and labels are produced by the petrochemical division of the conglomerate Alfa.

Alfa produces for the manufacturers of soft drinks, and controls a major part of the secondary petrochemical industry and all exports of polyester used in the production of videotapes in Japan. Vitro melts glass for bottles, and produces the majority of the glass used in the automotive industry, as well as glass exports. Vitro has been a disguised property of the U.S. firm Anchor Glass Co. for over a year.

By repurchasing the stocks of its front companies, Coca Cola will end up controlling a substantial part of Mexico's secondary petrochemical industry along with those international markets recently sold by the Mexican government.

Other "Mexican" groups are not faring as well as the Monterrey Group. DESC, for example, with more than 50 member companies, has announced its reorganization, with an eye toward the imminent U.S.-Mexico Free Trade Agreement. Its primary industry, Resistol, SA, already has problems in the national market because of the unrestricted import of glues and adhesive tapes. Resistol is seeking to "associate" with its U.S. competitors—selling itself to them.

The Mexican division of Bayer (the German pharmaceutical firm with Mexican managers) is seeking U.S. partners to corner its own export niches. It wants to export Alka-seltzer, aspirin, cold medications, digestive aids, products that have been hard hit by the uncontrolled import of foreign competitors. The advantage Bayer had enjoyed in controlling a large percentage of the Mexican market for more than 60 years stemmed from its

cheap product "presentation" (labels, flavorings, publicity, etc.). With the Free Trade Agreement, that advantage will end, and Bayer of Mexico will end up being absorbed by the U.S. pharmaceutical industry.

The story is the same in the automotive sector. Eight months after the Dina Group—one of the largest producers of heavy transport vehicles in Ibero-America—was privatized, the Mexican "businessmen" who acquired it, Consorcio G, have already been displaced, and ownership is now being fought over between FAMSA-Mercedes Benz and Chrysler.

Aeromexico, the airline which less than two years after its reprivatization had to be rescued from bankruptcy by the government, has expelled the Mexican economic groups Bachoco and Protexa from its board of directors and has recently announced its association with Polaris, Inc., a subsidiary of General Electric. GE now controls part of Mexico's aerospace sector.

Industrias San Cristobal (one of Mexico's largest paper and cleanser manufacturers), suffered a collapse in sales due to the lifting of import controls on toilet paper, tissues, diapers, sanitary napkins, industrial disinfectants, soaps, etc. San Cristobal is now owned by the U.S.'s Scott Worldwide, the major supplier of cleaning goods to U.S. factories, schools, and public buildings. Its subsidiary, Rubbermaid, is taking over the Mexican market in hospital instruments and materials, capturing the market from the "national" monopoly of more than 50 years, Kimberly Clark, a U.S. company whose Mexican owner is Claudio X. González, adviser to the presidency on foreign investment.

With the Free Trade Agreement, Mexican producers are disappearing along with the longstanding company fronts of the multinationals.

European farmers defend production

Farmers in Europe are fighting "free trade," GATT, and to protect the food supply; will U.S. farmers fight?

Plans are afoot in Europe for 20,000 farmers to block the highways to Brussels on the eve of the Dec. 3 General Agreement on Tariffs and Trade (GATT) talks of the U.N. This follows protest actions by thousands of farmers in Paris, France, Geneva, Switzerland, and other cities during November. On Nov. 12, about 10,000 demonstrated in Milan, Italy where two cows showed up at the deluxe Galleria on the Piazza del Duomo.

The proposals on the agenda for GATT include drastic cuts in a nation's right to support its farmers and secure its food supply.

To date, there have been no protest actions within the Anglo-Saxon bloc of nations—U.S., Australia, New Zealand, Canada—whose leaders have led the charge in the GATT for slashing farm income and for ending national rights to set farm and food policies. However, the recent collapse in farm prices and the fierce new measures against farmers in the U.S., Australia, and other nations, are creating the potential for a fight.

The new five-year farm bill passed by the U.S. Congress cuts various already low farm supports by over 25% at a time when grain prices are plunging. Wheat prices are at record lows. Soybean prices, which at harvest were about \$6 a bushel, fell to \$5.30 a bushel in the first three weeks of November. The price of corn at harvest was about \$2 a bushel, and has dropped by 15¢ in the same period. Though prices for hogs and cattle are up, many farmers no longer have livestock.

Minnesota farm leader Andy Olson compares the current situation

to the mid-1980s. "In 1985, farm bankruptcies and crises were precipitated by a cut-off of credit. Loans were called. Banks squeezed. Today, the squeeze is led by the low prices. In 1985, there was a clean-out of highly leveraged farm operations. Today, the crisis is price-related. But, credit issues will feed on it and blow it up."

The protest mood among European farmers is akin to that in the U.S. which inspired the 1979 tractorcades to Washington, D.C. Since that time, however, U.S. farmers have been subdued by the barrage of 1980s propaganda about "free trade" being the solution to their plight, and by a network of counterinsurgents deployed to demoralize and confuse them. However, there is a mood of farm revolt against all the policies in Washington, including Bush's Mideast war drive.

In every farm county, families are being hit directly by the Gulf deployment, in addition to the higher fuel prices and fall in exports and crop prices because of food warfare. Many families have been forced onto food stamps now that the head of their household has been sent to Saudi Arabia in the call-up. In Iowa, a 43-year-old farmer who has been in the National Guard in order to get the income for "grocery money" for his family, was just shipped out. Before he left, his farm neighbors pitched in to help haul the man's livestock to slaughter. His situation is typical.

On Nov. 9-10 in Kansas City, Missouri, a number of farm groups held a "Rural Strategy Summit," attended by 200 people, to confer on the

farm crisis. There was broad sentiment against GATT and against the Mideast war designs. However, the grouping that ran the proceedings focused on only rear-guard strategies. Instead of opposing the GATT altogether, the proposal called for Washington to reject any international trade agreement that would phase out farm programs or reduce U.S. farm income. Farmers were urged to support new legislation to prevent any "fast track" approval of any treaty that emerges from GATT talks.

When challenged by members of the audience, National Farmers Union president Leland Swenson refused to oppose the GATT institution outright. He later announced that the NFU plans to take a big delegation to Geneva to the December GATT talks.

There was talk of a protest action in Washington, D.C., and a date was moved up from March to December. However, Merle Hanson, who heads up the farm front of the Socialist International (called North American Farm Alliance) and who chaired the conference, offered only warmed-over "militancy as usual," even on the immediate war danger.

The follow-up mailing from the "Rural Strategy Summit" focused instead on removing Clayton Yeutter as Secretary of Agriculture, and on preventing the re-election of Rep. Kika de la Garza (D-Tex.) as chairman of the House Agriculture Committee.

Many who attended the event will find the policy fight they are seeking on Dec. 15-16 at the international teach-in against war in Chicago, hosted by the Schiller Institute's Food for Peace group—its fourth international conference since its founding in 1988. Resistance leaders from around the world will meet with hundreds of U.S. students, farmers, and other citizens on how to stop the war craze and create peace through economic development.

The consolidation begins

The post-election restructuring of the U.S. financial system has begun with three major policy changes.

Having successfully propped up the tattered hulk of the U.S. financial system through the elections, the Bush administration is now moving rapidly to try to control the blowout which is in progress.

The administration's strategy, if one may call it that, is to launch a rapid consolidation of U.S. manufacturing companies, banks, savings and loans, and securities firms into huge multifaceted financial conglomerates, which can then be kept afloat by looting the taxpayers. It is a British Empire-style approach, in which the primary aim is to protect the economic and political power of the Establishment elite, no matter what the cost to the citizens—or more properly, subjects.

One of the first steps in this consolidation is the elimination of the savings and loan system, transferring its nearly \$1 trillion in deposits into the hands of the commercial banks. That was the real intent of last year's Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA), which was presented as a "bailout" of the thrifts.

The government recently made its intention quite clear, when Timothy Ryan, the director of the Office of Thrift Supervision, addressing the 98th annual convention of the U.S. League of Savings Institutions on Nov. 12 in San Francisco, told the thrift executives that the OTS has decided to make it much easier for allegedly healthy thrifts to convert to commercial bank charters. Prior to the election, the conversion process was quite lengthy and complicated, but a

new reading of FIRREA has revealed that direct conversion is possible, the OTS announced.

Thus far, the OTS said, 22 thrifts have converted to commercial bank charters, and 22 additional applications have been filed. The procedural changes announced by the OTS will dramatically speed up this process. Once a significant number of large thrifts have made the conversion, the bankers and their press mouthpieces will begin beating the drums to eliminate the thrift system altogether, with the banks taking the deposits and valuable assets, leaving the losses to the Resolution Trust Corp. and the taxpayers.

In another post-election move favoring the large banks, the Federal Reserve has lifted restrictions which prevent bank holding companies from offering holders of their credit cards reduced fees and interest rates—provided they open accounts or take out loans at the holding companies' banks. Previously, holding companies which issued credit cards from separate credit card banks were able to offer such discounts only to customers of those particular banks.

This change greatly benefits the big money-center banks, particularly Citicorp and Chase Manhattan, the biggest credit card issuers of the lot. Not only does it make it easier for them to persuade their millions of credit card holders to abandon their current banks and open up accounts and take out loans with them, but it also makes it even more lucrative for them to buy the credit card portfolios of their smaller competitors.

A third major post-election change concerns the ability of commercial banks to deal in securities. Ever since the Great Depression, when banks unloaded worthless securities on their unsuspecting customers, banks have been prohibited from securities trading. These restrictions have been steadily eroding, evidenced by the recent decision to allow J.P. Morgan and Co. to resume such activities.

This process was advanced Nov. 9 when the Federal Reserve gave permission for CS Holding, the holding company of Crédit Suisse, Switzerland's third-largest bank, to buy a majority of CS First Boston, a major United States securities firm. This marks the first time since the 1930s depression that a commercial bank has been allowed to own majority control of a securities firm, opening up a wide breach in the Glass-Steagall Act and the International Bank Act of 1978. Where Crédit Suisse goes today, American banks will go tomorrow.

Driving this move is the bankruptcy of the securities industry, where firms have been forced to initiate severe operations and personnel cutbacks, and where some of the biggest names in the business, such as Prudential-Bache, Shearson Lehman, and Kidder Peabody, have been forced to seek massive cash infusions from their corporate owners.

While each of these moves is presented as an unrelated event, taken together they form a clear pattern. These individual acts are part of a coordinated strategy to completely transform the U.S. economy into a Mussolini-style corporatist structure, wherein financial power is consolidated in the hands of a few institutions, which are in turn protected by the full power of the U.S. government, which means, ultimately, the hides of U.S. taxpayers.

Business Briefs

Municipal Crisis

Philadelphia unions to buy city junk bonds

Philadelphia's unions may bail the city out of its budget crisis by buying municipals which are presently rated at "below investment grade," the designation for junk bonds.

By a vote of 11-6, the Philadelphia City Council has authorized the municipal pension board to lend money to the cash-strapped city by purchasing its bonds. Notes issued by Philadelphia, which is in a nightmarish budget crisis and has the lowest bond rating of any major city in the country, would normally be unacceptable to the retirement fund system, since pension fund managers are legally bound to make their investment decisions by very conservative standards that stress prudence and risk-avoidance.

The city unions are divided over the issue. Firefighters are committed to fight the new ordinance in court, while two councils of the American Federation of State, County and Municipal Employees (AFSCME) supported the enabling legislation, although they are undecided about support for actual purchase of the bonds.

Industry

'Post-industrial myth' attacked in France

Seven of France's leading industrial spokesmen have issued an attack on "post-industrial society" policies, attributing the collapse of the British and American economies to their pursuit.

The attack appeared in the Nov. 13 *Le Figaro*, under the headline, "The New industrial imperative," with the subheadlines, "The myth of the post-industrial society," "Renaissance of the 'real' economy," and "Our efforts and our results are insufficient." It is signed by the presidents of seven industrial federations—the chemical industry, machine tools, textiles, metallurgy and mining, agro-industry, auto makers, and electric and electronics.

They write, "We want to denounce the myth of the 'post-industrial' society, which, for 20 years, has been a powerful factor for the demobilization of energies to the detriment of industry." A new boost must be given to industry in France, they say, especially as "the 20th century has been the century of industry," and industry has been "the instrument of progress, capable of assuring to people more security, more well-being, and more independence."

It continues, "Today, the countries that find themselves most committed to the 'post-industrial' path, are in economic decline: the U.S.A. and Great Britain. Conversely, those who have made industry a national priority dominate the world economy: Japan and Germany."

The article was written in preparation for a Nov. 14 Paris convention on "The New Industrial Imperative."

State Budgets

Massachusetts counties sue state for unpaid rent

Twelve of the state's 13 counties have banded together to sue the state over a claim for \$15 million in rents due for use of county-owned courthouses. The state has replied with a compromise offer of \$7.5 million, but says it cannot afford to pay the full amount.

County officials have already cut back on maintenance expenses in many courthouses. Without full payment of rental fees, some counties will become insolvent in January or February, said Paul R. DeRensis, the attorney for the 12 counties. The rental fees make up a large portion of the total revenues collected by the counties, he said.

Environmentalism

Small companies target of new regulations

Amendments to the U.S. Clean Air Act, the renewal of the Clean Water Act next year, and

the updating of the federal toxic waste law, will put more of the emphasis of "pollution control" on small businesses, the *Wall Street Journal* reported Nov. 13. The measure of the burden is quite dramatic:

- The International Fabric Care Institute reports that non-polluting dry-cleaning equipment costs between \$30-40,000 per machine. Adding control devices to existing equipment costs \$8,000 per unit.

- The Printing Industries of America reports that small commercial printers, which have never been regulated before, will need permits under the new Clean Air law, and firms may have to spend \$15-20,000 per year to continuously monitor their emissions.

- The American Furniture Manufacturers Association says a factory with \$11 million in sales could face at least \$3 million in new capital costs for pollution-control systems and operating costs.

- In California, which is the "pace setter" for state-mandated environmental regulations, the Los Angeles South Coast Air Quality Management District now monitors 67,000 small business, watching violations in activities such as the charcoal grills used by restaurants.

Unlike the Fortune 500-size companies in steel, chemicals, and electric utilities which were the environmentalists' targets over the past two decades, little companies which can afford neither to pay fines nor meet the new standards will simply be driven out of business.

Finance

BIS says Gulf crisis threatens world economy

A new Bank for International Settlements report warns of a danger to the world financial system posed by the current crisis in the Persian Gulf. The Basel, Switzerland-based central bank of central banks, states, "Events in the Gulf could have serious repercussions on the world economy and the stability of the international financial system."

The report cites a "cumulative interaction" between an economic environment worsened by the surge of oil prices, and a continuing con-

straint on the ability of banks to lend at a time of high demand for credit. The report echoes BIS general manager Alexandre Lamfalussy's warning in October of an international "credit crunch."

According to the report, there is "some evidence of a slowdown in the underlying growth of international bank lending."

Dope, Inc.

Europe facing cocaine epidemic

"Illegal exports of Latin American cocaine to Europe have jumped sharply this year, and some experts estimate they are running at almost twice their 1989 level," reports the Nov. 16 *Wall Street Journal*. The finding echoes the report in the Nov. 9 *EIR*.

"According to U.S. narcotics officials and Latin Americans familiar with the cocaine trade, overproduction of cocaine leaf and a stagnant U.S. market have caused a major export drive to Europe. U.S. experts estimate that Europe consumed about 90 tons of cocaine last year. Extrapolating from seizures in the first nine months of this year, they forecast the 1990 figure at between 160 and 180 tons.

"The Europeans are where we were 10 years ago," said a U.S. Drug Enforcement Administration official. "They are facing a cocaine epidemic."

The DEA official noted that drug exporters weren't confining themselves to Western Europe. "They are also looking at Eastern Europe, which is virgin territory for cocaine."

The Budget

Deficit a symptom, not the cause

"The budget deficit is not the cause of our ailing economy, it is a symptom," wrote former U.S. Undersecretary of Commerce Robert Ortner in

the Nov. 18 *New York Times*. "By focusing on the deficit, our leaders found political accommodation, but they did not begin to address the economy's actual short- or long-term problems, let alone solve them. In fact, the budget agreement could actually make our economic situation worse.

"The United States has already entered its ninth postwar recession. Cutting spending or raising taxes—or both—will only slow the economy still more. Fiscal tightening at this time should be deemed a political felony—reckless endangerment of the economy."

Ortner noted, "The reason Japan outstrips us in growth is that it allocates a much larger share of its domestic output to research and development and to capital spending than we do."

"Rather than concern itself with cutting the deficit," he said, "Congress should have reinstated the Investment Tax Credit."

Trade

Trouble ahead for shipments to U.S.S.R.

There could be a drop of as much as 60% in the trade from the former East Germany to the Soviet Union, warns the Berlin Institute for Applied Economics Research.

The institute warns of a dramatic collapse of industrial exports to the East, and a resulting rise in unemployment in the eastern part of Germany, if present trade flows to the U.S.S.R., which will be fully on a hard currency basis as of Jan. 1, 1991, are not addressed urgently by the German government. The institute estimates that unemployment levels could reach 2.3 million next year in the east zone. Sectors that will be hardest hit if present trends continue, they estimate, will be shipbuilding, electrical equipment, chemicals, and machinery.

The institute says that urgent measures from the German government are required to ensure that the present exports from east German firms to the U.S.S.R. do not collapse in the next months and aggravate already serious economic problems in both regions.

● **THE PHILIPPINES** Senate is expected to call for a review of the new economic program, in an attempt by the majority of the 23 senators who advocate unilateral action on the foreign debt to detail the new program, according to the Bangkok daily *The Nation* of Nov 23. Sen. Alberto Romulo, a firm proponent of repudiating the country's \$27 billion foreign debt, "said the new program raising oil prices and taxes would hurt the poor" in his call for a Senate review.

● **PERUVIAN PRESIDENT** Alberto Fujimori announced that his "anti-drug" plan, unveiled Nov. 16, will be advised by the U.S. State Department's former undersecretary of narcotics affairs, Ann Wroblewski, which some say signifies acceptance of the State Department's "anti-drug" policy for Peru, based on bringing in U.S. Special Forces and other military personnel.

● **JAPAN'S** Toyohiro Akiyama will spend about six days aboard the Soviet space station *Mir* after a Dec. 2 launch, becoming the first journalist in space. He is deputy news director of the Tokyo Broadcasting System (TBS). The Japanese are paying the Russians \$11 million for Akiyama's mission.

● **BRITAIN** is now suffering the largest drop in industrial output in ten years, the BBC reported Nov. 19. From July to September, industrial output was down 1%, a result that was "even worse than expected," according to BBC's economics correspondent.

● **THE UNIVERSITY** of Michigan's regular survey shows consumer confidence over the last three months in the most rapid decline in at least 44 years. In October, 71% of Americans believed that bad economic times are ahead, compared to 42% in July, and 29% a year ago. Pessimism is growing in all regions of the country and among all population groups.

There will be no climatic catastrophe

Ralf Schauerhammer, a "Patriots for Germany" candidate in Nuremberg and director of the Fusion Energy Forum, disposes of the arguments for the supposed "greenhouse effect."

As was to be expected, the debate on the climatic catastrophe has heated up during the last few weeks. The reason for that is not in the atmosphere, but rather in the media, which relished reporting the most dramatic events of the recent United Nations Conference on Global Climate that took place in Geneva on Oct. 29. At this conference, measures proposed by the Intergovernmental Panel on Climate Change (IPCC) for "protection of the atmosphere" were discussed. The primary attempt was to get representatives from the developing nations to sign off on these measures.

With all the hot air in the media, however, cool heads should prevail, and we should not forget that, in the Earth's atmosphere, the danger from climatic catastrophe is significantly less than in the ether of the electronic media.

The debate on the climate is anti-scientific

There is no scientific proof for a "climatic catastrophe" caused by human beings. There can't be any such proof, since the theory of "greenhouse warming" has nothing to do with science. Rather, it is a matter of pseudoscientific arguments for an ideological justification of an international zero-growth policy. That is obvious, primarily because of three facts:

- In the argumentation, the concept of scientific truth is replaced by "consensus," a concept derived from politics.

- The concept of "precaution" is used in so general a form that it has nothing to do with protecting ourselves against scientifically recognizable dangers but rather the prevention of every conceivable or merely alleged danger. The principle of action based on knowledge is thereby negated.

- It is asserted that, of course, the causal connections are not known, or will not be identified in time, or are generally not identifiable, but that we are "nevertheless doing the right thing" if we impose on the population the "sacrifices" demanded by zero-growth policy.

The way the debate on the greenhouse effect has gone so far, would be suitable in a society in which "scientists" function as a caste of high priests, and, "in consensus," seek to reconcile the destiny of common men with the imponderable powers of evil. This caste of high priests provides "precautions" against every possible danger and fear by determining which sacrifices will bring the evil powers into a merciful mood. The direction in which this debate threatens to go is observable in the increasing "scientific acceptance" of the mystical "Gaia hypothesis," which pits humanity against the vengeful goddess Mother Earth, and in the repeatedly made demands for an "eco-dictatorship" based on "New Age" religion.

The causal principle of the increase of carbon dioxide is unexplained

The carbon dioxide content of the atmosphere has measurably increased during the last decades. The value is not, however, shocking from a geological point of view. In the past, there was much more CO₂ present in the atmosphere, even up to 20 times the present value. On the other hand, most plants could no longer exist if the present value were to be reduced by one-half. We can liberate carbon as CO₂ today by burning fossil fuels only because plants previously obtained it from the atmosphere and "stored" it in the earth. The CO₂ is merely returning to the atmosphere again.

Also, the argument, "Humans burn fossil fuels and the CO₂ content increases, *therefore* humans are responsible for the increase in the CO₂ content," demonstrates ignorance about the true dimensions of the carbon cycle of the biosphere. In that cycle, human beings have played only a very subordinate role up to this point. Termites alone, because of their cellulose-based metabolism, continually release twice as much CO₂ into the atmosphere as all of humanity. Even the most radical CO₂ reductions, of 20% up to the year 2005, could be nullified if during this same period the termite populations grew by only a tiny 0.6634%. Why, then, is it asserted that human beings alone determine the CO₂ content of the Earth's atmosphere through their actions?

Even if human beings were solely responsible for the increase of CO₂, the conclusions of the greenhouse thesis are not tenable.

The physical justification of the climatic catastrophe is simplistic

In the arguments for climatic catastrophe, the assertion that the increase of trace gases (CO₂, methane, etc.) must necessarily lead to a warming of the lower atmosphere is derived from the laws of radiation physics. This assertion is so simplistic that it can only be characterized as false. It is comparable to the simplistic argument that the impossibility of flying can be derived from the general validity of gravity.

The equation, "more CO₂=increased greenhouse effect," is not true of the Earth's atmosphere. The greenhouse thesis seeks to create the impression that the atmosphere is like a glass greenhouse which becomes warmer if thicker glass is put on the roof. But that is not even the case with greenhouses, especially if the cover is not uniform. For example, if there is a hole in one place or a mirror is installed rather than glass, then the greenhouse covered with "thicker" glass can actually become cooler rather than warmer. That must be considered in the case of the Earth's atmosphere, since the "greenhouse cover" of the Earth is quite non-uniform.

The greenhouse effect is primarily dependent on the water vapor in the atmosphere (clouds!). Clouds, however, can increase the reflection of incident light, which corresponds to a "hole" or "mirror" in the greenhouse roof mentioned above. Thus, the question is, will the increased CO₂ content globally so change the Earth's atmosphere that this becomes "thicker"? It is probably the case that an increase of CO₂ content will produce a redistribution of the water vapor that does not increase the greenhouse effect for the largest portion of the Earth's atmosphere north and south of the equator that received most radiation from the Sun.

The climatic catastrophe is not demonstrated by the data

The assertion that the increase of the greenhouse effect is demonstrated by measurements at weather stations is false. Although it is simple to measure air temperature at a certain

place at a certain time, it is extremely difficult to determine exactly the global development of temperature over time to a tenth of one degree from a large number of such measurements. In particular, the assertion that in recent years an extreme warming has taken place, is in contradiction to measurements by satellites that continually provide exact global data to one-hundredth of a degree and that show a slight cooling of the Earth's atmosphere during this period.

The assertion made by proponents of the greenhouse effect, that a "trend" in the measurement will be detectable in a decade at the earliest, but that we must act today, is, in light of the many incongruities of the greenhouse effect, not rational. In this connection it is important to consider that the supposedly necessary emergency measures are very drastic.

Climate computer models are a myth

The assertion that, despite limited confirmation from the data of measurement, we could prove the greenhouse effect merely on the basis of climate computer models, is false. The climatic computer models are a very rough, inexact tool. In particular, those who produce these expensive computer models have to confess that, along with many other phenomena, it is precisely the important factors of "evaporation, cloud formation, and precipitation" that are "insufficiently understood." Given a realistic evaluation of the program structure of these models and the future development of computer technology, nothing fundamental will change with respect to this shortcoming within the next decades.

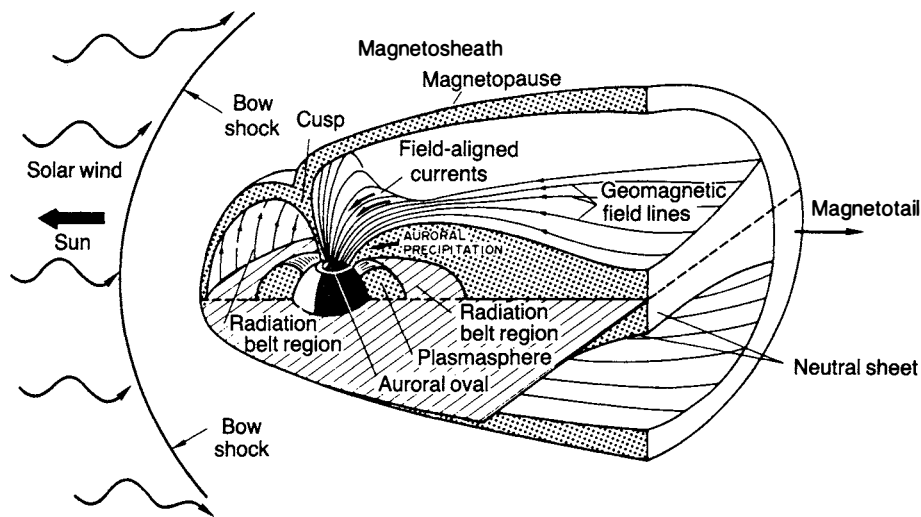
To calculate quick and dramatic, i.e., "politically relevant" climatic changes, computer models must exponentially build up small disturbances by means of positive feedback mechanisms. Minimal changes in the assumptions that are the foundation of this feedback, led to enormous changes in the output. These models are therefore very fragile for "catastrophic forecasts." Studies on the limits to growth by the Club of Rome and the TTAPS Study on the nuclear winter show the politically manipulative character of such computer models. The scientific untenability of these studies has even been conceded by the authors themselves.

Additionally, the prevailing gullibility about computers ascribes a false precision to the climatic studies. The existing climate models, despite impressive printouts of world maps in the most wonderful variations and colors, are not able to make coherent statements with regard to the calculated climatic effects for particular regions. Overall, computer models have harmed climatic research, since they simulate results where exact research work and hypothesis formation would be necessary.

The effects of climate changes on the biosphere are largely unknown

Typical of the political motives that underlie the discussions of climatic catastrophe, is the fact that all predicted effects are negative. Quite in contrast to that, the Soviet

Model of the magnetosphere showing major particle populations



Source: Air Force Geophysics Laboratory, "Report on Research for the Period January 1985-December 1986," p. 16.

climatologist M.I. Budyko stated at a climate congress in Hamburg in 1988 that the indicated climatic changes and the increase of CO₂ globally will lead to a 50% increase in agriculture production, which will be welcome for the nourishment of a growing world population. He asserted in this connection that it may possibly be better to intensify the increase of CO₂ rather than to attempt to slow it down.

