

# EIR

Executive Intelligence Review

May 24, 1991 • Vol. 18 No. 20

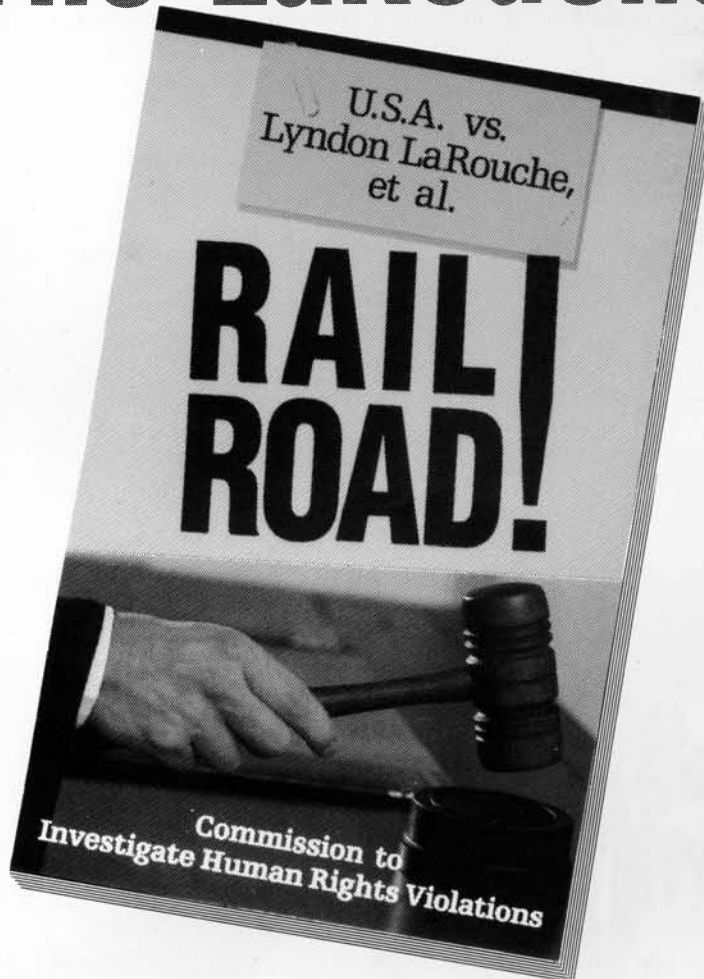
\$10.00

Frankfurt mafia is finally feeling the heat  
Bani-Sadr on mullahs' deals with Reagan-Bush  
Chernobyl, truth vs. the ecologist syndrome

**'Centesimus Annus': The name  
for peace is development**



# The Truth About The LaRouche Trial



- The rush to trial only 37 days after indictment.
- Four years of federal investigations and a “warm-up” trial where jurors reported they would have voted unanimously for acquittal.
- The role of Henry Kissinger and the “Get LaRouche Task Force.”
- The judge’s decision to grant a special *motion in limine* to block the defense case.
- Full text of appeal papers filed by LaRouche’s attorney, former U.S. Attorney General Ramsey Clark, and distinguished international jurists.

**\$10** ppd., 664 pages  
Available from  
Executive Intelligence Review

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_

Make checks payable to:

**Executive Intelligence Review**

P.O. Box 17390, Washington, D.C. 20041-0390

# EIR

Founder and Contributing Editor:

Lyndon H. LaRouche, Jr.

Editor: Nora Hamerman

Managing Editors: John Sigerson, Susan Welsh

Assistant Managing Editor: Ronald Kokinda

Editorial Board: Warren Hamerman, Melvin Klenetsky, Antony Papert, Gerald Rose, Allen Salisbury, Edward Spannaus, Nancy Spannaus, Webster Tarpley, William Wertz, Carol White, Christopher White

Science and Technology: Carol White

Special Services: Richard Freeman

Book Editor: Katherine Notley

Advertising Director: Marsha Freeman

Circulation Manager: Cynthia Parsons

INTELLIGENCE DIRECTORS:

Agriculture: Marcia Merry

Asia: Linda de Hoyos

Counterintelligence: Jeffrey Steinberg, Paul Goldstein

Economics: Christopher White

European Economics: William Engdahl

Ibero-America: Robyn Quijano, Dennis Small

Medicine: John Grauerholz, M.D.

Soviet Union and Eastern Europe: Rachel Douglas, Konstantin George

Special Projects: Mark Burdman

United States: Kathleen Klenetsky

INTERNATIONAL BUREAUS:

Bangkok: Pakdee Tanapura, Sophie Tanapura

Bogotá: José Restrepo

Bonn: George Gregory, Rainer Apel

Copenhagen: Poul Rasmussen

Houston: Harley Schlanger

Lima: Sara Madueño

Mexico City: Hugo López Ochoa

Milan: Leonardo Servadio

New Delhi: Susan Maitra

Paris: Christine Bierre

Rio de Janeiro: Silvia Palacios

Rome: Stefania Sacchi

Stockholm: Michael Ericson

Washington, D.C.: William Jones

Wiesbaden: Göran Haglund

*EIR/Executive Intelligence Review (ISSN 0273-6314) is published weekly (50 issues) except for the first week of April, and the last week of December by EIR News Service Inc., 1430 K Street, NW, Suite 901, Washington, DC 20005 (202) 628-0029*

*European Headquarters:* Executive Intelligence Review Nachrichtenagentur GmbH, Postfach 2308, Dotzheimerstrasse 166, D-6200 Wiesbaden, Federal Republic of Germany  
Tel: (06121) 8840. Executive Directors: Anno Hellenbroich, Michael Liebig

*In Denmark:* EIR, Post Box 2613, 2100 Copenhagen ØE, Tel. 35-43 60 40

*In Mexico:* EIR, Francisco Dfaz 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.

Copyright © 1991 EIR News Service. All rights reserved. Reproduction in whole or in part without permission strictly prohibited. Second-class postage paid at Washington D.C., and at an additional mailing offices. 3 months—\$125, 6 months—\$225, 1 year—\$396, Single issue—\$10

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

## From the Editor

The *Feature* this week focuses on the kinds of principles which must prevail if the catastrophes now overwhelming large parts of the world are to be stopped before the human race descends into the abyss of a new dark age. We present two documents written in reflection on the hundredth anniversary of Pope Leo XIII's famous encyclical *Rerum Novarum*: namely, the preface of Lyndon LaRouche's forthcoming book, *The Science of Christian Economy*; and portions of the encyclical *Centesimus Annus* which has been issued by Pope John Paul II at the beginning of May.

As we reported last week, in an appeal to governments by Helga Zepp-LaRouche which is now circulating internationally, the moral principle of the intrinsic dignity of man "in the image of God," so beautifully enunciated by *Centesimus Annus*, must become the basis of a worldwide political movement. The encyclical explicitly states that the Church offers no concrete models for implementing those principles. But there is a man—Lyndon LaRouche—who has worked out a series of proposals which uniquely meet the criteria of an economic method based on morality, as posed by the Pope.

We have tried to give you as much as possible of the actual text of the much-awaited new encyclical of Pope John Paul II, because in contrast to some other countries, it has received minimal coverage in the U.S. media, not to mention some astoundingly distorted interpretations, such as those who claimed that the document is a full-scale endorsement of the "free market" economic system. Space constraints forced us to leave out some important sections, such as much of the summary of Pope Leo XIII's encyclical, the condemnation of the welfare state, and the discussion of the role of the church itself, but the essential points and some of the philosophical and theological thinking behind them, are included here. The full text of *Centesimus Annus* is available as single issue of *Origins*, from Catholic News Service at \$3.50 a copy (3211 Fourth St. NE, Washington, D.C. 20017).

We also expect to be shortly giving LaRouche's new book, which is previewed here, its first full published form, as a special issue of this magazine.

Nora Hamerman

# EIR Contents

## Interviews

- 57 Abol Hassan Bani-Sadr**  
The former President of Iran tells what he knows about the October Surprise.
- 66 Prof. Francis A. Boyle**  
An international law specialist, Boyle is part of an international campaign to put Bush in the dock for war crimes.

## Book Review

- 60 Bani-Sadr looks back with insight**  
*My Turn To Speak: Iran, the Revolution, and Secret Deals with the U.S.*, by Abol Hassan Bani-Sadr.

## Science & Technology

- 24 The truth about Chernobyl: the ecologist syndrome**  
A lot of unwarranted fear was generated about the Chernobyl accident five years ago. A recent conference reported on in the French *Fusion* magazine separates fact from fear-mongering.

## Departments

- 16 Andean Report**  
On drugs and free market economics.
- 19 Panama Report**  
Kill the people, but pay the debt.
- 20 Report from Rio**  
Zelia departs.
- 21 Dateline Mexico**  
Kumate: more criminal than Fujimori?
- 50 Report from Bonn**  
German politics beset by smallness.
- 51 From New Delhi**  
Nepal elections resolve nothing.
- 72 Editorial**  
Save the children.

## Economics

- 4 Junk debt brings down insurance industry**  
The assets of the insurance industry are being exposed to be as worthless as those of the S&Ls, and insurance and pension plan policyholders are left holding worthless paper.
- 6 The Frankfurt mafia is finally beginning to feel the heat**  
The taboo has been broken, and journalists are beginning to put names to the shadowy "godfathers am Main."
- 8 Currency Rates**
- 9 Algeria has the right to nuclear power and to science**  
This nation had the temerity to stand up against the war, and for development. Now, it's in the cross hairs.
- 12 Democratizing Africa: 'Paris-stroika' or true economic development?**  
France is backing the IMF/World Bank "structural adjustment" blackmail in Africa. Or as one banker put it: "Economic growth is not synonymous with social progress."
- 15 Bush wants drug-money laundry in Colombia**
- 17 Agriculture**  
New USDA report lauds NAFTA.
- 18 Banking**  
Volcker: 'too big to fail' must stay.
- 22 Business Briefs**

## Feature



Pope John Paul II meeting with children in the Ivory Coast, in 1990.

### 28 On the 100th anniversary of 'Rerum Novarum'

We publish the preface of Lyndon LaRouche's forthcoming book, *The Science of Christian Economy*, written in anticipation of the latest encyclical.

### 32 Pope John Paul II's 'Centesimus Annus': The name for peace is development

Excerpts from the encyclical celebrating the centenary of *Rerum Novarum*.

## International

### 40 EIR exposé against Bush and Kissinger shakes Brazil

The Kissinger-Bush authored assault on Brazilian sovereignty, population growth, and development, is backfiring—just as they feared.

### 42 Genocide plot lurks behind 'demilitarization' of El Salvador

The White House, the U.N., and the Kremlin are all backing the terrorist FMLN's efforts to "negotiate" its way into the Salvadoran government.

### 44 Drugs and gun connection growing in Northeast India

### 45 Trilaterals dictate refugee policy

To them, the Bangladesh cyclone was an unalloyed blessing.

### 47 Japan takes lead to heal Cambodia

### 48 S. Korea the latest 'new order' target

### 49 Fujimori prescribes witchcraft for cholera

### 52 International Intelligence

## National

### 54 Pressure builds on Bush over foreign policy crimes

EIR calls for probe of October Surprise.

### 57 U.S. tie to 'Irangate mullahs' has continued for over 10 years

Interview with former Iranian President Abol Hassan Bani-Sadr.

### 62 An unusual eyewitness account of the Queen's visit to Mount Vernon

A manuscript bearing the signature of . . . Washington Irving.

### 64 Touchy Bush lashes out at NAFTA foes

### 65 Elephants and Donkeys

Out of the woodwork.

### 66 Campaign launched to try Bush for Nuremberg crimes

Interview with Prof. Francis A. Boyle.

### 70 National News

## Junk debt brings down insurance industry

by Chris White

Policyholders owed about \$80 billion in benefits are chief among those on the receiving end of the latest phase in the collapse of the U.S. credit structure. The \$80 billion is the approximate total of the liabilities owed by insurance companies seized by California's State Insurance Commissioner John Garamendi, and the commissions in the states of New York and Virginia. On May 10, First Capital Insurance was seized, its \$31 billion in liabilities adding to the near \$50 billion in liabilities of the already seized First Executive Life. On May 14, Virginia took action against the company's subsidiary in that state.

The surfacing collapse of insurance companies around the country is to be added to the destruction of the farm sector during the 1970s, the early-1980s wreckage of the savings and loan institutions, the mid-1980s usurious destruction of corporate America through the asset stripping and merger wave, and the in-progress collapse of the banking system. Bubble and bust, bubble and bust. The pattern established on the broken back of farmers, lured into borrowing on the basis of the sevenfold run-up in the book value of their land which was organized during the 1970s, and who were then bankrupted as land values collapsed, has repeated itself. The insurance companies are the latest corpse. Until the overall, still growing, nominally valued \$16 trillion of tangible property and land values in the country is brought back to realistic levels, they won't be the last.

Casualty, life, and health insurers are regulated at the state level. Such companies have been backed, since the 1970s, by a guaranty fund, safety net-type operation, under which companies pool resources to cover claims against their failing colleagues. The guaranty fund, reportedly, can cover

about \$3 billion per annum out of such means. The National Association of Insurance Commissioners has identified another 18 large insurance companies which have 30% or more of their assets tied up in the junk bonds which wrecked First Executive and First Capital. We must assume then that the liabilities of the \$1.35 trillion in nominal assets of the insurance industry are no better covered than were depositors in the wreckage left by the debacle of the S&Ls, or those commercial bank depositors supposedly covered by the now insolvent Federal Deposit Insurance Corp. Pension plans and related types of insurance coverage are about to turn out to be worthless.

Garamendi's actions to put these companies out of business are doing the country a certain service. Federal regulators and government officials, in this administration, and the last, have been conniving with the financial crowd to loot corporate and other pension plans, and to cover up the real state of affairs. Garamendi's seizures draw attention to this in a way nothing else has seemed to so far. Pension plan assets were part of the loot targeted in the insane takeover wave of the late 1980s. Such assets were stripped out to finance debt assumed in the asset-grabbing wave, and replaced with annuities and so-called guaranteed income contracts which were backed, in their turn, by the debt service stream returning to holders of bonded debt issued to finance the takeovers.

### Rewriting pension plan guidelines

The specter of more worthless paper is already prompting another round of coverup. For example, the Department of Labor, which has administrative responsibility for some em-



ployee pension plans, is now in the process of rewriting its fiduciary guidelines for employers and other sponsors of pension plans. An advisory council named by the department found, according to the May 10 *Journal of Commerce*, "that many pension plans invested with unrated insurance companies and purchased the cheapest product available." This is something of an understatement indeed. Pension fund assets have been stripped for cash, and beneficiaries left with what will shortly turn out to be worthless paper. Sen. Howard Metzenbaum (D-Ohio) reported this during a congressional hearing—talk about shutting the stable door after the horse has bolted.

Additionally, new guidelines for capital adequacy of the companies are being adopted by the state regulators. Pioneered in California, the practice, whereby companies have been permitted to count policies reinsured with reinsurance companies as capital rather than as liabilities, is to be outlawed. Some 60% of First Capital's capital was made up of such policies, helping the company appear solvent when it was not.

The new ruling will take effect at year's end, and will certainly "chill out" the junk investments in the industry. But it will "create chaos," according to one actuary, as many companies will become insolvent overnight.

Such actions ensure that, as with the case of the S&Ls and then the commercial banks, the bankruptcy of insurance will not be pushed under the rug, but will continue. Immediately, there are further chain reaction effects spreading through the country's financial institutions as a result of the seizures in California and other states. These too are certain to eventually bring the matter of the missing, and unfunded pension liabilities to the fore in the most explosive way.

### **Fraud charges in the air**

Among such effects are runs developing against insurance companies by policyholders anxious to cash in policies before the companies are put out of business. There was a tenfold increase in such activity before Garamendi issued his cease and desist order against First Capital. Then there are added problems for banks and financing agencies. Citicorp's banking subsidiary, Citibank, was the leader of a loan syndicate which had put together \$221 million for First Capital. Garamendi's "cease and desist" order was designed in part to protect policyholders against Citibank's efforts to force First Capital into voluntary bankruptcy. Owned by Shearson Lehman, the order also forces parent company American Express to write off its stake in the insurance company, while potentially exposing the company to fraud charges. Shearson Lehman phone marketers were aggressively marketing the company's policies until the last minute.

And thirdly, the big one: Action against First Capital prompted the eruption of fears that junk bond holdings worth billions of dollars would be unloaded, potentially bringing down everything in their wake. Indeed, the failures now surfacing in the insurance companies are part of a broader

pattern of junk bond-related defaults and liquidations. Canada's Belzberg family, part of the Michael Milken funders' pool, has defaulted on some of its obligations. Gaylord Container from Chicago is also entering into default. Shark Carl Icahn, who took over the airline TWA, now threatened with bankruptcy, wants to buy back the debt issued to finance the takeover at 17¢ on the dollar. He tells his funders, it's a better deal than bankruptcy would be. And, financial cult leader Warren Buffett has supposedly been quietly liquidating his holdings of RJR-Nabisco bonds, among others.

### **Debt doubled twice since 1975**

The junk bonds now cascading into defaults were part of the debt accumulation built up since especially 1982. By the end of 1990, the sum of credit market borrowings, or the total indebtedness of the U.S. economy for all borrowers, could be estimated at about \$14 trillion. The basis for this estimate is provided by the Federal Reserve's "Flow of Funds" data series. Of this total, federal, state, and local governments account for more than \$5 trillion, households for \$3.8 trillion, and businesses, financial and non-financial, for another \$5 trillion. This is about \$50,000 of debt per capita; the amount has doubled twice since 1975, while the national average wage has doubled once. Agriculture, industry, infrastructure, and technological development have been stripped out to maintain the claims of the growth of debt.

The growth of debt wasn't secured against any growth in national wealth, which is achieved through increasing the productivity of labor. Just as with the artificial inflation of farmers' land prices in the 1970s, the growth of debt has been secured against an artificial and fictitious appreciation of the so-called assets which are used as collateral for the debt. The same Federal Reserve claims that the net tangible reproducible assets of the country, along with the land, come to about \$16 trillion—if this were divided among all citizens, then each would have a nest egg of some \$60,000 to salt away. Of the \$16 trillion total, the market value of residential properties represents one-quarter, the market value of land another quarter. This mass did not increase as fast as the debt, but its increase did generate what the takeover wolves like Milken used to call the "locked-in" or "hidden assets" of companies targeted for takeover. The run-up in the valuation of tangible and reproducible assets was supposed to be a part of the assurance that, however much debt was incurred to finance takeovers, it could always be covered out of the liquidation sale of such assets.

There was only one problem. None of the run-up was real. The physical depletion of basic economic infrastructure, depletion and disinvestment in plant and equipment, and scrapping of whole sections of the work force and population, is evidence that there has been no improvement in tangible assets to back up this so-called growth in assets. Insurance policies and pension plans are the latest to be ground up in that squeeze. But they will not be the last.

# The Frankfurt mafia is finally beginning to feel the heat

by Volker Hassman

On Monday night, Feb. 1, 1969, around the railroad station of Frankfurt am Main, the financial capital of Germany, it's payday for U.S. soldiers, and, as usual on such days, there is plenty of action on the streets. There's also action in the New York City Bar, on Moselstrasse. There is a fight between the GIs and the bar manager; people go outside, and shots are fired. A soldier collapses on the sidewalk with a bullet in the neck. The owner of the bar is accused, but denies his guilt. The lineup with witnesses, however, takes place six weeks later. Meanwhile, the suspect is able to go to Milan and return with his hair cut and weight so changed that he cannot be unambiguously identified as the assailant. The case is quickly closed.

Now, 22 years later, the police have reopened the case, with 24 witnesses, two of whom identify the bar owner as the one who fired the shot. The district attorney's office subsequently certified the investigation as "sloppy," and is considering a charge of attempted murder. Murder is subject to a statute of limitations of 20 years. The bar owner is Hersh Beker, the "red light king" of Frankfurt, who is currently under investigation by the district attorney on suspicion of formation of a criminal organization, evasion of taxes, and illegal gambling. Beker has taken refuge in Israel and lives in a suite in the Hilton Hotel in Tel Aviv, beyond the reach of German justice.

## Corruption of city officials

If we stand before the house at 50 Kaiserstrasse and glance at the business name-plates, it's easy to overlook a plain panel simply inscribed with the name "Beker." But this is false modesty. Through Hersh Beker runs one of the trails to organized crime in Frankfurt. Since June 1989, the district attorney and the police have been conducting investigations of the bosses of the red light district, Hersh "Harry" Beker and his brother Chaim, called "Charlie." They are said to have made \$26.65 million through their illegal casinos alone, with a clear profit of \$8.11 million. These brothel kings are not small fish. *Der Stern*, on the basis of police evaluations, speaks of "possessions in the value of more than \$117.65 million up the sleeve" of Hersh Beker.

For such funds, however, prostitution, bars, and gambling are not enough. The Bekers also are involved in the real estate market, which is traditionally connected to the crime scene, and not only in Frankfurt. Here, the two made

profits of millions at the expense of the city of Frankfurt, with the help of officials of the municipal government. When the Christian Democratic Union (CDU) under Walter Wallmann moved onto the City Council in 1977, they intended to drive the red-light district out of the train station neighborhood. There was big talk of smashing the networks of prostitution, criminality, and drug dealing. Later, it was merely a matter of a transfer to east of the city; and disgust with the underworld was not too strong to prevent direct contact being made with the Bekers.

The city wanted to offer the brothel kings a "substitute area." In the later search of the Beker villa in Dreieich-Götzenhain near Frankfurt, the police found a copy of the draft of this ordinance. The Bekers' corrupt contacts in the government paid off for the brothers. Those who first knew of the transfer also made the first money out of the deal. Under the cover business of Frankfurt Properties, London, Beker received an exclusive contract for the purchase of a tract on Breiten Gasse 26 am Ostende der Zeil, on which a 220-room brothel was to be built, as the city government wanted it. One clause stated that Beker would be awarded a compensation of \$45.29 million in case his brothel monopoly were not guaranteed. Lease contracts of over \$2.35 million annually were to be concluded with nine directors, all, according to the police, belonging to a "highly criminal procurer milieu," all of whom were acquaintances, friends, or partners of the Bekers. The government business with the bosses was discreetly handled by the head of office of real estate, Müller-Helms, and City Treasurer Gerhardt through the municipal Charity Fund Foundation, which was thoughtfully established more than 500 years ago by the generous citizens of Frankfurt for the care of "fallen women."

But that was not all. For \$5.38 million five further pieces of property were created around the planned brothel in a new "tolerance area." In recompense, they gave the city three houses in the area of the Elbestrasse and Moselstrasse, and gained an explicitly sweetheart price: \$10.12 million. From 1970 to 1988, the Bekers had made only \$2.41 million on the properties. The municipal Charity Fund again acted as purchaser. Investigatory officials conjecture that, with the help of the head of the office of real estate, who runs the business of the foundation, Beker may have evaded another \$764,705 in taxes. Shortly before the sale, Hersh Beker had quickly concluded a rental contract with his brother Chaim



that the city could then get rid of only by paying \$882,353. Those funds ended up, according to *Der Stern*, in Beker's special account number 6-002547 in the municipal savings bank "with the best wishes" of Gerhardt and Müller-Helms.

### The 'Israel connection'

The dubious dealings of the city with the crime bosses has been, of course, in the headlines for some time, and yet it was not until a broadcast on Channel 2 (ZDF) on March 5, 1991 that the drumbeat over the "Mafia am Main" finally began. The coverage, with police, prosecuting attorneys, and journalists as witnesses, provided evidence on the structure of organized crime in the city. It extends from large-scale extortion of money through drug trafficking, to murder by contract, to the laundering of drug money in legal businesses. In this connection, the real estate market traditionally plays an essential role. The real "bombshell" from television writer Jürgen Roth exploded toward the end of the program. The millionaire real estate dealer and Joseph "Joschi" Buchmann, who is well known in underground circles, could be considered as the "godfathers" of organized crime.

Roth then documented the participation of Buchmann in Beker's business with the city for the three houses in the train station neighborhood. Also, Buchmann was alleged to be in the background of the Breiten Gasse business. According to ZDF, the Bekers and Buchmann each earned \$2.94 million for a further purchase through District Attorney Meulenbergh. In the telephone book, the latter has the same business address as Dr. Hensel, who represents Beker as well as Buchmann as attorney. With representatives of the city, including city treasurer Gerhardt, Hensel had in 1987 discussed protection of the monopoly for the brothel managers, according to Roth. He is also active in the "Society for the Friends and Supporters of the University of Tel Aviv," which was founded by Buchmann. The honorary chairman is still Gerhardt.

Naturally, those involved were not interested in knowing with whom they were dealing. That cannot be. Frankfurt's police chief Dr. Gemmer, sent in May 1984, according to *Der Stern*, a report from the Israeli daily newspaper *Yedioth Aharonoth* to Wallmann's office, which the latter initialed. Under the headline, "The Jewish 'Bosses' of Frankfurt," the activities of the Beker brothers were documented in detail. Buchmann didn't need this information; he knew the milieu quite well.

The Beker brothers' careers began in the 1960s in Frankfurt. Hersh Beker advanced from doorman at the Imperial Night Club to business manager, and in 1965 took over the New York City Bar, the establishment that formerly belonged to Joseph Buchmann. Brother Chaim got into the Salambo Bar on Elbestrasse. They ran brothels and peep shows, and gradually developed into the kings of the neighborhood. The trajectory of the Bekers was typical of the rise of the notorious Israeli mafia in Frankfurt since the beginning of the 1970s. Police chief Dr. Gemmer said that, in his day, the well-organized heroin busi-

ness was in the hand of "the Israeli gangsters." Thus, the drug gang of "Big Joe" Amiel, which had connections to the influential Jewish mobster Meyer Lansky in the United States, was caught in a police dragnet. Gemmer declared war on the "smart Israeli business people behind the drug trade" by setting up a special commission.

Joseph Buchmann, who is now vociferously defending himself against the suspicion of being the "Godfather am Main," is himself responsible for his reputation. The French author Jacques Derogy described the speculators as a sort of outpost for the Lansky mob after the war. According to Derogy, the Polish-born survivor of Auschwitz first rose in the black market as a young man after the war in Frankfurt and also dealt with underground dollar currency. When the cashier of his organization tried to leave with millions of dollars, he was murdered. Buchmann was arrested, but then released, because a member of the mob took responsibility, according to Derogy.

Buchmann was also successful. He opened bars, including the above mentioned New York City Bar, and witnesses from that time ascribed a leading role to him in the train station neighborhood. An editor of the newspaper *U.S. Over-*

## Mayor's wife defends Frankfurt drug lobby

On May 11, days after her husband Andreas von Schoeler became the new mayor of Frankfurt, Ulrike von Schoeler abused her position as a reporter for the Hessischer Rundfunk radio station to defame the Anti-Drug Coalition and the American politician and economist Lyndon H. LaRouche, one of its founders. For 12 years the ADC has been the boldest opposition to drug legalization in Germany, and a sharp critic of Andreas von Schoeler's liberal drug and security policies.

The broadcast by the mayor's wife coheres with an international pattern of attacks by the U.S. drug lobby and CIA circles of the Bush administration against Lyndon LaRouche, who has announced his presidential candidacy against Bush in 1992. His exposure of the big names of the international drug business, since he commissioned the book *Dope, Inc.* in 1978, and his protest against the dirty Iran-Contra "weapons for drugs" deals fostered by then-Vice President Bush, have made him and his associates targets of a violent "McCarthy-style" slander campaign. "Journalist" Ulrike von Schoeler has tarred all probes into the Frankfurt mafia as "conspiracy theory."

*seas Weekly* called Buchmann the “King of Crime City,” and found himself unexpectedly in jail for libel. With friend and partner Israelowicz, Buchmann entered the Eros Center Business, and established himself in the real estate business. By 1966, then 36 years old, “Joschi” Buchmann had become the largest single landowner in Frankfurt. In a book, author Roth called him the greatest speculator in the train neighborhood and the west end, along with Ignaz Bubis and the Iranian Ali Selmi. His friend Selmi was also a business partner of the Lebanese Albert Albela, who also worked for the Casino du Liban, a drug transshipment point in the Near East with connections to Intrabank, of the mob empire of gangster boss Meyer Lansky. Legal records on the shady affairs of the Selmi bank fill many filing cabinets.

According to Derogy, Buchmann also invested in hotel and other construction projects in Israel, helped by then Israeli Finance Minister Pinhas Sapir. Sapir had to resign at the beginning of the 1970s because he was involved with the drug-bank Banque de Cr dit Internationale (BCI) of Tibor Rosenbaum. Rosenbaum’s bank, which also set off the infamous Helaba Affair in Hesse, was a location for laundering of drug revenues for the Lansky syndicate.

### Laundering criminal proceeds

Organized crime consists not only of small and large payoffs; the buying, selling, or operation of brothels; or tax evasion. It also involves a criminal apparatus where the money from prostitution and, above all, drug trafficking, flows in part into lucrative real estate businesses. Any investigations must begin with the gigantic sums of money that flow through this area. According to information from the Frankfurt police, the annual turnover in heroin alone in Frankfurt is about \$105.88 million. Acting criminal police chief Peter Walter speaks of the reinvestment of dirty money in legitimate businesses such as real estate.

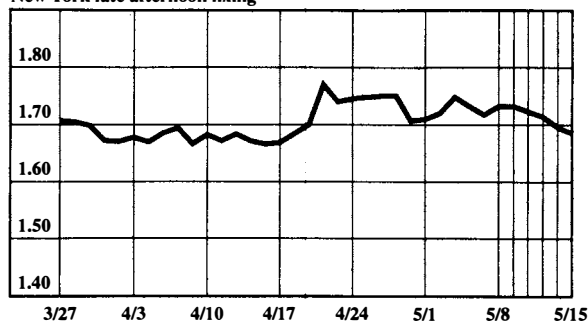
This apparatus is tightly run internationally, and is connected in Frankfurt also with the Italian mafia, large Yugoslavian mobs, and Turkish drug rings. It is known to the Bonn Justice Ministry that “quite a considerable” portion of the estimated \$600 billion world annual turnover through drugs goes through Germany, and that means Frankfurt. This money must therefore be laundered. “Organized crime in this city is a business dealing in billions,” Walter said. “We expect that we will soon have an economic power in Frankfurt that has no competition and that can shove all other legal businesses into the background.”

Now, the taboo has been broken. For the first time, names are named in the public media. Whoever caused this, the connections of this apparatus must now be discovered. No matter that a Joseph Buchmann may feel himself “chased by journalistic demagogues” in extravagant newspaper ads, and will be protected by outraged conservatives such as the *Frankfurter Allgemeine Zeitung* or CDU functionaries in Frankfurt: The book is open, and additional chapters can be written.

## Currency Rates

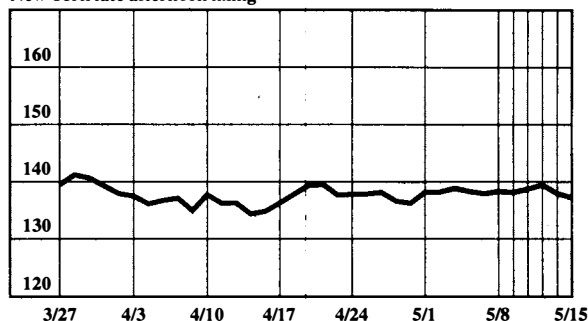
### The dollar in deutschemarks

New York late afternoon fixing



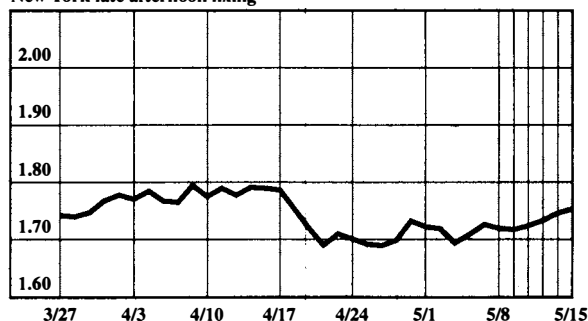
### The dollar in yen

New York late afternoon fixing



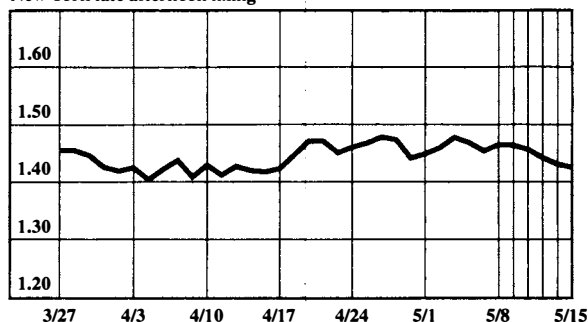
### The British pound in dollars

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing



# Algeria has the right to nuclear power and to science

by Jacques Cheminade

*The author, president of the Schiller Institute in France, has recently traveled to Algeria as the Institute's representative, speaking at conferences and to the press on issues of human rights and economic development. He has published several books in French, including one co-authored with Lyndon LaRouche, La France après de Gaulle.*

The recent offensive against Algeria and China launched by American and British intelligence agencies tells a lot about the “new world order” touted by George Bush. Under this “order,” any country that resists must be punished; no country in the South has the right to modern scientific and technological discoveries; and Third World countries—deprived of scientific and technological achievements, strangled by foreign debt, unable to build infrastructure because of International Monetary Fund (IMF) conditionalities—are no longer able to ensure population growth.

Indeed, American and British policy—pursued now by France as well—aims at imposing “population reduction” on Third World countries by preventing their development or, if all else fails, as in Iraq’s case, by destroying their means of development. Without this analysis, it is impossible to understand the reason why the *Washington Times*, the *Washington Post*, and the *London Sunday Times*, have suddenly “revealed” that Algeria and China have launched a secret program to build the first Arab atomic bomb.

First of all, an international media campaign is orchestrated to create a certain “climate”—and however unlikely the charges may be, they will have some effect. Then, the brutal move can be made. Remember some recent cases; such and such a country “finances world terrorism,” another one “is poisoning the world with drugs,” a third “is producing chemical bombs and has the fourth strongest army in the world,” etc.

At that point, the United States—which has, of course, never had recourse to terrorism, never used chemical or nuclear weapons, and certainly never allowed its banks to launder drug money—receives from Heaven, or perhaps from the United Nations, the “moral mandate” to intervene against

Qaddafi, Saddam Hussein, Noriega, and the civilian populations of their countries.

Given past experience, the Algerians can hardly be accused of “paranoia” when they feel their country is in the “cross hairs” (*L’Observateur* of April 17) or they “feel targeted” (*Alger Républicain* and *El Moujahid*). This is definitely a campaign run by intelligence agencies on behalf of their governments.

## U.S. press start nuclear scare

It began in the *Washington Times*, a newspaper closely linked to U.S. intelligence whose specialty is destabilization and disinformation operations. The article indicated that the Algerian government, with help from the Chinese, was developing a nuclear weapons program, and then revealed that the “CIA had informed a special congressional committee of its concern about the building of a plant in a strictly guarded militarized zone some 220 kilometers south of Algiers, near Ain Oussera.”

The story was then taken up by the *Washington Post*, which is known as an unofficial outlet of the U.S. State Department.

Finally, the *Sunday Times* of Britain wrapped up the offensive by publishing an article illustrated with maps showing the construction site of the plant. To make things sound even more menacing—including for the French—the paper added that “Algeria has already bought Soviet Scud B missiles which according to some experts can be fitted with nuclear warheads which Algeria could produce.” This is supposed to make people in Marseilles and Toulon on the French Mediterranean quake in their boots, especially since Algeria would be extending the range of the Scuds so that they could reach targets 800-900 kilometers away.

The unfolding of the campaign is noteworthy. The article in the *Washington Times* was published on April 11, the day after the expulsion of the British military attaché in Algiers, Capt. William Cross, who had been caught photographing the construction site at Ain Oussera. The operation was therefore launched by the British and carried further by the CIA

press outlets. Finally, we come full circle with the article in the *Sunday Times* which was not signed. This is generally accepted as meaning that it comes from the security services. This affair offers a blatant example of what *EIR* has consistently charged, that the British and American governments are working hand in hand, the former often inspiring the work of the latter.

As for the truthfulness of the charges, if they are not pure fantasy, they are very close to it.

Algeria in fact does not have—unfortunately, we might add—the means to build a vast civilian nuclear program nor a military one.

It does have a small experimental nuclear reactor of less than 1 megawatt, produced and sold in Argentina and installed in Draria, 20 kilometers away from Algiers. That is the only working Algerian reactor!

As for the rest, Ain Oussera is allegedly the core of a “center of energy research development” built around a reactor of some 14 megawatts. The Chinese, after the Algerians, clearly stated that the “program is strictly civilian” and that international control has been formally accepted.

### **Algeria in the cross hairs**

In any case, it is obvious that for lack of hard currency, Algeria cannot obtain a nuclear program—civil or military—worthy of the name, especially under the financial conditions defined by Bush’s new world order.

An Algerian scientist clearly told us: “We missed the chance. In the early 1970s, it was easier. Now, both the financial means and the international conjuncture go against speeding up this kind of thing.”

