

# EIR

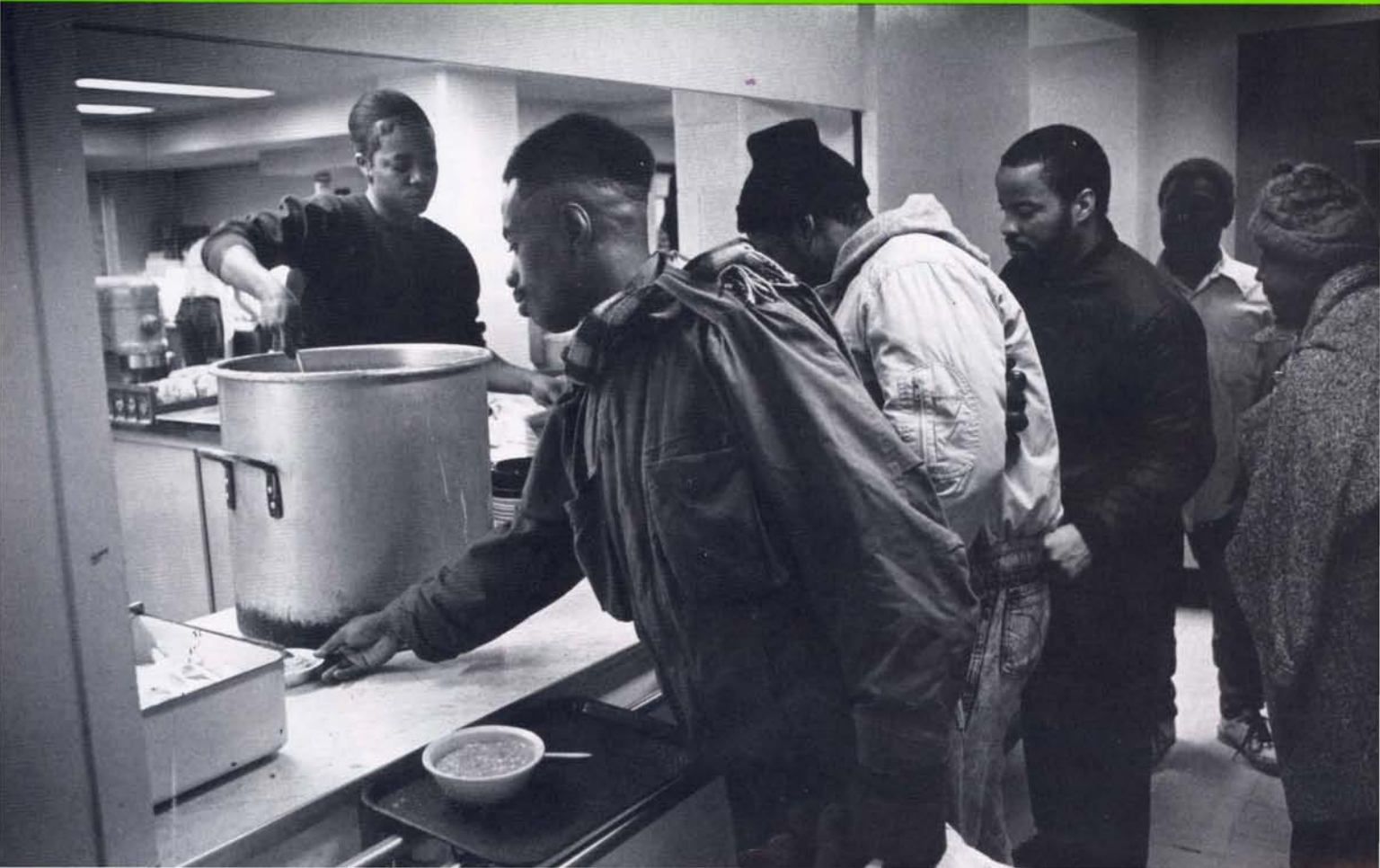
Executive Intelligence Review

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Democrats nominate New Age ticket  
Japan to fund major cold fusion research  
Amelia Boynton Robinson in Croatia

**The scandal no one admits:  
There's no U.S. food surplus**



# DERAIL NAFTA

## fast track to rule by the big banks

EIR Special Report, May 1991

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### **Auschwitz below the border: Free trade and George 'Hitler' Bush's program for Mexican genocide**

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A critical issue facing the nation in this presidential election year is NAFTA, the North American Free Trade Agreement. Bush and Clinton both back it. This proposed treaty with Mexico will mean slave labor, the rampant spread of cholera, and throwing hundreds of thousands of workers onto the unemployment lines—on *both* sides of the border—all for the purpose of bailing out the Wall Street and City of London banks.

In this 75-page Special Report, *EIR's* investigators tell the truth about what the banker-run politicians and media have tried to sell as a once-in-a-lifetime opportunity to get economic growth started across the Americas. The Wall Street crowd—led by none other than Henry Kissinger—are going berserk to ram this policy through Congress. Kissinger threatened in April: "It should be signed by all parties, and should be defended on all sides as a political vision, and not merely as a trade agreement." Kissinger's pal David Rockefeller added: "Without the fast track, the course of history will be stopped."

With this report, *EIR's* editors aim to stop Rockefeller and his course of history—straight toward a banking dictatorship.

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## From the Editor

Somewhere between the Disneyland politics of the Democratic and Republic Party conventions it seemed to us that our readers would like to digest a good dose of reality. The obvious place to start is the question of food—not Belgian endive or blueberries, but the U.S. grain crop, on which so much of the world now depends.

There can be no more damning indictment of the treachery of both major parties, than the revelation that the grain harvest won't be adequate to supply U.S. relief needs—let alone to vastly increase aid to drought-stricken Africa. Both the Republican-run Executive branch and the Democratic-run Congress are committed to free-trade looting of agriculture and the rest of the economy as well.

As the *Feature* reports, the grain cartels, with the complicity of the media and the major political parties, have run a slick game. First they thwarted efforts at food self-sufficiency by numerous underdeveloped countries, promising it would be "cheaper" to buy on the world market from the United States and allied producers. Then, deploying the same "free trade" logic, they have looted family farmers in the United States into bankruptcy.

In *Economics*, we continue to harvest the results of a recent research trip to Asia by Chris White, who directs the *EIR* economics staff, and Carol White, who edits the *Science & Technology* reports. They jointly report on the extraordinary news, blacked out so far in the U.S. major press, that Japan's MITI, the powerful trade and industry ministry in the Cabinet, has announced a proposal to fund a major cold fusion research program. In the lead article, Chris White analyzes efforts inside Japan—in MITI, again—to discuss the need for an alternative policy to be adopted for Russia's industrial development, against the International Monetary Fund's lunatic "free market" recipes.

In *Reviews*, historian H. Graham Lowry, author of *How the Nation Was Won*, looks back on the era just before the War of the Rebellion, for the antecedents to today's treasonous revival of the Confederacy in national politics and the judicial system.

*Nora Hamerman*

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**Correction:** The maps of the proposed Eurasian rail network on the cover and on pages 24-25 of our last issue (No. 28)—while primarily designed to show the overall *scope* of the project—erred in omitting some national boundaries, and also, they contained some misplaced labels. As soon as official maps become available of the former Soviet Union, showing the borders of many of the new republics, particularly in Central Asia, we will print a more accurate version of the plan. Thank you for your patience!

## Industrial policy for Russia, questions for the West

by Chris White

Two studies, prepared recently by the Research Institute attached to Japan's Ministry of International Trade and Industry (MITI), highlight the deepening policy collapse within the leadership of western nations.

The studies are entitled "Japan's Postwar Experience: Its Meaning and Implication for the Economic Transformation of the Former Soviet Republics" (March 1992) and "Russia's Economic Reform and Japan's Industrial Policy" (June 1-2, 1992). Both attempt to answer the question whether the economic policies adopted for Japan's reconstruction after the shattering defeat of World War II could be applied or adapted to the republics of the former Soviet Union today.

Representing the views of the individuals who prepared the papers, and not necessarily of MITI, the studies provide a sharp contrast to the idiocy put on display at the Munich meeting of the Group of Seven nations July 6-8. Their content will, no doubt, provide much food for thought for those who insist that all Japanese policy discussion is controlled top-down by a combination of senior government officials acting together with their counterparts in the private sector. In this view, it is not possible for individual Japanese, whether in the government or anywhere else, to have individual views about anything.

To compare the approach discussed in the papers with what transpired at the Munich summit, whether in regard to the economic collapse of the western nations, or the International Monetary Fund (IMF)-dictated Russian "reform" program, is to put a focus on what is actually at issue. The so-called policymaking structures of the western nations have broken down beyond repair. But the criminal insanity of western policy towards the republics of the former Soviet Union, reflects the same commitments which have been applied toward the western nations themselves, as well as to developing sector nations. The Japanese discussion of the necessity for

alternative policies to be adopted in the case of Russia therefore raises, by implication, the question of the changes which ought necessarily to be adopted in the West, too.

### IMF reforms are 'without substance'

Understated, even bureaucratic, though the arguments of the Japanese researchers might be, their thrust is clear: "The so-called 'IMF Memorandum' cited, as measures that the government has to take by year-end, further price liberalization, continued tight monetary policy, reduction in fiscal expenditures, and external economic policies aimed at establishing a single foreign exchange rate. . . . It is doubtful that such macro-economic policies alone are enough to revitalize production. . . . The program showed the government's intention to carry out industrial restructuring. . . . However, such reforms are without substance. . . . What is needed to be done at this moment is for the government to take emergency measures to halt the output decline. . . . For production to pick up in the short term, the government needs to study the problems of the economy more thoroughly and needs to take necessary strategic policies, or what we call here industrial policy-oriented approaches, for removing bottlenecks for output and thus beefing up production ability."

The paper continues: "Market mechanisms cannot be almighty. Furthermore, in Russia, the market mechanism barely works. It is paralyzed by a number of systemic, structural, and personnel problems, including the lack of a private ownership system, the monopolistic nature of the market, and the absence of such concepts as individual freedom and self-responsibility. It is important to trust the functions market forces can play, but under a condition such as that facing Russia, proper functions cannot be expected and government intervention is inevitable."

In background elaboration of the report's contention,

MITI officials insist that the “shock therapy” approach thus criticized leads, through increasing unemployment and bankruptcy, to social chaos, breakdown, and war. This relationship was among the subjects for discussion at an early June seminar in Tokyo which brought together Japanese, Russians, and Europeans working on such matters.

### **The Japanese experience**

The MITI researchers identified three areas in which comparison with Japan’s postwar experience is relevant: the threat of hyperinflation, the deepening collapse of production, and the monopoly organization of production in the Russian Federation. On the first two, the conclusion was drawn that Japan’s postwar experience is something from which Russians could benefit. On the third, it was pointed out that while some aspects of the way in which the family cartel (or *zaibatsu*) system and military production conglomerates were dismantled after the war, are relevant, the 75-year history of the Bolshevik system introduces special considerations. However, the researchers insist that an approach based on defending and improving economic production functions, rather than extending the sway of financial or ideological preconceptions, could be successfully implemented.

Their insistence on “what we call here industrial policy” goes to the heart of what has broken down within the West, as well as what is destroying the republics of the former Soviet Union.

Leaving aside matters on which the U.S. military occupation authorities in Japan were in agreement with Mao Zedong’s Chinese communists, like the banning of Confucianism from the education system, and idiocies like the “Dodge Line” anti-inflation policy, which GHQ imposed, the United States, under conditions of Cold War and the Korean War, supported the approach recommended. It worked, not only in the short term, but to lay the foundations for what the Japanese economy subsequently became. It can be argued that, as with Marshall Plan in Germany, it was internal efforts, not U.S. aid, which made the decisive difference. The point is that 45 years ago, what the Japanese researchers now recommend for Russia, was common currency, so to speak, within the political culture of the West. It no longer is.

### **The ‘Priority Production System’**

Now the MITI researchers recommend the adaptation for Russian conditions of what was called, after World War II, the “Priority Production System.” In their case, the emphasis was put on the coal and steel industries. Resources were made available to the steel industry to produce the goods which could permit the coal production to be expanded, to permit steel output to be increased to rebuild capital goods capabilities.

In the Russian case, the MITI writers consider that the oil industry would provide the best focus, though agriculture might possibly be considered too, for reasons of “social stability and national security.” They leave agriculture aside,

because their concern is how to revitalize industry.

Oil comes to the top of their list, because of the potential for export earnings which could permit the re-equipping of that industry, and the infrastructure which supports it, with the required modern technology available only from the outside. They recommend an internal price reform, since collapse has reduced internal industry prices below the point at which oil, among other commodities, can be sold without destroying the industry, and the adoption of an export price. This is not the same as the IMF’s insistence that prices find “market levels.” The idea is to maintain a domestic supply of oil, while going for export earnings. The earnings could be funneled into a bank created for the purpose, to permit reinvestment in capital goods and infrastructure. Vital also would be measures taken to ensure that workers and engineers, in the identified industries, stay with their jobs—measures such as wage stabilization and housing.

The researchers recommend that such a prioritization system be extended to cover the rehabilitation and upgrading of basic economic infrastructure, electric power supply, railroad transportation, and the chemical fertilizer and shipping industries.

“Our official policy,” MITI officials say, “is, nothing can be discussed until the matter of the Northern Territories [the Kurile Islands, occupied by the Soviets after World War II] is resolved. But, in the meanwhile, we’ve got to do something.” Apart from the cited early June Tokyo seminar, the perspective has also been discussed with officials of various Russian ministries in Moscow, and was the subject of a seminar held in Vienna, Austria.

Behind these discussion papers is something else. “It’s fine that you won the Cold War,” one is told, “but it is ridiculous to now think that trade and economic questions have become a threat to be treated as equivalent to nuclear annihilation and nuclear missiles.”

It is not so mysterious. The IMF approach is no more intended to produce “market reform” in Russia than it has been anywhere else. It is a policy designed to achieve what could not be achieved during the Cold War because of the ever-present threat of mutual thermonuclear annihilation: the destruction of the national existence of the republics of the former Soviet Union.

That won’t work. But what it will do is already shown in the territories of the former Yugoslavia, and in the Transcaucasus. It will come back to haunt those who fanned the flames.

That is what the issue is in Russia. And since it is the ruling combination of the West which is pushing the policy on Russia, to change course also requires a change of course in the West. It requires dumping those who are reducing the whole world to genocidal chaos. That such reflections would now begin to come to the surface from Japan, puts the activities of America’s “Japan-bashers” in a different kind of perspective, doesn’t it? What they are attacking happens to be what they choose to reject from America’s own not-so-distant past.

# Japan announces major funding for cold fusion research program

by Carol White and Christopher White

On July 10, the Japanese Ministry of International Trade and Industry (MITI) announced a proposal for a national commitment to launch a full-scale program to develop “cold fusion”—a new form of nuclear fusion energy—over the next five years. This is in stark contrast to the situation in the United States, which virtually witchhunted cold fusion’s discoverers Stanley Pons and Martin Fleischmann out of the country, and treated other cold fusion researchers in similar fashion.

The money figure quoted was tens of millions of dollars over the five-year period, but it is rumored that the actual figure will be closer to \$100 million—half to be contributed by industry and half by government. According to the MITI announcement, the first phase of the program is to be devoted to finding stable experimental methods to create excess heat, and to achieving precise measurements and diagnostics. They will also be trying to answer the question of precisely what the mechanism is by which cold “fusion” occurs.

In their front-page coverage on July 11, Japan’s leading daily newspaper *Yomiuri* accurately described cold fusion in a way which rarely finds its way into the U.S. press (with the exception of this magazine and a few other journals). *Yomiuri* called cold fusion the “ideal form of energy for the 21st century.” Coverage also appeared in that newspaper on July 10, and on NHK television on its July 12 news broadcast. *Nikkei Shimbun* likewise covered the story on July 11. But so far it has not been picked up by the major U.S. press.

The impressive results by cold fusion researcher Akito Takahashi, (reported in detail in *EIR* on March 20) are cited as a basis for this dramatic commitment. As he told *Yomiuri*, “The cause of the effect is still unknown, but there is no doubt that the effect is occurring. The problem is how to sustain the reaction. The amount of heat our experiment yielded makes it certain that this can only be some sort of nuclear reaction. It is not such a miracle that deuterons [heavy hydrogen nuclei] closely packed in the palladium lattice should undergo some sort of nuclear reaction. I am very pleased to see a national effort to crack this problem. I rate the new program very highly. It is solid recognition of this as a potentially unlimited energy source.”

## The truth about ‘Japan, Inc.’

Not only were Fleischmann and Pons hounded out of the United States, but hegemonic scientific institutions here are on record calling experiments in cold fusion “pathological science” and similar epithets. While some U.S. scientists have pursued this research despite the pressure brought to bear against them, they have been badly underfunded, and—equally serious—they have been ridiculed by many of their colleagues. The situation is no better in Germany, where researchers who receive government money are explicitly forbidden to use it to explore the phenomenon of cold fusion.

One major U.S. cold fusion research group is located at Stanford Research Institute (SRI), which is funded by the Electric Power Research Institute (EPRI); but even they have had to adopt an extremely defensive public posture about what they have been doing. SRI has even had to suspend research in its own laboratory, due to underfunding. But now the Japanese program will far outscale the \$12 million, spread over four years, which has been granted to SRI by EPRI.

Unless this situation changes rapidly in the United States, we are likely to see another case in which the Japanese development capabilities which the United States has willfully given up, only to complain later about “unfair Japanese competition.”

According to the MITI release, as reported in *Yomiuri*, the program will be run under the auspices of an agency affiliated with MITI, the Natural Resource and Energy Agency, which is described as a hydrogen energy study group. It will include pure science researchers as well as staff provided by the power companies and large electric machinery producers. They will be looking at applications relating to electric batteries, and perhaps desalination, but they question whether the new technology will be applicable to large-scale power generation.

The research proposal highlights anew what the function of Japan’s Ministry of International Trade and Industry actually is, as opposed to what the “Japan bashers” claim it to be. MITI is viewed here as the principal coordinating agency for something called “Japan, Inc.,” whence orders are issued



which result in resource deployment decisions by large corporations such as the auto and electrical appliance companies.

More than 99% of Japan's businesses are small to medium-sized. These companies account for about 54% of Japan's output. Under legislation adopted in the 1950s and 1960s, MITI has the special economic function of safeguarding the in-depth, innovative characteristics which are uniquely associated with small and medium-sized business. This is the same kind of idea which is found in Germany's conception of the *Mittelstand*. MITI performs functions which small companies are unable to perform for themselves. This includes, for example, providing credit to ensure that technological innovations are not stillborn because of hidebound financier insistence on only investing in "proven technologies," providing scientific, technical, and engineering expertise to permit small companies to bring innovative development potentials to fruition, and providing management support and backup to help such companies function.

More than 60% of MITI's official budget is allocated for the promotion of research into alternate sources of energy. Such research has been focused over the last 15 years through Project Sunlight and Project Moonlight—efforts to create a viable technological and industrial alternative to fossil fuel-based thermal technologies. The development of alternative power sources for transportation is high on MITI's list.

Not too well known outside Japan is the effort to develop power systems for automobiles based either on battery sources—fuel-cell type arrangements featuring metal hydride storage units—or liquid and gaseous hydrogen systems.

The small companies are often suppliers of parts and semi-finished goods for the big giants. MITI's efforts help ensure that momentum for technological advance can be maintained in the giant companies. This seems also to hold true for the question of new power sources for the auto industry.

Tokyo's electric utility, Tokyo Electric Power Company, which has its own developmental model electric car, is currently working on options for infrastructure changes to support use of electric cars. Matsushita and other appliance companies are also part of the electric car race. This fall, Daihatsu will begin test-marketing electric scooters to build up consumers' familiarity with the concept of electrically powered vehicles. Mazda corporation is working on developing the infrastructure for its hydrogen-powered vehicle concepts, using hydrogen supplies pumped via pipeline from the off-gasses of steel and chemical industries. Mazda's hydrogen-powered car will probably be an early victor when California's new auto emission laws take effect.

The depth of corporate involvement in these efforts provide some background to reports now circulating that at least 20 of Japan's corporations have signed on for the cold fusion program.

## New science in the making

Around the world, scientists have replicated the Fleischmann-Pons experiment at least to the point of getting up to 50% excess heat, at relatively low power densities. In this regard, Dr. Takahashi is unique in his reported results. In a four-month experiment, Takahashi achieved 70% excess heat and excess power densities as high as 100 watts per cubic centimeter. Pons and Fleischmann have estimated that they achieve excess heat in the range of one kilowatt per cubic centimeter. Both the Japanese program overall, and that of SRI, are unique in rigorously developing systematic protocols to place every aspect of the experiment *under the microscope*. But by the nature of the case, this has been insufficient to master the phenomenon.

Cold fusion demands a new inter-disciplinary approach to examining the axiomatic assumptions of present-day science. As its opponents are fond of pointing out, by the laws commonly accepted by physicists, cold fusion simply cannot occur; yet, as countless experiments have shown, it does. The promotional blurb on the poster for the Third International Conference on Cold Fusion, to be held in Nagoya, Japan on Oct. 21-25, states the present position accurately: "The confirmation of cold fusion has crossed the ridge. We are now in the stage of accumulating experimental results and analyzing the mechanism of these phenomena." From such a rigorous program will come the experience necessary to substantiate or reject hypotheses, from among the various theories of why cold fusion occurs, or perhaps to generate entirely new ones.

There is, of course, still no theory, or even adequate model, to explain the anomalous results of the Fleischmann-Pons experiment. How can it be that the nuclei of two hydrogen atoms (actually, the deuterons of heavy hydrogen, which contain a neutron as well as a proton) can fuse together at room temperature? This is a question that many physicists have found so challenging that they refuse to accept the reality of the experimental evidence put before their eyes. The experiment typically is conducted in a small glass jar (or metal container) in which there is a palladium cathode (negatively charged electrode) of a size under a cubic centimeter in volume, and a platinum anode (positively charged electrode) wound around it. Deuterium is released from the heavy water by electrolysis, and is "pumped" into the palladium, to something close to a one-to-one ratio with the palladium atoms. At these densities, a nuclear process occurs which sometimes produces a release of neutrons, sometimes produces tritium (an isotope of hydrogen), and sometimes produces heat far in excess of any possible chemical reaction. These results may or may not occur together.

The Japanese program has been welcomed by cold fusion researchers all around the world. Even before this, a visit to Japan by a team from EPRI and SRI, led by Dr. Thomas Passell, expressed their confidence that greater international collaboration was in the offing.

# LaRouche to Cameroon: We must use oligarchy's financial collapse

*On May 29, U.S. presidential candidate Lyndon H. LaRouche, Jr. sent the following message which was presented to a conference in Cameroon:*

The situation before us, at this point in the spring of 1992, is not a hopeful one.

If, for example, a George Bush were to be reelected or a Bill Clinton to be elected in the United States, we can be sure that the worst features of Anglo-American policy and International Monetary Fund [IMF] policy of the past period would be continued, and that a savage and actually murderous form of austerity would hit, as a new wave, countries in the developing sector, which have already been depleted by the policies essentially of the 1970s and '80s.