Carbon dioxide is not an "environmental poison." On the contrary, plants need it to live just as we need oxygen. Additionally, the plant world is genetically programmed for a much higher CO₂ atmospheric content than presently available. It is hardly obvious why the plant world cannot flexibly adapt to conditions advantageous to them. Even if that were to involve "displacements" of vegetation, it is not obvious why, given the perspective indicated by Budyko, all the changes should be catastrophic.

The surface of the ocean is not rising

The rising of the surface of the ocean, which is supposed to have taken place a bit during the last decade, is continually presented as a particularly dangerous aspect of the climatic catastrophe. As a matter of fact, there are regions in which the ocean's surface is rising; in others, however, it is falling. In measuring the global oceanic surface, it must be considered that the land masses on the Earth themselves rise and fall in certain places. A *global* rising of the ocean's surface as a result of the greenhouse effect has not to this point been demonstrated.

Two years ago, it was still asserted that the climatic catastrophe would cause the surface of the oceans to rise by 3 to 5 meters. In the meantime, the calculations were redone, and

have decreased this catastrophic increase to a few centimeters. Even if this increase were to occur, it could be dealt with more safely and, most importantly, more inexpensively, by construction of dams than by the radical transformation of overall industrial technology demanded by the proponents of the climatic catastrophe.

Conclusion: science in the service of human beings

The challenges that science must accept arise from the tasks of feeding a growing humanity and developing the creative power of every individual human being to the maximum. Research work that does not in any way, not even indirectly, serve this purpose is, from the standpoint of human development, irrelevant.

Since man today influences the local climate in many places, and since it is to be anticipated that, in the long run, he will even influence the global climate, meteorology gains in importance. Good science, however, does not merely give the right answers; rather, most importantly, it raises the right questions.

Thus seen, climatology as a science is in a miserable condition. If it is asserted in a research area with obtrusive monotony that the "cause" of "catastrophic problems" is the "population explosion," as is done today in climatic research, then even the most brilliant academic careers of those involved cannot obscure the fact that we are not dealing with science here. The questions of science that are to be answered will be defined precisely through the development of mankind that is here denigrated as a "population explosion"—by what else could they be defined?

The ozone hole could be caused by solar wind, not by human activity

The ozone hole was first discovered in 1956 by Gordon Dobson, who considered it a natural phenomenon whose density had a certain variation over time. Today we hear that the only explanation of this hole is human activity through, to a great extent, the production of chlorofluorocarbons (CFCs). According to a group of scientists at La Sapienza University in Rome, Italy, it is scarcely credible that this variation in the density of atmospheric ozone could be exclusively due to human activity, which, compared to natural events, has so little impact.

Their research shows the possibility of explaining this "hole" as an effect derived from the solar wind and its interaction with the Earth's magnetic fields at the poles.

Our correspondent Evanthia Frangou interviewed Prof. Giovanni Moreno and Dr. Bianca Melchiorri Olivo at the Physics Department of La Sapienza, who have worked on this research together with M. De Petris, M. Gervasi, S. Masi, M. Storini, and P. Calisse.

EIR: What was the conclusion of your research?

Moreno: We must stress that the present experimental tests do not corroborate the prevailing opinion, which tends to explain the reduction of ozone exclusively in terms of atmosphere processes. Our investigation shows that we would have to consider much more seriously, geomagnetic phenomena such as the auroras caused by the solar wind.

EIR: What led you into this research?

Moreno: In the scientific literature, very little attention has been devoted to the possibility that solar activity may influence atmospheric ozone. The principal argument used to exclude such a hypothesis has been the fact that the variations of ozone do not have a seasonal pattern similar to that of the 11-year cycle of the sunspots. We thought this conclusion was, if anything, hasty.

In fact, it is well known that there exist solar structures which are different from sunspots (for example "coronal holes") which, through the emission of bands of magnetized plasma, exert a considerable influence on the Earth's envi-

ronment.

We then looked at the pattern of the "indices" which described the activity of the Earth's magnetic field, and we immediately noticed that this had been, on average, more intense in the period in which the drop in ozone had been noted, than in the previous period. Pursuing this analysis further, we reached the conclusion that there is a statistically meaningful correlation between the parameters that characterize the regime of solar wind, geomagnetic activity, and the quantity of ozone present in the Antarctic atmosphere.

EIR: This explains better why the so-called hole appears at the poles and not, shall we say, where there is more concentrated human activity.

Olivo: In fact, we wanted to check, given that the effect appears more in evidence at the poles, whether a "peculiar" cause might exist, i.e., a phenomenon which primarily has to do with the poles.

EIR: Can you explain how the bands of plasma that are emitted by the Sun can change the equilibrium of atmospheric ozone?

Moreno: The charged particles of solar wind penetrate into the magnetosphere (diagram on page 24), generating intense electrical fields. These accelerate the electrons, causing them to precipitate, along the force lines of the magnetic field, onto the polar regions. There they interact with atmospheric gases, and create those famous luminous phenomena known as auroras. The auroras do not merely consist of emission of visible light: There is also very intense ultraviolet radiation, which can contribute to separating the ozone (O₃) and turning it into oxygen (O₂).

EIR: But ultraviolet radiation is also capable of creating ozone. How does it, in this case, destroy it?

Moreno: The ultraviolet radiation emitted in the auroras has a very broad spectrum. Some of the frequencies of the dominant bands of this spectrum are absorbed very little by oxygen and much more efficiently by ozone, which causes

Mount Erebus source of chlorine in Antarctica

The ozone depletion theory suffered one more serious scientific challenge, as the respected *Geophysical Research Letters* journal published in its November 1990 issue a devastating study of the chlorine emissions from Mount Erebus, an active volcano in Antarctica. The last remaining claim of the ozone depletion priesthood that has not been thoroughly refuted in the scientific community is that excess chlorine found in Antarctica comes from chlorofluorocarbons (CFCs). This is the underlying basis of the theory, since it is chlorine from the CFCs that is allegedly depleting the ozone layer in Antarctica, creating the so-called ozone hole.

Proponents of the ozone depletion theory argue that there are no other sources of chlorine in Antarctica. Philip Kyle, of the New Mexico Institute of Mining and Technology, demonstrates in detail the role of Mount Erebus in pumping enormous quantities of chlorine into the Antarctic atmosphere. He further states that all the excess chlorine found in Antarctica may indeed come solely from the active volcano, which would preclude the claim that it is from CFCs.

In his paper, "Emissions Rates of Sulfur Dioxide, Trace Gases and Metals from Mount Erebus, Antarctica" (co-authored by Kimberley Meeker and David Finnegan), Kyle examines all the available scientific data on the volcanic emissions between 1972 and 1987, and concludes

that in 1983, when accurate measurements of the volcanic gases were taken, the hydrogen chloride (HCl) and hydrogen fluoride (HF) emissions of Mount Erebus were 1,230 tons per day and 480 tons per day, respectively. Kyle says that these emissions "are extremely high and comparable to the lower limits of total global volcanic emissions." Examining the transport of the chlorine emissions from Mount Erebus throughout Antarctica, Kyle concludes, "Mount Erebus must be recognized as an important potential and possibly past source of aerosols and could be responsible for inorganic chlorine found in snow and ice from central Antarctica."

Although Kyle is very careful not to directly attack the ozone depletion hoax, any competent scientist reading his study would see the beginning of the end of the hoax. The total annual emissions of chlorine from Mount Erebus would amount to 450,000 tons a year, which is more than half the total amount of chlorine contained in CFCs produced worldwide (750,000 tons per year). Since most CFCs don't break up for decades, Mount Erebus, all by itself, contributes more chlorine to the atmosphere than all CFCs combined.

Furthermore, the scientific station in Antarctica where most atmospheric gas measurements are taken is located at McMurdo Bay, which is less than 10 kilometers downwind from Mount Erebus! All of the hysterical stories about excess chlorine in Antarctica are coming from readings of either ground stations or balloon-borne instruments that cross the volcanic cloud from Mount Erebus! Yet none of the scientific hoaxsters peddling ozone depletion ever mentions the existence of this active volcano. All the chlorine in the air is attributed to CFCs.

—Rogelio A. Maduro

its separation. A simple calculation, which takes into account the irradiated energy of the auroras at those frequencies, shows that in one year about 2×10^{18} ozone molecules can be destroyed, for every square centimeter of surface, over an overall area of 10^{13} meters (in the order, that is of the "polar vortex" upon which the "ozone hole" is observed). There is certainly a relevant quantity: It is difficult, at the moment, to evaluate how much it can effectively contribute to the drop in ozone which has been observed.

EIR: What does Dr. Olivo think about the campaign against CFCs?

Olivo: I think we cannot yet conclude for sure that everything is solely due to human activity, as in the contemporary literature.

EIR: Last June in London, 93 countries subscribed to the

complete abolition of the use of CFCs by the year 2000, because of the effect on the environment. What do you think of that?

Olivo: I think that there were many unscientific motivations.

EIR: There is certainly panic going around.

Olivo: There are so many reasons for panic, but it seems to me that there are many others which are more real and near at hand.

I am amazed this panic is unleashed on such a huge level for something where there is so little proof. The CFCs have not diminished and meanwhile there are changes in the ozone hole—it is not continuously spreading. The ozone is not continuing to disappear in such a dramatic manner, as it should be if it were only due to CFCs. Personally I would prefer to see something done to lessen the carbon monoxide we are forced to breathe every day in our cities.

The Mozart jewel goes to auction

by David Shavin

On Wednesday, Nov. 21, the original manuscripts of Mozart's Sonata in C minor (K. 457) and his Fantasy in C minor (K. 475), was auctioned by Sotheby's of London. The world at large has been without the benefit of this manuscript since 1801, when the music publisher Johann André used it for his "*Edition d'après le manuscrit original.*" The manuscript was kept in private hands, largely unnoticed, until it was rediscovered last July 31 at Eastern Baptist Theological Seminary, in the Philadelphia suburb of Lower Merion Township.

The business world viewed the item as the heavyweight-class production of the "hottest" classical composer being marketed today, being auctioned as we begin a year of celebrations and notoriety for Mozart during the 200th anniversary of his death. If such an item, it was reasoned, did not command the \$1.4 million figure being floated by Sotheby's, then there would be little hope for putting a floor under the speculation in this rarefied market. In fact, it was purchased for \$1.7 million by the Austrian consortium for the International Mozarteum Foundation in Salzburg.

However, the so-called collector's value of this manuscript may well be dwarfed by its actual value. Among the 14 pages of the two works, there is to be found one page of extra-special concern: a heretofore unexamined, draft version of the variational treatment of the development section of the sonata's middle movement. This writer was able to catch a glimpse of this when the manuscript was put on display in Philadelphia, but its actual contents will only be made public at a future point by a scholar who has been given exclusive publishing rights.

Contrary to the magical view of the workings of Mozart's mind put forth for the credulous by such concoctions as the movie *Amadeus*, God does not excrete his powerful beauty through the right hand of Mozart in some unmediated fashion. The footprints, as it were, of Mozart's composing process indicate that a vast amount of the finished composition had already been worked out in his head, making even more significant the indications of the portions of the compositional puzzle that occupied his thinking up to the point of putting

pen to paper. The existence of a draft version of his solutions to the developmental possibilities of the theme of the sonata's second movement, may provide the world a fresh insight into how such problem-solving activity is to be mastered.

Such questions were provocative enough to the composer, that he addressed the developmental possibilities explicitly in the more free-form, "improvisational" accompanying piece, the Fantasy in C minor. The sonata was finished in 1784, and Mozart used this piece to teach his students. He clearly found this teaching process fascinating enough to develop it further, creating the fantasy in May of 1785.

The examination of how the human mind creates new laws, and new possibilities for development, in a lawful fashion, was a question that Mozart fought over in a sustained and intense manner over the four years from 1781 to 1785. Mozart was, in fact, a leading thinker of the European faction of republicans in the wake of the smashing of the British at Yorktown. The C minor project itself, as Lyndon LaRouche has emphasized, epitomized the use of vocal register-shifts in the musical demonstration of lawful changes in the physical universe. It was first communicated to Mozart from Johann Sebastian Bach's famous 1747 "Musical Offering" education of the Prussian King, Frederick, via the education minister, Baron von Swieten, at the time that Mozart joined his republican circles in Vienna in 1781. (The good baron's father had contributed some tangible aid to the American Revolution, not the least of which was his medical treatise on the subject of dealing with injuries sustained in naval warfare.)

This C minor manuscript is a legacy that stands as the benchmark in Mozart's investigation of how the geometry of the language of music is constructed. Mozart fought for the mastery of the inner workings of his own "natural genius," and, as such, waged his own successful revolution. Not unlike the colonies, he refused to yield to being simply an incredibly rich vein of natural resources to be mined by the courts of Europe. He fought for, and took sovereignty over, his own genius. It is this process of deliberation—epitomized afresh for us today, within this manuscript, and particularly, within the draft portion—that has a unique value for us today.

The alternative was that Mozart could have remained unmoved and distant from the new possibilities created when "the world was turned upside-down" in 1781, and continued the prodigy-like creations of his youth. In that case, we would know him as perhaps the best of a group of prodigies of his time, such as William Crouch. We know and love Mozart today because he became, as it were, "a temple of liberty, and a beacon of hope" to the world.

The rediscovery of Mozart's manuscript was announced to the world on Oct. 3, 1990—whether intentionally or not, a birthday gift to the newly reunited German republic. The manuscript, and the classical culture that stands behind that nation, if given a chance, have not a little to contribute in establishing a proper foundation to the true worth of art today, putting to shame the fantasies surrounding the auction price.

‘Gorbymania’: Will the West wake up in time?

by Gen. Paul-Albert Scherer (ret.)

General Scherer was director of the West German Military Security Service (MAD) from 1972-77. The following essay was written in June 1990; it was translated from the German by John Chambless.

Today, it is simply too much for most people to process the flood of news in the media concerning the rapid, even stormy course of events in the Soviet Union, and to gain from it a picture of what is happening. The events follow too quickly on one another, and the sheer amount of news on these processes is too great. Most of the information from the Soviet Union has become a cause for concern. Recently, dramatic and bloody events have predominated, after it had seemed for years that the clever Kremlin leader could keep the world happy with his sensational domestic and foreign policy swings between confrontation and cooperation.

From the Western point of view, Moscow's unexpected, 180-degree change of course was a gift from heaven, because Moscow was for 40 years the center of brutal provocation, with threats of war, subversion, super armaments, cynicism, and export of revolution.

The verbosely inaugurated development was depicted as a product of moral superiority, as an action flowing from the voluntary contemplation of the good, as a second Russian Revolution, because of the uniquely courageous reformer Mikhail Sergeevich Gorbachov—and this was believed in the West in a kind of mass hypnosis. And even if this wishful thinking has diminished a bit recently, it still largely dominates the scene. In the 65-month tenure of the Kremlin leader, during which he has worked for reform, two new verbal creations for the successful manipulation of the Western public have appeared, in addition to the new verbal concepts of *perestroika* (restructuring), *glasnost* (openness), and *demokratizatsia* (democratization): “Gorbymania” and “Gorby magic.” The latter is indicative of Gorbachov's extremely effective personal magnetism outside the communist sphere of power, where virtually magical abilities are ascribed to him.



Mikhail and Raisa Gorbachov arrive at Andrews Air Force Base on May 30, 1990, for summit diplomacy with President Bush. Moscow's clever propaganda job has blinded the West to the real reasons for the revolutionary changes that have gone on in the Soviet Union—and to the dangerous process of collapse that is currently under way.

Stuart Lewis

If we critically investigate this extremely successful strategy of influence, with its tactical and methodological finesse, which, with its mechanisms of manipulation, is directed against various target groups, we find three target areas, corresponding to old models of Soviet psychological warfare, distinguished in terms of personnel, population layer, and ideology:

First, anti-communism will be dried up by eliminating still-convincing indictments of Soviet policy and current areas of attack. This is being attempted through a rapid turn toward socialism with a human face.

Second, any consciousness of a threat with regard to the Soviet Union among the mass voters in Europe and North America will vanish, and thus any preparedness for defense will be abolished.

Third, what will follow within the overall area of Western advanced civilization and Western culture, including its important areas of intellectual influence, is an offensive self-portrayal of the Soviet Union as a nation of European culture that has overcome the barbarism of Stalinism, that has renounced nuclear madness, and that can therefore justifiably repudiate any cultural exclusion from Europe.

Western wishful thinking

Every driver fears the alarming loss of vision that results from fog or glare at night, but that is exactly what has now taken place in the realm of political perception. The Gorbachov group has managed to cloud the vision of people in the

West through a refined obscurity, so that millions do not know why, in fact, the Soviet leadership was forced to introduce the revolutionary, sensational change of the mid-1980s. Gorbachov came to power after a dangerous loss of time, which seemed almost to preclude the urgent and long overdue measures to stop the impending state bankruptcy. Moscow, however, succeeded in promoting the legend of Gorbachov as a morally enlightened creator of peace throughout the world, by means of systematically prepared operations of deception and deliberate, calculated dishonesty. It was said that, by the turn of the century, he would wipe out all the arsenals of nuclear weapons and totally disarm, if the covert war-mongers and profiteers from confrontation in the West would only give him the opportunity—a brilliant trick which completely surprised Western political elites, who imagined themselves to be superior, and a glorious achievement for the Soviets, who since 1917 have been the world's champions in the invention of fantastic fairy tales about their own actions and the supposedly destructive role of their opponents.

Since mid-March 1985, the West has completely lost its leadership in the shaping of political opinion in the world. Hardly anyone still pays attention to the fact that it was the West that always wanted peace and needed freedom, that totally disarmed after World War II and made endless sacrifices in caution, loss of reputation, and lost investments in the arms race and the forced proxy wars beneath the nuclear threshold, in order to prevent a world conflagration at virtually any cost.

Leadership in public opinion concerning the supposedly novel, serious peace initiatives, is a classical victory in the decades-long confrontations with the West that allowed the Kremlin to continue to pursue a strong and challenging foreign policy during its greatest and most profound crisis of survival. What does it matter that NATO has pursued partial disarmament for years as an honest and verifiable concession, that it, as the voluntary defense pact of free peoples in the most advanced industrial, affluent society of the Northern Hemisphere, is not comparable to the coercive apparatus of the Warsaw Treaty, imposed by an offensive occupying power? Most people, strengthened by the majority of those in the West who form public opinion, are now ready to believe that a threat from the Soviet Union's sphere of influence is absolutely out of the question and need no longer be considered in the future—just as if, given the decline of authority in Moscow that has recently occurred, acts of madness couldn't suddenly happen, and as if it were better if no further military concession on withdrawal be proposed, until the Soviets' fivefold conventional and threefold nuclear superiority against NATO forces has been dismantled—not merely in words, but also in reality.

Carefully analyzed, the transition which is commonly depicted of the formerly monolithic Soviet bloc into a revolutionarily active, pluralistic model that is the opposite of its previous historic behavior, has enabled the Kremlin since 1985 to gain unique areas for maneuver through dramatic changes of scene and set in the theater of world history. All the previous assumptions on which the leaders of public opinion in the West believed they could maintain themselves, have collapsed. The leadership in the West showed itself to be dangerously helpless. A surrender of conviction soon followed, a weak answer to the deviousness and cunning of such a strategy. Many observers were justifiably reminded of the cowardly attempts at accommodation in 1938 by Western politicians toward the brutality of Hitler.

The deceptive fantasies on peace and disarmament deliberately produced by the Soviets, have produced such a terrible confusion in the Western camp that, to the present, the process of decay and collapse that is happening before our eyes in the gigantic Soviet empire, with all its critical imperfections, is not rightly perceived and evaluated.

The revolution came from below

Had the barbed-wire barriers from Hungary to Austria not been cut with an extraordinary readiness to accept risk in May 1989, so that the mass flight of young East German families could become a most stirring TV experience for the world, and had not the terrifying scenes of murder of the peacefully demonstrating Chinese students in the so-called Square of Eternal Peace (Tiananmen) in Beijing in June brought shock via television into our living rooms, where would the West be today?

Nevertheless, concern about the Russian cult figure of

the West, Mikhail Gorbachov, was overshadowed by those political actions, without regard to the poor people in the Transcaucasus and the Baltic, whose rights and dignity were trampled by tanks and soldiers' boots. How far the bold disinformation of Western leaders through the underground networks from the Soviet Union was pushed, is shown by the assertion that Gorbachov himself had recommended elimination of the barbed wire to the Hungarians. Gorbachov and his KGB did indeed explode the strongholds in Budapest, East Berlin, and Prague of his orthodox party opponents, who were waiting for his downfall, but Hungary, quite conscious of Europe, opened the border completely at its own risk. It is known with certainty that the leadership there even expected an armed intervention by Soviet occupation forces, because they had said nothing to Moscow concerning measures for opening the Iron Curtain.

In these months, we contemporaries are intimately experiencing world history being made from below. This naturally does not fit the plans of certain elites in the political and opinion-creating brotherhood of the free West and the police states of the East. The so-called summit meetings at Malta and Washington, D.C., with their meager and in part inconsequential results for the preservation and assistance of Gorbachov, are a proof in this direction. Their true character as mere show, corresponds to the largely slipshod, superficial, and insubstantial social responsibilities that today are so largely subordinated to the market of contemporary vanity. Nothing much will come from there. A fatally ill society such as the Soviet one will now be moved and renewed from below, until normality can be restored.

Western politicians in office would be well advised to evaluate Gorbachov's possibilities for action according to historical examples of this sort. His greatest handicap is the factor of time. The dissolution of the Soviet empire is proceeding rapidly, and has already proceeded a long way. His reforms need time that he cannot procure, and because of that, he will fail. The disappointed peoples of 131 nationalities with 96 languages are no longer ready to accept Moscow's system of suppression and poverty without resistance and to tolerate the fact that, during Gorbachov's five years in office, things have merely gone from bad to worse.

The decay of the Soviet Union can be divided into different steps or stations, where one collapse follows the next. Two hundred and eighty-seven million Soviet human beings are resigned to this, and now, for the most part, believe in nothing. Only their great capacity for suffering has up to now prevented something worse. How long can that continue?

Andropov and the SDI

Step 1 of the agonizing process of decay of this empire, which covers one-sixth of the land area of our planet, coincides with the death of President Yuri V. Andropov in February 1984 and the failure to elect his designated successor, Mikhail S. Gorbachov, on Feb. 13, 1984. Brezhnev's fol-

General Scherer, friend of the United States

General Scherer, one of the world's leading experts on the Soviet Union, has had a career as a journalist and a security consultant and was, during the 1970s, the head of the Militärische Abschirmdienst (MAD), the military intelligence and counterintelligence service of the West German Bundeswehr. He was a personal and security adviser to then-Chancellor Helmut Schmidt.

In recent years, he has visited the United States many times, to brief congressmen, intelligence professionals, and others on the disastrous situation in the Soviet Union and on his view that the Atlantic alliance must absolutely be maintained and strengthened. He has also been an outspoken defender of his friend Lyndon LaRouche.

In testimony presented to the Sept. 9-11, 1987 hearings of the Fact-Finding Committee of the Commission to Investigate Human Rights Violations in the United States, Scherer asserted that his professional evaluation was that the Kremlin was waging "a typical, targeted psychological terror campaign of worldwide proportions against the person of Lyndon LaRouche and against his potential influence. . . . LaRouche is without doubt one of their very top targets in the West."

Following LaRouche's conviction in a political frame-up trial and his jailing on Jan. 27, 1989, General Scherer wrote to Helga Zepp-LaRouche that he was "deeply shocked" to learn of the news about her husband. "With profound regret and intense disappointment," he wrote, "we must recognize that in the West, too, moral degeneration of the state and political manipulation of the judiciary, of judges in particular, of the free press with its responsibility for the progress of society, and of the media in general—have gained the upper hand."

In a visit to the United States in January 1990, Scherer emphasized LaRouche's importance to the Kremlin. "We have to remember that in many ways it has been the SDI, or at least the threat of the SDI, that has driven the Russians to the wall," he told a group of strategic analysts. "The SDI, even as a perspective, terrified the Russians. I



Gen. Paul-Albert Scherer, speaking at a meeting of the international Commission on Human Rights Violations in Boston, Oct. 20, 1987.

saw a letter to the editor of *Time* magazine, commenting on the issue that had Gorbachov on the cover. The letter pointed out that the changes in Eastern Europe and elsewhere were not Gorbachov's achievement, but rather Reagan's achievement. There is something to that, but the adequate way to put the matter is to say that it was really not so much Reagan who can take credit, but LaRouche, since it was LaRouche who actually designed the SDI as a policy. LaRouche—maybe along with Reagan—but LaRouche was the one who has now got the Soviets with their backs to the wall."

lowers in the Politburo decided against Gorbachov, their youngest member, and in favor of Konstantin Chernenko, the aged secretary of ideology. For almost a half year, Gorbachov had been allowed to stand in for the bedridden Andropov as general secretary, and had energetically set the direction for perestroika. Additionally, he was, as Central Committee chairman, responsible for agriculture, but, be-

cause of failed harvests, his work was graced with little success.

Previously, in December 1982, after Brezhnev's death and the assumption of power by long-time KGB head Andropov, internal economic investigations were made on the cost framework for the Afghanistan War; the titanic naval and missile buildups, the ambitious space program, and the giant



Peasants waiting to buy milk in Krasnodar, in southern Russia. Gorbachov promises reforms that he cannot deliver, and because of that, he is doomed to fail. During his five years in office, things have gone from bad to worse.

Ogonyok

burden of the guidance or support of allied powers in the communist camp. The analysis predicted a sharp economic crisis around 1987, because of economic ineffectiveness, highly wasteful production, outmoded capital goods, the exhaustion of labor, and so forth, unless fundamental changes were made.

In the spring of 1983, came the next drum beat with the announcement by President Ronald Reagan of the launching of the Strategic Defense Initiative project, for defense against Soviet long-range rockets in space. In a sensational interview in *Der Spiegel* magazine, Andropov put out clear peace feelers in the direction of Washington, and made proposals for the division of the world into the spheres of interest of the two superpowers. For an increase of productivity and effectiveness domestically, he ordered a harsh discipline campaign. He also reduced expenditures for the war in Afghanistan. With the election of Chernenko, however, the Soviet leadership, not recognizing the approaching danger to the empire, decided against the strategic factor of time.

Perestroika off to a false start

Step 2 began with Gorbachov's funeral oration at the open casket of Chernenko, who died on March 12, 1985 after 13 months of illness in office. The text of the oration was extremely aggressive, an encouragement to the party and the masses of workers to produce more. Impatience could be heard in the speech of the 53-year-old Gorbachov, who was elected as general secretary just hours after Chernenko's death, only through the support and vote of Andrei Gromyko.

In a short period of time, Gorbachov lost loyal support, because of the lack of agreement with large groups of the Soviet "priestly caste" over the implementation of perestroika and the planned reform of the party, and met with covert resistance. Following a sensational interview in *Time* magazine, came Gorbachov's opening appearances on the world stage: First, he was honored with great success on TV in Paris, and then he traveled to the first summit meeting with President Reagan in Geneva in November 1985.

Gorbachov's three-part disarmament package was not accepted, which, as he later wrote, caused him considerable

disillusionment. His intimate knowledge of the predicament facing him and the circumstances in which he had to act, and the needs of the empire that can be saved only through extreme austerity and revolutionary changes in the willingness to work of the 140 million employed, forced him to travel incessantly throughout the country, giving long speeches, criticizing the party, and fighting alcoholism with harsh prohibitions. But he had little success. Immediately, sugar purchases began to increase enormously, since people were making alcohol at home. Tax revenues dropped sharply as a result.

The catastrophe at Chernobyl

Step 3 of the decay process occurred along with with the huge propagandistic uproar over what purported to be a Soviet total disarmament initiative, in connection with which deceptive offers and promises ensued that became best-sellers politically—without, as we noted at the beginning, the words being followed by deeds. This was not only because of the continuing war in Afghanistan, but also because only a disarmament that can be verified within Soviet national territory itself can bring more security. The Soviets have not agreed to that, despite 12 years of negotiations in Vienna, putting forward the argument of the threat of espionage. Internally, Gorbachov's reputation as a politician to be taken seriously fell considerably. The world, however, continued to rejoice with the peace movement.