The conclusion is therefore clear: Intelligence services have concocted an operation against Algeria and China. The question is, why?

The Algerians are right to point out that George Bush and British Prime Minister John Major want to punish Algeria for its attitude during the Gulf war, and are paving the way for the punishment.

Indeed, enormous demonstrations of support for the Iraqi people took place in Algeria, as well as the organizing of competent medical and food aid. But it was especially the humanitarian position of Foreign Minister Sid Ahmed Ghazali which embarrassed the anti-Iraq coalition partners. By stating loud and clear that his country “would never accept the destruction or the starvation of the Iraqi people,” he was denouncing those effects of Anglo-American policy which the Western media were striving to cover up.

Moreover, Algeria’s fight within OPEC for a reference oil price of more than \$23 a barrel, as well as its efforts to set up a democratic system in order to guarantee development and sovereignty, cannot help but annoy those Western intelligence services who fear the emergence of leadership in the Third World like the devil himself.

However, to understand the danger facing an independent

democratic Algeria, we must look further into the significance of this country. First of all, Algeria is one of the countries that best understands the meaning of Bush’s new world order and that has denounced it the most courageously.

The head of the government, Mouloud Hamrouche, is perfectly aware of the motivations of the instigators of the “nuclear weapons scandal”: “This media offensive aims to prevent Algeria from obtaining science and technology while the New American Order is being prepared.”

How much more clearly can one condemn the “technological apartheid” policy which the U.S. Congress is now debating, in legislation drafted to forbid all transfers of nuclear, biological, or chemical-linked technologies to developing countries on the specious grounds that these “might” have military as well as civilian uses? The enforcement of this law, which can also target non-American exporting companies (French, German, Japanese, etc.) by virtue of the extra-territoriality principle of the United States known as the Thornburgh Doctrine, is left to the discretion of the President of the United States.

The Algerians are all the more embarrassing when they denounce the hypocrisy of this law. While the United States forbids exporting science and technology, it is promoting the sales of its weapons systems whose efficiency was demonstrated by the Gulf war. It is pointed out in Algeria that Washington is about to satisfy a first “shopping list” drawn up by the Gulf countries, including missiles, tanks, planes (46 F-16s and 700 M1 tanks just for Saudi Arabia), estimated at over \$50 billion over the next three years. The rules of “good conduct” are only for the others; Washington, of course, need not heed them since it has received a “mandate from Heaven.” And anyone who denounces the U.S. (like Algeria), is a blasphemer and a potential criminal.

On a deeper level, Algeria is targeted because of its strongly pro-natalist demographic policy. Since the very beginning of the Algerian state, the country has considered population growth to be the guarantee for its independence and its future. During the World Population Conference at Bucharest in 1974, Algeria led a group of countries including China, the Vatican, and many Latin American, black African, and East European governments which rejected the American arguments for “limiting population growth.”

Why is this not pardonable and why should it be the most fundamental political point today?

Because the choice of the Anglo-American new world order necessarily implies a depopulation of the countries South of the Tropic of Cancer. A recently declassified U.S. National Security Study Memorandum, written in 1974, encourages the American government to prevent population growth in the South. This report, published in *EIR*’s May 3 issue on page 26, recommends making food aid conditional upon a birth control policy in the country on the receiving end. This is the policy presented at the Bucharest conference, and rejected by this group of countries headed by Algeria.

## Nuclear power is needed

The late Gen. Charles de Gaulle was famous for having proclaimed the right of all countries to develop the most advanced scientific discoveries and technological innovations in order to guarantee their national independence. He had specifically insisted upon France's right to civil and military uses of nuclear power, unless all the other nuclear powers agreed to give it up.

For thus challenging the hypocrisy of those countries that possess the bomb, especially the United States and Great Britain, de Gaulle was execrated in Washington and London. It is well known that the CIA did nothing in the early 1960s to stop the assassination attempts against him—precisely for this reason. And let us not forget that François Mitterrand at the time mocked the “French mini-bomb,” while fully backing Washington and London.

Today, since Mitterrand has in the meantime become President of France and supported the *force de frappe*, de Gaulle's nuclear defense system for France, one might expect all different political factions in France not only to defend Algeria's right to nuclear energy but, if necessary, to help develop it.

But in fact, Foreign Minister Roland Dumas went to Beijing to make sure that the Algerian nuclear program would be controlled, and although Finance Minister Pierre Bérégovoy promised Algerian Finance Minister Ghazi Hidouci that French banks would be asked to unblock credit for Algeria, these loans are still as costly as ever, and the Coface (government insurance on foreign operations) does not encourage companies to invest in, or export to Algeria.

## A match made in Britain

At the very top, François Mitterrand is doing the opposite of defending Algeria. As the press has pointed out, the May 10 tenth anniversary of Mitterrand's presidency will mark “a long love affair with the United States whose plot has developed throughout the decade. The idyll reached a high point during the Gulf war, when François Mitterrand turned away from Germany and adopted a clearly Atlanticist line.”

From those who consider themselves the “heirs” of General Charles de Gaulle, we would have expected more. Instead, François Fillon, head of the defense caucus of the nominally Gaullist RPR party, stated in an interview on May 2 without the slightest qualms, “We must stop exporting knowledge.”

Such a statement corresponds perfectly to the American and British attitude, and is directly opposed not only to everything General de Gaulle stood and fought for, but also to the content of the latest papal encyclical.

As for the Schiller Institute, we completely support the right of Algeria to nuclear energy. We have long explained that nuclear power will produce the energy density necessary to allow Third World economies to finally “take off.”

Algeria will need massive nuclear energy for tomorrow

to green the desert, desalinate sea water and create the conditions for an in-depth economic development—both geographically and technologically. Then, if a serious integrated policy is extended to the entire Organization of the Arab Maghreb, perhaps it will be possible to finally realize the old dream of creating an inland lake in the Sahara, and, at the very least, to plant irrigated forests to push back the desert. The Algerian “population bomb” will become an immense opportunity for everybody if Algeria wins every day from the desert some new cultivatable land and becomes for us a consumer of industrial capital goods.

The question is posed now in brutal terms: Either the Third World countries acquire the most modern scientific and technological means and thereby the accumulated productivity needed to feed their populations, or else they will be denied this development and tens and hundreds of millions of people will die from hunger and disease or in fratricidal wars.

“Is it a good thing for the balance of tomorrow's world if we are headed toward a world dictatorship?” This is the question asked by Sid Ahmed Ghozali before the Political Commission of the European Parliament on April 25 in Strasbourg. We would hope that the French and German governments would not only ask themselves that question, but begin to answer it.

## Overpopulation Isn't Killing the World's Forests— the Malthusians Are

There Are  
No  
Limits to  
Growth

by  
Lyndon H. LaRouche, Jr.

There Are  
No  
Limits to  
Growth



Order from: **Ben Franklin Booksellers, Inc.**  
27 S. King St. Leesburg, Va. 22075 (703) 777-3661

\$4.95 plus \$1.50 shipping (\$.50 for each additional book)  
MC, Visa, Diners, Carte Blanche, and American Express accepted.  
Bulk rates available

# Democratizing Africa: 'Paris-stroika' or true economic development?

by Christine Bierre

Will the sun finally rise over Africa? The speed with which tyrants fall these days across the entire continent has created an immense hope among all Africans. There was recently an explosion of joy in the Mali community and its friends in Paris, when it was learned that the tyrant Bamako had fallen. To draw up a list of the "democratic transformations" which are rocking Africa today is no easy task, for practically everywhere there are "national roundtables" being held, with an eye toward opening the way to multi-party systems, establishing electoral laws, and marking the calendar for the next elections. It is almost easier to talk about those recalcitrant countries which have not yet embarked on their "democratic reconversion," among them Central Africa, Equatorial Guinea, and Ghana, just to name those. Woe to these governments, for there is rumbling in the streets, and where changes are not coming from above, this is what will violently force out tyrants, as happened in Mali with Moussa Traoré.

Let us look at the face of this new democratic Africa that is beginning to appear.

Among the best students of democracy, Ivory Coast has been cited, where free elections have already taken place, and where Alain Ouattara has become confirmed as prime minister. There is also Gabon, where President Bongo was quickly able to grasp the necessity for him to organize the "democratic renewal" before the street mob imposed it on him. Presidential elections will take place in Gabon in 1993, and already last year's elections, in spite of innumerable instances of fraud, all the same gave the opposition 47.5% of the deputies' seats in the Assembly. Another "good student," according to Paris and the international institutions that hand out "brownie points" in place of dispensing new credit, is Benin, where, without violence, former Prime Minister Nicéphore Soglo replaced former President Kerekou, during elections last March. The Zaire of Mobutu, one of the bloodiest dictatorships, would also be moving forward on the road to democratization. Legislative elections are set for the first quarter of 1992, where the former Prime Minister Lunda Bululu, much contested in the wake of the extremely grave economic crisis, has given way to Mulumba Lukoji. Finally, there is Senegal, where President Abdou Diouf has just brought back into power the leading voices of the opposition,

among them, notably, Mr. Wade.

By comparison, other regimes are still smoldering, and risk much. Cameroon is one, where, in spite of the fact that a certain multi-party system exists (12 new parties) and elections are scheduled, President Biya is refusing to organize a national roundtable, the only occasion for imposing a truly democratic debate. Last April 12, the violence that swept the country left about ten dead. Then there is also the Congo, where a national roundtable has been dragging on since February, and the head of state Sassou Nguesso and others will have to answer to all the putsches they ran against the former heads of state.

So, everything's going just dandy. But to look at it up close, there are false notes heard among the choir of new "democrats" and "recent converts" to democracy, to such a point that one might say that there are two parallel processes rocking black Africa. On one side, we find weakened, impoverished populations, decimated by diseases, enraged against years of bestial dictatorships, who are rising up and demanding that the "inalienable rights" guaranteed to all by natural law, be restored to them. On the other side, we find imposters, wolves in sheep's garb, who are making use of the democratic process the better to loot what remains of Africa's economies.

## **World Bank and IMF: wolves in the sheep pen**

In effect, who do we find among the voices speaking most strongly and with the greatest authority in favor of democratic change in Africa? They are the pinnacle of cynicism, from the World Bank and International Monetary Fund. Look for the World Bank or the IMF, it could be said, each time a developing country is rocked by food riots. We've already seen it in Mali, where, if Traoré was detested, it was his regime's application of the austerity policies of the IMF which finished him off. You think you are dreaming on hearing the statements from the leaders of these institutions: "The lending institutions will no longer support for very long those systems that are ineffective and do not correspond to the expectations of their people," peremptorily declared World Bank president Barber Conable toward the end of 1990 before a caucus of the African governors of the World Bank.



“The transparency of governments,” he added, “respect for human rights and for law constitute the essential elements required for all undertaking of development.” With what arrogance he demands that Africa accord its people what he otherwise consciously prevented them from giving them: a true democracy founded on economic and social progress! It must be said that, for the World Bank, “economic growth is not synonymous with social progress,” as Edward Jaycox, a trusted friend of Conable’s and vice president of the World Bank Africa Department, told *Jeune Afrique Economie* of November 1990.

The new democratic vocation of the World Bank is not entirely innocent. This was thrown into relief by another interview with the same monthly by Barber Conable during his visit to Burkina Faso last December. Asked, “Does the World Bank tie its assistance to democratic opening?” Conable did not hide that, for him, “democracy” is a stratagem to make the bitter pill of austerity go down better: “I would not pretend there is no relationship,” admits Conable, “because we have learned that, if economic reform programs do not carry the adherence of a large popular base, their chance of success is very weak”!

In Cameroon, the World Bank representative, Rabeharisoa, who is campaigning for democratic changes on behalf of the “young wolves” of power, because they show more eagerness than their elders to apply the draconian policies of the World Bank, also acknowledges, according to a report in *Jeune Afrique Economie*, that “it is necessary to be brave and take the risk in order to conduct, in the context of a renewed multi-party system, a policy whose major characteristic is painful for all.”

## **The fraud of the Structural Adjustment Facilities**

As Senegal’s President Abdou Diouf recalled in a dramatic manner during an early-April broadcast of Cavada’s “The March of the Century,” Africa is still waiting for the aid it was “promised” for having agreed to use “rigor” to get out of its financial impasse. For years we took the rigorous policies of the Structural Adjustment Facilities, and after the austerity policies. Africa is bled dry and we do not see the promised Western aid, said Diouf, in substance.

In fact, more than 30 African countries today are applying to their economies the “health plans” of the World Bank and IMF, the sadly celebrated “Structural Adjustment Facilities” and this, for a certain number, has been going on since the beginning of the 1980s. What is it? Ferocious austerity programs aiming to drastically reduce government expenses, including those which these nations need for their survival, in order to guarantee debt payments to the “lending institutions.” Hence, budgets are cut, subsidies to nascent production and industries are stopped, public sector companies are “compressed and disbanded,” the last bit of fat which the lending institutions attack without the least shame. Then,

the furnishings are sold, or as they say in the oh-so-elegant language of the bankers, the public sector is “privatized,” leaving the door wide open to the capital of international predators, often the very same ones who controlled the large mining companies or others during the colonial period. Finally, they promise to create “free zones” which will become paradises for speculation and money laundering of all kinds, above all for drug money, whose culture has made enormous inroads into Africa for the last several years.

Cameroon is a typical case of what the Structural Adjustment Facilities represent. Following the price drop of the country’s principal raw materials exports, cacao, coffee, and oil, its trade deficit went, from 1986 to 1988, from 200 billion francs CFA to 45 billion francs CFA [The African Financial Community (CFA) franc is used by some countries for trade among themselves and abroad—ed.]. The first SAF was negotiated with the IMF in 1988; others followed. The content? Of 75 state-owned companies, only 30 will be allowed to remain in the purview of the state. State subsidies must go from 150 billion francs CFA to 75 billion in 1990, and 30 billion in 1994. On the employment side, 30,000 people will be laid off between 1989 and 1992, since the only vein left to mine for new income is, according to the statements of the World Bank itself, the public functions. For the 1988-89 budget, the IMF demanded a 51% reduction in the mass of salaried employees, that is, considerable layoffs among the 178,000 civil servants of the country.

Finally, another big concern among the lending institutions is to avoid the social explosions inevitably caused by their looting policies. This is why the World Bank encouraged Cameroon to create a national jobs fund in order to “reduce the social costs of adjustment.” How? By financing the large projects largely with low-skilled labor-intensive means—in the style of the great work camps—then by financing the assistance plans ridiculously called “small projects”: thus, a subsidy equivalent of \$5,200 would be given out to whoever was willing to set himself up for his own profit. Credit facilities of up to \$85,000 at market rates would also be made available to new businessmen. These projects, however, would not be allowed to employ more than five people. The envelope dedicated to this laughable investment policy would have thereby permitted the launching of a little more than a score of projects—with a total of almost 100 employees!

This is but one example of a policy which is applied nearly throughout black Africa. And everywhere it is a catastrophe. Let’s recall simply the case of Zaire where riots exploded in December after years of Structural Adjustment Facilities: Inflation had reached 150%, the rate of growth 4%, while the budget had dug down to 200 billion zaires.

## **The law of the foxes**

But who is truly responsible for the economic collapse of Africa? Is it really only a question of the regimes in place,

as important as that may be? Is there more corruption in Africa than in France, the United States, or Thailand, or rather, are there other reasons for the economic degradation of the continent?

It is there we must examine what takes place in the famous "Futures and Options Exchange," the London FOX to its initiates. This is the most important futures market in the world for raw materials, where the prices of "soft commodities" are determined—coffee, cacao, and sugar—and the "hard commodities"—North Sea oil, Dubai crude, and natural gas. It is there that the prices for the principal export productions of these countries are set, far from any participation by the African countries, which, having no or little manufacturing, depend almost entirely on exports of their raw materials or basic goods.

So, by means of an ingenious system, speculators can play on prices to rise or drop. Certain trading companies have acquired such power that they can, in and of themselves, wield an impact on prices. This is the case with Nestlé and the American groups like Phibro or Sucden, all three of them powerful competitors on the cacao markets. In imitation of grains, whose prices are fixed by the large grain cartels on the Chicago Board of Trade, the prices of cacao, coffee, and oil are also fixed by the London cartels! So where is the liberalism so vaunted by the Americans? the free enterprise?

This is how the revenues of a country can drop from one day to the next. Take the case of Rwanda, for which the sale of coffee represented nearly 80% of the country's receipts in 1986, for a total of 13.9 billion Rwanda francs, about \$150 million. The price drop for coffee caused a collapse in revenue on the order of 53.3% in three years. Coffee revenues for Rwanda barely reached \$70 million in 1989! These countries are not capable of producing, we are often told by way of explanation of the brutal collapse in revenues. Lies! Although the coffee prices were rapidly falling, Rwanda tripled its coffee production in 20 years, going from 31 to 94 million plants. Production went from 8,000 tons in 1964 to 43,000 tons in 1988, and the work force employed for its production went from 285,000 to 682,000.

### **The case of Ivory Coast**

The case of Ivory Coast is also significant in this regard, and it is entirely to the credit of President Félix Houphouët-Boigny that, in 1987, he dared to boycott the world coffee market, by being the first worldwide producer to withdraw Ivory Coast from the markets in order to force an increase in the price. Let's take the impact of the coffee price on the Ivory Coast economy. In 1977, the world price for coffee reached its highest level in London: 1,400 francs CFA per kilogram. Today it is no more than 500 francs CFA. The drop in the prices of raw materials adds other factors into devaluation. Thus, between 1985-87, the lower price of both basic goods and the dollar was translated into a decrease by 30% for revenue for Ivory Coast. We have just laid bare

several aspects of the looting system which is at work in Africa: looting by the cartels by means of price manipulations, then deployment of financial institutions associated with the same cartels—the World Bank, IMF—to collect what remains in debt payments!

### **'IMF boys' moving in on new democracies**

This is the situation against which the new African leadership must impose true democracy, true independence, true economic development. This will not be easy, for almost everywhere one sees the "World Bank/IMF boys" taking up command posts in democratizing countries and striking their colors: "transparency," "rigor," etc. Take a look at the rogues' gallery of the new wave of African politicians. Ivory Coast Prime Minister Alassane Ouattara, in office since November 1990, worked as an economist at the IMF between 1968 and 1973, and then again beginning in 1984, where he took charge of the IMF's Africa Department. In Benin, the financial community did not deprive itself of favorably welcoming the election of President Nicéphore Soglo, during a joint meeting of the lending institutions which took place in Paris on April 12, 1990 under the leadership of Ismael Seralgedin, World Bank regional director for West and Central Africa. In Mali, Amadou Touré, who replaced Moussa Traoré, is also a former IMF official working out of Bangui. Often, at the same time democracy is discussed in national roundtables, "drastic" adjustment plans are discussed as well, as is the case in Niger.

What game is the France of François Mitterrand playing? Just as in the Gulf war, it seems to be dogging the footsteps of the Anglo-Saxon institutions, the World Bank and International Monetary Fund. Everyone is in agreement about underlining Paris's role, and notably, at the Franco-Africa summit at la Baule last year, where Mitterrand had stated that henceforth credits would solely be given out to good students of democracy, in the "democratic renewal" coming out of Africa these days. Would France thus open Africa up to Anglo-Saxon looting, when at one time it acted as a rampart against it? The fact that French companies are disengaging from Africa confirms this trend: Since 1984, some 200 out of 1,500 subsidiaries of French companies have left African soil—and it continues. With the lack of great projects, lack of a grand design for Africa, the "Paris-stroika" men can only act as hangers-on of the World Bank.

Rather than become coopted by the "democratic" fascism of the World Bank, real democrats should arm themselves with a program to fight the Structural Adjustment Facilities. We must work for the unity and integration of the countries that want to bar the way to looting. And we need a program, a Grand Design aiming to bring all of Africa into the 21st century, with all the scientific and technological development that implies, including letting the population grow and improve its living standards.

# Bush wants drug-money laundry in Colombia

by Javier Almario

A May 9 conference in Bogotá on George Bush's Enterprise for the Americas Initiative provided a unique glimpse into the neo-colonialist mentality behind the plan to turn all of America into one giant "free trade zone." Specifically, it provided a forum for an official U.S. endorsement of legalizing the profits of the drug trade.

A key speaker, Inter-American Development Bank official Alejandro Scopelli, urged that Bogotá be turned "into an international financial center, like Montevideo is today." This, he explained, would allow Bogotá to "attract, without any restrictions whatsoever, dollars, marks, yen, and other currencies." Montevideo, the capital city of Uruguay, is universally acknowledged as *the* "hot-money" laundry for all of Latin America.

Scopelli's proposal is, however, already being implemented by the César Gaviria government, precisely to attract that infamous "other currency," the narco-dollar. In fact, thanks to reforms that have been approved under Gaviria's presidency, the so-called "sinister window"—the Central Bank function which launders the profits of the drug traffickers, "without any restrictions whatsoever"—has taken in \$876 million in the first quarter of 1991, a 126% increase over the same period a year ago.

The May 9 conference was organized by the U.S. Embassy, the Bogotá Chamber of Commerce, the Colombian Development Ministry under drug legalization advocate Ernesto Samper Pizano, and the prestigious Javeriana University. Scopelli's proposal was in the context of a discussion of the role his Inter-American Development Bank will play in Bush's "free trade" plan for the continent. U.S. Ambassador to Colombia Thomas McNamara elaborated that the IADB was the "second pillar" of Bush's proposal, and that a pitiful fund of \$1.5 billion had already been created over five years, which would be lent out under Bush's initiative, on condition that more "structural adjustments" would be forthcoming.

According to McNamara, the first pillar is the General Agreement on Tariffs and Trade (GATT), and the authorization for fast track negotiation of the Mexico-U.S. Free Trade Agreement by the U.S. Congress. The third pillar, he explained, involves debt-for-equity and debt-for-nature swaps.

McNamara was explicit in backing Gaviria's reforms, which will assure an ever-increasing flow of drug money into government coffers. "Colombia has already embarked on an economic and structural adjustment reform through its

*apertura* [opening]. The investment climate in Colombia at the present time is one of the best in Latin America," said the ambassador. "And this has improved even further due to the recent reforms of the exchange statute, of taxes, of investment, and of the labor code." It was reform of the exchange statute, combined with Gaviria's policy of abject capitulation to the drug cartels, which turned the Central Bank's aptly named sinister window (*ventanilla siniestra*) into a gold mine.

McNamara explained that for Bush's Enterprise for the Americas Initiative to succeed, Ibero-America would require "new structural reforms in many countries, to win a return of national savings that were sent abroad as flight capital, and to attract new capital." In Colombia, "repatriation of capital" is a worn diplomatic euphemism for luring drug money back home.

McNamara also revealed the mechanism by which U.S. financial and business elites hope to appropriate Ibero-American companies and territory. The debt these countries have with the United States would be partially reduced. "Interest payments on the remainder of the debt would be made in local currency, to an environmental fund in said country," and that money would be used for environmental projects such as purchase of Amazon lands that would be important to "conserve." Another part of the debt could be "sold to facilitate debt-for-nature or debt-for-equity barter," he explained.

## Purging 'negative attitudes'

McNamara showed the only real emotion during his entire speech when he spoke of the "non-economic obstacles" to Bush's neo-liberal project. According to McNamara, it was necessary to take advantage of the collapse of Marxism in the East in order to eliminate "thoughtless nationalism," "negative attitudes toward foreign investment," and "destructive protectionism," which continue to prevail in Ibero-America.

McNamara insisted that to the extent that nations attempt to defend their sovereignty, they are revealing the "Marxist influence" in Ibero-America, which he said was "stronger than in the Marxist states themselves." Any resistance to the Bush administration's neo-colonial policies were the result, according to McNamara, of the "Leninist concept of imperialism."

The U.S. ambassador attacked the Alliance for Progress, brainchild of the late President John F. Kennedy. "The Alliance for Progress, an effort to withstand the tide of poverty in Latin America and to halt the Marxist march, was in itself an unwitting acceptance of Marxist ideas."

Many offended "nationalists" in the audience were left asking themselves upon what basis the United States—itsself sinking deeper into economic and moral bankruptcy by the day—had seen fit to send its representative to lecture Colombians on economic policy and the new order.

### On drugs and free market economics

*Carlos Andrés Pérez, Bush's itinerant ambassador for free-market liberalism, endorses Colombian model.*

**W**e should raise a statue to the smuggler. The smuggler was a pioneer of trade between Colombia and Venezuela. He was not unaware of the geographic unity between our nations, and rejected artificial barriers imposed by customs," was the shameless paean to the origins of "free-trade economics" offered up by Venezuelan President Carlos Andrés Pérez, during a May 8 presentation given before the Colombian-Venezuelan Council of Trade and Integration in Bogotá.

What Pérez did not, of course, say is that this same argument lies at the core of the drug traffickers' demands for an amnesty: that they are little more than successful entrepreneurs obeying the laws of the marketplace.

President Pérez's address to the forum was a last-minute decision, just as his visit to Colombia was. The explicit purpose of his visit: to promote George Bush's policies for Ibero-America. Pérez, or CAP as he is known in Ibero-America, arrived in Colombia direct from the United States, where he discussed with both Bush and David Rockefeller the most efficient means of applying Bush's plan to turn all of America into one single free trade zone.

"We shouldn't think simply of Colombian-Venezuelan integration, nor solely of Latin American integration. We should think rather in terms of the integration of all the Americas. I have criticized the United States in the past for its imperialist attitude. But that era is gone. We should now view the United States as our great partner," CAP declared.

The Venezuelan President also took advantage of the occasion to openly endorse Colombia's ongoing National Constituent Assembly, which was convoked by a state of siege decree to reform the Colombian Constitution, but which is now—like the Jacobin movement it freely models itself upon—preparing the "guillotine" for any national institution that stands in the way of its plans for installing a narco-dictatorship.

In an address to the Assembly itself, CAP said: "Gentlemen delegates, I am certain that this experiment of the Constituent Assembly, this revolutionary experiment, will be a model for modernization in Ibero-America and in the world. I am certain that the Assembly will repeat itself in other Latin American countries."

CAP's praise of Colombia's narco-terrorist Assembly occurs, not accidentally, at the same moment that he has offered his presidential services as "mediator" between the Gaviria government and the FARC/ELN terrorists who continue to wreak bloody havoc on both sides of the Colombian-Venezuelan border, while demanding negotiations with Gaviria. CAP's explanation for his offer is that he has played a similar role in El Salvador and Nicaragua, so why not in Colombia?

CAP's unqualified endorsement of the Constituent Assembly, which has just unilaterally declared itself "omnipotent, autonomous, sovereign and absolute," was seen by many Colombians—including inside the National Congress and Supreme Court—as intolerable interference in their

country's internal affairs.

Speaking to a gathering at the International Book Fair in Bogotá May 7, CAP justified the Bush administration's genocidal actions in Iraq, with the argument that the world "has entered a new era, exemplified by the United Nations' intervention to enable Kuwait to recover its sovereignty." In this "new era," said CAP, armies and weapons will be of no importance.

And, to adjust ourselves to this "new era," Pérez said in a press conference held at the Colombian presidential palace, "the concept of sovereignty must undergo major changes, so that supranational rights can acquire full force and validity. If we do not modify the concept of sovereignty and subject it to United Nations' supervision, we will not be able to move from a bipolar to a multipolar world."

Pérez's arrival in Colombia also provided a context for a high-level forum on George Bush's Enterprise for the Americas Initiative. At that forum, organized by the U.S. Embassy, the Javeriana University, and others, U.S. Ambassador Thomas McNamara echoed Pérez's call and demanded that Ibero-America eliminate "thoughtless nationalism."

Sounding for all the world like the archetypical Roman proconsul, McNamara called upon Colombian businessmen to purge themselves of "negative attitudes toward foreign investment" and of their "aversion to risk."

Without Carlos Andrés Pérez's appearance in Colombia as a public relation's man for the Anglo-American empire, Ambassador McNamara's statements would no doubt have triggered a furious public response. Thus, it was no accident that McNamara concluded his May 9 address by eulogizing Carlos Andrés Pérez, whom he described as a "very capable and intelligent man."

## New USDA report lauds NAFTA

*According to USDA logic, starvation is good for you because it will help you lose weight.*

In April, the U.S. Department of Agriculture released a congressionally-mandated report on its evaluation of the expected impact in the United States of the proposed Free Trade Agreement with Mexico. Entitled "Agriculture in a North American Free Trade Agreement; an Interim Review," the 74-page report lists benefits that are supposed to result, according to logic so twisted that to believe the USDA you have to agree that starving yourself is good, because before you die, you will be thin.

The report stresses that the United States will benefit from "trade creation," which is supposed to mean that U.S. food exports to Mexico will increase. True, since the 1960s, when Mexico was a grain exporter, it has been coerced by the International Monetary Fund (IMF) into importing staples (corn, wheat, milk powder), while exporting beef, cattle, and fruits and vegetables. The USDA report praises the Mexican government for shifting away from a policy of food self-sufficiency, or "import substitution," to a policy of "food access."

However, the purpose of this shift was to meet IMF conditionalities in order to make debt service payments at any cost. Mexico is now paying \$9 billion a year to service its \$100 billion debt. In fact, per capita consumption of meat, milk, corn, and beans, the staples of the Mexican diet, have declined 20-30% over the last decade.

Mexican output of meat and milk has declined 30% since 1980. Production of corn and beans has been similarly reduced. Imports of corn, rice, wheat, dairy products, and beans have

increased steadily as domestic production collapsed under the deregulation introduced by the Salinas government. Conasupo, the government's regulatory agency, is no longer the sole authorized importer of most grains and dairy products. Price support was eliminated for all but corn and beans. Export licenses to restrict exports until domestic needs were met, were dropped.

Over the 1980s, the official malnutrition rate among the 85 million Mexicans has risen to 30%. The USDA report portrays this as a healthy consumer market for the United States.

In the USDA jargon of "free trade," the report stressed that there will be "economies of scale" when the 85 million Mexicans and the 250 million in the U.S. become one market. What this means in practice is shown by the recent developments in the beef and cattle trade.

Right now, Mexico is sending cattle to feedlots in the United States and returning them to Mexico for slaughter, under an "in bond" relationship similar to the *maquiladoras*. Feedgrain is cheaper in the United States. Import tariffs on beef and cattle for slaughter have been removed. Beef herds in Mexico have declined from 37 million head over the past six years to 17 million head today. Yet, Mexican exports of feeder cattle to the U.S. have doubled over the past decade. Mexico is so short of beef that all import restrictions have been removed. Five slaughterhouses have recently been established to process Mexican beef for export. Historically this has

been restricted by health regulations.

Now the USDA inspects the meat on site, and there are spot checks on the border. When the remaining protection on feedgrains are lifted in Mexico, feedlots will shift there from the U.S.

Infrastructure investment is not part of the NAFTA program. The lack of sanitation and health in the border areas care will soon spread diseases, which, like cholera, are moving towards Mexico from Peru into the U.S.

The USDA report cites health-related regulations or sanitary and phytosanitary measures to be applied to imports into the U.S. from Mexico under a free trade agreement. Nowhere does the report talk about investment to alleviate poor sanitation and health care responsible for the conditions cited.

Instead, the USDA report cites some of the animal health problems in Mexico which have restricted meat exports to the U.S. to date, and makes no mention of programs to provide veterinary and animal husbandry aid.

Mexican poultry flocks have diseases including Newcastle disease, which, the USDA advises, would require products for export to be cooked. Because of the presence of hog cholera in Mexico, only cooked pork products would be eligible for export to the U.S. Because of scrapie, the importation of live sheep and goats from Mexico is restricted. Mexican infestation with fruit pests not yet present in the U.S. is also noted.

Private food cartel interests are buying up Mexican land in joint ventures and partnerships with Mexicans, while waiting for foreign ownership of land regulations to be lifted under a NAFTA agreement. Currently, land ownership has to be at least 51% Mexican. The cartels are also waiting for government land, and the peasant collectives, to be sold off for debt repayment.

## Volcker: 'Too big to fail' must stay

*"Imposing losses on uninsured depositors would create genuine risk to the financial system," officials say.*

**F**ormer Federal Reserve Chairman Paul Volcker, the newly appointed head of the Trilateral Commission, issued a stern warning to Congress May 8 about the consequences of eliminating the "too big to fail" doctrine, which protects all depositors, insured or not, at the biggest U.S. banks.

"Removal from the FDIC [Federal Deposit Insurance Corp.] of its ability to protect all depositors of large failed banks," Volcker said, "could well trigger a crisis in the banking system of a magnitude entirely capable of turning a serious recession into something much worse, precipitating escalating losses and larger budget deficits through the economy." Meddling with "too big to fail," Volcker warned, could lead to the withdrawal of "trillions of dollars a day" in international clearances from the U.S. banking system.

Volcker, it should be remembered, was the architect of the "too big to fail" policy, implementing it in 1982 to stem runs against Chase Manhattan, Citibank, and the Bank of America, and again in 1984 with the bailout of Continental Illinois Bank.

The same theme was echoed the next day before the House economic stabilization subcommittee by a panel of federal regulators, who warned that due to the "threat of systemic risk" to the banks, it would be irresponsible for Congress to abolish "too big to fail."

"Imposing losses on uninsured depositors would create genuine risk to the financial system" that could lead to "contagious runs," said Treasury Undersecretary Robert Glauber. "To our knowledge," Glauber said, "no

government has forfeited its ability and responsibility to protect the stability of its financial system, even if that means protecting uninsured depositors. None. We should not be the first to try this dangerous experiment."

What Volcker, Glauber, and company are saying is that saving the banks is paramount, and that above all else the United States government must stand behind the banks, no matter what the cost to the taxpayer.

"Unhappy as the situation may be," Volcker told the subcommittee, "substantial public funds will be required to bolster the resources available to the FDIC."

Volcker and Glauber were referring to the Federal Deposit Insurance Corporation Act of 1991, a bill introduced by House Banking Committee chairman Henry B. Gonzalez (D-Tex.), which among other things mandates the elimination of "too big to fail" within five years. The bill has already passed the banking committee's financial institutions subcommittee.

Without the "too big to fail" policy and a massive taxpayer-funded bailout of the big banks, the U.S. banking system is indeed doomed. But even with Volcker's bailout, the banking system is doomed anyway.

Cast aside all the lies, accounting gimmicks, and overvalued assets, and the U.S. banking system is trillions of dollars in the red. Were the government to attempt to bail out all the usury-induced debt, it would literally have to steal food out of the mouths of babes, stop all social programs and infrastructure projects, and impose

impossible levels of taxes—in short, bleed the country dry.

Gonzalez's bill would recapitalize the Bank Insurance Fund by increasing the FDIC's line of credit with the Treasury Department to \$25 billion, from the current \$5 billion. But to borrow that money, the FDIC would have to agree to a specific repayment schedule and demonstrate that the fees it charges the banks for deposit insurance are sufficient to enable the agency to make its payments.

The bill would also tighten up regulatory oversight; it would require yearly on-site examinations of every insured bank, prevent the FDIC from paying off deposits exceeding \$100,000, require the banks to adopt Generally Accepted Accounting Standards, and force regulators to take prompt action to deal with banks which fall below critical capital levels.

The bill would also restrict the ability of the Federal Reserve to lend money to troubled banks, a move which Fed chairman Alan Greenspan claimed "could seriously handicap the Federal Reserve's ability to ensure the stability of the banking system and prematurely close off liquidity support" to still viable banks.

Gonzalez dismissed Greenspan's recommendation that that provision be deleted from the bill, saying the request "is neither good policy nor fiscally sound." He said that he intended to limit "the open-ended authority of the Federal Reserve to independently bail out institutions through the discount window."

Gonzalez and company are doing the country a favor by opposing this fascist looting policy. Contrary to what the Volckers of the world believe, banks exist to serve the people and the productive economy. Destroying the population to save the banks is as futile as it is evil.



## Kill the people, but pay the debt

*A bishop condemns the decision as "immoral" and charges the government of "starving the people" to pay the debt.*

**P**anama will pay its creditors more than \$1 billion this year on its total public debt, which exceeds \$6 billion. The payment plan was announced following a May visit to Washington by Second Vice President Guillermo "Billy" Ford, who is also Minister of Planning and Finance in the U.S.-installed government of Guillermo Endara. Ford promised that Panama will start by paying off \$540 million in arrears to international lending institutions within 45 days, said a Panamanian official in Washington on May 7.

The plan was immediately condemned as "immoral" by Bishop Carlos María Ariz of Colón, the country's second largest and most economically depressed city. In his statement, issued on May 10, the bishop cited the latest encyclical issued by Pope John Paul II, which says that it is not legitimate to pay the debt "if that leads to unbearable sacrifices."

"It is not legitimate to demand or ask for payment when that means the imposition of political options that would lead to hunger and desperation. It hurt us," he added, "that our government is so willing to submit to foreign financial institutions at the expense of the hunger of our people."

The plan, which calls for laying off 19,000 public workers, 15% of all government employees, was worked out just days after an earthquake devastated Bocas del Toro, the heart of Panama's banana region, which produces the country's major export. The economy is still reeling from the 1989 U.S. invasion and the preceding two

years of economic warfare waged by the Reagan-Bush administrations in their efforts to oust Gen. Manuel Noriega, which has left at least one third of the labor force unemployed.