So there is no bright sign on the horizon for any developing country, in any part of the world, *unless* there is what many people would consider a very radical policy change in the world, in international economic cooperation, international financial policy, monetary policy, and so forth.

This fact must be faced; and if the fact is an unpleasant one, then that unpleasantness must be a goad to inspire us to take the necessary forms of action for nothing less than those rather radical necessary forms of action taken in concert by numbers of forces—not just the forces of any one nation. Without that necessary action, *there is no hope* of any improvement for any among the so-called developing nations in particular.

## **Like the early 1930s**

The world is now going into, at this moment, a new phase of a general international collapse. The analogy is to the period 1933-34-35, in the Great Depression before World War II; but the situation objectively, economically, physically, for virtually all nations, is far, far worse than it was during the 1930s, the great pre-World War II Depression.

There is no recovery in sight. There is no amelioration in sight, unless, as I said, there is a very drastic, what some would call a very radical, change in policy. To believe anything else would delude oneself.

That does not mean there is no hope. That means we must

throw out what has been considered political realism up to this time, and discover true realism: the reality, that with the wrong policies, destruction and suffering are inevitable; and that without a change to the right policies, destruction and suffering will continue. That's true realism.

Therefore, if you don't accept the destruction and suffering, then you have to bring about the policy changes.

I'm not suggesting that a nation such as Cameroon could do this by itself; my experience with the developing nations and our fights against the IMF rape of the developing nations, against the Anglo-American bankers' rape of developing nations over the past 20 years and longer, has been that without cooperation and courage among several nations allied to effect policy changes, no good policy changes will occur.

## **There must be unity**

I remind people, that in the summer of 1982, I was in the center of the effort to organize such a change in the monetary system, such a monetary reform, for the immediate benefit of Central and South America. There were a number of nations directly involved in this, and a number of nations were indirectly supporting it. The reason it didn't happen—it could have happened, very easily, and the world would be a much better place today, not only for Central and South America, but for nearly every part—is that the United States was able to divide nations which had been committed to the program from one another, and to force nations to accept negotiations of economic and monetary policy, one at a time.

Obviously, one nation at a time could not stand up to the combined Anglo-American power and the support rallied by the Anglo-American power through the IMF. They capitulated, one at a time. If they had stayed united, they would not have had to capitulate. The same thing is true today.

If developing nations and others do not stand up, united, and make a solid front, and refuse to negotiate these things any more one at a time, then I can assure you, the destruction will continue, and conditions will not become better, but they will become much worse, and that very rapidly.

The particular problem here, must be understood: that Europe, in particular—and as European civilization has

shaped the world, particularly since the 18th century, the world as a whole—has been dominated by a conflict between two forces, a conflict which has shaped history through the 19th century, shapes history throughout the 20th century. It's a conflict typified by the conflict between the ideas of Solon, the reformer of Athens, who threw out the usurers 600 years before Christ, and the contrary policies of Lycurgus' Sparta.

### Spartan society

Look at Spartan society. Spartan society had three levels. At the top was the oligarchy. These were sort of a combination of communists and the rich. Rich communists, forming an oligarchical communist society of the rich. That's oligarchical Sparta at the top.

The rich would kill the greater part of the population, at pleasure, whom they held as virtual slaves, called helots. In between, in Greek society where the Spartan system prevailed, there was the middle layer. At the top, the ruling oligarchs were like gods in their own estimation and immortals (at least the families were immortal in their estimation, if not the individual members). Then these families would pick up people, generals and other officials and skilled people, who would run errands for them, who would do the administrative work for the oligarchs. These were the demigods, so to speak: the people who were not immortal, but were favored by the oligarchs. And then, beneath the demigods, were essentially the helots, those condemned to slavery, those whom the oligarchs killed for pleasure, for amusement. Or they imposed the malthusian policies of the day upon the population. They'd go out and decide there were too many helots; they'd kill a few off—for sport; and thus regulate the population, pretty much the way many backers of Eco 92 [the United Nations Conference on Environment and Development in Rio, Brazil, in June 1992] propose to do today, through various institutions, through the neo-malthusian Club of Rome and similar institutions.

On the opposite side was the view which we associate with Solon, and which is peculiar with us, for Christian civilization: that man, by virtue of his creative powers, which set him apart from and above any animal, is in the image of God the Creator. Not in the graven image of God, but in the imitation of God's creative powers. It is that creative power of reason by which we, among other things, develop scientific and technological progress, that man is distinguished from the animals, and is also cast in the true image of God the Creator.

The opposing view, which is associated with names such as Solon and Plato, and later with Christianity, is that every human being is in the living image of God by virtue of these creative powers; and that society and the protection of the family, and every family, must be based on recognition of that special nature of man as in the image of God. And thus there can be no helots, and there can be no oligarchs. There



can be no arbitrary law. There can only be a form of law which is consistent with the nature of man as cast in the creative image of God.

That has been the conflict in Europe, since the time of Solon, and especially since the time of Christ. Unfortunately, there are those who practice usury, who follow in the footsteps of Lycurgus, who divide society into big family foundations, the superwealthy and superpowerful foundations, who hire demigods such as Henry Kissinger and treat the rest of the population like slaves or beasts; that arrangement is of course the dominant one. That was the arrangement characteristic of the British Empire. That was the image which Napoleon Le Petit—later Napoleon III—cast when he saw France not as having a Grand Empire, but a Little Empire, an empire in partnership with and submission to the British Empire—of course, the British Empire controlled Napoleon III, which is the reason why he was so pro-British. His masters were British. Lord Palmerston helped put him into power, for example.

That's the conflict today. Some of us are fighting what many would consider a losing fight, for the sacredness of human life, the principle of society based on the knowledge that man, each individual, is *imago viva Dei*, in the living image of God—as opposed to the kind of society which people such as Kissinger rather famously represent, the bestial view of society which is not essentially different than Nazism or any other form of fascism, or any form of slave society. That's what Kissinger and his masters represent, and they're obviously on top.

And unless we're willing to face them, and use their weakness as their financial system collapses, as divisions arise among them; unless we're willing to exploit that weakness and our own unity, to bring about a change in policy back in the direction of the tradition of Solon, Plato, and Christian civilization, there's no hope for any of us—except a brutal dark age, out of which the numbers of mankind—if we're lucky—would be 1 for every 10 living today. The greatest hecatomb of human death this planet has ever known will ensue, unless we find soon the opportunity, the courage, and the unity, to wreck the kind of world rule which is typified by those who back the notorious Henry Kissinger.

# We want Poland to be free of the IMF's economic dictatorship

*Ryszard Wywrót is a national board member of the new Polish farm movement "Zwiazek Zawodowy Rolnictwa—Samoobrona"—Union for the Self-Defense of Farmers. Mr. Wywrót was interviewed on July 12 in Germany where he was attending a meeting of the Schiller Institute's Agriculture Commission near Oppenheim.*

**EIR:** Why and when was your movement founded, and what are you fighting for?

**Wywrót:** Actually we started to work in the spring of last year, and on Jan. 10, 1992 we officially registered our organization. Our main purpose is, that every man acquire proper conditions to live, to develop, and to work. Right now, this basic right is being neglected. And we also want the government to implement rules for agriculture which would make real development possible. We don't want to think just about immediate survival, we care about real development of agriculture.

We think that Poland is not free at the moment, because it is controlled by the interests of the International Monetary Fund, the World Bank, and the European Community. We want to change that. One of our main postulates is the fight against those institutions.

We also demand that our debts be renegotiated, and if credits are issued, that there be a fixed interest rate. Right now, according to the banking law, a bank can change the interest rate unilaterally, without even negotiating with the farmer, for example. Before the [Mieczyslaw] Rakowski government, in the early 1980s, there was a law in Poland against usury, which said that interest rates can't be higher than 12%. This law had existed since the 19th century. The communists somehow survived with this law, but Rakowski abolished it. This allowed banks to float interest rates.

According to official sources, 4% of Poland's farmers cannot pay their debt. We say, the real figure is 80%, because a lot of farmers took loans to pay off their loans.

We are also demanding that the Polish Parliament be dissolved and that there be new elections. We think that the people who are currently in Parliament are totally irresponsible. Because of the special election law in Poland, people without much popular support got seats in Parliament, and we want to change that.

We also want to stop the import of those food items to

Poland that we can produce ourselves. We don't want to close ourselves off like Albania—we don't want to become completely isolated—but we want to cooperate and trade with other countries on fair terms. Poland can produce a lot of food; we don't need so many imports.

**EIR:** Do you see the credit problem, the high interest rates, as the main problem strangling agriculture?

**Wywrót:** Yes, and there are lot of tragedies connected to those credits. People lose their property; they ask us for advice. We talk to them, we talk to banks, we go to court with them, we give them information. And if their property is being auctioned off, we have special teams to negotiate with the bank or state officials. So, one problem is, that people are losing their property to the creditors. Another practical problem is that many people sold almost everything they had in order to pay back the debt, and now they can't get operating credit to start all over again.

For example, I took out a loan for 1.7 million zlotys. Last year I paid 1.17 million zlotys back, yet my debt increased to 7 million zlotys.

**EIR:** Would it be enough to reform the credit system just by lowering interest rates, or do we need a completely new banking system, including the establishment of a bank for the development of the agricultural sector?

**Wywrót:** We still have certain cooperative banks dealing with agriculture, but, because of the communist system, they were state banks, centrally controlled. And because of the present banking law, they don't want to give credits to farmers, because they have very low profitability. They prefer to make loans to trade firms or other commercial companies, because they pay higher interest rates. Or they give their money to a bank which pays them still higher interest rates.

We are thinking about creating a central bank for agriculture, but for now we find it better to create a fund that buys our debts and then operates through the cooperative banks that already exist. We could negotiate with those banks through the fund; we could present our programs for development of a farm; and we could negotiate credits.

**EIR:** Most people here in the West, including our readers, don't really know what's going on in Poland and still believe

that Solidarnosc is something very valuable. But many Poles say, the people of Solidarnosc are now as bad as the communists. Did this corruption of Solidarnosc start when Leszek Balcerowicz was finance minister or even earlier?

**Wywrót:** The Solidarity movement was, of course, a wonderful thing. It has still some support in factories, but I cannot say much about that part of the movement. What I can say is, that Rural Solidarnosc betrayed us. The part of it that has power right now, is corrupt. I fully support the ideas of Solidarnosc, and I am fully behind this early movement, but the situation is getting worse and worse, and the people in government who are identified with Solidarnosc are clearly losing popularity. This was shown in the last election, where Solidarnosc participated as a trade union, and got very few votes.

As far as Balcerowicz is concerned, in the beginning, people trusted him, because he said we had to come down from very high, in order to succeed. But later, they discovered that this was not the direction to go. The purpose of our movement is to make people realize that we have to change this direction as soon as possible.

**EIR:** What do you think about Lyndon LaRouche's "Productive Triangle" program for the reconstruction of eastern Europe, particularly the aspect of it dealing with the reorganization of national banking and credit policy?

**Wywrót:** I only recently received the full text of this program, last Wednesday; and then I had to travel 700 km in order to get my passport from home. Then, on Thursday, we had to deal with a police raid. On Friday, we had several demonstrations, and on Saturday we traveled here, so, I've had to no time to study it carefully. But from what I've heard here [at the Schiller Institute Agriculture Commission conference], I can certainly say that I like the general approach.

**EIR:** Your movement is growing: How many members does "Samoobrona" have now?

**Wywrót:** We have 100,000 members, and about 500,000 supporters who haven't formally joined. Right now, we have a situation where whole enterprises—that is, all the workers there—are joining our movement.

**EIR:** Would you say, that "Samoobrona" has already been successful? What was your biggest success so far?

**Wywrót:** I think, our biggest success so far has been that people who have lost faith, who have given up, now have hope again. A lot of people who come to us talk about suicide, because they are desperate. Right now, when we are together, we can give them a fighting spirit. And a fighting spirit is better than desperation.

Also, another thing is very important. The government and people in Parliament used to claim that there was no problem in agriculture. But now we have proved that there



*Polish Prime Minister Jan Olszewski: The Union for the Self-Defense of Farmers demanded his resignation after he declared their protests illegal.*

is a problem with debts and credits, and nobody can ignore it any longer. And there might be hope to solve it.

**EIR:** The newspapers here that write anything about you make a point of saying you are radical. Are these reports exaggerated? What is the truth about you?

**Wywrót:** We have demanded that the Polish Parliament should be dissolved, and that there should be new elections, not only for Parliament, but also for President. We are also demanding that Agriculture Minister Jankowski resign. When Prime Minister Jan Olszewski refused to fire him and declared our protests illegal, we demanded that he should resign as well. From that standpoint, you could say that we are radical. But we are not going to kneel before anybody while fighting for our rights.

**EIR:** You reported that there were plans to expand your fight beyond the agriculture sector as such to the general defense of the republic of Poland?

**Wywrót:** As a result of the effects of privatization in the course of the transformation from communism to capitalism, it happens very often that enterprises are sold off very cheaply, at half-price, most of the employees are laid off, and very often those enterprises are later on closed down in order to eliminate competition. So, right now, unemployment is at

2.5 million people and the standard of living is dropping. We want to bring people other than farmers into our movement: everybody who is threatened by the present government policy. We've had some successes. There is a food-processing company that was supposed to be sold very cheaply. The workers were afraid they would be laid off. They established "Samoobrona" in their enterprise; thanks to their action, it was then not sold off. They said that this type of privatization was just selling out. It has to be carried out in another way. And in this way, we protect national wealth. We don't want everything that was accumulated over generations now just to be sold off.

**EIR:** You also mentioned earlier that there is a party connected to the "Samoobrona" movement. What is the program of this party?

**Wywrót:** The party "Przymierze Samoobrona" (Self-Defense Alliance) was registered in June this year. It is the political arm of our movement, because we realized that traditional actions by trade unions don't work anymore; we can sign all kinds of agreements with the authorities, but they never respect these agreements. Therefore, we created a party in order to have the ability to run in elections and to have some direct impact on policies. The program is the same as the one for our movement.

**EIR:** Your movement is, as far as we know, the only one directly attacking the International Monetary Fund so far; it is also remarkable that, in your basic program, you attack the connection between the IMF policy and population reduction.

**Wywrót:** In fact, the standard of living in Poland is dropping; there is rampant poverty, a growing number of cases of tuberculosis and other diseases; infant mortality is rising. Moreover, the growing number of suicides shows that the psychological strength of the population is weakening. If present policies continue, this evidence of poverty will increase even more.

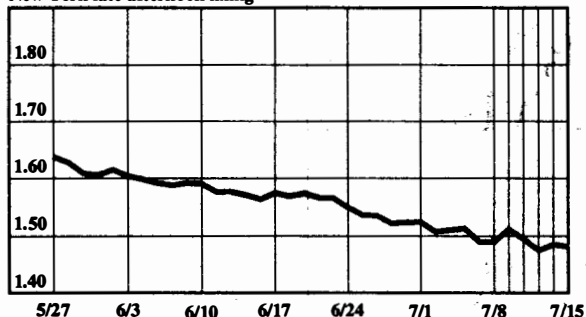
**EIR:** In Poland, there is a miners' strike going on in Katowice; in France, farmers are mobilizing against the Maastricht Treaty [on European Union] and the EEC reform of agricultural policy; and there is the private farmers' organization, the "Verband Deutscher Landwirte" in East Germany. What perspectives do you see for cooperation internationally, as well as cooperation among different layers of society within Poland?

**Wywrót:** Within Poland itself, "Samoobrona" has connections with the miners in Katowice, although I am not the one who is dealing with this aspect. With respect to other countries, we would like very much to establish cooperation. It would be great to have an official, European-wide, i.e., not underground, organization that would openly present its policy proposals. That would be very helpful for us.

## Currency Rates

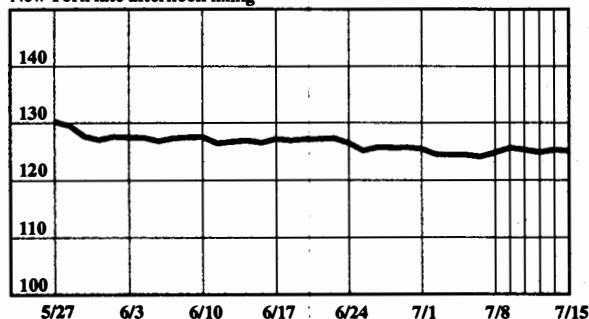
### The dollar in deutschemarks

New York late afternoon fixing



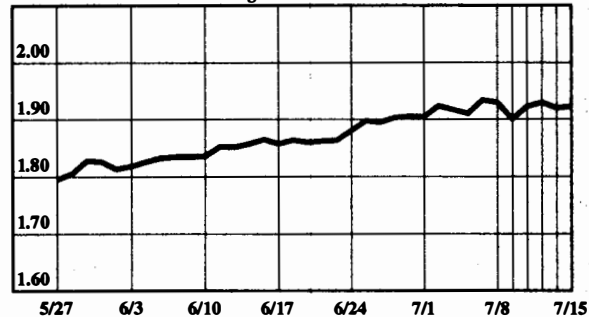
### The dollar in yen

New York late afternoon fixing



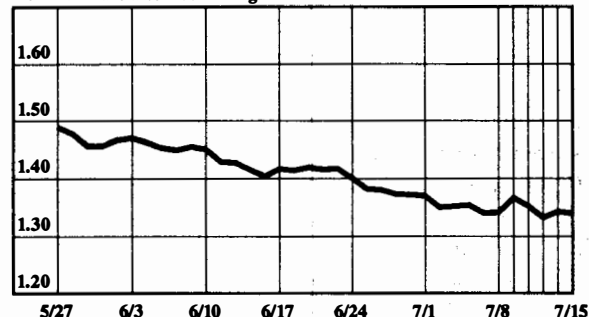
### The British pound in dollars

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing



# Fight heats up in Univision takeover

*The fight over the proposed takeover of the Spanish-language U.S. cable channel Univision by the Venezuelan Cisneros group is heating up. Among those contesting the deal is EIR. Below are excerpts of a July 14 letter from editor Nora Hamerman to Donna R. Searcy, the secretary of the Federal Communications Commission in Washington, D.C. (the documentation, supplied to the FCC in the form of affidavits, is omitted here):*

The PTI filing . . . attempts to deny *EIR* standing in this matter by asserting that *EIR* is not an interested party, but merely has “private axes to grind.” That is false. *EIR*, and a number of its employees, were the direct victims—and thereby have “personal knowledge”—of the use of Gestapo-style tactics by Venezuelan media magnate Gustavo A. Cisneros, one of the principals in this acquisition bid. Our concern is that, by giving Mr. Cisneros much-coveted power within the U.S. media industry through approval of the PTI application, similar unconscionable tactics by Cisneros et al. will be sanctioned, and employed again, both against ourselves and other public media competitors in the U.S.

As a company which has Spanish-language publications such as *Resumen Ejecutivo de EIR*, the *Executive Intelligence Review* is concerned that it might again be subjected to attempted strongarm tactics by Cisneros, in their effort to silence a dissenting, and competing, voice in the Hispanic market in the U.S. It is preposterous to aver that we have no standing or legitimate concern in this case.

We must underscore that we are concerned not only for past behavior inside Venezuela, the Dominican Republic, and other foreign countries, but also for current and possible future efforts of the Cisneros media empire to silence opposition inside the United States itself. Indeed, this is already occurring, as we document in Point 4 below. . . .

3) The only point at which either the PTI or the Univision filings even bother to address the substantive issues raised by *EIR*, is in the affidavit by Gustavo Cisneros Rendiles, appended to PTI’s “Consolidated Opposition.” In point number three of his affidavit, Mr. Cisneros complains that “very serious accusations” contained in *EIR*’s book *Narcotráfico, SA* were directed against himself and his family, which constituted “an attack on my character, reputation, and

honor.”

But even if one grants, for the purposes of argument, that Cisneros did feel so offended by the book in question, he had available to him, under Venezuelan law, the recourse of a defamation suit. Cisneros claims that he did not have this option, because of the book’s alleged “anonymity”—a patent lie, which is disproven by even the most cursory glance at the book, which shows that *Narcotráfico, SA* was published by The New Benjamin Franklin House and authored by a team of *EIR* investigators, a partial list of whose names appears on the Acknowledgments page.

Rather than filing a standard lawsuit, Cisneros chose instead the Gestapo-like tactics of instigating raids on the offices of a news service; the confiscation, destruction, and permanent banning of an “offending” publication; and the arrest, interrogation, and deportation of journalists unfriendly to his media empire. Cisneros further used his vast resources to finance the publication and distribution of pamphlets slandering *EIR* and its associates, including items which he went so far as to enter into the court record in Venezuela.

Mr. Cisneros fabricated the lie of “anonymity” regarding the authors of *Narcotráfico, SA* in order to justify his manifestly preferred approach to dealing with opponents, or mere competitors—be they political, financial or journalistic.

In point four of the Cisneros affidavit, he refers to the book *In Banks We Trust*, which also contains unfavorable references to the Cisneros family and which was cited in *EIR*’s Letter of Objection. According to Mr. Cisneros, author Penny Lernoux has since retracted those references. In reading the disclaimers by Miss Lernoux—now deceased—one can’t help but wonder if her *pro forma* letter wasn’t perhaps simply an effort to protect herself from also receiving the “*EIR* treatment” at the hands of the Cisneros empire.

4) As *EIR* warned in the original filing of its Letter of Objection, the Cisneros media empire has a demonstrated preference for trying to strongarm and bully its critics into silence. In fact, the Cisneros interests have already begun to employ the same tactics on U.S. soil, in order to silence all opposition to the granting of FCC approval to its takeover bid.

On or about June 29, 1992, the San Juan, Puerto Rico daily *El Vocero* published a story based on an *EIR* News Service press release announcing the filing of its letter of objection with the FCC to the sale of Univision to PTI. The editorial board of that newspaper apparently deemed the story of sufficient interest to conduct a followup interview on July 1 with an *EIR* correspondent in Leesburg, Virginia. One day later, a source at *El Vocero* told *EIR* that a representative of Cisneros had “contacted” officials at the newspaper. The source indicated that publication of the interview was abruptly canceled as a result of this “contact,” and that no further stories about Cisneros and the bid to acquire Univision would be forthcoming.

# Sonora crisis shows free trade lunacy

by Alberto Vizcarra O.

Like no other sector of the Mexican national economy, agriculture has suffered the disastrous consequences of the British-style economic liberalism that has been applied for more than a decade, and that is supposed to be consolidated through the North American Free Trade Agreement (NAFTA). The withdrawal of subsidies for fertilizers and other inputs, the cancellation of price supports, and the "opening" to free trade have all worked to drive the agricultural sector to levels of insolvency that have made payment of that sector's debt a physical impossibility and life for Mexico's rural population a nightmare.

The gravity of the situation can be seen in the northwestern border state of Sonora, where the most productive irrigated lands in the country are located and which has historically played a key role in supporting the nation's food-producing capacity.

Farmers, rural associations, and merchants from Sonora have been in the forefront of protesting the crisis, using press advertisements, public pressure tactics, and an open letter to President Carlos Salinas de Gortari to call for a long-term National Agrarian Plan that would reverse the decline through a dirigist policy of price supports and subsidies in the face of the worsening global depression.