In April 1986, the awful catastrophe at the nuclear power plant in Chernobyl in northern Ukraine occurred. The misanthropic perversities that took place in connection with that disaster only came to light fully in 1990, but word got around earlier, because of the partial knowledge of international rescue parties in the death zone. The Soviet Union showed that it was not in the position—as later with the earthquakes in Armenia—to cope with sudden great state disasters. According to the Soviets' own statements, the cost was 20 billion rubles. The perestroika program suffered as a result, but suffered even more from strong negative pressure from party functionaries who feared losing their privileges.

Resistance from the party majority

Step 4, as a clearly recognizable step in the decline of the Soviet empire, intruded during 1986, as Gorbachov seized upon the accusation of "sabotage"—a grave word in the Soviet lexicon—for his severe reproaches, and used it to openly attack the orthodox old and neo-Stalinists and Brezhnevists in all subordinate ranks of the hierarchy, who were intriguing with the majority of the party against his reforms. Sabotage is the most reprehensible state crime in the Soviet penal code. Gorbachov is a lawyer, and has been active in politics since 1956, and since 1971, when barely 40 years old, a member of the Central Committee, the leading organ of the Communist Party of the Soviet Union (CPSU). In 1980, when 49 years old, he created a sensation by becoming

a member of the Politburo, the executive organ with highest power in the Soviet empire. He was thus familiar with every trick and every detail of the system. He was selected and recommended as the successor of the general secretary by the ascetic and ideological pope Mikhail Andreyevich Suslov, the supervisor of all cadre records, after 20 years of intimate observation, after Gorbachov had been selected for leading functions from among the upcoming young functionaries.

Gorbachov was infinitely disappointed and highly irritated by this repulsive mass of refractory dignitaries of the *nomenklatura*. They knew nothing of the predicament in the background, and did not realize that they were accomplishing nothing with their sabotage but ruination of the party's elite layer of 18 million, which was holding the empire together. Above all else, however, they were inflicting a death blow to the highly endangered Great Russian Empire, which has existed since 1480. For Gorbachov, it was clear that those who did not sufficiently heed the fundamental factors of time, the domestic psychological condition, structures of power, and economic efficiency, in all their inexorable compulsions, were not only destroying themselves as a caste no longer called to or fit for leadership, but also were, consciously or unconsciously, blowing apart the overall social structure.

That is the dynamic of the incompetence of leadership layers that can be observed over and over in the course of history over the centuries. Gorbachov found himself forced to heavily emphasize his right to give orders according to the decisions by the Politburo, and the duty of the party to obey. He came forward with the programmatic demand for glasnost, as the completion of perestroika.

Eighteen months later, he denied, in his book *Perestroika*, published in New York by Harper, that he pushed through glasnost, the Russian concept for "openness, publicity," because of Chernobyl.

That is true only in part. The outcries of accusation, the demonstrations and official demands for compensation from northern, central, western, and then even southern Europe, because no public warning had been given and because of the contamination of water and food, put the Soviet leadership under considerable pressure. In fact, however, the introduction of glasnost into the tactical calculus is a fundamental, revolutionary decision which is life-endangering for the Soviet system and which, for the first time, leads two great societal groups, those with insignificant power and those utterly powerless, against the previously all-powerful party into the battle to save the system.

In the West, this was celebrated as a liberation struggle that would lead to democracy, as an escape from press censorship and from being patronized by an antiquated police state. What a mistake! Gorbachov deployed the intelligentsia in, above all, the press, to implement the continuing economic reforms. Simultaneously, he allowed the mass of the people to exert massive pressure, by a deliberately guided letters-

to-the-editor campaign and by allowing public discussion, against the disobedient party that was sabotaging his efforts.

Naturally, this bright side of saving the system had inevitably its dark, even poisonous opposite side: The introduction of freedom of thought and speech in a police state has the effect of a razor placed against the throat of the leadership of the regime, when the reforms do not succeed. The limitation of the absolute, systematic monopoly of information under Lenin and Stalin had already led in the 1960s and 1970s—despite the 30,000 active jamming transmitters used to block independent information from foreign sources—to a significant psychology of rejection throughout the entire Soviet Union, but particularly in the border areas of its sphere of power.

Since 1986, glasnost has allowed the free exchange of opinions outside of the newspapers, radio, and TV, which still were subjected to a new form of controlling influence, and thus to limited censorship. In theaters, cabarets, and films, no restrictions are prescribed, but are possible. The production of literature can still be guided along by the distribution of paper. Information on Stalinism and the so-called period of stagnation—the Brezhnev era—was freely and happily given, in order to fatally strike at adversaries, the reactionary blockheads and agitators in the party who are hostile to reform—or, at least, to neutralize them before the public.

Threats of strikes in Siberia

Step 5 of the Soviet collapse, with startling and abrupt negative transformations, showed that, beyond the party functionaries—and perhaps instigated by them—Gorbachov's reforms were also rejected by the workers. The former appeals and indoctrination measures were not effective. Dissatisfaction spread. In Siberia, where there was a higher wage level because of the unfavorable climate and transportation conditions and the limited possibility for free time, decreases in pay on the one hand, and deteriorating supplies for the population on the other, were regarded as a mockery of the many promises that had been made. Workers and their families took to the streets in protest. They felt punished for their former years of sacrifice to make Siberia into an important industrial region. Opposition in the work places was serious. The threat of strikes was in the air. Gorbachov found himself forced to travel through Siberia. He attempted to calm the situation through his personal appearance, and called a mass meeting that was transmitted via TV to the entire Soviet Union.

Gorbachov met the demands of the workers, thus pacifying the situation, but the plans for reform with respect to cost-saving measures were watered down. It became apparent that the population, as a result of the extensive use of "agitprop" since Gorbachov's entry into office, had been pushed into an attitude of expecting reform, that the belief in miracles and wishful thinking had been set off far too early

in the distant parts of the country without the possibility of fulfilling such expectations. The result was unexpected resistance. The loudly expressed objections rose to a climax in the statement, "They talk, talk, talk, but things only get worse, and then the party itself isn't fit to do anything, as they themselves have discovered." A further, more resigned objection, which has been heard everywhere for some time and has caused much bad blood because it admits that the Stalinists are right, reflected the disappointment of the masses: "We weren't this badly provided for until 1953 [the death of Stalin]." The loss of trust in the regime was gigantic.

Gorbachov leads the nomenklatura by the nose

Step 6, a development leading more and more into the abyss of ungovernability, was characterized by two spectacular events, one concerning domestic policy, the other, the preservation of Soviet interests in foreign policy. Gorbachov was forced by the reports received from members of the Politburo to immediately abandon recent efforts to better provide for the population in all 15 republics and autonomous areas through the cooperatives, because the workers' collectives were opposed to that. The reformers were criticized as cultivating new Soviet millionaires, as in the last part of the Brezhnev era.

In fact, the goods offered by the cooperatives were more expensive than those in the state stores, but the leadership was interested in "more and better"; simultaneously, the excess purchasing power in private hands was in part sucked up by the higher prices, and tax revenues significantly increased. Gorbachov's opponents in the *nomenklatura*, however, exploited this situation to inflame hostility to private property and envy among the disgruntled masses. In this connection, persisting socialist illusions played an important role. The anticipated move into a sort of free space for free market activities was strangled. Gorbachov proved to be too weak to harshly push through the ever more urgent solution to the economic crisis. Time was running out.

The second summit meeting with President Reagan, in the Icelandic city of Reykjavik in October 1986, called with such a flurry of propaganda, served for the Soviets, as it later turned out, the single goal of inducing the Americans to give up the SDI program, by means of the familiar mixture of extortionist threats and selected attractive offers. Reagan did not give in, and did not allow himself to be overpowered even by the ultimate pressure, well knowing that the Russians had been pursuing similar concepts for strategic defense since 1966. Gorbachov was forced to break off negotiations because the majority of the Politburo did not authorize him to continue the negotiations on his own initiative. Gorbachov's being subordinated to directions from the Politburo was not kept secret, and was a diplomatic disaster for him. Two days later, from Moscow, he attempted to follow up the negotiations with the United States at Reykjavik. Thus, a world empire in decline is governed.

The power struggle climaxes

Step 7 in the imperial decline was reached in 1987, with the journey of appeasement made by Gorbachov to Prague, which had been forced since 1968 to follow a direction set by Moscow. What was important here was to break down the powerful irritations felt by comrades throughout the world—not merely in Czechoslovakia, but also in East Germany, Hungary, Cuba, Ethiopia, Angola, Nicaragua, and the communist parties not in power—that had come about as the result of the many curious statements from the Kremlin leader in the two years he had been in power. Gorbachov's fundamental statement didn't in the least eliminate doubt about his "dancing on eggs," as his comrades quite disrespectfully put it in public. At the largest meeting in Prague, he stated: "My goal is, not to move away from socialism, but more socialism! My reform is designed to provide the desired leap so that the entire society stands on one side of the barricade!"

A further unmasking for Moscow: In the summer of 1987, a young German broke through the previously highly praised military border space and air surveillance in a private flight from Finland, and landed in Red Square before the Kremlin walls. Gorbachov exploited the storm of outrage against slovenliness in the military to trim the influence and the participation in decision-making of both the first pillar of power in the Soviet Union, the party, and the third pillar, the military.

Further breakdowns ensued: Gorbachov's opponent Yegor Ligachov—second man in the Kremlin, a Russian from Siberia born in 1920, eventually party chief of Tomsk—took the opportunity, as the individual responsible for ideological questions, to publicly criticize the outgrowths of glasnost that, in his opinion, were no longer reasonable. The media had far exceeded the allowable limits, he complained.

Gorbachov vanished from the public eye for two months, supposedly to write his book. When he returned in the fall of 1987, he acknowledged the failure of his previous reform efforts: "Perestroika is moving into its critical phase. It can be overcome within 18 months. A social and political upheaval will not take place!" Calculating the time, that means that Gorbachov proposed overcoming this critical phase, the wandering through the deepest vale of exhaustion and tears, by the middle of 1989, if "sabotage" of this reform were successfully eliminated. Gorbachov showed the direction of his thought in a statement to Bulgarian party chief Todor Zhivkov: "Without a further consolidation of the leadership role in the party, drastic changes are not to be expected."

After two and one-half years, he still believed in the leadership role! Of course, there was a hidden intention behind that, that can be gleaned from intimate conversations in the Kremlin. In a special conference for Soviet media editors, Gorbachov introduced the "second step of perestroika," shoved the blame for the delays that had occurred onto the shoulders of conservatives and followers of Brezhnev, and

expressed regret that his reforms had not previously been embodied in the law.

The power struggle in the Kremlin reached a climax. Before the assembled Central Committee, Boris Yeltsin, who was one of Gorbachov's followers, gave a speech that included insulting tirades against Ligachov. Yeltsin is a member of the Politburo and has been party head of Moscow since Gorbachov brought him to the capital from Sverdlovsk. Yeltsin reproached Gorbachov—who rejected Yeltsin's radical reform demands and was afraid of a controversy with the Ligachov group—for weakness, and then resigned from all his offices, now also challenging Gorbachov.

The beggar's oath

Step 8 came in May 1988. The decline was now becoming more and more conspicuous, and the power struggle was increasingly marked by intrigue. Ongoing abuses of Soviet psychiatry through compulsory institutionalization of dissidents by the security apparatus were discovered. The KGB—that feared, giant octopus of a police, surveillance state with a flawless central and regional structure—had elevated Gorbachov to power, had supported him, and was now supposed to be disciplined. KGB head Viktor Chebrikov was relieved of his post—he was "kicked upstairs," as the special agent for the Central Committee for supervision of the Soviet judiciary. What cynicism, in this fatally ill collective society that had been led into paralysis by epigones!

Meanwhile, food supplies for the population worsened. The internal potential for conflict grew in the factories. Instead of machines, directors of the collectives bought supplies from the Moscow center for their staffs, and were fired as a result. The black market and urban criminality grew to an extent that could hardly be reversed. A devastating analysis by the historian Dashchichev in *Literaturnaya Gazeta* gained worldwide respect and set off bitter reactions domestically. For the first time, it was admitted that Stalin had wanted to establish a communist world order of the Soviet type by means of destabilization and liquidation of bourgeois democracies. Brezhnevism had exploited détente actively for strengthening of its military potential, had endangered the balance between East and West, and had thus increased the danger of war.

This beggar's oath—demarking Moscow's former mendacity and the Kremlin's criminal policy—in the intelligence journal of the so-called Westernizers in the Soviet Union, was clearly in pursuit of three goals: 1) to stimulate the Reagan administration and the U.S. Congress into acceptance of the controversial INF treaty in preparation for the summit meeting in Moscow; 2) domestically, to eliminate President Gromyko, who as foreign minister had grimly and hypocritically pursued this criminal policy, and to open up his position for Gorbachov; 3) to allow Gorbachov's reform group to appear internally and externally as the purified faction representing a new honesty.

Gorbachov's book *Perestroika*, which in the meantime had appeared on the U.S. market, can only cause amazement. Passages can be found there that are quite contrary to the truth and are threats; for example, "The West must free itself from the self-delusion that the Soviet Union needs disarmament more urgently than itself." There is no greater lie. And then, "With the SDI, they are pursuing the goal of starving us out. And yet we, the Soviet leadership, know that there is nothing that our scientists and engineers cannot achieve. One-tenth of the U.S. investments would be sufficient to build up a counter-system, and to thwart the SDI." Boastful and scheming, and aimed completely at further confrontation where there is success to be had: "Glasnost does not apply in the area of astronautics."

Withdrawal from Afghanistan

Step 9 of the process of decline is marked from the beginning of the troop withdrawal from Afghanistan, the Moscow summit, and the 19th All-Union Conference in 1988.

The first regiment of Soviet intervention troops in Afghanistan began the long-promised withdrawal in installments that was later to degenerate into a concealed flight from three Air Force bases, with a consequent massive loss of heavy equipment blown up in the emergency. The shameful withdrawal from Afghanistan led to a new wave of disillusionment and to limitless resignation. The senselessness of this war was communicated to large sections of the population by the returning soldiers and the cripples left at home, especially to mothers, but also to soldiers in all sections of the Armed Forces. Trust in the political leadership was finally destroyed by a sense of rapidly growing catastrophe and bitter experience.

Were it not for this historically conditioned mentality—the capacity for morose suffering, a total retreat into self-effacing private life—and an inhuman surveillance system, this late feudalistic colonial empire of poverty, along with its many nationalities, languages, and religions, this system of a degenerate party nobility and of suppressed and ill-treated slave-laborers (even if there are people who developed an essentially higher culture), would have long ago exploded in a historically unprecedented eruption.

The Russian Civil War of 1918-21 can only be used in comparison here in a limited way since, at that time, in spite of all the horrors, there was still hope and an atmosphere of a new beginning. Today, self-hate dominates, along with decadence and a deformed consciousness. There are today more obstructions than there were then against moving in a Western direction.

The INF treaty

The third Reagan-Gorbachov summit meeting in May-June 1988, the 15th summit meeting between East and West since 1955, had a spectacular effect on the world, but the effect upon the Soviet elite and the nationally conscious Great

Russians was strangely dubious. Delayed and timed to arrive after President Reagan, a special aircraft sent by the U.S. Congress brought the President an Intermediate Nuclear Forces treaty that had been written at the last minute. According to the treaty, 3% of nuclear weapons were to be eliminated by 1992, including NATO's effective, accurate intermediate-range missiles in Europe, whose stationing in 1979 had been threatened and which were then stationed in the free part of Germany during 1982-83 because the Soviets continued to station additional SS-20 rockets. Thus Gorbachov received—to the detriment of an effective NATO defense and in spite of the continuing gigantic superiority of the Soviets—an important chance to force his military into beginning controlled disarmament of conventional weapons (through the middle of 1990 he had not succeeded—a very disappointing, disquieting proof of the loss of authority in the Kremlin). Reagan's summit surprise, with the invitation of 47 opponents of the Soviet regime to the Kremlin palace, an open reminder about human rights despite the stony faces of his hosts, and the U.S. President's insistence on the termination of all covert activities in Angola, Korea, Vietnam, Cambodia, Nicaragua, and so forth, demonstrated to the Soviet leaders, but also to the masses, that with or without Gorbachov, a new age must be dawning.

The 19th All-Union Conference

The three-day 19th All-Union Conference, convened at the end of June 1988, and with its usual composition of representatives from the farthest regions of this gigantic country, was essentially called to generate backing for Gorbachov. But it turned out otherwise, and, for the first time at a conference, Gorbachov found himself with his back to the wall. Massive reproaches were brought up: Gorbachov's turning away from socialism; the crisis in world communism, supposedly caused by Moscow; and the sudden explosion of nationalistic conflict south of the Caucasus Mountains. The power struggle's front lines became unambiguously evident. They wanted to pile all the problems onto Gorbachov's back, and yet there was no indication that his critics, themselves with diverging goals, could agree on a different, better leader.

Crisis in the Transcaucasus

Step 10 suddenly revealed the catastrophic psychological conditions of decay in the countries of the Transcaucasus, countries that are significantly blessed by nature. In alliance with local and regional party leaders, the hostile peoples organized against one another, since the central power in distant Moscow was becoming weaker and weaker. Armenia as well as Azerbaidzhan were free states until the occupation by the Red Army in 1920. The conflict was ignited in the Armenian enclave of Karabakh in Azerbaidzhan—a very fertile mountainous region where Christian Armenians have lived since time immemorial—because of violence between the groups in the city of Sumgait, further to the east, where

only a minority of Armenians lived.

The Armenians, whose population has again grown to 5 million, look back on a 2,000-year national history in this extended area; by the year 300 A.D., they were already Christians. Armenian minorities are in Georgia, Azerbaijan, and in Iran. In 1923, parts of the population were wiped out in Turkey in massacres. The trades of printer and goldsmith, the cultivation of silk worms, wine grapes, irrigated farming, and a unique architecture were all introduced by Armenians; in Persia and Russia, many were elevated to the nobility. The Azeris are also an ancient people with a crafts tradition; they came early under Arabian rule in the area where they presently live, and were then dominated by the Turks. In addition to 8 million Azeris in the Soviet area, 10 million live in northern Iran, down to the south shore of the Caspian Sea, a region that since 1915 has been occupied three times, over a period of many years, by Russian or Soviet troops.

It seems completely out of the question that Soviet rule in the Transcaucasus region can be maintained, since the peoples know that the hour of freedom will be possible as soon as security troops are moved to another region, and therefore their numbers are no longer sufficient to control uprisings, unrest, or strikes. In Armenia, the impulse to secede from the unpopular Soviet Union became overwhelming during and after the catastrophic earthquakes at the end of 1988. People there speak of unparalleled evidence of the Soviets' incompetence and infinite sloppiness. Even now, in mid-1990, the transportation system is still in a state of collapse. The cities and villages destroyed by the quake, in which 25,000 human beings were killed, have been only temporarily rebuilt, and the loss in infrastructure and the uncertainty of food supplies have not been rectified. Moscow will have to spend 10 billion rubles in assistance. National anarchy, not merely in times of emergency but as a normal condition, seems absolutely unacceptable to Armenians. National demonstrations and thoughts of 1918, when, at the end of World War I, the Armenians had a free national state, and of the Soviet occupation at the end of 1920, demonstrate a profound nationalism that is confirmed in everyday life.

People in the Transcaucasus look upon the Balkans as a courageous pioneer, and await with longing a national uprising in Ukraine. The central government in Moscow will not be able to deal with 50 million Ukrainians. As always happens in history, when the ruling people shows weakness, a natural separatism flares up in a subject people, in a historic consciousness of their own traditions and their own national identity.

Deployment of shovels in Georgia

Step 11 shows, after the warning prelude of so-called nationality problems in 1988, a hair-raising image of imperial decline, of mismanagement, and a party leadership that has

been limited too late. In Tiflis (Tbilisi), the capital of the Georgian Soviet Socialist Republic, completely peaceful mass demonstrations took place. Special troops were flown in, since they had been expecting anything since the previous year. There are 11 colleges there, with 10,000 students. Stalin himself was a Georgian, and his memorials are still frequently visited. Georgia is a proud country. At one time occupied by the Arabs, it remained Christian. It has been occupied by the Russians since 1801.

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Demonstrations against Russification and against the mismanagement of the economy, for Georgia and for freedom—all that isn't much to the liking of foreign security forces. Troops were deployed, using polished shovels against the demonstrators. Nineteen people, including women, were literally slaughtered, and there were innumerable injured. No one in Georgia or in the Transcaucasus will ever forget April 9, 1989. Since that day, there have been demonstrations against Russification everywhere in the border states around the core region of Russia. Hatred and loathing for the occupiers is growing.

Retrenchment in Moscow

Since the beginning of 1989, Gorbachov has avoided calling together the usual, regular meetings of the Politburo. Meetings take place only every three weeks. The former party leadership has been neutralized as much as possible, in order to pass jurisdiction over to the new Congresses of People's Deputies, which were formed using every neo-Stalinist trick, through supposed democratization using elections (1,500 persons) and delegation (750 persons). The purges in the Communist Party of the Soviet Union, continuing since the fall of 1988, have cost tens of thousands of functionaries their livelihood.

Now, the reformers want to reduce subsidies, pay a purchasing-power compensation, and save 100 billion rubles,

because inflation is continually increasing. Now, the number-two pillar of power, the government and administrative apparatus, is being put to the test. The state economy, with its system of irrelevant directives, is shriveling rather than growing according to plan. The independence of business concerns is being eliminated. Broader layers of the population than ever are sliding into social misery. Despite perestroika, 80 million people are vegetating below the Soviet poverty level. Portable soup kitchens are still providing for the elderly on at least a meager basis. Given the unprofitable nature of businesses, Gorbachov does not dare introduce the regulatory measures necessitated by the upward tendency of wages and the price explosion, since total chaos would break out. Above all else, the bitter complaints about the shortage of housing, which is approaching astronomical proportions, are growing louder and more powerful. Nine cubic meters is still the quota for a family. All this is creating a sense that the end is near in the Soviet Union. There was not and is not any solidarity.

Hunger riots in Central Asia

Step 12 of the Soviet process of decay was reached with increasingly dangerous upheavals caused by hunger riots in the poorest country in the Soviet Union, Uzbekistan, in the early summer of 1989. The Muslim population of 20 million is at the end of its ability to withstand the strain. Uzbekistan is purely a supplier of cotton, and the population receives starvation wages, and is not sufficiently nourished for its difficult work by flat bread and tea. Here, there is the highest death rate from chemical spray poisoning, since the Moscow reformers are pushing exploitation to the maximum, because of their interest in export and hard currency. Meanwhile, the shops stand empty.

The Russian inhabitants of the gigantic capital of Tashkent, who constitute 60% of the population and consider themselves to be members of an occupying force and an elevated class, hear from the mosques the warning, "Get out, or else. . . ." As a result, all furniture transport vans going in the direction of Russia have been reserved in advance through the end of 1990; riots have occurred, and tens of thousands of Russians have already fled.

In the border states along the over 2,500-mile southern rim of the Soviet Union, conquered by the czar's cossacks, with their Turkish populations of, in part, higher culture, the shameless attempts at oppression and Russification are answered by bloody attempts at desertion and separatism. Conditions like those in Lebanon could come into existence, because the intense pent-up hatred and passions are running at high tide.

World-class chess players

In Eastern Europe, in the meantime, orthodox and conservative communists are waiting for a change of course in the Soviet Union and for the replacement of Gorbachov in

the Kremlin; they are maintaining close conspiratorial connections to headquarters in Moscow. Naturally, Gorbachov knows this, and ostentatiously sends a telegram of congratulations on the removal of the cadre cliques from power, which created a false impression in the West, as if he were really moving in the direction of democracy and was showing an astounding ability to learn, as socialism comes to an end. On the contrary, his opinion has not changed: The Soviet Union is the furthest behind in the reform process. The empire can only be saved if stubborn doctrinaires, now reduced in offensive leadership and executive power, are eliminated, because their existence precludes the Western help necessary for finding, in a timely manner, a way out of the self-caused, almost deadly exhaustion and backwardness.

Thus Gorbachov put Ligachov and Marshal Nikolai Ogarkov in secondary positions, and allowed Erich Honecker to fall. Then later, after a recovery of the empire, the world can still be led into a happier future at the end of the age of bourgeois exploitation, by means of the superior theory of class struggle. Gorbachov is ready to sacrifice much for that; it is his mission. Even if only the core area of Russia is saved as the extended cell for the future historic world influence of socialism, the mission of Gorbachov's foster father, Andropov, will be achieved.

Whoever helps or wants to help Gorbachov should critically consider this factor: Given the Russians' historical conditions, they have been forced to become masters of an artificial reality. We should think of the dictatorial terror of their occupation forces, and of Potemkin villages. Also, they are world-class chess players. Whoever possesses the temerity and the impudence to bug the Americans in their new embassy in Moscow, at a time of supposed détente, in such a way that the newly constructed multi-story building had to be completely torn down, deserves our cautious respect.

Mine workers' strike

Step 13 encompasses dramatic events in the Soviet sphere of power that, set off in 1989 with momentarily powerful force, represented the coming of revolution per se. Intended here is the dictum of Lenin, that a revolutionary situation exists when those on top cannot any longer do what they want, and those below can do what those on top do not want.

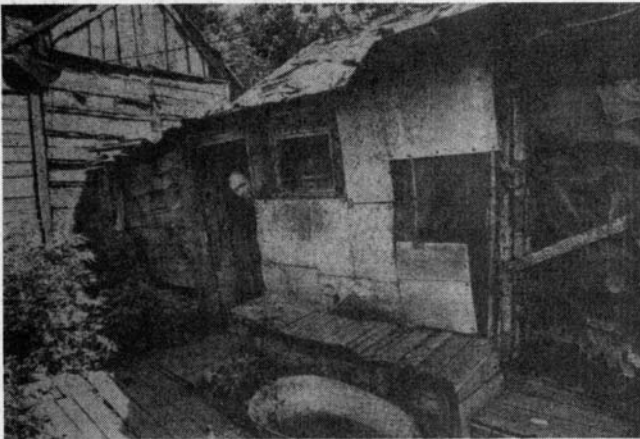
In two cases already, no longer controllable forces exerted by the peoples of the Soviet Union have plunged the entire situation into chaos.

First, there were the miners in the three largest coal-mining areas in Russia, Ukraine, and Kazakhstan. They started regional strikes with clearly defined political goals and ultimatums to be met by Christmas, after there had been demonstrations in 1988 against special distributions of soap, handkerchiefs, and work shoes.

Gorbachov sent Nikolai Ryzhkov (a Russian from the Urals, born in 1929) into the battle. As prime minister and member of the Politburo, Ryzhkov is responsible for the



Ogonyok



Striking miners in the Kuzbass region of Siberia, July 1989 (above). According to Lenin, a revolutionary situation exists when those on top cannot any longer do what they want, and those below can do what those on top do not want. The photo below shows the wretched housing conditions of the miners.

second pillar of power, the government administrative apparatus, and thus also for the portentous management of the economy. For the miners, it was a matter of more freedom, self-determination, and raising their miserable standard of living. For many days, Kremlin headquarters feared a general strike. The costs of the work stoppage were enormous, and the loss of energy strained industrial production. Gorbachov saw himself forced to propose anti-strike legislation to the Supreme Soviet which would practically prohibit strikes in the country. That was rejected, because of threats from the people. A formulation was decided upon whereby no strikes were to take place for 18 months. But because no one heeded that, the situation has become increasingly chaotic.

Revolution in Central Europe

The second manifestation of forces from the people that brought the entire situation into disorder, achieved historic

levels when three great people's movements wrote uncensored world history: The Hungarian people, the German people in the part of their country that was previously suppressed, and the Czechoslovaks were able to force the complete dissolution of the postwar order by their clear, demonstrative rejection of the conditions of power and life imposed by the Soviets.