Plans are proceeding to cut social security benefits and to raise the retirement age by 5 to 10 years, to comply with demands from international creditors. Panama's comptroller general, Rubén Darío Carles, who belongs to the political party headed by Ford, said that the so-called "13th month," an employee bonus established by law, will not be paid this year because the government has no money. The Christian Democratic Party, which Endara expelled from government on April 4, introduced a bill demanding that Endara, whom most Panamanians call "Sweetbread," comply with his obligations to Panama's workers.

The Christian Democrats, led by First Vice President Ricardo Arias Calderón, also known as the "Crazy Nun," are charging that Carles and Ford have become agents of the American government, and that Endara is a puppet of U.S. ambassador Deane Hinton, the Bush proconsul. The charge was made on May 10 by legislator Guillermo Cochez, a beneficiary of the largesse of the U.S. National Endowment for Democracy.

In Washington, Ford, a banker linked to drug-money laundering institutions, met with International Monetary Fund head Michel Camdessus, Enrique Iglesias of the Inter-American Development Bank (IADB), Barber Conable of the World Bank, and

Vice President Dan Quayle. On May 2, Ford met with his "close personal friend" Lawrence Eagleburger, the former president of Kissinger Associates, who is now George Bush's deputy secretary of State. Eagleburger, whose ties with money laundering banking also include his stint on the board of directors of the Yugoslav LBS bank, is the architect of the free trade economic plan Ford is applying in Panama.

In that plan, which Eagleburger co-authored with Treasury Undersecretary John Robson, it is stated that Panama's arrears with the IMF, the IADB, and the World Bank at the beginning of 1990 totaled \$540 million. Since Panama has paid \$300 million on its arrears since then, "and we have not received a penny in loans since," according to a Panamanian diplomat in Washington, how can Panama still be more than \$600 million in arrears?

"Interest accumulates," explained the diplomat.

A report issued by Ford's Planning Ministry said that the Endara government decided that "it is a matter of principle to comply with its debt obligations." The report, released on May 9, continued, it is "imperative for Panama to normalize relations with its creditors . . . to overcome its international isolation." That is, to get more loans.

Not much chance it will get more money this year than last year. Likely, it will be a replay of the "Abbot and Costello joke" that Sen. Patrick Leahy (D-Vt.) described during hearings last year. Referring to an administration proposal for Panama to pay \$805 million to its foreign creditors, for which "Panama will get less than \$400 million in loans, so that they would have paid out \$400 million more than they get back," Leahy asked, "My billion dollar question is this: Is this thing as cockeyed as it sounds?"

## Zelia departs

*The Anglo-American establishment has its finance minister in Brazil now: Marcilio Marques Moreira.*

**A**t the behest of the United States and international financial institutions, Finance Minister Zelia Cardoso de Mello, who for 14 months faithfully applied the neoliberal dogmas which sank the country into the worst depression in its history, resigned along with her entire staff on May 8. As her replacement, the Anglo-American establishment installed Brazil's ambassador in Washington, Marcilio Marques Moreira, a banker with close ties to Brazil's foreign creditors, who is expected to speed up the process of handing the country over to foreign interests.

The finance minister and her team were certainly committed to applying "free market" economic policies in Brazil; however, the creditor banks' steering committee didn't like the kind of pragmatic games Cardoso's team tried to play during recent negotiations with the International Monetary Fund (IMF), attempting to extract some concessions on payment of interest arrears. It was Cardoso's refusal to fully comply with the bankers' demands on payment of arrears that was a factor in her downfall.

Her team also failed to speed up the program to privatize the economy, a fact which provoked loud protests from the banks and their spokesmen. Finally, the Anglo-Americans decided that enough was enough: Their view was that Cardoso couldn't guarantee Brazil's alignment with the looting schemes embodied in George Bush's new world order.

The fact that Marcilio Marques Moreira was installed from outside as the new finance minister couldn't

have been more blatant. The most eloquent proof of this was provided by former Secretary of State Henry Kissinger, during an interview with TV-Bandeirantes on April 14. In a veiled reference to Brazil, Kissinger, in his role as the U.S. government's primary foreign policy ideologue, complained that the "countries of South America are much more doctrinaire than others" and for this reason have delayed the application of "liberal reforms."

On May 4, just a few days before the cabinet changes, Brazilian papers reported on statements by IMF director Michel Camdessus, attacking Brazil for "not knowing how to run its economy," and demanding that the pace of the privatization of the state sector be speeded up. This was apparently the signal for the ultraliberal faction of the Brazilian oligarchy to make its move to dump Finance Minister Cardoso. The May 5 issue of *O Estado de São Paulo* demanded that the economics team stop playing games with the IMF and, for the first time, openly requested the naming of a "Delfim Netto"-style minister—that is, an unconditional arch-monetarist, owned by the banks, like the tubby former Finance Minister Antônio Delfim Netto.

The recommendation that Marques Moreira be named as finance minister came from the business grouping linked to José Midlin, the primary Brazilian link to the Anti-Defamation League (ADL), who has been trying to forge an alliance between the Collor government and the social democracy led by Helio Jaguaribe and Sen. Fernando Enrique Cardoso.

Marques Moreira is the most prominent spokesman of the plan to internationalize the economy preached by the Trilateral Commission, whose meetings he has attended so religiously. To advance his career as part of the liberal establishment, upon taking office, Marques intends to create a council of notables, which will centralize all economic policy decisions. This council is to be made up of economists, congressmen, and other personalities who hold no official positions, such as Celso Lafer and Fernando Enrique Cardoso, members of the Inter-American Dialogue.

For President Collor, the decision to remove Zelia Cardoso is one more opportunity, on the eve of his trip to Washington, to show President Bush how he is willing to crawl in subservience to the new world order. As ambassador in Washington, Marcilio Marques Moreira was the person most involved in preparing Collor's visit. His primary thesis, as expressed in an interview in the April 29 *Folha de São Paulo*, is that in the supposed world tendency toward creation of blocs, "I think that we'll be closer to the United States."

The naming of Marques Moreira signifies the consolidation of the power of the "Universalist" faction inside the Foreign Ministry; this is a group aligned with the Anglo-American oligarchy, as reflected in the nomination of Rubens Ricupero as the new ambassador in Washington. With the new finance minister, the bankers won the fight which began in 1987; then ambassador Marques Moreira, together with presidential adviser Ricupero, conspired with the creditor banks to bring down then Finance Minister Dilson Funaro, a nationalist enemy of usury and architect of Brazil's debt moratorium. Since then, the bankers have considered the new minister to be their boy.

## **Kumate: more criminal than Fujimori?**

*Doctors in Mexico are readying a program to fight cholera, despite the health secretary's flippant view.*

**M**exican Health Secretary Jesús Kumate Rodríguez is of Japanese origin. When Alberto Fujimori, another of Ibero-America's rising politicians of Japanese descent, handily won the presidential elections in Peru last year, Kumate's closest collaborators began to moot the possibility that Kumate could similarly become Mexico's next President.

*EIR* is all in favor of Ibero-America's growing minorities taking responsibility for leadership, but if these two prominent figures are being offered as models, the continent's Orientals are going to have to work twice as hard to make up for Kumate's and Fujimori's shameful display of criminal neglect in the face of the cholera pandemic sweeping Ibero-America.

In statements to the daily *El Universal* of May 7, Kumate insisted that "in reality, cholera is merely one variant of diarrhea, and not exactly the most dangerous. Perhaps the population's fear stems from the serious consequences of the disease in past decades, but things are different now." Maybe Dr. Kumate should ask the *maquiladora* workers slaving in subhuman conditions along the Mexico-U.S. border how different things really are.

In his statements, Dr. Kumate even managed to find a positive aspect to the epidemic, "since eight years ago we began a campaign against diarrheic diseases and we have not achieved the desired results. Now, with the appearance of this disease in South America, the [Mexican] population is taking precautions."

In the interview, Kumate minimized the effect of the epidemic, noting that "in Peru, of 150,000 cases, the number of dead patients was less than 1%," implying that the epidemic is now under control.

The Mexican health secretary's statements came in the context of an official state visit by Peruvian President Fujimori to Mexico. The visit of the Peruvian head of state passed virtually unnoticed, leading to comments that Mexico's health authorities had apparently applied Kumate's so-called "precautions" against foreigners arriving from infected nations to the Peruvian President himself.

But Kumate's flippant view of the cholera threat is fortunately not shared by all of Mexico's physicians.

Dr. Cecilia Escandón Romero, head of the Preventive Medicine office of Mexico's Social Security Institute (IMSS), declared May 3 that "we are in a period of alert in the country over the cholera epidemic." She noted that the IMSS is preparing its personnel and revising its infrastructure for rapid deployment against any cholera cases that should appear inside Mexico. More rehydration kits and tetracycline doses have been requested to supply the country's hospital network.

A specialist in epidemiology, Dr. Escandón declared that any epidemiologist worthy of the name should know that an outbreak of cholera in South America must inevitably extend to its neighbors. She insisted that cholera would eventually, unavoid-

ably, enter Mexico. She noted, however, that given the rapidity of its propagation, "one can't make predictions, but we know that we are in a state of alert, and that depending on the kind of measures we take and the level of preparation of the population, the consequences [of the epidemic] could be light or severe."

The last appearance of cholera in Mexico dates back to 1833. Thus, according to Dr. Escandón, the current population is unprepared—both technically and psychologically—to confront a possible epidemic of the magnitude cholera is acquiring elsewhere on the continent and which, "until now, has not been absolutely eradicated anywhere in the world." The epidemiologist observed that "the sources of contagion are contaminated water, consumption of decomposed food, and lack of basic hygiene."

The discrepancy between Dr. Kumate's view and that of Dr. Escandón is rather obvious. It is equally obvious that the preventive measures adopted by the IMSS were *not* ordered by the Health Department. The steps announced by Dr. Escandón follow the guidelines of the World Health Organization (WHO).

WHO director Nakajima declared in late April that "the cholera epidemic is threatening 120 million people in Latin America," and explained that "the conditions which permit the disease's propagation are primarily lack of potable water and proper hygiene, and the consumption of contaminated food." Such conditions, he insisted, "are the result of the economic crisis, the poverty, and the underdevelopment of Latin America." Nakajima's indictment of the international creditor agencies, which have diverted the continent's limited resources from health and infrastructure investment to debt repayment, couldn't be clearer.

# Business Briefs

## Technology

### South Korea strives to catch up to G-7 by 2000

South Korea President Noh Tae Woo stated that his nation will be able to catch up with the Group of Seven advanced industrial countries in science and technology by the year 2000, the May 1 *Korea Herald* reported. The President said that to achieve this technological renovation is an "historical mission imposed on all of us." "Whether or not we attain the goal will decide the future of the nation," he told a press conference at which most of Seoul's science journalists were present.

"What Korea aims at attaining in 10 years is to keep the world's highest-level technology in some scientific fields and to be capable of keeping up our technological renovation without foreign aid," he said.

"Let's recall the days 30 years ago when we could not do a thing without foreign aid. Who could imagine that 30 years later, we could by ourselves make nearly everything, from optical fiber cable and semiconductors to giant ships, and sell them to the world."

He said that the government will soon initiate a lifetime pension to encourage scientists to devote themselves to research without worrying about their livelihood. He said the government will also give bold tax reductions and other support to firms which make heavy investment in R&D.

## 'New World Order'

### Peruvian congressman slams malthusianism

Opposition Peruvian Congressman Carlos Calderón Carvajal charged during mid-April congressional interrogations of cabinet officials that the Fujimori government was serving as a puppet of economic interests with their own "new world order" agenda of malthusianism and drug legalization. In a speech that was blacked out by the Peruvian press, Congressman Calderón charged, "Neither this cabinet,

nor the previous one, rules this country. They only function as a bunch of liberal marionettes manipulated by evil hands hiding from the population."

Calderón pointedly denounced George Bush's favorite free market economist, the neo-liberal Hernando de Soto, as one of those who "praise the economic benefits of coca." Said Calderón, "There you have Hernando de Soto, who in 1984 proposed the legalization of coca in the magazine *Que Hacer*." De Soto is currently considered the *éminence grise* of the Alberto Fujimori presidency.

Calderón went on to denounce Bush's "new world order, which is being fully implemented in our country. [It] is a malthusian order that seeks to stop the growth of our population, that wants to reduce our market, and that wants to deny us any development projects." Malthusians and liberals represent "the philosophy of death," which must be replaced by a "philosophy of life" which recognizes that there is "a fifth commandment: Thou Shall Not Kill. . . . Not to kill means protecting national industry . . . not giving away condoms in schools . . . ensuring that purified water gets to our *pueblos juvenes* [Peru's shantytowns] . . . protecting the salaries of the majority which have been reduced drastically by 70% in the past year. . . . Not to kill means to truly fight coca and not to use false negotiators, those who recommend that coca be freely consumed."

## International Cooperation

### Ukraine, Germany announce joint ventures

A Ukrainian delegation visiting Bonn in late April emerged with a host of agreements for industrial and scientific joint ventures. Leonid Kravchuk, chairman of Ukraine's Supreme Soviet, headed the delegation to Germany; it met with President Richard von Weizsäcker and Foreign Minister Hans-Dietrich Genscher, Kiev International News Service reported May 1.

According to Kravchuk, "A memorandum was signed with the Siemens firm on set-

ting up a joint venture with the Kiev scientific and production conglomerate for relay and automatic equipment, [to provide] computer tomographs for medical check-ups." Deals were also finalized for a joint enterprise in furniture, and for a baby food enterprise to be set up in Transcarpathia. "Commercial contracts were consolidated or established with more than 30 firms," concluded Kravchuk.

Kravchuk said that a permanent Ukrainian-Bavarian working group will hold its first meeting in Kiev in June, and that soon, the Bavarian prime minister and ministers of health, justice, culture, and ecology will visit Ukraine.

## Trade

### Soviets score U.S. space technology monopoly

The Soviet military newspaper *Krasnaya Zvezda* denounced the U.S. monopoly in space technology exports on April 27. "As soon as U.S. interests are affected, the administration's practical actions immediately begin to diverge from its expansive declarations. . . . Europe and Japan are becoming increasingly aware that the aim of this policy is not so much to prevent the possibility of improving Soviet military technology as to force rivals from the international market."

The article cites two cases. When Brazil wanted to launch a satellite using a Soviet booster rocket, "cries of outrage from Washington immediately rained down on the heads of the unfortunate Brazilians." A similar case involving Australia is cited.

*Krasnaya Zvezda* comments, "One would have thought that mutually advantageous cooperation could have been achieved in precisely this sphere. However, some people are again seeking reasons for political opposition, completely discounting the fact that ignoring other countries' achievements and repeating stages of technical development that have long been passed can only set back those who scorn the experience of others and act in such a way as to prevent competition on the international market."

## Briefly

● **MACHINE TOOL** output in the United States has fallen so low that it is now sixth in the world, behind even Switzerland. The U.S. now accounts for only 6.7% of total world production. Japan was first in 1990 with 23.2%, followed by Germany at 21.2%. Switzerland, with only 6.5 million people, edged past the U.S. with 6.8%.

● **JURGEN MOLLEMANN**, the German Finance Minister, told journalists in Washington May 8 that restrictions and discrimination in technology transfer, whether against the Third World or the Soviet Union and Eastern Europe, i.e., the Bush policy, is a bad policy.

● **LATE FROST** in April devastated up to 40% of vineyards in France, according to the Bordeaux Wine Producers Association. A wine association spokesman said that 1991 production could be reduced by half, representing a loss of up to 400 million bottles.

● **MICHELIN** is laying off 4,900 workers by the end of 1992, as a result of the drop in auto sales internationally and a rise in the financing costs of its current debt. Meantime, Air France has announced that the Gulf war cost it \$660 million in losses, "the worst in the history of Air France."

● **INDONESIAN** President Suharto wants Japanese help with Indonesia's nuclear program, the Japanese Kyodo news service reported. Japanese Environment Minister Kazuo Aichi and Science and Technology Minister Akiko Santo were in Indonesia in early May.

● **LAOS** has asked Thailand to become its partner in the development of at least three large-scale hydroelectric projects inside Laos, reported the *Bangkok Post* May 2. Under terms of the Mekong River Project, Laos this year began selling electricity to Thailand from its newly completed Xeset hydroelectric plant.

### Debt

#### Africa needs development to have democracies

Without debt relief and development of its economies, democracy has no chance in Africa, warned a feature in the Berlin daily *Tagespiegel* May 6. As long as the Club of Paris government creditors to Africa refuses to write off African debt, the article said, there is little hope for real progress.

The democracy movement that has or is taking power in some African states now, will run into a dead-end without the perspective of economic development. In short, the failure of the democratization experiment is preprogrammed, warned the article.

Africa's status as a mere supplier of raw materials to the industrialized world must be changed, *Tagespiegel* recommended. Africa needs industries to be able to fabricate finished products, which would liberate the African economies from their present dependency on world raw materials markets which are outside their control.

### Infrastructure

#### China vacillates on Yangtze River dam

Although Chinese Prime Minister Li Peng is widely reported to have announced at the recent National People's Congress that a plan to build the world's largest dam on Yangtze River was to proceed, the official *Liaowang* magazine reports that the project will not be undertaken in the near future, although the dam is still supported by the government.

In late April, a noted scientist denounced the project, saying it should not be undertaken "as long as peace is not secured under the current international situation." He claimed that Scud and other missiles now "make it pointless to distinguish between front and rear lines. The dam would become a burden to our future generations, as outside enemies could use the dam for blackmail."

Chief among the opponents are the British. London's *Financial Times* denounced the proposed Three Gorges Dam as a "threat" and as "Stalinist folly." An article by chief China correspondent Colina MacDougall on April 24 admits that the plan, first proposed by Dr. Sun Yat-sen, would go a long way toward meeting the enormous energy needs of the mainland, alleviate flooding that threatens millions every year, and open up the interior to ocean-going ships. But, she says, "Wouldn't it be better for Peking to spend the money on installing equipment nationwide to save electricity rather than providing more?"

Citing mostly environmentalist complaints, the correspondent reports that the dam is unlikely to be built due to the lack of investment funds, but that "it remains a threat as long as a totalitarian government in Peking can in the last resort overrule opposition."

### Ecological Holocaust

#### Brazilian minister says millions will die

Speaking at a World Health Organization (WHO) meeting in Geneva, Brazilian Health Minister Alcení Guerra laid out an apocalyptic situation on his continent. "Millions of Latin Americans will die in the next years because they lack potable, clean water," he stated on May 7. In Brazil, 350,000 children die every year, more than four times as many as died at Hiroshima.

Dr. Guerra said that when countries negotiate new conditions of debt payment, they shouldn't ignore health. "Life can't occupy second place," he said. He also asked for a special drive to combat cholera.

Also speaking in Geneva, WHO director general Hiroshi Nakajima noted that serious epidemics were raging in Benin, Mozambique, and Zambia, that AIDS was spreading rapidly in Africa. Nakajima said that "Health is a right of man that must be protected; therefore, a good sanitation system constitutes an optimal investment of the human resources of a country."

---

## The truth about Chernobyl vs. the ecologist syndrome

---

*Emmanuel Grenier reports on the results of an international conference on Chernobyl recently held in Paris. Translated from the French "Fusion" magazine.*

---

In the nuclear domain, two realities often exist side by side: that of facts, and that of symbols. Most citizens, under the influence of ecologist propaganda, have more or less unconsciously associated nuclear energy with images and symbols. Serge Prêtre cites among the strong associated symbols, the magic of the transmutation of matter, the myth of the sorcerer's apprentice overtaken by his invention; the appropriation of "divine" energy reserved to God or to the Sun; and the perfidy of an invisible radiation capable of destroying genetic potential and hence annihilating humanity.

"When the Chernobyl cloud arrived in Austria, Germany, Italy, or in Switzerland, we witnessed a veritable epidemic of catastrophism." The major German television channel counseled viewers not to go out jogging. One year after the catastrophe, German doctors were still reporting serious cases of malnutrition in people who were refusing to eat anything but food that had been canned before April 30, 1986. Many people substituted their representation of the facts for the facts themselves. Since nuclear energy is (supposedly) a fountain of evil, necessarily, a nuclear accident has catastrophic consequences. And if anyone says the contrary, they must be lying.

All this, added to the ongoing reasons which motivate the existence of the anti-nuclear groups which are extremely well structured and organized in the media as well as in the

population, explains why the wildest rumors (starting with the rumor of 2,000 deaths) and the most fantastic figures were flying on the short- and long-term consequences of the Chernobyl disaster.

Let us try to get the real story, taking into account that the disorganization in Soviet relief, their tradition of secrecy on the one hand, and the legitimate anger of the Belorussians, Ukrainians, and Russians on the other, have made this exercise very difficult.

### Short-term results

One hundred forty-five cases of radiation sickness were diagnosed in persons exposed to radiation during and after the accident. Of these 145 cases, 28 died, most of them within days of the accident. To these 28 dead, we must add one heart attack and two people who died immediately as a physical result of the explosion; that gives 31 dead accounted for, in total, at present. Any higher figure is the product of gratuitous hypothesis, or . . . disinformation.

Of those most exposed to radiation, 45,000 people were closely followed medically after the date of the accident. The mortality in this group is 2.2%, or less than half the average mortality in the U.S.S.R., which is explicable due to the youth of the group. All those who died were carefully analyzed, and not one of these deaths could be linked in any way



to an overdose of radioactivity.

The problem of the so-called "liquidators" remains: These are the hundreds of thousands of people, essentially military personnel, who participated in fighting the fire, the construction of the lead sarcophagus which now encloses the remains of unit No. 4, and the decontamination operations. These people have been frequently exposed to considerable radiation for short periods. They have now left for all over the U.S.S.R. and it is absolutely impossible to be sure of following them up medically.

That is where the greatest uncertainty resides about the radiological consequences. However, one can be sure that there are no cases of "radiation sickness" among these people. On the other hand, there will certainly be a certain number of cancers induced by the exposure to radiation of this group, a number which it will be difficult or even impossible to evaluate for the cited reasons.

### Long-term consequences

The problem of radiation-induced cancers is extremely complex. Before tackling this question, we must keep in mind that our knowledge of cancer is still very fragmentary: There is much more statistical analysis being done, than causal analysis. Thus, in the case of radiation-induced cancers, most studies have been made based on observations of the Japanese population exposed to weak doses issuing from the two atomic bombs (since the population which was exposed to large doses died at once). In this population (42,000 persons), during the 35 years which have passed between 1950 and 1985, 3,291 people died of cancer, which is 400 more than in a population of the same size which was not exposed to radiation. These 400 cases were therefore attributed to radiation. The Japanese population of Hiroshima cannot be compared however to a normal population because it had a very particular composition (all healthy men were mobilized to the front) and it had undergone, beyond exposure to radiation, an exposure to neutron flux, stress, malnutrition, and the absence of medical care for a number of months. But even referring to Hiroshima, we can verify that the radioactively induced cancers did not appear until after a period of latency of at least ten years, except for leukemia, for which the period is of two or three years after the exposure to the overdose of radiation. *The appearances of cancer in the Chernobyl region can therefore only be attributed to a greater medical followup which permitted its detection* (more than previously) and in no case to the nuclear accident. It will only be possible to judge this starting in 1994 at the very earliest.

As far as the environment is concerned, we can separate the zones into three categories:

- a zone contained within a radius of 30 km around the plant, which was the most affected, i.e., about 3,100 square kilometers.
- a zone within which cesium-137 (Cs-137) contamina-

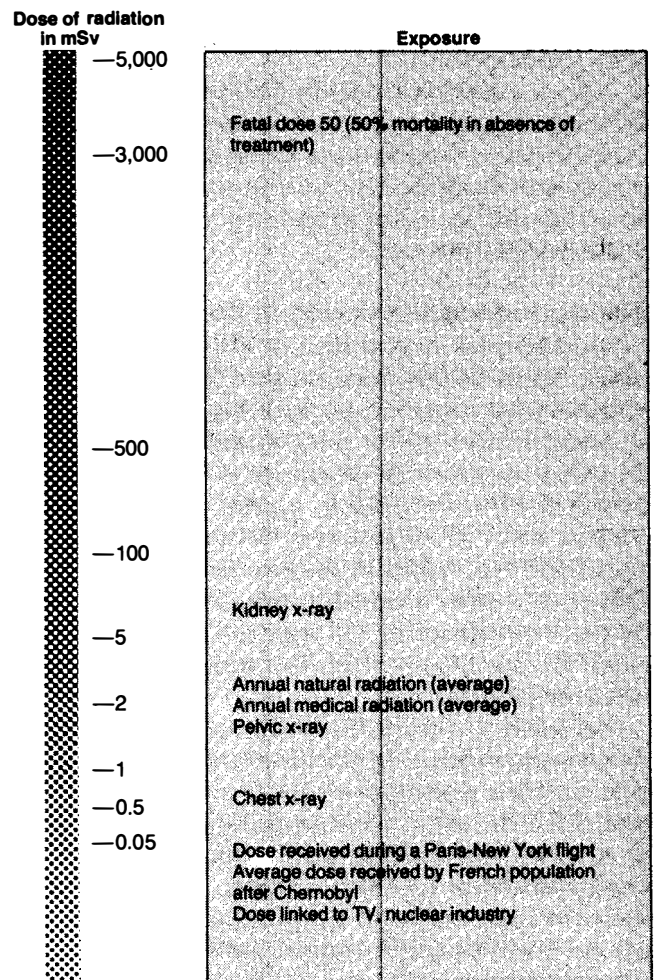
tion was about 500 kBq/m<sup>2</sup>, a zone which the Soviet authorities called "strictly controlled zone" (SCZ) which covers approximately 7,100 square kilometers;

- a zone in which Cs-137 contamination is above 40 kBq/km<sup>2</sup> (or 5 Ci/km<sup>2</sup>) about 18,000 square kilometers.

In total, there are 832,000 people who inhabit this region. The doses received by these persons varied considerably according to the geographic situation and the countermeasures adopted, countermeasures which were in some cases very tardy. From 1986 to 1989, the population of the SCZ received a median dose for the total body estimated at 35 mSv. After 1990, the values went back to lower levels, comparable to natural radioactivity: between 0.5 and 4 mSv per year (see **Figure 1**, for a comparison of doses received as a function of different sources).

In regard to the consequences on animals and plants, they have only been analyzed for a 30 km radius zone around the plant.

FIGURE 1  
Radiation, relative scales



Source: Fusion magazine No. 37 (France).

## **Chernobyl in perspective**

The Chernobyl catastrophe has to be resituated in the general context of the communist countries before their liberation, countries where human life does not have the same value as in the Western world. Occupational safety, health, and the environment are thus much lower priorities than in our countries. On the other hand, those who attempted to raise their voices to denounce the scandals touching these subjects were rapidly put into limbo in their professions, if they had not been sent into reeducation camps because of "sabotage" or "anti-social behavior."

Thus, the Soviet Academy of Science estimates that 20% of the population, or 50 million people, live in "ecological disaster areas" which are so dangerous for health that, according to Western criteria, no one ought to live there. The cotton plantations in Uzbekistan, for example, have been subjected to massive, uncontrolled doses of pesticides, and infant mortality has gone up to 10%! In Poland, 25% of the soil has surpassed the threshold of concentration of heavy metals beyond which it should not be cultivated. The entire world knows the situation in the hospitals of the East bloc, the orphanages in Romania, of which atrocious images have been broadcast on television, and that is only a pale reflection of the general situation.

It is not a question of denying the breadth of the nuclear catastrophe in Chernobyl, nor minimizing it. It is simply a matter of sticking to the facts and placing them in perspective in relation to other facts. Also, we must always weigh against the nuclear risk, the risk of no nuclear power and the risk of no technological progress.

## **The state of nuclear energy in the U.S.S.R.**

The Chernobyl accident showed, like that of Three Mile Island, that the nuclear world has gone far beyond national borders when it comes to mass psychology. This is why it is of interest to follow what is going on inside the U.S.S.R. in the nuclear arena since the catastrophe of April 26, 1986. At the end of 1990, the U.S.S.R. counted 15 nuclear power plants in which 45 reactors were functioning, of different types (24 VVER, 16 RBMK, and five others) which supplied 12% of the country's electric power. During 1990, these reactors were affected by 135 stoppages, which is a figure some 17% above that of 1989. Two research reactors were shut down for good.

According to Nikolai Chernberg, the chairman of the Gospromatomnadzor—the official agency in charge of oversight of nuclear production—"nuclear energy is developing in the U.S.S.R. in close correlation with the other branches of the economy. Thus one finds there all the negative tendencies which characterize the latter at present. These last years, we observe a relaxation of technological discipline in the enterprises which supply the nuclear plants. This is translated into a deterioration of the quality of the equipment which is delivered to them, as well as of spare parts and repair work."

Thus 31.5% of the stoppages are due to human error, 24.5% to inadequate quality of material, and only 17% to construction defects.

Thus it is legitimate to ask what have been the supplementary safety measures taken by the Soviets since Chernobyl. Let us first of all make it clear that the anti-nuclear protest movement in U.S.S.R. is intimately tied to protests against the power of the "center," i.e., the struggle for the liberation or independence of the different republics which make up the mosaic of the empire; this was notably the case in Armenia, in Ukraine, and in the Baltic states. This attitude is understandable because they saw the arrogance of the Soviet experts and the criminal incompetence which prevailed at the time of the accidents and over the immediately ensuing weeks.

That said, it must be understood at the same time that the central government, as in every country of the world, regards nuclear energy as absolutely indispensable to the economic development of the country. It is well aware of the fact that, in order for nuclear plants to become acceptable again to the population, "it is indispensable to arrive at a technological level which is in no way below the best world levels and to raise the level of exploitation" (N. Ponomaryov-Stepnoy).

Hence, besides the closing of the two research reactors mentioned above, the central government has taken certain other measures:

1) Changes in the conception and management of safety for nuclear plants with RBMK reactors (both in service and under construction) of which Chernobyl was an example. Although some experts have asked that this kind of plant be totally abandoned in the future, because it is intrinsically unstable, nonetheless there remain a certain number in use (16 plants producing 17,000 MW) which it is economically impossible to envisage abandoning under the circumstances of the present economic crisis in the U.S.S.R. The measures essentially provide for improving the apparatus which failed at the time of the accident, and particularly the mechanism of the control panel of the reactor. The 16 RBMK units in existence were all provided with these improvements between 1986 and 1990.

2) Measures destined to assure the feasibility of the mechanical safety apparatus for plants of the VVER-1000 type (a more conventional Western-style unit). Seven containment vessels of VVER-440 have been reinforced to improve their resistance.

In fact, the goal is to cause the first and second generation units to pass to a safety level corresponding to that of the third generation unit. Finally, the Soviets are conducting studies on a new type of pressurized water reactor (Project VVR-92) by integrating all the recommendations made by international safety agencies. The construction of the pilot unit is supposed to be launched in 1995-96. For them, the "passive safety" reactors of 600 MW corresponding to the American projects as well as to high-temperature reactor

(HTR) plants to be used for urban heating are under study.

3) Raising of the level of the personnel: They will have to be recertified and take a supplementary course of study. Finally—and this is a revolution in the U.S.S.R.—safety principles are to take higher priority than production.

The future of nuclear energy in the U.S.S.R. therefore seems assured, as in the entire world, since this energy is indispensable to economic development. However, there are some huge dark spots with regard to the stability of a social infrastructure capable of managing the ambitious program which has been undertaken and with regard to the capacity for openness (glasnost) of the Soviet technical community. Now this openness toward the citizens, in the U.S.S.R. as everywhere else, is fundamentally necessary for the pursuit of peaceful exploitation of nuclear energy. Western countries have well understood that they had every interest in opening up collaboration with their Soviet colleagues to prevent at all costs another serious accident, which would ruin the efforts they have made to improve what sociologists call “the social acceptability of nuclear power.” This would be a very crucial terrain for the intervention of the European Bank for Reconstruction and Development which has just been created.

### The ‘cloud over France’ business

One of the most astonishing manipulations around the Chernobyl affair is the so-called “radioactive cloud which stops at Strasbourg.” It has been claimed that French authorities, especially Raymond Pellerin, the chief of the Central Protection Service Against Ionizing Radiation, had hidden the truth from the population by denying that this cloud had really passed over the country. Worse yet, a hate campaign was launched against these authorities, accusing them of having caused the population to run a risk without taking any countermeasures, in contrast to Germany.

An article in the *Dernières Nouvelles d'Alsace* of May 9 illustrates how the confusion has been spread in France. Jérôme Strazzulla shows it very well. In a big article dedicated to Chernobyl, two short items were placed side by side. The first explains that “‘after two days, the radioactivity in the air all over France returned to the level it had before the Chernobyl accident,’ Denis Baudoin, the spokesman for Jacques Chirac, said yesterday, referring to authoritative sources.” The second item explains that “the primary German television channel launched an appeal to all joggers in the F.R.G. to momentarily cease their activities because of the risk of radiation that they run.”

It is absolutely false to state that the existence of a cloud was hidden from the French. Professor Pellerin had circulated four press releases. In the first, on April 29, he gave the estimated composition of the cloud; in the second, he stated that “the cloud, very diluted, has reached France.” And now we quote the fourth release of Mr. Pellerin to AFP wire service:

“No public health countermeasures are justified in France

following the Chernobyl nuclear accident, neither in the present situation nor later, and the preventive taking of iodine is ‘neither justified nor opportune.’ . . . The relative heightening of radioactivity reported over French territory in the wake of the accident was very much below the limits recommended by the International Commission on Radiation Protection and the French regulatory limits, which are themselves set with a very considerable margin of safety. One would have to imagine a rise of 10,000 to 100,000 times greater, in order to start to pose significant problems to public hygiene.”

The total dose released by Chernobyl for one individual increased in France to 0.063 mSv on average, which is extremely weak in comparison with the average natural irradiation (2.4 mSv average per year).

The radiation due to the radioactive cloud from Chernobyl corresponds roughly to two weeks of vacation in the Alps. So, since *Libération* speaks of “radioactive lies,” and *Le Monde*, of “disinformation”—two of France’s leading national daily newspapers—who should be accused?

The only thing that Professor Pellerin could be reproached with, is not having communicated immediately all the figures, which were extremely low, for the supplemental radioactivity corresponding to the Chernobyl cloud. This “defect” seems professionally infinitely less serious than that of the journalists who credited the idea of thousands of deaths without ever publishing the refutation, and who still today are continuing, for example in *Le Point* of April 22, 1991, to cite statistics without ever reporting precisely on the official evaluation of such figures.

### How radiation is measured

The unit commonly used to measure radiation absorbed dose equivalent is the sievert (Sv). Because it is a relatively large unit, radiation dose equivalents are generally expressed in millisieverts mSv, which are 1/1,000 of a sievert. The sievert replaces the unit previously used, the rem; 1 sievert equals 100 rem. One chest X-ray is equivalent to about 20 millirem or 0.2 mSv.

The curie (ci) measures the rate of disintegration of a radionuclide compared to the disintegration rate of a gram of radium (2.22 per minute). The curie has been replaced by the becquerel, which is 1 disintegration per second. These units are used to measure amounts of radioactive material. For example, ordinary soil contains 1 to 2 picocuries per gram.

## On the 100th anniversary of 'Rerum Novarum'

by Lyndon H. LaRouche, Jr.

*The following is the preface to his forthcoming book, The Science of Christian Economy, which we offer here by way of introduction to Pope John Paul II's new encyclical, excerpted below, celebrating the 100th anniversary of the first great encyclical on the Catholic Church's social teachings, Rerum Novarum. Mr. LaRouche wrote this preface from his prison cell in Rochester, Minnesota, where he is held a political prisoner, on Feb. 17, 1991. For purposes of this publication, the footnote references have been omitted.*

During the course of these next several pages, we shall come to the point at which we shall turn the attention of our ecumenical readership to numbered section 72, of the famous 1891 encyclical of Pope Leo XIII, *Rerum Novarum*. We shall then focus upon the concluding sentence of that section, and also upon the passage from Thomas Aquinas's *Summa Theologica* which the author of the encyclical has footnoted there. The referenced sentence of the encyclical's text reads thus: "For laws are to be obeyed only insofar as they conform with right reason and thus with the eternal law of God."

The footnoted passage from St. Thomas Aquinas's *Summa Theologica* reads: "Human law is law only in virtue of its accordance with right reason; and, thus it is manifest that it flows from the eternal law. And insofar as it [man-made law—LHL] deviates from right reason it is called an unjust law; in such case it is not law at all, but rather a species of violence."

A hundred years ago, *Rerum Novarum* treated the remedying of the evil then being run by a "devouring usury," which, "although often condemned by the Church, but practiced nevertheless under another form by avaricious and grasping men, has increased that "evil effected by the handing over of workers, each alone and defenseless, to the inhumanity of employers and the unbridled greed of competitors."

At the time of the assassination of U.S. President John F. Kennedy at the end



*President John F. Kennedy in his historic May 1961 message to a joint session of Congress, committing the U.S. to landing a man on the Moon. By the time of JFK's assassination in 1963, "it appeared to most observers then, that the pleas for economic justice in Rerum Novarum, if not yet successful, were assuredly on the way to becoming so," reports LaRouche.*

of 1963, approximately three-quarters of a century had passed. It appeared to most observers then, that the pleas for economic justice in *Rerum Novarum*, if not yet successful, were assuredly on the way to becoming so.