Before they became victims of Salinas's economic "reforms," Sonoran growers maintained with pride that one out of every two loaves of bread consumed in the country was made from wheat produced in the Sonora valley. Sonora has traditionally provided 45% of national wheat production, 30% of cotton production, and more than 340,000 tons of soy, safflower, and sesame seed.

This magnificent agricultural capacity is now being destroyed through decapitalization caused by debt arrears of nearly \$200 million, a figure equal to one-half of Sonora's 1992 state budget.

Both the private commercial banks and the government's Rural Credit Bank have begun a wave of judgments and confiscations of land and agricultural machinery, even foreclosures on farm homes. Said Alfonso Rojas Senderos, manager of the Rural Bank of the Northwest: "We are not only going to continue seizing machinery and other goods from those who aren't paying their debts, but we are going to intensify our efforts."

José María Prada Almada, a leader of small property

owners in the state, declared that the debt of Sonora's growers is much greater than that which is being publicly admitted. "The growers have no possibility of paying it, above all because many of the debts stem from the 1987-88 period, when interest rates were around 200%." Parada Almada proposes that Sonora's agricultural region be declared a disaster zone and that, under such terms, the debt arrears which are strangling agricultural production be forgiven.

Along with the agricultural bankruptcy can be seen a general contraction of all economic activity in the state, particularly in the commercial sector, which has suffered a 50% collapse in sales. More than 4,000 families in the south of the state are without any social security protection. People in the valleys are being afflicted with typhoid fever, tuberculosis, and even leprosy, as living conditions are eroded.

## The government is responsible

Before this dramatic situation was reached, the government had urged growers to abandon such traditional crops as wheat, corn, and beans, and to enter into "market crops" such as vegetables and fruit. Not accidentally, it is precisely those producers who followed the government's advice who are today showing an exponential growth in their debt arrears, because of the constant decline in international prices of their products and because of the economic depression in the United States.

Wine and melon growers are suffering huge losses because of the decline in prices for these products on the depressed U.S. market. Some producers are being forced to destroy their own crops, as this is proving cheaper than harvesting them. The same with citrus growers. The price of oranges on the international market, for example, has fallen from \$14 to \$8 per 19 kilogram box.

The demagoguery of Agriculture Secretary Carlos Hank González has increased discord among growers. Last March, he urged growers to undertake the challenge of "unification between those with business talent and those who know how to cultivate the land." On June 22, speaking to an assembly of the National Agrarian Council, he called on those who own the land to associate with those who "know how to administer it." Hank continued, "The producer loves the land and has experience in production, but this is inadequate. What is required is the modern world of administration and finance."

The small growers and collective farmers know full well what Hank is referring to. With the anticipated signing of the North American Free Trade Agreement (NAFTA), the grain cartels will move in wholesale, dismantling the small farm and *ejido* structure and incorporating these within so-called large-scale agriculture where, in order to survive, farmers will be forced to work as virtual peons of the multinationals. Indeed, the reform of Article 27 of the Constitution is intended to create the juridical framework for legalizing such a feudal system.



## School privatization challenged

*Salinas's effort to impose tuition at public universities has triggered a revolt of unpredictable consequences.*

After 20-30,000 students at the National Autonomous University of Mexico (UNAM), the largest public university in Ibero-America, took to the streets of Mexico City, the government of President Carlos Salinas de Gortari decided to postpone until 1994 a project to impose tuition payment.

Salinas backed off on the plan, which would have virtually privatized Mexico's public universities, because his intelligence services realized that the student movement that had arisen around the tuition issue had the potential to become a focal point for challenging the entire economic austerity policy imposed by the International Monetary Fund (IMF) on Mexico since 1982—up to and including the North American Free Trade Agreement (NAFTA), currently under negotiation.

At a June 23 demonstration on the tuition fight, contingents appeared from labor unions, the unemployed, farmers, housewives, and even the middle class, reflecting a generalized discontent not seen since 1988. "It wasn't worth risking so much for so little," said an editorial in the weekly *Siempre*, merely for a "niggardly and myopic financial stance" that was unable to see that "the opposition was being given a more powerful, effective, and overwhelming cause than the Virgin of Guadalupe." The UNAM, the editorial concluded, "could have produced a chain reaction in the economic discontent that society has accumulated" in recent years, which "could reach the point of placing the economic policy of the current admin-

istration in the dock."

A note published in *La Jornada* of June 27 revealed that the privatization of Ibero-America's public universities is a demand of the World Bank, which is refusing to back program credits for educational reform if tuition equivalent to 30% of per student cost is not imposed.

Samuel Carlson, a World Bank official, cynically declared that the tuition fight loses relevance since poor students generally have no access to higher education anyway, since they stop their education before reaching university levels out of the need to work for a living. The starvation wages earned by the average Mexican worker—between 50¢ to \$1 an hour—makes it impossible to dedicate time to study, even if offered for free. "Free education has not meant greater equality of access to higher education," concluded Carlson.

A study recently published by the National Association of Universities and Institutes of Higher Learning reveals that the Mexican student population in the public universities fell dramatically, from 136,807 at the undergraduate level in 1986 (including at the national schools of professional study) to 110,882 in 1990. This demonstrates that the financial crisis the national universities have suffered is hardly due to an excess of students, but rather to lack of an adequate state budget due to the IMF's demands for foreign debt payment. In the past 10 years, state investment in education fell to a mere 1.5% of GNP, one of the lowest rates in the world.

The elements that have combined in the past two months to add to the national ferment range from the zig-zags of the Mexican stock market (with a clear downward tendency) to the bankruptcy of national agriculture and massive urban unemployment. To this can be added the discrediting of the government in the aftermath of the Guadalajara tragedy, where a vast sector of that city was destroyed when some 8 kilometers of the underground sewage system exploded due to a gasoline leak. In the center of the discontent is the collapse of the Mexican people's confidence in any treaty with the United States following the U.S. Supreme Court's ruling legalizing the kidnaping of foreigners, as in the case of Humberto Alvarez Macháin.

It is this general picture which defines the social powder keg in which the country finds itself. Neither of the two leading opposition parties, the conservative National Action Party (PAN) and the leftist Party of the Democratic Revolution (PRD), represents a challenge to the IMF or to NAFTA. Rather, they have served as accomplices of the PRI government, by proposing various amendments to NAFTA without ever denouncing it for what it is: a slave-labor treaty.

The new element introduced by the student mobilization is that, unlike the "party-ocracy" structure that rules in other fields of politics, the student movement is less controlled by the political parties. One national protest march, in which students and teachers from northwestern Sonora marched 2,000 kilometers (1,250 miles) to Mexico City, has served as the spearhead of student resistance to the privatization of education. Since December, the students at Sonora University (Unison) have festooned the main campus building with an enormous banner declaring, "Welcome to Unison, Inc., a Product of NAFTA."

## Official unemployment hits new high

*The "recovery" is hitting the U.S. labor force hard, with big layoffs in auto, aerospace, and the oil and gas industry.*

**I**n the first week of July, major American corporations announced more than 17,000 job cuts, while the Department of Labor reported that unemployment had hit an eight-year high of 7.8% in June, with 10 million Americans out of work. The real figure is over 20 million, when all categories of jobless are counted.

General Motors announced on July 14 that it planned to reduce its headquarters staff by three-quarters, eliminating 10,000 of its 13,500 white collar positions in Detroit and New York City.

Aircraft manufacturer McDonnell Douglas Corp. announced July 10 that it will eliminate another 5,000 jobs at its faltering commercial aviation division, concentrated in Long Beach, California. The cuts will leave Douglas Aircraft with about 31,000 employees, compared with a peak of 52,000 in the spring of 1990. Half of the cuts are manufacturing jobs.

Another 100 employees in McDonnell's Laser and Electronic Systems Division in St. Louis and St. Charles, Missouri were notified that their jobs were being eliminated because of the declining defense budget. Additional jobs have been lost at McDonnell Douglas, the nation's largest defense contractor, has begun winding down the F-15 fighter program, which is due to end by mid-1994.

The week before the McDonnell Douglas announcement, GM subsidiary Hughes Aircraft Co. reported that it will eliminate 9,000 employees, or 15% of its work force, over the next 18 months because of the shrinking defense budget. Two-thirds of the

Hughes staff is located in California.

The McDonnell Douglas and Hughes cutbacks are further blows to the already-crippled California economy. The Golden State's tax base has been so decimated over the past two years, that the state government has been forced to pay its workers in scrip, which the banks are refusing to honor.

Analysts have estimated that as many as one in three aerospace jobs has disappeared from southern California in the past six years. Aerospace employment in Los Angeles County peaked in December 1986 at 304,000, and is projected to fall to 194,000 by the end of this year.

McDonnell Douglas, along with Boeing Corp., is also facing spending cutbacks by U.S. airlines, which are gushing red ink as one fare war follows another. The three largest U.S. airlines—American, United, and Delta—have slashed spending for new planes by \$8 billion, \$6.7 billion, and \$5 billion, respectively.

United decided the week of July 6 to lease new aircraft from the European Airbus Industrie—the first time United has spurned new Boeing aircraft. Boeing already announced thousands of job cuts earlier this year in response to declining defense business. The weakening of the commercial airliner market, and United's bolting to Airbus, left all levels of management and workers at Boeing worrying about their jobs.

The U.S. oil and gas industry has been hit even harder than aerospace. Environmental restrictions and insane tax laws have combined to almost wipe out all exploratory activity in the United States and offshore, and production has

been significantly curtailed as well. The result has been a mass exodus of equipment, expertise, and jobs, as U.S. companies uproot their domestic operations and relocate them abroad.

The most recent job losses were announced the first week of July by Mobil Corp., the second-largest U.S. oil company; fifth-largest Amoco Corp.; and Unocal Corp. Mobil is cutting its U.S. payroll by about 10%, or 2,000 employees, by the end of this year. Mobil is also reducing its 1992 capital appropriations budget by \$800 million, to \$4 billion.

Amoco is slashing 8,500 jobs, reducing its work force of 54,120 employees by 16% over the next 18 months. The area most affected by Amoco's cuts is Chicago, where Amoco is headquartered, and where 1,100 jobs will be cut. Amoco also announced that its \$3.3 billion capital and exploration program this year will be chopped by \$430 million, or 12%.

Los Angeles-based Unocal Corp. is cutting 1,100 jobs as part of a complete reorganization of its operating units. Four hundred and fifty jobs are being cut in petroleum and geothermal energy exploration and production, 400 in downstream operations, and 250 in corporate staff and research groups. Executive positions and total salaries will be reduced by more than 20%. Unocal's office complex in Schaumburg, Illinois, outside Chicago, will be closed entirely by September 1993.

British Petroleum announced on June 24 that it was cutting 600 to 700 jobs in the United States.

Exxon Corp., the largest U.S. oil company, said in May it would cut 1,000 salaried workers at its domestic unit. The U.S. oil and gas industry has lost more jobs than any other sector of the economy in the past decade—over 400,000 jobs have been lost, since a peak of 755,000 at the beginning of 1982.

## Bramalea defaults on bond issue

*The Bronfman brothers' Edper Group is poised at the edge of the financial abyss.*

**B**ramalea Inc., the real estate company controlled by Toronto's Bronfman family, defaulted on a Can. \$100 million bond issue June 30, when it was unable to make a Can. \$5.2 million payment to its bondholders. Bramalea has until the end of July to come up with the money, or face the prospect of asset seizures by those bondholders.

Bramalea's problems, which the *Financial Times* of London has described as being "as least as serious" as those of the bankrupt Olympia & York, demonstrate the shock wave of collapse which is knocking out ever-bigger chunks of the Anglo-American financial establishment.

Rumors of Bramalea's impending bankruptcy have swirled through the markets since early June, when the Dominion Bond Rating Service dropped its rating on Bramalea's debt an unprecedented four notches. Dominion noted that Bramalea has to re-finance some Can. \$373 million of debt which falls due this year. Both Dominion and the Canadian Bond Rating Service have downgraded Bramalea's debt to junk bond status.

By mid-June, Bramalea was unable to make payments on its bank loans, and was forced to suspend dividend payments to its shareholders, chiefly Trizec, North America's largest publicly traded real estate company, which owns 72% of Bramalea.

Both Bramalea and Trizec are part of Edward and Peter Bronfman's Edper Group of some 540 public and private companies, with assets of over Can. \$100 billion. One of Canada's largest conglomerates, the Edper

Group's publicly traded companies account for over 10% of the total market capitalization of the Toronto Stock Exchange.

This Edper empire is now facing collapse itself.

Edper, like the Reichmanns' Olympia & York, is a house of cards, built upon layer after layer of speculation, borrowed money, and accounting legerdemain. Backed by Bronfman money and hired brains, Edper bought control of some of Canada's largest companies over the last two decades. Once Edper obtained control of a company, it would loot the assets of the victim to pay for yet another conquest.

As described in an article in *Barron's* in May 1991, Edper used a technique called "cascade financing," in which the company would leverage relatively small amounts of money into control of large amounts of assets.

In the example cited by *Barron's*, a senior Edper company might issue \$100 million worth of common stock in a public offering, buying half itself for \$50 million and selling the rest to the public. The senior company would then invest that \$100 million in a similar \$200 million stock issue by a subsidiary; Edper would buy \$100 million and sell \$100 million to the public. The subsidiary would then invest the \$200 million downstream into one of its subsidiaries, whereupon the amount would double again. Just four tiers down the organization chart, Edper's original \$50 million would be transmuted into \$800 million in capital—and \$800 million worth of control.

This pyramid scheme works, to a point, as long as buyers can be found for the securities, as long as the banks continue to loan, and as long as the victims can pass dividend payments back up the chain to the parent. But when any of these aspects break down, the whole operation begins to unravel.

That is precisely what is happening now, with the loan defaults and suspension of dividends by Bramalea. Not even Trizec, which has pumped some Can. \$200 million in cash into Bramalea over the past year in a vain attempt to keep the company afloat, is willing to put in more money.

Bramalea's only hope for survival is to reduce its Can. \$4.8 billion debt by selling enough assets to service its debt. But that will be difficult, since its assets are mainly real estate, including office buildings, residential real estate, and shopping centers. A large chunk of the residential real estate is undeveloped land in California, which it bought at the top of the market in the late 1980s. Were Bramalea to find a buyer for that land, it would have to take enormous losses, putting it closer to bankruptcy, not further away.

When Bramalea falls, it will take Trizec with it, although probably not right away. The collapse of Trizec would cause the failure of its parent, Carena Development, and so on all the way to the top.

Trizec is already suffering, significantly slicing its semi-annual dividend last month, as its stock trades at a 20-year low. The company raised between Can. \$200 million and \$300 million last month through the sale of new common stock; other Edper units, including Carena, were reportedly the major buyers.

Trizec controls over 300 commercial properties, with some 25 times the space of O&Y's Canary Wharf property in London.

# Business Briefs

## International Credit

### Former Nigerian leader calls for debtors' cartel

Nigeria and other debtor nations should form a debtors' cartel, former military leader Olu-segun Obsanjo told a conference in the capital city of Lagos on July 6. Debt rescheduling does not help solve the problem. With parliamentary elections now out of the way, with the Social Democrat Party winning, Nigerians are now focusing on the debt and the onerous demands of the International Monetary Fund (IMF), he said.

Democracy, which has been demanded by the United States and other creditors, will not survive in Nigeria unless there is substantial debt relief and new funds are pumped into the country, Nigerian bankers concurred at the conference. As Reuters pointed out, "The new government will find it virtually impossible to meet debt servicing obligations and at the same time carry out domestic social and economic programs."

The total foreign debt of the 156 developing sector countries to banks and non-banks in the 20 OECD countries was \$790.4 billion at the end of 1991, compared to \$777.3 billion at the end of 1990, the Bank for International Settlements reported July 9. These figures do not cover the total foreign indebtedness of countries and territories, but represent a very substantial portion of their foreign debt, the BIS said.

## Space

### NASA creates post for Russian programs

NASA Administrator Daniel Goldin announced July 7 that Samuel Keller, with NASA since 1960, has been appointed Associate Administrator for Russian Programs. Said Goldin, "NASA is actively pursuing opportunities for expanded cooperation in space activities with Russia. This area of international co-

operation is critical and warrants creation of this new position. Sam Keller has the kind of experience necessary to ensure that our relationship with the Russian space program is beneficial to both sides."

Keller has worked on international programs for NASA and has supervised various space science projects. He will work out of the Office of the Administrator. The agreement reached in June between President Bush and Russian President Boris Yeltsin, to fly astronauts on the Mir and cosmonauts on the Space Shuttle, will require high-level coordination between the two programs.

On July 9, the U.S. space agency announced that Goldin and the new National Space Council head, Brian Dailey, have left for Darmstadt, Germany where they will take part in a ceremony to mark the expected encounter of the European Giotto spacecraft with comet Grigg-Skjellerup.

On July 11, the delegation will travel to Moscow for several days of meetings with Russian space officials. They will tour facilities involved in both manned and robotic systems, including Star City where the cosmonauts are trained. "The primary importance of the trip to Moscow," Goldin stated, "is to get a first hand look at the Russian space program and to begin the process of building a long-term relationship."

## Climate

### Earth growing cooler, say scientists

The huge volcanic eruption in the Philippines last year and Third World slash-and-burn agriculture are cooling the Earth, scientists now report. The Earth is being significantly cooled by both the effects of the eruption of Mount Pinatubo, the largest in centuries, and of smoke generated by Third World burning of 5 billion tons of plant matter annually in tropical forests and grasslands.

Ellsworth Dutton of the National Oceanic and Atmospheric Administration (NOAA) told the Associated Press that the planet's aver-

age temperature dropped about 1° between June 16, 1991 and May of this year. "It is a tremendous amount of cooling." The northern hemisphere has been cooled by 1.5°.

The Philippines volcano spewed out as much as 20 million tons of sulfur dioxide, which then formed a layer of sulfuric acid droplets in the stratosphere about 12-14 miles above sea level. This layer has been measured with laser radar instruments and is shading the Earth from a significant amount of sunlight, which has led to the atmospheric cooling. The cooling effects of Mount Pinatubo are projected to continue for about five years.

Separate reports from the University of Arizona and Lawrence Livermore National Laboratory in California project that burning of plant matter in the Third World is also having significant cooling effects.

## Economic Policy

### Chevènement outlines 'Growth Initiative'

In a point-by-point denunciation of the Maastricht Treaty as an attack on national sovereignty, former French Defense Minister Jean-Pierre Chevènement also outlined a proposal for European economic growth in the July 8 French daily *Le Monde*. The aim of this initiative, he wrote, would be to "solve both unemployment in the West, and stabilize the new democracies in the East and in the South. It would be the locomotive to a world economic upswing."

He stressed, "Such an initiative should favor a new model of development based on concrete projects: high-speed rail networks, nuclear security, environment, rehabilitation of old cities and railway networks in eastern Europe, pollution cleanup of the Mediterranean, industrial policy promoting sensitive sectors (automobile, electronics, aeronautics), preservation of a European defense industry, space projects, infrastructural projects... [and] social policies."

Such a policy, which needs financing on the order of several hundred billion francs per

# Briefly

year, said Chevènement, "needs a break with the Maastricht criteria, and with the monetarist thinking modes: submission to financial markets and selection of projects only on the basis of short- or medium-term profitability."

He called for the state to insure investments in eastern Europe and in the Maghreb, in order to encourage companies to invest in risky countries.

## Environmentalism

### Appeals court bans farm pesticides

A U.S. appeals court decided July 8 to ban agricultural pesticides found to cause cancer in laboratory animals, even though the residues on processed foods are tiny and the cancer risk to humans is negligible. The ruling, which has no scientific basis, will increase the price of foods, especially fruits and vegetables. Some of the most common of the pesticides named in the ruling are fungicides, including benomyl and mancozeb.

The far-reaching decision reverses 34 years of U.S. practice and is a victory for the Natural Resources Defense Council (NRDC), which brought the lawsuit in 1989. The Environmental Protection Agency had defended the use of the four particular pesticides in question, and may appeal the case.

The NRDC, which brought the nation the Alar apple scare a few years ago, has recently targeted chlorination of water systems as a cause of cancer.

In making its decision, the three-judge panel of the Ninth Circuit in San Francisco reinterpreted the 1958 Delaney Clause, part of a congressional amendment that regulates food additives. The Delaney Clause prohibits food additives that are "found to induce cancer when ingested by man or animals," but had never included under its jurisdiction pesticide residues, which are unintentional food additives.

In a comment to *21st Century Science & Technology* magazine, Dr. Thomas Jukes of the University of California at Berkeley said,

"The decision shows scientific illiteracy. Practically all natural foods, and most processed foods, contain carcinogens either of natural origin or produced by heat. It has been repeatedly pointed out that the protective effect of fruits and vegetables against cancer is far greater than that of any possible effect of pesticides that are used according to regulations."

## Russia

### More attacks on IMF conditionalities

The International Monetary Fund (IMF) conditionalities demanded by the Group of Seven (G-7) industrial countries for Russia are wrongly conceived, since they have an "almost exclusively financial and monetary character," warned the lead editorial of France's *Le Monde* daily on July 10.

The French daily criticized the G-7 summit for acting in a completely inadequate way toward Russia despite all the claims of a success in Munich, especially as Russian President Boris Yeltsin's presence was the only thing that prevented the summit overall from being one grand "non-event."

The essential problem is not that conditions were imposed on aid to Russia, the daily wrote, since there must be conditions, but these conditions must not be primarily in the financial-monetary domain. By so insisting, the G-7 is "suppressing almost any chance of resolving" such problems as the Russian budget deficit. To insist on a drastic decrease in the budget deficit, as an essential condition, "makes no sense in the case of Russia," since it is impossible to put an end to the financial debacle unless "first and foremost, the economic problems are solved."

*Le Monde* said that what must be done first, is to return agricultural land to the producers, to adopt measures that help create a network of small and medium-sized enterprises, and to allow for these enterprises to import necessary goods, so that they can generate the revenues from which they can help build up the state's coffers.

● **MAZDA**, Japan's fourth largest auto maker, has successfully tested a hydrogen-fueled rotary engine, achieving continuous running at 150 kilometers per hour for 200 kilometers. Mazda says that it is more easily adapted to hydrogen fuel than piston engines, and a car can be equipped with it "for about the cost of air conditioning and audio equipment," said a company official.

● **'MOSCOW'S DOCTORS** are reporting an alarming rise in the number of abandoned babies and infants left to die on the streets," reported London's *Financial Times*. "Although cases are recorded year round, the problem is accentuated every spring when the thaw uncovers the frozen bodies of babies hidden by the winter snows."

● **CHILD POVERTY** in 33 U.S. states from 1979 to 1989 increased by 1.1 million (to a total of 11.2 million) between the censuses of 1980 and 1990, reports the Children's Defense Fund. CDF program director Olivia Goldin blamed declines in wages, a less effective safety net, and an increase of children with one parent.

● **JAPAN'S NEC Corp.** has developed a new technique for the detection of microbes in activated sludge used for treating industrial waste, according to a press release issued July 6. A solution of fluorescently labeled DNA is added to activated sludge and then selectively sticks to the RNA of specific target bacteria, which may be observed with a fluorescent detection microscope. This makes detection possible for some species in only four hours as opposed to weeks or months with existing technology.