The Kremlin's calculation, that left-oriented regimes friendly to the Soviets could succeed the governments that had become intolerable, was not borne out. The other Eastern European peoples were able to force through essential changes in 1989, but were not able to force an entirely new order. In Poland, the Solidarnosc government, the Armed Forces, and the internal order of the state were controlled in part by Russophilic communist functionaries, in part by KGB agents, so it still isn't certain whether, in light of the catastrophic conditions in the country, a recovery of this society, which has been exploited for years, is possible without a revolutionary purge. In tormented Romania, the dictatorship of the Ceausescu family was brought through revolution to a bloody end, but circumstances there make a civil war seem both possible and probable. Bulgaria is on the way to gradually liberating itself from the burden of its difficult past, after the forced resignation of Zhivkov and its first elections. Still, communist Yugoslavia, which does not belong to the communist sphere of power, cannot survive as a multi-peopled state of opposing interests and national cultures. The efforts by the Serbian majority and the strangulation of the Albanian minority in Kosovo will also lead to a civil war, unless the red fascism of Serbian communist party leader Slobodan Milosevic in Belgrade is eliminated.

Thus the Soviet Union stands, relative to the 45-year strategic buffer extending into Central Europe that it has developed, before a task that is depressing the ruling elite and the older generation: that of releasing this space all the way to its own western border and of withdrawing its occupation forces from those countries. They must surrender their victors' trophies from World War II, German land to the Elbe to the people of Germany, within the context of peoples' right to self-determination.

As the many diplomatic and undiplomatic attempts to delay, to raise the stakes, and to impose foreign power show, the Kremlin has not at all given up its goal of neutralizing of Germany. Further, it is also striving for the denuclearization of Europe, without surrendering its own position as a military superpower. Thus Moscow, now as before, will have available the superior military power in Eurasia. The military potential of the other European states will be, in any case, less. The old strategic goal, of enticing the United States out of Europe, has been tabled only until a justification for Russian troops remaining on German soil has been found and the Conference on Security and Cooperation in Europe (CSCE) negotiations over Germany make the participation of the United States and Canada necessary. Allied in a friend-



East German demonstrators in Leipzig, in February 1990. The banner reads: "Red gang get out of our country!" Moscow was disappointed to find that the countries of Eastern and Central Europe that had just swept out the hated communists, were not interested in putting leftist, pro-Soviet regimes in their place.

Laurent Mancel

ly way to Germany, an economic giant close to home and aware of its obligation to deliver the goods, would create a blissful security for the Kremlin in Lenin's sense (1922: "Germany and the electrification of the Soviet Union will secure us world victory.")

The Baltic question

The new Russia of 2010 could then make its way proudly in the world, as we hear from Eastern public relations men whose profession it is to look into the future. To bring to fruition these conceptions and distant plans of Moscow, and also some medium-term scenarios, the Kremlin must prevent the Baltic, with its higher cultural level, from freely drifting toward Europe and forming a permanent area hostile to Russia. The three Baltic countries—Lithuania, Estonia, and Latvia, from 1918 to 1940 free democratic, parliamentary republics that were occupied by the Red Army and forcibly partitioned as Soviet republics by the Hitler-Stalin Pact and subsequent Soviet ultimatums—are, as a result of their eventful history, Scandinavian, German, and Polish, with their own empire that extended to Kiev (at the end of 1667); they are culturally developed, and religiously either Roman Catholic or Lutheran, and thus completely oriented toward the West.

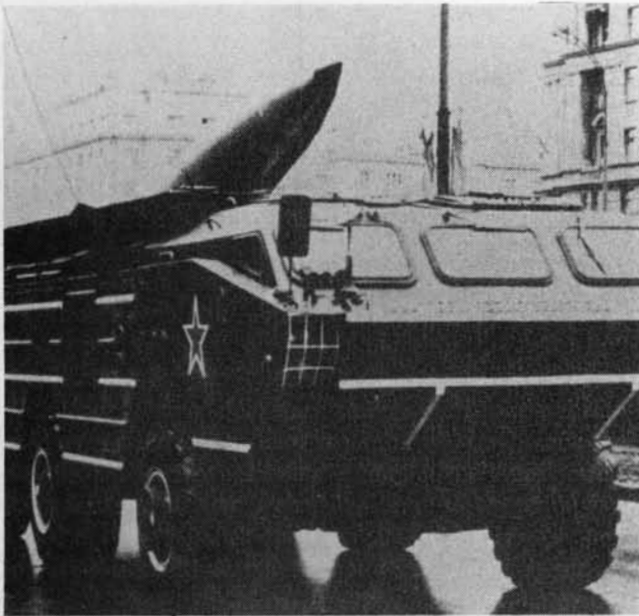
Gorbachov has denied, to the point of desperation, the existence of the diabolical secret treaty between Hitler and Stalin, and likewise the Soviet murder of 40,000 Polish officers and intellectuals, until the proof from a German private archive and the evidence from excavations and some new discoveries meant that the truth could no longer be denied. Now, he lyingly argues that the Baltic people had officially professed their loyalty to the Soviet Union, and that their declarations of independence were in violation of the consti-

tutions. This repulsive trampling of the right of self-determination, which in Helsinki in 1975 Moscow solemnly guaranteed for all peoples, gives us more of a sense of the spirit that dominates the Kremlin today than all Gorbachov's grand theatrical gestures and promises. It was and therefore is legally incomprehensible, and is merely a matter of power politics, that at the two summit meetings at Malta and Washington, D.C., the President of the United States did not remind the Soviets about keeping their promises in an unambiguous and recognizable fashion before the entire world, as Reagan had done previously.

This terrifyingly naive or cynical pretext, of the supposed necessity of supporting Gorbachov, recalls Yalta in 1944, the fundamental error of Western policy, which prescribed the division of Europe and established the bipolar system of Washington and Moscow. It also recalls President Carter's fondness for Brezhnev, despite the shameless deception over rearmament that the CIA sufficiently documented. The bitter consequence: In Azerbaidzhan, the civil war occurs with the deployment of tanks in the capital of Baku, creating misery and more misery for the human beings there; in Lithuania, the military rattling of sabers and blockade, to force the government to its knees. We ask ourselves, whether a drawn-out change in power in the Kremlin justifies the price of sacrificing convictions, even of betrayal at the crucial moment of people who bravely wanted to throw off a foreign power. Can we only think in the categories of often cowardly pragmatism? Is that the fitness to lead an almost worldwide alliance of freedom?

How powerful is the military?

Step 14 in the Soviet process of decline was reached in the spring of 1990, which, despite the mild winter and despite



U.S. Department of Defense

Gorbachov is relatively certain that the Soviet military will not rise up to threaten his rule. Military officers are watched day and night by the security forces, plus the continuing supply of new equipment for the Armed Forces shows that the political leadership is not about to abandon the military.

deliveries of food from the European Community as well as generous Western credits, brought further deterioration in food supplies for the population. The economic situation forced Premier Ryzhkov to introduce (far too late) a motion in the Supreme Soviet for a transition to a market economy in the Soviet Union. To put pressure on the deputies, he put his political future on the line. The privatization of the exhausted economy and of social life, reform of the financial, banking, and pricing systems, as well as the introduction of a convertible ruble, no longer seem to be deferrable, as was seen from the analysis of a major commission of experts. There were tumultuous controversies in parliament; opponents of the proposal said that a 180-degree turn of this excessive sort would be suicide, and could not be asked of the masses. While this quarrel continued as it had before, the population of the cities was gripped by fear of the coming food crisis, more so than those living in the countryside. This was seen in hysterical purchasing for purposes of hoarding and the introduction of rationing even in Moscow. The official explanation, "There is no other way," says it all.

A further delay of the perestroika program, using the typical Gorbachovian tactic of indecision, no longer works, since time has been used up. Critics of the President point to the fact that in his over 63 months in office, he has left everything that demanded serious decisions up in the air. The Soviet population sees in Gorbachov 1990 merely a failure, as he was literally called on signs carried in demonstrations. One essential factor in his loss of popularity was that, forced

by the Politburo, he had to accept a failure in Lithuania, both in the streets and at a meeting with the leadership there, without ultimately being able to achieve recognition through force. He and his advisers knew, on the other hand, that military compulsion in the Baltic could set off a civil war that would necessarily lead to a loss of Western good will with all its attendant consequences.

Perplexity is now Gorbachov's daily companion. Were he not capable of such obstinacy and iron hardness, the lasting war of nerves would have long since destroyed him, since his lucky talent of self-presentation reflects only a portion of his personality. What man in his unique position would, for example, have said openly that a grim military marshal would take over his position if no one were to help him? With the coldest calculation, he conjured up a dark picture of the future to manipulate the fears of Western politicians. He accepted the price of humiliating the military and creating suspicion of it, because he is relatively certain that Bonapartism could hardly develop within the Soviet Armed Forces. This third, military pillar of the system's power is watched closely, day and night, from top to bottom, by the fourth, the security apparatus, aided by the political administration, which is present everywhere. There were still independent impulses from the merely military in the time of Marshal Georgi Zhukov, but that was quickly cauterized by Stalin and secret service head Lavrenti Beria, systematically and very painfully. Recent attempts at political influence from the realm of then-Chief of the General Staff Nikolai Ogarkov were extraordinarily gruffly rejected by Defense Minister Dmitri Ustinov, with the concurrence of the KGB, at the end of the Brezhnev period, although the old Brezhnev was in bondage to the military.

We must learn to regard the Soviet military according to feudal models drawn from the Age of Absolutism. As soon as they attain prominent service at the rank of colonel or higher and assume command positions, they belong to the most closely watched of the petty courtiers to the Kremlin mighty. They are allowed to work up proposals and studies. And what would happen, given the normal conditions of the police state, to one of their own significantly strengthened special internal security troops (grown to seven divisions since 1989), if a battalion or regiment went berserk with live ammunition? Only if chaos breaks out as the result of a nationwide discontent that overtaxes the capacities of the security apparatus, if a general strike knocks everything out of kilter, will intramilitary battles become possible. In this connection, the Air Force and the rocket troops will make the difference between success and failure.

Disarmament talks since Gorbachov's accession to power, the discharge of military school graduates, and the nationality problems extending even into the military forces themselves, have naturally made the Armed Forces quite insecure. Over 1,200 soldiers deserted during battles in the Caucasus. There is also considerable resistance and hesitation concern-

ing the party abandoning its monopoly of power. On the other hand, many officers do not feel themselves bound by the orders of the party. The continuing rearmament with new equipment, new tanks, and so forth, however, shows unequivocally that the political leadership is not going to abandon the military. In the Navy, there is positive recognition of there being more new equipment now than in many years. Here, the discrepancies between the inflation of Gorbachov's disarmament proposals and reality are dramatically revealed. In Scandinavia, there is great concern about current construction of mammoth strategic positions on the Kola Peninsula.

The end, or . . .

Step 15 in this tragic process of decline and decay of the Soviet Union was determined by the sensational loss of authority of the most powerful figure in the Kremlin reviewing stand, by the appearance of an opposing power, and by the rise of group pluralism. How futilly oriented and totally blinded the reaction of many politicians and public opinion-makers was to the tens of thousands of shrieks and catcalls against Gorbachov, the new Czar-President, and the disparaging comments on Boris Yeltsin's electoral victory; this considerably damaged the urgently necessary insight in the West into the Soviet processes, which still need explanation. However, 1990 is the year of decision. Here, as there, it is a matter of nuances.

Gorbachov has tried everything possible, and has wasted much valuable time. He intends to introduce a real reform with a popular election; he hopes to prevent the dissolution of the empire with presidential power. Too late! As history proves, all reformist Russian czars have failed. And Gorbachov will fail because his technical knowledge for the judgment of such powerful economic and political reforms has not been sufficient. An administrator who does not know that his task cannot be accomplished, has failed as soon as he begins.

The Soviet Union is not capable of reform in and through this system. Whoever would help from outside, will only help to prolong the existence of the system. The classical factors for judgment—the power structure, human potential, time, spatial conditions, and economic potential, including logistics—seem to confirm the incapacity for reform. What most importantly needs reform in this country, is transportation. Now, there is none that deserves the name. Even formerly functioning transportation connections are now completely ruined and have collapsed. The ruling elite is completely burned out. The “monster KGB,” as Yeltsin called it, is under presidential oversight, and is buying up agents let go by East Germany. It keeps watch over the system of professional liars, its environment. The Soviet Union is selling gold by the ton in order to obtain urgently needed hard currency, and has stopped payments to Western creditors and businessmen.



Soviet farm transportation. What most urgently needs reform in the Soviet Union is the transport system, which has deteriorated even from its previous level of Third World backwardness.

In Kirghizia, there are 107 dead in the revolt against the central power; flags showing the crescent moon of Islam were hoisted, and the Central Committee building was set on fire. The ministers of defense of the Warsaw Pact met in East Berlin, and each one knows it will be the last time that this large number will meet. The Council of Mutual Economic Assistance knows of the Czechs, the Slovaks, and the Hungarians' intentions to change sides and join the European Community, while Moscow sends a tank expedition through Azerbaidzhan to Armenia, to break up, using military force, the long-term blockade that stemmed from the strike.

In the Soviet Union as a whole, there are currently over 200 parties; new sects and religions are pulling in thousands. This society, crippled by the levelers of collective equality, is breaking out of its old identity. But they live in a political kindergarten. Gorbachov receives an audience with the Pope, well knowing that the Old Catholic United Church in Ukraine will no longer allow itself to be classified as illegal, and that everything there is in confusion. The people's fronts in all 15 republics reached a breakthrough in the spring 1990 elections, just as Yeltsin was elected President of Russia on the third ballot, despite continuing obstacles provided by the

KGB. Now clearly recognizable as political parties are Democratic Russia, represented by over 200 deputies in the Congress of People's Deputies, along with the Democratic Platform, which aims at splitting the CPSU; the Russian Christian Movement, already represented in the Supreme Soviet; the Social Democratic Workers Party, also in the Supreme Soviet; the right-radical Democratic Union; and, Pamyat, a growing group with patriotic-Russian, anti-Semitic-fascistoid tendencies, which cooperates with the Republican People's Party.

If there is a necessity of vital importance in these final days, which will also be a time of birth for something new, then all people of good will in the West must support the so-called Westernizers, that is, Soviet citizens who, like the reformer Czar Peter the Great, wish to knock on and open widely a window to the West. If many do that, as politicians, as businessmen, as tourists, and groups, and so forth, Moscow can be turned out of its wrong direction away from Western culture, and in the direction of human dignity and individual freedom, despite all the great encumbrances that the near future will bring.

In written history, there is no example for stopping and turning around a social development that is moving in a natural direction toward withering away, if the social forces in their leading functions and leading positions are used up, and are no longer capable of reacting in an appropriate manner to the challenges that they confront. Gorbachov said in

Lithuania in January 1990 that the Soviet Union is like a large ship, on which everything can take a turn for the better if everyone sticks together. But that is only an approximately acceptable image. Gorbachov, the illusionist of a false theory that is dying, does not have the power to recognize the real image, which looks quite different.

The ship has hit a reef that is causing fatally excessive demands; water is pouring rapidly into the machine room and supply areas. The party's pumps, in total collapse, no longer work. On the upper decks, confusion, fear, despair, and rage reign, because here the prisoners are locked up who recognized that the ship is foundering, but do not know what fate awaits them. There are too few lifeboats to offer any hope. Up top, beneath the command bridge, in sight of the ocean, the last prisoners taken on board are already partly free. They were able to force some of the crew to give away their life jackets, and have jumped overboard. The captain and his officers are close to panic; the radio has also ceased to function. Whoever still claims that all that can be stopped and turned around, is as blind as the ship's leadership. No one will come back on board from the water, not even through the compulsion of armed force, since they can already recognize, off in the distance, an island of freedom. The prisoners below deck must free themselves; they have no choice, for there will be no help from outside. Whether the now fearful, very uncertain crew of guards will use their weapons, cannot be foreseen.

In Defense Policy and as a Military Phenomenon

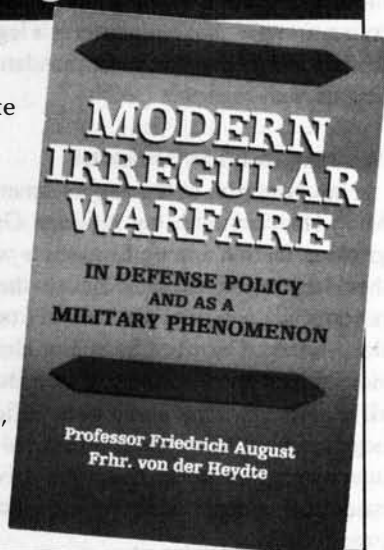
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Europeans slow pace to war, but not enough

by Carol White and Rainer Apel

The heads of government gathering on the occasion of the CSCE summit Nov. 19-20 in Paris witnessed an important defeat for the Anglo-Americans. The 34-nation Conference on Security and Cooperation in Europe rebuffed the Thatcher-Bush demand for approval of U.S. aggressive military moves against Iraq. In the view of some, before the summit, there was a real danger that the United States was planning to use the military exercise Imminent Thunder, involving 10,000 troops, as the pretext to launch a military strike.

The highlight of the summit was, of course, the defeat suffered by British Prime Minister Margaret Thatcher in her party caucus, forcing her resignation on Nov. 22. Whoever the next British prime minister may be, the momentum of her thrust toward war in the Gulf has been slowed. Shock waves are only just beginning to hit in the Bush camp, where it was the Iron Lady who was calling the shots. The liberal London *Guardian* hints that Bush himself may suffer a big political backlash in the U.S., because he has allied with Thatcher on the Persian Gulf, while having "failed to comprehend the depth of European and Soviet doubts" about a war there. Judging from his diplomatic efforts during his current European tour, the *Guardian* says, he has "clearly misread the emerging international scene. . . . This has serious implications for Mr. Bush, whose hitherto golden touch in foreign affairs has compensated for domestic embarrassments."

Bush and Thatcher are not the only political leaders facing political crises at home, of course. While the situation in the Soviet Union is most dramatic, French Premier Michel Rocard barely survived a vote of confidence in the French Parliament on Nov. 20. About half of the delegates simply did not vote.

Despite President François Mitterrand's call for a security conference to negotiate all elements of a Mideast settlement

and similar positive initiatives, the French have not removed their troops from the Gulf deployment. In general, Mitterrand's policy has been two-sided throughout the crisis, opposing the Anglo-American policy verbally, but not in deeds. Gulf policy surely is at issue for those French political forces smarting at the defeat in the Lebanon for Gen. Michel Aoun's resistance, and this must also be taken into account in looking at the opposition to the Rocard government. Rocard is known as an Anglo-American sympathizer.

Perhaps the greatest shock to the United States was the unwillingness of Mikhail Gorbachov to commit Moscow to supporting a U.N. Security Council resolution endorsing the use of force against Iraq. Since Yemen (an ally of Iraq) will take over the presidency of the Security Council from the United States in December, this could remove the United Nations as a backstop for Bush's military adventure. Further, the Soviet stalling occurs just at the time when Bush has been trying to use U.N. resolutions as a legal mechanism to dodge the U.S. Constitution's clear mandate that only Congress can declare war.

A negotiated settlement

In opposition to the Anglo-American war faction led by Mrs. Thatcher with her epigone George Bush, there is a growing faction among Europeans which is demanding that there be a negotiated settlement in the Gulf—one which does not depend upon Iraqi withdrawal from Kuwait as a precondition. Indeed, German Chancellor Helmut Kohl, on the occasion of his Nov. 18 meeting with Bush, said that release of all hostages by Iraq would be a sufficient condition for such negotiations to start. He underscored this toughening of German opposition to the Bush war drive, with the pointed remark that for negotiations to work, both sides must be willing to negotiate.

Despite lip service to a fundamental accord between Germany and the United States on Gulf policy, the reality is an increasingly sharp division. Just as Bush's plane was landing at Ramstein Air Force Base, the national DLF radio station ran an interview with the German chancellor, in which he strongly opposed a military scenario for the Gulf conflict. Kohl hinted that many steps in the direction of a diplomatic solution have been launched that are "not fit for the public at this moment." He also warned, "military strategists" always think about military objectives, but "never spend thoughts on the immense civilian casualties and devastation a war would cause."

Visiting Speyer Cathedral shortly before his consultations with Kohl, George Bush received another unequivocal message. The Catholic Bishop of Speyer, Anton Schlembach, a close friend of Kohl's, addressed the U.S. President personally in his prayer, urging him to "restore law and sovereignty" in the Gulf "by deterrence and economic pressure, rather than war and bloodshed."

What exactly Kohl and Bush discussed at their private encounter at the chancellor's home in Oggersheim that Sunday afternoon, remained secret. Certain conclusions can be drawn, however, from angry comments delivered to the U.S. media by senior members of the executive staff traveling with the President. Kohl told Bush, they leaked, that the NATO treaties bound him to lend logistical support to the U.S., but the German government would not deploy troops, nor back any offensive military action against Iraq as long as there were still options for progress on the diplomatic level.

The Brandt mission

Kohl's increasingly open opposition to any military adventure in the Gulf should be read in conjunction with the extremely strong statements by former Chancellor Willy Brandt. These must be seen as reflecting the official position of the German government, just as his trip to the Gulf was an official trip rather than a private venture in diplomacy.

Brandt pointed out that Germany is well placed to play an independent role in a negotiated settlement, because she does not have troops in the area. Equally important, he placed the onus for the lack of a resolution so far on the shoulders of Margaret Thatcher, "The Lady," in an interview published in the German weekly *Der Spiegel* on Nov. 19. The quote is: "Europe mustn't act unconcerned, naturally. But as long as the European Community cannot yet act jointly for many reasons—The Lady being one of them—it is up to the individual governments. And each government is faced with the question whether it plans to slide into something which would be difficult to convey to the public.

"The reference often made about the weight the enlarged Germany has gained," Brandt concluded his remarks, "must not lead, in the wake of an acute crisis, into the provincialism that one has grown familiar with. The weight of Germany must be cast on the scales in favor of peace and those human

beings who are exposed to danger. It can even be an advantage for discussions and/or negotiations that no German troops are stationed in the Gulf."

During a peace-seeking mission in Baghdad Nov. 6-9, which included two encounters with Saddam Hussein and one with PLO chairman Yasser Arafat, Brandt had found that a more prominent intervention of the united Germany would be appreciated. The Germans, Brandt was told, could play a key role in avoiding a major war, because they had had no past as a colonial power in the Mideast region and sent no troops to the Gulf.

On Nov. 20, Iraq announced it would release all Germans still kept hostage, paying tribute to the "positive role of Germany in this crisis" and its efforts in the broader context of German-Arab relations. There is more than a coincidence between the Brandt assay and the Iraqi announcement, of course.

The peace plan proposed by Brandt included the following elements: withdrawal of Iraqi troops from Kuwait, and their replacement by contingents from Arab League member states; a plebiscite of the Kuwaiti people; settling a secure Iraqi access to the Gulf waters; settling claims for compensation demanded from each other by Iraq and Kuwait; and establishment of a consortium of whatever shape that will include compensation funds through which both states can attune their oil policy.

Germany's 'Arab card'

It is the view of the Germans (government and opposition thinking alike) that the key to progress on the Gulf issue lies in the capitals of the Arab world, and German diplomacy is to assist this process. One may call that "Germany's Arab card."

Indeed, Germany maintains an intense secret diplomacy with the Maghreb states, centering around the Moroccan King Hassan, as well as with Egypt's President Hosni Mubarak and King Hussein of Jordan—with whom Foreign Minister Hans-Dietrich Genscher has been on the phone repeatedly on the Gulf issue over the past weeks.

The three leaders of Morocco, Egypt, and Jordan are in the forefront of intra-Arab efforts to solve the Gulf conflict by peaceful means, and are also spearheading initiatives for the institution of a constant Euro-Arab dialogue. Ongoing German steps in this direction are overlapping closely with comparable efforts by France. A discussion *EIR* had with a senior member of German-Arab Society the day after the Moroccan initiative to convene an emergency Arab League summit had failed, showed the unbroken commitment for a diplomatic solution. He said there is an intra-Arab consensus that the Iraqi request for compensation from Kuwait was justified.

In short, the week of Nov. 19 definitely slowed the pace toward war, but there is still a long way to go before we can say that we are on the way toward peace in the Gulf.

European role in Thatcher's demise

by Mark Burdman

There is an exquisite historical irony in British Prime Minister Margaret Thatcher having received news of her electoral defeat while she was in Versailles, France, attending the 34-nation Conference on Security and Cooperation in Europe (CSCE) heads of state summit. Imagine: a British prime minister receiving news of a crushing domestic political setback, in the heartland of the United Kingdom's main historical rivals, "the Gauls"!

In Europe, it is not only the ghost of Charles de Gaulle who is undoubtedly having a few good chuckles at Thatcher's expense. Across the continent, there was a feeling that a Thatcher-led Great Britain and a developing and prosperous European continent can no longer coexist. This sentiment is increasingly linked to an evaluation that Thatcher was the outstanding obstacle to achieving a European policy vis-à-vis the Gulf crisis, based on war avoidance and the use of diplomatic and political means to effect an Iraqi withdrawal from Kuwait.

On the same Nov. 20 date that Tory parliamentarians were voting, Spanish Prime Minister Felipe González dropped a diplomatic bombshell, demanding that Britain move toward giving up control over Gibraltar, the which control, he insisted, was a vestige of a "colonialist" policy that was proving an obstacle to the formation of a "new Europe." The pro-Thatcher *Daily Mail* tabloid Nov. 21 denounced this as a "cheeky Spanish bid."

Also on Nov. 20 at the CSCE summit, German Chancellor Helmut Kohl issued a broadside against what he called "backward-looking nationalism" that was being used to impede closer relations between European states. According to the same *Mail* article, Thatcher "resented the timing of Kohl's criticism," which she assumed to be aimed at her, and was "annoyed" that he had chosen polling day in Britain to make it.

'The aroma of decomposing lame duck'

While these and other European battles with Thatcher did not directly influence the voting among parliamentarians on Nov. 20, Thatcher's former defense minister Michael Heseltine campaigned to a significant extent on the issue of his differences with Thatcher over Europe, and had made his decision to run against her on Nov. 14, following an impor-

tant two-day visit to Hamburg, Germany. Similarly, Sir Geoffrey Howe had resigned from his position as deputy prime minister on Nov. 1, largely on this issue, as he explained in his devastating Nov. 13 House of Commons speech, which effectively initiated the Heseltine challenge. As Howe argued, Thatcher's intransigence toward Europe was undermining Britain's traditional role of playing European politics from the inside, and was weakening Britain's presence in Europe to the point of hurting the financial and economic situation in the United Kingdom.

The majority faction of the British Establishment rallied behind such arguments. The main signal that troubles would arise for Thatcher on Nov. 20, was the editorial in the *London Sunday Times* on Nov. 18. Entitled "A Reluctant Goodbye," it broke with the paper's 11 years of support for Thatcher, and endorsed Heseltine, complaining that the Thatcher government lacked "economic competence" and was needlessly alienating Europe.

The pro-Heseltine, or anti-Thatcher, mood was otherwise orchestrated. Between Nov. 18 and 20, six opinion polls were published in the press, the most devastating being the pro-Tory *Daily Telegraph* on voting day, showing a large voter preference for Heseltine over Thatcher, particularly among lukewarm, or former, Tory supporters.

Heseltine's final count of 152 was much higher than was anticipated, especially since he had only announced his challenge six days before the voting. Thatcher's vote of 204 (there were 16 absentions) was too small to comply with the Conservative Party regulation that the winner must have a margin over the nearest contender of 15% of the total voters. Rather than face a second ballot on Nov. 27, Thatcher resigned Nov. 22.

Peter Jenkins, senior political correspondent of the liberal *Independent* daily, wrote Nov. 21: "It is too soon for obituaries, but the sense must surely be that something is now ending. . . . The aroma of the coming week at Westminster will be that of decomposing lame duck, which is not an inspiring smell for a party with such keen nostrils for governmental power."

The pro-Thatcher press howled. On Nov. 21, the *Mail* ran an editorial entitled, "The worst of all worlds." It said that, for the Tories and for Thatcher, "all prospects look bleak beyond belief." The paper forecast (wrongly), that Thatcher would not voluntarily step down, but would "go down blazing like a long boat in a Viking funeral," and commented that there was "more than a little of the Twilight of the Gods about the political tragedy now being enacted."