In the so-called "industrialized capitalist" sectors of this planet, the trade-union movement and other meliorist agencies had won, and were continuing to win cumulatively invaluable, and putatively permanent gains in human rights for most strata of the populations. Although a vicious form of neo-colonialism had been established at the end of the 1939-1945 World War, the spirit of the U.N.O.'s First Development Decade Project, and the U.S. Kennedy administration's Alliance For Progress, suggested a commitment to global justice paralleling, and perhaps echoing the rise of the civil rights movement inside the U.S.A. itself.

During the middle of the 1960s, that hopeful direction of development was reversed. During the recent quarter-century, social conditions in most parts of the world are far worse, on the average, than during the 1960s, and threaten to become soon far worse than one hundred years ago.

### **'Devouring usury' stalks the globe**

The impulses for evil which have caused this recent calamity are not altogether new. A conspicuously leading cause of the greatly increased immiseration and endangerment of the human species, during the past quarter-century, has been the willful murderousness with which such forms of the old "devouring usury" as so-called "International Monetary

Fund (IMF) conditionalities" have been so widely, so murderously, so shamelessly applied to the precalculable effect of rapid and large-scale increases of death rates by means of malnutrition, disease, and related mechanisms.

The most striking of the various included features of the new evil, is the dominant influence of the so-called "New Age." This feature includes such presently pandemic expressions of this as the "rock-drug-sex counterculture," and increasingly irrationalist mass-murderous expressions of self-styled "ecologism," or "neo-malthusianism."

The "New Age" is not itself an entirely new form of evil. It is as old an evil as the pagan roots of gnosticism. Prior to the 1963 launching of the "New Age" as a mass movement within the United States, this form of New Age satanism was an endemic cancer in such forms as the theosophical existentialism of the followers of the proto-Nazi Friedrich Nietzsche, and the pro-freemasonic satanists of Aleister Crowley's networks.

What is notable on these accounts is the increasingly emboldened way in which the two evils, the "New Age" and usury, have exhibited their natural affinities for one another, combining their forces in even the highest places of Anglo-American power, to demand, in the misused name of "freedom" and "ecology," the rapid extermination and global outlawing of every scientific and moral barrier which has hitherto existed as impediments to rampaging immiseration and dictatorial oppression of mankind.

Such are the leading characteristic distinctions between

the problems immediately addressed one hundred years ago, and today.

The former hegemony of scientific and technological progress, upon whose continuation the existence of our populations depends, is being suppressed by both the loss of simple rationality in the education of the young, and by the spread of the paganist cults of anti-science, irrationalist “ecologism.” As a concomitant of such specific, catastrophic effects as this one, those European and American forces which are committed to calculated mass-murder of populations of all developing nations, and which are committed to the extermination of the Christian faith and conscience, have come plainly into the ascendancy in the policy-making processes of most of the governing international and national governmental institutions which have gained leadership and dominance over this planet today.

### The ecumenical standpoint

We propose that it is necessary, but not sufficient to view the referenced state of affairs from a Christian standpoint; for practical reasons, it is essential that even the Christian standpoint itself be presented here from an ecumenical standpoint as *ecumenical* is typified by Cardinal Nicolaus of Cusa’s dialogue, *De Pace Fidei*. On that account, we have considered it most important to reference the explicitly cited sentence and attached footnote from the encyclical.

Different faiths, religious and/or secularist, can be brought to principled agreement only in two possible alternate ways of manifesting mutual good will. In the one case, they may agree on a common point of taught doctrine, such as the principle of monotheism, as in opposition to the pantheistic pluralism of pagan Babylon, Rome, or the Apollo Cult at Delphi. Or, otherwise, differing faiths may reach coincidence of principled views by the means indicated in the referenced features of the encyclical’s section 72. It is the latter alternative upon which we concentrate attention here.

It is the obvious intent of the author of the encyclical that his own intention and that of the referenced passage from the *Summa Theologica*, respecting reason, should be received as identical. We adopt that intent here.

Faith may read those writings it deems sacred, or as authoritative commentaries on such writings. Or, faith may “read the bare book of universal nature,” a book which plainly has been written directly by none other than the Creator himself. It is certain to all men and women of ecumenical good will, that the two kinds of books—the written ones, and the book of nature—cannot contradict one another, on condition that the written one be true, and that both the written and the natural one be read by means of the inner eye of true reason.

So, where doctrinal writings differ, we may turn the eye of ecumenical reason to the common book of nature.

Let us argue the point in the following, twofold way. We emphasize, on the one side, the ecumenical notion of

*intelligible representation* of a principle of knowledge of cause-effect in our universe, a means by which all men and women, despite differences in profession of monotheistic faith, may be brought by their own powers of reason to agreement upon a common principle of law. Second, we emphasize the importance of stressing *Christian* principles of Christian civilization as *Christian*, even within the framework of a monotheistic ecumenicism.

### God’s book of nature

Consider next this simple illustration.

The most ancient among known astronomies, that of the ancient Vedic peoples of Central Asia, illustrates the obvious manner in which a so-called “primitive” people may construct a reliable solar astronomical calendar from scratch. Observe successively the position of the Sun, at dawn, mid-day, and sunset. Mark these observations each in stone. At night, observe the constellations and their stars, to which each of the respective three, day-time observations point. After five years, we have thus the data on which to base a solar astronomical calendar of approximately  $365\frac{1}{3}$  days per calendar year, measuring the year either from the winter solstice to winter solstice or from the vernal equinox to vernal equinox.

By the same method, the long decimillennial equinoctial cycle is adduced. So, a system of solar astronomy, free of the whore-goddesses Shakti’s and Ishtar’s lunacies, is built up by aid of reason. So the book of nature may be read. God’s book of nature.

In such successive revolutions, and related ways, *reason* reveals to us that our universe has the apparent form of a unified cause-effect process of *becoming*, a process of *becoming* which is subsumed by an indivisible, supreme Being, who embodies, among other qualities, what Plato admired as *the Good*. Of such matters of principle, in such a manner, do the very stones cry out.

Consequently, when we demonstrate by access to reason that a certain universal or approximately universal principle must be true, a monotheistic ecumenicism has gained a twofold advantage. Since all of human knowledge is finally supplied by reason, there can be no valid teaching presented by any religion which contradicts true reason, as we define *reason* in the following chapters; there can be no valid objection to this principle which is to be tolerated on premise of secularist rejection of religious precept.

### Physical economy

By the nature of the case, there is no field of inquiry which unites all subjects of human reason—law, science, art—as directly, as immediately, as the science of physical economy which was founded by Gottfried Leibniz. That is a special standpoint of the work we preface here.

As is to be seen in summary in the appended document, *Physical Economy* is the science of *successful change*, a study of the dependency of the continued existence of a soci-



ety upon *successful* forms of successive generation, transmission, and efficient assimilation of fundamental scientific progress. The measure of that effective progress is an increase in what Physical Economy defines as the rate of increase of the potential population-density of that society as a whole. That thus serves as an efficient empirical measurement of both the appropriateness of the society's way of changing its method of reasoning, and, therefore, the appropriateness of the principle of change adopted for that practice.

Any society which defies those considerations, is threatening its own continued existence, and, a society implicitly becoming an abomination in God's eye, a society which is not only losing the moral fitness to survive, but which, by God's clock, will not long survive in its present form.

Historically, to date, the closest approximation of a form of political economy consistent with Christian principles is the so-called *mercantilist* form growing out of *Colbertisme* in France, and the far-reaching influence of Leibniz. This outgrowth came to be known by the name given to it officially by U.S. Treasury Secretary Alexander Hamilton, "the American System of Political Economy." This name came to be associated with the work of the U.S. economists Mathew and Henry Carey and of Germany's Friedrich List.

The deadly adversaries of the so-called "mercantilist," or "American" system, were the Anglo-French-Swiss known in the early eighteenth century as the "Venetian Party." This was the political faction allied against Leibniz and his friends, and allied with the first Duke of Marlborough, allied with the networks of Voltaire, with the Physiocrats, and with so-called eighteenth century "British liberalism" of Hugh Walpole, David Hume, Shelburne, Adam Smith, Jeremy Bentham, and Thomas Malthus generally. These Physiocrats and liberals were the chief guise for the pro-usury faction of that century.

That issue of the eighteenth century is more efficiently understood by emphasizing that the liberals and *illuminati* of Voltaire's eighteenth century were committed to a return to the model of a pagan imperial Rome. Hence we call them "romantics." These romantics were dedicated to the overthrow of Christianity for the purpose of advancing their *romantic imperial utopianism*. That is the root of the structures of sin in Western European and North American civilization today. These were then, and are still today both the pro-usury faction, and the utopian cultural form from which the present-day satanic "New Age" utopianisms have sprung.

We do not uphold the Leibniz-Hamilton-List form of "American System" to be a perfect model. We do not propose that the American leading stratum of 1776-1789 was a pure embodiment of Christian principles.

### **The 'American System' model**

We make two modest claims for that system. First, it was, in the domain of political economy, the only significant resistance at the time to the evils of eighteenth century British

imperialism, and for as long as it did resist that evil thereafter. Second, that relative to the British liberal and communist systems, the Leibniz-Hamilton-List form of American System is the only historically notable form of modern political economy which is a proven successful alternative to the twin, catastrophic moral failures of British liberalism and communism. Thus, historically, this American System is the only significant approximation of a modern agro-industrial system which tends to afford the means to satisfy the requirements of *Rerum Novarum*. In contrast, British liberalism, intrinsically, implicitly fosters even in the worst degree all of the principal evils addressed by that encyclical.

In the relatively shorter, or even the medium term, sweeping changes in general practice can be successful only if much of the population can be induced to regard innovations as bearing the historical authority of a successful precedent.

So in the United States of America, for example, nearly every person over 40 years of age today has a vivid recollection of the moment and circumstances each first heard the news of the assassination of President John F. Kennedy. So, it is relatively easy to recall the happier economic policy trends of the Kennedy administration, relative to the comparably depressing trends of the adjacent Eisenhower and Johnson administrations. So, the idea of reviving anti-recession policies referencing successful precedents from the 1961-1963 period, is one which must tend to enjoy support under the rudest economic circumstances of the United States today.

Similarly, it requires only a slightly longer reach of the American or European mind to recall the happier "mercantilist" policies of the American System, Friedrich List, Charles de Gaulle, Konrad Adenauer, or Italy's Enrico Mattei.

So, those of us looking at today's global conditions from the standpoint of an ecumenical reading of *Rerum Novarum*, are compelled to take a practical historical view of available meliorative measures whose employment represents a philosophically *unobjectionable* tactic for furthering the cause of principles. Thus, we are obliged to inquire, formally and historically, why the American System of Hamilton, List, et al. is consistent with Christian principles, when British liberalism is adversary to those principles. We are not thus adopting the American System as a point of Christian, or ecumenical doctrine.

Nonetheless, although we are obliged to recommend such attention to historically proven methods, that required work does not allow us to descend into the moral mediocrity of mere pragmatism. It does not free us from the duty of setting forth principles which are fully consistent with the eternal laws which reason may make accessible to our knowledge. So, if we recommend the American System as an historically proven precedent for modeling short-term and medium-term remedial policies today, we must also set forth the lawful principles which must guide us through the medium-term into the long-term, which may be different than those of the American System precedent.

# The name for peace is development

*Editor's note: Any abridgement of so complex and far-reaching a document, runs the risk of falsifying the meaning of the original by its sins of omission, so to speak. Yet space limitations constrain us to present less than the full text of the encyclical Centesimus Annus, which is dated May 1, 1991, and was issued in commemoration of the 100th anniversary of Pope Leo XIII's encyclical Rerum Novarum, of 1891. We indicate our ellisions by the punctuation (. . .) Ellipses which are in the original encyclical itself, are indicated by ". . ." without parentheses. Footnotes have been omitted.*

## Chapter 1: Characteristics of 'Rerum Novarum'

4. Toward the end of the last century the church found herself facing a historical process which had already been taking place for some time but which was by then reaching a critical point. The determining factor in this process was a combination of radical changes which had taken place in the political, economic, and social fields, and in the areas of science and technology, to say nothing of the wide influence of the prevailing ideologies.(. . .) A traditional society was passing away and another was beginning to be formed—one which brought the hope of new freedoms, but also the threat of new forms of injustice and servitude.

In the sphere of economics, in which scientific discoveries and their practical application come together, new structures for the production of consumer goods had progressively taken shape. A new form of property had appeared—capital; and a new form of labor—labor for wages, characterized by high rates of production which lacked due regard for sex, age, or family situation and were determined solely by efficiency, with a view to increasing profits.

In this way labor became a commodity to be freely bought and sold on the market, its price determined by the law of supply and demand without taking into account the bare minimum required for the support of the individual and his family. Moreover, the worker was not even sure of being able to sell "his own commodity," continually threatened as he was by unemployment, which in the absence of any kind of social security meant the specter of death by starvation.

The result of this transformation was a society "divided into two classes separated by a deep chasm."(. . .) Thus the

prevailing political theory of the time sought to promote total economic freedom by appropriate laws or, conversely, by a deliberate lack of any intervention. At the same time, another conception of property and economic life was beginning to appear in an organized and often violent form, one which implied a new political and social structure.

At the height of this clash, when people finally began to realize fully the very grave injustice of social realities in many places and the danger of a revolution fanned by ideals which were then called "socialist," Pope Leo XIII intervened with a document which dealt in a systematic way with the "condition of the workers."(. . .)

5. (. . .) The pope and the church with him were confronted, as was the civil community, by a society which was torn by a conflict all the more harsh and inhumane because it knew no rule or regulation. It was the conflict between capital and labor or—as the encyclical puts it—the worker question.(. . .)

Here we find the first reflection for our times as suggested by the encyclical. In the face of a conflict which set man against man, almost as if they were "wolves," a conflict between the extremes of mere physical survival on the one side and opulence on the other, the pope did not hesitate to intervene by virtue of his "apostolic office,"(. . .) to restore peace, and the present-day reader cannot fail to note his severe condemnation, in no uncertain terms, of the class struggle. However, the pope was very much aware that peace is built on the foundation of justice: What was essential to the encyclical was precisely its proclamation of the fundamental conditions for justice in the economic and social situation of the time.(. . .)

In Pope Leo XIII's time such a concept of the church's right and duty was far from being commonly admitted. Indeed, a twofold approach prevailed: one directed to this world and this life, to which faith ought to remain extraneous; the other directed toward a purely otherworldly salvation, which neither enlightens nor directs existence on earth. The pope's approach in publishing gave the church "citizenship status" as it were amid the changing realities of public life, and this standing would be more fully confirmed later on.(. . .)

6. With the intention of shedding light on the conflict which had arisen between capital and labor, Pope Leo XIII

affirmed the fundamental rights of workers. Indeed, the key to reading the encyclical is the dignity of the worker as such and, for the same reason, the dignity of work, which is defined as follows: "to exert oneself for the sake of procuring what is necessary for the various purposes of life and first of all for self-preservation." The pope describes work as "personal, inasmuch as the energy expended is bound up with the personality and is the exclusive property of him who acts and, furthermore, was given to him for his advantage." Work thus belongs to the vocation of every person; indeed, man expresses and fulfills himself by working. At the same time work has a "social" dimension through its intimate relationship not only to the family, but also to the common good, since "it may truly be said that it is only by the labor of workmen that states grow rich." (. . .)

Another important principle is undoubtedly that of the right to "private property." (. . .) This is something which must be affirmed once more in the face of the changes we are witnessing in systems formerly dominated by collective ownership of the means of production as well as in the face of the increasing instances of poverty or, more precisely, of hindrances to private ownership in many parts of the world, including those where systems predominate which are based on an affirmation of the right to private property. (. . .)

7. In close connection with the right to private property, Pope Leo XIII's encyclical also affirms other rights as inalienable and proper to the human person. Prominent among these, (. . .) is the "natural human right" to form private associations. This means above all the right to establish professional associations of employers and workers or of workers alone. Here we find the reason for the church's defense and approval of the establishment of what are commonly called trade unions: (. . .) because the right of association is a natural right of the human being, which therefore precedes his or her incorporation into political society. (. . .) Together with this right, which—it must be stressed—the pope explicitly acknowledges as belonging to workers or, using his own language, to "the working class," the encyclical affirms just as clearly the right to the "limitation of working hours," the right to legitimate rest, and the right of children and women to be treated differently with regard to the type and duration of work. (. . .)

8. The pope immediately adds another right which the worker has as a person. This is the right to a "just wage," which cannot be left to the "free consent of the parties, so that the employer, having paid what was agreed upon, has done his part and seemingly is not called upon to do anything beyond." (. . .) For if work as something personal belongs to the sphere of the individual's free use of his own abilities and energy, as something necessary it is governed by the grave obligation of every individual to ensure "the preservation of life." "It necessarily follows," the pope concludes, "that every individual has a natural right to procure what is required to live; and the poor can procure that in no other

way than by what they can earn through their work."

A workman's wages should be sufficient to enable him to support himself, his wife, and his children. "If through necessity or fear of a worse evil the workman accepts harder conditions because an employer or contractor will afford no better, he is made the victim of force and injustice."

Would that these words, written at a time when what has been called "unbridled capitalism" was pressing forward, should not have to be repeated today with the same severity. Unfortunately, even today one finds instances of contracts between employers and employees which lack reference to the most elementary justice regarding the employment of children or women, working hours, the hygienic condition of the workplace and fair pay; and this is the case despite the international declarations and conventions on the subject and the internal laws of states. (. . .)

10. (. . .) *Rerum Novarum* criticizes two social and economic systems: socialism and liberalism. The opening section, in which the right to private property is reaffirmed, is devoted to socialism. Liberalism is not the subject of a special section, but it is worth noting that criticisms of it are raised in the treatment of the duties of the state. The state cannot limit itself to "favoring one portion of the citizens," namely the rich and prosperous, nor can it "neglect the other," which clearly represents the majority of society. Otherwise, there would be a violation of that law of justice which ordains that every person should receive his due, "When there is question of defending the rights of individuals, the defenseless and the poor have a claim to special consideration. The richer class has many ways of shielding itself and stands less in need of help from the state; whereas the mass of the poor have no resources of their own to fall back on and must chiefly depend on the assistance of the state. It is for this reason that wage earners, since they mostly belong to the latter class, should be specially cared for and protected by the government."

(. . .) Leo XIII is repeating an elementary principle of sound political organization, namely, the more that individuals are defenseless within a given society, the more they require the care and concern of others, and in particular the intervention of governmental authority.

In this way what we nowadays call the principle of solidarity, the validity of which both in the internal order of each nation and in the international order I have discussed in the encyclical *Sollicitudo Rei Socialis*, is clearly seen to be one of the fundamental principles of the Christian view of social and political organization. This principle is frequently stated by Pope Leo XIII, who uses the term *friendship*, a concept already found in Greek philosophy. Pope Pius XI refers to it with the equally meaningful term *social charity*. Pope Paul VI, expanding the concept to cover the many modern aspects of the social question, speaks of a *civilization of love*. (. . .)

11. (. . .) the main thread and in a certain sense the

guiding principle of Pope Leo's encyclical and of all of the church's social doctrine is a correct view of the human person and of his unique value inasmuch as "man . . . is the only creature on earth which God willed for itself." God has imprinted his own image and likeness on man (cf. Gn. 1:26), conferring upon him an incomparable dignity, as the encyclical frequently insists. In effect, beyond the rights which man acquires by his own work, there exist rights which do not correspond to any work he performs but which flow from his essential dignity as a person.

## Chapter 2: Toward the 'new things' of today

12. The commemoration of *Rerum Novarum* would be incomplete unless reference were also made to the situation of the world today. (. . .)

This is especially confirmed by the events which took place near the end of 1989 and at the beginning of 1990. (. . .) Pope Leo foresaw the negative consequences—political, social and economic—of the social order proposed by "socialism," which at that time was still only a social philosophy and not yet a fully structured movement. (. . .) However, he correctly judged the danger posed to the masses by the attractive presentation of this simple and radical solution to the "question of the working class" of the time—all the more so when one considers the terrible situation of injustice in which the working classes of the recently industrialized nations found themselves. (. . .)

13. Continuing our reflections (. . .) we have to add that the fundamental error of socialism is anthropological in nature. Socialism considers the individual person simply as an element, a molecule within the social organism, so that the good of the individual is completely subordinated to the functioning of the socioeconomic mechanism. Socialism likewise maintains that the good of the individual can be realized without reference to his free choice, to the unique and exclusive responsibility which he exercises in the face of good or evil. Man is thus reduced to a series of social relationships, and the concept of the person as the autonomous subject of moral decision disappears, the very subject whose decisions build the social order. From this mistaken conception of the person there arise both a distortion of law, which defines the sphere of the exercise of freedom, and an opposition to private property. (. . .)

In contrast, from the Christian vision of the human person there necessarily follows a correct picture of society. According to *Rerum Novarum* and the whole social doctrine of the church, the social nature of man is not completely fulfilled in the state, but is realized in various intermediary groups, beginning with the family and including economic, social, political and cultural groups which stem from human nature itself and have their own autonomy, always with a view to the common good. This is what I have called the "subjectivity" of society which, together with the subjectivity of the individual, was canceled out by "real socialism."

If we then inquire as to the source of this mistaken concept of the nature of the person and the "subjectivity" of society, we must reply that its first cause is atheism. It is by responding to the call of God contained in the being of things that man becomes aware of his transcendent dignity. Every individual must give this response, which constitutes the apex of his humanity, and no social mechanism or collective subject can substitute for it. (. . .)

The atheism of which we are speaking is also closely connected with the rationalism of the Enlightenment, which views human and social reality in a mechanistic way. Thus there is a denial of the supreme insight concerning man's true greatness, his transcendence in respect to earthly realities, the contradiction in his heart between the desire for the fullness of what is good and his own inability to attain it, and above all, the need for salvation which results from this situation.

14. From the same atheistic source, socialism also derives its choice of the means of action condemned in *Rerum Novarum*, namely, class struggle. The pope does not, of course, intend to condemn every possible form of social conflict. The church is well aware that in the course of history conflicts of interest between different social groups inevitably arise and that in the face of such conflicts Christians must often take a position, honestly and decisively. (. . .)

However, what is condemned in class struggle is the idea that conflict is not restrained by ethical or juridical considerations or by respect for the dignity of others (and consequently of oneself); a reasonable compromise is thus excluded, and what is pursued is not the general good of society, but a partisan interest which replaces the common good and sets out to destroy whatever stands in its way. (. . .)

15. *Rerum Novarum* is opposed to state control of the means of production, which would reduce every citizen to being a "cog" in the state machine. It is no less forceful in criticizing a concept of the state which completely excludes the economic sector from the state's range of interest and action. (. . .)

In this regard, *Rerum Novarum* points the way to just reforms which can restore dignity to work as the free activity of man. These reforms imply that society and the state will both assume responsibility, especially for protecting the worker from the nightmare of unemployment. (. . .)

Furthermore, society and the state must ensure wage levels adequate for the maintenance of the worker and his family, including a certain amount for savings. (. . .) The role of trade unions in negotiating minimum salaries and working conditions is decisive in this area.

Finally, "humane" working hours and adequate free time need to be guaranteed as well as the right to express one's own personality at the workplace without suffering any affront to one's conscience or personal dignity. This is the place to mention once more the role of trade unions (. . .)

The state must contribute to the achievement of these

goals both directly and indirectly.( . . )

17. Reading the encyclical within the context of Pope Leo's whole magisterium, we see how it points essentially to the socioeconomic consequences of an error which has even greater implications.( . . ) this error consists in an understanding of human freedom which detaches it from obedience to the truth and consequently from the duty to respect the rights of others. The essence of freedom then becomes self-love carried to the point of contempt for God and neighbor, a self-love which leads to an unbridled affirmation of self-interest and which refuses to be limited by any demand of justice.

This very error had extreme consequences in the tragic series of wars which ravaged Europe and the world between 1914 and 1945.( . . ) Without the terrible burden of hatred and resentment which had built up as a result of so many injustices both on the international level and within individual states, such cruel wars would not have been possible in which great nations invested their energies and in which there was no hesitation to violate the most sacred human rights, with the extermination of entire peoples and social groups being planned and carried out.( . . ) May the memory of those terrible events guide the actions of everyone, particularly the leaders of nations in our own time when other forms of injustice are fueling new hatreds and when new ideologies which exalt violence are appearing on the horizon.

18. While it is true that since 1945 weapons have been silent on the European continent, it must be remembered that true peace is never simply the result of military victory, but rather implies both the removal of the causes of war and genuine reconciliation between peoples. For many years there has been in Europe and the world a situation of non-war rather than genuine peace. Half of the continent fell under the domination of a communist dictatorship, while the other half organized itself in defense against this threat. Many peoples lost the ability to control their own destiny and were enclosed within the suffocating boundaries of an empire in which efforts were made to destroy their historical memory and the centuries-old roots of their culture. As a result of this violent division of Europe, enormous masses of people were compelled to leave their homeland or were forcibly deported.( . . ) The logic of power blocs or empires ( . . ) led to a situation in which controversies and disagreements among Third World countries were systematically aggravated and exploited in order to create difficulties for the adversary.( . . )

19.( . . ) Another kind of response, practical in nature, is represented by the affluent society or the consumer society. It seeks to defeat Marxism on the level of pure materialism ( . . ) [and] insofar as it denies an autonomous existence and value to morality, law, culture, and religion, it agrees with Marxism in the sense that it totally reduces man to the sphere of economics and the satisfaction of material needs.

20. During the same period, a widespread process of "decolonization" occurred by which many countries gained or regained their independence and the right freely to deter-

mine their own destiny. With the formal reacquisition of state sovereignty, however, these countries often find themselves merely at the beginning of the journey toward the construction of genuine independence. Decisive sectors of the economy still remain de facto in the hands of large foreign companies which are unwilling to commit themselves to the long-term development of the host country. Political life itself is controlled by foreign powers, while within the national boundaries there are tribal groups not yet amalgamated into a genuine national community.( . . )

### Chapter 3: The year 1989

22. It is on the basis of the world situation just described and already elaborated in the encyclical *Sollicitudo Rei Socialis* that the unexpected and promising significance of the events of recent years can be understood. Although they certainly reached their climax in 1989 in the countries of Central and Eastern Europe, they embrace a longer period of time and a wider geographical area.( . . )

23. Among the many factors involved in the fall of oppressive regimes, some deserve special mention. Certainly the decisive factor which gave rise to the changes was the violation of the rights of workers. It cannot be forgotten that the fundamental crisis of systems claiming to express the rule and indeed the dictatorship of the working class began with the great upheavals which took place in Poland in the name of solidarity. It was the throngs of working people which foreswore the ideology which presumed to speak in their name. On the basis of a hard, lived experience of work and of oppression, it was they who recovered and in a sense rediscovered the content and principles of the church's social doctrine.( . . )

It seemed that the European order resulting from World War II and sanctioned by the Yalta agreements could only be overturned by another war. Instead, it has been overcome by the non-violent commitment of people who, while always refusing to yield to the force of power, succeeded time after time in finding effective ways of bearing witness to the truth.( . . )

24. The second factor in the crisis was certainly the inefficiency of the economic system, which is not to be considered simply as a technical problem, but rather a consequence of the violation of the human rights to private initiative, to ownership of property and to freedom in the economic sector. To this must be added the cultural and national dimension: It is not possible to understand man on the basis of economics alone nor to define him simply on the basis of class membership. Man is understood in a more complete way when he is situated within the sphere of culture through his language, history and the position he takes toward the fundamental events of life such as birth, love, work and death. At the heart of every culture lies the attitude man takes to the greatest mystery: the mystery of God. Different cultures are basically different ways of facing the question of the meaning of per-

sonal existence. When this question is eliminated, the culture and moral life of nations are corrupted. For this reason the struggle to defend work was spontaneously linked to the struggle for culture and for national rights.

But the true cause of the new developments was the spiritual void brought about by atheism (. . .). Marxism had promised to uproot the need for God from the human heart, but the results have shown that it is not possible to succeed in this without throwing the heart into turmoil.

25. The events of 1989 are an example of the success of willingness to negotiate and of the Gospel spirit in the face of an adversary determined not to be bound by moral principles. These events are a warning to those who in the name of political realism wish to banish law and morality from the political arena.(. . .)

(. . .) Man tends toward good, but he is also capable of evil. He can transcend his immediate interest and still remain bound to it. The social order will be all the more stable, the more it takes this fact into account and does not place in opposition personal interest and the interests of society as a whole, but rather seeks ways to bring them into fruitful harmony. In fact, where self-interest is violently suppressed, it is replaced by a burdensome system of bureaucratic control which dries up the wellsprings of initiative and creativity. When people think they possess the secret of a perfect social organization which makes evil impossible, they also think that they can use any means, including violence and deceit, in order to bring that organization into being. Politics then becomes a "secular religion" which operates under the illusion of creating paradise in this world.(. . .)

26. The events of 1989 took place principally in the countries of Eastern and Central Europe. However, they have worldwide importance because they have positive and negative consequences which concern the whole human family.(. . .)

The crisis of Marxism does not rid the world of the situations of injustice and oppression which Marxism itself exploited and on which it fed. To those who are searching today for a new and authentic theory and praxis of liberation, the church offers not only her social doctrine and, in general, her teaching about the human person redeemed in Christ, but also her concrete commitment and material assistance in the struggle against marginalization and suffering.(. . .)

27. The second consequence concerns the peoples of Europe themselves. Many individual, social, regional and national injustices were committed during and prior to the years in which communism dominated; much hatred and ill will have accumulated. There is a real danger that these will re-explode after the collapse of dictatorship, provoking serious conflicts and casualties should there be a lessening of the moral commitment and conscious striving to bear witness to the truth which were the inspiration for past efforts.(. . .)

(. . .) A patient material and moral reconstruction is needed, even as people, exhausted by longstanding priva-

tion, are asking their governments for tangible and immediate results in the form of material benefits and an adequate fulfillment of their legitimate aspirations.

(. . .) Peace and prosperity, in fact, are goods which belong to the whole human race: It is not possible to enjoy them in a proper and lasting way if they are achieved and maintained at the cost of other peoples and nations by violating their rights or excluding them from the sources of well-being.

28. In a sense, for some countries of Europe the real postwar period is just beginning. The radical reordering of economic systems, hitherto collectivized, entails problems and sacrifices comparable to those which the countries of Western Europe had to face in order to rebuild after World War II. It is right that in the present difficulties the formerly communist countries should be aided by the united effort of other nations.(. . .)

This need, however, must not lead to a slackening of efforts to sustain and assist the countries of the Third World, which often suffer even more serious conditions of poverty and want. What is called for is a special effort to mobilize resources, which are not lacking in the world as a whole, for the purpose of economic growth and common development.(. . .) But it will be necessary above all to abandon a mentality in which the poor—as individuals and as peoples—are considered a burden, as irksome intruders trying to consume what others have produced. The poor ask for the right to share in enjoying material goods and to make good use of their capacity for work, thus creating a world that is more just and prosperous for all. The advancement of the poor constitutes a great opportunity for the moral, cultural and even economic growth of all humanity.

29. Finally, development must not be understood solely in economic terms, but in a way that is fully human. It is not only a question of raising all peoples to the level currently enjoyed by the richest countries, but rather of building up a more decent life through united labor, of concretely enhancing every individual's dignity and creativity as well as his capacity to respond to his personal vocation and thus to God's call.(. . .) It is important to reaffirm this latter principle for several reasons:

- a) Because the old forms of totalitarianism and authoritarianism are not yet completely vanquished (. . .)
- b) Because in the developed countries there is sometimes an excessive promotion of purely utilitarian values (. . .)
- c) Because in some countries new forms of religious fundamentalism are emerging which covertly, or even openly, deny to citizens of faiths other than that of the majority the full exercise of their civil and religious rights (. . .)

#### **Chapter 4: Private property and the universal destination of material goods**

30. In *Rerum Novarum*, of Material Goods, Leo XIII strongly affirmed the natural character of the right to private property. (. . .) At the same time the church teaches that the

possession of material goods is not an absolute right and that its limits are inscribed in its very nature as a human right.( . . )

31. ( . . ) The original source of all that is good is the very act of God, who created both the earth and man, and who gave the earth to man so that he might have dominion over it by his work and enjoy its fruits (Gn. 1:28). God gave the earth to the whole human race for the sustenance of all its members, without excluding or favoring anyone. This is the foundation of the universal destination of the earth's goods.( . . ) But the earth does not yield its fruits without a particular human response to God's gift, that is to say, without work. It is through work that man, using his intelligence and exercising his freedom, succeeds in dominating the earth and making it a fitting home. In this way he makes part of the earth his own, precisely the part which he has acquired through work; this is the origin of individual property. Obviously he also has the responsibility not to hinder others from having their own part of God's gift; indeed he must cooperate with others so that together all can dominate the earth.( . . )

32. In our time in particular there exists another form of ownership which is becoming no less important than land: the possession of know-how, technology, and skill. The wealth of the industrialized nations is based much more on this kind of ownership than on natural resources.( . . ) It is precisely the ability to foresee both the needs of others and the combinations of productive factors most adapted to satisfying those needs that constitutes another important source of wealth in modern society. Besides, many goods cannot be adequately produced through the work of an isolated individual; they require the cooperation of many people in working toward a common goal.( . . ) In this way the role of disciplined and creative human work and, as an essential part of that work, initiative and entrepreneurial ability becomes increasingly evident and decisive.

( . . ) Indeed, besides the earth, man's principal resource is man himself. His intelligence enables him to discover the earth's productive potential and the many different ways in which human needs can be satisfied. It is his disciplined work in close collaboration with others that makes possible the creation of ever more extensive working communities which can be relied upon to transform man's natural and human environments.( . . )

33. ( . . ) The fact is that many people, perhaps the majority today, do not have the means which would enable them to take their place in an effective and humanly dignified way within a productive system in which work is truly central. They have no possibility of acquiring the basic knowledge which would enable them to express their creativity and develop their potential.( . . ) Thus, if not actually exploited, they are to a great extent marginalized; economic development takes place over their heads, so to speak, when it does not actually reduce the already narrow scope of their old subsistence economies. They are unable to compete against

the goods which are produced in ways which are new and which properly respond to needs, needs which they had previously been accustomed to meeting through traditional forms of organization. Allured by the dazzle of an opulence which is beyond their reach and at the same time driven by necessity, these people crowd the cities of the Third World where they are often without cultural roots and where they are exposed to situations of violent uncertainty without the possibility of becoming integrated. Their dignity is not acknowledged in any real way, and sometimes there are even attempts to eliminate them from history through coercive forms of demographic control which are contrary to human dignity.

Many other people, while not completely marginalized, live in situations in which the struggle for a bare minimum is uppermost.( . . ) In other cases the land is still the central element in the economic process, but those who cultivate it are excluded from ownership and are reduced to a state of quasi-servitude. In these cases it is still possible today, as in the days of *Rerum Novarum*, to speak of inhuman exploitation. In spite of the great changes which have taken place in the more advanced societies, the human inadequacies of capitalism and the resulting domination of things over people are far from disappearing. In fact, for the poor, to the lack of material goods has been added a lack of knowledge and training which prevents them from escaping their state of humiliating subjection.

Unfortunately, the great majority of people in the Third World still live in such conditions. It would be a mistake, however, to understand this "world" in purely geographic terms. In some regions and in some social sectors of that world, development programs have been set up which are centered on the use not so much of the material resources available but of the "human resources."

Even in recent years it was thought that the poorest countries would develop by isolating themselves from the world market and by depending only on their own resources. Recent experience has shown that countries which did this have suffered stagnation and recession, while the countries which experienced development were those which succeeded in taking part in the general interrelated economic activities at the international level. It seems therefore that the chief problem is that of gaining fair access to the international market, based not on the unilateral principle of the exploitation of the natural resources of these countries but on the proper use of human resources.

34. It would appear that on the level of individual nations and of international relations the free market is the most efficient instrument for utilizing resources and effectively responding to needs. But this is true only for those needs which are "solvent" insofar as they are endowed with purchasing power and for those resources which are "marketable" insofar as they are capable of obtaining a satisfactory price. But there are many human needs which find no place



on the market. It is a strict duty of justice and truth not to allow fundamental human needs to remain unsatisfied and not to allow those burdened by such needs to perish. (. . .)

In Third World contexts, certain objectives stated by *Re-rum Novarum* remain valid and in some cases still constitute a goal yet to be reached, if man's work and his very being are not to be reduced to the level of a mere commodity. These objectives include a sufficient wage for the support of the family, social insurance for old age and unemployment, and adequate protection for the conditions of employment.

35. Here we find a wide range of opportunities for commitment and effort in the name of justice on the part of trade unions and other workers' organizations. These defend workers' rights and protect their interests as persons while fulfilling a vital cultural role so as to enable workers to participate more fully and honorably in the life of their nation and to assist them along the path of development.

In this sense, it is right to speak of a struggle against an economic system, if the latter is understood as a method of upholding the absolute predominance of capital, the possession of the means of production and of the land, in contrast to the free and personal nature of human work. In the struggle against such a system, what is being proposed as an alternative is not the socialist system, which in fact turns out to be state capitalism, but rather a society of free work, of enterprise and of participation. (. . .)