● **THE MHD Development Corp.** will submit a proposal to retrofit the Corette coal plant in Montana with a magnetohydrodynamic (MHD) topping cycle. MHD has the potential to double the energy-to-electric conversion of power plants from today's average of about 30%, to near 60%.

## Americans next to suffer 'one world' grain cartel famine

by Marcia Merry

The 1992 U.S. wheat crop, now being gathered in, will rank at best as a below-average harvest. The U.S. Department of Agriculture projects about 60 million tons, which contrasts with 75 million tons produced in 1990. The USDA is notorious for exaggerating crop figures, but whatever the harvest volume, it is not enough to meet the needs of the American people as well as the needs of a hungry world.

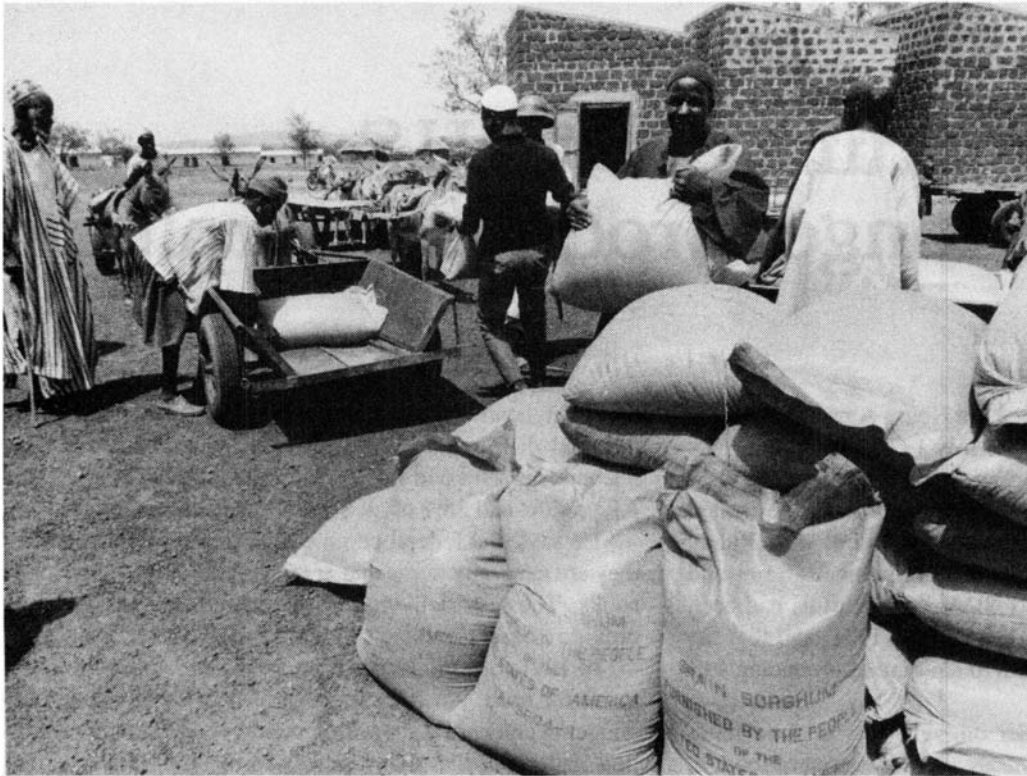
As of July 1, the U.S. federal government stopped all flows of surplus federal stocks of wheat flour (called "bonus" grants) to U.S. schools, hospitals, and feeding programs for the poor. In the United States, an estimated 40 million people are hit by the food shortages.

Moreover, the meager harvest will leave the United States without the means to relieve the mass starvation in Africa occasioned by the drought of the century, which has stricken 200 million people in over 20 countries.

Yet many lives could still be saved, with a concerted international effort to increase production to the level of "miracle" harvests. But at international gatherings like the General Agreement on Tariffs and Trade (GATT), exactly the opposite is on the agenda. The first "miracle" that has to occur, is a unified political action by farmers and consumers to destroy the grain cartels which have brought about this insane situation.

U.S. grain has been artificially given a dominant role on the world market. Every year for the past 14 years, non-U.S. wheat *production* has been millions of tons below non-U.S. wheat *consumption*. Projected for 1993, worldwide non-U.S. wheat production will be 65 million metric tons below the 552 million tons needed to meet non-U.S. consumption needs (figured at the lowest level). The former Soviet Union is projected to produce less than 90% of its wheat consumption needs. Poor wheat yields in eastern Europe, down nearly 30%, will cause demand for wheat imports and food relief.

Since about 1978, U.S., Canadian, and Australian wheat has made up the bulk of this gap. Together, U.S. and Canadian grain exports and food relief shipments have accounted for over half of all wheat exported globally.



*During this drought in Upper Volta in 1973, emergency shipments of grain were sent "From the People of the United States of America," and lives were saved. Today, with Africa facing the worst drought in the century, the "free market" policy of the food cartels means that surplus food is simply not available—either for Africa, or for the 40 million Americans directly affected by cuts in domestic food relief.*

Over the 1970s, commodity cartel and banking interests, mostly Anglo-American, intervened in national economies to thwart food self-sufficiency efforts of targeted nations, for example Mexico, Sudan, and Egypt. These nations, once self-reliant for food, were coerced to rely on the "world market" for imported food. In 1974, Henry Kissinger represented the United States at a World Food Conference in Rome, equating national food "security" with getting food aid from a global grain reserve, to be controlled by the Anglo-Americans.

At the same time, these circles intervened to warp the once-industrialized economies of the United States, Canada, and Australia to serve instead as gigantic granaries for use by the cartel companies in their schemes of food control. Monoculture of grain was imposed on the farm belts of these nations, instead of diversified, high-technology family farm agriculture.

### **GATT: 'One World—One Market'**

When in the early 1980s, European Community (EC) grain exports became a threat to the U.S., Canadian, and Australian grain dominance, the Anglo-American bloc initiated in 1986 the Uruguay Round of the GATT to attempt to suppress the role of the EC. From 1975 to 1985, EC wheat exports grew from 5 million tons a year to close to 20 million tons.

In addition, at the 1988 Montreal mid-term round of the GATT talks, the United States submitted a secret proposal for defining GATT-approved national food security in terms of "access to the world market" and *not* food self-sufficiency (see text, page 30). Over the years, many nations have objected, and the GATT goal of a global treaty for "One World—One

Market" (the Uruguay Round slogan) has not been concluded after six years of haggling. Fortunately.

But with or without a GATT treaty, the Anglo-American scheme of controlling food supplies has advanced. Now U.S. food output potential itself is disintegrating. Farm production has been undermined by years of underpayment to farmers, enforced through low prices from the cartels, and low price support mechanisms (farm crop loans and "target" support prices) set by Congress and the U.S. Department of Agriculture (USDA). U.S. farmers went along with this, tolerating the Big Lie that they had to accept low prices in order for the United States to retain "market share" abroad. Now a new wave of farm bankruptcies is under way.

U.S. grain production is insufficient to supply both the U.S. domestic market and also the cartel-created "world market." In the words of USDA officials, the "era of surplus" is over. Yet according to the U.N. Food and Agriculture Organization, Africa needs 11 million tons of cereals aid because of the drought, when for the past 10 years it has received only 5 million per year; *EIR* places the need closer to 19 million.

The following report presents a survey of the impact of the U.S. domestic food cuts. Because of the connivance of the Bush and Clinton presidential campaigns and the media to black out news stories that might encourage resistance to the "free trade" sect which runs both major parties, the scope of these cuts is unpublicized in the United States. We present it here, with an update on the wheat harvest, and a report on the decline in farm potential, to show that now is the time to put an end to the "One World—One Market" free trade policy.

# Food relief runs out, as U.S. farms no longer produce a surplus

by EIR Economics Staff

At a hearing on June 24 before the House Agriculture Committee, convened to explain the July 1 cutoff of bonus flour to the nation's food relief programs, functionaries of the U.S. Department of Agriculture testified that, at last, the United States has rid itself of unwanted food surpluses. Randy Green, deputy undersecretary of international affairs and commodity programs at the USDA, said that this had been accomplished through the 1985-90 farm bills, and that the United States would not return to a policy of producing surpluses.

This policy and the other ongoing cuts in food relief programs mean that food pantries are running out of food, at a time when growing unemployment has swelled the ranks of the hungry in the United States. Relief officials are forced to decide who eats, and who starves.

"Bonus items" from the Commodity Credit Corporation (CCC) stocks of wheat and dairy products have been eliminated from the school lunch program, the Emergency Assistance Program (formerly TEFAP—Temporary Emergency Food Assistance Program,) and many other programs for the hungry (see **Figures 1 and 2**). There has not been any bonus cheese in these programs for four years. According to Green, "We stripped the incentives for overproduction and sent the surplus overseas." Rep. Tim Coleman (R-Mo.) admitted that the government's success in eliminating surpluses has caused a dilemma: "When we do have a surplus, we can feed people, it seems, and when we don't, we have the dilemma that there is not a surplus to feed people. But we can't reduce our competitive edge internationally," because, the argument goes, exports are what keeps the farmer in business.

Also testifying at the House Agriculture Committee hearings was Dan Sveda, the executive director of the Akron-Canton Regional Food Bank, representing the Second Harvest Food Bank network. Each of the 185 member food banks serves as a clearinghouse for the donation of food and other products to charity. Most of the products are donated by the food industry itself. Other sources are food drives, private and local government funds, and federal commodities obtained through TEFAP, Soup Kitchen/Food Bank Program, and the Commodity Supplemental Foods Program.

In 1991, the network distributed more than 680 million pounds of food. Of this, over 124 million pounds consisted of federal commodities obtained through TEFAP and the

Soup Kitchen/Food Bank Program. This represents 18% of the total distributed by the network. According to Sveda, Second Harvest Food Banks distributed 23% of all the TEFAP product and 35% of all Soup Kitchen commodities.

He says that federal commodities are important because they are generally items that are not readily donated to food-banks. They are delivered in relatively large amounts and provide a base of products to build a food basket or a meal.

In 1991, Second Harvest reported a 21% increase in demand for food. An increasing number of those using local hunger centers are the working poor. Aggravating the situation is the fact that many states are reducing their welfare support, in an effort to balance their budgets.

Over the past four years, there has been a continuing reduction in the amount of bonus commodities supplied. TEFAP and Soup Kitchen have helped offset much of the reduction; however, the loss of flour as a bonus commodity will drop the total volume of bonus product to less than half of the 1991 level. Donations from the private sector have also leveled off over the past few years. Second Harvest does not anticipate any major increases in private sector donations in the near future. Food banks have restricted the frequency of their mass distributions and have begun to restrict the amount of food distributed to each household.

The following survey gives an idea of the impact of the food relief cuts around the country.

## Washington, D.C.

Growing unemployment in the nation's capital area means an increasing need for food assistance for suburban residents who have been laid off. A July 5 account on the trend by the *Washington Post* reported that people are flocking to pantries like Oxon Hill Food Pantry in Prince George's County, Maryland, where the number of recipients is up 49% over last year. For the first six months of this year, 2,982 people received food at Oxon Hill, compared with 1,998 for the same period in 1991. This year's six-month figure is higher than all of 1990. At the Bread for the City program in Washington, D.C., the number of cases is up 49% over last year.

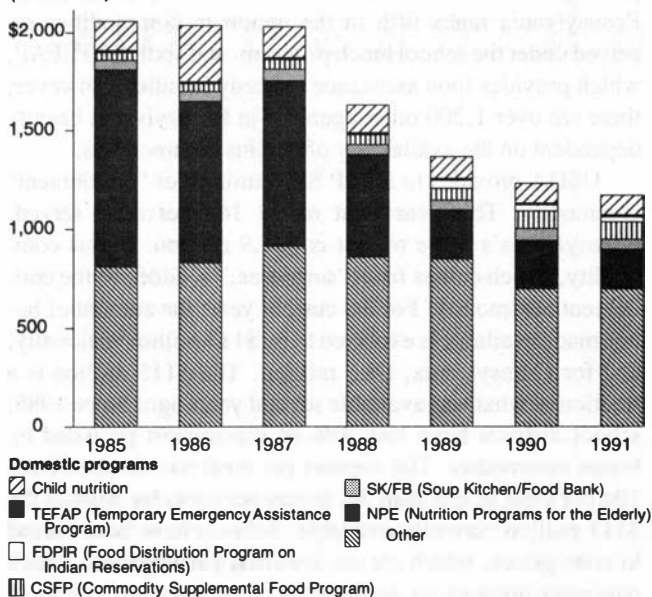
EIR spoke with Charles Parker, who heads Bread for the City, the largest food pantry in the District. They give food to people in their homes who fall below the poverty line;



FIGURE 1

### Decline of federal donations of food 'bonus' commodities

(millions \$)



Source: USDA

these people qualify for food stamps, but some of them don't get them, and some run out of food stamps before the end of the month. Food comes from government donations, from the city food bank (which is mostly Second Harvest), and from donations.

In 1988 there was a big drop in government donations of commodities. The budget for the TEFAP program, which had been \$50 million up to that time, was expanded to \$120 million for the purchase of food. The problem is that the money tends to run out about halfway through the fiscal year. In 1991, there was no money from July to November. This is going to happen again in 1992.

The supply of food has never met the demand, and the demand is higher now. There is little flour, little in the way of dairy products (only butter—no cheese or dry milk). This has been true since 1988. There was never much meat, but there is none now.

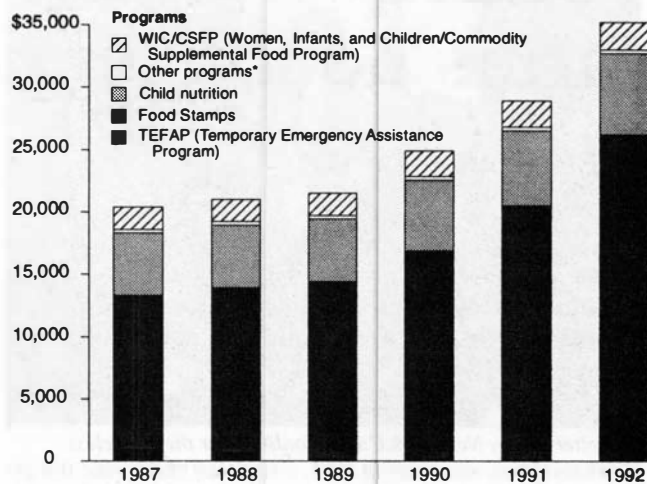
In 1990, some 90% of the clients qualified for food stamps, but only 30% were getting them. According to city statistics, currently 45-50% of those who qualify are receiving food stamps. The problem seems to be one of surviving the "system." Applicants have to get in line at 6 or 7 in the morning and stand for several hours in order to talk to a caseworker. Actually meeting the documentation requirements is another prohibitive factor for many.

Even though the food stamp program is a USDA program, the cost is shared 50-50 with the states, and the states

FIGURE 2

### Food assistance has grown 65% since 1987

(millions \$)



Source: USDA

\* Includes Nutritional Programs for the Elderly, Disaster Food Assistance, Soup Kitchens, Summer Camps, Charitable Institutions; does not include Food Programs Administration Funds or demonstration projects.

must administer it. As the states are experiencing increased financial problems, they are becoming more selective in who qualifies for the program.

### Virginia

Food bank operators in Virginia report that supplies are dropping to dangerously low levels, while need is rising. Dora Campbell, operations manager of the Southwestern Virginia Community Food Bank in Roanoke said, "There has been a tremendous cutback in products being manufactured and donated." Rev. Leon Goad of New Life Crisis Ministries in Galax said he's found that food manufacturers that used to donate surplus or damaged goods are now selling those supplies at auctions.

Campbell said that at the regional food bank, supplies are down 20%, while requests are up 20%. She said many organizations must make do with bread but no beans, meat, or peanut butter.

Rev. Carroll Clark of Kickenson County Ministerial Association said the supply lines from government and private sources are "drying up." "Our stocks that are supposed to last to December in both money and food are drastically low, and we're not going to get anything until September," he told the *Richmond Times-Dispatch*. The county's unemployment rate is 20%.

Blue Ridge Area Food Bank operators say their 60-day surplus of food has dropped to 14 days. "The volume of food we are distributing continues to surpass what's coming in. . . . That's scary."

The Central Virginia Food Bank based in Richmond has



*A shelter run by New York City's Coalition for the Homeless. When this photo was taken in 1985, a homeless child could still get a drink of milk; today, food pantries report that dairy products are virtually unavailable.*

tripled its output from 2 million pounds in 1989 to 6 million pounds this year. It serves 36 counties.

## Ohio

A worker at a Toledo area food bank reports on the impact of the USDA food cutoffs in his state. The food bank's contracting year is up in September, and the impact of the cuts will be felt starting Oct. 1. Corn meal and butter are the only donated items they have now; at one time they had milk, cheese, honey, rice, beans, and flour. They used to get three or four truckloads per month. Now they get food every few months. Cheese and milk powder have not been available for four years. Rice and beans have been gone for a year.

The number of soup kitchens in Ohio has grown, as general assistance has been cut out. Young men between 19 and 40 find themselves with no income, living on food stamps which they often sell for shelter. They must eat in the kitchens.

The state of Ohio has purchased food for the food programs: green beans, applesauce, pork, tomatoes, peaches, and pears, but the only thing the Toledo food bank has for August and September is flour and peanut butter.

## Pennsylvania

Barry Shutt, director of the Bureau of Government Donated Food for the State of Pennsylvania Department of Agriculture, testified before the House Agriculture Committee hearing on June 24. The bureau administers all of the food assistance programs which receive USDA commodities. Shutt is also president of the American Commodity Distribution Association, an organization of officials from the state

agencies which administer USDA commodity programs across the country.

Those most affected by food relief reductions, he reported, include the 923 public and private schools in the state that participate in the National School Lunch Program (NSLP). Pennsylvania ranks fifth in the nation in commodities received under the school lunch program, and sixth for TEFAP, which provides food assistance to needy families. However, there are over 1,200 other agencies in Pennsylvania heavily dependent on the availability of surplus commodities.

USDA provides to NSLP \$550 million of "entitlement" commodity. This year, that meant 14¢ per meal served. Pennsylvania's share of that is \$21.9 million. Bonus commodity, which comes from "surpluses," is added to the entitlement commodity. For the current year, the amount of bonus made available is expected to be \$113 million nationally, and for Pennsylvania, \$4.5 million. The \$113 million is a fraction of what was available several years ago. Since 1985, school districts have lost 70% of the support provided by bonus commodity. The support per meal has dropped from 10¢ per meal to less than 3¢. Butter accounts for most of the \$113 million currently available. Schools have been forced to raise prices, which means lowering participation, which puts more pressure on the finances of the lunch programs, as fixed costs must be covered by fewer participants.

The impact of changes in the 1985 farm bill was deeply felt by every school district in the country. The recent decision to change flour from a bonus to an entitlement item will adversely affect the program. That decision alone will cost Pennsylvania school districts \$1.8 million, or 8-10% of their entitlement. The loss of flour will cost the schools \$21 million, according to the USDA's own newsletter.

For many years, cheese was a bonus item available to schools without limit. Then, for the 1989-90 school year, cheese was switched from bonus to entitlement. According to *EIR's* calculations, if a school received \$30,000 of entitlement commodity, the school probably received another \$18,000 in bonus commodity, for a total of \$48,000 of support from the commodity program. Of that \$18,000 in bonus, 75% was cheese. When USDA changed cheese to entitlement, schools lost 28% of their total commodity support. This forced many districts across the country to raise prices for school lunches.

TEFAP has been very active addressing the food needs of the poor and homeless. It has depended almost entirely upon the availability of surplus commodities. In 1986-87, Pennsylvania received 1.8 million cases of TEFAP for the program. Last year, Pennsylvania received only 401,000 cases. That's a 78% drop, while the number of individual recipients requesting assistance has not dropped, but has increased.

## Iowa

Even in Iowa, the heartland of the nation's farm belt, the need for food relief is growing, and the cutoffs are hitting

hard. Comparing the first and last years of the decade of the 1980s, Iowa had an average of 23,712 more persons in the food stamp program in 1990 than in 1980. For 88 out of 99 counties, the percentage of residents in the program was higher in 1990 than in 1980.

The highest food stamp usage was in the middle-years of the decade, when a wave of farm families were dispossessed, and workers in Iowa's farm equipment manufacturing and supply outlets were put out of work. In 1986, twelve counties in Iowa had 10% or more of their population getting food stamps, and one county had fully 15.5% of its residents on food stamps. As of 1990, the statewide average food stamp use stood at 6.2% of Iowa's population, and this is rising as a new wave of layoffs and farm ruination are hitting again.

Over the decade, more and more of Iowa's school-children have come to be dependent on food relief. This came about despite the fact that school enrollment declined from 1983 to 1989, as the state lost population overall. During this same time period, the average numbers of students getting food relief increased. Three school years between 1985 and 1988 had over 25% of the students receiving food assistance. In 1990-91, 24.4% of students received either free or reduced-price meals.

Students qualify for nutrition assistance because their families qualify as low income; those with lower income can

be eligible for free meals, while others with somewhat higher income can receive meals at a reduced price.

Other categories of needy are also growing. The June 26 *Des Moines Register* reported an expansion this year of 5,000 more individuals being served by the WIC program (supplemental food for Women, Infants, and Children). The total number served in the state is to rise from 53,337 to more than 58,000 people.

State administrators of the program are also actively seeking ways to make the WIC dollar go further. Iowa uses federal WIC money to issue monthly coupons which participants use to buy formula—and other specified foods—at retail prices from Iowa grocers. Then the state receives a rebate from the formula manufacturer that is used to serve more people with WIC. Iowa food aid officials have joined forces with counterparts in Texas and Minnesota to negotiate with infant formula companies to use competitive bidding to drive down the costs to the program. Nationally, the WIC purchases add up to one-third to one-half of all infant formula sales.

Iowa has struck a three-year deal with Ross Laboratories, manufacturer of Similac and Isomil formulas. In exchange for an exclusive contract with Iowa starting in October to provide formula, Ross Laboratories will provide a rebate of 77% on the wholesale price per can of formula. As a result, Iowa will save \$5.9 million and try to provide more nutrition aid.

## A profile of the U.S. food relief effort

Currently, well over 25 million Americans, over 1 in 10, are enrolled in the food stamps program. Ten million low-income children receive free school lunches. More than 5 million people participate in the Women, Infants, and Children (WIC) program, one of five child nutritional programs operating nationally, while approximately 931,165 meals are served daily by the Nutrition Program for the Elderly. Estimates are that nearly 50 million Americans receive some kind of food assistance.

During the month of April, \$18.9 million was provided by Temporary Emergency Food Assistance Program (TEFAP) for soup kitchens and shelters of various kinds. The Commodity Distribution to Charitable Institutions spent \$88.4 million in 1991, for churches, orphanages, and the like. This year, a record \$65.6 million was spent in just the first four months, including \$9.9 million in April alone. These are only the highlights of the most familiar of the 13 programs that enable an increasing number of Americans to eat a meal.