Thatcher's troubles have the potential of braking the drive toward war to some extent. An anti-Thatcher Conservative influential told *EIR* Nov. 21: "The main British policy toward the Gulf won't change, but the momentum toward war has been jolted, it has been slowed down. Her influence, which has been paramount, has been dented."

Will George Bush draw the appropriate conclusions?

Helga Zepp-LaRouche pushes for seat in German parliament

by John Sigerson

No sooner did the replica Liberty Bell ring to mark Germany's official reunification on Oct. 3, than Germans got down to preparing to exercise that liberty by choosing the first freely elected all-German parliament in the postwar era. It seems all but certain that the Christian Democratic Union of Chancellor Helmut Kohl, who has managed the reunification process since the Berlin Wall came down one year ago, will maintain a solid plurality in the future government, especially since his opponent for the chancellor's post, Social Democrat Oskar Lafontaine, has made himself hated not only by his opponents, but even within his own party because of his well-known support for the former communist East German regime, and his habit of taking every opportunity to heap mockery on the beautiful historic moment which Germany is living through at present.

But far more is at stake than simply gate-receipts of the two major parties. With 17 million new citizens in Germany's eastern part, and the tremendous challenge of economic development which that represents, Germany's entire political landscape is undergoing a rapid transformation, which in part will be reflected in the results gained by a number of smaller parties now making bids for seats in the new parliament. Depending on their success, these parties will be able to wield considerable influence in the coming years over the direction which Germany's economic and foreign policy takes. For, unlike in the United States, where a political movement such as Lyndon LaRouche's can gain 30-40% of the popular vote and still have absolutely no official voice in the nation's elected bodies, in Germany the threshold for representation is a mere 5%.

German voters therefore have been far from indifferent to the smaller but crystal-clear voice of the Patriots for Germany party, which, led by Lyndon LaRouche's brilliant and energetic wife Helga Zepp-LaRouche, is campaigning on a three-plank platform: 1) immediate implementation of the "Productive Triangle" policy of rapid economic infrastructure development as outlined by Lyndon LaRouche and his associates; 2) effective steps against the invasion of the drug mafia, especially in the East, by going after its soft underbelly, its banking and real estate connections; and 3) uncompromising opposition to the Anglo-American military adventure in the Persian Gulf, and posing a comprehensive Middle East economic development program as an alternative.

Making the 'Triangle' a reality

By far the most intense interest has been generated by the "Triangle" proposal, because the Kohl government, although inclined in this direction and away from the Anglo-American free-market insanity, has failed to present a clear-cut economic policy to German voters. A series of six nationwide televised messages from Helga Zepp-LaRouche have therefore had an impact far beyond their modest scale. Her second broadcast on Nov. 11 showed her standing before a map of Europe outlining the three hubs—Paris, Berlin, and Vienna—and explaining, "This region of 100 million people, to which also belong the five new federal states, has to be immediately developed infrastructurally, with ICE [high-speed railways], Transrapid [maglev trains], the expansion of nuclear energy, and the most modern production facilities. And if we connect the Productive Triangle with the other industrial centers of Europe, in Poland, the Baltic states, the Soviet Union, Hungary, and Southeast Europe, then it can even become the locomotive for the world economy, and the hope for 5 billion people! Who else can produce the many goods which this hungry world needs so desperately? Only from this, the Productive Triangle, can those strong impulses be radiated, which can overcome the worldwide economic crisis, and establish a new, just world economic order."

The same broadcast also showed footage of Lyndon LaRouche's famous Oct. 12, 1988 press conference at the Kempinski Bristol Hotel in Berlin, where LaRouche first floated the proposal. "We say to Moscow: We will help you!" LaRouche can be heard saying.

As Mrs. Zepp-LaRouche has repeatedly stressed, the Triangle proposal is not just a "good idea," but must be discussed in depth and in detail by every policy group, every industrial planning team which is involved in infrastructure planning activity. And indeed, this is occurring, as copies of the 200-page German-language proposal are being grabbed up by economic planners throughout Germany (see *EIR*, Sept. 7, 14, 21, *Science & Technology* sections). But not only them: in the state of Saxony (formerly part of East Germany), for instance, the newspaper *Weiss-Grün* has run large extracts of the Triangle proposal, along with a call by local candidate Renate Müller-de Paoli mobilizing citizens to force the federal government to seek a peaceful solution to the Middle East crisis.

Overcoming the communist legacy

Interest is naturally the most intense in eastern Germany, which was plundered for 40 years by the communist regime. Here is a passage from a field report prepared by campaign volunteers there:

“East Berliners complain that the ‘Wessies’ [Westerners] come charging in with money and their fixed plans garnered from experience with firms in the West. Then they find that it is utterly inapplicable to the reality of what has been left by the SED [communist] regime, and they are helpless as to how to make the transition work. . . . In Thuringia, meetings with industry representatives revealed the same problem. For example, the West German firm Ritter-Sport invested DM 1 million in a chocolate factory it took over, and put out a new product called ‘Thuringian’ chocolate. But no one would buy it, because everyone in the eastern part of Germany wants to buy Western goods. The factory owners just packed up and left! Other factories close down after being taken over by West Germans because they can’t make them function the way they want quickly enough.

“In the population this has bred despair. In Weimar, people are obsessed by fears for their own existence: ‘Will I be next to be fired?’ is the question everyone is asking. Factories which are being taken over and modernized, are throwing masses out of work, and ‘no one knows who is taking over what firm,’ as one person put it.

“Another source of complaints is the fact that the old SED industrial apparatus still exists in large part, so that ‘old debts are being paid,’ i.e., the SED bureaucrats who have lost political power formally, are making sure that their people get jobs or keep jobs, and that other people are unemployed. This has been described as *Kleinkrieg* [low-intensity warfare] in the factories, to keep one’s job. As a result, even people with the best intentions tend to think in terms of ‘my job’ or, at best, ‘east Germany,’ and need a broader outlook on how the entire reorganization process should take place, and how Germany as a whole should develop Eastern Europe. This is the way people express the problem to us. Therefore, they like the Triangle concept.”

One candidate who has been presenting concrete solutions to these transitional problems is Renate Müller-de Paoli in Dresden, the capital of Saxony. In her meetings with factory workers and managers there, she has presented the Patriots’ “Emergency Program to Save Jobs,” whose key demand is for the creation of a completely new instrumentality for the creation of new, low-interest credit earmarked for productive enterprises, modeled on the ideas of U.S. Treasury Secretary Alexander Hamilton and the 19th-century German-American economist Friedrich List. For the transitional phase, it recommends that Germany directly sign over credits to eastern German firms for them to finance production of capital goods destined for the Soviet Union, since this is the only way to ensure that the money does not simply get swallowed up in the chaos of the current Soviet bureaucratic

mechanisms. As for who owns what in eastern Germany, the Patriots argue that it is absurd to wait five to six years in order to clear up the property titles before investment funds can flow in; rather, the credits should be granted right away in order to get production going, and compensation can be paid later once the ownership questions are sorted out.

Oskar Lafontaine’s name is mud

The idea of the Triangle and rapid economic expansion has become so popular, that one Christian Democratic politician, Lothar Späth, devoted part of a speech to the need to build high-speed rail links throughout Europe, adding, “It is possible that we will very quickly have such a high-speed triangle from Paris to Budapest.”

But as for the Social Democratic Party (SPD), these economic policy questions are fracturing it, since many of its members heartily detest the lead candidate, Oskar Lafontaine. In Berlin, for instance, one is struck by the contrast between election posters put up by the CDU, which in a general way reference the very real problems of economic reconstruction and the disastrous security threats from the armed anarchists who have even attempted to take over parts of the city; and the SPD’s main poster, which wins the prize for the most vapid in the postwar era: “With us, he’ll succeed,” showing a baby in diapers attempting to raise a heavy dumbbell.

As for Lafontaine himself, SPD officials in the industrial Ruhr district have been openly complaining that, “In the eyes of the voters, the SPD has become the party of nay-sayers, bickerers, and those who incite social envy; and if this doesn’t change, not only Lafontaine, but the entire party is finished.”

It has already opened a fissure in the Ruhr city of Dortmund, where one SPD official who established an opposition faction to Lafontaine within the party has just been kicked out of the SPD altogether—a situation reminiscent of that of 15 years ago, when SPD bureaucrats declared Helga Zepp-LaRouche and a number of her associates who had formed a European Labor Party, to be “incompatible” with the SPD.

‘Stop the Frankfurt drug mafia!’

The Patriots’ campaign against the financial and high-level political string-pullers of Dope, Inc. has been particularly hot in Frankfurt and Berlin, two cities which are being most heavily utilized as a jumping-off place for the dope pushers to set up shop throughout all of Eastern Europe.

In Frankfurt, Patriots candidate Volker Hassmann, a journalist by profession, has run his campaign under the slogan “Stop the Frankfurt Roulette of Drugs, Money-Laundering, Organized Crime, Corruption, and the Drug Lobby,” and has focused his guns on the real background of the “Beker Affair,” in which the so-called “king of the Frankfurt red light district,” Hersh Beker, was able get himself released from jail pending an investigation and slipped out to Israel. Hassmann has pointed out that years ago, when the current



Patriots for Germany candidate Helga Zepp-LaRouche, shown here during her recent trip to Budapest with the executive of the Hungarian Association of Former Political Prisoners.

governor of Hesse was mayor of Frankfurt, he had made many real estate deals with Beker in the course of his plans to relocate the bordello district. But as Hassmann pointed out in an interview, "The Beker brothers' dirty deals are not the critical thing. The interesting question is: What is the structure of the criminal apparatus which represents the link between prostitution, drugs, and the mafia?" He has therefore demanded a full investigation of the real estate speculator Josef Buchmann, one of the big-timers along with Ignaz Bubis. According to the French author Jacques Derogy, in his book *Die israelische Verbindung*, (*The Israeli Connection*), Buchmann has numerous ties with the international heroin smuggling business.

In Berlin, the drug issue is, if anything, even hotter, especially since one city senator, who is a member of the anarchist-environmentalist Alternative List, has just proposed free heroin distribution. The schools in East Berlin are in turmoil over the invasion of the drug pushers. A portion of a campaign field report about one "teach-in" held by the Anti-Drug Coalition, which supports the Patriots' program, reads:

"The teacher had arranged four different seminars in the afternoon, and in the evening a seminar and discussions with the parents and teacher. . . . Muriel Mirak-Weissbach [author of a recently published book on Dope, Inc.] gave a seminar to several classes at once, while three others, including one local Patriots candidate, gave seminars to one class each. 'Thousands of questions were asked by the students, on the nature of the danger of drugs, the drug mafia, the situation in Colombia, money laundering, how to fight the war on drugs, etc. Since the students didn't want to stop after the morning was over, Mrs. Mirak-Weissbach continued the discussion with her two classes in the afternoon. By the evening, word had spread throughout the school and the students' homes, so that about 80 parents and teachers came to her lecture in the evening, staying up until late, discussing what to do against the drug plague.'

Against war in the Mideast

Helga Zepp-LaRouche's party has always forcefully argued, along with the great German "Poet of Freedom" Friedrich Schiller, that it is not only possible, but of urgent importance, that Germans come to consider themselves both patriots of their own nation, and responsible world citizens who see as their fundamental task the cultural and economic uplifting of the rest of the world.

Therefore, whereas the other parties have for the most part shied away from making definitive campaign statements about what Germany's role should be toward Bush and Thatcher's war-mongering, a nationwide leaflet issued by the Patriots has laid it right on the line: "The Anglo-American war policy in the Gulf is insane, immoral, and suicidal—and it has nothing to do with the Iraqi invasion of Kuwait. What is behind it is a 1982 decision to reorient toward the so-called North-South conflict, in which NATO is to be deployed in military operations to seize control of raw materials and strategic minerals in the developing sector. At the same time, behind this strategy lies the intention to reduce the dark-skinned people of the developing sector through 'natural catastrophes' like hunger, epidemics, and regional wars."

The Patriots' efforts to found a political anti-war movement have fallen on fertile ground. Beginning with Bush's announcement of the additional troop deployments in mid-November, there has been a marked shift in popular attitudes. A campaign report remarks: "Whereas some weeks earlier, people didn't want to listen to the argument that Bush and Thatcher were the real culprits, they now readily agree. The typical answer is, 'Right, *der Ami* [i.e., Bush] has to get out of there; it's none of his business'; or, 'He and Thatcher only want war to stay in power.'" On the campuses, the Patriots' prodding of student organizations has led to the holding of a number of peaceful anti-war student demonstrations.

Special campaigns

In addition to these issues, certain Patriots candidates have dedicated themselves to very special efforts. One of these, Rosa Tennenbaum, is running in Saxony but is campaigning nationwide in order to save German and European agriculture from destruction by the free-market lunacy being pushed by the General Agreement on Tariffs and Trade (GATT). She has gotten broad agreement from farmers because she is the only voice calling for an *increase* in agricultural production while everyone else is wrangling about quotas. Even opponents who attack her in public have conceded privately that her plan is the only reasonable one, only they doubt it can ever win out.

Another very special campaign is in Berlin, where candidate Anno Hellenbroich is demanding that every single new member of the German parliament should be thoroughly investigated for possible links with the former East German intelligence service, the Stasi.

Soviet reforms seek to stop 'dissolution'

by Konstantin George

The internal crisis of dissolution confronting the Russian Empire is coming to a head this winter, and Soviet leaders have decided to grant dictatorial powers to Soviet President Mikhail Gorbachov in an attempt to keep the situation under control.

On Nov. 16 and 17, emergency sessions of the U.S.S.R. Supreme Soviet were called to adopt drastic measures, and were addressed by Gorbachov. A situation, which until mid-November could be described as "anarchy within limits" in the economic, social, and political sense, is in a phase change. The October successes of the "Peaceful Revolution" in Ukraine, opening the perspective for future freedom and independence for the biggest of the non-Russian republics, pushed the elite of Imperial Russia to the wall.

Moscow is preparing to lash out against the breakaway republics. In this context, a major unpublicized agenda item of Soviet diplomacy at the Conference on Security and Cooperation in Europe (CSCE) in Paris the week of Nov. 19, was to nail down renewed commitments from Bush, Thatcher, and other Western leaders giving Moscow a free hand against the republics.

In short, a dirty condominium deal is being fashioned redefining the Yalta demarcation line along the Western border of the U.S.S.R.

The new alliance

Moscow's latest internal response to the crisis has been to fashion a new dictatorial presidential system, based on an alliance and unity of the Empire's three main Russian institutional pillars: the Soviet state structure under Gorbachov, the Russian Federation state structure under Boris Yeltsin, and the Army. The support for this alliance was clearly expressed by Marshal Sergei Akhromeyev, Gorbachov's presidential adviser, in a *Sovetskaya Rossiya* article Nov. 14, where he declared the Army's full support for a new system of a President and a "coalition government of national unity" crisis cabinet, as agreed to by Gorbachov and Yeltsin in a five-hour meeting Nov. 11.

Akhromeyev also gave the military's *raison d'être* for the alliance of Russian state institutions, calling it the "last line of defense" to prevent "dissolution." Should this fail, a

bitter and bloody power struggle at the top is expected.

The new presidential system, proposed by Gorbachov on Nov. 17 in an address to the U.S.S.R. Supreme Soviet, would place the cabinet of new ministers, "thinking in accordance with the times," directly under the President. Gorbachov called for "without delay, a radical reorganization of the Center's executive authority," and for placing it "directly under the President." The U.S.S.R. Supreme Soviet approved the plan "in principle" by an overwhelming vote of 316-19 with 31 abstentions.

Immediately after Gorbachov's return from Paris Nov. 23, a Supreme Soviet session was scheduled to vote up the proposals. Their final formal approval is expected at the Dec. 17 session of the Congress of People's Deputies, which is expected to ratify the corresponding changes in the Constitution.

One of the biggest winners is the Soviet military. Under the radical reorganization, the U.S.S.R. Presidential Council has been abolished, to be replaced by what Gorbachov called "a Presidential Security Council," thus placing a Defense Council-type institution at the top of the state power pyramid.

Gorbachov also proposed strengthening the Federation Council, and the creation of what he called "a Control Chamber of the President, with authorized representatives in all regions." This is connected to the parts of his Nov. 16 speech where he blamed hoarding by "some republics and regions" as being responsible for the horrendous shortages, accusing them of failing to provide the Center while trying "to save themselves."

Fear grips the non-Russian republics

The Gorbachov speech was read appropriately in the empire's Captive Nations, and fear and alarm is now gripping the non-Russian republics of the U.S.S.R. The pro-independence leaderships in the Baltic and Ukraine know that the men in Moscow are desperate to stop or slow down the process of dissolution, and nothing, including use of the Army, can be ruled out.

The leaderships of all the non-Russian republics striving for independence fear that the Gorbachov Nov. 16 speech denouncing "destructive forces" in the republics and demanding a "moratorium" on all anti-Center measures, marks the beginning of a crackdown. The Soviet turn in this direction was apparent with the Nov. 7 holding of provocative military parades in the three Baltic republics, and the Nov. 10 ultimatum by Prime Minister Nikolai Ryzhkov to these three republics to accept Moscow's rules on negotiating a so-called "transition to independence," or face a total economic blockade.

Soviet charges—timed with the Moscow emergency session, that Lithuanian "extremists fired on" Soviet Army troops in the Lithuanian capital of Vilnius on Nov. 17, are seen by anti-Bolshevik leaders in the Baltic, Ukraine, and elsewhere, as the prelude to a crackdown.

Guatemala elections help 'Dope, Inc.'

by Dennis Small

Former military government official Jorge Serrano Elias surprised most political observers by coming in a close second in the Guatemalan presidential elections on Nov. 11. With 24.6% of the vote, he was right behind front-runner Jorge Carpio Nicolle, who had 25.4%. Since neither candidate received a clear majority, there will be a runoff election on Jan. 4, 1991.

Serrano was a top official in the 1982-83 government of Gen. Efraín Ríos Montt, who was heavily sponsored by the Israeli Mossad. Ríos Montt tried to run for President this time, but was barred by the Guatemalan Supreme Court. Serrano is widely viewed as little more than a stand-in for his fanatical old boss. Both men are leaders of the evangelical fundamentalist movement in Guatemala, which now commands the loyalty of about one-third of the population in this formerly 99% Catholic nation.

To hear the U.S. State Department tell it, "democracy" was the big winner. In 1985, Guatemala elected its first civilian President in 16 years. The current elections were portrayed by official Washington, and the liberal media, as a reaffirmation of democracy.

But the real victor was "Dope, Inc.," the international drug cartel that has been progressively taking over this largest of Central American nations, especially over the last five years of rule by outgoing President Vinicio Cerezo.

Five years ago, when Cerezo took over from the military government of Gen. Mejía Vitores, the drug trade had only a tenuous foothold in Guatemala. Some marijuana was grown in the jungle Petén region; a relatively small amount of Colombian cocaine was transhipped through the clandestine airfields on Guatemala's Pacific coast, on its way up to Mexico and the United States. Narco-terrorist groups, such as the Guatemalan National Revolutionary Union (URNG), were functioning, but at nowhere near the level of their allies in neighboring El Salvador. Only the most far-sighted of analysts, such as now-jailed U.S. politician Lyndon LaRouche, foresaw the danger that the drug trade posed to Guatemala.

Back in 1985, right before the last elections, LaRouche commissioned the preparation of a half-hour videotape and a 100-page *EIR* Special Report, "Soviet Unconventional Warfare in Ibero-America: the Case of Guatemala," both of which warned of the imminent danger:

"Guatemala now stands on the edge of falling into the

hands of the narco-terrorists," the *EIR* report argued. "At the first point that the drug mafia determines that Guatemala can be bought up, through a flooding of dirty money into the pockets of leading politicians, military officers and police officials, the impact of that action, in combination with a major escalation in acts of cannibalistic terrorism by an increasingly well-armed guerrilla force, will precipitate a qualitative shift that could turn Guatemala into a new Iran. This fact is not adequately understood by the Reagan White House."

Today, after five years of "democratic" liberal policies under Cerezo, Guatemala is a major producer of opium: In 1989, it grew 14 tons of the drug, which was refined in Mexico into 1.4 tons of pure heroin, with a U.S. street value of about \$3 billion. Guatemala has also become a major transshipment center for Colombian cocaine traveling to the United States. Marijuana production is far more widespread than it was in 1985. And narco-terrorist groups have gained substantially in resources and power.

Questions have been raised about the integrity of numerous politicians and even presidential candidates. The Nov. 15 *Washington Times* editorialized that "rumors abound . . . that Alfonso Cabrera, Mr. Cerezo's hand-picked successor [and defeated candidate of the Christian Democratic Party] is closely tied to the drug trade."

As for the victorious candidates Carpio and Serrano, they have more in common than their first name, Jorge. They have both vowed to further blunt the Guatemalan military's longstanding policy of *fighting* the narco-terrorists, in favor of *negotiating* with them to guarantee them a share of political power—as per the demands of the State Department. This is the same insane liberal strategy which threatens to hand El Salvador over to narco-terrorism, and which has created a state of virtual dual power with the dope mob in Colombia.

The liberal U.S. media are also egging on both candidates to assault Guatemala's military. The *Washington Post*, for example, editorialized on Nov. 13, "The 'dirty war' is blazing again in Guatemala. . . . The security services have made Guatemala the worst human rights offender in all of Latin America."

Serrano's come-from-behind victory in the first round is particularly ominous. The *Washington Post* of Nov. 13 happily headlined its coverage "Evangelical positioned for win in Guatemala," and presented Serrano as "the instant favorite to win the Jan. 6 runoff, in part because of the electoral strength of Guatemala's Protestant evangelicals." "Protestantism" does not mean the same thing in Guatemala as it does in the United States or Europe. There are some 300-fundamentalist sects in Guatemala today, most of them financed and promoted by the CIA and the State Department's Project Democracy networks. High on their list is the destruction of the Catholic Church, which in Ibero-America has been a bulwark against the drug trade and liberal economic policies.

Changing dimensions in Indian politics

by Susan Maitra and Ramtanu Maitra

The chaotic 11-month rule by the V.P. Singh-led Janata Dal government has given over to another interim arrangement. How long this will last is unknown; general elections may be around the corner. During the past 43 years of post-independence India, the country has enjoyed a stable democratic setup in New Delhi, for the most part. In the first 37 years, three prime ministers died in office, and two of them together had reigned for 33 years. Except for a brief interregnum of two years in the later half of the 1970s, one party, the Congress, was in power for 40 years.

Since independence, the Indian electorate has undertaken two experiments, both of which ended in chaos. The first took place in 1977, when the Janata Party, built around a platform of opposition to Prime Minister Indira Gandhi during the 1974-75 period of emergency rule, was given a hearty mandate. The promise fizzled out quickly, and Gandhi's Congress Party came back to power in 1980, on a wave of disenchantment with the failed regime.

The second experiment took place last year, when a band of disparate forces, cobbled together under the banner of the National Front, received a divided mandate from the electorate, and assumed power through further "cobbling." That experiment has now failed.

The second experiment would most likely have occurred sooner, had not Mrs. Gandhi been assassinated in 1984, an election year. Rajiv Gandhi led the Congress (I) to a resounding victory two months after his mother's murder. The stranglehold that the Congress Party had over the Indian electorate had already begun to loosen 15 years before, but the Janata Party's failure gave it a new lease on life.

More telling of the problems facing the Indian electorate is the second experiment, the Janata Dal. Led by a number of former Congress Party leaders disgruntled with the party leadership over the years, the coalition also included chauvinist regional parties and parties of both the "right" and "left." The electorate, particularly in north India, accepted all these contradictions and rejected the stable Rajiv Gandhi government. Even now, although people became angry and frustrated over the 11-month mis-rule of the V.P. Singh government, it is not unlikely that new experiments will emerge.

Failures of the Congress ideology

Behind the changing political dynamics are the changing scene in rural India, where 80% of Indians live, and the institutional weaknesses of the Congress Party. As party president Rajiv Gandhi pointed out in an acerbic speech delivered in December 1985, the party has been handed over to the powerbrokers and barons who are using their positions to line their pockets and influence events to their petty advantage.

At the same time, rural India has changed. A great deal of economic activity in and around rural centers is now a reality. A large number of farmers are now turning into prosperous agro-industrialists. Rural India is no more only a producer, but also is consuming more. It is no more as dependent upon urban India for intellectual inputs as it once was.

The ideas emerging from rural India are not compatible with Congress Party litany. For instance, it is a fact that Hindus and Muslims lived together for centuries in reasonable harmony and peace long before Jawaharlal Nehru's brand of secularism—an alien concept drawn from the British Fabians, with a generous sprinkling of Marxism and Leninism—became "the way" for communal and religious harmony. This brand of secularism has not been welcomed in rural India, because it was Nehru—who was fond of describing himself as a pagan—who, with other Congress leaders, had bowed to the British demand for the partition of India, thereby accepting the communal concept that India is "one country with two nations." Nehru's violent reaction to any pro-Hindu views, which he dubbed Hindu fundamentalism and the primary threat to modern democratic India, was always looked at skeptically by most, along the Ganga Valley in particular. Rural India has also differed sharply from the borrowed socialism promoted by almost all Indian politicians, including the non-Congress varieties.

Rural India has not yet succeeded in giving its ideas a concrete shape, in the form of a national party and alternative national platform. In the meantime, dissension against alien social and political concepts has given rise to a gamut of localized parties, based on ethnicity, religion, and caste. All these parties have a limited base and are conflicting to each other in nature. It is the combination of these parties, with disgruntled Congressmen thrown in, that has produced the wild electoral alliances which were doomed to failure in the two Janata experiments. In the short term, these failures will most likely push the electorate back to the Congress Party for an interlude of stability.

In the present vacuum, without a national leadership emerging, this crisis could lead to disastrous results. Some small chauvinistic parties have emerged which are working toward fragmentation of society, creating a charged political atmosphere in many parts of the country. It is this charged situation that a section of the Hindu fanatics are now trying to exploit in Ayodhya. Similar tactics have been used by some Akalis in Punjab and Muslim fundamentalists in Kashmir.

Moscow signals that LaRouche is once again a hot topic

by Scott Thompson

A featured item appearing in the Nov. 6-12 issue of the Soviet weekly *New Times* concerning a secret British intelligence network linked to one Kenneth de Courcy, should be read as a signal that a policy discussion or re-evaluation process is under way in Moscow over the future political influence of U.S. statesman and economist Lyndon LaRouche. *New Times*, in reviewing the the memoirs of Soviet-British double agent George Blake, reveals that de Courcy was the key man who assisted Blake in his 1966 escape from Wormwood Scrubs prison in Great Britain. Although de Courcy's role in the affair has been known to leaders of the British Secret Intelligence Service (SIS) and to select "cousins" in U.S. intelligence for 24 years, the interest shown by *New Times* in de Courcy has weighty strategic implications, given the role of de Courcy personally, and of his associates, in the judicial frameup and railroading to prison of LaRouche two years ago.

The content of the *New Times* story is hardly a news bombshell, since, some years ago, British SIS operative de Courcy placed self-incriminating documents on file in the Hoover Institute Archives—so incriminating that, in 1987, de Courcy's friend H. Montgomery Hyde, who had been a top lieutenant to British Security Coordinator Sir William Stephenson, had to try to explain away de Courcy's role in his book *George Blake Superspy*.

Why Moscow wanted LaRouche in jail

Rather, the bombshell consists in the "LaRouche angle." On the most obvious level, *New Times* itself has been part of the lynch mob of Soviet publications which falsely depicted LaRouche as a warmonger and fascist during the years leading to his indictment in 1987. The public side of this lynch party was started by Fyodor Burlatsky, who then worked in a special intelligence capacity for the Central Committee of the Soviet Communist Party, when he wrote in *Literaturnaya Gazeta* that President Reagan's Strategic Defense Initiative (SDI), as announced on March 23, 1983, was a "*casus belli*." Burlatsky's article initiated Soviet targeting of LaRouche, whom they knew to be an architect of President Reagan's SDI policy. At the same time as *Literaturnaya Gazeta*, *New Times*, and other Soviet publications were churning out slan-

ders against LaRouche, British SIS's KGB asset Oleg Gordievsky, was used in the "back-channel" to pawn off the hoax that the President's decision to adopt LaRouche's SDI policy had initiated a Soviet countdown to war.