We have seen that it is unacceptable to say that the defeat of so-called "real socialism" leaves capitalism as the only model of economic organization. (. . .) Stronger nations must offer weaker ones opportunities for taking their place in international life, and the latter must learn how to use these opportunities by making the necessary efforts and sacrifices and by ensuring political and economic stability, the certainty of better prospects for the future, the improvement of workers' skills and the training of competent business leaders who are conscious of their responsibilities.

At present, the positive efforts which have been made along these lines are being affected by the still largely unsolved problem of the foreign debt of the poorer countries. The principle that debts must be paid is certainly just. However, it is not right to demand or expect payment when the effect would be the imposition of political choices leading to hunger and despair for entire peoples. It cannot be expected that the debts which have been contracted should be paid at the price of unbearable sacrifices. In such cases it is necessary to find—as in fact is partly happening—ways to lighten, defer or even cancel the debt compatible with the fundamental right of peoples to subsistence and progress. (. . .)

38. In addition to the irrational destruction of the natural environment, we must also mention the more serious destruction of the human environment, something which is by no means receiving the attention it deserves. Although people are rightly worried—though much less than they should be—about preserving the natural habitats of the various animal

species threatened with extinction because they realize that each of these species makes its particular contribution to the balance of nature in general, too little effort is made to safeguard the moral conditions for an authentic "human ecology." Not only has God given the earth to man, who must use it with respect for the original good purpose for which it was given to him, but man too is God's gift to man. He must therefore respect the natural and moral structure with which he has been endowed. (. . .)

39. The first and fundamental structure for "human ecology" is the family, in which man receives his first formative ideas about truth and goodness, and learns what it means to love and to be loved, and thus what it actually means to be a person. Here we mean the family founded on marriage, in which the mutual gift of self by husband and wife creates an environment in which children can be born and develop their potentialities, become aware of their dignity and prepare to face their unique and individual destiny. But it often happens that people are discouraged from creating the proper conditions for human reproduction and are led to consider themselves and their lives as a series of sensations to be experienced rather than as a work to be accomplished. The result is a lack of freedom, which causes a person to reject a commitment to enter into a stable relationship with another person and to bring children into the world or which leads people to consider children as one of the many "things" which an individual can have or not have, according to taste, and which compete with other possibilities. |

(. . .) In the face of the so-called culture of death, the family is the heart of the culture of life.

Human ingenuity seems to be directed more toward limiting, suppressing or destroying the sources of life—including recourse to abortion, which unfortunately is so widespread in the world—than toward defending and opening up the possibilities of life. The encyclical *Sollicitudo Rei Socialis* denounced systematic anti-childbearing campaigns which, on the basis of a distorted view of the demographic problem and in a climate of "absolute lack of respect for the freedom of choice of the parties involved," often subject them "to intolerable pressures . . . in order to force them to submit to this new form of oppression." These policies are extending their field of action by the use of new techniques to the point of poisoning the lives of millions of defenseless human beings as if in a form of "chemical warfare." (. . .)

40. It is the task of the state to provide for the defense and preservation of common goods such as the natural and human environments, which cannot be safeguarded simply by market forces. (. . .)

41. (. . .) The historical experience of the West (. . .) shows that even if the Marxist analysis and its foundation of alienation are false, nevertheless alienation—and the loss of the authentic meaning of life—is a reality in Western societies too.

(. . .) A man is alienated if he refuses to transcend him-

self and to live the experience of self-giving and of the formation of an authentic human community oriented toward his final destiny, which is God. A society is alienated if its forms of social organization, production and consumption make it more difficult to offer this gift of self and to establish this solidarity between people.( . . . )

42. Returning now to the initial question: Can it perhaps be said that after the failure of communism capitalism is the victorious social system and that capitalism should be the goal of the countries now making efforts to rebuild their economy and society?( . . . )

If by *capitalism* is meant an economic system which recognizes the fundamental and positive role of business, the market, private property and the resulting responsibility for the means of production as well as free human creativity in the economic sector, then the answer is certainly in the affirmative even though it would perhaps be more appropriate to speak of a *business economy*, *market economy*, or simply *free economy*. But if by *capitalism* is meant a system in which freedom in the economic sector is not circumscribed within a strong juridical framework which places it at the service of human freedom in its totality and which sees it as a particular aspect of that freedom, the core of which is ethical and religious, then the reply is certainly negative.

The Marxist solution has failed, but the realities of marginalization and exploitation remain in the world, especially the Third World, as does the reality of human alienation, especially in the more advanced countries. Against these phenomena the church strongly raises her voice. Vast multitudes are still living in conditions of great material and moral poverty.( . . . )

43. The church has no models to present; models that are real and truly effective can only arise within the framework of different historical situations through the efforts of all those who responsibly confront concrete problems in all their social, economic, political and cultural aspects as these interact with one another.( . . . )

## Chapter 5: State and culture

( . . . )47. Following the collapse of communist totalitarianism and of many other totalitarian and "national security" regimes, today we are witnessing a predominance, not without signs of opposition, of the democratic ideal, together with lively attention to and concern for human rights. But for this very reason it is necessary for peoples in the process of reforming their systems to give democracy an authentic and solid foundation through the explicit recognition of those rights. Among the most important of these rights, mention must be made of the right to life, an integral part of which is the right of the child to develop in the mother's womb from the moment of conception; the right to live in a united family and in a moral environment conducive to the growth of the child's personality; the right to develop one's intelligence and freedom in seeking and knowing the truth; the right to

share in the work which makes wise use of the earth's material resources, and to derive from that work the means to support oneself and one's dependents; and the right freely to establish a family, to have and to rear children through the responsible exercise of one's sexuality. In a certain sense, the source and synthesis of these rights is religious freedom ( . . . ).

Even in countries with democratic forms of government, these rights are not always fully respected. Here we are referring not only to the scandal of abortion, but also to different aspects of a crisis within democracies themselves, which seem at times to have lost the ability to make decisions aimed at the common good. Certain demands which arise within society are sometimes not examined in accordance with criteria of justice and morality, but rather on the basis of the electoral or financial power of the groups promoting them. With time, such distortions of political conduct create distrust and apathy, with a subsequent decline in the political participation and civic spirit of the general population, which feels abused and disillusioned.( . . . )

The church respects the legitimate autonomy of the democratic order and is not entitled to express preferences for this or that institutional or constitutional solution. Her contribution to the political order is precisely her vision of the dignity of the person revealed in all its fullness in the mystery of the incarnate Word.

48. These general observations also apply to the role of the state in the economic sector.( . . . )

51. ( . . . ) Sacred Scripture continually speaks to us of an active commitment to our neighbor and demands of us a shared responsibility for all of humanity.

This duty is not limited to one's own family, nation or state, but extends progressively to all mankind, since no one can consider himself extraneous or indifferent to the lot of another member of the human family.( . . . )

52. ( . . . ) I myself, on the occasion of the recent tragic war in the Persian Gulf, repeated the cry: "Never again war!" ( . . . ) Just as the time has finally come when in individual states a system of private vendetta and reprisal has given way to the rule of law, so too a similar step forward is now urgently needed in the international community. Furthermore, it must not be forgotten that at the root of war there are usually real and serious grievances: injustices suffered, legitimate aspirations frustrated, poverty and the exploitation of multitudes of desperate people who see no real possibility of improving their lot by peaceful means.

For this reason, another name for peace is development. Just as there is a collective responsibility for avoiding war, so too there is a collective responsibility for promoting development. Just as within individual societies it is possible and right to organize a solid economy which will direct the functioning of the market to the common good, so too there is a similar need for adequate interventions on the international level.( . . . )

## EIR exposé against Bush and Kissinger shakes Brazil

by Silvia Palacios and Lorenzo Carrasco

*EIR's* shocking revelations, contained in a memorandum on recently declassified U.S. National Security Council (NSC) documents which point to Henry Kissinger, Brent Scowcroft, and George Bush as responsible for a deliberate malthusian policy toward Brazil as far back as 1974—a policy which led to the sterilization of half of Brazil's women of child-bearing age—have caused an explosion of outrage among the political elites of this country. The National Security Study Memorandum 200 (NSSM-200), reviewed in the *EIR* memo, is viewed as the conclusive proof of an imperialist plan, imposed from abroad by the Anglo-American Establishment, to compulsorily shrink the size of the Brazilian population.

Prepared by *EIR's* Brazil office, the memorandum has been grabbed up like hot cakes in all the major political centers of the country, reviving a long-standing battle around the question of population and development. Anyone who has had the opportunity to visit the capital city of Brasilia, which these correspondents recently did, can confirm that this exposé of the Anglo-Americans' immoral anti-population policies, has served to catalyze deep-seated hatred among Brazilians for the colonialist "new world order" announced by President Bush last December, when he was, ironically enough, visiting the Brazilian National Congress.

### A congressional investigation

It is very possible that this same Congress may now launch a formal investigation into the matter. Ulysses Guimarães, the head of the Chamber of Deputies' Foreign Relations Committee and a former president of the majority Brazilian Democratic Movement Party (PMDB), has joined with Senator Mario Covas, a former presidential candidate of the Brazilian Social Democratic Party (PSDB), in calling on the

National Congress to examine the NSC documents, and in their light, the mass sterilizations that have taken place inside Brazil.

According to the May 9-13 edition of *Relatorio Reservado*, a newsletter considered mandatory reading by the country's political and business elites, "Health Minister Alcení Guerra will soon be heard by the Commission, presided over by Deputy Ulysses Guimarães," to confirm his "recent charges of mass sterilization of women in Brazil."

A similar investigation was, in fact, initiated by the Brazilian Congress back in 1967, when a group of congressmen and Catholic bishops exposed a number of recently installed foreign institutions which had begun mass sterilization projects under the guise of the Alliance for Progress. The group's efforts led to the establishment of a Congressional Investigatory Committee (CPI), headed by Senator Covas, which heard testimony from many experts, including one Dr. Samir Hellou. According to *Jornal de Brasilia* of May 10, Dr. Hellou charged at the time that foreigners "were practicing pre-genocide through a subsidiary of the Planned Parenthood Federation. It was also the era in which large companies like United Fruit and Georgia Pacific Corp. were buying up huge tracts of Amazon land."

The congressman designated to write the final report of the 1967 investigation, Deputy José Maria Magalhães, was recently consulted by the Brazilian press, and he confirmed that the evidence they uncovered was sufficient to demonstrate to the world the deadly threat posed to human life by these genocidalists. That evidence never saw the light of day, however, since the investigation was prematurely shut down and all of its members banned from politics (in Portuguese, *cassados*). One piece of evidence turned up by the CPI was

that, during a 1967 luncheon in Rome, representatives of the Alliance for Progress tried to bribe the Archbishop of Goiania, D. Fernando Gomes, into providing Catholic Church backing for sterilization, which the archbishop refused to do.

### **Collor to visit Washington**

The timing of the revelations is most embarrassing for the proponents of the new world order. Brazilian President Fernando Collor de Mello is scheduled to visit President Bush in Washington in mid-June, in hopes of fully linking Brazil's future to that of George Bush's fascist order.

However, not everything is under the tight control Washington would like. The revolt triggered by these newly revealed foreign efforts to interfere in Brazil's sovereign affairs—intervention designed to facilitate control over raw materials and to impose a racist criterion on the population question—threatens to explode before the June presidential trip can even be undertaken.

Adding fuel to the fire, are the statements of Health Minister Alcení Guerra, in an interview published in the May 8 issue of *EIR*, in which he declared that a dozen foreign entities had illegally applied vast "informal" birth control programs in Brazil, leading to the sterilization of 25 million women of child-bearing age. Thus, it would appear that the secret population policies of the U.S. government were in fact carried out, as NSSM-200 confesses, by private institutions, with Bemfam, the Brazilian branch of the International Planned Parenthood Federation, the pioneer organization in mass sterilization in Brazil.

The classified NSC memorandum was issued in 1974, and coincided, in Brazil, with the launching of the Second National Development Plan (PND II) during the Ernesto Geisel government, which proposed vast infrastructural investments intended to put Brazil on the map of developed nations. The PND also ratified a pro-population growth policy: "Brazil is still an underpopulated country, with regard to the availability of land and other natural resources. As a sovereign nation, it feels it has the right to adopt a position in accordance with being an underpopulated country, that is, to allow its population to continue to grow at reasonable rates, to realize its potential for development."

This declaration, in the view of Kissinger and company, challenged the "national interests" of the United States. Thus, the NSC documents placed Brazil on the list of 13 "key countries" targeted for Kissinger's malthusian experiments.

Deputy Guimarães's call for a congressional investigation into the sterilization scandal now has received widespread coverage. "Ulysses Guimarães has committed his party to an in-depth investigation into the charges of Health Minister Alcení Guerra, according to whom programs of female sterilization were applied to 20-25 million women," published *Jornal de Brasília* May 11, in one of a series of articles by the renowned journalist Rubem Azevedo. "Ulys-

ses made this promise to the correspondent of *Executive Intelligence Review* in Brazil, Lorenzo Carrasco. That publication discovered and released portions of a recently declassified document, written at the request of former Secretary of State Henry Kissinger, then-National Security Adviser to the White House Brent Scowcroft, and then-director of the CIA, current President George Bush."

According to the same newspaper, in an article one day earlier, "Upon learning of the release of the secret U.S. government document on the sterilization of Brazilian women, Sen. Mario Covas announced that he would ask Congress to study those documents, and to hold a broader discussion on foreign interference in these matters in Brazil."

### **Violation of national sovereignty**

A key aspect of the population policy ordered by Kissinger and Bush, is that it is in clear violation of Brazilian sovereignty. The highly respected veteran journalist and law professor Heracilio Salles, who was an official spokesman for the 1960s government of General Costa e Silva, devoted his weekly column in *Jornal do Brasil*, the country's most influential daily, to three consecutive weeks of commentary on NSSM-200. On May 9, he wrote, "On the matter of population control, nothing is permissible beyond the natural limits defined for each nation within the realm of individual freedom. This is the apparently modest standpoint from which one can defend political sovereignty—an extreme expression of the sovereign condition of the unique human being, in which it is preferred that the state be organized according to the principles derived from the strict dignity of man.

"In short, the perspective of rapid economic growth augured for us 'a growing status of power in Latin America and in the rest of the world,'" Salles concluded, quoting from the NSSM-200 memorandum itself.

On May 16, Salles honed in on the racist belief structure of President Bush himself. "Racial intolerance, however, is projected outward from the United States, and begins to take the form of disdainful treatment of mestizo peoples who, to them, are not endowed with those human capabilities they believe to be transmissible by heredity," he said.

"In searching through the U.S. *Congressional Record*, *EIR* investigators found a very detailed report, dated Sept. 5, 1969 and submitted to the [U.S.] House of Representatives, on studies conducted by the Republican Commission of Human and Land Resources. The report was signed by then-Congressman George Bush, who presided over the debates and supported the theory of 'race purification' developed by two debate participants: professors William Shockley and Arthur Jensen. The current President of the United States offered enthusiastic praise for the two professors in neo-racism, including in his report a warning that would repulse any Brazilian not committed to the government policies dictated from abroad, as has happened," concluded Salles.

# Genocide plot lurks behind 'demilitarization' of El Salvador

by Gretchen Small

Attacks on El Salvador's national electrical grid carried out by the Cuban-allied Farabundo Martí Liberation Front (FMLN) during April and May, have cut electrical service in that country by half. Forty towers and other electrical installations were damaged or destroyed in the first two weeks of May alone—all in the name of strengthening the FMLN's position at the "negotiating" table. The FMLN has announced that it will continue its havoc until all the lights go out, if that's what it takes to force the government to accede to the FMLN demands against the military.

What is extraordinary about the darkness descending upon El Salvador, however, is that the FMLN enjoys the active support of the Bush administration, the United Nations Organization, and Gorbachov's Soviet Union, in its campaign for "demilitarization." The common objectives of these forces in El Salvador center on the elimination of the military, the carving of the country into separate zones run by foreign troops and the FMLN terrorists, and forcing what remains of a central government into a power-sharing deal with the FMLN, all to be overseen by the United Nations.

If the project is allowed to succeed, El Salvador will disappear as a nation, finally reduced to nothing more than a killing ground studied by the crazed anti-population fanatics. *EIR* warned more than a decade ago that this small country had been chosen by the malthusian lobby in the late 1960s as a test case for how to generate "continuous political violence" in a form which would ensure maximum long-term population reduction.

As the project took off in the early 1980s, top establishment malthusian Harlan Cleveland, the former international director of the Aspen Institute for Humanistic Studies, spoke freely of this plot. In an interview published by *EIR* on March 17, 1981, Cleveland raved that "development, industrialization . . . is the most dangerous part of our national security problem today." This will be dealt with through the explosion of "100 El Salvadors" across the globe, he gloated. "Growth in the El Salvadors will not be the word. It will be un-growth. It means that population will cease to be a serious problem in these areas."

He elaborated: "We had a breakdown in El Salvador, a breakdown in Lebanon, a complete breakdown in Cambodia. Breakdown in about 100 countries won't be enough to make

a difference in global population growth, either. These countries are too small. But these could easily degenerate into 100 Cambodias, where they haul off and kill one-third of the population. This would be delightful for the demographers. It is also not inconceivable that we would have El Salvador in the bigger countries which would really make a difference to world population."

As of May 1, the only major institutional obstacle remaining to the disappearance of El Salvador is the military. Under extraordinary pressure from the Bush administration, on April 29, the government of Alfredo Cristiani and the National Assembly agreed to rewrite the Constitution to satisfy the demands of the FMLN. As soon as the new legislature, which took office on May 1, ratifies these changes, the reforms will go into effect.

The reforms centered on restricting the military, even as the FMLN shut off the lights. Article 30 of the Constitution, which mandates the use of the military to perform police duties during public disorder, was abrogated. Thus, in the middle of a war, an untrained, yet-to-be-created National Civil Police will be handed the job of keeping public order. Should the President order the military to restore order during a national emergency, the reforms specify that the National Assembly can override that order, by majority vote. A "Truth Commission" is to be appointed by the U.N. to investigate FMLN charges of military abuse of their human rights—the primary right asserted being a right to wage war without opposition. The functioning of the Supreme Court and Election Tribunal are also to be modified.

The accord was reached during FMLN-government talks carried out under the direction of Alvaro de Soto, the personal aide of U.N. Secretary General Javier Pérez de Cuellar. But the stage was set for the government's capitulation in mid-March, when U.S. Secretary of State James Baker and his Soviet counterpart issued a joint demand that the peace talks be "accelerated."

When the talks foundered in April, U.S. officials went into action. On April 8, Gen. Colin Powell, head of the U.S. Joint Chiefs of Staff, flew into San Salvador to meet with top military leaders; on April 12, Assistant Secretary of State Bernard Aronson met with President Cristiani. Both delivered threats that U.S. military aid would be cut if the talks

were allowed to fail. At the end of April, when legislators modified the reforms as negotiated, U.S. Ambassador William Walker personally called the members of the National Assembly to demand they reverse themselves. The reforms were quickly approved exactly as negotiated by the U.N.-FMLN team.

### **Next on the agenda: foreign occupation**

The conditions accepted were merely those demanded as a precondition for continuing the "peace talks." Negotiations are scheduled to begin again in mid-May, this time to consider terms for a cease-fire. It is during these talks that the FMLN seeks to be handed control over part of El Salvador's territory. Under their plan, an "armed peace" is to be declared, during which time the FMLN and the national Army would each be restricted to small areas which the FMLN alleges each to currently control. The rest of the country would be declared a demilitarized zone, to be policed by foreign troops operating under the umbrella of a United Nations peacekeeping force.

According to an April 3 UPI wire, the FMLN proposal to carve up El Salvador "borrow[ed] heavily from a preliminary cease-fire proposal drawn up by U.N. officials." The convergence is not surprising, given that U.N. negotiator De Soto opened negotiations between the FMLN and the Cristiani government in May 1990, by stating that his goal was to achieve "progressive and complete demilitarization, the final objective of which is the abolition of the armies," the *Los Angeles Times* reported on Jan. 24, 1991.

Before they will agree to a cease-fire, the FMLN also demands the government commit itself to an immediate reduction in El Salvador's military force, from 56,000 men under arms, to 12,000, as the first step towards disbanding the military entirely by 1995.

The Bush administration's drive for power-sharing is not a fundamental change in policy from that of the previous three U.S. administrations. Since the Carter administration aided the 1979 "progressive" military coup, and helped draw up its policies which set off the civil war which has yet to end, El Salvador has served as an experiment for the malthusians running Washington and the international financial institutions.

In an interview published by *EIR* on March 10, 1981, Thomas Ferguson, head of the Latin America desk at the State Department's Office of Population Affairs, proclaimed that El Salvador was a "national security crisis" for the United States because it had "too many goddamned people." "The government of El Salvador failed to use our programs effectively to lower their population. Now they get a civil war because of it," he intoned. Ferguson was far from bemoaning that war had broken out because, in his view, "once population is out of control, it requires authoritarian government, even fascism, to reduce it."

Ferguson worried that civil war would not kill enough

people. "Alone, that might not do anything to population," he stated. "But there will be dislocation, maybe even food shortages. . . . The quickest way to reduce population is through famine, like in Africa, or through disease, like the Black Death. What might happen in El Salvador is that the war might disrupt the distribution of food: The population could weaken itself, you could have disease and starvation, like what happened in Bangladesh or in Biafra." He did not stop there: "In El Salvador, you are killing a small number of males and not enough females to do the job on the population. If the war were to go on for 30 or 40 years, then you would really accomplish something. Unfortunately, we don't have too many instances like that to study."

In a seminar at Georgetown University on Feb. 26, 1981 attended by an *EIR* reporter, one of the most fanatic of the planners of genocide in Central America, former United Fruit agronomist William Paddock, an unofficial adviser on population affairs to the State Department for three administrations, outlined a policy through which the United States could ensure warfare continued in El Salvador for at least the 30-40 years Ferguson deemed necessary.

Like Ferguson, Paddock agreed that "continuous turmoil and civil strife . . . is the only solution to the overpopulation problem." An "endless cycle" of warfare can assure the elimination of 3 million out of El Salvador's current 4.5 million population, he stated. "The U.S. should support the current military dictatorship, because that is what is required. . . . But we should also open up contacts with the opposition, because they will eventually come to power. As we do that, we should work with the opposition because, we will need to bring them to power. That is what our policy is, that is what it must be . . . an endless cycle."

Paddock's proposal describes precisely what U.S. policy has been through the Carter, Reagan, and Bush reigns. At no point was a strategy for *winning peace* in Central America tolerated. That would require, in addition to building up national military forces in the region, the implementation of an in-depth economic development program, including a moratorium on the foreign debt, construction of basic infrastructure—projects which the military is best suited to lead—and a total crack-down on the drug trade from which the terrorists feed.

Instead, the United States imposed on Central American governments two policies which ensured no victory could be won over Moscow's allies: implementation of International Monetary Fund austerity, and adoption of the no-win strategy of "low-intensity conflict." The latter, which commits the military to a strategy of neither winning nor losing, fits perfectly the malthusian demands.

At the time Paddock and Ferguson were plotting, over 10,000 had died in El Salvador's war. Ten years later, an estimated 75,000 people have died. Now, the Bush administration has decreed that it is time to bring the "opposition to the opposition" to power. The result will not be peace, but the beginning of the next cycle of war.

# Drugs and gun connection growing in Northeast India

by Ramtanu Maitra and Susan B. Maitra

The distant northeast of India—accessible by land only through a narrow strip between Bangladesh and Bhutan, and bordering China, Myanmar, and Bhutan—is fast becoming a major threat to India's security. Aided by a massive influx of heroin from neighboring Myanmar, various underground insurgency outfits have become highly active in the area and are in the process of building crucial links with each other. So far the leadership in India's capital of New Delhi are showing little interest, but the timebomb is now ticking away.

The heroin influx, from both Myanmar and China, has begun to flood the border state of Manipur. The three major drug-trafficking routes, already identified by Indian intelligence, are:

- Tamu-Moreh-Imphal
- Mandalay-Tiddim-Singhet-Churachandpur-Imphal, and
- Mandalay-Tiddim-Champai-Aizawl-Imphal.

Sources point out that the acetic anhydride, which is an essential chemical used in manufacturing heroin from opium, is smuggled out of India to Myanmar to feed innumerable clandestine laboratories located along the Myanmar-India borders. Although export of acetic anhydride has been officially banned in India, it is anybody's guess how effective the enforcement is.

Imphal, the capital city of Manipur, is now flush with heroin, and also with drug addicts and AIDS carriers. According to one estimate, Imphal harbors 30,000 heroin addicts, which is about 25% its youth population; of India's 4,082 HIV positive cases as of 1989 figures, 1,135 are found in Imphal.

While the heroin and AIDS figures are enough to cause serious concern, Manipur has, in addition, become the meeting point of various secessionist groups operating in the region. It is speculated that, besides developing links to spread the secessionist movements and combining their efforts, the insurgents are all in Manipur to dip into the heroin trade, which moves through the state to different destinations north and west.

## No secret

Although not a topic of discussion in Delhi, the insurgents' involvement with drugs is not a secret. Two years ago, a Delhi-based English news daily reported that the trade in guns for drugs, needed very badly by insurgents currently reorganizing themselves, was causing problems for the anti-smuggling operations of the security forces.

The report also noted that the problem had been further aggravated by the fact that, from time immemorial, the ethnic tribes that inhabit the region had been allowed to cross the borders unrestricted. Still, some Indian officials are under the illusion that the northeastern secessionists will not get into narco-trafficking in a big way, because they do not have a market of great potential.

Two news items which appeared recently should suffice to shatter this false comfort.

First, the news that the United Liberation Front of Asom (ULFA), based in the state of Assam, and which were spotted in Manipur recently, have developed a link with the Liberation Tigers of Tamil Eelam of Sri Lanka, an established guerrilla operation which thrives on drug money.

The link was discovered by the Indian Army, which has been involved in a combing operation to root out the ULFA from the jungles of northern Assam, when it seized upon a militant's diary. In addition, Army personnel have also reportedly seized two boats from the ULFA at Tezpur. Both boats are exactly of the type used by the Liberation Tigers in Sri Lankan waters and off the Indian coastlines in the state of Tamil Nadu.

Second is the report of a steady increase in heroin seizures in Bangladesh, a neighboring nation to the east.

The reports indicate that Chittagong, the easternmost port city of Bangladesh, has become a transit point for drugs going to the Persian Gulf, among other places. While it is possible, though highly unlikely, that the drug travels from Myanmar to Chittagong by sea, it is widely acknowledged that the rebels in Mizoram, another northeastern state, and a faction of the People's Liberation Army (PLA) in the Manipur valley have links—and they may have sanctuar-



ies—within Bangladesh.

In addition, of course, Nepal in the north is a major drug distribution point as a recent, large breakup of a heroin racket underlines. The capital of tiny Nepal, Kathmandu, is fast becoming an entrepot, where dealing in drugs, gambling casinos, and the flesh trade is readily accessible to northeast guerrillas, particularly those located in Assam.

### Insurgency sprouting

Manipur, the main entry point of heroin and the meeting point of various tribal insurgency groups, itself nurtures two major terrorist outfits—the People's Liberation Army and the National Social Council of Nagaland (NSCN). The People's Liberation Army, which has become highly active in recent days, after years of controlled activities, is ostensibly against drugs—a posture which is in all likelihood to garner public support within the society. The National Social Council of Nagaland is powerful in three hill districts and run by various tribes commonly clubbed together as Nagas. Both NSCN and the PLA reportedly will be decisive factors in the coming elections as their writ goes deep into the rural areas.

In Assam, where Governor's Rule was imposed to deal with the fast-growing ULFA, the secessionist movement has brought under its umbrella a number of mainstream politicians. The ULFA, which champions the cause of the Assamese against the many well-to-do non-Assamese based in Assam, is well-armed and is now posing a serious challenge to the Indian Army.

In the states of both Meghalaya and Arunachal Pradesh, where terrorist activities are recent developments, small groups of insurgents such as the Meghalaya United Liberation Army (MULA) and the United Liberation Volunteers of Arunachal Pradesh (ULVA) have emerged and are in the process of linking up with the three major secessionist groups—People's Liberation Army, United Liberation Front of Asom, and the National Social Council of Nagaland.

In the state of Mizoram, where an accord was signed with the underground Mizo National Front (MNF) in 1988 that brought the guerrillas out of the foxholes to join the mainstream politics, a new insurgency group in the hills has emerged. This group, Hmar People's Council (HPC), has already made its mark, when it killed a former minister of Manipur, besides indulging in other terrorist activities.

### Separate . . . for now

While the various insurgent groups in the northeast have remained separate so far because they are based on the myriads of tribes who eye each other suspiciously, there are allegations that the insurgents have infiltrated the mainstream politicians, churches, and other social institutions.

There are also reports that these insurgents are now linking up with each other with the purpose of launching a region-wide armed movement to carve out a tribal nation in the east bordering China, Bangladesh, and Myanmar.

## Trilaterals dictate refugee policy

by Mary Burdman

At the meeting April 20-22 in Tokyo of the Trilateral Commission, the elite group of financiers and policy influentials from North America, Western Europe, and Japan, North American chairman David Rockefeller stated that one of the critical "post-Cold war . . . transnational issues [is] increased social and ethnic conflict including the large refugee and migrant flows they often create." To deal with this, he announced, "In 1991-92, the commission will be concentrating in particular on migration and refugee issues, inspired by the remarks of U.N. High Commissioner for Refugees Mrs. Ogata."

Rockefeller's statement is all the more ominous, because his family was instrumental in setting up the very regime of usury and malthusianism which prevented viable solutions to the very crises which are causing population migration. After robbing the nations of the South of 25 years of development, the Trilaterals and their ilk are now stating outright that not only must population growth in those nations be stopped at all costs, but also that population movement, whether to flee disasters or seek a better living, must be stopped.

On her inauguration as High Commissioner in March, Sadako Ogata asserted that nations "producing refugees" must be held responsible, the German daily *Tageszeitung* reported May 13. This concept was first put forward by the U.N. apparatus in an attempt to stop the expanding flow of refugees from Vietnam in 1988, and taken up by the British Ditchley Foundation in 1990 after the Eastern European revolutions of 1989. But Ogata goes further: Those countries, she said, which "create a burden on other states" must pay compensation. States that "produce refugees" could be forced to cooperate with the High Commission and the World Bank on a new conditionalities scheme linking aid to social budgets, so that the stream of refugees is contained—a plan, *Tageszeitung* wrote, which is already being tested in eastern Africa where refugees have fled Rwanda and Burundi.

It is a little known fact that Ogata herself is an executive committee member of the Trilateral Commission—one of a tiny group of 36 people, including Henry Kissinger, Robert McNamara, and Paul Volcker, shaping the malthusian world order. Another Trilateral Commission member, Italian Socialist Margherita Boniver, controls another choke-point of

population flows: She is now Italian minister for immigration. Italy, which along with Spain has always been Europe's bridge to Africa, has enacted the strict new "Martelli Code" against immigrants, and has turned back 30,000 already this year.

The irony of all this is that there are severe labor shortages in Europe, Japan, and the United States. These regions all face population collapse due to years of negative growth rates, and will need an influx of young workers if there is to be any real industrial recovery. Before the 1973-74 oil hoax, Germany had to actively recruit workers for its "economic miracle" from the very countries now being targeted.

But the European Community, as well as the U.N., is being mobilized to impose sanctions on any impoverished "refugee producers." "Europe braces for migrant invasion" was the hysterical headline of the May 10 *European*, the continental outlet of Czech-born British publisher Robert Maxwell, onetime friend of Erich Honecker, Nicolai Ceausescu, and others. Immigration is the "greatest challenge of the nineties," the article claims, but the real cause of alarm is not the East, but the Mediterranean nations from Yugoslavia to Morocco. "Confidential figures" from the EC headquarters in Brussels say that up to 800,000 people a year could try to enter Western Europe from the East, but even more "alarming" is the "population explosion" in the Mediterranean, the *European* claimed. Reportedly, the EC has drawn up a 12-page document advocating stronger measures against illegal immigration, and targeting aid to countries considered most likely to add to the "migrant flood."

## Final solutions

The ultimate aim of the Trilaterals is to stop population growth altogether, as Flora Lewis, fresh from the Tokyo meeting, made clear in her column on the Bangladesh cyclone, in the May 7 *International Herald Tribune*. Headlined, "To Remove the Curse of Malthus," she wrote, "The Bangladeshes of this world will never be able to emerge to decency if they keep producing more babies than anything else. Malthus will apply not only to them but to the whole planet if things go on this way."

Lewis called the killer cyclone one of the "familiar terrors in an area which has been the classic example of Malthus's theory for centuries." The region's great fertility allows people to "proliferate to the very brink of survivability. Only recurrent, quite expectable natural disasters put some limit on population growth, and not much at that." Lewis notes that despite all that natural disasters can do, the population has grown from 88.7 million in 1980 to 110 million in 1990. This level of population "guarantees utter poverty," Lewis asserts.

Part of the problem, Lewis states, are the "overwhelmed relief groups," including the U.N. High Commission for Refugees, and the "deficiencies of the Bangladeshi government."

But the malthusian elite have "final solutions" in the works for these problems. British Prime Minister John Major is calling for a new, supranational "disaster relief" agency, which, under the U.N. flag, will be able to move "with military precision" to deal with calamities in the developing sector, the *Guardian* reported May 15. He will present the idea at the London Group of Seven summit in July.

The agency described by the *Guardian* will simply sweep aside national governments and national military forces, to carry out its purpose "under the command of a senior military figure or logistics expert," in the General Schwarzkopf mold. It will "absorb" existing U.N. relief agencies into a single, well-funded agency which has the "necessary authority to work across national boundaries." The British Foreign Office and Overseas Development Administration "believe" that the Kurdish rescue mission has set an important precedent for relief operations "which brush aside national sensitivities," the *Guardian* explained. They envisage a powerful U.N. agency, with advanced equipment, able to use its own logistical expertise and systems to ensure that aid supplies "do not stack up" in countries such as Sudan and Ethiopia, but are distributed directly to those in need.

Britain is encouraged by the response to its "leadership" of relief operations for the Kurds, Bangladesh, and Africa, where it has put in more short-term disaster relief than any other G-7 country—although its contribution to longer-term development aid, compared to Germany or France, is "lamentable." Preliminary consultations on the agency, to be set up in Geneva, are already under way. Japan has not yet accepted the British proposal, but Tokyo will be "brought into line" at the summit, the *Guardian* reported.

Another precedent is being created in the tragic situation in Bangladesh. George Bush has diverted at least 8,000 Marines, on their way home from the Gulf, to join the relief effort there. Although the Marines are undoubtedly equipped, especially with water-purification equipment, to offer help in the situation, serious questions are raised. This level of U.S. military deployment for such a purpose is unprecedented; the immediate precedent for sending in the Marines was in the combined "disaster relief and civil unrest" in Liberia, a U.S. embassy military officer in Europe told a caller.

But why, asked a May 13 editorial in the *Dialogue* of Dhaka, does Bangladesh's own military, in a country which lies in a region very vulnerable to floods and hurricanes, only have 12 helicopters and a few dozen speedboats of its own? "The stock excuse that Bangladesh is an impoverished nation is a poor one." The Bangladeshi military should be equipped with modern communications and a substantial fleet of helicopters and speedboats, and "permanently allotted the role of relief and rehabilitation," the editorial stated. "There is no reason to believe that the armed forces, maintained and equipped primarily for national development, will pose a threat to democracy."

# Japan takes lead to heal Cambodia

by Linda de Hoyos

Japanese Prime Minister Toshiki Kaifu took the occasion of his visit to Thailand May 2 to declare that Japan will be acting to bring about a solution to the 11-year Cambodia conflict. "Japan is in a favorable position to help carry the ball," explained Japanese ambassador to Thailand Hisahiko Okazaki to the press. "Unlike other major powers, such as the Soviet Union, China, or the United States, Japan is not inhibited by any political factors in talking to all the four warring Cambodian factions," the *Bangkok Nation* reported Okazaki as saying.

The new Thai government of Prime Minister Anand Panyarachun offered its endorsement of Japan's role, during Kaifu's stay in Bangkok, thereby continuing the partnership with Tokyo that had begun with former Prime Minister Chatichai Choonhavan. Choonhavan, ousted in February, had shifted Thai policy from serving only as a conduit for Chinese arms to the Khmer Rouge, to a strategy to turn Cambodia from a "battlefield into a marketplace."

Tokyo's policy is a revival of the "Fukuda Doctrine," presented by then Japanese Prime Minister Takeo Fukuda in 1977, to integrate the non-communist ASEAN countries and Indochina after the Vietnam War. Kaifu told *The Nation* April 30 that "Japan thinks it is important to bring the war-ravaged Indochina region into the dynamic economic development occurring in Asia." The 1977 effort, which was never endorsed by Washington, was disrupted by Vietnam's December 1978 invasion of Cambodia.