The first attempt to rid this country of hunger occurred during the Great Depression. Then as now, farmers had more food than they could sell, while thousands stood in bread lines, waiting for food. The Food Stamp Plan was created, and by the late 1930s, families could exchange money for stamps and purchase designated surplus foods at retail stores.

However, World War II put an end to unemployment and food surplus. The program that served over 3 million people a month was put to rest in 1943, hopefully forever. But less than 20 years later, President Kennedy called upon the U.S. Department of Agriculture to implement a Pilot Food Stamp Program. By 1964 the current program was established, and all 50 states were authorized to take part. In 1969, about 2.9 million Americans were enrolled.

Now the enrollment is up to nearly 26 million, and the program barely keeps up with a growing population of hungry Americans. According to the latest statistics of the Children's Defense Fund, one in eight American children is suffering from hunger. Nearly one in four infants and toddlers is poor. Even with the programs we have, more children are hungry in the United States than there are total children in Angola, Somalia, Haiti, Zimbabwe, or Cambodia.

# Destruction of family farms means the U.S. can't produce enough food

by Robert L. Baker

You could call this year's U.S. wheat harvest "fair to middling," because the wheat crop is coming in at about the same level as it was for five of the last 15 years. But don't expect bumper crops in the future, unless policies are changed: The U.S. agriculture sector as we knew it 25 years ago is now disintegrating, and its output potential is declining dramatically.

It was the intention of the Founding Fathers that the United States have millions of independent, self-sufficient family operated farms. The feudal estates of the landed gentry of the 1700s, worked by serfs in England and continental Europe, were not to be allowed.

The independently owned family farming system, a U.S. innovation, was set in motion with the passage of President Abraham Lincoln's Homestead Act of 1862. By the late 1800s, America had the most advanced farmers in the world. Pioneer and immigrant farmers followed new railroad lines and flooded the Midwest and Plains states, to settle on 160 acres of free land. Farm numbers increased 350% in less than 75 years, peaking at 6.8 million independent family-operated farms in 1935.

After World War II, because of political decisions, a drastic reduction of the numbers of family farms was set into motion. Today, due to Anglo-American grain and financial cartel interests, domestic farm policy has ripped the guts out of what was once the most dynamic rural agricultural food-producing system in the world. They are moving to a cartelized, feudal system, in which a few large farm operations and companies control most of the food production and processing in the nation, with once-independent farmers now working as peons.

## Thousands of family farms gone

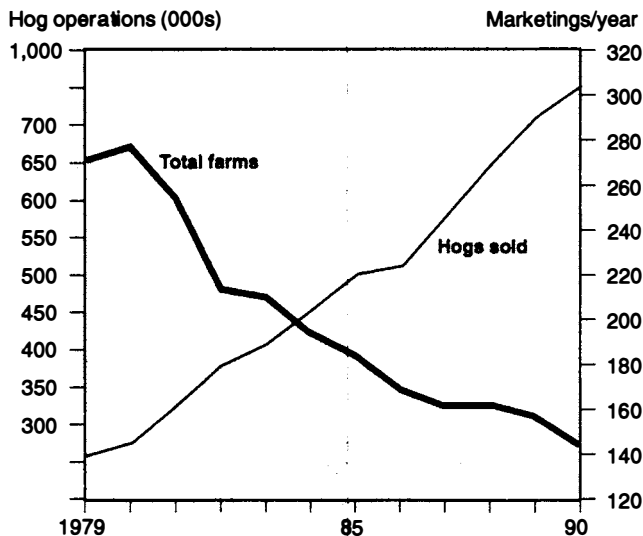
Today the official tally of individual farms stands at 2.1 million, the same level as before 1860. Of these, 15% (about 300,000 large industrial-sized farms) produce 85% of U.S. grain and livestock; a mere 5% of U.S. farmers produce 50% of all grain and livestock. Low grain prices and government withdrawal of subsidies continue to force thousands more

toward another round of 1980s-style farm foreclosures.

Look at how the family farming system is being transformed into feudal organization. Grain prices were deliberately kept below the cost of production, and this gave rise to huge livestock factories, very profitable for investors, while smaller grain, hog, cattle, and dairy farmers were forced out of business.

Hog producers have fallen 60%, from 600,000 in 1980 to about 250,000 today, and are expected to fall another 40% to 150,000 by 2000. Today, 42% (38 million head) of all pork output comes from only 3.6% (11,000) of farming operations, most of which are linked in joint ventures with multinational grain and meat companies (Figure 1).

FIGURE 1  
Hog farms collapsed by 60% in the 1980s



Source: Farm Journal

While U.S. cattle numbers crashed 25% from 132 to about 100 million head, and dairy herds declined, the top 30 cattle-feeding operations monopolized enough pen space to potentially feed out 46% (11.9 million head) of all cattle produced in the United States. At the top of the heap, you find the owners are multinational companies like ConAgra, Continental Grain, Cargill, and Metropolitan Insurance Co. Some of these huge operations can feed out almost 1 million head per year and make huge profits from cheap grain. Yet, the United States must import 8-10% of the pork and beef that it consumes (Figures 2 and 3).

Live hog prices were at record levels during the 1980s. However, the dollar lost two-thirds of its purchasing power since 1967. The average price in 1991 was a record \$49 per hundredweight (cwt), but in deflated 1967 dollars, that equals the purchasing power of \$12 per cwt, the lowest price for hogs in the past 40 years. And it continues a downward trend since 1975.

The same dynamic hits other grain and livestock commodities. The trend toward cheaper livestock and grain in

constant dollars sounds a warning for U.S. producers. As margins tighten, the average farm size will have to grow to support the operator (Figure 4).

As farms are getting too large for one operator to manage alone, hundreds of banks, insurance companies, and chemical companies are cashing in with farm management, consulting, and marketing companies to help manage the mega-farms, for fat fees. The top 100 farm management companies manage almost 14 million farm and ranch acres. Most of the largest players in these services are owned lock, stock, and barrel by multinational companies. The largest, Farmers National Company is owned by Metropolitan Insurance Co.

### **Food acreage locked out of production**

Millions of acres of farmland are being locked away, discouraging further land development and improvement. Harvested acreage in the United States rose almost 23% between 1969 and 1981, as low cattle prices and herd liquidation forced thousands of acres of pasture land to be plowed up and planted to grain crops. Yet in the decade between 1981

## **Mediocre wheat harvest is expected this year**

According to field reports by farm leaders in the grain belt, and preliminary statistics from the U.S. Department of Agriculture, the U.S. wheat harvest will be mediocre this year. In terms of world need for food relief, this is a catastrophe.

The July 1 U.S. Department of Agriculture report from the Agriculture Statistics Board projects the total of all U.S. wheat harvested this year as 2.2 billion bushels, which is about 61 million metric tons, at the standard trade conversion rate of 60 pounds of wheat per bushel, and 2,200 pounds per metric ton. This level of harvest would be basically the same as in 1974, 1975, 1978, 1987, and 1989. The 1990 wheat harvest was 75 million metric tons.

However, according to field reports, the USDA projection is typically overstated. The winter wheat harvest is now in process of completion (winter wheat, planted in the fall, accounts for about 75% of all wheat grown in the United States), and the harvest reports in the heart of the wheat belt—from Texas north through Oklahoma, Kansas, parts of Colorado, Nebraska, Missouri, South Dakota, North Dakota, and including Washington State and Missouri—are bad.

The winter wheat in South Dakota was damaged with winterkill because of drought in fall and winter. South

Dakota is one of the top 10 producers of winter wheat, and produces an almost equal amount of spring wheat. The frost which occurred during the last week in May also damaged a lot of the winter wheat. There was damage from hail and intense rainfall in July, when there was more rain than during any other month in the state's history. The harvestable wheat acreage is estimated to be 35-50% of last year's, because of the winterkill and drought. Farmers estimate that the total harvest will be 35% of last year, as both yields and harvestable acres are down. The quality of the winter wheat has also been diminished. The Montana winter wheat crop has also been harmed by heavy rain.

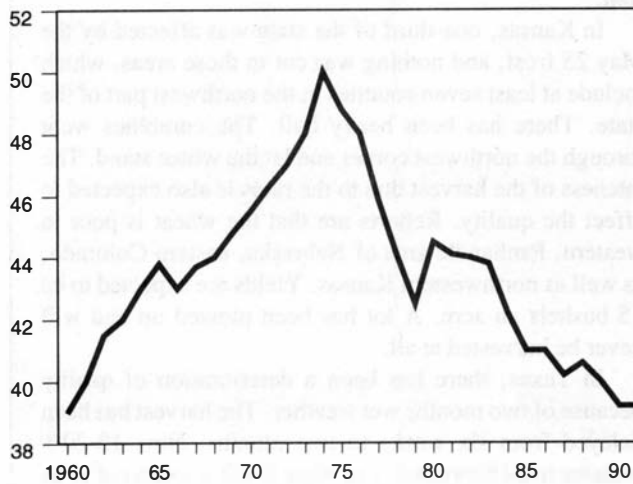
In Kansas, one-third of the state was affected by the May 25 frost, and nothing was cut in those areas, which include at least seven counties in the northwest part of the state. There has been heavy hail. The combines went through the northwest corner and let the wheat stand. The lateness of the harvest due to the rains is also expected to affect the quality. Reports are that the wheat is poor in western, Panhandle area of Nebraska, eastern Colorado, as well as northwestern Kansas. Yields are expected to be 15 bushels an acre. A lot has been plowed up and will never be harvested at all.

In Texas, there has been a deterioration of quality because of two months wet weather. The harvest has been delayed from six weeks to two months. Now 15-20% remains to be harvested, and what is left is expected to be of low quality.



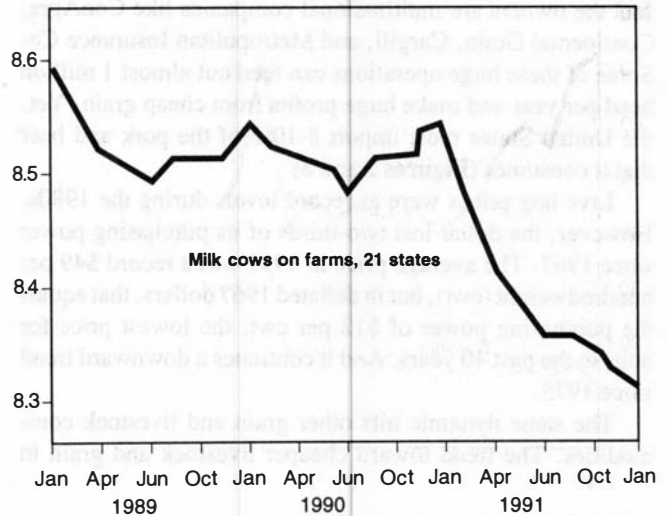
Child labor gathers the harvest in Accomac, Virginia. In place of the family farm, the cartels are now bringing us serfdom.

**FIGURE 2**  
**Calf crops dropped back to 1960 level**  
 (millions of head)



Source: Farm Journal.

**FIGURE 3**  
**Decline in milk cows, 1989-91**  
 (millions of head)



Source: USDA.

and 1991, various government set-aside and conservation programs paid farmers to idle tens of millions of acres of cropland.

Since 1985, the Conservation Reserve Program (CRP) has paid farmers to lock 35,395,951 acres of farmland out of production for 10 years. Collectively these acres could have produced over 26 million metric tons of grain per year (Figure 5).

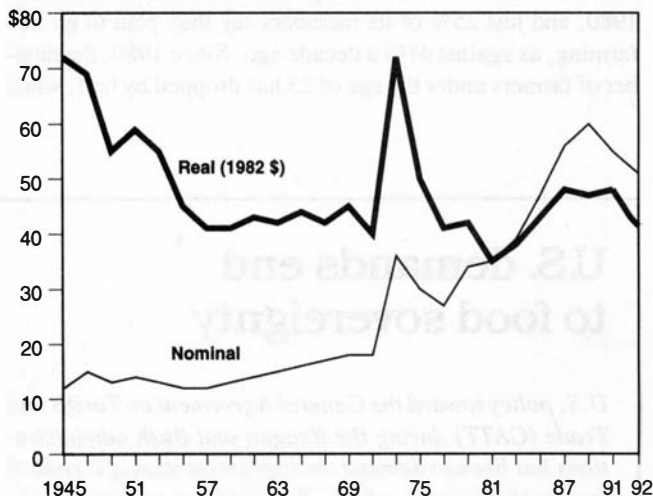
The idled acreage for each year during the period 1981-91, added together, makes for a total of 477 million acres, which could have produced at least 350 million metric tons of grain. Acres harvested for crops dropped 20% from 383 million acres in 1982 to 307 million in 1992.

### Lower intensity of inputs per acre

Low prices to the farmer, plus taking farmland out of production, has resulted in less use of proper inputs per acre, reduced output potential, and mining of the soils left in production. The inputs of tractor power, fertilizer nutrients, water, chemicals, fuel, electrical energy, and machinery power per acre are falling each year below what is needed to maintain the increasing productivity and technical intensity of rural farm infrastructure.

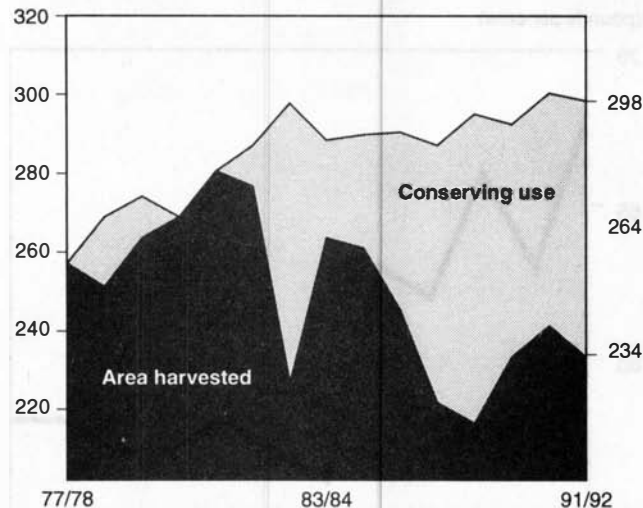
Farm machinery manufacturers sharply curtailed domestic production in the 1980s, as sales of tractors and self-propelled combines crashed through the floor. In 1991, sales

**FIGURE 4**  
**Real net cash income declined**  
 (billions \$)



Source: USDA.

**FIGURE 5**  
**Crop area harvested, plus conserving uses**  
 (millions of acres)



Source: USDA.

of four-wheel drive tractors were down 20%; two-wheel drive tractors were down 13%; and combines were down 7%. Yearly sales projected for 1992, compared to 1978, for two-wheel drive tractors in the 40-99 horse power category are down 52%, larger two-wheel drive (over-99 HP) field tractors sales declined 67%, and sales of monster four-wheel drive tractors fell 63%. This is a decline per year of 78,848 tractors of all sizes.

Statistics recently released by the Equipment Manufacturers Institute (EMI) show that 1991 is the first time the industry has sold fewer than 100,000 tractors in one year since 1969.

Self-propelled combine sales have dropped 70%. Annual sales in 1978 were 29,834 units, compared to only 9,000 units projected for 1992.

Now there are only two major U.S. manufacturers of tractors: Deere and Co. and J.I. Case Co. The 16 major U.S. farm machinery manufacturers merged into 5, reducing 25% of U.S. machinery production capacity. The number of machinery dealerships and repair shops dropped 30% from 11,432 in 1979 to less than 8,000 today. According to sources at John Deere, the next five years will see a 15-20% further reduction in dealers.

From 1981 to 1990, total U.S. inputs of nitrogen, potash, and potassium, the three main fertilizers used to produce wheat, coarse grains, rice, and soybeans, dropped by 17% from 24 million to 19.5 million nutrient tons. Phosphate use



*Cargill, one of the giants of the food cartel, has the franchise for corn seed on this Iowa farm. The mega-companies run things from top to bottom, while the small and medium-sized farmer goes bankrupt.*

FIGURE 6

**Phosphate applied per acre on Iowa corn, 1980-91**

(pounds per acre)



Source: USDA.

fell from 53 pounds per acre in the 1970s to 45 pounds in the 1980s. Nutrient application rates for corn have fallen 1% to 3% per year since 1981. Corn alone accounts for over 40% of the total. These declines follow a nearly 40-year upward trend in fertilizer use, which peaked in 1981 (Figure 6).

Farm fuel (gasoline, diesel, liquid propane) used for field operation, irrigation, grain drying, and fertilizer production dropped about 50%, from 8.1 billion in 1978 to 4 billion gallons per year today.

Irrigated farmland in 1987, though only 14.8% of total harvested cropland, produced 37.8% of total crop value. Between 1978 and 1987, irrigated crop acres fell 2 million acres.

At the end of 1990, railroads owned 119,758 miles of track, down 30%—about 50,000 miles—from the 1979 total of 169,927 miles. Abandonment procedures resulting from the Staggers Rail Act of 1980 allowed carriers to discontinue service more easily, resulting in the abandonment of 3,766 miles of track per year during the period 1980-85 and 2,177 miles per year during 1986-88. Subsequently, thousands of small rural farm communities have been cut off from rail transportation service.

**Farmers forced off the land**

The most valuable resource, the human operator, continues to leave the farm. The number of Americans living on

farms has been cut by 50% since 1970. Most of those who have remained have off-farm jobs, as off-farm income is now higher than net farm income. The Future Farmers of America, the organization for high school and college students, has seen its membership shrink more than 20% since 1980, and just 25% of its members say they plan to go into farming, as against 41% a decade ago. Since 1980, the number of farmers under the age of 25 has dropped by half, while

**U.S. demands end to food sovereignty**

*U.S. policy toward the General Agreement on Tariffs and Trade (GATT) during the Reagan and Bush administrations has been to demand the implementation of a radical free market agenda, which, if carried out, will worsen the worldwide food crisis by driving even more farmers into bankruptcy. This British liberal policy is the opposite of the American System economic program that built this country's agriculture, infrastructure, and industry, starting with Alexander Hamilton.*

*A key element of the current U.S. agenda is to deny nations the sovereign right to produce food for their own consumption, demanding instead that the political and economic vagaries of the "free market" determine whether a people will eat or starve. The following document lays out this policy. Titled "Proposal by the United States to the GATT Negotiating Group on Agriculture—The 'Uruguay Round,'" it was submitted to the GATT Secretariat on June 6, 1988.*

**Elaboration of U.S. agricultural proposal with respect to food security**

The United States has proposed the comprehensive liberalization of and improved GATT disciplines for trade in agricultural products. The U.S. GATT Agricultural proposal calls for the elimination of all market access barriers and subsidies which affect trade as well as the harmonization of health and sanitary measures.

We recognize that food security is a concern of all GATT member countries. An effective global trading system is important in providing the type of economic environment such that each nation can assure access for all its people to enough food for an active healthy life. However, food security need not imply food self-sufficiency pursued behind restrictive trade barriers.

Food security and self-sufficiency are not one and the



the number of those over 65 has held steady, a circumstance that could leave tens of thousands of farms in the next decade without anyone in the family to tend the fields.

Three-fourths of all "non-metro" counties—in which over 50% of income comes from farm production—lost population in the 1980s. In the corn belt, Iowa, the largest grain- and meat-exporting state, accounted for almost half of the region's population loss, at a rate of 8%.

Reduced agricultural input use and agro-industry foreclosures have eliminated millions of jobs in non-metro counties. Since 1982, the non-metro labor force has dropped 22% from 33.7 million to 26.3 million. This loss of jobs compounds the low-income problem and increases the foreclosure rates of smaller farmers who depended on off-farm income to supplement their farming. Rural poverty rates continue to outpace city rates.

same objective or goal. Food security is the ability to acquire the food you need, when you need it. Food self-sufficiency means producing some portion of one's own food supply from domestic resources, regardless of market forces, with deliberate intent of displacing imports or reducing import dependence. However, food security does not demand self-sufficiency. In some cases, in fact, self-sufficiency can actually work against food security goals.

Self-sufficiency, as distinct from food security, is no longer justified by the possibility of massive global food shortages. Throughout human history, up until the technological advances of the green revolution, a global food shortage due to crop failures was a conceivable, and often real, threat. Today, due to the greatly diversified sources of agricultural products and the worldwide integration of agricultural trade, it is highly improbable that food shortages caused by shortfalls in agricultural production would have a lasting or harmful global impact. For example, the largest year-to-year reductions in world grain output in the last 25 years has been only 5 or 6%. Most annual variations fall within 2%. Good crops in some locations offset the quantitative effects of poor crops in others. Thus, the world market has been a dependable, stable source of food.

Disruptions or slowing of normal food supplies for short periods can be covered by stockholding at levels required to cover short-term needs. Countries which artificially maintain high levels of self-sufficiency gain minimal benefits in supply stability compared to that available on the world market. Yet the costs of self-sufficiency, due both to comparative disadvantage in production and the much higher risk and variability of individual country output means that artificially self-sufficient countries are paying very high costs for very meager benefits.

Domestic policies used to achieve self-sufficiency inevitably involve misallocation of resources through production support pricing, subsidies, import barriers, and, on occasion, export controls. The adverse economic impact of these misguided policies is not confined to the

countries utilizing the measures but is invariably spread to others through the limitation and reduction of access opportunities and unfair competition from dumped surpluses.

We believe that food security concerns of member countries, whether related to dependability of supply or ability to pay, can be addressed effectively without recourse to trade-distorting policies. An unrestricted global trading environment will encourage the effective use of national resources within and between countries. More efficient use of each country's domestic agricultural resources will enhance national income and increase consumer purchasing power. At the same time, food assistance programs have a critical and legitimate role in addressing food needs both in a national and international context. Therefore, in developing the U.S. agricultural negotiating proposal, *bona fide* food aid was specifically excepted from the phased elimination of all government programs that distort trade.

Recent World Bank-sponsored studies demonstrate the gains to global food security from unrestricted agricultural trade. The importing countries benefit from more reasonable food prices and more choice as to where to buy and when; exporting countries gain from more efficient and lower cost production, and all countries benefit from more stable world prices and supplies. Accordingly, the U.S. is prepared to discuss appropriate means of building national food security for all GATT members as part of the process of global agricultural trade liberalization.

Access to supplies by food importing countries is critical to an effective global trading system. Embargoes on food exports are as distortive as barriers to food imports. There is no place for either in a global trading system. The United States, as a food-exporting nation, is sensitive to its responsibility to those nations which count on free access to U.S. markets for the foods they need. Therefore, we propose removing from GATT Article XI 2.(a) permission for GATT Contracting Parties to restrict or prohibit exports of agricultural food products to relieve critical shortage.

## Noriega: 'Bush responsible for any harm that befalls me'

by Carlos Wesley

"I am in good health. If anything happens to me, a strange disease or an accident while I am on American territory, I hold Mr. George Herbert Walker Bush responsible and I call as my witnesses the people of America and the world." So said Panamanian Gen. Manuel Noriega at the hearing on July 10 in Miami, Florida, where U.S. federal district Judge William Hoeveler sentenced him to 40 years in prison on his conviction on drug-trafficking charges.

Noriega, in full-dress military uniform, addressed the court in Spanish for some two and a half hours.

"The real purpose of this procedure is not to sentence me. It is to legitimize the power of this administration to take any measure to achieve its political goals, even if it includes the death of innocent persons." The Panamanian general added: "Any leader or head of state who does not obey the whims of the establishment may find himself converted into a delinquent, if he acts against the established interests."