In short, in 1983, an Anglo-Soviet faction (sometimes called the "Cosmopolitans") had demanded of their Anglo-American liberal Establishment cohorts that they deliver up LaRouche's head on a silver platter, because of his role in the SDI and other matters. The Anglo-American liberal Establishment was glad to deliver, even though it took a few more years to do so.

LaRouche turned down the Establishment's 'deal'

As Lyndon H. LaRouche, Jr. revealed in a statement when he was sentenced on Jan. 27, 1989 in federal court in Alexandria, Virginia after his railroad conviction, it was Kenneth de Courcy who, in the middle of the trial, had contacted LaRouche to offer him a "deal." De Courcy had represented himself to LaRouche as the go-between for persons in the Anglo-American liberal Establishment, who had rigged the conviction and could now arrange a sentence much milder than the 15-year prison term he is now serving, if only LaRouche would relent on key questions of strategic policy. There can be no question that the Soviets knew of Kenneth de Courcy's crucial go-between role in the railroading of LaRouche, whom they saw as a foremost principled adversary. LaRouche rejected de Courcy's proffered deal.

The decision of policy circles in Moscow to spotlight de Courcy at this time, therefore, might seem paradoxical at first. Had de Courcy not acted on behalf of Western interests intersecting the "Cosmopolitans"? Before examining the importance of the *New Times* piece in more detail, we first review some features of the Blake case.

Superspy George Blake

A former assistant to CIA director Allen Dulles told *EIR* recently that George Blake had done more damage to U.S. interests than was ever done by the notorious H.A.R. "Kim" Philby—damage so great that the Blake story has been publicly buried, just as Blake was supposed to have been with a

42-year sentence to Wormwood Scrubs prison in 1961 for espionage. Not only had Blake identified 40-odd German and U.S. agents operating in Germany in the 1950s, but he made possible the greatest Soviet electronic deception ever, when he tipped off the Soviets about the Anglo-American project ("Operation Gold") to tunnel into East Berlin and tap into Soviet military communication lines. This allowed the Soviets to electronically feed disinformation which went directly to the President and ended up shaping U.S. military and strategic policy.

It is most likely that George Blake (né Behar) had been indoctrinated as a communist by his uncle, Henri Curiel, who was a member of a wealthy Jewish banking family with whom Blake stayed as a youth in Cairo, Egypt. U.S. intelligence had several reports it could not fully corroborate that Blake, whom British SIS claimed it was using as a double agent, was acting against American interests. These started with reports of his treacherous behavior as a prisoner of war during the Korean War, and continued afterward. But, the final confirmation came from the Polish counterintelligence defector Col. Michael Goliniewski, who identified dozens of other top spies, including the Portsmouth Naval Yard ring. It was run by Soviet agent Molody (a.k.a. Gordon Lonsdale), and its members included a homosexual named Vassall. At the time he was fingered by Colonel Goliniewski, Blake had been assigned to the Arab Bureau and was attending the British spy school MECOS in Beirut, Lebanon, where his contemporaries included Kim Philby. Goliniewski's revelations helped force the British decision by such suspected associates of de Courcy as George Kennedy Young, to dispatch Philby to Moscow. After British SIS's Kenneth de Courcy was conveniently convicted of fraud charges in 1964, he ended up in a cell block along with George Blake, Molody/Lonsdale, Vassall, and one member of the escape team, Sean Bourke.

As the manuscript which de Courcy filed at the Hoover Institute Archives makes clear, he spent long hours discussing strategic and political matters with Blake. He also watched Blake carry out an exchange with Molody, who was shortly thereafter traded back to the Soviets. Apparently, Blake's talks with Vassall pumped him on the sexual perversions of members of the British Establishment, while Blake also set up a network of blackmailers in prison to take advantage of this knowledge. De Courcy's manuscript also describes how he sat idly by while Blake set up his escape via walkie-talkie with Sean Bourke, who had been discharged and was the "outside man" organizing the escape. At the least, it is inexplicable how a supposedly dyed-in-the-wool opponent of the Soviets could permit this escape to take place with his full knowledge and under his nose.

Blake's memoirs as excerpted in *New Times* go a step further, to declare that de Courcy was a friendly go-between in written communications of Blake with Bourke in preparing the 1966 escape. But one remaining mystery about the es-

cape, is how de Courcy's role did not turn up in Lord Louis Mountbatten's report on the incident, especially since de Courcy had been an outspoken opponent of this relative of the British royal family.

Even after de Courcy helped make Blake's escape to Moscow possible, de Courcy's uncle Henri Curiel sat in the middle of a huge terrorist network based in Paris, which played a part in the autumn 1977 assassination of German industrialist Hanns-Martin Schleyer. Schleyer was murdered at a time when LaRouche, Schleyer, and Dresdner Bank head Jürgen Ponto (also slain, in July 1977) had been independently discussing the same economic program to stabilize Africa.

Another curious feature of the Blake affair is a series of recent reports that Blake is now an adviser to Oleg Kalugin, the dissident KGB officer who was fired but not prosecuted. Kalugin, who had been a longtime associate of LaRouche-hater Edgar Bronfman's friend Alexander Yakovlev, ran some of the more damaging recent espionage cases against the United States, such as the Walker family. Yakovlev now heads a presidential commission that is said to be in charge of all Soviet law enforcement—including the KGB—while Kalugin has been elected to Soviet parliament on a reform ticket.

The deal begins to unravel

The real significance of *New Times* highlighting de Courcy's name, is that the complex of international political agreements behind LaRouche's railroading to prison are now beginning to unravel. The outlines of the 1988 deal that de Courcy had offered LaRouche was to accept a period of East-West appeasement, while a Middle East War was being rigged. As *EIR* documented in its Nov. 2 issue ("Plot to rebuild Solomon's Temple was made in Great Britain"), de Courcy has been promoting a showdown in the Persian Gulf ever since. In his newsletter *Special Office Brief*, which was founded as a quasi-official intelligence channel by MI-6 chief Sir Steward Menzies ("C") in the 1930s, de Courcy has projected a Middle East crisis which, with increasing specificity, resembled that now under way in the Gulf.

What de Courcy also told LaRouche—and what his associates in the British Establishment clearly never informed the Soviet leadership as a whole—was that they would try to judo the Persian Gulf crisis in order to renew an East-West, Cold War confrontation. Two other features of the deal were that: 1) LaRouche must shut up about the fact that a financial breakdown crisis was beginning to hit the United States and the U.S.S.R., and 2) LaRouche must stop being critical of Israel. (Several sources report that de Courcy has powerful financial and intelligence backers in Israel.)

As *Special Office Brief* reflected, it was British Prime Minister Margaret Thatcher who, while in Aspen, Colorado in August 1990, sent President George Bush on a "flight forward" escalation of the Gulf crisis. But, despite Secretary

of State James Baker's best efforts to paper it over, there has been a widening rift between the Anglo-Americans and the Soviets on the policy handling of the war, since Sept. 9, when Bush met with Soviet President Mikhail Gorbachov in Helsinki, Finland. The initial dispute had been over the Soviets' insistence that any use of force against Iraq must be decided by the five permanent members of the United Nations Security Council, while Bush wanted unilateral action. Following his meeting with Pope John Paul II on Nov. 19, Gorbachov has been sending strong signals that he wants a diplomatic, not a military solution.

However, the most important feature of this rift between Moscow, London, and Washington is that the economies of all three nations are collapsing through the floor. Simply put, Gorbachov must either put food on the table this winter, or risk being overthrown. Freedom for LaRouche, the world's leading physical economist, therefore begins to become crucial.

LaRouche presents an alternative policy

At the same time that LaRouche rejected the deal offered by de Courcy in late 1988, LaRouche presented a program in Berlin for the reunification of Germany in exchange for the economic rebuilding of Poland. LaRouche had forecast the economic collapse of the U.S. and the U.S.S.R., especially since both had agreed to reject his proposal for massive investment in developing the new SDI technologies as a science-driver for economic growth like President Kennedy's Apollo Program. As LaRouche knew before his Oct. 12, 1988 Berlin speech, Germany remained as the sole producer of new wealth that could rebuild the Soviet's Eastern European trading partners, so as to avert economic catastrophe and war.

LaRouche further elaborated this policy with his proposal for a high-speed rail and nuclear energy triangle uniting Paris, Berlin, and Vienna, which would constitute the "goose that laid the golden egg" for the Soviet Union's Eastern European trading partners.

It has always been the intent of Kenneth de Courcy's associates to derail this potential. As de Courcy, echoed by the British Establishment media, made clear, the primary target of a Persian Gulf War has been to cripple the flow of energy resources to Germany and Japan, thereby hobbling Germany's re-emergence as a strong economic and political power in Central Europe.

In response to Germany's reunification, there has sprung up what some call a "Europeanist" grouping of reform-minded Soviet leaders who believe that their future lies with Western Europe, not the Anglo-Americans. President Gorbachov has been clever enough to realize that averting plans by the Anglo-American Establishment to destroy Germany is a simple matter of survival: If there is no meat, bread, or potatoes on the table, he is finished. He must either choose war—an unreliable means of achieving economic survival and

growth—or else begin to break his deals with the Bush-Thatcher "has-beens."

Kenneth Hugh de Courcy was born in 1909 as a member of a collateral branch of the Baron Kingsales, who were Anglo-Irish-Protestant and the premier barons of Ireland. Throughout the 1930s and through various quasi-official institutions, de Courcy was part of that faction of the British Establishment which sought to use Hitler's Germany as their marcher lord for a drive eastward, to destroy both Germany and Russia. It is on record at the Hoover Institute Archives, that de Courcy was associated with Edward VIII (later Duke of Windsor), before and after the King's active pursuit of this policy led to his abdication, when an opposing faction realized that their Hitler project had become "Frankenstein monster" and had to be cut loose. After the abdication, de Courcy continued to work on behalf of the policy under Neville Chamberlain, Lord Dunglas (now Lord Home), Lord Hailsham, and R.A.B. Butler. De Courcy argued strongly for removing all buffers to Nazi Germany's invasion of the Soviet Union by breaking all British commitments to Austria, Czechoslovakia, Poland, etc. This policy is called "appeasement," with typical British understatement.

It was this same group of "appeasers" who set up the 1956 Suez Crisis, in which Israel was employed as their marcher lord to precipitate a showdown that they hoped would crush Egyptian President Gamal Abdul Nasser and growing Arab nationalism. Like Henry Kissinger, de Courcy's gang of arch-imperialists never forgave President Eisenhower for withholding U.S. support for that caper. In fact, de Courcy is an associate of Lord Home, who was British Foreign Secretary at the time when Kissinger revealed, in his May 1982 speech at the Royal Institute for International Affairs' Chatham House, that he had worked more closely with the British Foreign Office than with the U.S. State Department. De Courcy has praised Kissinger's recent calls for the soonest possible use of force in the Persian Gulf, which the British press refer to as "the revenge for Suez."

Kenneth de Courcy has multiple ties to particular members of the "Get LaRouche" task force which ran the frameup of LaRouche. There are direct ties between de Courcy and Roy Godson and Herbert Rommerstein, both of whom began to attack LaRouche at the National Security Council at precisely the time when the Soviets began denouncing LaRouche as the progenitor of the SDI. Former business associates of de Courcy state that his financial backers include Sir James Goldsmith, whom Godson introduced to the "Project Democracy" secret government apparatus partially exposed in *Irangate*. A senior CIA official who had served in London reported to *EIR* that Sir James was an SIS member who today handles its "Israeli account." Sir James is a business and political associate of Wall Street financial adviser John Train, who ran a salon where members of the Anti-Defamation League, NBC, and others planned the financial frameup of LaRouche and a media campaign slander.

Drug trade heightens threat to Amazon

The environmentalists cynically hope that the drug invasion of Rondônia will play into their plans to meddle in Brazil.

Until recently, Brazil has been viewed as a "transit country" for the international drug trade, and as a producer of the chemicals used to refine cocaine. Increasingly, however, entire zones in the country are starting to resemble those other regions of Ibero-America which have fallen into the hands of the drug trade. This presents two dangers: first, that posed by the drug trade itself; second, that this will be used as a pretext for an outside intervention in the Amazon region. It is precisely in the Amazon, with its vast natural resources so coveted by the superpowers, that the drug trade is making its greatest inroads.

A spokesman for the one-worldist Inter-Action Council in Europe described the group's scheme: "I am certain that an international military action against Brazil, over the Amazon, could occur, but only toward the end of the 1990s. It will have to be over something that could organize a supranational intervention force, something like terrorism and drugs, before we will be able to tackle the environment."

Cynical, but not surprising. After all, the Bush administration has been using the pretext of fighting drugs to test its policy of "limited sovereignty" in Ibero-America—witness last year's Panama invasion.

A report in the Nov. 10 issue of *O Estado de São Paulo* shows growing awareness of this danger inside Brazil. The influential daily reported that "possible control of the state of Rondônia by the drug trade could represent a strategic change of major proportions on the drug map, capable of

unleashing a reaction by the DEA [U.S. Drug Enforcement Administration]. . . . It was due to links with the cocaine trade that the United States invaded Panama."

Rondônia, located deep in the Amazon interior, is a state with great potential for economic development, if only the needed infrastructure were built, as reported in *EIR*, Nov. 2, 1990, p. 20.

But it is a sad fact that it has become a new paradise for international drug traffickers. The assassination of Sen. Olavo Pires, a candidate for governor of Rondônia, was perpetrated by professional killers last October in the midst of the electoral campaign, revealing how far the drug trade's power has already extended in the region.

The very terrain of the state makes ongoing police oversight difficult: Sharing over 1,500 kilometers of border with the coca-producing Bolivia, Rondônia has become the main route for Bolivian cocaine into the Brazilian consumer market, and for its illegal export to both Europe and the United States.

According to press reports, Rondônia is in second place, behind Mato Grosso do Sul, in numbers of cocaine seizures inside Brazil. From January to October, more than 300 kilograms of cocaine and over 1 ton of cocaine paste were seized. On Nov. 9, the Federal Police seized nearly 20 kilograms of pure cocaine from three passengers planning to board a flight in the airport of Porto Velho, capital of Rondônia.

The drug traffickers act with arrogant impunity. They transport the

drugs in broad daylight. And growing numbers of Brazilian citizens are being corrupted into participating in the deadly trade. According to *Jornal do Brasil* of Nov. 11, the important city of Guajara-Mirim, "founded on the border 52 years ago, is the key port of entry for Bolivian cocaine. With 40,000 residents, a cradle of traditional families, Guajara-Mirim now bears the stigma of drug capital."

O Estado de São Paulo published the statements of the region's Bishop Geraldo Vergier: "I have never seen such a catastrophic situation. There are few merchant families that are not working with cocaine."

In Rondônia, a state very rich in mineral resources, there is also an established network for drug money laundering. "The preferred activities for this are mining, hotel-keeping, air-taxi companies, and even horse breeding," reported *O Estado de São Paulo*.

Ester Kosoviski, president of Brazil's Federal Narcotics Council (COFEN), declared Nov. 13, "The borders between the two countries are very vulnerable. . . . Rondônia is a critical place." The latest COFEN report to Justice Minister Jarbas Passarinho revealed alarming data on the trafficking and consumption of cocaine in Rondônia: 60% of Porto Velho adolescents have consumed some drug, generally coca paste.

The Federal Police admit that they lack sufficient means to cope with the crisis. Police Narcotics Division delegate Ismar Cunha revealed Nov. 10 that 1,200 kilograms of cocaine seized in 1989 in all of Brazil represented something like 10% of the amount that actually entered the country that year. Those 1,200 kilograms were valued at \$500 million. "This proves," said Cunha, "that drugs, and especially cocaine, are only topped in the production of foreign exchange by the oil trade."

Colombian military hits FARC haven

But some factions in the Gaviria government don't want to mop up the narco-terrorists, and they are showing their colors.

After seven months of meticulous planning, the Seventh Brigade of the Colombian Army wiped out the staff headquarters for the eastern region of the narco-terrorist Colombian Revolutionary Armed Forces (FARC). Using T-37 planes and Black Hawk helicopters, the Army located the center, hidden by heavy cloud cover and a dense jungle canopy in the department of Meta, and after an intense bombardment, landed troops to secure the place, known by its acronym EMBO.

The FARC, Moscow-trained and -directed, is the largest guerrilla force in Colombia. It is also known as the "Third Cartel" for its role in the cocaine trade, which it uses both to finance itself, and as political warfare against the state.

The Meta camp, a virtual citadel, was strategically key. It guarded one of the only access routes to the so-called Green House, the headquarters of the FARC executive, 20 kilometers away. Although troops remain ensconced in the inhospitable region, they have as yet made no move toward the Green House. Asked if the Army would extend its offensive to FARC headquarters, Seventh Brigade Commander Gen. Humberto Correa Castaneda said, "I require the order of my top commanding officer: the President of the Republic." But President César Gaviria told a reporter, "The Armed Forces do not need the President's permission" to recover the national territory.

This evasive answer indicates that political factions within the Gaviria government oppose a military mop-up of the narco-terrorists. Gaviria him-

self favors a negotiated settlement, and has even put the chief of the narco-terrorist M-19 in his cabinet, for the sake of "peace."

The Army assault on EMBO takes place as Colombia is dramatically polarized. On Nov. 12, the FARC ambushed a police car carrying five youngsters who had taken part in a police-sponsored bicycle race. The FARC not only dynamited the car, but then machined-gunned any survivors. Calls flooded the government demanding a hardline response.

A national outcry has also greeted Attorney General Alfonso Gómez Méndez's efforts to humiliate the Armed Forces by publicly censuring ex-Army Commander and anti-terrorist hardliner Gen. Jesús Armando Arias Cabrales. The defense minister told Congress that the Armed Forces were being turned into a "clay idol," easily shattered. Newspaper editors worried that Colombia's most dedicated defenders were being treated like criminals. The usually meek Congress voted unanimously to protest the sanction against General Arias.

Even President Gaviria, who has backed the Attorney General, was forced to state that he did not necessarily agree with Gómez's charges. He nervously told the press that the widespread unrest in the Armed Forces over the ruling against General Arias "is not aimed at the President, nor does it pretend to place blame on the President."

Conservative Sen. Hugo Escobar Sierra charged that the Attorney General's office was persecuting more than 500 members of the Armed Forces,

and questioned if this witchhunt was "to demoralize the Armed Forces" so that they cannot fight. He read aloud from the *curriculum vitae* of General Arias, and then read from that of amnestied M-19 leader Antonio Navarro Wolf—Gaviria's former health minister, now candidate for the Constituent Assembly—which included repeated acts of terrorism.

Especially telling is the Nov. 11 decision of the editors of the Bogotá daily *La Prensa* to publish excerpts from a new book by Diana Duque, entitled *No nacimos pa' semilla*, which indicts the Colombian government for its failure to battle subversion. Duque cites liberally from Gen. F.A. von der Heydte's book *Modern Irregular Warfare*, the German classic recently translated into Spanish and republished by the Schiller Institute, on how subversion will typically seek to disguise an existing state of war, lulling the state into maintaining "the fiction of peace." Says Duque, "Sometimes much time will pass before the affected state recognizes the magnitude and objectives of subversion. This hidden war has existed in Colombia since 1982."

Duque denounces "violentologists" like Eduardo Pizarro (the brother of the late M-19 chieftain Carlos Pizarro), who "minimize" subversion's irregular warfare strategy by labeling it "socially endemic violence." Duque charges that such an analysis "psychologically disarms Colombian democracy and diverts the response of the state's defense apparatus from its main enemy, subversion."

Navarro Wolf has appealed to the President to intervene against these "violent verbal attacks" on the M-19. He also demanded a special session of Congress be convened to hear his self-defense, and access to free time on state-run radio and television to respond to these "insults and abuse."

International Intelligence

CIA-Israeli role in arms smuggling is covered up

A commission of inquiry set up by the Caribbean nation of Antigua and Barbuda, to investigate how a shipment of Israeli weapons purchased in 1989 for an anti-Noriega force organized by the CIA ended up at the Colombian farm of the late Medellín cocaine cartel kingpin Gonzalo Rodríguez Gacha, has concluded that the entire operation was the work of four Antiguan, in conspiracy with Colombian drug traffickers and "rogue" elements of Israeli intelligence.

This, despite overwhelming evidence that the operation was planned, coordinated, and carried out jointly by the CIA and its Israeli counterpart, the Mossad.

The contents of the report, which the Antigua government is now studying to determine if it will be officially released, were leaked Nov. 10 to *The Workers' Voice* of Antigua and to the Caribbean News Agency (CANA). Among the four accused Antiguan are the son of Prime Minister Vere Bird, Sr. and the commander of the Antigua Defense Forces, Clyde Walker.

According to information obtained by *EIR*, the weapons were originally obtained through the services, among others, of Israeli agents Gen. Pinchas Shachar and Col. Yair Klein, to supply an anti-Noriega "Contra" force headed by Panamanian Col. Eduardo Herrera Hassan, who went on to become Panama's defense chief after Noriega's fall. Former U.S. Assistant Secretary of State Elliott Abrams provided \$1 million for the operation from Panamanian funds confiscated by the U.S. government as part of its economic warfare measures against the Noriega government. The anti-Noriega force was to have been trained on Antigua soil by Klein, a paramilitary trainer of Colombia's cocaine traffickers, but that arrangement was nixed by the Antigua government.

During the Antigua hearings, headed by British Queen's Counsel Louis Blom-Cooper and his partner Geoffrey Robertson, *EIR* was denounced for publishing an investigative report on the role of the CIA in

the arms transaction. (See *EIR*, June 29, 1990, "Does the U.S. run guns to the drug cartel?")

Scottish churches reject Gulf war

All the churches of Scotland on Nov. 8 issued an Open Letter to the British Foreign Office calling for a peaceful solution to the Gulf crisis, and rejecting any unilateral military action. This is the first such statement from any European country.

"If the present efforts by the international community are not actively addressing the key issues in the Middle East, war will remove still further any possibility of resolving them," the letter said.

"War cannot solve the essential dilemmas at the heart of the invasion and occupation of Kuwait. Rather, it will create untold misery to countless numbers of people in the region through injury, loss of life, and total disruption to communities. More than that, it will shatter fragile economies and totally disrupt political development among the nation states of the region. War will not create the foundation for future peace and security in the region—it will simply be an obstacle to the pressing need to tackle these urgent issues now. . . .

"We are concerned at the possibility that Her Majesty's Government and the United States Government may be prepared to consider unilateral military action outside this consensus. We express our complete opposition to such unilateral military action, especially in view of the danger of possible escalation, the use of chemical or nuclear weapons, and the inevitable suffering of non-combatants."

New terrorist threat arises in Germany

A paramilitary insurrection of Berlin's political underground left close to 150 policemen injured Nov. 12-14, in street battles over 130 buildings that have been occupied by

squatters in eastern Berlin.

In the Friedrichshain district, a mob of about 800 built street barricades and started a battle with 1,400 policemen, using stones thrown from rooftops, steel bars, flares, and burning tires.

City authorities decided on Nov. 13 to reinforce the Berlin anti-riot police with two battalions of federal police, and to deploy 1,500 men with heavy vehicles to clear several dozen buildings in Friedrichshain.

The daily *Frankfurter Allgemeine Zeitung* reported Nov. 15 that the security services see this insurrection as presaging the rise of a new eastern German terrorism. The terrorist milieu, which has been under relatively heavy surveillance by the police and the anti-terrorism authorities in western Germany, is meeting far more favorable conditions in eastern Germany, where an anti-terrorism apparatus does not yet exist. Those who want to take revenge for the defeat of socialism are certain to act out their hatred against the West German model which has become the model for the united German state now, according to the newspaper.

The political underground has apparently been able to draw upon munitions and arms arsenals of the former East German state's armed units.

Soviet influentials see civil war looming

Twenty-two Soviet influentials wrote an open letter to President Gorbachov, published in *Moscow News* on Nov. 14, urging him to take "firm and urgent measures" to "avert civil war." They called on him to use his emergency powers to prevent an economic and political collapse, noting that those powers could either be used as "an instrument for a dictatorship or to defend democratic perestroika." They advised Gorbachov to either "decide to act or resign."

Among the signers was Oleg Bogomolov, director of the IMEMO economic and foreign policy think tank.

On the same day, deputies to the Su-

Briefly

● **THE WARSAW PACT** will be dissolved, announced Soviet Defense Minister D.T. Yazov in Rome on Nov. 18. "The Warsaw Pact will not exist any longer," he said, calling for the creation of a wider "architecture of European security."

● **A TREATY** finalizing the border between Germany and Poland was signed in Warsaw by the foreign ministers of the two countries on Nov. 14. The treaty establishes the current border, which runs along the rivers Oder and Neisse as permanent. Both governments have stated their commitment to use the treaty as a starting point for improving relations between Germans and Poles, on the model of Franco-German friendship.

● **JORDAN'S** King Hussein charged that the West has adopted a course of strangling the entire Middle East region, in a TV address on Nov. 17. He criticized the military confrontation against Iraq, and charged the West with playing a duplicitous role at the U.N., as exemplified by the different approaches taken on the issues of Iraq and of Palestinian rights.

● **ISRAELI** Prime Minister Yitzhak Shamir hinted at a new wave of Israeli settlements in the occupied territories, with a declaration Nov. 18 that Israel should be prepared for the "mass immigration of Jews to Israel," by ensuring that the area "from the sea to the River Jordan must be kept for future generations, and for a mass return of the Jewish people to Israel."

● **KUWAITI** elites abuse Indian children, reported Alain Peyrefitte from New Delhi in *Le Figaro Magazine* of Nov. 10. "Indian children of 7-8 years of age were bought from their parents in the streets of Bombay and then tied on the backs of horses for races, so that their shouts and painful cries would excite the horses, and make them gallop faster."

preme Soviet were making dire warnings about the economic and social crisis. A deputy from the Moscow region, Valentina Gudilina, told deputies: "I've been to my constituency and there will be a famine there soon, comrades, a real famine." A deputy from the Urals exclaimed that with rations of one-half kilogram of meat and flour per month already in effect, "my region is already at famine conditions. What more do you want to discuss? Our people will not tolerate us, or others, for long." Lt. Col. Viktor Aksnis, from Latvia, said, "If we fail to take some sort of measures, people will go into the streets to defend their children. People will take up arms."

Gorbachov replied to such warnings in a major address Nov. 16. He denounced panic-mongering and denied that the country was approaching "catastrophe, famine, and hunger." While stressing that he "shared the alarm and concern of the population at the critical situation in the economy," Gorbachov said that the Soviet population would "see changes for the better, by the middle of 1991."

Soviet crisis makes Gulf war more risky

Because of the extreme internal crisis in the Soviet Union, now is the worst possible time to be thinking of a major confrontation in the Gulf, advised the London *Guardian* newspaper on Nov. 15.

The paper reported recent dire warnings made by Mikhail Gorbachov himself and by Marshal Sergei Akhromeyev, and noted reports from Washington of "a wide-ranging intelligence review to begin to examine the consequences for the U.S. of a break-up of the Soviet Union." It has even gotten to the point that Pentagon officials speak of the wisdom of learning the telephone numbers of "Soviet missile commanders in Siberia."

The West "could make things much worse by heightening tension elsewhere. It is not only in the Middle East where our expectations could go off the map," the paper concluded.

Population control denounced in Venezuela

Alberto Vollmer, a Venezuelan business leader, warns that there is a concerted effort on the part of a group of international agencies to bring about population reduction in the developing sector, in an interview published in the Nov. 12 issue of the daily *El Universal*.

Vollmer has been extremely critical of U.S. policy in the Persian Gulf, and is also an outspoken opponent of the Venezuelan government's moves to open the banking system to the drug traffickers.

Interviewed along with his wife, Cristina de Vollmer, who heads up the organization Pro-Vida (Pro-Life), Vollmer identifies agencies such as the U.S. State Department's Agency for International Development, the International Monetary Fund/World Bank, several U.S. foundations, and the United Nations, which are working to achieve population control in the Third World "by whatever means necessary."