## Hun Sen to Tokyo

Accordingly, at the end of April, Japan brought Hun Sen, the prime minister for the Cambodian government in Phnom Penh, to Tokyo. As Hun Sen told the story to reporters upon his return: "I went to Tokyo because of health problems. That is, the Japanese government, knowing about the illness that I experienced in Paris in December 1990, made a humanitarian gesture by inviting me to have a medical checkup there. . . . Also during my stay . . . I had fruitful talks with the Japanese foreign minister and other Foreign Ministry officials, as well as with the Diet Speaker and members of various parties in the Diet. Our discussion focused on the search for a solution to the Cambodian problem. I observe that at present Japan is resolved to contribute to a political settlement of the Cambodian problem and has decided to help in rebuilding Cambodia

after a political solution is reached."

Specifically, Japan has been attempting to fashion a negotiating mechanism by which Phnom Penh might accept the United Nations Permanent Five—named for the five permanent members of the Security Council, United States, Soviet Union, France, Great Britain, and China—solution for Cambodia, which is backed by the Cambodian resistance factions and Beijing.

Since the formula calls for the dissolution of the Hun Sen administration, it has not been welcomed in Phnom Penh. Japan has proposed a modification by which the U.N. would dissolve only those sections of the Phnom Penh bureaucracy that might influence national elections. The Japanese plan also calls for the formation of a special committee to ensure the "non-return" of past policies of genocide—a reference to the murderous rule of the Khmer Rouge 1975-79. This amendment is also designed to remove a major sticking point of Phnom Penh.

On May 1, as the U.N.-sponsored cease-fire was just beginning in Cambodia, Prime Minister Kaifu met with leaders of the three Cambodian resistance factions, to win their approval of the modifications and their guarantees for the cease-fire. Later this month, Japanese Foreign Minister Taro Nakayama will visit Vietnam for talks on the Japanese initiative.

In discussions with all parties to the conflict, Tokyo has stressed the necessity to rebuild Cambodia's devastated economy. Thai Prime Minister Anand had told the resistance leaders before Kaifu's meeting with them that "Japan has a very important role to play not only at present but also in the future when it will be the major contributor to the rehabilitation and reconstruction of Cambodia after a peace settlement."

## Economic issues uppermost

The economy also poses a severe problem for Phnom Penh. Hun Sen admitted in an interview April 18 to columnist Jacques Beckaert that "the government has lost some productive areas in the countryside and that his government is not yet able 'to meet the needs of the population.'" Without some alleviation of the economic collapse, it is unlikely that Phnom Penh could retain control of Cambodia in any case.

The revival of the economies of Cambodia, Laos, and Vietnam centers on the Mekong Delta Project, for the construction of seven dams along the Mekong River, which would provide hydropower, irrigation, and flood control. Japan has promised to become a major financial contributor to the project, which costs a total of \$11 billion. Interestingly, Beijing, site of the upper reaches of the Mekong, has said that once a settlement in Cambodia is reached, it will join the Mekong Interim Committee for work on the project. Heretofore, China, which has recently asked Tokyo for \$4 billion in development loans, had been cool to any plans for cooperation on the Mekong.

# S. Korea the latest 'new order' target

by Lydia Cherry

With U.S. establishment press commentators like Leslie Gelb describing North Korea as "the renegade and perhaps the most dangerous country in the world today" and U.S. military reports claiming the North will soon have the ability to develop nuclear weapons, it is not hard to deduce that the "hermit country" is one of the top candidates on an American-British hit list following the Gulf war. North Korea realizes this, and its press organs now regularly reflect this, as did *Nodong Sinmun* on May 7. "The U.S. military has worked out a plan of a 120-day Korean war with a delusion to easily achieve their aggressive aim through a bombing operation as fierce as the Gulf war. It has the illusion it can strike any target," the paper commented.

What is not so obvious, however, is that the Noh Tae Woo government of South Korea is a target too, a fact that has become clearer since President Noh met with Soviet President Mikhail Gorbachov on the Korean island of Cheju in April. Through Noh's two-year-old "Northern policy" to reunify the peninsula through contacts with the East bloc, the South Korean President has not always operated within the Anglo-American geometry. Like its Asian neighbor Malaysia, President Noh envisages rapidly turning Korea into a developed country; he has announced, for instance that it is a "historical mission imposed on all of us" that Korea catch up with the Group of Seven advanced countries in science and technology by the year 2000. Noh is also reportedly supportive of Malaysian Prime Minister Mahathir Mohamad's initiative for an Asian economic grouping free of American and Australian control.

## Catching fire from many sides

The Noh administration has come under fire during the past month from a growing number of critics, particularly after Noh's meeting with Gorbachov. Soon thereafter, anti-government protesters were back in the streets, with incidents of self-immolation by student demonstrators. Controversial remarks by South Korean Defense Minister Lee Jong-Koo that Seoul was "studying a preemptive strike on North Korea's atomic power facilities"—which North Korea is convinced was a U.S.-ordered signal piece—greatly intensified the pressures. During this same period, opposition leader Kim Dae-Jung took a higher profile, offering a counterproposal on reunification in an attempt to disrupt Seoul-Pyongyang negotiations. Kim Dae-Jung is a longtime subsidiary of

the U.S. embassy in Seoul, and still wields influence over the student protest movement.

During Gorbachov's 24-hour stopover in South Korea on his way home from Japan, talks included discussion on how to resume the North-South Korean dialogue, more discussion of economic and technological cooperation between Seoul and Moscow, and President Gorbachov's proposal that the two sides ink a "treaty of good neighborliness, partnership, and cooperation."

According to South Korean press reports, Gorbachov and Noh concurred that the South Korean and Soviet economies have many reciprocally complementary aspects. A Noh spokesman told reporters that there has already been technological cooperation around 48 projects, and that "the possibility of commercial use of Soviet science and technology is indeed endless." President Noh, in his welcoming speech to Gorbachov, pledged South Korean support to Russia's collapsing economy. "I promise here that I will support Your Excellency's striving to bring perestroika to successful fruition more strongly than any other leadership of any other country. I will stand shoulder to shoulder with you and support your efforts," Noh said.

After the visit, Noh came under immediate fire on the issue of the friendship treaty that Gorbachov had proposed, and to which Noh had assented. Press organs that had previously been supportive of Noh's Northern policy toward North Korea, turned against him. Immediately thereafter South Korean Foreign Minister Yi Sang-ok was sent to Washington where he met with U.S. Deputy Secretary of State Lawrence Eagleburger. At the end of that meeting, it was announced that South Korea had agreed to form a regular channel of policy consultation with the United States and Japan, an arrangement which it had previously been reluctant to accede to.

One clue of what might have started the fight is provided in an April 22 interview with South Korean Senior Secretary for Economic Affairs Kim Chong-in, published in the daily *Choson Ilbo*. In discussing the content of the summit talks on Chenju Island, the official was challenged by reporters who pointed out that American experts on Soviet affairs "who are known to have abundant information on the Soviet Union," have warned against the kind of economic deals South Korea is making with the Soviet Union. "Dr. Kissinger even warned that since the Soviet economic system is in a state of collapse, enterprises should refrain from investing in the Soviet Union. . . . Defense Secretary Richard Cheney affirms Gorbachov's downfall," the interviewer chided, revealing the Anglo-American bias of his outlook.

"Views expressed by certain individuals are not always right," Noh's economic adviser shot back. "When the price of oil showed a big drop in 1983, Dr. Kissinger made an erroneous prediction that the oil price would go up to \$35 a barrel by 1985. I think the value of investment is an issue which should be left to the judgment of investing enterprises themselves."

# Fujimori prescribes witchcraft for cholera

by Ana María Mendoza-Phau

The Peruvian government, led by President Alberto Fujimori, is promoting “solutions” straight out of the Dark Ages for the cholera epidemic now affecting over 170,000 Peruvians, and which has spread to seven Ibero-American countries. Rejecting any scientific solutions to fight the epidemic, including the necessary suspension of debt service payments in order to finance the minimal provision of clean water for the population, Fujimori has taken instead to promoting a Brazilian witch doctor who claims to be the reincarnation, among others, of St. Ignatius of Loyola, and to have supernatural powers to heal the sick.

On May 4, the Peruvian correspondent for Mexico’s daily *La Jornada* described the situation in Peru in particularly graphic terms. “Crippled, maimed, paralyzed, blind, deaf, dumb, autistic, old and oppressed by the years, cancerous, and carriers of all kinds of illnesses, many of them written off by medicine, have taken to the streets, and turned Lima into a ‘Court of Miracles,’ ” he wrote. *EIR*’s Lima bureau confirms this picture, adding that tens and perhaps hundred of thousands of desperate Peruvians are taking to the streets of Lima looking for witch doctors, faith healers, and “miracle workers” to deal with cholera and other diseases now ravaging the population. This is exactly what happened in 14th-century Europe, when governing authorities also were helpless to stop the bubonic plague which eventually killed one-third the population of Europe in a three-year period.

During the first week of May, Peruvian businessman Jonel Heredia, famous for organizing “night life spectacles,” brought a Brazilian witch doctor, João Teixeira, to Lima and rented a huge sports arena in which the so-called doctor could “work miracles” before millions, including television viewers. Teixeira’s visit was accompanied by a high-profile publicity campaign in the Peruvian media, led by Peru’s Channel 5, owned by Wall Street’s favorite Peruvian banker, Manuel Ulloa.

Although the Peruvian attorney general in charge of criminal investigations prohibited Teixeira from performing surgery in the sports stadium before tens of thousands, something he purportedly does habitually in Brazil, sickening videotapes of his “miracles” were shown repeatedly on Peruvian television. In the videos, Teixeira apparently uses a handy knife or other utensil to perform open-air surgery and remove tumors and so on. No anesthesia, no sterile surround-

ings, just Teixeira and his coterie of “mediums” in various trances, convulsions, and so on, presumably communicating with the “other world.”

Lima’s Archbishop and head of the Peruvian Catholic Church, Msgr. Augusto Vargas Alzamora, expressed the Church’s displeasure at this spectacle, albeit mildly. But not so Alberto Fujimori. On April 5, he invited Teixeira to “cure him,” and reported afterward that Teixeira had induced him to “move the finger” which he had hurt on his recent trip to Japan. “I was afraid to move it.” Fujimori then went on radio on May 7 to explain that “from the psychological standpoint this fellow [Teixeira] can heal certain sicknesses. . . . I am personally going to invite him [to visit Peru]. . . . We have agreed on the possibility of his coming back to Peru in three months, for which visit I will extend an official invitation.”

This is not the first time President Fujimori has promoted insanity in the face of the health holocaust striking his country. A month after the cholera outbreak, he went on national television and consumed *ceviche*, the national dish consisting of raw fish marinated in lime juice—all health authorities have determined that the fish are contaminated with the cholera bacillus—in order to try to convince his fellow Peruvians that *ceviche* is safe. Many in Peru blame Fujimori personally for doubling the number of cholera cases in Peru during that period.

## Psychological warfare?

Contributing to the growing environment of mass psychosis in ravaged Peru, is the report that two small statues of the Virgin, one of the Virgin of Fatima and one of the Virgin of Chapi, are miraculously shedding real tears. Thousands of desperate Peruvians searching for solutions to their situation have rushed to the port city of Callao, where one of the statues is located in a private residence, lining up for hours in order to see it.

Again the Catholic Church has timidly attempted to criticize such manipulation of the population, and decided to name a team of religious and scientific experts to investigate the matter. Curiously, the team was refused entry to the house where the “weeping Virgin” is located, by the owner who turns out to be the wife of the official photographer of President Fujimori!

Some in Lima are wondering out loud if the government is involved in a psychological warfare operation to control the Peruvian population in a time of great crisis. For example, the magazine *Sí* reported in its latest issue on the existence of a secret document written by the government’s intelligence services, on the subject of how to manipulate religious beliefs and use the media in order to induce certain beliefs in the population.

Briefed on these developments, an official of the Pan-American Health Organization in Washington, D.C. noted wryly: “Well, since cholera is a disease of the Dark Ages, it seems they are trying to cure it with Dark Age solutions.”

### German politics beset by smallness

*To make things more difficult, Paris is throwing an apple of discord in the midst of its German partners.*

**T**he scene in Germany is presently characterized by what one may call 'driving at a very low gear,' a senior policy analyst told this news service when asked for a comment on the German situation in mid-May.

Indeed, there is immense activity in Germany around petty issues of domestic politics, at a moment which requires greater designs to overcome the paralysis and degeneration of the international policy scene.

Horst Teltschik, Chancellor Helmut Kohl's national security adviser until his abrupt resignation last December, is one of those senior politicians trying to publicly address the problem of pettiness. In a series of interviews in early May, Teltschik tried to get across his idea that Germany's refusal to act according to its economic and political weight ruined chances for vital initiatives in three crucial areas of international politics.

Teltschik recommended: First, new efforts have to be taken to increase the weight of Europe in international politics, and the Germans should play the pioneer role because it takes a big European nation to launch the decisive impulse. Second, Europe should intervene in the Middle East with peace proposals, and not leave the field to the two superpowers; unlike the other Europeans, Germans have no colonial past in the region, and their military wasn't actively involved in the Gulf war. Third, Germany should upgrade its efforts to organize an all-Western program of economic aid to the Soviets and Eastern Europeans. As next-door neighbors to the eastern nations, Germans

had a genuine, deep interest in the consolidation of reforms in the East.

One may add to Teltschik's advice the call for a broad German initiative for the development of the Third World, which should begin with a crash effort against the many catastrophes threatening millions of human lives. True, Germany will not find much support for such a policy among its bigger foreign policy partners. But good ideas always find good flanks.

The biggest problem, of course, is the hostility the Germans face on the Anglo-American side. Another big problem is the protracted Soviet blockade of progress in economic relations with Germany. Many eastern German firms are still waiting for contracts with Moscow of more than DM 10 billion—firms largely depending on the Soviet market.

The French have deserted various joint Franco-German initiatives of the past 12 months. Not much is left of the autumn 1990 moves for political and economic integration of Europe, the Feb. 4 call for a genuine European defense system organized around the Western European Union (WEU), or the July 1990 initiative for an all-Western concerted assistance to the economic reforms in the U.S.S.R.

Also, the Gulf war has alienated France from Germany. Apparently, the French elites find it more attractive to play a role at the side of the two other big Western nuclear powers, the United States and Great Britain, than to make steps towards expanding the cooperation with the Germans.

The deep disappointment expressed in Bonn over the French has

been fed by a pattern of discords with Paris. There is, for example, the project of joint Franco-German meetings of ambassadors in a particular region; the German foreign minister proposed a gathering of the French and German ambassadors to Eastern Europe in Prague, to send a positive signal to the East. The French foreign minister originally seemed to approve, but then declared Prague "not appropriate." The ambassadorial conference was reset for a compromise site—the eastern German city of Weimar—in mid-May.

The French refused to support the original Czech proposal, backed by the Germans, to make Prague the seat of the EBRD, the new European Bank for Reconstruction and Development. France decided to go along with the Anglo-American plan to have that bank seated in London.

The Germans also proposed in the late summer 1990 to keep the 52,000 French troops that were stationed in southwestern Germany in the country to provide a basis for future defense cooperation. The French government decided to pull all the troops out within the next two or three years. This created the paradox that while Paris was still pushing for a joint Franco-German WEU initiative, it was undermining the project by pulling troops out of Germany.

Special Bonn efforts are required to reactivate its partner in Paris and to break the overall policy containment. But watching the scene in Bonn, one may find an occasional interesting proposal, but also a lot of pragmatism and definitely no comprehensive concept. Nor are ideas coming from Paris or Moscow that the Germans could take up. That makes the LaRouche proposal for the "Paris-Berlin-Vienna Productive Triangle" the only viable incentive for new policy initiatives now on the table.

## **Nepal elections resolve nothing**

*The votes are not yet all in in this first election in 30 years, but some trends are becoming clear already.*

**T**he much-awaited first parliamentary election in Nepal since 1959 has failed to deliver a decisive mandate. The results, still creeping in, show that the violence that preceded the polls on May 12 was, an indication of the confusion dominating Nepalese society, a confusion enhanced by the new-found "democracy." Though the Nepali Congress (NC) did manage to get a thin majority, most of its top leaders were soundly defeated. Meanwhile, the defeated caretaker Prime Minister K.P. Bhattarai, of the NC, has resigned, and the monarchy seems to be perfectly positioned to decide who will run the government on the Palace's behalf in the coming days.

Though results are still coming in, it is nonetheless evident that the Nepali Congress, which had been in the forefront of the demand of democracy, is headed for victory. But the Communist Party of Nepal (United Marxist Leninist) is close on its heels. In the event a clear majority doesn't emerge smaller parties, mostly reactionaries set up by the Palace, are expected to be the brokers by enhancing confusion or pressing home the advantage that the monarchy has gained through the electorate's failure to give a majority mandate.

The electoral outcome was not surprising. Perhaps the only surprise was the strength that the Communist Party showed. Top Nepali Congress leaders, such as K.P. Chattarai, Prakash Man Singh, Marshal Julum Shakya, and the wife of NC leader Ganesh Man Singh, all lost to the UML. Indeed, the only NC leader to come out unscathed was the virulently

anti-Communist and pro-India General Secretary, G.P. Koirala. By contrast, the UML leaders have done extremely well, especially in the capital city of Kathmandu.

The May 12 elections were held under the shadow of last year's furious pro-democracy movement which brought down the partyless system and set the stage for transforming Nepal into a "constitutional monarchy." After months of bickering with the Palace, the harbingers of democracy did produce a new Constitution. King Birendra proclaimed the new Constitution "in the belief that the Constitution will help to forge the people in a bond of unity and advance the cause of multi-party democracy in constitutional monarchy."

Despite bluster from the NC, it was patently clear that it was and is the Palace that holds the strings. As one Indian analyst has pointed out, the Palace's reassertion is evident in three areas—control over the bureaucracy, intervention in writing the Constitution to ensure the King's role, and the creation of influential political instruments to its advantage. The royal hegemony is epitomized by the fact that the much-maligned Queen's men continued to carry on after last spring's "uprising" against their corruption.

The UML, which comprises both the pro-Beijing and pro-Moscow variety of Communists, has long been the Palace's cat's paw. The UML has been used, discarded, and re-used by the Palace whenever the voices for democracy reached a certain described level. The Communists in Nepal, besides being religiously anti-India,

function as a perfect foil to the NC's muddle-headed democratic proclamations.

The India-factor played a key role in the election. Indian Prime Minister Chandra Shekhar's visit three months before the election was cited by the UML as Indian interference in Nepal's affairs. Yet when West Bengal chief minister and CPI(M) leader Jyoti Basu went to Kathmandu to facilitate the unity of the Marxist-Leninist groups, to the communists everything seemed in order. Only a month before the elections, Nirmal Lama, a communist leader, told a newsmen: "Our nation is in danger because of the pro-Indian stand taken by the Nepali Congress."

The communist onslaught, backed by the Palace, also softened the Bhattarai-Ganesh Man Singh faction of the NC. With no clear majority, it is likely that the aged duo will support any Palace move to bring the two parties (NC and UML) together to share power when all the poll results are in. It is almost certain that G.P. Koirala, general secretary of the party, will strongly oppose such a move and instead will try to strike a bargain with other right-leaning parties who have some seats to offer.

When all is said and done, it is clear that the democrats, autocrats, and communists all have invisible strings attached to the Palace. It is this moral bankruptcy of Nepali politicians that is giving rise to a dangerous form of Nepali chauvinism. A banned book, *The Hidden Facts about Nepal*, by a minor politician is becoming a rallying point for some who identify themselves as the original "sons of the soil." The book charges that the Nepal monarchy, the Shah kingdom, was transplanted from India. Prithviraj Shah, the first Shah king, was a Rajput from India, it is claimed, and all the elites in present-day Nepal are linked to this transplanted monarchy.



---

# International Intelligence

---

## ***Argentine Armed Forces to be privatized?***

The May 6 edition of the Buenos Aires daily *Clarín* revealed that the World Bank is the international agency overseeing and coordinating all privatizations of Argentina's defense-related companies, at the request of the Menem government. In its latest decision, during a May 2 cabinet meeting, the government resolved to privatize the Air Force's Cordoba Aircraft Co., and the Army's Argentine Intermediate Tank factory. There are 37 companies, partly or wholly owned by the Armed Forces, that are scheduled to be privatized. In a personal letter written to Defense Minister Erman González, World Bank director Peter Bottelier said that he had accepted "the Argentine government's proposal" to have the bank monitor the entire privatization process in the area of defense.

As an adjunct to this policy, Rosendo Fraga, adviser to Finance Minister Domingo Cavallo, is recommending that the "restructuring" of the Armed Forces, as demanded by the Bush administration, be implemented as part of the World Bank-financed plan to reform and reduce the size of the state sector. Military personnel could be sent home "with indemnizations in their pockets financed by the World Bank," Fraga says, and in this way the size of the Armed Forces would also be reduced.

---

## ***Bronfman's WJC meets in Jerusalem***

The World Jewish Congress has held its four-day annual meeting in Jerusalem this week. A May 6 feature in the *Jerusalem Post* heralds the organization as a "success story," and boasts that in the view of many emergent Eastern European leaders, "The door to Washington lies through Jerusalem"—and through Bronfman.

Bronfman was the keynote speaker on May 5, and also gave the closing address on May 8. Israeli Prime Minister Yitzhak

Shamir, Jerusalem Mayor Teddy Kollek, and President Chaim Herzog were among the many Israeli influentials who spoke. Eastern and Central European representatives included Czechoslovak Prime Minister Marian Calfa, former Hungarian Prime Minister Miklos Nemeth, and a personal representative of Polish President Lech Walesa. Dutch Foreign Minister Hans van der Broek addressed the gathering, and received a special award.

Another attendee was Neal Sher, director of the U.S. Justice Department "Nazi-hunting" section, the Office of Special Investigations. The OSI was responsible for the illegal deportation to Israel of Cleveland auto worker John Demjanjuk, who has been sentenced to death.

Against the backdrop of Soviet Foreign Minister Aleksandr Bessmertnykh's May 10 visit to Israel, it is noteworthy that a large delegation of Soviet Jews came to the meeting, the first such delegation ever to attend. However, for reasons ostensibly to do with the Soviet internal crisis, the group is calling itself the WJC "Eurasian division."

---

## ***Pope to act to lift embargo against Iraq***

On May 5, a delegation of the Christian churches of Iraq led by the Patriarch of the Chaldean Church of Baghdad, Raphael Bidawid, was received by Pope John Paul II to discuss concrete international actions to help the Iraqi people. Bidawid said, "This was an historical meeting. We presented to the Pope the situation of the population and of the Christians after the tragedy of the war. We asked the help of the Vatican to solve the problems, first of all the embargo which does not permit our people to live. Medicines and food are lacking, we cannot live only off charity. The people have the right to live. The Pope who is always close to the poor and the people in need will do everything possible, also acting in the international arena to remove the embargo."

With Bidawid were Patriarch of the Assyrian Church Mar Addal II; Assyrian Arch-

bishop of Baghdad Athanase Matti Shaba Matoka; Syrian Orthodox Archbishop of Baghdad Severios Hawa; and Iraqi Orthodox Archbishop Avak Asadourian.

---

## ***Soviet-Israel ties may resume 'soon'***

The Soviets' willingness to restore diplomatic relations with Israel is conditional on a change in Israeli policy toward Middle East issues and on a positive outcome to the current policy debate in Israel, Soviet Deputy Foreign Minister Viktor Karpov told BBC May 7.

Karpov responded "yes," when BBC asked whether the Soviets would be restoring relations with Israel, and continued "maybe soon," when asked for a timetable. Asked to expand on this, he answered, "We feel Israel should be more positive as far as a Middle East conference is concerned. There are now debates in Israel on this matter. If that debate is resolved in a positive way, the time for restoration of relations will be fairly soon."

Did this mean the Soviets' intent toward Israel was "conditional" on a change in Israeli policy? asked BBC. Karpov: "We link the two, the position of Israel on Middle East issues, and the establishing of relations. Israel should be more positive. . . . Yes, yes, we are hopeful that Israel, in the long run, will be open." The Soviets judged the matter of having relations with countries on whether such relations could be "reciprocal," he noted.

---

## ***Landsbergis airs his view of West***

On May 2, one week before Landsbergis left for his U.S. tour, he went on Radio Vilnius to discuss his view of Western-Lithuanian relations. "We are struggling . . . in meetings with Western politicians, legislators, and state leaders to consolidate the necessary international solutions in multilateral forums that will discuss the Baltic problem.

## Briefly

It seems that Western countries understand that to leave Lithuania to negotiate with the U.S.S.R. would mean washing their hands of the problem for an unlimited period of time without Lithuania having a chance of reaching an agreement under any acceptable conditions. . . . The United States has changed its political dictionary regarding the Baltic states; it has changed its firm attitude. . . . It is being very clearly stressed that the Baltic states are not just U.S.S.R. republics and that the issue is completely separate and must be solved in accordance with the principles of international law."

Landsbergis called for separating the problem of the Baltic states into a separate regional problem in Europe.

### ***Ozal opponent to head Turkish court***

A prominent opponent of President Tugut Özal was elected chairman of the Turkish constitutional court in early May. Gungor Ozden is known for uncompromising criticism of Ozal's policy in the past, especially concerning the disrespect for principles of modern Turkey's founder Kemal Ataturk, such as the strict distinction between state and the Islamic religion.

The appointment of Ozden is an indicator of the unconcluded internal power struggle in Turkey, but also of eventual deals and compromises arranged behind the scene. Turkish media have begun to liken Turgut Özal and his wife Semra to Byzantine Emperor Justinian and his wife Theophano, in recent commentaries. Some critics of Özal say that it is not the Ottoman Empire he wants to restore, but rather, the Byzantine Empire.

### ***France unifies military intelligence***

France has announced plans to unite the country's military intelligence bodies into a single branch of the Armed Forces, the *New York Times* reported May 8. Defense Minis-

ter Pierre Joxe conceded on May 7 that French forces were overwhelmingly dependent on military intelligence provided by the United States during the Gulf war.

"Without allied intelligence in the war, we would have been almost blind," he said. The intelligence shakeup is the first of several expected measures aimed at reorganizing the French Armed Forces.

"The Gulf crisis exposed the inadequacy of our forces, notably the Army, in the post-Cold War era," said François Heisbourg, a French analyst who heads the London-based International Institute for Strategic Studies. "It showed that we cannot be present in strength in a major regional conflict."

### ***London blames starving Africans for starving***

African regimes bear much of the responsibility for the suffering of their people, claimed the May 8 issue of the international, London-based daily *Financial Times* in a particularly cynical feature, "Cry, the Unloved Continent."

Could the suffering have been avoided that now plagues much of Africa?

Yes, says the *Financial Times*, "particularly if the United Nations and the West had been prepared to play as assertive a role in Africa as they are now in Iraq."

The crucial questions, it asserts, involve whether or not the world should place political considerations ahead of the delivery of humanitarian assistance—judging, for example, whether aid would simply extend the life of a repugnant regime. And how far should the international community go in overriding a nation's sovereignty when its government has demonstrated it is incapable of feeding its own people?

How little the onetime allies of "Desert Storm" care about the African continent is clear from the news that, the week before, a Belgian Air Force C-130 transport plane, the only one making daily relief flights from Nairobi of lifesaving food and medicines into war-torn Somalia, was transferred to the Kurdish relief effort.

● **PAMYAT** leader Konstantin Ostashvili, who had been convicted for violation of civil rights laws and for acts of violence at the Central House of Writers, was reported by *Izvestia* on May 1 to have hanged himself in the Tver "intensified regime colony." Pamyat is a Russian chauvinist, anti-Semitic organization.

● **SCOTTISH PROTESTERS** held an alternative service April 28 in central Glasgow to protest against a Service of Thanksgiving for the war in their cathedral to which the English Queen had invited herself and her leading churchmen. The 300 leaders of various anti-war groups were addressed by Scots Labour MPs who had opposed the war, by the Episcopalian Canon Kenyon Wright, and by an Iraqi physician.

● **HELMUT KOHL** was pelted with eggs and water balloons by a mob in the eastern city of Halle, which the chancellor visited at the conclusion of a tour of the chemical region May 10. The mob was characterized by security people as belonging to the leftist Autonomous Groups. The incident indicates the security crisis in the five eastern states, which suffer from alarmingly understaffed and badly equipped police and poor intelligence on activities of radical groups.

● **YEHUDI MENUHIN** criticized Israel's occupation policy in a statement issued in London May 6. The violinist said he feels very sad, because the moral principles that kept the Jews alive as a nation for 5,000 years are being betrayed by the present policy toward Palestinian Arabs.

● **UNESCO** sponsored the third international mayoral symposium on the war against drugs last month in Paris. Mayor Jacques Chirac presided over the discussions among 50 mayors and 200 experts.

## Pressure builds on Bush over foreign policy crimes

The “triumph” of George Bush’s presidency, the Persian Gulf war, could prove to be his undoing after all. Pressure is building from at least two directions that could lead to Bush’s impeachment for crimes he and his associates committed in shaping the foreign policy that led to the atrocities still ongoing in Iraq, as well as the crimes previously committed in the invasion of Panama.

In the pages which follow we present *EIR*’s May 11 call for Congress to probe Bush and Kissinger’s roles in the so-called October Surprise scandal; the revelations of former Iranian President Abol Hassan Bani-Sadr; and an interview with attorney Francis Boyle about a tribunal to try Bush for war crimes in Iraq. All of these initiatives lead back to the so-called Iran-Contra scandal, in which the U.S. liberal establishment embodied in Trilateral Commission members Henry Kissinger, Jimmy Carter, and emphatically George Bush, flouted the U.S. Constitution and law, in order to support the Iranian terrorists and the Contra drug-runners in Central America in their murderous sprees. If the scandals produce the political demise of George Bush, that could well mean the best chance for the United States to recover the moral fitness to survive as a nation.

As we go to press, new developments in the trial of Panamanian leader Manuel Noriega are being widely rumored in the media to implicate Bush, as well as to prove that the Panama invasion in 1989, was *also* engineered to further the Iran-Contra policy.

The presidential campaign organization of Lyndon LaRouche, Democrats for Economic Recovery, has announced that it will back the *EIR* investigation call. On May 16, the *Wall Street Journal* reported that Congress will open an official investigation of the October Surprise.

### **EIR calls for probe of October Surprise**

*What follows is the appeal issued by EIR May 11:*

It is high time that the U.S. Congress conduct a full investigation of the “October Surprise” scandal which has again surfaced in recent weeks.

This investigation must not be sidetracked by secondary issues such as whether or not George Bush *personally* participated in meetings designed to delay the release of the hostages until after the November 1980 elections. The central issue is why the Carter administration hostage negotiations broke down in October 1980, and why the release of the American hostages was delayed until moments after the Reagan-Bush inauguration on Jan. 21, 1981. Bush need not have been in Paris to have been involved in the sordid affair.

While recent news coverage—such as the April 15 *New York Times* column by former National Security Council (NSC) official Gary Sick and the April 16 PBS “Frontline” program—has shed some interesting light on the events of the Fall of 1980, the most essential facts are already in the public domain, and are well known. It is not necessary to know whether George Bush was in Paris on Oct. 19, 1980, or to exhume the late William Casey’s body, to get to the bottom of the October Surprise story. The most important participant and witness, Henry A. Kissinger, is still fully available should Congress seek to subpoena him, and, indeed, he could not even claim executive privilege, because he was not a government official at the time.

The active role of Henry Kissinger in the process leading into and accompanying the hostage taking in Teheran, the arms deals with Khomeini, and the eventual hostage release, is of special importance for any competent investigation of

the October Surprise story. Kissinger's role provides a crucial window into the broader forces involved in the American policy debacle in the Middle East over the past two decades.

On May 10, 1982, Kissinger delivered an address before his British Intelligence sponsors at Chatham House (headquarters of the Royal Institute for International Affairs) in which he stated unequivocally that he had been an agent-of-influence of the British Foreign Office while serving two U.S. Presidents between 1969-77. Leading elements of the Kissinger policy of that period bear directly on the Iran hostages and other events shaping U.S. policy towards the region.

The first of these elements is what is known as the Bernard Lewis Plan. This was a British Arab Bureau-designed policy conveyed into the United States during the Kissinger tenure, reflecting British Intelligence's targeting of Iran and the Middle East more broadly for fundamentalist destabilization.

The second crucial policy of the Kissinger tenure which would have direct bearing on the Iran events of the Carter and Reagan-Bush years, centered upon the population issue. Between 1974-77, Henry Kissinger and Gen. Brent Scowcroft authored a series of National Security Council policy memos targeting a number of developing sector countries for population reduction as a matter vital to American "national security." Among the targeted countries named in the Kissinger-Scowcroft NSC documents were Mexico, India, Bangladesh, Pakistan, and Brazil. Iran was indirectly targeted as well. This population reduction policy, taken in tandem with the Bernard Lewis Plan for encouraging the spread of Islamic and other fundamentalist movements, represented an updated version of the Sykes-Picot Treaty of 1916 between Britain and France which targeted the Mideast region as a whole. The flow of arms into the Middle East beginning during the Kissinger era was an integral feature of the overall policy.

Investigators probing details of the October Surprise and related scandals vis-à-vis American policy towards the Mideast should use the Kissinger case and the broader policy design as a critical framework for evaluation. It is essential to understand the fundamentally British policy conduited into Washington via agent-of-influence Kissinger, among others.

### **The investigation per se**

With this background in mind, the essential facts and parameters by which a congressional investigation should be guided, are as follows:

- After the outbreak of the Iran-Iraq War on Sept. 22, 1980, Iran was desperate for spare parts for its U.S.-supplied military equipment. The Carter administration was equally desperate to obtain the release of the hostages in the closing weeks of the 1980 election campaign.
- At the same time, Henry Kissinger was publicly warning that any arms shipments to Iran would be paying "ransom" and George Bush cautioned against any deal involving military supplies, stating that he was opposed to arming terrorist regimes.

*On Dec. 2, 1980, under the headline "Strange Diplomacy in Iran: Henry Kissinger Is Dealing with the Ayatollah Beheshti on behalf of the U.S. Government," EIR reported:*

Former Secretary of State Henry Kissinger, who has spent the two years since the Iranian revolution denouncing Ayatollah Khomeini and presenting himself as the number one defender of the Shah's *ancien régime*, held a series of secret meetings during the week of Nov. 12 in Paris with representatives of Ayatollah Beheshti, leader of the fundamentalist clergy in Iran. . . .

From intelligence sources in Washington, *EIR* has learned that along with Kissinger a number of other individuals have recently been involved in this effort, although, the source stressed, they did not have the approval of Ronald Reagan himself. The persons involved include a pro-Kissinger group drawn from Georgetown University's Center for Strategic and International Studies (CSIS), including Michael Ledeen, David Abshire, William Hyland and others. In addition, Ledeen and former *Newsweek* chief Arnaud de Borchgrave are reported to have traveled abroad to make contacts with Khomeini's representatives.

From information pieced together from Iranian exile sources and intelligence analysts, it appears that the pattern of cooperation between the Khomeini people and circles nominally in Reagan's camp began approximately six to eight weeks ago, at the height of President Carter's efforts to secure an arms-for-hostages deal with Teheran.

Carter's failure to secure that deal, which a number of observers believe cost him the Nov. 4 election, apparently resulted from an intervention in Teheran by pro-Reagan British intelligence circles and the Kissinger faction. "Remember the walkout of a certain hardline faction of the Iranian clergy?" said one source. "That was no accident. It was orchestrated with the Fedayeen-e Islam by the Reagan people." The walkout postponed the Iranian Majlis's (parliament) acceptance of the Carter offer until it was too late to affect the outcome of the election.

- In late October, the Iranians broke off negotiations with the Carter administration over the hostages. Ayatollah Beheshti, leader of the hard-line fundamentalist faction in the Iranian Majlis (parliament), announced on Oct. 26 that parliamentary debate would be postponed, and that the hostages would not be released until after the U.S. elections.
- On Nov. 5, the day after the elections, Henry Kissinger

announced that there would be no release of the hostages until the inauguration.

- On Nov. 12, 1980, the leading Italian daily *Corriere della Sera* reported that the British secret services had conducted mediation efforts between the Fedayeen-e-Islam (the Muslim Brotherhood) and the Reagan-Bush camp. *EIR* learned that these efforts involved Kissinger and his close associates, including Michael Ledeen, David Abshire, and William Hyland.

- On Jan. 21, 1981, moments after the inauguration of Ronald Reagan and George Bush, Iran released the hostages. Military parts and supplies were already flowing into Iran from Israel, and then also directly from the United States.

These are the essential facts of the "October Surprise" story. It is undeniable, that the fundamentalist mullah faction in Teheran believed that they were better off dealing with the incoming Reagan-Bush administration, than with the Carter administration. The important questions are how and why they came to believe that. Henry Kissinger's widely publicized efforts to insert himself into the middle of the hostage negotiations provide the most obvious clues to the answer.