Defiantly, Noriega explained why he never accepted a plea bargain deal with the U.S. government: "If the world had read that [plea bargain] document, they would feel the disgust that I felt at that moment. And I do not regret having rejected that human miserliness, nor that I am suffering the consequences myself, because I don't carry on my conscience the weight of having sold out my country, which is called Panama, for materialist proposals. If that is the price that I am paying in exchange for my freedom, my dignity, and my loyalty to the nation that saw me born, then it is a small price indeed!"

Noriega's capture by U.S. forces which invaded Panama on Dec. 20, 1989 marked the first application of the Thornburgh Doctrine, which was recently upheld by the U.S. Supreme Court under Chief Justice William Rehnquist. Under it, the United States unilaterally claims the "right" to

kidnap foreign citizens abroad.

Since the United States established the precedent with the invasion of Panama and the kidnaping of Noriega, with virtually no protest from the governments of Ibero-America at the time, it has gone on a rampage, promoting the kidnaping of presumed transgressors all over the continent. The most recent victim is Maj. Edgardo López Grimaldo, a former spokesman for the Panamanian Defense Forces and aide to Noriega, imprisoned in Colombia with the aim of extraditing him to Panama on political charges, and possibly from there to the United States, to testify against Noriega in future proceedings.

### Noriega only the first

López, who was picked up in Colombia by Interpol agents attached to the Colombian DAS security service a few weeks ago, is gravely ill and requires urgent medical treatment by a specialist. His attorneys are demanding his release from the La Picota prison in Bogotá, and that Colombia grant him political asylum and reject the extradition request from Panama as a political ploy by the United States. As one of his attorneys told *EIR*, the way his case is handled "will determine whether Colombia will apply its new Constitution or whether it prefers to apply the thesis of the U.S. Supreme Court."

The Supreme Court decision continues to draw protests all over Ibero-America. The Presidents of six South American countries—Argentina, Bolivia, Brazil, Chile, Paraguay, and Uruguay—joined in the past few weeks to ask the Organization of American States (OAS) Inter-American Juridical Committee to rule on the legality of the kidnaping decision. The Mexican government is also exploring placing the issue on the agenda of one or more commissions of the United Nations.

In Miami, Noriega, the first victim of an official kidnapping by the U.S. government, charged Bush with "influencing and subverting the American judicial system." Noriega accused Bush of "genocide against the people of Panama by giving the order to massively bombard Panama's civilian population, causing the death of more than 5,000 inhabitants," using experimental weapons "such as the Stealth fighter-bomber, cluster bombs with flechettes, and special flame-throwers."

Noriega said he was "demonized" by "a psy-war apparatus superior to that of Goebbels in Hitler's Nazi Germany."

Why, asked Noriega, did the Panamanian people recently welcome the U.S. President with tear gas, and force him to run out of town under armed guard, "after he liberated them from a 'monstrous dictator,' in a demagogic 'Just Cause'?" Noting that "being the world's policeman is a very expensive profession," Noriega asked: "How many homeless and unemployed in Los Angeles, New York, and Miami could have been helped" with the millions spent to "Get Noriega"?

Noriega told Judge Hoeveler: "You have been used by the government. By refusing to allow any challenge to your government's policy actions, you have become an ally of these policies."

### **Hoeveler joined prosecution**

During the seven-month trial, Hoeveler forbade the defense to mention the invasion or present any "political" evidence, including information about the drugs-for-arms operations carried out by White House operatives in Central America. The judge's gag order preordained Noriega's conviction. Even at the sentencing, Hoeveler upheld prosecutors' objections and forbade Noriega to talk about some U.S. covert operations.

According to Noriega, Hoeveler also barred the defense from introducing evidence about anything related to the Iran hostage crisis, the accounts at the Bank of Credit and Commerce International (BCCI), and U.S. attempts "to eliminate the Shah of Iran in Panama, using Panamanian medical doctors, to obtain the release of the American hostages." Also at issue, he said, was the "mysterious" death of Noriega's predecessor, Panamanian leader Gen. Omar Torrijos, in an airplane blown up "by a task force of the U.S. Southern Command by orders of the Reagan-Bush administration."

Col. Julián Melo, who was cited repeatedly by the prosecutors as the man who allegedly delivered the payoffs from the drug cartels to Noriega, was never called to testify, despite the fact that "the prosecutors had Melo housed three times at the Embassy Suites of Miami. Why was he not called to testify? Because Melo's version would have exonerated me."

Hoeveler's protestations that "politics was not part of this case" were belied by the plea-bargain deals given to prosecution witnesses. Hoeveler sentenced Amet Paredes to three years in jail and a \$50 fine, although he was caught with a yacht-load of cocaine and weapons that could have

earned him 20 years in prison. Prosecutor Myles Malman said that Paredes was forced to turn to crime because Noriega reneged on an agreement to back his father, Gen. Rubén Darío Paredes, for President of Panama. The elder Paredes acknowledged his intimate ties to the Ochoa drug lord family in 1986. In fact, the Medellín Cartel killed another son, Rubén Darío Paredes, Jr., for losing a cocaine shipment.

Hoeveler also praised Ricardo Bilonick, whom he sentenced to four years in jail, after Bilonick admitted he smuggled 22 tons of cocaine into the United States. At his sentencing June 17, Bilonick read letters on his behalf from former President Jimmy Carter and former U.S. ambassador to Panama Ambler Moss.

### **Military figures ally against the U.S.**

The U.S. Supreme Court decision confirming the U.S. status as an outlaw nation, has moved Ibero-America's military to draw the appropriate lessons from the invasion of Panama and the Noriega trial. "The U.S. Supreme Court decision of last June 15," commented the July issue of *Ombro a Ombro*, the publication of Brazil's retired military, "authorizes the U.S. Executive to henceforth repeat, as often as it considers it necessary, the sort of actions carried out in Panama in December 1989." The court decision must be analyzed side by side with the Pentagon's so-called Wolfowitz Doctrine, which states that the United States must do whatever it takes "to guarantee that it will remain the only military superpower," said *Ombro a Ombro*.

The "arrogant Supreme Court decision is only comparable to the most decadent moments of the Roman caesars; it does not demonstrate strength, but profound cowardice and weakness at a time when one can see looming on the horizon the worst political-institutional crisis in U.S. history, as shown by the ongoing U.S. electoral process. The message of the new Neros is clear: the tiger is wounded, and before it dies, it is preparing to set fire to the international juridical order," said the editorial, which is believed to reflect the views of active duty military and political layers in Brazil and throughout Ibero-America.

U.S. diplomacy is now "working night and day to dismantle the armed forces of the nations to the south of the Rio Grande, so that future interventions such as the one in Panama are 'cleaner,' " added *Ombro a Ombro*. "The time is coming to establish hemispheric security accords between the sovereign nations of our continent, apart from, and even against those that place themselves above the most precious principles of civilized behavior among nations. If the Monroe Doctrine in its beginnings showed the determination of the young American republic to confront the interventionist threats of the Holy Alliance, today the sovereign republics below the Rio Grande can invoke the same principles to confront those who, from within the North American nation itself, betray their own republican principles of the harmony of interest among nations."

# History will record: 'I spoke the truth'

*The following excerpts are from the speech prepared in Spanish by Gen. Manuel Noriega of Panama for delivery at his sentencing hearing before Judge William Hoeveler in federal district court in Miami, Florida on July 10.*

. . . I will not be making a speech, nor providing an explanation; just making a limited exposition of things and facts that give the sense, the smell of this case that go beyond a reasonable doubt. . . .

It is easy to determine wrongdoing when it is perpetrated by criminals. We expect it from them and we anticipate their conduct. But when good men are used for evil purposes, no one wants to believe it. However, the greatest crimes are often committed by decent men acting with a noble purpose.

I need look no further for my proof, than your recent examination of the jury. There is no way to reconcile what the jurors told the press, with what they told this court. And I have no doubt that the jurors really told the press that there was a prayer session at the Everglades Hotel. But in court, they denied that such a prayer session took place. Your honor, I am sure that you don't believe that the press manufactured this incident. But you believed the jurors, because you are incapable of believing that the jury could lie to you. But you know that at least one member of the jury lied to you before. Similarly, you always believed them, that they never heard the news, nor commented on the case, nor watched television. It is possible that the jury was forced to lie to you by the hidden arm, by the Chinese Wall that always came up at decisive moments. . . .

It is said that those who don't learn the lessons of history, are condemned to repeat them. The problem is that no one wants to learn the lessons of history and I was one of those (*mea culpa*). For thousands of years, powerful nations have staged provocations to start wars or to persecute leaders who are obstacles to their purposes. I forgot that and fell for the provocation of the United States' harassment on my own territory, and once one falls into this provocation, comes the frenzy in the news in the name of American justice.

That's how you Americans clamored for justice after hearing the fairy tale of your warships coming under attack in the Gulf of Tonkin. That's how you Americans clamored for justice against Spain when your warship, the *Maine*, sank in the harbor of Havana. And that's how, more recently, you Americans clamored for justice after hearing the story that Iraqi soldiers were murdering babies in Kuwait. Only after all of these events, you found out that your leaders had manipulated the facts for

political aims. It was the same in Panama. . . .

Judge Hoeveler, Panama was not invaded because the canal was threatened. Panama was not invaded because the lives of American citizens were in danger. Panama was invaded because I was an *obstacle* and *injurious* to the historical records of your President, George Bush, who preferred me dead!

The real purpose of these proceedings is not to sentence me. It is to legitimize the power of this administration to take any measure to achieve its political goals even if it includes the death of innocent persons:

## Used by your government

Unfortunately, you have been used by the government. By refusing to allow any challenge to your government's policy actions, you have become an ally of these policies.

You accepted your government's arguments, that its war in Panama was necessary to protect American lives. You accepted the argument, because you cannot conceive that your Army could have caused the deaths of innocent people merely to discredit me and for the political purposes of this administration. . . .

Your honor, for six months you have heard talk about Panama. You don't know Panama! But the way the prosecutors talked about it and its authorities, was with the same impositions and demands that one speaks about the duties of an American colony such as Guam or the Virgin Islands. . . . The Army of the Isthmus of Panama fought in the War of Independence from Spain on the side of Bolívar and Sucre in the battles of Junín and Ayacucho. That is to say, that Panama is not a colony of the United States. It never was, nor ever will be a star in the flag of the United States, and its officials cannot abide by the orders of their masters, the chiefs of a colony. . . .

The [Panamanian] Defense Forces were referred to here as something strange. But its organization was a professional counterpart to the American military brigade on the Canal Zone. . . .

But when I assumed command, the Reagan-Bush administration confused my friendship and my professional coordination, with submission, dependency, and subservience. And when they attempted to go against the interests of my fatherland, I didn't accept it. . . . And that's how the war against General Noriega developed.

Yes, your honor, the case against Gen. Manuel Antonio Noriega is completely and totally political, just as you described when you first learned of it, when you said it was "fraught with political overtones." . . . The government's Chinese Wall, the CIPAs [Classified Information Procedures Act], the permanent conferences and consultations with Washington. Those are all "political overtones" before, during, and after. . . .

The allegations of these two administrations were presented to a grand jury through José Blandón. Do you remember that name, and others, that culminated with the charges

of 1988, causing all the infamous publicity and the honors of a satanic invasion because of which I am in the belly of Leviathan? . . .

Why did the government, having Blandón and [Boris] Olarte in its custody, never call them to testify?

The answer, Your Honor, is obvious. They are two totally opposed theories. . . .

When in the history of the civilized nations of the Americas has a country been invaded, causing destruction and death, to overthrow and arrest a foreign leader fulfilling his term in office? . . .

What name can you give the action of demanding and clamoring for the rights granted by the Geneva Convention to prisoners of war for its soldiers in Vietnam and the Persian Gulf, but denying others, such as myself, those same privileges and rights. . . .

The millionaire propaganda machine employed against me by the Reagan-Bush administration for nearly four years, did not allow any of the citizens of this country to escape its claws. Thus, there could be no impartial jury that did not have preconceived images about this trial. And the proof of this was expressed by one of the members—when this trial was headed for a “mistrial” because of a “deadlock” among the jurors on April 8, the day before the verdict in this political trial—who said that “George Bush is awaiting this verdict.” . . .

Gen. Manuel Antonio Noriega was an obstacle to their disproportionate aims of keeping the canal and its territory, and perpetuating their military bases with the duties of an American colony.

But . . . they didn't just want to dismantle the clauses of the treaty and for me to submit to their order, but they also wanted to impose their influence and power on other independent nations in the area. . . .

In the specific case of Nicaragua, the insulting demand of Adm. [John] Poindexter, indicted as a liar in the Iran-Contra case, which is now reaching up to the levels of true responsibility, was that a spearhead be established on Nicaraguan territory using Panamanian troops, to justify an armed intervention by the United States.

When I learned from this and other high-level envoys of this administration the true reason for its protective image, there, at that moment, I told them no! No! To permit damage to my troops and to my neighbors, I said no! To harm the Nicaraguan people, I said no! To intervene against a people in the midst of their most intimate struggles and decisions, I roundly said, no and no. And this no! is one of the reasons I find myself before you. . . .

### **Barred from presenting a case**

Your Honor, the defense was not allowed to present among its evidence here, documents that exist in classified U.S. archives, such as: . . .

Weapons from Costa Rica, first for the Sandinistas, then for the Contras. And with the Contras, those pilots were

allowed to bring drugs from Costa Rica to the United States. In Costa Rica, their base of operation was run by John Hull, [Joseph] Fernández and others. . . .

The death of Panamanian former Sandinista [Dr. Hugo] Spadafora, after visiting the CIA in Washington and meeting with John Hull in his farm in Costa Rica. . . .

The trip to Washington in 1984, where the U.S. chose and supported [Nicolás Ardito] Barletta as the presidential candidate against Arnulfo Arias. . . .

Reports from intelligence agencies that state explicitly that they have no proof of drug trafficking against General Noriega. . . .

Why was it not allowed to expand about Grenada? . . .

Why was it not allowed to speak about the meetings with former CIA director [William] Casey in my home in Altos del Golf, and in Washington and in Fort Amador and in other clandestine sites? . . .

Of the mysterious trip to Cuba, it was not allowed to be said that it included a request for a visit there by a high-level official from the Reagan-Bush administration, who, following my visit, went to Cuba to open a channel for talks. But the administration does not want this known because it will upset the Cuban exiles, and it was not allowed that the name of the senior official of the Reagan-Bush administration, who was sent by Reagan-Bush and received by Castro, be mentioned here. . . .

For my part, I accuse George Herbert Walker Bush of:

1) Using his power and authority to influence and subvert the American judicial system to condemn me.

2) Of genocide, for having given the order to massively bombard Panama's civilian population, causing the deaths of more than 5,000 inhabitants. . . .

7) I accuse him of planning the destruction of Panama's sovereignty, and of Panama's Defense Forces. . . .

8) Of creating crisis for those governments of Latin America that are not aligned with his demagogic “new order” policy.

9) Of sabotaging the tripartite accord with Japan for the construction of a new canal through Panama. . . .

11) Of being the intellectual author and conspirator in the sabotage against American civilian installations in the Panama Canal zone that began on Oct. 31, 1976.

Of all this and more, he is guilty. . . .

To Panamanians . . . remember: there is no armed invasion that can kill an idea. There is no sentence that can silence the Panamanian cry of liberation, for a single territory, for a single flag, without foreign troops.

However, Panamanians: empires as the Babylonian and the Roman fall as the Berlin Wall, and only God is the owner of eternity. . . .

I praise God because He protects my family as they wander the earth living in exile, because He is my shepherd. I am at peace with myself. In time, history will . . . record that on this day I spoke the truth.

# Suspect U.S. role in Shining Path's spread

by Cynthia Rush

One of the fruits of the Bush administration's policy of dismantling the institution of the armed forces in Ibero-America is the unhindered expansion, not only of Peru's Shining Path (Sendero Luminoso) narco-terrorists, but the emergence of similar groups beyond Peru's borders.

Apologists for Shining Path and its clones, lodged at the U.S. State Department and in several Ibero-American capitals, say narco-terrorism's expansion is due only to the "brutality" and "human rights violations" of the continent's armed forces. This is simply a justification for destroying the armed forces while giving free rein to the narco-terrorists to take power. Although Peru is the key battleground right now, the entire continent is threatened by Washington's insane policy.

In Bolivia, which has been free of narco-terrorism since the Che Guevara days of the late 1960s, a group known as the Tupac Katari Guerrilla Army (EGTK) recently distributed videocassettes to the local media showing hooded individuals shouting revolutionary slogans and making death threats against government officials. Like Shining Path, the EGTK claims to represent the interests of the country's indigenous populations. On July 6, two children near the city of Sucre were killed when they found a bomb planted by the EGTK near an oil pipeline.

Bolivia's interior minister denies that there is any link between Shining Path and the EGTK; however, as far back as December 1989, according to the May-June issue of the Peruvian magazine *Quehacer*, a pro-Shining Path group in La Paz assassinated Peruvian naval attaché Juan Carlos Vega Llona. The group, the Revolutionary Workers' Movement (MOR), claimed that Vega Llona was responsible for repressing Shining Path members during a 1986 attack on Lima's El Frontón prison. *Quehacer* notes that while the MOR hasn't reappeared since 1989, Shining Path's own internal documents indicate their great interest in Bolivia, and emphasize the importance of maintaining a base in the southern Peruvian state of Puno, because of its location on the border with Bolivia.

Other pro-Shining Path or Shining Path-like groups have appeared elsewhere. In late May, the "Heroes of Canto Grande" bombed the Foreign Ministry building in Quito, Ecuador, claiming retaliation for a Peruvian police attack on Lima's Canto Grande prison earlier that month, where tens of Shining Path members were wounded or killed. At about the same

time, in the northern Chilean city of Iquique, the Revolutionary Guerrilla Coordinator for a Free America sent letters to several businessmen, demanding payments in exchange for "security." The group, which emerged only a few months ago, expressed its solidarity with Shining Path and called for armed struggle against the "clandestine government" it alleged is run by former Chilean President Gen. Augusto Pinochet.

## A new revolutionary front?

The emergence of a variety of new "revolutionary" groups in the recent period would seem to bear out the warning issued recently by U.S. presidential candidate Lyndon LaRouche to expect a new wave of terrorism in the aftermath of the U.N. Earth Summit, held in June in Rio de Janeiro. Cuban President Fidel Castro's overt embrace of the summit's eco-fascist agenda, and the subsequent meeting of several armed narco-guerrilla groups in Rosario, Argentina to discuss the creation of a new leftist movement for the continent, suggest that a terror wave is about to begin.

Carlos Manuel Acuña, a commentator on military issues for Argentina's daily *La Prensa*, has noted in several columns this year that a terrorist upsurge appears to be under way particularly in the Southern Cone of Ibero-America, a region which suffered tremendous devastation from the terrorist offensive of the late 1960s and 1970s. He warned that the activities of several groups which were active during that period, such as Uruguay's Tupamaros, the Argentine ERP, as well as the more recently formed Chilean Communist Party's Manuel Rodríguez Patriotic Front, and the Argentine All for the Fatherland Movement (MTP), deserve close scrutiny.

In an article in *La Prensa* in May, Acuña also reported that the emergence in Uruguay of a group calling itself the Eastern Revolutionary Movement coincided with "rumors and unconfirmed reports" of an extension of Peru's Shining Path and MRTA narco-terrorists "into neighboring territories, including in Argentina."

Since Washington is committed to destroying the continent's armed forces, the reports on the expansion of narco-terrorism are combined, not surprisingly, with the suggestion that foreign military intervention may be required to do what the "corrupt" or "inept" Ibero-American militaries cannot. *Quehacer* reminds its readers of the proposal made last May by Argentine President Carlos Menem, calling for the creation of a continental military force to combat Shining Path because "Peru cannot do it by itself."

Chile's President Patricio Alwyn has made similar remarks, and the implication of statements by U.S. Assistant Secretary of State for Inter-American Affairs Bernard Aronson, to the effect that Shining Path is close to "taking over" in Peru, is that foreign military forces may be needed. With reports of U.S. troops already present in northern Argentina, eastern Bolivia, and parts of Colombia, this is the scenario for turning Ibero-America into a new Vietnam.

# New Italian government may be a rerun of 1978

by Claudio Celani

Destabilizations of Italy, in recent history, have come in many forms: terrorism, the mafia, economic warfare, and even certain labor conflicts. But nobody could imagine that the most serious shock to the political system would come from a magistrate, i.e., from the law itself. Yet, the investigation started by Milanese Judge Antonio di Pietro on the kickback system regulating relationships between politics and business, is shaking Italian politics so much that it threatens the very existence of political parties.

Milan, the industrial capital of the country, has been renamed *Tangentopoli*, "Kickback City" (*tangente* means kickback). True, the corruption cases are real and the judge is doing his job, but the trial against single individuals has become a trial against the political system as such, in a climate of Jacobin frenzy.

Observers are drawing a parallel to the pre-fascist period, pointing out the danger that the system of constituency-based parties may collapse under the corruption scandals, and a new system emerge, similar to what we see in the United States, based on "opinion parties," i.e., parties with two wings.

Observers are also pointing to the fact that there may be a secret agenda, since the hardest hit by the scandals is the Socialist Party, and in particular its leader Bettino Craxi (his son-in-law has been indicted) just when he was supposed to become prime minister. Is it a coincidence that the Carabinieri, the military police, who for 40 years have been unable to collect any evidence for the judges, suddenly started to collect more than they were asked for?

To be sure, the magistrate who is leading the investigation in Milan, Antonio di Pietro, is arresting corrupt people and does not seem to be politically motivated, but he was assigned to that job by his superior, a former communist who is now flirting with the separatist Lombard League. And if there were elections today in Milan, the League would probably win an absolute majority.

"Parts of the Italian secret services, in agreement with the Americans, have started to work on a new kind of 'strategy of tension.' The target? Destabilize the Italian political system and hit Craxi," writes the Catholic weekly *Il Sabato*, pointing to former Finance Minister Rino Formica as a supporter of this theory.

Another Socialist leader, Arturo Bianco, explains: "One thing is sure: If Italy and other European countries like Spain, France, and Germany are destabilized, they cannot rush to conquer the eastern markets. Other countries would take advantage. First of all, the United States."

## Craxi, the former ally

It is ironic that the Anglo-Americans, after having promoted Craxi for many years—just to erode the power of the Christian Democracy in Italian politics—are now dumping him. Maybe they have never forgiven him for what happened in Sigonella, when President Ronald Reagan sent a U.S. military team to the Italian airport to storm the Egyptian plane carrying the *Achille Lauro* kidnapers, but Craxi deployed the Italian Army to prevent it. But there is a broader reason.

A cornerstone of the economic "reforms" which Italy should undergo, according to the Anglo-Americans, is the privatization of the huge public sector of the economy, plus the virtual elimination of the pension and health systems. To do that, means the end of parties like the Christian Democrats and Socialists (plus other minor parties), who get votes by guaranteeing the system of public employment. In other words, they would lose their constituencies.