Mrs. Vollmer brands this "a Hitlerian practice which shouldn't be permitted in our country."

Iraq invites nuclear inspectors

The International Atomic Energy Agency disclosed on Nov. 15 that the government of Iraq has invited a team of inspectors to verify that it has not been using its small stock of uranium to produce nuclear weapons. Iraq had obtained the uranium from France in 1976 to operate its Osirak nuclear reactor.

The Iraqi government has pointed out that the only Mideastern country that has nuclear weapons is not itself, but Israel. Unlike Israel, Iraq is a signatory of the Non-Proliferation Treaty. Accusations that Iraq is developing a nuclear bomb have been central to Anglo-American-Israeli propaganda against that state. Iraq has always denied any effort to build a nuclear bomb, stating that its chemical-weapon bomb is an adequate deterrent.

Make Ariel Sharon answer to charges of genocide!

by Joseph Brewda

The Schiller Institute, a foreign policy think tank founded by Helga Zepp-LaRouche, has called for an immediate investigation by the United Nations into Israeli Gen. Ariel Sharon's effort to trigger a new Middle East war. Sharon, currently the housing minister of Israel, is the regime's strongman, because he maintains the closest connections with the Anglo-American interests that control the Israeli state. On their behalf, Sharon has been attempting to provoke war ever since Prime Minister Yitzhak Shamir formed his new cabinet in June. If the purpose of the United Nations is to foster peace, it cannot fail to initiate this investigation into Sharon.

The portrayal of the Iraqi invasion of Kuwait on Aug. 2 as the reason for the Anglo-American military deployment to the Persian Gulf is a fraud. It was clear that Israel was planning on fighting a new war with Jordan, and possibly Iraq, from the moment that Henry Kissinger and Peter Lord Carrington put the Shamir cabinet into power. For such reasons, Lyndon LaRouche charged on July 3 that Israel was planning a new war against the Arab states (see EIR, July 20, 1990, p. 26). The secret behind this war, LaRouche charged, was that Israel, under the current Sharon-dominated cabinet, is a "zombie nation" controlled by Britain, and Britain has decided to go for war.

One of the pressing reasons for a probe is to assemble the massive evidence showing that the international backers of Sharon—located in the City of London and Wall Street—are involved in the destabilization of the Republic of South Africa as well.

These interests are pushing a new war in the Middle East, in part because a spectacular rise in the price of oil—which

has already begun—will destroy Third World nations as well as Germany and Japan, the two advanced-sector nations which most favor Third World industrial development. Similarly, an explosion in southern Africa would destroy the mining of such vital minerals as vanadium, manganese, and chromium, thereby wrecking the German and Japanese economies, among others. In both cases, the destabilization is intended to depopulate the non-white races that British and American elites have deemed inferior.

I. The British conspirators behind Ariel Sharon

A. The Sharon war government

Whenever Gen. Ariel Sharon has a dominant position within the Israeli government, you can expect mass killings. It is no secret that "Arik" Sharon is the funder and protector of the various "Jewish underground" sects that have regularly been killing Palestinians, most recently triggering the Jerusalem bloodbath of Oct. 8 which left 21 dead. Sharon would like to see such atrocities provide the pretext for his pet project: invading Jordan, toppling King Hussein, declaring that Jordan is "Palestine," and expelling the Palestinians from Israel—thereby "solving" the Palestinian problem once and for all.

Sharon exemplifies the mentality of those whom the British are seeking to place into power today. The high-level British backing for Sharon came out into the open in October

1982. Shortly after the Israeli invasion of Lebanon, which was directed by Sharon from his post as defense minister, Britain's **Lord Harlech (David Ormsby-Gore)** put together an international combination of business and political interests to invest enormous sums in real estate on the West Bank, which had been made available by a 1979 Israeli court decision that permitted sale of West Bank land. Among the key figures that reportedly were involved in this venture were former U.S. Secretary of State **Henry Kissinger**, former NATO Secretary General **Peter Lord Carrington**, U.K. parliamentarian **Julian Amery**, former U.S. Secretary of Defense **Robert McNamara**, and former U.S. Secretary of State **Alexander Haig**.

This is the group that backs Sharon's prime ministerial ambitions. In 1989, it moved to put Sharon in power. In April 1989, Kissinger and Carrington's **Hollinger Corp.** of Canada, which also includes Seagram's liquor tycoon **Edgar Bronfman** on its board, bought the *Jerusalem Post*. In January of this year, 20 editors and reporters of the paper were fired, after protesting that the new Hollinger-imposed publisher was pushing the formerly Labor Party-linked newspaper in a right-wing direction, backing Sharon's policy.

Another Kissinger-Carrington associate, **Robert Maxwell**, had purchased the important daily *Ma'ariv* a few months earlier. Maxwell, a British media magnate, is another Sharon backer.

By June 1990, Sharon was installed as housing minister, a portfolio that gave him the power to implement the first phase of his "final solution" to the Palestinian problem, with the mass migration of Jews from the Soviet Union to Israel, as arranged through Edgar Bronfman and the World Jewish Congress.

The stage was set for a renewed Mideast crisis.

B. South Africa: 'the third force'

While the City of London and Wall Street set the Middle East on the path toward war during the summer of 1990, they also began to intensify tribal warfare in southern Africa. Here again, we find the footprints of Sharon's British sponsors and the Israeli foreign intelligence service, the Mossad. Lord Carrington, Lonrho's "**Tiny**" **Rowland**, and Soviet-Israeli spy Shabtai Kalmanowitch are the key figures to watch.

Over 700 people were killed in fighting in the vicinity of Johannesburg in the month of August alone. The purpose of the externally fostered violence, which some in South Africa have labeled as organized by a "third force," is the destruction of the industrial potential of the Republic of South Africa (R.S.A.), which is required to prevent the genocidal depopulation of Africa promoted by the Anglo-Americans.

On Sept. 10, a group of Anglican clergymen led by Bishop Desmond Tutu met with President Willem de Klerk and issued a statement which charged that a "sinister third force in the country is fomenting chaos, possibly with a view to creating a climate for a coup against Mr. de Klerk's govern-

ment." After a shooting incident at a Johannesburg commuter train station that week, Walter Sisulu of the African National Congress (ANC) charged that "mysterious forces, not necessarily Inkatha" (the movement led by Zulu chief Mangosuthu Buthelezi), were fomenting the warfare between the two rival black movements.

A white Catholic priest, Father Kevin Bugler, who witnessed the burning down of a squatter town, Thokoza, in one of the latest incidents in the month-long violence, told the *New York Times* on Sept. 13 that "the whole thing is being orchestrated from somewhere. Who's doing it? I don't believe it's just Inkatha."

Typical of such violence is a massacre which took place on board a commuter train taking black workers from Johannesburg to the townships on Sept. 13. At the Jeppe station, a gang of black teenagers, armed with machetes and spears, boarded the train and began systematically massacring the passengers. When the train arrived at the next stop five minutes later, a second gang was waiting to continue the massacre of passengers attempting to flee. The assailants then escaped, leaving 26 people dead and over 100 wounded.

While various of these South African figures claim to have difficulty identifying this "third force," its origin is not so difficult to determine—it is Britain; and the British puppet-state Israel.

The identity between those British establishment figures who currently control Israel and those who rule South Africa is important to understand. Britain's Lord Carrington, for example, is a patron of Sharon, and a key controller of the Mossad. He has long been associated with Barclays Bank and the Rio Tinto Zinc mining interests which dominate southern Africa. Tiny Rowland is a British intelligence official who has specialized in African operations through his firm, Lonrho, one of the most powerful firms in Africa. Rowland is a business partner of the Emir of Kuwait and a collaborator of the Mossad, particularly the group tied to Sharon.

This link between British operations in the Middle East and British operations in Africa goes back to at least the mid-19th century, when the patrons of **Cecil Rhodes**, the imperialist who carved up Africa, saw Zionism as a means of furthering British control of the Middle East. The first draft of Rhodes's will in 1877 called for the "establishment of a secret society" the "true aim and object whereof shall be the extension of British rule throughout the world." Rhodes conceived of the "occupation of the Holy Land" as being essential to the "consolidation of the whole Empire."

The Rhodes fortune, primarily obtained from looting Africa, was later used to establish this "secret society," termed the "Rhodes Trust" or "Round Tables" organization. In 1917, Round Tables officer **Arthur Lord Balfour** proclaimed the British intent of establishing a Zionist state. One of the Round Tables' agents, **Chaim Weizmann**, was installed as Israel's first President in 1948. The organization had been guided by Viscount **Alfred Milner**, the former High Commissioner for

South Africa and former chairman of Rio Tinto Zinc.

The British effort to meld Africa, the Middle East, and other regions into a single empire ultimately failed, however. The British were forced to formally decolonize Africa in 1960-64. But Britain never intended to make its colonies truly independent, just as it never intended to give any Arab state control over its destiny. Rowland's Lonrho was one of the major institutions that the British used to continue to control Africa, just as the creation of Israel was designed to be an instrument of post-World War II British control of the Middle East.

An examination of the holdings of Lonrho in combination with Rio Tinto Zinc and the Anglo-American Corp., all run by the same interests, reveals that the three British firms control most of the world's vital strategic minerals outside of Russia, and control the African economy. Yet official economic statistics tell little of the real story, which is better shown by Lonrho control of most of the region's revolutionary or separatist movements of both the left, right, and ethnic or tribal variety. British imperial policy has always been based on manipulating all ethnic and political factions, and states, against each other.

For such reasons, Lonrho—and the Mossad—have simultaneously supported most African self-styled “liberation movements,” right, left, or tribal, as well as whoever might be in power. So, for example, Lonrho has simultaneously supported the Angolan government and the UNITA guerrilla insurgency opposing it, the South African government and the African National Congress, and has recently mediated between the Mozambique government and the insurgent RENAMO guerrillas.

Israeli intelligence has also worked closely with the CIA in destabilizing the African continent through such methods, a relationship which dates back to at least former CIA counterintelligence director **James Jesus Angleton's** postwar patronage of the Mossad. This relationship was upgraded in 1975, when then-Secretary of State Henry Kissinger reportedly asked the Israelis to aid South African operations in Angola. At the same time, former Israeli Defense Minister **Ezer Weizmann**—Chaim Weizmann's son—began setting up operations in Zaire, including an Israeli nuclear missile testing facility.

C. The Kalmanowitch case

Some sense of the current complex relationship among the City of London, Washington, and also Moscow, in running Israeli intelligence operations designed to destabilize Africa, emerged in a spy case involving one **Shabtai Kalmanowitch** in 1987. At the time of his exposure, the Soviet emigré to Israel was a key figure in the Mossad's African operations, while continuing to work, purportedly without Israeli knowledge, for the KGB. Kalmanowitch was particularly close to the networks of Ariel Sharon.

Kalmanowitch had arrived in Israel from his native Lithu-

ania in 1971, where he quickly joined the Mossad, becoming Israeli Prime Minister **Golda Meir's** information officer. By 1976, Kalmanowitch had become rich through trading in African diamonds. By 1977, he was the campaign manager and bankroller for the Knesset (parliament) campaign of Sharon ally **Samuel Flatto-Sharon**. During the same election, Sharon's campaign manager was **Rafi Eytan**.

Once in office, Flatto-Sharon gained international notoriety for calling for the deployment of “killer teams” directed against **Pope John Paul II** and Austrian President **Kurt Waldheim**, in speeches on the Knesset floor. Flatto-Sharon is a funder of the fanatical settlements movement Gush Emunim, the Jewish Defense League (led by the late terrorist **Meir Kahane**), and related organizations which serve under Sharon and Eytan.

As Flatto-Sharon's parliamentary aide, Kalmanowitch rapidly expanded his African operations, particularly after beginning close work with the New York-based **Rabbi Ronald Greenwald**, a purported agent of the CIA and Mossad, in 1978. Greenwald, and his B International, have been the commercial representatives of the South African bantustan of Bophuthatswana. The bantustan, which is controlled by South Africa in partnership with Israel, was created to aid diamond and arms smuggling from and to the region, as well as to be a center of casino operations. In 1982, Kalmanowitch became the bantustan's representative in Israel.

At the time of his Israeli arrest, Kalmanowitch oversaw an African-based Mossad proprietary, LIAT, which employed **David Tamari**, the former head of Israeli military intelligence, who had been the Mossad case-officer for the Sierra Leone coup of 1985; **Yoram Avidor**, the former Israeli finance minister who, together with Ariel Sharon, has been a key liaison between Israel and South Africa in their planned joint development of a new combat jet, the Lavi; and scores more of “former” Mossad agents who had been trained by the former chief of Mossad African operations, **David Kimche**. Kimche is today an employee of Tiny Rowland.

II. Sharon's war crimes

A. Israeli 'Lebensraum'

Ariel Sharon has been a promoter of the policy of expelling the 1.6 million Palestinians on the West Bank and Gaza, since the Jewish state seized the two regions from Jordan and Egypt in the 1967 war. Immediately following the war, Sharon, then a general in the Israel Defense Force (IDF), deployed armed Jewish “settlers” into the West Bank under the pretext of creating a “defense perimeter.” This was the beginning of the policy of making the occupied territories “Arab free,” by a combination of terrorism, land annexations, and settlements. By 1985, an estimated 52% of the West Bank and 40% of Gaza had been confiscated by Israelis.

Statistics compiled by the Palestinian Human Rights Information Center of Jerusalem give some indication of the mass murder that the Sharon-dominated government is now systematically carrying out.

During the period from Dec. 9, 1987, when the Intifada, the Palestinian uprising, began, through Aug. 31, 1990, Israeli soldiers, police, and "settlers" have killed 856 Palestinians, and wounded 99,000 more. Of those killed, 217 were under 16 years of age. Of the fatalities, 704 were from gunshot wounds, 63 were from beatings, and 89 were tear gas-related. At least 52 of these deaths were brought about by settlers' militias, through both random and selective shootings and bombings. Twenty of the victims were shot or beaten to death in prison.

The extermination of the Palestinian population of the West Bank and Gaza is not solely implemented through police riots or selective assassinations. An estimated 10,400 Palestinians are currently suffering "administrative detention," as part of a policy of breaking the Palestinians' will. This imprisonment does not require any legal due process, but is imposed by Israeli military or security services for reasons of "state security." There are no time periods of detention specified and no appeal possible. According to some estimates, more than 40,000 Palestinians have passed in and out of detention since the Intifada began in December 1987—a rate of 1 in every 10 men between the ages of 15 and 60. Virtually every family has a relative who has been arrested.

At the same time, Israel has systematically attempted to destroy the livelihood of Palestinians in order to force them to leave. Since the Intifada began, over 1,347 homes have been demolished by the state, for "security reasons," as punishment, or under other pretexts. Families which have their homes demolished, are prohibited by law from constructing new ones, and so are forced to live in tents—or move out. On Oct. 21, Sharon told the French daily *Le Monde* that any Palestinian found carrying a knife in Jerusalem should have his home demolished.

Uprooting trees is also a favorite form of punishment, since most Palestinian peasants' livelihoods are based on olive, date, almond, and citrus fruit orchards. The Israeli government has uprooted over 91,000 orchard trees since 1987. The curfew imposed since the Haram al-Sharif massacre of Oct. 8 at Jerusalem's Al Aqsa mosque is also economically motivated, since this is the harvest time for olives, the West Bank's most important crop. There have been 7,755 curfew-days imposed in total, on various towns and villages, since the Intifada began. In 1988, ninety percent of the grape harvest, another important crop, rotted in the fields due to curfews.

B. Sharon's terror career

Sharon and company began applying their twin policy of terror and construction of Jewish settlements immediately

after seizing the Arab lands in the 1967 war. But a 1972 Israeli government decision to partially lift a previous ban on the private purchase of West Bank land by Israelis, made their plans that much easier. The ban was lifted through the lobbying efforts of **Yehezkel Sahar**, a former minister of police and Sharon associate. Their first project was the construction of a residential area outside of Jerusalem for retired IDF officers. One partner of Sahar in the scheme was **Gen. Rehavam Zeevi**. Zeevi, a longtime associate of Sharon, has also been associated with the butchery of Palestinians, especially during the period he was counterterrorism adviser to Prime Minister **Yitzhak Rabin** during the mid-1970s.

After the 1967 war, General Sharon deployed armed Jewish "settlers" into the West Bank under the pretext of creating a "defense perimeter." This was the beginning of the policy of making the occupied territories "Arab free," by terrorism, land annexations, and settlements. It has led to a Hitlerian "final solution": extermination of the Palestinian population.

In the years 1972-76 there was a steady increase in West Bank land purchases, especially by firms linked to Mossad officer Rafi Eytan, Sharon's aide. One project was a partnership of Eytan, Sharon adviser **Eli Landau**, and **Avraham Mintz**, a leader of the Gush Emunim, in founding the Eilat Morah settlement.

In 1973, Sharon left the military to enter politics, in part to mobilize the Israeli population on behalf of his expansionist policy. Sharon was convinced to do so by **Meshulam Riklis**, the New York-based owner of Rapid American Corp. who was, and is, Sharon's primary foreign-based controller. Riklis had been a Hebrew school teacher in Minneapolis until he was picked up by Anti-Defamation League leader **Burton Joseph** in the 1950s. Under Joseph's patronage, Riklis amassed a fortune, briefly controlling Investors Overseas Services in 1970, the notorious former Mossad-CIA financial front. The ADL, whose top officers are largely former CIA and FBI agents and assets, has long been linked to Mossad operations in the United States. For such reasons, the ADL has long been one of the major U.S.-based supporters of

Sharon's prime ministerial ambitions.

In December 1973, Sharon was elected to the Knesset, largely through the aid and funding of such U.S.-based patrons. In June 1974, Sharon led a group of Jewish settlers in setting up an illegal settlement near Nablus.

After **Menachem Begin's** Likud bloc came into power in 1977, the policy of "Judaizing" the territories dramatically accelerated. The plan that the new regime sought to implement was the one proposed by **Matitayahu Drobles**, the Likud-affiliated head of the World Zionist Organization's settlement division. The plan called for settling 1.3 million Jews in the occupied territories by 2010. The native-born Jewish population of Israel will not be more than 4.3 million by that year. The Drobles plan, consequently, was based implicitly on shipping a large number of expected Soviet Jewish immigrants to live in the territories. The project to ship such Jews in was then being negotiated by World Jewish Congress head Edgar Bronfman, a partner of Riklis in various real estate schemes, who has also been a backer of Sharon.

Begin's appointment of Sharon as minister of agriculture in September 1977 was crucial to this expansionist policy.

The ministry is in charge of "agricultural settlements," including settlements by Jewish fundamentalists on the West Bank. It has also been one of the major covers for Israel's foreign and domestic intelligence operations.

Sharon pushed these settlements by hook and by crook. At the end of his first month in this post, he made it public that he had been secretly authorizing settlements on the West Bank. In October 1977, he announced the foundation of 12 more settlements. During his tenure as agriculture minister from 1977-81, these settlements grew rapidly. By 1981, some 25,000 Jews had settled in the West Bank under Ministry of Agriculture patronage. Most were members of the terrorist Gush Emunim, a group whose leader, **Rabbi Moshe Levinger**, was recently released from Israeli prison, where he had been briefly incarcerated for shooting an Arab.

During this same period, Rafi Eytan was installed as Prime Minister Begin's "Adviser on the Warfare against Terror," a post that Sharon himself had held briefly a few years earlier. Eytan, who had been Sharon's 1977 campaign manager, was placed in that key post in the Begin government by Sharon. As the name of the post suggests, Eytan was detailed to oversee terrorist operations against Palestinians. The Gush Emunim, the Kach party of the recently assassinated Meir Kahane, and various other settlers groups are secretly coordinated, armed, and funded by that office.

The policy of using supposed private "settlers" such as the Gush Emunim to butcher Arabs is nothing new. In some ways, one could date the policy back to 1953, when Gen. **Moshe Dayan** ordered the formation of an elite, secret, volunteer unit of the Israeli Army to conduct massacres of Palestinians. The unit, "Unit 101," was led by Sharon. The massacres were always blamed on civilians.

In October 1953, in their first action, Sharon, leading

600 soldiers, infiltrated Jordan, and killed 66 men, women, and children in the 2,000-person village of Qibya (now in the occupied West Bank). The massacre was supposedly conducted in "reprisal" for the shooting of two Israeli Jews a few days before. U.N. military observers, investigating the scene of the incident two hours later, described it this way: "Bullet-ridden bodies near doorways and multiple bullet hits on the doors of the demolished homes indicated that the inhabitants had been forced to remain inside until their homes were blown up over them."

Other raids soon followed. On Feb. 28, 1955, the unit raided the Egyptian town of Gaza (now in the occupied Gaza Strip). Twenty-two soldiers were blown up in a truck by the supposed Israeli civilians. On Aug. 31, six months later, 39 Egyptians were killed in a raid on the nearby Egyptian village of Khan Yunis. On Oct. 10, 1956, two months before the Anglo-French-Israeli invasion of Egypt, 83 Arabs were killed in a raid on Qalqilya, now in the occupied West Bank. In an interview with the *New York Times*, Egyptian President **Gamal Abdul Nasser** later said that the massacre in Gaza forced him to open relations with the Soviet Union regarding the purchase of arms, and that the attack on Khan Yunis forced him to accept the Soviet offer.

Sharon's terrorist unit was later incorporated into the IDF paratroop corps, after a decade of massacres.

This same policy of butchery, including the use of supposedly non-government assassins, characterized the Israeli invasion of Lebanon that then-Defense Minister Sharon ordered on June 4, 1982. In 1978-79 alone, Israeli raids had driven some 200,000 Palestinians out of southern Lebanon. The invasion, which had been ordered by the U.S. State Department as part of its policy of destroying Lebanon, had the included purpose of implementing a "final solution" to the Palestine Liberation Organization, which was then based there.

During the height of the invasion—June 4 through Aug. 31—19,025 people were killed and 30,032 were wounded, most of them civilians.

On Aug. 21, the PLO began evacuating Beirut, after a siege of 10 weeks and daily aerial bombings, because, PLO officials said, "the destruction of Beirut over the heads of a half a million Muslims is not a mere possibility but has become a reality." On that date, the first of 15,600 Palestinians left Beirut, and an American-sponsored ceasefire was accepted by the Israelis, since one of their main aims had been achieved.

On Sept. 15, the Israelis broke the ceasefire, invaded West Beirut, and ordered the encirclement of the Palestinian refugee camps of Sabra, Shatila, and Burj el Barajneh. On Sept. 16, Sharon's IDF sent units of the Israeli-aligned Lebanese Phalange militia into the camps, with the orders to "purify them." The militia remained in the camps until Sept. 18, with the armed backup of the IDF. During that time, the militia killed an estimated 1,500 men, women, and children.

The pretext for the invasion and slaughter was the attempted assassination of Israeli diplomat **Shlomo Argov** in London by the nephew of Palestinian terrorist leader **Abu Nidal** (born **Sabri al-Banna**) a few days before. Abu Nidal and his organization are controlled by Israeli intelligence and used, as in this case, to provide timely pretexts for Israeli actions. Abu Nidal's father, **Haj Khalil al-Banna**, was an intimate with Zionist terrorist leader **Avraham Shapiro**, the founder of the Ha-Shomer "self-defense" movement. His brother, Mohammed, is one of the biggest fruit wholesalers on the West Bank, with extensive dealings with various Jewish *kibbutzim*.

According to one scenario thrown around in Washington today, another Abu Nidal-ordered assassination, blamed on Iraq, will be the pretext for an Anglo-American-Israeli assault on Iraq.

C. Sharon's backers make a killing

In 1979, the Israeli high court ruled for the first time that individual Israelis could buy West Bank lands. Up to that time, land purchases could only be made by the Israeli government or through special exemptions. The shift in policy immediately benefited Sharon's New York and City of London controllers, who could always find an Israeli front-man for their land speculation.

In 1980, Sharon began an international propaganda campaign to promote such private land purchases. To this end, he began tours of the United States, urging American Jews to purchase West Bank land. A cluster of companies, all tied to Sharon, was formed to channel these international investments, including: Jumbo, whose attorney was Begin's son-in-law **Roni Milo**, today Minister of Police Affairs; Samaria and Judea, a combine tied to the Tehiya party of **Yuval Ne'eman**; and Meteor, owned by **Jacob Avkin**, a member of Sharon's Shlomotzion party.

In 1981, the Israeli high court further ruled that the Israeli government could declare all rocky, vacant, or uncultivated acreage as state property. Arbitrary government definitions of what constituted "vacant" or "uncultivated" land accelerated the displacement of Palestinians. By 1982, when Sharon was installed as defense minister, the stage had been set for making a killing in the real estate market, by killing Arabs.

In October 1982, as mentioned above, Lord Harlech and Kissinger put together their international combine to buy up the West Bank. According to Harlech's plan, third-party buyers, often Arabs, would purchase blocs of real estate on behalf of the group. These areas, which would eventually become "Arab-free," would be used to settle the large numbers of Soviet Jews expected to emigrate to Israel.

This transfer, however, required violence against the Palestinians. This was where their boy Sharon came in.

To prepare for this transfer, Sharon, who was defense minister at the time, had already held a meeting at his farm

in the spring of 1982 with a number of his cronies. Attendees included Rafi Eytan, still the prime minister's Adviser on the Warfare against Terror; Gen. Rehavam Zeevi, whom Eytan had replaced in that post; and Meshulam Riklis.

Shortly after the Harlech-Kissinger discussions, and the Sharon gathering, the Jewish fundamentalist crazies run by Sharon, Eytan, and Zeevi accelerated their provocations against Palestinians. These included not only beatings and killings of Palestinians, but also attempted bombings of the site of the Al Aqsa mosque in Jerusalem. Jewish fundamentalists insist that the Al Aqsa mosque on the Haram al-Sharif (Noble Sanctuary) is where Solomon's Temple had been, and that demolition of the mosque is necessary to rebuild the temple. Religious desecrations of Muslim sites, it was thought, would rapidly create a spiraling pattern of violence, thereby giving the Israeli army the pretext to drive the Palestinian population of the West Bank into Jordan *en masse*.

EIR coverage of this "land scam" and "Temple Mount" plot in 1983 provoked an international uproar, particularly among the oligarchical circles of Europe. U.S. documents made available to *EIR* through the Freedom of Information Act show that Henry Kissinger was particularly incensed by those 1983 articles.

One of the specific reasons for the international outcry was that *EIR* had traced back Harlech and Kissinger's game to the Quatuor Coronati Lodge of Scottish Rite Freemasonry, housed in London. The Masons claim their descent from the builders of Solomon's Temple. The plot to blow up the mosque was, as we showed, ideologically motivated as well.

The sponsorship of the Harlech-Kissinger group by the Masonic order was quite overt. As a Quatuor Coronati Lodge spokesman put it at the time, "The Middle East could be hit by a new wave of fundamentalism. . . . The one thing that would unite the whole Arab world would be an attempt to rebuild Solomon's Temple; this would lead to no end of trouble. . . . It would be nice to see the Temple of Solomon there, but you would have to do something with the mosque first, like blow it up."

The U.S. side of this operation was run by the Temple Mount Foundation, founded by **Terry Risenhoover**, whose vast North Slope oil concessions had been sponsored by Kissinger Associates board member **Robert O. Anderson**. Risenhoover's group, composed primarily of Protestant fundamentalists, aided their British allies by generously funding the Jewish Defense League and the Gush Emunim, even in opposition to a few anti-Sharon Israeli groups which feared the plot's consequences.

This is precisely the same group that sponsored the Oct. 8 attempt to lay a foundation stone for the new temple at the Al Aqsa mosque, providing Israeli authorities the pretext to shoot into the Palestinian crowd that had gathered at the site to protest the action. The resulting deaths, which totaled 21, it was hoped, would create the conditions suitable for an Israeli strike into Jordan, triggering a Gulf war.