### **EIR's qualifications**

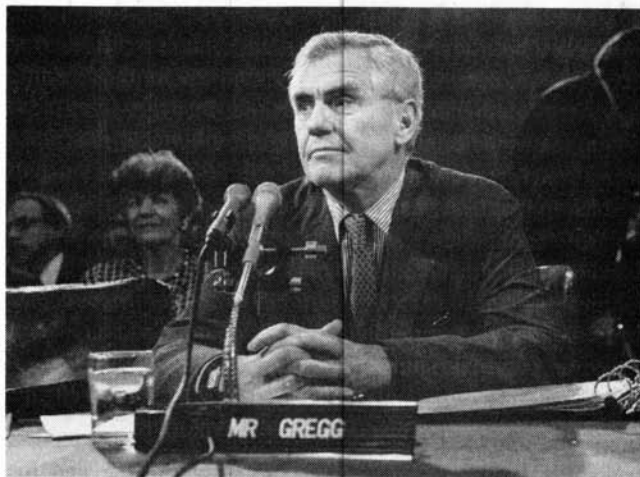
*EIR*, the weekly news magazine founded by Lyndon H. LaRouche, is uniquely qualified to identify the essential parameters and critical leads to this investigation. For over 10 years, *EIR* has investigated and exposed the relationship between British and U.S. intelligence agencies, and the Iranian fundamentalist revolution, and the hostage taking. *EIR* has "scooped" the world's press on reporting both Kissinger's role, and the role of Cyrus Hashemi, the Iranian arms dealer who is now widely reported to have played a key role in these events.

- On Christmas Eve 1979, *EIR* investigators obtained photographic evidence that an Iranian military procurement office, headed by active duty Iranian military officer Capt. Siavash Setudeh, was operating out of a U.S. Naval Intelligence building in the Washington, D.C. area. The U.S. government office housing Captain Setudeh and a staff of Iranian military personnel was adorned with a poster-size portrait of Ayatollah Khomeini. This was weeks after the U.S. hostages had been seized in Teheran.

- In July 1980, *EIR* exposed the FBI and CIA's deal with Khomeini to allow Savama hit squads to operate with impunity on American soil. Specifically, *EIR* documented the failure of federal agencies to prevent the assassination of anti-Khomeini activist Dr. Ali Tabatabai in a Washington, D.C. suburb—after the FBI had been warned in advance about a threat to the exiled leader's life.

- On Dec. 2, 1980, *EIR* reported on Kissinger's secret negotiations with Ayatollah Beheshti and key figures in the Muslim Brotherhood, and how the efforts by Kissinger and British intelligence had cost Carter the presidential election.

- During 1980, *EIR* reported on Cyrus Hashemi's financ-



*Donald Gregg at his nomination hearings as ambassador to South Korea. As national security adviser to then-Vice President George Bush, Gregg has been identified as playing a key role in the October Surprise hostage negotiations with Iran.*

ing of pro-Khomeini terrorism in the U.S. *EIR* continued to investigate and publicize this story after all other U.S. publications, including the *Washington Post*, backed down under pressure of a libel suit. *EIR* fought the libel suit, and won.

- In August 1983, *EIR*'s news service ran an exclusive, detailed account entitled "How Kissinger Delayed the Release of U.S. Hostages in Iran." This article also described how gun-runners Cyrus Hashemi and Sadegh Tabatabai had been taken over by Kissinger and Reagan administration circles. This story was based on leads concerning the October Surprise provided to *EIR* reporters by Jamshid Hashemi, Cyrus Hashemi's brother, and a principal source for the recent round of October Surprise revelations.

- Throughout the 1980s, *EIR* continued to report on the Justice Department's coverup of the Hashemi case and Iranian gun-running and terrorism. *EIR*'s investigation of the Hashemi case was the most thorough of any news agency in the world, and was picked up by many other publications and investigated.

- Using the Freedom of Information Act, *EIR* obtained the first declassified documents showing Hashemi's meetings with Carter State Department officials in January 1980, proving that the State Department had adopted Hashemi's arms-for-hostages program long before the Iran-Contra affair.

- *EIR* is the only publication to have pursued the case of the "missing" FBI wiretaps of discussions between Hashemi and former Justice Department official Stanley Pottinger. These wiretaps, in place from November 1980 to January 1981, could provide critical evidence regarding the October Surprise. Although the existence of these wiretaps has been documented in court proceedings, the FBI has reportedly "lost" them. In calling for a congressional investigation, *EIR* has offered to make its resources and evidence available to any responsible investigator.



## U.S. tie to 'Irangate mullahs' has continued for over 10 years

*Abol Hassan Bani-Sadr was elected President of Iran on Jan. 25, 1980, and was overthrown and fled into exile on June 6, 1981. His book first appeared in French in 1989, was translated into English this year. Initially the State Department attempted to deny the former President a visa to promote his book (see page 60), but gave in.*

*At a May 7 press conference in Washington, Bani-Sadr issued a scathing attack on U.S. Middle East policy, calling on the U.S. to back "changes in the political structures of the region: 1) setting up democratic governments; 2) starting a regional development plan to benefit the poor masses which invests some of the riches of the monarchs, emirs, and sheikhs; 3) ending the arms race and the policy of balancing forces which results in the spread of misery as a corollary. . . .*

*"The Gulf war is a striking example of thinking which does not understand the Middle East and the outcome of its actions. Saddam's government relied upon the West for commerce, arms, and the purchase of Iraq's oil. The West helped make him a menace. The American government, in claiming that Saddam's army was the fourth largest in the world, didn't tell the American people that it was not the fourth best! On the basis of that lie, the United States set Iraq back 50 years and massacred its people. Even the government in Iran that I despise supported the sanctions, and they would have worked. . . ."*

*Mr. Bani-Sadr was interviewed in Washington by William Jones on May 10.*

**EIR:** Could you give me a description of the general nature of the secret relations and agreements over a period of 10 years between the United States and the Iranian government, especially with regard to the attempt to delay the release of American hostages in order to secure the victory of the Reagan-Bush ticket in 1980? I would like your description of the nature of the relationship, which you have indicated still exists.

**Bani-Sadr:** The initial point in the history of these relationships before the revolution, was the meeting between Ambassador [William] Sullivan and Mr. Bazargan and Mr. Arde-

bili, one of the clerics, concerning the establishment of a stable government, a coalition between the military and the clergy. Since then, the leadership of the revolution fractured into two groups; on the one hand, the pro-democracy forces, and those who supported a religious, clerical dictatorship.

At the same time, there were two different tendencies in the American leadership. One was that represented by President Carter's administration. The other was the leadership of the Republican Party, which believed that the Carter administration was a disaster for the United States, and condemned him and criticized his policies toward Iran and the revolution in Iran. When the hostages were taken, both these factions within the leaderships of these two countries came face to face. The Republican faction in this country brought the Shah into the United States from Mexico. As a reaction to that move, hostages were taken in Iran.

In Iran, the clerical forces started to use the hostages to consolidate their power against the democratic forces, and in the United States, the faction opposed to Mr. Carter started to use the incident for practically the same purpose—to consolidate power. That is why, whenever we neared or got close to an official resolution of the hostage affair between the United States and the Iranian government, the other two groups in the United States and Iran initiated actions and reactions which sabotaged the resolution of the crisis. I have listed 55 incidents in my book *The Betrayal of Hope*, whereby something happened every time we were very close to reaching an agreement with the Carter administration on the hostage question; something would take place in the United States which would have some reactions in Iran and the whole thing would fall apart.

These concluded in what is characterized as the "October Surprise," the culmination of the relationship between these two factions, the Republican faction around the Reagan-Bush camp, and the clerical faction in Iran. The deal they made was that the Americans would support the mullahs' consolidation of power, they would sell them arms, and the mullahs, on their part, would delay the release of hostages until Reagan was elected President.

On the same day that Reagan was elected President, the



Iranian side started the process of eliminating me. On that day, there was circulated a petition in the Iranian Parliament with a certain number of signatures, requesting that Khomeini fire the President from the position of commander-in-chief.

**EIR:** Who circulated the petition?

**Bani-Sadr:** The Irangate mullahs, who were involved in those secret deals with the Reagan-Bush administration, on Nov. 4, 1980—the day of the election—circulated a petition through their people in the parliament asking Khomeini to fire the President from the position of commander-in-chief. And they sent the letter to Khomeini. And they kept attempting, over and over again, until June 1981, when they got Khomeini directly involved in this process and succeeded in a coup against my administration.

The shipment of arms started directly after Reagan became President. I know this through documents I have, with the contracts and invoices regarding shipments of arms to Iran through Israel. They started on March 9, 1981, and continued into sometime in July 1983. After the June 1981 coup against me, [Foreign Minister Sadegh] Ghotbzadeh had plotted a coup against them and discussed it with the Reagan-Bush administration. He contacted the White House through an intermediary, who was told by Mr. Ledeen that the U.S. administration was against the coup, and that they had nothing against the Iranian government. Michael Ledeen acknowledges this contact with Ghotbzadeh, saying that the intermediary was Mr. Villalongo, who contacted Mr. Ledeen. Mr. Ledeen acknowledges in his book the fact that Mr. Villalongo called him regarding the same issues, but says the Soviets must have bugged the phone, recorded the conversation, and they must have informed the regime. You know, of course, that Ghotbzadeh and a lot of others were executed. Ledeen is saying: yes, Villalongo called me [Ledeen] and informed me; yes, I told him that no, we didn't do it [inform the Iranian government]. The Russians must have recorded their conversation and they must have informed the Iranian government.

I would also like to respond to your question with regard to the fact that this relation has continued until today. The next example was from 1982-83, where there was a story about the first consul at the Soviet embassy in Iran, who defected to Iran, which was the result of the cooperation between Iran and the British and Americans regarding a guy who was a Western spy working with the Russians.

**EIR:** Where did he finally end up?

**Bani-Sadr:** He defected to Iran, and then they sent him to England, I think. This was another example of the continuous cooperation. Then, in 1984, according to clear documentation, and this has already been disclosed, at least most of it, by Mehdi Hashemi, who was executed after Irangate for disclosing Mr. McFarlane's visit to Iran. He was an associate of Ayatollah Montazeri. [Then-Speaker of the Parliament Ali

Akbar] Rafsanjani concluded in 1984 that they needed the relationship and the support of the West to consolidate their power at the polls.

Then there was the information regarding the cooperation and the meetings between the Iranians and somebody from the Reagan administration regarding ending the Iran-Iraq War. If you look at Saddam Hussein's discussions with Ambassador [April] Glaspie, it seems indirectly that promises were made to Saddam Hussein.

**EIR:** What do you know of the direct role of then-Vice President Bush, earlier CIA chief, with regard to Irangate?

**Bani-Sadr:** First of all, there are rumors, as you mention, that some of the mullahs and other elements involved in Irangate had been recruited by the CIA since Mr. Bush became director. Miss [Barbara] Honegger, in her book *October Surprise*, mentions Mr. Beheshti's relations with German Freemasonry and the P-2 organization in Italy. But I have never seen any documents. I have no supporting documents with regard to a Bush involvement in the affair.

But all these incidents which I am relating to you are connected to each other. This proves, I think scientifically, the chain of events which took place, which are totally connected to each other regarding the relationship—a relationship which has existed since then, and which is ongoing.

There are two theories put forward by those in the United States who are investigating the October Surprise. One school of thought says that Casey was the mastermind of this operation. This theory says that Bush was not directly involved, but that he was informed about it as the vice president. The other theory says that the mere fact of having Donald Gregg participate personally in the Paris meeting indicated that Mr. Bush was directly involved, or at least knew much more than the first theory indicates. I think the second theory is more accurate, closer to reality than the first theory. Especially when I see the emotional or angry reaction of Mr. Bush regarding these issues, I become more convinced that his role in the "October Surprise" must have been much more than being merely informed about it.

I'm sure you know that a couple of days ago, Bush said that he wasn't involved, and that the whole story was untrue. If you listen to his press conference when he attacks the "rumormongers," and talks about this "Sick guy," pretending that he doesn't know who [Gary] Sick is, I think that, since the name of Casey occurred as the first one, and the one most often mentioned in relation to this affair, I think that when Bush wants to say Casey, he keeps saying "sick, sick"—as if Mr. Bush doesn't know who Mr. Sick is. Bush denies that the whole thing ever occurred, while even Mr. [Richard] Allen admits that there had been meetings in Paris, meetings which he, however, claims were spontaneous in nature.

Thirdly, Richard Brenneke was acquitted, despite government efforts to prove that Mr. Casey was not present in Paris. [Brenneke was charged with perjury for his testimony



that defendant Heinrich Rupp had flown Casey et al. to Paris—ed.] But they could not prove that he was not in Paris. I'm sure you read how Mr. Gregg, in order to prove he wasn't in Paris, came up with a photograph of himself at the beach, which Brenneke's attorney proved was a falsification, because the weather conditions on that day could not have been those in the picture. In that way, Brenneke's attorneys could discredit Gregg's evidence. Al Haig has admitted that while he was Secretary of State, he prevented the shipment of arms to Iran.

We all know that the hostages were not freed until the day Mr. Reagan was sworn in as President. We also know that the contact with the Irangate mullahs who hold power in Iran has continued. I have given you an example. I could give you more examples of this. With all this known, how could the President of the country publicly deny that anything has happened? He could have said, "Yes, there was something going on, but we did not make any deal." But how could he claim that there was nothing going on and deny the whole thing?

**EIR:** You refer in your book to the assassination of Swedish Prime Minister Olof Palme, a murder which is still unresolved, where you say that people in Iran believe that he was assassinated by one of the mafias dealing in arms and drugs, because he wanted to halt Sweden's secret arms sales to Iran. During the course of the police investigation, Swedish Army General Algernon, the person in charge of Swedish arms shipments, allegedly threw himself in front of a subway train, and was killed instantly. Do you have any information with regard to the Palme murder or to the alleged suicide of Algernon?

**Bani-Sadr:** The information I have, which has not been disproved otherwise, is that General Algernon was killed because he had information concerning the shipment of arms. As you know, the Swedish authorities arrested someone for the assassination of Palme, tried to put the blame on him and said that he was insane or something. They were never able to come to any conclusion to that investigation.

**EIR:** With regard to the Iraqi invasion of Kuwait, do you believe that Saddam Hussein was set up or provoked by the Americans into launching his attack? You refer in your book to the fact that Brzezinski gave Saddam Hussein some assurances of U.S. support during the Iran-Iraq War.

**Bani-Sadr:** I received information twice in Iran that Brzezinski had meetings with Saddam Hussein and persuaded him or provoked him to invade Iran. Since the book was published, I received new information that, in fact, it was not Mr. Brzezinski, but the American ambassador to Saudi Arabia at the time, along with the Saudi Prince, who met with Saddam Hussein and persuaded him to attack Iran. The meeting took place and Saddam was persuaded to do this. Saddam Hussein was meeting both with Ambassador Glaspie and also your U.S. chargé d'affaires in Iraq. It has been

clearly stated that, "Yes, we have cooperation with the United States in the war against Iran." And your government hasn't denied it. In those discussions, Hussein is asking them, "Why are you not fulfilling the promises you have made to me?"

Based on information and proof from Iran and from reading Ambassador Glaspie's responses to Saddam Hussein, it's clear that Saddam Hussein gets the message that he can take over the two islands Warba and Bubiyan, which actually were promised to him before the invasion of Iran. When Miss Glaspie says that we didn't think he was going to invade the whole of Kuwait, it indicates they knew that he was going to take something, some part of Kuwait.

**EIR:** What do you consider the overall goal of the Bush Gulf war and U.S. policy in the area resulting from the destruction of Iraq?

**Bani-Sadr:** There are two theories about the U.S. intentions behind the Gulf war. One of the theories says that the United States was caught by surprise, didn't know what to do, and then they started acting. From the time when they started to act, they became actively involved in order to take advantage of the situation. The second theory says that, because of all the signals he was getting, and the responses of Miss Glaspie, Saddam Hussein was actually trapped into invading Kuwait.

Given the current conditions in the region, I tend to agree with the first theory, and think that it is more accurate than the other one, since I don't believe that the American government has the ability or the wisdom to be able to plan everything they have done beforehand. In fact, I think they did not plan it, but were caught by surprise, and then took advantage of the situation.

But, in effect, they have created new problems without resolving any of the old ones. They destroyed Iraq completely, but Saddam remains in power. Bush can agree with Israel, in particular, whether Saddam is to stay or go. And if Saddam doesn't leave the region, then Mr. Bush will have to leave the region.

From now on, no leaders in the region will have any respect for an American President who has continuously said that Saddam must go, deploying something like 700,000 troops from all different countries to the region in order to achieve the goal of taking out Saddam. But Saddam is still in power. Because of that, no regional leaders would be really scared of what the Americans might do to them. I know that there are some negotiations going on to persuade Saddam to go into exile, but his power structure is still in place, and you can see he has not accepted the proposal. A result of what has happened, and a reflection of it we see in Mr. Shamir's attitude to the United States, where it seems he is openly ignoring the interests of the United States in the region. As a result of the fact that Saddam is still in power, Mr. Shamir is resisting U.S. efforts to get him to make concessions to the Arab powers.

---

## Book Review

---

# Bani-Sadr looks back with insight

by Jeffrey Steinberg

---

### **My Turn To Speak: Iran, the Revolution and Secret Deals with the U.S.**

by Abol Hassan Bani-Sadr  
Brassey's (U.S.), Inc., McLean, Va., 1991  
224 pages, hardbound, \$19.95

---

Abol Hassan Bani-Sadr was the foreign minister and then the first popularly elected President of the Islamic Republic of Iran throughout the entire ordeal of the U.S. hostages in Teheran. As President of Iran, he was also the commander in chief of the Iranian Armed Forces at the time of the Iraqi invasion on Sept. 22, 1980. He was driven from office on June 10, 1981 in one of the first moves by the mullahs to tighten their total grip on power. Needless to say, his autobiographical account of those dramatic events makes a fascinating piece of historiography.

Bani-Sadr offers some startling insights into one of the most important chapters in late 20th century history. And much to George Bush's dismay, the Bani-Sadr book, a 1991 translation of the French *Le Complot des Ayatollahs* of 1989, provides evidence that there was, indeed, an October Surprise, in which representatives of the 1980 Reagan-Bush campaign negotiated a "separate peace" with the ayatollahs that prolonged the ordeal of the American hostages for months and planted the seeds for what would follow in the Irangate arms-for-hostages deals.

The Bani-Sadr documentation of the October Surprise is devastating for two reasons. First, he presents the story of the secret deal between the mullahs and the Reagan-Bush team from the vantage point of a top Iranian official seeing the deal transpire from the Iranian side. The book provides a nearly hour-by-hour chronology of the intrigues of top mullahs like Mohammad Husseini Beheshti and Ali Akbar Rafsanjani—as well as some long-forgotten figures like Ali-reza Rajai and Behzad Nabavi—and provides an in-depth explanation of what motivated them to cut their deal with the Reagan-Bush campaign.

Second, the Bani-Sadr chronology corresponds precisely

to the account of the arms-for-hostages dealings of both the Carter and Reagan-Bush camps published in *EIR* dating back to the fall of 1980. As such, it escapes the trap of the idea that the whole October Surprise scandal boils down to the almost irrelevant question of whether George Bush personally sneaked off to a secret Paris rendezvous with the ayatollahs' men in mid-October 1980.

After reading *My Turn To Speak*, no sane person can come away uncertain that there was an October Surprise and that it represented treason on the part of some of the most important players in the Reagan and Bush regimes.

### **The view from Teheran**

According to Bani-Sadr, the taking of American hostages in November 1979 and the 444-day ordeal was inextricably tied to three key events: the internal Iranian power struggle between himself and the mullahs seeking to impose a fundamentalist dictatorship upon Iran; the war with Iraq; and the 1980 U.S. presidential elections.

Well over a month before the Iraqis invaded, Bani-Sadr had received critical intelligence—including details of a July 1980 meeting in Jordan between Iraqi President Saddam Hussein and Carter National Security Adviser Zbigniew Brzezinski—at which the U.S. official urged Iraq to invade. (Curiously, this meeting would have occurred just weeks before Cyrus Hashemi sued *EIR* among other publications, for exposing his involvement in financing terrorism, in a case that ended up implicating high levels of the Carter State Department, the CIA, Justice, and other government agencies—as well as Henry Kissinger; see Edward Spannaus interview in *EIR* of May 3, 1991.)

By August, Sadegh Ghotbzadeh had obtained a document exposing "Operation Nojet," a purported royalist restoration plot formulated at a Paris hotel meeting between American officials, several Israeli generals, and Iranian exiles. The plot centered upon an Iraqi invasion of Iran and a simultaneous Kurdish uprising. For the ayatollahs—especially Beheshti and Rafsanjani—the Iraqi invasion, like the taking of American hostages, offered a chance to exploit an external threat to strengthen their internal power. So long as the hostage crisis and the war with Iraq dragged on, they could wield an authoritarian club against their domestic rivals, and build up the Revolutionary Guard as an alternative to the Iranian Army. For the mullahs, a quick and favorable resolution of the hostage crisis and the war would have meant their political defeat.

Bani-Sadr was convinced in the month leading up to the Iraqi invasion that a quick settlement of the hostage crisis was urgent. Without the unfreezing of millions of dollars in American spare parts purchased during the final days of the Shah, Iran could potentially be overrun and defeated by Iraq in short order. By mid-August 1980, two French lawyers, François Chéron and Christian Bourget, had drafted an agreement between Iran and the Carter administration that would

have freed the hostages and thawed the Iranian assets a month before the Iraqi assault. But, before the agreement could be sealed, Ayatollah Khomeini issued one of his famous decrees putting sole authority for negotiating the hostage release in the hands of the mullah-dominated Parliament. At a meeting on Aug. 20, 1980, Ayatollah Beheshti forced Bani-Sadr to sign a document swearing that he would not attack the mullahs for their handling of the hostage negotiations. Bani-Sadr was unaware that the clerics were already engaged in secret talks with the Reagan-Bush camp.

On Sept. 3, the West German ambassador to Iran delivered a letter from Jimmy Carter to Bani-Sadr proposing a hostage deal that conformed precisely to the earlier Iranian plan. One week later, Sadegh Tabatabai, Khomeini's son-in-law, was dispatched by Rafsanjani and Khomeini's son Ahmed to Bonn with a message that Khomeini was dying (a total lie), and that the hostage release deal had to be negotiated right away—with Khomeini directly. Another opportunity for the hostage resolution was wrecked by an eleventh-hour intervention from the mullahs.

On Oct. 15, Iran's Prime Minister Alireza Rajai, a member of the Beheshti-Rafsanjani-Ahmed Khomeini group, was secretly sent to New York City, where he apparently met with intermediaries to the Reagan-Bush campaign. One week later, in Teheran, he announced that Iran had no interest in obtaining U.S. weapons or spare parts. On Oct. 24, in an interview with *Le Monde's* Eric Rouleau, Rafsanjani repeated the assertion. These statements sealed the fate of the American hostages until after the election.

Meantime, the first arrangements for future delivery of American military equipment to Iran by the Reagan-Bush group were made on Oct. 22, 1980, according to Bani-Sadr. The first contracts were signed in March 1981, and the first deliveries arrived in July—shortly after Bani-Sadr's removal (which was key in the deal between the mullahs and Reagan-Bush intermediaries).

Bani-Sadr also discusses another key player on the Beheshti-Rafsanjani side, Behzad Nabavi, whom the Iranian Parliament appointed as the "official negotiator with the Carter administration" in the weeks leading up to the U.S. elections. While the first part of the deal between the ayatollahs and the GOP had been completed on Election Day (the hostages were still in Teheran), the second phase of the deal involved the resolution of the crisis—on the very day of the Reagan-Bush inauguration.

For fairly obvious reasons, the lame-duck Carter-Mondale administration was still anxious to settle the hostage affair. Warren Christopher, working through the Algerian government, entered into a whirlwind of negotiations with Nabavi—all to no avail. Finally on Dec. 17, Nabavi made the incredible demand that the U.S. give Iran \$24 billion, an arbitrary figure supposedly combining the frozen Iranian assets in the U.S. plus a grossly exaggerated estimate of the Shah's personal wealth. Carter accepted the extortion, but

ADVERTISEMENT

**Will there ever be peace in the Middle East?  
Not if the pro-Israeli lobby has its way!  
But there IS something  
you can do about it.**

You can join with us at NEW AMERICAN VIEW in fighting for peace in the Middle East—and a free Congress here at home. NEW AMERICAN VIEW is a publication that dares to expose the pro-Israeli lobby's stranglehold on our elected representatives, the Zionist expansionist policies of Israel, and the fact that America's interests are not being served by current U.S. policy in the Middle East.

But NEW AMERICAN VIEW is much more than that. It is a movement to bring back an *America-first perspective* to our government. To promote a *balanced foreign policy* on Israel and the Middle East. And most of all, to *coordinate the efforts of the folks back home* at the grass-roots level to help us accomplish these goals.

**SPECIAL OFFER!**

Until June 7, you can subscribe to NEW AMERICAN VIEW for a full year and also get—*absolutely free*: a 1991 customized binder in which to file your issues for future reference; all 1991 back issues up to the date you subscribe; *and* a copy of our popular "GREAT" guide, "Grass Roots Exhortations and Tips: A Lobbying Handbook for Concerned Americans." *All free with your subscription.*

Published twice monthly, NEW AMERICAN VIEW provides you with news, informed commentary and penetrating analysis. It is edited by Victor Marchetti, former high-ranking CIA officer and author of the best-seller *The CIA and the Cult of Intelligence*.

Subscribe today. Help us promote the *new American view*.

**NEW AMERICAN VIEW**

PO Box 999, Herndon, VA 22070

Start my subscription to NEW AMERICAN VIEW and send my free binder, 1991 back issues and lobbying handbook right away!

- My check for \$100 for one year is enclosed.
- I want to sign up for two years at the discount price of \$175, check enclosed.

Charge \$\_\_\_\_\_ to my  MasterCard  Visa

Card # \_\_\_\_\_

Expiration date \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

*This special offer expires June 7, 1991.*

*Good for new subscribers only.*

**EIR5241**

the Iranian Parliament still stalled for nearly a month.

Finally, on Jan. 15, 1981, with the inauguration just six days away, Nabavi announced that Iran would drop the \$24 billion payoff demand altogether. In fact, Iran would agree to pay \$500 million in cash—the entire debt to the United States—as part of the hostage release package. Two days later, U.S. and Iranian representatives signed the deal in Algiers. On Jan. 21, 1981 the planes took off from Teheran bringing the American hostages back home.

Bani-Sadr met with the Algerian ambassador on Jan. 29, and complained bitterly about the rotten deal struck between Nabavi and the Americans, and the role of Algeria in brokering that traitorous arrangement. The ambassador replied: “On the contrary, we explained to Nabavi that this agreement was not good for Iran, but he told us he would sign it anyway. We were intermediaries in the agreement with Carter, but not the other one, the one Beheshti and Rafsanjani concluded with Reagan.”

### Insights and flaws

His account contains many other important insights into the complex events that played out in the Persian Gulf during the 1979-81 period. His account of the transformation of the Iranian Army, from an appendage of the NATO war plan for defending the Gulf oil fields against a Soviet invasion, into a functioning national military force is full of useful observations and lessons. His account of a March 1981 visit by the late Olof Palme (who warned Bani-Sadr that the mullahs had struck a deal with the GOP and that his life was in danger unless he could rapidly end the war with Iraq) provides some suggestive clues about Palme’s own murder five years later.

However, this reviewer was continuously left with the impression that Bani-Sadr never quite figured out the bigger picture. Not once in his account did Bani-Sadr demonstrate any understanding of the role of British intelligence in sponsoring the Muslim Brotherhood. For Bani-Sadr, Khomeini was as much a victim of the mullahs’ power plays as he was a witting player. And as an ideological fellow-traveler of the European Socialist International, Bani-Sadr’s view of the Reagan phenomenon inside the United States was one-dimensional. Ironically, that flaw made his account of the Iranian October Surprise all the more credible, because he did understand the motives and machinations of all the Teheran players so well. Inside the fishbowl called the Iranian Revolution, Bani-Sadr was at home.

It should also be noted that *My Turn To Speak* was not written as a detailed, annotated account of the Revolution and the hostage crisis. In September and October 1988—immediately after the cease-fire in the Iran-Iraq war—Bani-Sadr gave a series of lengthy interviews to French journalist Jean-Charles Deniau. Those interviews were the basis for the book. As such, it jumps back and forth between events, omits many important dates, and leaves the reader with more of an impressionistic picture than a clear, concise chronology. Even with these flaws, the book is important reading.

## An unusual eyewitness account of the Queen’s visit to Mount Vernon

*The brief manuscript below was mysteriously delivered to our offices over the signature of Washington Irving, the illustrious American author who, of course, departed this life many generations ago. While its authenticity may thus be doubted, it should be recalled that Mr. Irving conclusively demonstrated in many of his writings, that simply burying a man does not mean that you have heard the end of him. In tribute to that worthy principle, we hereby share with our readers this intriguing account of the visit of Her Most Britannic Majesty, Queen Elizabeth II, to Mount Vernon, on the 16th of May of this year.*

I was astounded to hear the news that the present guardians of our nation had decided to permit a reigning British monarch to tread upon the hallowed grounds of Mount Vernon, the venerable home of George Washington, the valiant leader of our Revolutionary War, who secured our freedom from the clutches of empire, and who sagely established the security of our republic as its first President. Having lain peacefully ignorant of whatever vast changes could have brought about such surprising harmony, where deadly antagonism once prevailed, I determined to move heaven and earth, if need be, to become a witness at the scene. I was especially concerned that our foremost Founding Father, being untutored in the modern way of diplomacy, might rise from his tomb hard by his former home, answering his country’s call to repel yet another British invasion.

It was with great difficulty and no less embarrassment—on account of the foolishness I felt at having to make so many inquiries during my journey—that I made my way to the old general’s home overlooking the stately Potomac. A vague sense of anxiety, even of impending peril, took hold of me as my cab driver tore along the highway like a headless horseman, charging in and out among the competitors for the road, who thundered along the broken pavement in motorized vehicles like galloping herds of undersized buffaloes. Rather admirably, I thought to myself, I fought off an inclination to sheer terror, by the happy device of picturing in my mind the pleasant landscape, the fragrant gardens, and the high-columned piazza, with its magnificent view from the rear of the house, where I had often sat enjoying the shade during my visits to the place, while preparing my *Life of Washington*.

Such powers of literary imagination, however, proved insufficient to overcome some of the unexpected obstacles which I encountered upon arrival. I immediately feared I was too late, for the grounds were sealed off like an armed camp; and the despised British flag flying over the mansion appeared as an ominous token that the conflict had already been decided. I managed nonetheless to gather my wits about me, partly reassured by the familiar yelps of the gentlemen (and, to my surprise, ladies) of the press, who were dashing about the grounds like a pack of hounds.

Yet due to my lack of such credentials, or perhaps to my antiquated fashion of dressing (for I was fully clothed), I was rudely denied admittance to the place—despite assurances on some of my inquiries that Mount Vernon was held in the public trust, and that all might freely offer their respects to the great hero of the nation. My apprehension of betrayal increased when I learned that, on all occasions, passage through the gate was controlled by a man behind what appeared to be a bank teller's window, from whence he drew in vast sums in what I understood to be the heavily depreciated currency of the day, and certainly greater than those which I had furnished myself with for my expedition.

Resorting to my store of knowledge from previous visits, however, I found a small break in an unguarded hedge and wriggled through. I soon managed to come within earshot of the Queen herself, by blending in with some of the British embassy staff, who assumed from my costume that I must be one of the manservants brought along from Buckingham Palace. Shortly, I began keeping a watchful eye out for the shade of the old general, for I knew he could not be pleased with what I heard.

### **What, no slaves?**

I had learned that the Queen and her consort, Prince Philip, were great defenders of nature, if not of the faith; and, enjoying natural beauty as much as the next man, I was anxious to discover their reactions to the glorious scenes before them. The Queen, however, in tones louder than royal discretion might suggest, was at the moment complaining to the Prince that Washington's residence had no proper toilet bowls, to add to the renowned collection amassed by her son Charles. She also lamented the absence of slaves, since she was certain that on that point she had something in common with Mr. Washington.

One of those tiresome historians among the host party, who always insist on punctilious observance of the facts, caused an unfortunate scene by informing her that Washington maintained his inherited slaves and all their offspring, simply to keep them from the cruelties of the British slave trade. To the credit of her breeding, in reply the Queen confined her tantrum merely to railing against the absence of horses in the stables, for she is a great lover of horseflesh as well.

For his part, Prince Philip got himself into a royal state

fuming about the gardens at Mount Vernon, which still show evidence of Washington's promotion of agricultural science—the very menace which led to America's success in the war against starving Mother England. The Prince, in his pique, now seemed on the lookout for any opportunity to injure the sensibilities of the few honest Americans who had managed to attend the event. His first opening came upon hearing a reference to Belvoir, formerly the adjoining estate of William Fairfax, whose family the young Washington counted among his closest friends.

"Ah, yes, Belvoirrr," the Prince interrupted, in his very best French imitation. "Our naval squadron leveled it to the ground with a *capital* bombardment in 1814," he chortled, slyly referring to that previous British invasion, during the War of 1812, when their marines went on to sack and burn the Capitol and the White House. Alas, here was the very sort of talk I feared would soon bring our country's former Commander-in-Chief bursting from his tomb! The threat loomed larger as the Prince prattled on, for he is a Navy man, I'm told, and loves to recount Britain's glorious exploits of old. "Lord Alexander Cockburn, you know—brilliantly executed campaign, right up the Potomac without a fight," he added with a slight bow, generously offering to receive any belated compliments himself.

### **Royal erudition**

The dreaded moment was certainly at hand, I thought, but the Queen unexpectedly saved the day. "Yes, it's spelled Cockburn," she said, "but you mustn't pronounce it that way. You just snip the 'cock' out of it, you see, and put in a little 'coe' instead, like 'Glencoe' in Scotland, you know, where they had one of those delightful little massacres." This bit of royal erudition gave pause to many in the company, and I prayed that it would do the same in General Washington's case.

Suddenly, to my horror, I thought I beheld his dim specter, advancing up the slope through the trees which shade his resting place. At that very moment, however, I was distracted by a commotion on the lawn, where a knot of rude patriots was being held off by some weasel-faced men with bulky coats. The uninvited guests were chanting something about the Prince, likening him to Beelzebub and Lucifer, and similar outrageous nonsense—though I must confess, many of our ancestors thought as much of George III.

Those dark memories deepened in my mind, when the Prince turned to face the upstarts, and I distinctly saw a reddish glow emanating from his dilated pupils! I wheeled toward where I thought I had seen the specter, and found him close enough to read his features, causing my heart to pound with the expectation of seeing the age-old conflict joined at any moment. One is apt to forget, however, what extraordinary foresight the old general possessed. He too had seen the satanic gleam, and, letting forth a burst of contented laughter, turned and ambled back into invisibility.

# Touchy Bush lashes out at NAFTA foes

by Suzanne Rose

As of mid-May, the congressional leadership came out in favor of granting George Bush's imperial demand for continuation of a "fast track" procedure, by which Congress relinquishes its right to amend whatever North American Free Trade Agreement (NAFTA) Bush concludes with Mexico. However, the more the issue has been aired in the "hinterlands," the more adamant has been the public disapproval and disgust. Whatever the final vote, an opposition movement is underway.

House Majority Leader Rep. Richard Gephardt (D-Mo.) backed the bill in early May, and on May 14, the proposal got the approval of the Senate Finance and House Ways and Means committees; the full floor votes are expected to take place the week of May 20. But these actions came amidst rising voices of disapproval.

In April, Rep. John LaFalce (D-N.Y.) pointed out in a *Journal of Commerce* commentary that the high rates of hepatitis-A in the Southwest were related to the lack of sewage treatment in the border zone. On May 1, EIR News Service released its special report on the dangers of NAFTA, which showed the disease vectors by which cholera will spread northward through Mexico to the United States along the "free trade" routes. The AFL-CIO released a videotape showing squalid living conditions, raw sewage, and malnourishment.

The references to disease and impoverishment in the *maquiladora* regions—George Bush's cited exemplars of development—have made the White House see red. The *Washington Post* quoted a "senior White House official" as saying, "comparing the spread of free trade to hepatitis is on the edge."

Feeling the pressure, Bush personally lashed out at opponents of his proposed NAFTA agreement at a Hampton University commencement speech May 12, by calling opponents "racist" who criticize living conditions in Mexico. (Virginia's Hampton University student body is mostly black.) As proof, Bush's aides submitted to the press copies of the AFL-CIO's ads which show photographs of horrendous living conditions in the *maquiladora* sections of Mexico.

This had the unintended effect of putting Bush's congressional pals on the spot, since the point of NAFTA is to spread the low-wage, poverty conditions throughout the continent. Gephardt, who enjoys the support of organized labor in his district in St. Louis, was forced to demand an apology for the charge of racism. Nonetheless, Gephardt and Rep. Dan Rostenkowski (D-Ill.), chairman of the House Ways and Means Committee, have stood by their eight-page resolution

endorsing the President's request for fast track treatment of the treaty.

## Opposition takes its case to the public

Sen. Paul Wellstone (D-Minn.) held a press conference in Minneapolis on May 13, with representatives of farm, labor, environmentalist, and human rights opponents to NAFTA. He showed a video of living conditions in the *maquiladoras* and said, "For me to sign an agreement which would institutionalize these conditions, does not make me prejudiced against Mexicans, it is an agreement which could hurt Mexican citizens as well as U.S. citizens."