On the basis of this common interest, the Christian Democrats and Socialists have renewed a government alliance with the idea of also involving the PDS, the former Communist Party, in the majority coalition. This operation would be led by Giuliano Amato, Craxi's lieutenant, who has been appointed the new prime minister in place of his boss, who is blocked by the scandals.

## Amato in a minefield

It is too early to say whether Amato will succeed in his enterprise. He needs the support from the PDS for the simple reason that his present majority of Christian Democrats, Socialists, and the tiny Liberal and Social Democratic parties, is too fragile. His first step, though—an austerity program—is not exactly what could bring him support from the left.

In reality, the Italian economy needs anything but an austerity program. True, the ratio of public debt to Gross National Product has reached dangerous levels, but this is

due to two main factors: 1) a loss of traditional export markets, due to the insolvency of Third World and eastern European countries, and the depression in the United States; and 2) the interest rate burden, which is 20% of the whole public debt.

A cut in the debt service and an investment program, supported by trade agreements, would turn the situation around in a few months. Amato's advisers know this, but the Italian prime minister has been forced to do exactly the opposite by a combination of political ultimatums and financial warfare.

The ultimatum came from the European Community (EC). In May, the EC finance ministers practically ordered Italy to cut at least 30 trillion liras (\$25 billion) from the budget to respect the Maastricht agreement on European union.

Furthermore, as soon as the Amato government was inaugurated, the lira underwent a tremendous attack, unleashed by the false rumor, circulated by Goldman-Sachs (an Anglo-American banking house), that the new government would devalue the currency. Nothing could have been further from the truth, but that rumor was enough to provoke a capital flight and force the Bank of Italy to massively intervene on the market to defend the lira.

Speculation was fueled also by the decision by Moody's to downgrade the Italian economy: an unexpected move, given that the British company acknowledged a trend which has gone on for two years. The official responsible for that decision, a former employee of Morgan Bank, was actually removed after the Italian protests. But too late. In the meantime, the Italian authorities had used up 10% of their reserves to defend the currency, and only when Amato announced an increase in the interest rate (up to 14%) and his austerity program on the eve of the Munich Group of Seven summit, did the attack cease.

In reality, the Italian government has calculated that one point in the interest rate means a 15 trillion liras (\$12.5 billion) increase or decrease in the public debt. That is, through the increase of the interest rate, the Italian state will pay 15 trillion liras more to international purchasers of treasury bonds. That is why Amato has tried, unsuccessfully, to convince German Chancellor Helmut Kohl to coordinate a common policy of low interest rates.

Where, now, will the \$12.5 billion come from? Mainly from tax increases: an increase in the house tax (\$200 for an average family), plus a general tax on bank accounts are the main measures. It will not inflict great suffering, but will not solve anything either.

### Strategic policy

Amato has gained a consensus for other aspects of his policy. For example, he drastically reduced the number of ministers and undersecretaries, and filled positions with a lot of new faces. The operation, in which President Oscar

Scalfaro participated directly, is not only cosmetic. "The biggest news in the Amato government is the absence of Gianni De Michelis," commented a Rome insider.

Under Venetian socialist De Michelis, Italian diplomacy so far has played the British game of sabotaging all attempts, especially by Germany, to develop an independent European foreign policy. In the case of Yugoslavia, for example, De Michelis was so pro-Serbian that he has been strongly criticized inside his own party. For another example, when Bonn and Paris announced the formation of the Euro-Corps, De Michelis quickly arranged an Italian-British entente, as a clearly hostile answer.

De Michelis's place has now been taken by Vincenzo Scotti, a Christian Democrat, who was interior minister in the former government. Scotti's views in foreign policy are not known, but he has shown courage in denouncing the existence of an "international connection" behind the murder of anti-mafia Judge Giovanni Falcone this past spring. Scotti has not gone so far as naming the CIA or the Anglo-American establishment as being behind the murder, but other representatives of his party did say so.

The new defense minister is another socialist, Salvo Andò. He replaces Christian Democrat Virginio Rognoni, who was an enthusiastic supporter of the NATO "out of area" deployment policy. Andò is said to be, contrary to his comrade De Michelis, more favorable to the French-German army.

### 'La commedia è finita'

Such is the headline, in Italian, of an editorial published in the London *Financial Times* on July 13. It means: "The comedy has ended." Putting aside the typical racist overtones, the meaning of that article is not so much what it says—a reminder to the Italian political class that it has to apply the "Thatcher recipe" of brutal austerity—but rather lies in the fact that the same exact headline had been published by another mouthpiece of the British establishment, the *Economist*, in another stormy period of recent Italian history: In 1978, a few weeks before Aldo Moro, the president of the Christian Democracy, was kidnaped and then killed by the Red Brigades. The Rothschilds' magazine ran that same headline, in Italian, on its front page, above pictures of Moro and Enrico Berlinguer, (head of the main opposition party, the Communist Party), dressed up as puppets.

History is repeating itself. Amato is attempting to do what Aldo Moro tried to do in 1978, i.e., form a government majority with the three main mass-based parties: the Christian Democracy, the Socialist Party, and the former Communist Party, today the PDS. Moro was first threatened by Henry Kissinger, and then killed by terrorists—the punishment for having dared to create a policy in the national interest, which was not allowed by the Yalta agreement. The message of the *Financial Times*, which repeats what the *Economist* said 14 years ago, to Amato is: Do not dare to do that, or else.



# U.S. civil rights leader vows effort to save condemned Croatian soldiers

by Paolo Raimondi

Amelia Boynton Robinson of Tuskegee, Alabama, the author and civil rights leader, visited Croatia as the invited guest of "Bedem Ljubavi—Mothers for Peace" over the week of July 1-6, and pledged to lead worldwide efforts to block the execution of three Croatian soldiers imprisoned in Belgrade. Mrs. Robinson headed a delegation from the Schiller Institute to the war-exhausted republic, which has been battered by Serbian arms ever since it declared its independence last year. She was accompanied by Schiller Institute representatives Elke Fimmen from Germany and by Paolo Raimondi from Italy.

Now 80 years old, Mrs. Robinson is a veteran of the civil rights battles which caused her husband's premature death as a result of persecution, and she herself was beaten and left for dead in the famous Selma March of 1965. But Amelia Boynton Robinson is not resting on her laurels. She has committed herself to forming what she calls "an international civil rights movement," in the context of the Schiller Institute, founded by Helga Zepp-LaRouche.

The organization that hosted her visit to Croatia, Bedem Ljubavi, ("Bastion of Love") consists of mothers of mostly non-Serbian soldiers drafted by the Yugoslav Federal Army and forced to fight for Serbian aims. It began in June 1991 throughout all the republics of former Yugoslavia, to organize mothers in a peaceful mobilization to get their sons out of the communist Federal Army and to stop the genocide against unarmed populations whose only crime has been to aspire to national self-determination. These mothers' actions have set a high moral standard for the resistance, especially in Croatia and Bosnia-Herzegovina, against the aggression of the "Yugoslav" Federal Army, under the control of Serbian communist leader Slobodan Milosevic, and the Chetniks—the Serbian terrorists.

Mrs. Robinson—whose book, *Bridge Across Jordan*, describes the voter registration battles in Selma, Alabama where she risked her life alongside Dr. Martin Luther King—brought a message of hope to Croatia, where the expanding war and its toll of refugees, displaced people, dead, wounded, and sick, poor, and destroyed families, have begun to produce desperation. She spoke about her experiences in

Alabama, fighting to educate blacks and whites, too, to win for themselves the right to become first-class American citizens. "Do not be afraid, do not fall into hatred, be brave and courageous as you have been, fight for the respect of all fundamental human rights, do not despair, have trust in God and pray to Him. He is the same God of the miracles of the Bible. Be with Him and you will win," Amelia told everybody she met.

Robinson opened her visit with a press conference held at the Zagreb office of the Bedem Ljubavi movement. She sharply criticized the policy of the George Bush-James Baker-Henry Kissinger administration, which she accused of having egged on the Serbian military against the other republics seeking independence from the communist dictatorship. The news of her visit and her message were reported several times on Croatian national television and radio on the same day. The two main dailies, *Vecernji List* and *Novi Vjesnik*, covered the press conference on the next day. The media coverage continued with several articles and radio reports, including a high-profile interview with the Sunday issue of *Novi Vjesnik* (see *Documentation* below), and an English-language broadcast of another interview into North and South America and Australia, where there are large Croatian communities.

On July 3, Mrs. Robinson addressed a public forum organized in the offices of the Matica Hrvatska, the Croatian national cultural organization, which was attended by 70 people. After a warm introduction by Mrs. Slavica Bilic, the president of Bedem Ljubavi, Mrs. Robinson reported on her experiences in the U.S. civil rights fight, as she had documented them in *Bridge Across Jordan* (Washington, D.C.: Schiller Institute, 1991).

## Appeal for three condemned to death

At the press conference, Robinson had her first closeup encounter with the horrors of the war when she was introduced to relatives of three Croatian soldiers—Nikola Cibaric, Zoran Sipos, and Martin Sablic—who resisted the Federal Army attack against their hometown of Vukovar (see box). They were imprisoned after the fall of the citadel and are now

condemned to death by a military tribunal in Belgrade. The brother of Nikola Cibaric reported, in tears, that he lost his parents on Sept. 14 when they were taken by Serbian forces, and have been missing ever since. His other four brothers are very probably dead. Nikola Cibaric has a wife and four children. The wife of Zoran Sipos said that her husband was captured in November in Vukovar while defending his home. Martin Sablic has a wife and two children, the youngest a daughter of 14 months.

Robinson, who fought all her life against capital punishment and is one of the promoters of a resolution to stop the use of the death penalty in the United States, promptly issued a worldwide appeal to draw attention to this injustice, and to mobilize lawyers to take up the defense of the three condemned men.

As the leading daily *Novi Vjesnik* put it in a July 5 article, the "fierce human rights advocate" stressed: "The fate of the three Vukovar captives, sentenced to death by the Serbian military court, will become known throughout the whole of America. We shall rouse all opponents of the death penalty." She continued, "We have only 10 days or so! We'll urgently engage international lawyers, notify all our branches around the world. We'll take all measures." The paper said, "The four-day visit of Mrs. Robinson—a woman who was fighting against racism, known to the world public as a police victim, for during the 'Bloody Sunday' of 1965, she marched at the head of the protest column and was furiously

abused and beaten—is a proof of how deeply she was touched by the struggle of Croatia for freedom. Mrs. Robinson is a member of the voter registration fight for African-Americans."

Robinson was approached several times by groups of mothers from Vukovar desperately looking for their sons, many of them wounded Croatian soldiers who were taken by Serbian forces from the Vukovar hospital at the end of November and have been missing since then. Their names do not appear on any list of prisoners or dead under Serbian control. Some of these mothers lost their husbands just a few days before being separated from their sons. Robinson promised that the Schiller Institute will do everything possible to find their relatives and return them to their families. "What you have to do is to make the whole world aware of this crime," she advised the mothers. "Create a mothers' delegation to travel to many different countries and build up international pressure for freedom."

Mothers of Bedem Ljubavi also related stories, confirmed by several priests, about some of the most horrible crimes against humanity committed by groups of Chetniks and soldiers. Currently, there are several hundred girls and women from 12 to 40 years of age in the hospitals of Zagreb, 117 of them alone in the Petrova Hospital, who are pregnant as the result of being raped by Serbian soldiers. These girls and women were kept in concentration camps until advanced pregnancy and then sent back to Croatia. Nobody wants

## The 'disappeared' from Vukovar

Dr. Vesna Bosanac, head of the Vukovar Hospital and currently adviser to the minister of health of the Republic of Croatia, on June 29 released the following information about the captured and missing persons of Vukovar.

"On Nov. 16, 1991, at the negotiations in Zagreb, the European mission signed, together with Prof. Dr. Andrija Hebrang (for the Republic of Croatia) and Gen. Andrija Raseta (for the Yugoslavian National Army [JNA]), an agreement for evacuation of the hospital under the supervision of the International Red Cross.

"During Nov. 19-21, 1991, the JNA under the guidance of Gen. Zivota Panic, Colonel Mrksic, and Maj. Veselin Sljivancanin put me, as head of the hospital, in prison and let only part of the wounded and the medical staff go to Croatia. In this way, from the hospital itself, the following people were taken prisoner: 189 wounded persons, 18 medical workers of the hospital, 25 auxiliary

workers of the hospital, plus 45 patients and civilians. The problem is made even more difficult by the JNA's not recognizing these persons as prisoners. Nor have they been recorded by the International Red Cross.

"After seven months from the fall of Vukovar into the hands of the JNA, we have still not managed to find out whether the wounded, the medical staff, auxiliary workers, and patients are alive or not.

"There are still 3,100 persons from Vukovar missing, who were taken over by the JNA under the direct command of Gen. Zivota Panic. We fear the worst massacre to have occurred, because the testimony of the released persons and of the civilians who have fled describes horrible tortures that the captives and civilians in Vukovar, which is now controlled by the Unprofor [U.N. forces], were exposed to."

On June 20, the first talks on this case were held in Budapest with Serbians, Croatians, and the International Red Cross. A Commission for Vukovar has been formed in which Dr. Bosanac is also a member. So far, the Mothers for Peace organization has obtained an affidavit of one person who saw a woman from Vukovar in one of the Serbian camps, which has been denied by the Serbians.

to speak openly about these crimes due to the precarious psychological state of the victims, but it is feared that there are now several thousand girls and young women from Bosnia kept in the concentration camps controlled by the Chetniks and facing the same fate.

Bolstering this fear is the report that out of almost 300,000 refugees from Bosnia in Croatia, most of them are children and elderly persons, but proportionally very few are girls and young women.

The Serbian war of aggression has perpetrated all types of bestiality and crimes. One of them has been the attack with heavy artillery and by the air force against hospitals and psychiatric centers. Amelia Robinson visited the Jankomir Psychiatric Hospital for children in Zagreb, and was received by the staff led by hospital director Dr. Biserka Markovic. Before the war, the hospital treated children affected by psychosis; since July 1991, some 53 children, refugees from the war zone, have been treated here. Most of them had problems before the fighting and had been in children's hospitals for psychiatric care in Vukovar or Osijek, but had to be evacuated. With many of them, the problems have worsened so much through the war as to produce destructive behavior never before seen by the doctors.

The Alabama civil rights leader met a 13-year-old boy from the city of Glina, 50 kilometers south of Zagreb, who suffered a severe shock after having lost his father and having been marched past aggressive Serbian soldiers and the bodies of local Croatian residents. Despite his own plight, the child told Mrs. Robinson that he most wanted her to tell American children what is going on in Croatia.

### **The refugee situation**

The Schiller Institute delegation was received by Damir Zoric, secretary general of the Croatian government's office for displaced persons and refugees, who reported on the plight of hundreds of thousands of people and renewed his call for international aid and an immediate end to the war. At the beginning of July, he said, Croatia counted, according to official records, 670,000 persons who were either refugees or displaced persons. This total broke down into 270,000 displaced persons on the territory of Croatia (people who lost their homes and are still present on Croatian territory), 300,000 refugees mainly from Bosnia-Herzegovina who escaped into Croatia, and the rest, about 100,000 Croatians, who found refuge in other European countries. The data indicate that 34% of them are children.

At least another 500,000 refugees from Bosnia are expected in Croatia as soon as they can escape from the fighting. There are hundreds of thousands more refugees or displaced persons who do not appear in the government count because they have been given temporary accommodations by relatives or friends. Zoric reported that the situation has become more complicated, because other European countries are not willing to receive any more refugees. Slovenia closed its

borders more than a month ago and Austria closed its borders at the end of June.

Also, the aid being received is not enough. One person needs 18 kilograms of food per month. Only half this amount comes from international organizations and the Croatian diaspora. Most of the food is distributed through public kitchens. The government of Croatia spent \$62 million for the refugees just in the month of May, and it will be spend more than \$66 million in July.

There is also a critical housing shortage, even after hotels, hostels, military barracks, and sport centers have been filled to overflowing. There are many cases like the coastal town of Makarska, with 21,000 inhabitants, that received 46,000 refugees. The refugee office is now planning to build camps to receive more people. Zoric has sounded the alarm because the situation is worsening due to the increase in unemployment, which has already reached 300,000. But, he concluded, the other very big need is on the spiritual level, because all of these people have lost their homes and their relatives and are in need of a lot of attention.

Later, Mrs. Robinson was invited to St. Mark's Church in Zagreb to speak with priests who were forced to flee from the war area of Glina. She heard horrible stories of torture and of the destruction of hundreds of villages by Chetnik forces who systematically eliminate everything, beginning with the demolition of churches and cemeteries. St. Mark's parish is now caring for 6,000 people in desperate need of food, housing, and spiritual help. The American guest had the opportunity to address 300 refugees, who warmly greeted her when she told them not to despair but to remember the story of Gideon in the Bible who, trusting in God, defeated an army of 10,000 soldiers with only 500 men.

### **Visit to the war zone**

On the morning of July 4, the leadership of the Mothers for Peace organization, together with Robinson and her Schiller Institute companions, drove to the war zone for a first-hand look. After an hour's drive east toward Slavonia, the group reached the little town of Kutina, just 100 kilometers from Zagreb. Kutina is the last town on this highway totally under the control of Croatian forces. Last autumn, Kutina was hit by 140 air attacks, some against the school and a local chemical plant, which fortunately did not create an environmental catastrophe. Under the escort of Croatian forces, the group reached the war zone and the area of total destruction within minutes. One little village after another had been completely bombed out; no human being, no animal, remains.

After reaching the first checkpoint held by U.N. (Unprofor) troops, and being informed by Croatian soldiers about a massacre of civilians by Serbian Chetniks, Amelia Robinson led the group in prayer at the mass grave, recognizable only by a small cross in the middle of the woods.

From there the group moved to Lipik, a town famous

for its hot springs spa, which has a big hospital, a resort center with hotels, and an old historic building. Spared even in World War II, Lipik did not survive the fury of this year's war. Before the current fighting, 12,000 people, 95% of them Croats, lived there; today, there are about 400 desperate people who refuse to leave their homes and risk their lives every day. There is no building which has not been hit in the fighting. Lipik was also world-famous for the Lipizzaner breed of white horses. The stable has been destroyed and a large number of horses killed. A systematic artillery and air bombardment did this, and the land mines are still in place. In hundreds of other towns and villages the cemeteries, churches, hospitals, and schools were destroyed even before the family dwellings.

### Whom is the U.N. protecting?

The newly created Croatian Army was able to free Lipik, as well as many other territories, which then had to be abandoned to U.N. troops after the United Nations decided to intervene. Currently, Unprofor occupies one-fourth of Croatian territory, preventing the Croatian troops from moving to regain the areas (one-third of Croatian territory) occupied by Serbians. This has allowed the Serbian forces to consolidate their positions and move additional heavy military equipment into these areas. While the Serbians do not respect the so-called U.N. demilitarized region, the Croats are operating only within the U.N.-established limits, knowing that there is an international campaign ready to be launched against them as criminals if a single violation were to be proven. For this reason, it is widely believed in Croatia that the use of U.N. troops is only intended to justify the partition of the nation on the Cyprus model, an idea long promoted by the British "peace negotiator" Lord Carrington.

At the same time, the recent story alleging the creation of an independent Croatian republic on the territory of Bosnia-Herzegovina, which may be a manifestation of the desperation of the people in this area, or a more conscious provocation by some groups, has been denied by Croatian President Franjo Tudjman and by Bosnian President Alija Izetbegovic. It is obvious to everyone who wants to gain national sovereignty over the whole territory of Croatia, that an action like this would justify the ongoing Serbian occupation of Croatia, Bosnia, Kosovo, and Vojvodina—formerly constituent republics and autonomous regions within Yugoslavia where some Serbs also live—and would open the floodgates for the kind of international campaign against Croatia exemplified by the July 8 *New York Times* editorial entitled "Croatia, the Butcher's Apprentice."

At the end of the tour of the war zone, during a lunch offered by Croatian officers and the mayor of Kutina, an older officer told Mrs. Robinson: "We are very honored and proud that you, from the U.S.A., have come here to give us words of comfort and courage and to invite us to join with you in the fight for civil and human rights."

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## Documentation

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### 'I'll support Croatia,' vows Amelia Robinson

*Below are excerpts from an interview conducted by Miroslava Kreca, printed by the Zagreb daily Novi Vjesnik on July 5, and translated from Croatian by Steven Corkovic.*

● *What is the reason for your visit to Zagreb?*

My visit to Croatia is one of a series of attempts to provide a moral and humanitarian support to your war-torn country. I have been invited by members of Bedem Ljubavi [Bastion of Love] and I wish very much to support the struggle for peace of these brave women. All my life I have fought for peace among men, for dignity, for justice, for civil and human rights. I felt this to be a call I ought to obey. Every time I talk to unfortunate people deprived of their rights, I feel I leave them at least a ray of hope. It is a great satisfaction for me to aid people, and more so since I am an optimist and believe in success. When the Schiller Institute asked me if I'd be willing to go to Croatia, I agreed to right away. However, I must admit that many people were afraid to come to a war zone. I know that I am not alone in my struggle; I am here and whatever I can do, I will certainly do for the benefit of your people, for the saving of lives and return of peace.

● *What did you, in this short time, see in Croatia?*

I visited a hospital in Jankomir [a suburb of Zagreb] and the government Refugee Office. I saw a 15-year-old boy who had witnessed the death of his father and brother. That boy is emotionally completely crushed. I talked to people who had some of their relatives killed, with the ones whose closest family members had disappeared in this war. After hearing their soul-stirring testimonies, I notified the president of our institute about all of that, asking him to undertake all in his power to help you. We do not ask them to send somebody to "bargain" with the other side, but somebody who will come to fight for justice. We enlisted international lawyers who are to represent your Vukovar soldiers condemned by the military court in Belgrade. I hope we shall succeed in saving their lives. If need be, we shall rouse the American public. . . .

● *What knowledge did you have about this country and this war prior to coming to Croatia?*

I have read a lot about your war in the Schiller Institute publications, but I must admit my awareness of these atrocities was inadequate. Already now I know much more, your truth about the war is horrifying. You know, the things I read in the publications of the institute were not the same

facts we were receiving by the official media. I do not know if you are aware that our organization was receiving the truth the way it was.

● *How can the Schiller Institute help Croatia?*

We will do our utmost, but our ultimate goal is to help stop the war in Croatia. We will persist in that for as long as necessary.

## Death sentence against Croatians

*Information supplied by the Committee for Legal Assistance to the Defenders of Croatia:*

On June 26, the Military Tribunal in Belgrade passed death sentences on Croatian prisoners of war Martin Sablić, Zoran Sipos, and Nikola Cibaric, and sentences of long-term imprisonment against Bartol Domazet (15 years), Jure Marusic (12), Slavko Madarevic (8), and Ante Vrankovic (6). The convicted persons are all members of the Croatian Army involved in the defense of Vukovar.

The accusations and condemnations were based on the violations of two paragraphs of the old Yugoslavian Penal Code—Paragraph 124, armed rebellion against the Yugoslavian Federal Republic, and Paragraph 142, genocide against civilians.

● The convicted persons were members of the Croatian Army, one of the sides of an international armed conflict and so, according to the Third Geneva Convention, they could not have been punished for participating in armed conflict (“armed rebellion”). . . .