Why Bush is terrified of a real Noriega defense

by Robyn Quijano

Nearly one year after a U.S. invasion force massacred at least 4,000 civilians in Panama to take out Gen. Manuel Antonio Noriega, the general is in the news again. This time, Noriega's conversations with his defense team, illegally taped by the U.S. government, were aired on Cable News Network (CNN). While the U.S. media have made great noises about the threat to freedom of speech posed by the refusal of the courts to allow CNN to air the tapes, the Bush administration's conspiracy to deny Noriega a fair trial has been played down, along with the fact that Panamanian officials listened to the tapes months ago. This is the same Panamanian puppet regime that has conveniently sued to assure that Noriega's assets remain frozen, backing the Bush administration's ploy to force him into the hands of a court-appointed lawyer; that same regime has announced that should charges be dropped against Noriega in the United States, they will try him in Panama for murder.

It would seem that the Bush administration, which ordered the general be delivered dead, not alive, has already gone to great lengths to see to it that Noriega has no competent defense. Henry Kissinger warned during the days after the invasion that it were better that the general never make it to trial. But now, as the first anniversary nears, and as Bush prepares for another invasion of a Third World nation to consolidate his new world order, the nasty business of what Noriega knows about the dirty drug dealings of Bush's Contra operation haunts the President.

Remember the ratings

Last year's yuletide invasion of Panama, which left thousands of Panamanian civilians dead, boosted George Bush's

ego and his ratings at the polls. After all, the mightiest nation in the world had just scored against a nation of 2 million Panamanians. Two years of propaganda against General Noriega, "the bloody dictator, drug runner," had succeeded in creating an atmosphere in which few could or would dare to read the implications of the clean little surgical strike that imposed democracy on the small U.S. ally.

Nearly a year later, the international press admits that there are more drugs and dirty money coming out of Panama than during the previous government. Among other media outlets, "60 Minutes" and the *Los Angeles Times* have testified to the mass graves and coverup of the deaths of thousands of Panamanian civilians. In a letter published Nov. 12 in the *Los Angeles Times*, U.S. writer Godfrey Harris, author of the book *Invasion*, said that while in Panama, he had spoken with members of the 193rd Infantry Brigade of the U.S. Army, "who told me that they had been ordered to place hundreds and hundreds of bodies in bags aboard cargo planes that took them to Honduras, where they were secretly buried at the U.S.'s huge Air Force base there."

Still, few report that the Panama Canal treaties have been nullified by the dismemberment of the Panamanian Armed Forces, one of the main aims of the invasion. And the press continues to paint Noriega as a bloody dictator, worthy of the worst possible treatment. Two years of media bombardment was far more successful than Bush's more recent attempt to paint Saddam Hussein as "worse than Hitler," although the success of the Goebbels-style campaign against Noriega has been used by the Establishment's propaganda machine as a model for the anti-Saddam campaign.

Only this publication has reported what any honest investi-

gator could find out—that during two years of U.S. destabilization, less than a handful of people were killed in Panama, most by accidents during skirmishes. Through dozens of U.S.-orchestrated anti-Noriega protests, Noriega's defense forces committed the "brutality" of towing away the Mercedes and BMWs of the *rabiblanco*, or "white-tails," as the oligarchy is called there. Several military men died in the final coup attempt of October 1989, which the U.S. promoted, and then sabotaged in order to make way for the invasion that could not occur if Noriega were toppled.

The invasion—planned months before any of the excuses Bush used, such as Noriega's alleged declaration of war, and "aggression against U.S. citizens"—was a necessary precedent for the Bush strategy of genocidal wars against the Third World. The death of a handful of military men carrying out a coup, victims whose blood is on the hands of the U.S. President who set them up and then pulled out on them, is now the pretext for charging Noriega with murder inside Panama.

Noriega's human rights record should be contrasted not only to the Operation Just Cause massacre of innocent civilians, but also to the situation in Mexico, where Bush's Harvard-trained ally Carlos Salinas de Gortari's security forces have killed hundreds of opposition leaders since he stole the presidency through massive vote fraud two years ago.

Yet, in part because the U.S. public at large has refused to demand that the Panama file be opened, George Bush believes more than ever that he can send a U.S. invasion force to any Third World nation, commit any atrocity, and come out as the champion of democracy, or at least the American way of life. Many Americans still, after all, give George an A+ for his splendid little invasion of Panama.

One of George's illusions is that he can carry out another "surgical strike," bombing Iraq back to the Stone Age, and mopping up within six days. The Panamanian Defense Forces were trained to combat a U.S. invasion, and its plans to carry out guerrilla warfare against U.S. forces were only canceled after General Noriega responded to the bombardment and massacre of civilians by taking refuge at the Papal Nuncio's office and calling off the resistance. Bush mistakenly believes that bombing of Iraqi population centers, and the demonstration of disregard for human life by the all-powerful adversary, would have the same effect in Iraq.

Judicial fascism

The Bush administration, which has, through the Thornburgh Justice Department, torn up the Constitution in order to jail and silence enemies of the Establishment's policies, also believes that the U.S. population will not revolt against the further imposition of judicial fascism. So far, Bush and his courts have gotten away with the jailing of Lyndon LaRouche and his associates, and the targeting of black elected officials and hundreds of others on his political enemies list. So why not remove the embarrassment of a competent defense for the "dirty dictator" Noriega?

"I am now at the mercy of a totally unfair and unjust system, which chooses my prosecutors, and now chooses my defense attorneys," declared Noriega Nov. 16 in a statement before Federal Judge William Hoeveler. According to the English-language version distributed by his lawyers, Noriega said: "When I was brought to the United States, I mistakenly believed that I would be able to receive a fair trial. In order for this to come true, I also believed that I would be able to use my money to hire the lawyers of my choice. It is painfully obvious that the United States government does not wish me to be able to defend myself, and has done everything possible to deprive me of a fair trial and due process.

"They have taken my money, deprived me of my lawyers, videotaped me in my cell, wiretapped my telephone calls with my lawyers, and even given them to the Endara government [of Panama] and to the press. The government of the United States has ignored my status as a prisoner of war and has violated the Geneva Convention," said Noriega.

"Worst of all, they have not acted in a humanitarian manner. Despite repeated requests by the International Red Cross, they have violated my human rights by denying my wife and children visas so that they may come to the United States to visit with me. To deprive a woman and children of the basic human right to visit their husband and father is shameful and a violation of international law.

"Obviously, it is to the benefit of the United States government that I cannot defend myself, for what they fear I know," he said. "This is not a case about drugs. I realize that this case has implications to the highest levels of the United States government, including the White House."

Noriega said he was never under the illusion that his trial was going to take place under equitable conditions. "But I also never expected to face a virtual army of prosecutors and investigators on such an uneven field of battle," and allowed only lawyers who have received no pay whatsoever and "who are only permitted to use pistols, while the prosecutor's office has nuclear weapons."

"This they call a fair fight," he said. "The battle I face ahead is very similar to when the United States invaded my country. That was one-sided and unfair, and so is this battle."

One year later, it is about time the American people questioned just what "way of life" George is talking about defending as he commits nearly half a million U.S. troops to the Gulf. Before 50,000 body bags find their way home, and while we can still do something about it, serious U.S. citizens should study the Panama file.

If George Bush thought so much of democracy that he killed thousands of Panamanian civilians to install a U.S.-backed "democracy," why will he risk 50,000 U.S. casualties to reimpose the government of the Emir of Kuwait, a dictator by any reading of Webster's dictionary? As long as the Americans continue to swallow George's "big lie," the U.S. as a nation will suffer the tragedy of a decaying empire destroying itself.

Exposé of black slavery in Kuwait fuels opposition to war drive

by Kathleen Klenetsky

Explosive revelations about the existence of black chattel slavery in Kuwait and Saudi Arabia are giving additional ammunition to those mobilizing to stop George Bush's war drive in the Mideast. The President's claim that the purpose of the United States' intervention in the Persian Gulf is to defend "democracy" and "human rights," is fast losing credibility in the face of reports that thousands of human beings, many from the poorest regions of Africa, are literally enslaved by the Saudi and Kuwaiti oligarchy.

EIR, which has been among the first to cast a spotlight on the violations of human dignity that are the reality of every-day life in Kuwait and other British-created entities in the Persian Gulf, held a press conference in Washington, D.C. on Nov. 15 to force the issue further into the open.

More than 30 representatives of the international media and foreign embassies—among them Sudan, Algeria, Nigeria, Germany, Venezuela, and Brunei—attended the press conference, at which a new *EIR* report, "Bush's Gulf Crisis: The Beginning of World War III?" was released. *EIR* contributing editor Webster Tarpley and Asia-Mideast editor Linda de Hoyos presented detailed, documented evidence about the existence of slavery in the countries which the Bush administration is ready to sacrifice the lives of American soldiers to defend.

Tarpley called for an emergency investigation by the U.S. Congress into the situation, a call first raised by the Schiller Institute, an international policy organization headed by Helga Zepp-LaRouche, who is also the lead candidate on the Patriots for Germany slate in the upcoming German elections, and wife of political prisoner Lyndon H. LaRouche.

Civil rights leaders forge anti-war coalition

These revelations have had a strong impact in the black and other minority communities. That is hardly a surprise, since the U.S. Armed Forces comprise a disproportionate number of blacks and Hispanics, who are being called upon to fight and die so that a bunch of slave-holders can continue their degenerate existence. "We fought a bloody Civil War more than 100 years ago to end slavery in the United States.

Now Bush wants the descendants of former slaves to give their lives to protect slavery in the Mideast? The man has got to be on some other planet, if he thinks he can get away with this hypocrisy," observed one black leader.

On the same day as the *EIR* event, a coalition of civil rights activists held a packed press conference in Philadelphia, to demand the resignation of Gen. Colin Powell, the chairman of the Joint Chiefs of Staff and the most prominent black member of the Bush administration.

Sam Evans, a key leader of Philadelphia's black community, issued an open letter to General Powell, pointing to the hope and pride which Powell's appointment as head of the Joint Chiefs had created among Afro-Americans, and urging him to resign in protest against the overtly racist policies which Bush's Gulf intervention represents.

Signed by a broad coalition of the city's civil rights activists, the letter expressed dismay that "President Bush moved this Nation quickly and precisely into a racist/religious 'Third World' confrontation that is leading the world almost to the precipice of Armageddon." The letter called on Powell to investigate the barbaric aspects of Bush's Mideast adventure, including the existence of slavery in the region, and his overall foreign policy orientation.

"According to the CBS television program '60 Minutes,' over 4,000 Panamanian civilians, the majority being Black, were killed during the U.S. invasion last December, which you should investigate," the letter stated. It continued: "Reliable sources in the United Nations, which you should investigate and verify before sustaining, report that the 'ruling family' of Kuwait and Saudi Arabia exploits Black slavery." The letter also urged General Powell to investigate charges that 60% of the troops deployed to the Gulf are "African-Americans, Hispanics and other minorities . . . with the remainder being poor . . . Whites."

Evans released another statement from the same group addressed to President Bush, urging him to bring U.S. troops home as early as possible. "Your threatening words and seemingly impelling desire to engage hundreds of thousands of our young people in a war thousands of miles away, involving our country in a potential holocaust without pro-

viding the Congress and the people of the United States with a clear and precise justification, raises grave questions," the letter asserted. "The Committee members named herewith find it difficult to understand the use of American Armed Forces as 'World Policemen' and as a 'Prime Dictator' of other peoples' land or property. . . . It is our belief that the sending of thousands of young people, thousands of miles away, risking their lives, to police other peoples' property, is in violation of the . . . basic culture which forms our civilization."

Black media focus on slavery scandal

The *EIR* exposé of the Kuwaiti and Saudi regimes' slave trading is spreading through the black media. The Nov. 15 issue of the Los Angeles *Sentinel*, one of the oldest black newspapers in the U.S., carried a prominent article entitled "Probe of Slavery in Gulf States Called For," which detailed *EIR*'s charges. The *Sentinel* reported that it had made repeated attempts to contact officials at the Saudi Arabian consulate, but that officials remained unavailable for comment.

The same day, the Norfolk, Virginia *Journal and Guide*, which circulates widely in the black community in the area dominated by the Navy shipyards, ran an article headlined, "Slavery Still Exists in Saudi Arabia," which covered *EIR*'s call for a congressional investigation.

On Nov. 17, the Chicago *Metro News*, the largest black-oriented newspaper in the Chicago metropolitan area, carried a story on its front page entitled, "Black American Soldiers and the Question of Slavery in the Gulf States." The article, and a complementary editorial, were based on the information released by *EIR*.

"The continuing practice of slavery in the Middle East Gulf States was well-documented this week in a 53-page report released at a press conference at the National Press Club in Washington, D.C. by an organization known as the *Executive Intelligence Review*. The group's report was compiled mainly from U.S. documents," said the editorial, written by Nate Clay.

"With Black American soldiers sitting in the desert of Saudi Arabia, waiting to be called on any moment to risk their lives to restore Kuwait's deposed Emir, Jaber el Sabah, to the throne, and protect the oil fields of Saudi Arabia, the American government, and the Congressional Black Caucus, in particular, should demand some answers. . . . I for one," Clay continued, "do not intend to let this issue rest until it is resolved. Just the idea that one Black American would be forced to shed one drop of blood to defend slavery and racism in the Arab world is extremely nauseating."

Reports on the slavery scandal have made their way into non-black media as well. Germaine Greer, who wrote a series of articles exposing the issue in Europe, wrote a commentary for the Nov. 14 *New York Times*. And nationally-syndicated columnist Richard Reeves had a column in the New Jersey *Bergen Record* headlined, "Fighting for Slavery In Arabia."

The activation in the black community is one aspect of a burgeoning anti-war movement in the United States and abroad. Although Congress is out of session until January, fears are rising that Bush will ignore the Constitution and commit U.S. forces to battle without obtaining a declaration of war.

On Nov. 20, Rep. Ronald Dellums (D-Calif.), a member of the Black Congressional Caucus, and 44 other congressmen filed suit in federal court in Washington, D.C., seeking to prevent Bush from launching an attack against Iraq without prior congressional approval. The suit argues that Bush would be violating the Constitution if he ordered "an offensive" against Iraq without a declaration of war.

Church groups are becoming increasingly vocal in their opposition to Bush's war drive. Just days after the Roman Catholic bishops of the United States endorsed a statement telling the administration that resorting to violence in the Gulf could not meet the Augustinian definition of a "just war," the National Council of Churches (NCC) unanimously approved a harsh rebuke of Bush's handling of the Gulf situation. Accusing the administration of "reckless rhetoric," "imprudent behavior," and a precipitous military buildup, the NCC called for the immediate removal of most U.S. forces from the region. "As Christians in the U.S., we must witness against weak resignation to the illogical logic of militarism and war."

Establishment sounds alarm

From the bowels of the U.S. Establishment, warnings are being heard that Bush may be going too far, too fast, although these warnings stem not from any concern about the welfare of the people of the Mideast—nor those of the U.S. and Europe, for that matter—but out of concern that Bush's Frankenstein-like antics may not only bring him down, but the entire elite as well.

McGeorge Bundy, the self-styled doge of the American branch of the Anglo-American elite, went on ABC-TV's "Nightline" Nov. 16, to caution the President to be more "patient," and allow the economic sanctions to work.

Former State Department bigwig George Ball took a similar line in a televised face-off against pro-war Henry Kissinger Nov. 13. Terming Bush's policy in the Gulf one of the "stupidest things" he had ever seen, Ball insisted that the U.S. cannot use military force without destroying all support for U.S. policy in the region. Instead of immediately deploying troops, Bush should have pursued sanctions, which would have led to a U.N.-imposed regional reorganization of the Mideast.

Former President Jimmy Carter gave voice to the same general concerns in a speech at Hofstra University in New York in mid-November, warning that Arabs will never forgive the U.S. if American weapons were used against Arabs, and that oil prices could hit \$80 a barrel if a Gulf war knocks out the region's oil facilities.

National News

Governor Wilder urged to grant new trial

Virginia Gov. Douglas Wilder was presented with more than 14,000 petitions in the state capital in Richmond on Nov. 14 by the Giarratano Review Action Committee (GRACE), asking the governor to grant a new trial to death row inmate Joe Giarratano.

The GRACE press conference featured Mike Farrell, actor and friend of Giarratano, who emphasized that in the case of Giarratano, procedures overtook the truth. Kenny Pinkard, president of the Reedville Fishermen's Association, and Marie Deans, executive director of the Virginia Coalition on Jails and Prisons, also made statements.

Giarratano was convicted on the basis of "confessions," but there is ample evidence, including different fingerprints at the scene of the crime, to show he might not have committed the murder for which he has been sentenced to die. Nonetheless, Virginia does not allow him to present new evidence. The Supreme Court has denied his appeal, and he is presently scheduled to be executed in a matter of weeks.

Reilly deceit aided Clean Air bill

Environmental Protection Agency head William Reilly went into hiding to prevent crucial evidence from reaching Congress in the last days of the debate on the Clean Air legislation, which President Bush signed into law on Nov. 15, the Nov. 17 *Washington Post* reported.

"The White House was developing data that EPA officials feared could be used to justify weaker acid rain controls and derail the whole legislative package. So when presidential aides called to enlist Reilly's help, he was nowhere to be found. Anticipating an order to send the data to congressional conferees, he left for his weekend house in Loudoun County [Virginia] and remained in virtual hiding until the acid rain issue was resolved," the *Post* reported.

Rep. Edward R. Madigan (R-Ill.) was quoted, "If the EPA letter came, we'd still be in conference," suggesting that the bill would not have passed before adjournment.

On Nov. 16, Bush signed eight more environmental laws that will further devastate the United States, including a ban on all mineral exploration in Antarctica, outlawing most commercial and fishing activities along 1,211 miles of shoreline, mandating that schools make environment the most important academic subject taught, and adding 200 criminal investigative positions for environmental crimes—which now outnumber what the Drug Enforcement Administration has for investigating drug crimes.

One law, the Global Change Research Act of 1990, will channel over \$1 billion to "climate scientists" and environmental groups for research on "global climate change" at a time when other major scientific research programs, from the Space Station to fusion research, are seeing their funding evaporate.

Nebraska investigator's death ruled undetermined

A coroner's jury ruled Nov. 13 that the cause of the plane crash that killed Nebraska child abuse investigator Gary Caradori was undetermined.

Caradori's plane, a single-engine Piper Saratoga which he was flying, broke up in flight on July 11 on the way back to Nebraska from Chicago. In an initial eyewitness report, a farmer said he heard a sound and then saw a flash of light. Yet, the investigator for the air traffic safety board testified at the hearing that there wasn't any indication of an on-board explosion. The air traffic safety board is not expected to complete its investigation for another nine months.

Karen J. Ormiston, Caradori's assistant, released a statement to the media the same week that she had taken and passed a lie detector test to clear up allegations made after his death concerning the integrity of Caradori's investigation. Ormiston denied that Caradori had coached child abuse victim-witnesses whom he interviewed on videotape, denied threatening any witnesses to obtain information, advising any of the

four witnesses to fabricate statements, or "scripting" the investigation as part of a "hoax." Dr. Chris Gigas, president of the National Polygraph Association, stated, "It is the opinion of this examiner that Ms. Ormiston answered all of the above relevant questions truthfully."

Bush wins teachers' 'doublespeak' award

The National Council of Teachers of English, meeting in Atlanta, Georgia, gave President George Bush the 1990 Doublespeak Award, the Nov. 17 *Washington Post* reported.

The council cited three reasons for the award: President Bush pledged "no new taxes," then called for "tax revenue increases." After the Tiananmen Square massacre of protesting Chinese students in Beijing, Bush announced suspension of U.S. "participation in all high-level exchanges of government officials" with the People's Republic of China. But two weeks later, Bush "secretly sent National Security Adviser Brent Scowcroft and Deputy Secretary of State Lawrence Eagleburger to China." Bush called the trip a "contact," not an "exchange," but then resumed negotiations for arms sales to China. Finally, Bush refused to refer to the U.S. mission in Panama as an invasion, saying he "deployed forces" in Operation Just Cause.

U.S. Panama atrocities exposed

Former U.S. Sen. Donald Stewart (D-Ala.) is calling for an investigation of the massacres that occurred during the U.S. invasion of Panama, Cable News Network's "Daybreak" show reported Nov. 14. Stewart is charging that U.S. soldiers "shot hundreds" of prisoners, who were then buried in mass graves.

The Nov. 12 *Los Angeles Times* published three letters to the editor attacking a coverup story that had appeared two weeks earlier. One writer said that he had heard

from members of the 193rd Infantry Brigade that they had been detailed to load body bags, "hundreds and hundreds of them," onto planes bound for a secret burial at the large American airbase in Honduras, shortly after the invasion.

A second writer reported personally seeing a mass grave in February while on a visit there, while a third wrote that 14 mass graves have been documented.

Du Pont heir seeks review of CFC ban

Lewis du Pont Smith, an heir to the du Pont fortune, and stockholder in E.I. du Pont de Nemours and Co., Inc., announced Nov. 16 that he was submitting a stockholder proposal to E.I. du Pont de Nemours and Co. on the policy toward chlorofluorocarbons (CFCs), for consideration by company stockholders at their annual meeting in April 1991.

"Citing estimates which warn of 20-40 million people . . . to die every year from hunger, starvation, and food poisoning, especially in the Third World, as a result of the collapse of the presently existing refrigeration infrastructure and the food chain, precipitated by the banning of CFCs," Smith said, "I have called upon the company to 1) conduct a thorough reevaluation of its 1986 decision to abandon CFCs, whose use Du Pont scientists had vigorously and cogently defended until that moment, and 2) establish a Blue Ribbon scientific commission . . . to conduct an emergency factual study into this matter."

Smith noted that studies refuting this theory have been misrepresented and their authors vilified.

C. Boyden Gray ran Bush civil rights response

White House counsel C. Boyden Gray was the architect of President Bush's rejection of the Civil Rights Act of 1990, according to *Legal Times* magazine for the week of Nov. 12.

Gray has also been a key White House

figure in White House efforts to keep statesman Lyndon LaRouche behind bars.

Gray argued that discriminatory hiring policies could be defended if an employer proved a need to do so based on "legitimate community or customer relations."

Considering that it is much cheaper to subsidize a lodge of the Ku Klux Klan than to hire a lawyer to defend against a discrimination charge, Gray's proposal would encourage small employers to cultivate such "community opinion" in the well-known fashion of the Old South.

Senate staffers interviewed for the article said that Gray controlled administration policy on the bill, and attended the negotiating sessions. Gray reportedly became upset when former Secretary of Transportation William Coleman, Jr., confronted him on the contents of his memo.

FBI adopts 'Webster doctrine,' targets French

FBI senior official W. Douglas Gow has accused French foreign intelligence, the DGSE, of having engaged in spying on U.S. industrial targets, including IBM and Texas Instruments, according to the *International Herald Tribune* Nov. 17.

Gow revealed that the FBI had cooperated with the CIA in uncovering the French espionage, alleged to be on behalf of the troubled state-owned French Groupe Bull computer maker in 1987-89.

The charge is widely viewed as no more than a pretext staged to justify the application of the CIA's "Webster Doctrine"—using U.S. intelligence to run economic and industrial espionage against "political allies who are our industrial competitors."

The paper cited unnamed other U.S. officials who state that "aside from the former East bloc, France has long been among the most aggressive users of espionage to collect U.S. industrial and technology secrets." It said, "U.S. intelligence agencies so far have generally refused to use their agents and electronic equipment to collect industrial and technical secrets from allies," but "some experts have argued that this policy should be reconsidered."

Briefly

● **MEIR KAHANE'S** racism was exposed in the Nov. 7 *Dallas Times Herald*, which ran a previously unpublished interview under the headline "Slain rabbi so radical Israel turned on him." Reporter Mark Potok concludes that Kahane "was consumed by the fire he spent his life stoking."

● **THE INDIGENT** are being denied the right to counsel in a Harris County, Texas judicial districts where District Judge Mary Bacon will not appoint lawyers for people who have not been indicted until they face a grand jury. Eileen Standfield was recently held for six weeks without a lawyer.

● **WILLIAM BENNETT** will reportedly become chairman of the Republican National Committee. "What this administration needs is someone who can beat up on Democrats," said GOP consultant Eddie Mahe. Party fundraising dropped so much after Bush abandoned his "no new taxes" pledge in June, that the RNC is slashing 25-33% of its staff.

● **LEADING MONETARISTS** Milton Friedman, James Buchanan, and George Stigler, co-signed a letter to Bush in October urging him to veto the Clean Air bill, terming it "ill-advised" and of "questionable benefits but certain and serious economic costs."

● **MICHAEL DELAND**, head of the Council on Environmental Quality, told the annual meeting of the American Nuclear Society and the nuclear industry Nov. 12 that he is a "cautious advocate" of nuclear power. "It is unconscionable for Shoreham to stand idle," he said.

● **WILLIAM WELD**, the governor-elect of Massachusetts, has tapped George Bush's nephew and son of Nancy Bush Ellis, Alexander M. (Hap) Ellis III, to head the state Republican Party, the Nov. 17 *Boston Globe* reported.

Food for peace or food as a weapon

A nasty rumor is circulating in Germany, to the effect that President Bush intends to act upon a National Security Advisory and cut off the Soviet Union from any food aid, in retaliation for President Gorbachov's refusal to sanction a scaling up of the Gulf military adventure. This report is made credible by the aggressive role of U.S. Agriculture Secretary Clayton Yeutter.

Yeutter is threatening the Europeans with trade war, if they do not knuckle under and accept Anglo-American demands that they sharply reduce food production in their respective countries, by forcing a significant section of European farmers into bankruptcy. He is threatening a rise in "the level of confrontation . . . in the absence of success" of the present negotiations.

American financial newspapers such as the *Journal of Commerce* are already talking about a wheat subsidy war. This, of course, would involve large-scale dumping of U.S. grain on world markets, below the cost of production. The last time such a war occurred—in 1986—it cost the Argentines most of their wheat export income, which was the equivalent of their entire debt service obligations at the time. This indeed is food as a weapon—against the Soviets on the one hand, and against the countries of the Ibero-America, Africa, and Asia as well.

The current U.S. position, and that of the Cairns Group (Canada, Australia, New Zealand), shows that the intent behind the policies of the relevant establishments is, as we have said for 20 years, *genocide by aid of famine and disease directed chiefly against the darker-skinned populations of the Southern regions*, the former colonial and neo-colonial regions of this planet. On this matter as on other matters, we have been correct, and all those who ridiculed us have been shown to be wrong.

These are the same Anglo-American malthusian policies which characterized the policy of the British East India Company, and which in this century were reiterated by Bertrand Russell in his 1953 book, *Impact of Science on Society*. There he laid out the racist, population control ideology which underlies Anglo-

American rhetoric about the free market, and which is controlling the course of the present GATT negotiations. Russell wrote: "At present the population of the world is increasing about 58,000 *per diem*. War, so far has had no very great effect on this increase, which continued throughout each of the world wars. . . . War . . . has hitherto been disappointing in this respect . . . but perhaps bacteriological war may prove more effective."

There are no current events, there is only current history. This history has been determined for approximately 2,000 years by a factional lineup of Christian, republican forces against oligarchs such as those represented by Britain's Prince Philip and Margaret Thatcher.

In the recent past these issues were fought out in the context of the Non-Aligned Movement of the 1970s, when Lyndon LaRouche proposed the formation of an International Development Bank which would finance massive global development projects, and a reorganization of developing sector debt. Unfortunately, the Non-Aligned Movement call for a new world economic order was defeated, and its premier representative, Indira Gandhi, was assassinated. Instead, usury became the order of the day.

Over the past decades, *EIR* and its founder LaRouche, have been in the forefront of opposition to the malthusians, the faction led by the Anglo-Americans, but also including similar forces within the Soviet sector. We have warned repeatedly, that a certain section of the Establishment is bent upon forging a one-world empire on behalf of these malthusian policies; and that this scheme of empire depended upon a certain kind of relationship between the Anglo-Americans and the Soviets, among others.

Today, the condominium has been discredited, for reasons developed in our *Feature*. The policy initiatives of the Kohl government for development, emphatically including the use of food as a weapon for peace, give hope that the day of Christian republics may be dawning. Just as clearly, such a victory will be only be possible with the release of Lyndon LaRouche from prison.

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