At a Midwest governor's association meeting called in Chicago on May 8 to allow administration representatives to promote NAFTA, farm and labor leaders instead rebutted administration claims. In particular, they refuted the 82 pages of assurances that Bush released to Congress on May 1. AFL-CIO representative Ed Feigen challenged the administration's assertion that the treaty "will help us keep up with the newly reunified Germany and our other competitors." Feigen pointed out that Germany has made a real commitment to develop eastern Germany, while the U.S. has made no such commitment for Mexico. Feigen called the Bush report nothing but vague promises.

In lobbying for the agreement, the administration has hyped the supposed farm export potential (see agriculture column), a ludicrous proposition in the face of the well-documented malnourishment and growing poverty of the Mexican population. Mexico is currently servicing a \$100 billion foreign debt. Payment of the debt, under current practices, takes priority over the health and well-being of the population. The administration also claims that fears of job relocations to Mexico under a treaty are unfounded because any company wishing to move and take advantage of cheaper labor could have done so already, since restrictions have largely been removed. However, as the *EIR* study points out, a signed treaty will represent a commitment to enforcing conditions which today exist primarily along the border. Companies which have hesitated to move because they worried the Mexican government might intervene to stop the exploitation, will be assured of the backing of the U.S. government under the treaty.

A week before the expected House and Senate votes on the fast track, two bigwigs from the Trilateral Commission, Henry Kissinger and Cyrus Vance, came out demanding that there be no delay from Congress in giving Bush the right to negotiate whatever he wants. In a commentary in the May 13 *Washington Post*, they expressed the hysteria going on behind the scenes among the Rockefeller banking circles who want looting rights from free trade deals. "We strongly urge Congress to grant this authority. In our opinion, such an agreement would be the most constructive measure the United States would have undertaken in our hemisphere in this century," they wrote.

# Elephants and Donkeys

by Kathleen Klenetsky

## Out of the woodwork

George Bush's mounting political difficulties have brought to an end the image of invulnerability that had all but buried the Democratic presidential option in 1992.

Until just a few short weeks ago, conventional wisdom held that Bush's popularity rating was so high, it would be folly to mount a serious challenge to his reelection. As a result, potential Democratic challengers acted like characters from the "Night of the Living Dead," lurching around the political landscape like purposeless zombies.

Contrasted with presidential elections of the past 30 years, where by this time in the process the field was crawling with candidates, the 1992 campaign had been starkly different. Until just a few weeks ago, when former Massachusetts Sen. Paul Tsongas declared his candidacy, only one individual, political prisoner Lyndon H. LaRouche, had shown the guts and sense of moral responsibility to formally challenge George Bush.

## The 'undead'

But Bush's failing political fortunes have changed all this. The resurrection of the Iran-Contra scandal, renewed questions about Bush's role in the "October Surprise," the mess he's made of the Middle East, and the nosediving economy, have managed to bring the dead to life.

The United States is now being swamped by would-be Presidents, in various stages of "considering" or "exploring" formal candidacies.

Virginia Gov. Douglas Wilder, who set up an exploratory campaign committee late last winter, has been popping up in politically strategic locations, like Iowa, generating reams

of media coverage across the country.

Likewise, the ultra-liberal Tsongas followed up his formal declaration with a series of nationwide speaking engagements.

Rep. Richard Gephardt (D-Mo.), who until recently had been protesting that he had no interest in the 1992 campaign, has abruptly started singing a different tune.

Ditto for New York Gov. Mario Cuomo.

Jay Rockefeller, currently serving as the senator from West Virginia, is also making noises about running. Just last March, Rockefeller had publicly denied any interest in the presidential race. But on May 7, after addressing the Democratic Leadership Council's convention in Cleveland, he told reporters, "I'm looking at the situation. The door is a little more open to me."

The list of the suddenly "undead" goes on. Sen. Albert Gore (D-Tenn.), Sen. Tom Harkin (D-Iowa), Arkansas Gov. Bill Clinton, and Washington, D.C. shadow Sen. Jesse Jackson, have all begun mooting an interest in the 1992 race.

## Still Bush Democrats

Does all this activity mean that the Democrats are offering a substantive alternative to George Bush? Specifically, have they come up with an economic program that can reverse the depression?

Hardly. With the exception of LaRouche, who is perhaps best known for his proposals for a global economic and cultural renaissance based on the principles of Alexander Hamilton and Friedrich List, the rest of the Democratic "wannabes" remain "Bush Democrats" at heart.

Take Tsongas, for example. His

83-page platform, "A Call to Economic Arms: Forging a New American Mandate," combines rhetorical support for reviving U.S. basic industry, with a completely contradictory insistence on slashing global population, elevating environmentalism to quasi-religious status, and establishing an "equilibrium" economy.

Douglas Wilder is another case in point. In what some observers believe is an attempt to compensate for being black, Wilder has adopted a "more fiscally conservative than thou" stance, slashing state spending on social services in hopes of appealing to conservative white Democratic voters.

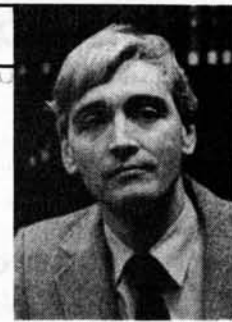
"Bush Democratism" reigned supreme at the Democratic Leadership Council convention in Cleveland earlier this month. Founded in 1985 by self-styled Democratic centrists, led by Sen. Sam Nunn (D-Ga.), Sen. Chuck Robb (D-Va.), and Richard Gephardt, the DLC embarked for the first time this year on an aggressive grass-roots operation, and has set up local organizations in a number of key presidential primary states.

Addressed by Rockefeller, Gore, Wilder, Clinton, Gephardt, and Tsongas, the DLC convention adopted a policy declaration that might as well have been penned by the Bush White House staff.

The group's "New Choices" resolution not only endorsed Bush's latest project, the North American Free Trade Agreement (NAFTA), it also called for adoption of a host of other Bush programs, ranging from strict new limits on government spending on social programs, to tenant ownership of public housing and school vouchers.

No wonder the local United Auto Workers (UAW) union picketed the meeting with signs reading, "One GOP is enough!"





# Campaign launched to try Bush for Nuremberg crimes

*Francis A. Boyle is an international law specialist and Professor of International Law at the University of Illinois College of Law at Champaign. He is also Executive Committee member and Co-founder, Ethical Studies Group, University of Illinois Program in Arms Control, Disarmament and International Security. The interview, which we present in abridged form, was conducted by Dr. Debra Freeman on April 22.*

**EIR:** Let's talk for a minute about this question of war crimes. You're a well-known international law specialist. Is it your view that there is actually a case for war crimes against Bush and his command? Can we realistically charge him with war crimes, and what would the procedure for such a thing be?

**Boyle:** Yes, there's definitely been a case, and I've been documenting war crimes by U.S. government officials from the very outbreak of the war, indeed before the war. You have probably heard that the U.S. government is keeping a running account of Saddam Hussein's war crimes. Well, my job is to keep a running account of the war crimes committed by Bush, Baker, Cheney, Quayle, and the U.S. high command. I have been doing that since before the war started, dealing with the U.S. government's planning, preparation and conspiracy to commit crimes against peace, crimes against humanity, and war crimes under the Nuremberg principles, and planning, preparing, and conspiring to commit a war is a crime in its own right.

We have been documenting these crimes literally on a daily basis, from before the war began up to and including today, and I have a running file and a count on these things.

We're going to be using them both for the purpose of war crimes proceedings and also for the purpose of impeachment proceedings. I've been serving as an adviser to Congressman Henry Gonzalez's office. As you know, Congressman Gonzalez (D-Tex.) has filed an impeachment resolution against Bush and the work I've been doing has been fed into Gonzalez's office, too. I can't predict precisely what his people are going to do with that, but they're aware of it and I take it that at the appropriate time they will use it.

As you know, in the impeachment resolution, Bush is indeed charged with Nuremberg offenses—crimes against peace, crimes against humanity and war crimes—and I gave advice on the drafting of this.

We're going to be using these charges in a variety of

contexts: impeachment, international war crimes tribunals, domestic war crimes tribunals. Ultimately I'm hoping that we will be able to assemble enough evidence in a report to trigger the special prosecutor statute here in the United States, that would require a federal court, if the Attorney General does not do it, to appoint an independent counsel to investigate the commission of Nuremberg offenses by Bush, Baker, Cheney, Quayle and the U.S. high command.

So there's a whole complex of remedies that can be pursued. Right now, it looks like a lot of pressure is being put on the U.N. secretary general to set up an international criminal court. I think that's fine. Let's set up the international criminal court and, when it is set up, we will bring our evidence to the commission of international crimes by Bush, et al. with respect to Iraq. Let's try all the war criminals. I'm totally in favor of that.

**EIR:** When we talk about war crimes, what immediately pops into people's minds is U.S. liability for civilian deaths during the course of the war; but what you're saying is that the decision to go into the war may itself have been a war crime, that Bush actually conspired to wage an illegal war.

**Boyle:** That's correct. You'll note, if you have a look at the Gonzalez impeachment resolution, that I served as adviser to drafting, that's exactly what we charged him with. On the Tuesday [Jan. 15] before the war started, Congressman Henry Gonzalez, Ramsey Clark, and I launched a national campaign to impeach these guys if they went to war. We have charged them with planning, preparing, and conspiring to commit a war of aggression, which is a Nuremberg crime against peace.

One of the basic principles of the Nuremberg Tribunal was that an individual or group of individuals who commit a crime against peace—that is, launch a war of aggression or a war in violation of international treaties and agreements—are themselves personally responsible for all further crimes committed during the course of that war, that is, war crimes, crimes against humanity.

So, Bush himself is responsible for the decision to go to war, and then he is also personally responsible for all further war crimes committed during the course of the conflict.

Nuremberg recognizes three different types of international crimes:

- Crimes against peace, which is waging war of aggres-



sion or war in violation of international treaties and agreements. Here our position is that this war was a war of aggression. It violated the United Nations Charter, it violated the terms of the Kellogg-Briand Pact of 1928. So it is a Nuremberg crime against peace.

- During the course of prosecuting this war, Bush also committed numerous war crimes under the Hague Regulations of 1907, the Hague Rules of Aerial Warfare of 1923, the Geneva Conventions of 1949 and additional Protocol One of 1977, the Declaration of London in 1909, and a whole series of other international treaties and agreements that it would take us all day here to go through.

- Crimes against humanity, the third type of Nuremberg offense, which will deal with the destruction of the Iraqi people, the attempt to destroy them as a people. That crime was later codified in the Genocide Convention and we have charged Bush with violation of the Genocide Convention. There is now a Genocide Act, which is part of United States domestic law and we'll be charging him with that as well.

So we'll encompass all these offenses within the proceedings that we are going to be initiating against Bush and the rest of them.

And again, for the people of European countries, I would recommend that you do the same for your own government officials. I can't say that I'm intimately familiar with all the policies undertaken by all the European states, but certainly the British, the French, and the Italians played a key role. Without their cooperation, none of this would be possible. It seems to me that the peoples of these three countries must hold their leaders fully accountable for what they did. Aiding and abetting, under the Nuremberg principles, was borrowed from Anglo-American common law and under aiding and abetting, if you are an aider and abetter, you are treated as a principal of the first degree, namely as if you had committed the offense.

The leaders of the various European states who went in with Bush on this are themselves responsible for these crimes, and they should be held accountable by their own people.

Now, I know there were varying degrees of support in one European state as opposed to another, and it's not for me to single out, or try it, but as I understand it, there was substantial support for the Dutch government, the Belgian government. The Germans didn't do too much, there was a big debate on that one. Certainly my reading is that the British, French and Italians were fully complicit.

**EIR:** What about the question of what has happened now since the so-called cease-fire? Using the pretext of the Kurdish refugee problem, it does appear that the Bush administration is now occupying, without the permission of the Iraqi government, the northern portion of that country. Would that qualify as a war crime?

**Boyle:** Sure. And as a matter of fact, we're going to be

dealing with this, too. The whole Kurdish question is a very complicated and difficult issue. I do not at all intend here to minimize the suffering of the Kurds. The Kurds have always been used and manipulated by the United States government in the Middle East. For example, Kissinger had played the Kurds off against both the Iraqis and Iranians, using them as tools. Bush has done the exact same thing here. Remember that Bush used to be Nixon's CIA director. Bush knows exactly what he's doing with respect to the Kurds. He purposely incited the Kurds to rise up against the Iraqi government, knowing full well that this would produce massive oppression against them, and oppression has occurred against the Kurds. We must understand and admit that.

Bush knew exactly what he was doing, he knew exactly what the response would be, he knew exactly that the Kurds would flee, and indeed all the reports seem to indicate that the various Kurdish guerrilla groups, if the Kurds were not fleeing, went into their homes and drove them into exile at the point of a gun. And we know for a fact that most of the Kurdish groups work hand-in-glove with the CIA.

So I believe that Bush *purposely* created the tragedy of the Kurdish people. You'll note that then they fled to the borders. The Turks refused to let them into Turkey. Bush did nothing at all about that. And now, under the guise of so-called humanitarian intervention, the British, the French, the U.S. government, and apparently the Italians, are now invading northern Iraq, under the guise of humanitarian protection of the Kurds. Well, they've never cared at all about the Kurds. They never have, they never will. They've always manipulated the Kurds. There is no legal authorization for the U.S. government to invade northern Iraq. It's another crime against peace in violation of the U.N. charter. Even the U.N. secretary general said there's no authority for this under any Security Council resolution. . . .

The whole purpose of this invasion, as we said right from the very outset, was to grab the Persian Gulf oil fields, and that's exactly what they're doing. Bush now controls all the oil of the Saudi peninsula, Kuwait, a good deal of Iraq, and now in northern Iraq, too.

Bush does not plan to leave. The British and French have gone along, because it's their oil that's at stake here. The French used to get all their oil from Iraq and the British North Sea oil is running out and they know it. So you have the three, and adding the Italians in there, four European colonial powers going in to grab their own oil, secure their own oil supplies for the next 100 years. . . .

**EIR:** Certainly the terms of this cease-fire agreement would not only indicate that, but would indicate that in fact the *policy* that's being imposed is a policy of retribution and what has been termed "technological apartheid." If anything, conditions for the majority of Iraqi citizens will get worse before they get better.

**Boyle:** This gets back to our charge against Bush, et al. for

---

---

***We're going to take the judgment of this international tribunal, and use it here to impeach Bush, Baker, Cheney, Quayle and the rest of them. Once they're removed from office, we plan to prosecute them for these crimes.***

---

---

crimes against humanity. What he has done to the people of Iraq, including the Kurds, is a crime against humanity. Even Jim Baker used that term when he was talking about what was going on to the Kurds. They have condemned themselves with their own words.

Bush has wantonly devastated all of Iraqi civilian population centers, and Nuremberg makes it very clear that wanton devastation of cities is a war crime. It says so, very clearly, right in there. And a crime against humanity. What he has done to all the people of Iraq, not just the Kurds. And they are dying now, every day, day in and day out, by disease, dysentery, lack of food, lack of water. Children are dying. It's a whole nation, a whole race of people, who are being exterminated one way or the other. And Bush knows full well exactly what he's doing.

This is a crime against humanity. This is genocide under the Genocide Convention, and we plan to charge him with that. Indeed, we have already charged him with that in the Gonzalez impeachment resolution.

**EIR:** Bush, of course, and the administration claim that the loss of civilian life was "collateral damage."

**Boyle:** That's ridiculous. The rules for the conduct of aerial warfare, which are binding as a matter of customary and international law on the U.S. government, can be found in the Hague Rules of Aerial Warfare of 1923. The U.S. government fully subscribed to those rules, even at the outbreak of the Second World War, and those rules were later enshrined and codified in the U.S. War Department Field Manual of 1940.

Those are the rules that we are going to be holding Bush accountable to, when it comes to aerial bombardment of cities. It's made very clear that you simply cannot be targeting cities. Also the Geneva Additional Protocol One of 1977 makes it clear that there must be discrimination and proportionality in attacks on military targets, and you cannot justify blowing up an entire city by saying, "Well, there was a tank convoy over here."

We're going to be holding Bush accountable to the standards that have been subscribed to by the United States government itself. Also the Hague Regulations of 1907 make it very clear that aerial bombardment of civilian population centers is prohibited.

Bush has violated every known principle of international law, when it comes to blowing up Iraqi cities, and we'll be

able to prove it.

**EIR:** You have actually formed a commission of inquiry for the international war crimes tribunal. Can you tell me a little bit about that and what the plans are for the months immediately ahead?

**Boyle:** An international commission of inquiry was established. This is going to be a monumental job, not only by the people of the United States, but also by the people of Europe. We need committees in every city in America and every city in Europe to establish themselves to inquire into the commission of war crimes by the U.S. government officials and also the officials of their own governments against the people and state of Iraq.

There is an enormous amount of evidence out there in the news media, alternative sources of news media. People know certain things. I read five or six newspapers a day, but I certainly don't know all the facts as to what the U.S. government and foreign governments have done that would implicate them in the commission of international crimes.

So what we would like is that in each country, possibly in each major city, is for the people there to set themselves up their own commission of inquiry, to assemble the facts and evidence, during the course roughly of the next year. They can have hearings. They can try to accumulate whatever evidence they can come up with for U.S. war crimes and crimes committed by their own leaders and put this evidence in the form of a written report, and with the report to have footnotes, where they document their case.

Then, what we would like is all these reports from all over the world of U.S. war crimes and war crimes committed by foreign government officials, these reports to come into this international tribunal, that will be held approximately a year from now, maybe around the anniversary of the start of the war. Right now we're thinking of The Hague, or at the International Court of Justice, for an international tribunal of eminent jurists to consider all these reports with all this evidence accumulated from all around the world and for hearings to be held, in accordance with recognized statutes and procedures, and the tribunal to issue a judgment, exactly along the lines of the Nuremberg Tribunal after the Second World War.

As I said, this will be an enormous task. I personally am not charged or do not have cognizance of all the evidence that is out there. There are enormous amounts of evidence

available in news media, and even in the possession of each individual. Particular individuals know various portions of the story.

So what we're asking for is each country and each city to unite, put together this commission, hold the hearings, to expose the crimes committed by their own leaders and by U.S. government officials, to their own people living in the cities and the country, put these reports together in a professional manner. We don't want propaganda and rhetoric. We want statements of facts, documentation, whatever documentation, reports, sources they have, and to put it together in a fashion that it then can be examined by this international tribunal.

**EIR:** What address should people use for the international war crimes group?

**Boyle:** There is a central coordinating office that will be pulling all this together: Just address it to Attn: International War Crimes Tribunal Commission, 36 East 12th St., New York, N.Y. 10003. The fax number is (212) 979-1583. Telephone number is (212) 777-1246. They will get out whatever needs to be gotten out at that time, and they're attempting to coordinate these efforts all over the world. Right now, as I understand it, we have about 30 different cities around the world that have agreed to participate in this effort and are now in the process of getting themselves organized.

**EIR:** Do you have anything more to add?

**Boyle:** Yes. I think people have to understand that this is a serious legal effort. This is not propaganda, this is not public relations, this is not consciousness-raising. That is not what we're doing here. I'm an international lawyer. I do some of that other stuff. But this is a legal matter, and what we intend with this is as follows.

What we want to do, as soon as we have the decision by the tribunal, we're going to take the judgment of this international tribunal, and we're going to use it in a variety of ways. First, we do intend to use it here in the Gonzalez impeachment hearings in the United States, to impeach Bush, Baker, Cheney, Quayle and the rest of them and get them removed from office. Once they're removed from office, we plan to prosecute them for these crimes.

This report will be used, we hope, to trigger the special prosecutor law here in the United States, to have an independent counsel appointed. The standard under the law is that you need credible evidence that high-level government officials have committed serious crimes. At that point, the law gets triggered, a special prosecutor should be appointed. We would hope that the tribunal, the judgment of the tribunal and these reports feeding into it would create enough credible evidence to trigger the special prosecutor statute and would allow the prosecution of U.S. government officials for war crimes and other international crimes in United States courts.

I take it there are probably similar procedures in all other

states in Europe. I'm not an expert in comparative law. I guess European lawyers would have to look into this for themselves and decide how they're going to proceed. But we would like to have a judgment that came to the same thing in other European states where governmental leaders aided and abetted or directly participated in international crimes. . . .

The other remedy as I see it is to produce a judgment with credible evidence and a report. What we will do then is take that report and circulate it to all 169 states that are parties to the Geneva Conventions and we will say that this judgment has a *prima facie* case, that the following individuals listed in this judgment have committed international crimes under the Geneva Conventions, and that in the event any of these individuals show up in your states, your state is under an obligation to apprehend them and to prosecute them for the commission of international crimes.

What we will do then, you see, is put all states on notice that the individuals who are found to be guilty in accordance with the tribunal are war criminals, and that if they show up at any time for the rest of their lives in these states, they must be prosecuted. And again, there's no statute of limitations for the commission of international crimes. . . .

**EIR:** Can we give your address and phone number, in case there are people with questions that need to speak with you about the substance?

**Boyle:** University of Illinois College of Law, 209 Law Building, 504 E. Pennsylvania Ave., Champaign, Ill. 61820; Phone: (217) 333-7954.

Anything on organizational aspects should go to New York; I'm only here to deal with legal theories. If there are people with questions about theories of accountability contact me. I don't have time to deal with a lot of organizational stuff, but if there are people wrestling with a particular question of accountability and things of that nature, contact me.

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

—Lyndon H. LaRouche, Jr.

## IN DEFENSE OF COMMON SENSE by Lyndon H. LaRouche, Jr.

Available for \$5 from:  
Ben Franklin Booksellers, 27 S. King St., Leesburg, Va.  
22075. Telephone (703) 777-3661.

Postage & Shipping: U.S. Mail: \$1.50 + \$.50 each additional book.  
UPS: \$3 + \$1 each additional book.

# National News

## Army warns of transport disaster in real crisis

The deputy commander of the U.S. Army's transportation command warned of disaster if the shortcomings in military sealift that were exposed by the supply operations for Operation Desert Storm are not corrected, *Shipyard Weekly* reported in early May.

Vice Adm. Paul D. Butcher said in an interview in the April 29 *Inside the Navy*, "If people go around saying we did great during Operation Shield, I say people did fantastic with the assets we had, but don't let that mask the problem. . . . The Ready Reserve Force was predicated on the principle that we would break out [the ships] all at one time. . . . Because we had 161 days to do it, we broke out the ships incrementally to accommodate the lack of machinists, boiler technicians, engineers, and so forth. If we had to break out all of the ships simultaneously [as is envisioned for an emergency reinforcement of NATO], we would not have been successful.

"If you have ships and no shipyards, you're going to be in bad shape. If you have shipyards and no ships, you're going to be in bad shape, and if you have people and no ships or no shipyards, you're going to be in bad shape. You've got to have all three of them."

## Bush's health becomes growing concern

George Bush's health is a growing issue as more health problems surface in the wake of the atrial fibrillation suffered on May 4.

"George Bush's irregular heartbeat is not the first cause for concern about his health," recalls the "Diary" columnist of the May 8 *London Times*. "During the 1950s, while on a business trip to London, he keeled over in his hotel room. The hotel doctor diagnosed food poisoning, but according to Bush's memoirs, *Looking Forward* (1988), he knew it was more serious. He immediately flew back to America to

consult his physician in Texas, Dr. Lillo Crain, who told him he had a bleeding ulcer, and would be dead in five years if he did not change his lifestyle." Bush recalls being told by his doctor that he was a "classic ulcer case."

The *London Times* warned May 10 that the nature of Bush's problem may presage blood clots and a stroke. Dr. Thomas Stuttaford writes that Bush's "untypically irritable remarks to aides, inadvertently broadcast, after he had answered press questions on the Iranian hostages, and his slowness and even his boundless energy may have been clues to the cause of his atrial fibrillation, thyrotoxicosis. . . . One disturbing old medical belief is that strokes are slightly more common in patients in whom the atrial fibrillation is caused by thyrotoxicosis than in those in whom it is the result of other causes. . . . The disorganized beat results in the blood swirling around the chambers so that clots form. Small clots, or fragments of a larger one, may escape into the circulation of the brain, where in a minority of cases they block an artery and cause a stroke."

Adding to these problems is Bush's "excessive exercise." Stuttaford says, "perhaps the Western world would sleep easier" if Bush "renounced competitive jogging, volleyball, PT [physical training], and weight lifting."

Germany's Deutschlandfunk radio says that Bush may be suffering from "Basadow's sickness," which involves an overactive thyroid and which makes the sufferer psychologically unstable. It notes that Bush's doctors have insisted that he reduce his physical activity.

## Inslaw judgment reversed on technicality

The U.S. Court of Appeals for the District of Columbia struck down a federal bankruptcy court's judgment of more than \$7 million in fines and costs against the Department of Justice for the theft of Inslaw, Inc.'s proprietary software. The appellate ruling was solely based on a technical finding that the bankruptcy court did not have proper jurisdiction to rule on the broader issues of the

federal government's grand larceny conspiracy against Inslaw.

Inslaw president Bill Hamilton said May 7, "Since the Bankruptcy Court's ruling on the conspiracy in January 1988, Inslaw has uncovered evidence that the conspiracy by U.S. government officials against Inslaw was much more widely ramified than Inslaw knew at the time of the trial in 1987. The new evidence indicates that the motive for the Justice Department's theft of Inslaw's software was to put Inslaw's software in the hands of private sector friends of the Reagan-Bush administration and then to award lucrative government contracts to those political supporters. Other evidence suggests that these political supporters actually sold Inslaw's software to intelligence and law enforcement agencies of foreign governments throughout the world, with the active assistance of the United States government at the highest level."

Inslaw has 45 days to decide whether to ask a full appellate court review of the panel's decision, to file an appeal with the U.S. Supreme Court, or to file a new suit in a different federal court.

## Jewish group attacks ADL gun-control stand

Aaron Zelman, a Jewish anti-gun control activist from Milwaukee, Wisconsin who founded "Jews for the Preservation of Firearms Ownership," which claims a membership of about 1,000, has denounced the Anti-Defamation League (ADL) and its collaborators as "stupid and pro-criminal."

In an ad in the *New Gun Week* magazine, Zelman charged: Rep. Charles "Schumer [D-N.Y.] and his collaborators are promoting antisemitism and tyranny. Schumer and other Jewish gun-grabbers—notably the B'nai B'rith and its Anti-Defamation League—are stupid. They cannot see that their gun control activities fuel the fires of real antisemitism, as tens of millions of American gun owners of all races and creeds increasingly find their civil right to own guns reduced by these pro-criminal Jews."

Zelman told the May 1 *Jerusalem Post*, which reported that Zelman has been at-

tacked by the ADL as "anti-Semitic," "We don't think it is in the best interest of Jews or any other minority to be in a situation where the police and the governments are the only ones who have guns."

## Wetlands 'criminal' jailed in Maryland

Maryland District Court Judge Frederic Smalkin sentenced William Ellen of Mathews, Maryland to six months in prison, four months in a halfway house, a year probation, and 60 hours of community service for filling in a wetland on the Eastern Shore, according to AP April 17.

Ellen was convicted in January of five counts of knowingly violating the Clean Water Act by filling in federally protected wetlands on the Tudor Farm Hunting Preserve where he was a project manager. "Today's sentencing of William Ellen should send a clear message that environmental criminals will go to jail," said Breckenridge Willcox, U. S. Attorney for Maryland.

## Episcopal bishop seeks U.S. aid cut to Israel

Bishop C. Charles Vaché, the head of the Southern Virginia Episcopal Diocese, is calling on his 34,000 members to lobby for the U.S. to cut off aid to Israel, the May 9 *Richmond Times Dispatch* reported. "The treatment of Palestinians under the Israeli government approaches that of the Jews under Nazi Germany," he charged.

Bishop Vaché said he is speaking out because the churches have been "sinfully silent." He charged "that the Israeli treatment of Palestinians approaches genocide of the type which the Jews experienced in the late '30s and early '40s in Germany. Many of the same tactics are now being used against Palestinians."

The Bishop said the U.S. should "limit its aid to Israel until full civil and human

rights are granted to the one and a half million Palestinians residing in Israel, the West Bank, Gaza, and the Golan Heights." He pointed out that in 1967, there were 27,000 Palestinian Christians in Jerusalem; "now there are only 7,000. . . . Israel should be forced to abide by United Nations resolution that calls on Israel to withdraw from the Occupied Territories."

Among the atrocities, he said, were discrimination through issuance of different colored license plates, being subjected to arrest and detainment for months without being charged or having access to a lawyer, confiscation of property, bulldozing of homes because occupants threw rocks at Israeli forces, and curfews that keep Palestinians from going to work, shopping for food, or getting emergency medical aid.

## Euthanasia bill nears passage in Missouri

"Right-to-die" legislation is nearing passage after negotiators struck a compromise with Gov. John Ashcroft, the May 11 *St. Louis Post-Dispatch* reported. Missouri had previously resisted such Nazi-modeled euthanasia measures.

Ashcroft agreed to sign the bill if it included three changes requested by the Missouri Catholic Conference. One change requires that incapacitated people be given one more chance to reconsider whether they want food and water withdrawn. The bill would let people designate someone to make their health-care decisions for them should they become incapacitated. Tubes supplying food and water could be withdrawn only if the person specifically gave the proxy that authority in writing.

Under the agreement, before food and water is withdrawn, the proxy or the person's doctor would attempt to explain that food and water is about to be withdrawn, and determine whether the patient agrees to the decision, or insert in the patient's file a certification that the patient is "comatose or consistently in a condition which makes it possible for the patient to understand" the intention to withdraw food and water.

## Briefly

● **GEORGE BUSH** told Baltic leaders May 8 at a meeting at the White House that they should cut a deal with the Kremlin. "I don't want to see any breach in a [U.S.-Soviet] relationship that is very strong, that's served us extraordinarily well in recent times during the [Gulf] war," Bush told Lithuanian President Landsbergis, Latvian Premier Ivars Godmanis, and Estonian Premier Edgar Safisaar.

● **HERBERT STEIN**, a former economic adviser to President Nixon, said he has heard enough about the success of military missions against Iraq: "I wish we'd receive daily reports now about the number of kids in our schools that have learned to write the word c-a-t."

● **HAMPTON** University students sat on their hands to protest George Bush as their graduation commencement speaker on May 12.

● **J. TONY BOWMAN**, a former Navajo Indian Tribal Judge, has endorsed the call by Helga Zepp-LaRouche for a new political prisoners organization inside the U.S. "Once a political prisoner myself and still under harassment by U.S. and Navajo Court officials, I join in her effort to bring an end to the abuse of the courts by the Anglo-American establishment to silence their political opposition," he said. Bowman also called for the freedom of Lyndon LaRouche.

● **RAMSEY CLARK** renewed his call for a war crimes tribunal against U.S. military commanders who ordered the air attacks on civilian infrastructure and killed at least 25,000 civilians in the war, the May 11 *Süd-deutsche Zeitung* reported.

● **THE BUSH** administration will not request funds for the Afghan rebels in its 1992 budget, senior U.S. officials reportedly told the May 11 *New York Times*. Three of the seven groups in the U.S.-supported Afghan resistance coalition opposed Bush's war in the Gulf.

# Editorial

## Save the children

At a press conference on May 15 in Bonn, Germany, an announcement was made of the formation of a new committee whose name speaks its purpose: Committee to Save the Children in Iraq. Already its membership includes a broad non-partisan coalition of doctors, activists in the field of human rights, religious leaders, farmers, and trade unionists. We believe that this is an effort in which our readers will wish to be personally involved, and we will be happy to forward communications to committee representatives.

If the 5 million Iraqi children now threatened with death because of the continuation of sanctions against Iraq—coupled to the brutal destruction of the infrastructure and economic base of that country—are to be saved, then this effort must receive the support of all good people, everywhere. Its reach should be expanded into North and South America as rapidly as possible, as part of the fight to mobilize forces for a new, just economic order.

Among those participating in the committee are Patriarch Raphael Bidawid, of the Chaldean Church in Iraq; Dr. Reza Sabri-Tabrizi, from Edinburgh, Scotland; Prof. Hans Koechler, of the International Progress Organization (IPO) of Vienna; and Helga Zepp-LaRouche of the Schiller Institute. Support has also been received from Herr Wuermeling, General Secretary of the Union der Nationen Europäischer Christen, Paris, and Adelgunde Mertensacker.

On May 10, the IPO issued a press release by Professor Koechler, making public its endorsement and stating its aims. We quote from a section of it here: "As a consultative organization of the Economic and Social Council of the United Nations, the IPO strongly condemns the illegal and inhumane continuation of the economic boycott against Iraq by the sanctions committee of the United Nations. After Iraq's retreat from Kuwait, there is no justification whatsoever to continue this brutal measure which is directed against the whole Iraqi people.

"Special responsibility lies with the United States who—through their savage bombing in violation of international humanitarian law—have completely de-

stroyed the infrastructure of Iraq. With their policy of genocide against the Iraqi people, they have committed grave war crimes against peace. The U.S. and its allies are liable to pay compensation to Iraq for the damage they have caused in transgression of the U.N. mandate and in violation of the U.N. Charter."

The committee proposes a threefold plan of action, dealing first with meeting the immediate requirements, in terms of food and medicine, of keeping people alive; second, with providing the kinds of equipment, such as electrical generators, which will permit hospitals to begin functioning and to provide the services necessary to sustain human life; and third, the reconstruction of Iraq's economic infrastructure.

A battle is presently shaping up, not only around the future of Iraq, but around the future of the majority of the world's children. Shamelessly, the malthusians, led by Queen Elizabeth and King George Bush, are now saying that the only aid which should be given to countries such as Bangladesh, is to send more condoms and other population control measures. Their aim is to see people—those now alive and those yet unborn—dead, not to cherish the lives of humanity's greatest resource, its children.

It is well to recall the statement by Helga Zepp-LaRouche published in the May 17 *EIR*, in regard to the implementation of the encyclical *Centesimus Annus*. As she says there, "We are living at this moment through a catastrophe in the developing sector so dreadful that it staggers our power of comprehension. . . . The boundless suffering which now is afflicting hundreds of millions of individuals is not the result of unavoidable natural catastrophes, but the consequence of the policies of the International Monetary Fund. . . . For the past two decades, the American economic thinker Lyndon LaRouche has elaborated comprehensive development programs which make it possible to begin putting a just, new world economic order into practice."

Either the world follows the moral directive of the Pope, and implements LaRouche's economic programs, or humanity is facing disaster on a scale beyond anything we have yet seen in the history of mankind.

# EIR Audio Report

## Your weekly antidote for New World Order 'news'

Exclusive news reports and interviews

Audio statements by Lyndon LaRouche

- Updates On:**
- The Real Economy
  - Science and Technology
  - The Fight for Constitutional Law
  - The Right to Life
  - Food and Agriculture
  - The Arts
  - The Living History of the American Republic
  - Essential Reports from around the Globe

### \$500 for 50 Issues

An hour-long audio cassette sent by first-class mail each week. Includes cover letter with contents.

Make checks payable to:

### EIR News Service

P.O. Box 17390, Washington, D.C. 20041-0390

Phone: (703) 777-9451

Fax: (703) 771-9492

## Who Killed Olof Palme?

A Classical KGB

Disinformation Campaign:

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

Swedish Police Chief Hans Holmér suppresses major lines of inquiry, becomes a laughingstock. . . .

Twelve Stockholm investigators resign from the case, in protest against Holmér's cover-up. . . .

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

## What's the real story?

Read *EIR's* Special Report,  
available for \$100 from EIR News Service,

P.O. Box 17390, Washington, D.C. 20041-0390.

# Executive Intelligence Review

**U.S., Canada and Mexico only**

1 year ..... \$396  
6 months ..... \$225  
3 months ..... \$125

### Foreign Rates

Central America, West Indies, Venezuela  
and Colombia: 1 yr. \$450, 6 mo. \$245,  
3 mo. \$135

South America: 1 yr. \$470, 6 mo. \$255,  
3 mo. \$140.

Europe, Middle East, Africa: 1 yr. DM 1400,  
6 mo. DM 750, 3 mo. DM 420. Payable in  
deutschemarks or other European currencies.

**All other countries:** 1 yr. \$490, 6 mo.  
\$265, 3 mo. \$145

I would like to subscribe to  
*Executive Intelligence Review* for

1 year  6 months  3 months

I enclose \$\_\_\_\_\_ check or money order

Please charge my  MasterCard  Visa

Card No. \_\_\_\_\_ Exp. date \_\_\_\_\_

Signature \_\_\_\_\_

Name \_\_\_\_\_

Company \_\_\_\_\_

Phone ( ) \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_ Zip \_\_\_\_\_

Make checks payable to EIR News Service Inc.,  
P.O. Box 17390, Washington, D.C. 20041-  
0390. In Europe: *EIR* Nachrichtenagentur  
GmbH, Postfach 2308, Dotzheimerstrasse 166,  
62 Wiesbaden, Federal Republic of Germany,  
telephone (06121) 8840.