● This procedure has been started on the basis of rules of the former Yugoslavia, which meanwhile ceased to exist, with the same consequences for its Army and for the Tribunal which has passed the sentences.

● The mentioned Croatian defenders have been convicted for crimes against the civilian population on the basis of confessions and testimony obtained through torture during long periods of detention in concentration camps and prisons.

All the named circumstances lead the committee to conclude that this and other processes at the Military Tribunal in Belgrade are illegal and that the sentences passed represent a “legal crime.”

There are 178 more Croatian soldiers facing criminal proceedings at the Military Tribunal in Serbia.

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## Interview: Pavlo Movchan

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# The writer as a man of the nation

*The Ukrainian poet Pavlo Movchan, as a secretary of the Kiev branch of the Ukrainian Writers Union, was one of the initiators of the Popular Movement of Ukraine for Perebudhova (known as Rukh) in 1989. He is a deputy in the national parliament of Ukraine. Jonathan Tennenbaum interviewed Pavlo Movchan on May 6 for the German periodical Ibykus, which has made the interview available to EIR. We have added footnotes.*

**Tennenbaum:** How would you evaluate the role of the Union of Writers in building the Ukrainian nation?

**Movchan:** The role of the writer? Of the Union of Writers? . . . I cannot answer that it is uniformly positive, for the simple reason that the Union of Writers was an agency artificially created to control the activity of all writers, with an overt ideological bent and with attempts to regulate all spiritual processes in Ukraine. Therefore, I cannot say that the Union of Writers had a positive role in the past.

But at a certain period in time, precisely in the Union of Writers, as the last substance of national independence—because the Ukrainian writer was dealing with language, and language was the last sanctuary of national freedom; it denoted national freedom—there matured many initiatives. At first, societies were created such as the Ukrainian Language Society. The Memorial Society was created, and Greenpeace. And in a certain way, the Union of Writers gave the impulse to the creation of [the independence movement] Rukh. It was in the Union of Writers that the charter tenets of that organization were thrashed out and polished, regarding all forms of its activity.

For Ukraine, a writer is not only a writer. He is something more than a citizen in Russia. Since the time of Taras Shevchenko [in the early 19th century], the writer was the national ideologue, but in a positive sense. He was the preserver of traditions, related to language. . . .

**Tennenbaum:** A national poet. . . .

**Movchan:** He was a national poet, naturally. And a man of the nation, a statesman, because the idea of statehood was passed like a baton from writer to writer. From Shevchenko to Drahomanov. From Lesia Ukrainka to Franko. That is at the end of the 19th, beginning of the 20th century. Then later, in the revolutionary time, to Vynnychenko, the historian,

writer, and philologist.<sup>1</sup> And then, across that renaissance by firing squad, that levy, the slaughter of leading figures of culture and literature, it passed to us: the immortal idea of recreating Ukrainian statehood, which had been lost.

**Tennenbaum:** What role will your organization have in the development of Ukraine, now that it is independent?

**Movchan:** After independence, writers should be busy with their writing. (Laughs.)

But if you are asking about the society that I now head up, Prosvita [Enlightenment], this is a cultural organization that is very similar, in some of its tasks and goals, to the Schiller Institute. Through knowledge—historical knowledge, scientific knowledge, cultural—we are trying to give the Ukrainian back all his national parameters, which were lost during a long period of time. He must feel that he is the inheritor of a great culture. He must be conscious that he is not a second-class person, and be freed from his national inferiority complex.

An atmosphere of provincialism was specially created in Ukrainian culture, and that provincialism lies like a deeply imprinted seal. It is necessary to get free of that provincialism, which established itself and for a long time ate its way into all the pores. And therefore the task of the society, along with the rebirth of the language and literature and customs, is a spiritual return. . . .

**Tennenbaum:** A renaissance?

**Movchan:** Yes.

**Tennenbaum:** Socialism made wounds and left a scar; it caused big cultural losses. What happened to culture under socialism?

**Movchan:** Russian, Soviet socialism did not arise in a vacuum. It arose as a natural continuation of the absolutist idea which was the ruling idea in Russia, beginning in the time of Peter I—all his reformism notwithstanding. His position was continued by Nicholas I, who controlled everything. This absolutist idea has a deep history in Russia. And I have big doubts as to whether Russia will ever become really democratic. My disenchantment is grounded in history and historical references, because there were no democratic periods in Russia. There were democratic aspirations, there were forces and movements. But there were no periods in the actual history. Maybe there was that very shortest of periods, known as the interregnum, between the monarchist system and the Bolsheviks. Maybe that very short period.

Ukraine, however, is very rich precisely in democratic traditions from the period of the Kiev princes, the elected *viche*, through the Cossack republics with their democratic principles, through the constitution that was written by Pylyp Orlyk already at the end of the 17th century.<sup>2</sup> The Polish Sejm and the king cited that constitution; it was their basis. So democracy is the basis of the Ukrainian mentality. For

that reason the Ukrainian is accused of extreme individualism, and blamed—as part of his inferiority complex—for the fact that each Ukrainian tries to stand apart, to live and to be concerned with his plot, with his land, with his principles, as he sees fit.

For this reason, I don't speak about democracy in Russia, and it seems to me that the Russian philosopher Berdyayev addressed this the best of all. He did not idealize history and he considered that Russian socialism was the third phase of Russian absolutism. The first phase was Ivan Grozny [the Terrible]. The second was Peter I. The third was Leninism-Stalinism, with all its consequences.

To speak about Russian socialism is to speak about barbarism and an aggravation of everything there was before, which was now just perfected, like instruments of torture, executions, humiliations. It seems to me that there is a scar there, a continuous historical scar.

For Ukraine, the most terrible period of the rule of these ideas was the period of annihilation of the bearers of culture, the peasantry, the bearers of the people's culture. The elite was finished off right away. No nation can survive without its elite. So that elite layer was destroyed immediately after the revolution, and during the revolution. What remained as the bearer of the people's traditions and the people's culture, was the peasantry.

Therefore, there began under Stalin the period of collectivization, and *famine*. Yes. Therefore, for me, the word "socialism" has just one shade of meaning: It was the cruelest fascist period in the history of my people. This was the period of the systematic annihilation of Ukraine.

**Tennenbaum:** What kind of viewpoint is there in Ukrainian literature today and in the past, which could provide a positive identity?

**Movchan:** It is not a viewpoint. Historically, I would say it is a tradition. It is what I was talking about in the Ukrainian mentality, which runs deep. It was formed and then recreated, or provided the resources for the re-creation of that mentality. But after the period of socialism, it became much more difficult to generate this.

**Tennenbaum:** What kind of role will literature play?

**Movchan:** For the rebirth of the individual?

**Tennenbaum:** Yes.

**Movchan:** Unfortunately, literature does not occupy the place it should in the world, because mass culture has gripped not only America and western Europe. It is penetrating the East, as well. We have the same problems as everywhere. Television, audio- and video-technology expansion. All information comes through that. This means that it is ever more difficult to restore the contexts of life.

But our problems are aggravated by the fact that at present we have an information blockade by Moscow. We are depen-

dent, with respect to deliveries of paper. As a result, the Ukrainian book is dying before our very eyes.

**Tennenbaum:** Literally?

**Movchan:** Literally. It is very difficult now to publish a book in Ukrainian, and unprofitable. This is strictly a loss-making proposition. This is a big burden for our young economy, and a big problem. And if the Schiller Institute were to help us, we would be very grateful. Even just to think of how to break the information blockade. Perhaps there are some new technologies for manufacturing copying materials out of recycled raw materials, to produce paper not at big plants that require a lot of wood, and ecologically more or less cleanly, so that again we could have our own books.

We had them, but in the 1930s, books were annihilated, burned. We were deprived of sources. This was that same period of fascism.

As a matter of fact, German fascism was provoked by Russian fascism, as a reaction. I see a direct dependency between Hitler's accession to power, and the regime in Moscow. These were all the Leninist principles, inculcated with some changes in Germany. I think that these things have to have mutually conditioned each other.

You must not cultivate barbarians in the East. People in the West must understand that barbarians in the East are a danger for them. And therefore there should be joint efforts here.

The place of the writer would be more tangible now, if he could have an influence on the state of mind of his readers. For the most part, his readers right now are sitting in front of the television and listening to Russian programs. They are watching Russian programs, because we have an information blockade with respect to television as well as books. The broadcasting power and technical capabilities of Moscow television are incommensurate with the provincial ones, as they were artificially maintained by Moscow. That is, we didn't have our own equipment, skilled workers, or capabilities. So, we have a very serious problem in this respect, as well.

**Tennenbaum:** In your opinion, what influence has Ukrainian literature had in Europe? Is there a connection, throughout history?

**Movchan:** The influence of Ukrainian literature in Europe has not been studied very much. I can talk about the influence in the opposite direction, because the so-called German Romantic school had a certain influence on the rebirth of Ukrainian literature.

**Tennenbaum:** Schiller, for example?

**Movchan:** Yes. Above all, yes. And this could be observed in the work of Lesia Ukrainka, her plays, and many other of her works.

But I would say that it is not just a question of literature.

The philosophical ideas of [Hryhorii] Skovoroda<sup>3</sup>, for instance, in a certain way influenced and penetrated through Poland and Slovakia, and reached Europe. Europe had not known the asceticism and aloofness from the world, which Skovoroda preached, and in a certain way this was a positive feature for the process of spiritual formation.

Otherwise, I think that it was not possible for there to be influence, for the reason that we did not fully realize ourselves as a nation. This we were not allowed. We have a big, unrealized spiritual potential.

But there were periods in which, indeed, there was an influence on Europe. This was the period of the [Kiev] princes, when all the hereditary princes of Europe studied at the school of Monomakh. And because of the marriage of daughters, many European rulers were in-laws, relatives of the Kievan princes.

Anna Yaroslavna, Queen of France [in the 11th century], had a very big influence both on the history of France and on education. She was very well educated. The educational institution, the academy at the court of Prince Yaroslav was, in its time, the strongest in Europe. But, unfortunately, that was a short period. Due to the Tartar horde, the yoke, it was cut short.

There was a second period, a renaissance, in the 17th century, when Kiev again became the second or third center of education and culture in Europe. This is the Cossack period, when the Mohyla Academy was formed in Kiev.<sup>4</sup> Many students from Europe studied in Kiev. And I think that these traditions must be brought back to life, and sometime in the future, if we will consistently realize ourselves, we will be able to and should interact positively. Because our spiritual potential has not yet been charted to the end. *Nor has it been all destroyed.* There are great cultural traditions, with which Europe is not acquainted, and which could be fruitful for the European.

## Notes

1. Taras Shevchenko (1814-61) grew up as a serf, and became the beloved national poet and artist of Ukraine. His indefatigable fight for Ukraine's independence and for universal republican principles landed him in prison where, on orders from Russian Czar Nicholas I, he was forbidden to write or sketch. Singlehandedly, Shevchenko transformed the Ukrainian language into a poetic one. Mykhailo Drahomanov (1841-95) was a Ukrainian socialist and intellectual. Lesia Ukrainka (1871-1913) was the pen name of Ukraine's foremost poetess. Ivan Franko (1856-1916) became a leading Ukrainian writer, often seen as second only to Shevchenko.

2. It was in 1710 that Pylyp Orlyk drafted the *Pacta et constitutiones*, often referred to as the Bender Constitution, since it was written near the town of Bender in Ottoman-ruled Moldova. There the forces of Ukrainian hetman Ivan Mazepa fled after the Battle of Poltava in 1709, which marked the end of the Ukrainians' attempts to break away from Russia in that era. Orlyk was Mazepa's chancellor.

3. Ukrainian philosopher and poet Hryhorii Skovoroda (1722-94) was known as the "Ukrainian Socrates."

4. The Mohyla Academy, the leading educational institution in the Slavic world, was founded by Petro Mohyla, metropolitan of Kiev who was regarded as the leading Orthodox churchman of 17th-century Ukraine.

# Calls mount to oust Venezuela's Pérez

by Valerie Rush

While Venezuelan President Carlos Andrés Pérez (commonly known as CAP) continues to cling to power with his fingernails, the movement to force his resignation took a new leap forward July 8, when a broad coalition of forces committed to ridding the country of its current leadership held a high-profile media event that reached into the home of virtually every Venezuelan.

Some 150 representatives of the most diverse political, social, and economic forces—including bankers, labor leaders, congressmen, industrialists, university professors, and a phalanx of high-level retired military officers—met at a Caracas hotel to call for CAP's resignation. At a prime-time evening hour, four private national television stations and the majority of the country's radio stations devoted free broadcast coverage to the meeting, which heard from such prominents as writer Arturo Uslar Pietri; former Venezuelan President Rafael Caldera; former governor of Amazonas state Gen. Alberto Muller Rojas (ret.); Ciro Añez Fonseca, the former president of Venezuela's business federation; and Congressman Raúl Matos Azócar, former planning minister and current spokesman for the Democratic Table, the umbrella group of opposition congressmen who sponsored the meeting.

During the event, which was entitled "For a Solution to the Crisis," all speakers agreed on the urgency of changing the government. Unanimity spanned across the entire political spectrum, all the way from leftist Pedro Duno—author of a book on the groups which made their fortunes during the first CAP government (and which continue to enjoy political and economic influence in the current government), such as the Cisneros, Tinoco, and Febres Cordero families, etc.—to financiers who oppose CAP's monetarist free trade policies, such as Luis Vallenilla and Alfredo Morales.

The most powerful speech was given by General Muller, who denounced the "criminal behavior" of the country's ruling political class for blocking the reforms that could overcome the political and economic crisis wracking the country. Muller accused the Pérez government of committing deliberate provocations against the Venezuelan Armed Forces, including rewarding servility over professionalism. The military wants peaceful change along with the rest of Venezuelan society, he said, but "this change cannot be realized by a

leadership that has lost its legitimacy. . . . This change requires a courageous and responsible President of the Republic to resign his post."

Muller's message was unequivocal: Either CAP resigns, or the military will eventually be forced to take action.

## IMF 'reforms' at issue

President Pérez still refuses to read the handwriting on the wall. He responded to the unprecedented televised meeting by insisting that, come what may, he would finish out his term "to my last day in office." He accused the opposition of seeking to overturn his "economic reforms," and justified his brutal austerity regimen by arguing that the entire world was following International Monetary Fund (IMF) guidelines. "It's not possible that we can all be wrong," he pouted.

Ironically, it is precisely CAP's economic policies—enforced by the same corrupt political elements which have dominated the leadership of both major political parties for decades—which have triggered the present revolutionary upsurge. And it is precisely around the question of economic program where the organized opposition to CAP has failed most miserably.

Exemplary is the case of author Uslar Pietri, who insists that CAP must resign, but also insists that the free trade "reforms" he has introduced must be carried through to completion. Uslar Pietri is representative of an array of forces within the opposition movement which recognizes in President Pérez's unparalleled popularity a dangerous rallying point for the country's nationalist civil-military alliance that emerged around the Feb. 4 coup attempt. For such people, the sooner the corrupt CAP is out of the presidency, the sooner the banks will be able to recapture control over the country and consolidate their free trade "paradise" in Venezuela.

## The church adds its voice

Another critical voice in the anti-CAP chorus is that of the Venezuelan Catholic church, whose Bishops' Conference issued a strongly worded document just three days after the nationwide Democratic Table broadcast. In their statement, entitled "Where Is Your Brother?" the bishops warn that time is running out for a peaceful solution to the crisis, and that "the credibility of the President is at an all-time low, giving rise to many challenges to his remaining in power."

The document also takes a pot shot at a proposal by some among the opposition to hold a referendum that would presumably shorten CAP's mandate, but which would more importantly take momentum away from the mobilization for serious change in the country. "If the conclusion is reached that there should be a referendum, we would not oppose it. However, a referendum that does nothing more than consolidate the groups that have traditionally dominated the country would make no sense. The path of popular participation must be found."



# ADL mouthpiece spreads Britain's 'Germany is Fourth Reich' lie

by Our Special Correspondent

In the course of the July 6-8 conference of the Edgar Bronfman-led World Jewish Congress (WJC) in Brussels, Belgium, the British-architected campaign to libel Germany as the emerging "Fourth Reich" was escalated to new and dangerous dimensions, especially as the libels disseminated in Brussels included full backing for the Serbians in their murderous war against a Croatia falsely depicted as a German puppet, pro-fascist state. By promoting such lying propaganda, Bronfman is swimming in perilous waters, and might find himself being held responsible for some of the nastier goings-on on the European continent today.

This propaganda activity was not a primary subject in the formal conference speeches and presentations in Brussels, with one or two noteworthy exceptions. Rather, it centered around a publication called *Searchlight*, which is produced by an organization of the same name. For all intents and purposes, *Searchlight* magazine is the public mouthpiece in Europe of the U.S.-based Anti-Defamation League (ADL). First set up in 1962 by an all-party group of the British Parliament, it has also come to serve the interests of one or another division of the British secret services. And, under the cover of claiming to combat "racism and fascism," *Searchlight* has as well, in recent years, done considerable dirty work on behalf of certain of the communist intelligence services of the East, a tradition that it is maintaining down to the present day, with its support for Slobodan Milosevic's national Bolshevik Serbia.

At the WJC conference, *Searchlight* played a very visible and active role, particularly in the entrance hall of the conference center outside the rooms where the formal conference proceedings took place. According to information made public by the WJC, *Searchlight* "researchers"—likely working for an entity linked to the magazine which goes by the curious name "Searchlight Information Services: Specialist Research into Racism and Fascism"—had been the primary providers of material for a photo and document montage purporting to depict anti-Semitic groups, individuals, leaflets, publications, and incidents around the world. One *Searchlight* "researcher" told a journalist privately that this material had been readily procured, since "we have infiltrators in all of the anti-Semitic groups." This admission casts doubt on whether all the depicted episodes of anti-Semitism are genuine, or are the products of *Searchlight*-ADL agents provoca-

teurs. In the United States, the ADL is notorious for such tactics.

*Searchlight* also had a prominently displayed literature table, at which the magazine and other information was liberally distributed to the more than 1,000 attendees. Obviously, the magazine's activity was not only approved by Bronfman and his WJC bureaucracy, but was put forward as a featured aspect of the WJC's global endeavors, to the extent that any innocent observer entering the conference center would conclude that *Searchlight* is, indeed, a vital part of the Bronfman-WJC structure.

And, of the broader ADL apparatus as well. Bronfman himself is a leading funder of the ADL. One of the featured speakers at the WJC conference was ADL national director Abe Foxman. The "Anti-Semitism World Report 1992," around which the Brussels conference was thematically organized, was composed by London's Institute of Jewish Affairs, which is funded, in part, by the ADL. In its various issues, *Searchlight* repeatedly refers to its intimate collaboration with the Center for Democratic Renewal in the U.S., which is an ADL organizational clone.

## Goebbels is alive and working for the ADL

It is in the context of such realities that the feature article in the July *Searchlight* must be evaluated. This issue was widely disseminated at the WJC event, and had undoubtedly been composed with the event in mind, to achieve the maximum propaganda effect. The five-page feature is entitled "Germany's Secret Balkans Plan." The charges made are more lurid than even some of the worst from Milosevic's Serbian propaganda apparatus. For all the professions of *Searchlight* to be "the international anti-fascist monthly," the article reads like an extract from the speeches of Nazi propaganda chief Josef Goebbels.

It begins with the wild claim that recent massacres committed against Croats were actually committed by foreign mercenaries in the employ of Croatia, and then blamed on "the overwhelmingly Serbian Yugoslav Federal Army." This was done to "deceive the European Community observers," who would assume that the Serbs had perpetrated the crimes. In case the reader had not gotten the point, *Searchlight* emphasizes that these mercenaries are "the type of men who flocked into Hitler's Waffen-SS legions."

Neither at that point in the article, nor at any point thereafter, is the slightest mention made of the horrible devastation committed in cities like Vukovar, Osijek, Dubrovnik, Sarajevo, and others. Either these didn't happen, in *Searchlight's* peculiar political universe, or, evidently, they were committed by the Croats and Bosnians against themselves.

The reader is next introduced to the ostensibly seminal role played in such mercenary intrigues by Opus Dei, the "historically pro-fascist Catholic organization." After this comes the "hard porn," as *Searchlight* "documents" the activities of a "Black Legion" fighting in Croatia, supported by the U.S.-based Nazi organization NSDAP-AO, whose leader Gary Rex Lauck has ostensibly issued "Croatia needs help" appeals, which contain such statements as: "Many Croats stand on the side of White Europe and also on the side of a Nationalist New Order on the continent." Lauck has been joined by "German Nazi volunteers," the existence of which, claims *Searchlight*, has been willfully covered up by leading officials of the German government—evidently in furtherance of nefarious "Fourth Reich" ambitions. "Croatia has become the focal point for fascists internationally," the magazine intones.

### Geopolitical fantasy

At this point, *Searchlight* moves into the realm of British geopolitics. Under the subtitle "Germany—Playing for High Stakes," the author asserts: "Closer examination of the EC's slavish backing—it does not even pretend to be even-handed—for any faction that wants to give the breakup of Yugoslavia a helping hand shows clearly that the general policy is being determined by the new, reunified, and increasingly powerful Germany. The Kohl government's support firstly for Slovenia and more recently for Croatia has been a startling replica, in broad terms, of the stance taken in the Balkans both by the Kaiser's regime and later by Hitler's Nazi dictatorship."

"A startling replica in broad terms?" Obviously committed to butchering the truth, *Searchlight* cannot refrain from butchering the English language as well.

Nor can it refrain from bemoaning the death of communist Yugoslavia. *Searchlight's* author writes that Germany's Balkans diplomacy "set the seal on any last surviving chance of preserving the Yugoslav state, even though at that stage the U.S.A., France, and Britain hoped this could be achieved."

The *Searchlight* Orwellians never mention, of course, that the populations of Croatia and Slovenia overwhelmingly voted, in free and fair elections in the spring of 1990, to become independent from Yugoslavia.

It gets worse: "Revived German imperialism wants nothing less than the complete destruction of Yugoslavia in order to extend its influence." This is part of a wider game, as the "spearhead" of Germany's effort is "the bid to weaken NATO—which was established originally to keep Germany

## Bronfman-linked magazine promotes drug legalization

In 1978, Edgar Bronfman of the Seagram's interests and his friends in the Anti-Defamation League (ADL) reportedly were deeply disturbed upon being informed of the publication of the book *Dope, Inc.*, which had been written by a research team working under a mandate from Lyndon LaRouche. Among its findings, the book documented the link of certain of Bronfman's financial, business, and family interests to networks involved in the international narcotics trade and the laundering of narcotics-derived funds. Soon after its release, Bronfman reportedly provided seed funding for a campaign, run primarily by the ADL, to denounce the book, as well as LaRouche and organizations and individuals associated with him, as "anti-Semitic." That "LaRouche is an anti-Semite" slander has continued unabated, down to the present day.

But now, 14 years later, important new evidence has come to light that Bronfman indeed sponsors organizations and entities involved in the promotion of legalization of drugs, as well as in slandering those fighting drugs as "fascists" and "Nazis."

The British magazine *Searchlight* was prominently involved in the activities and logistical infrastructure of the July 6-8 conference in Brussels of the World Jewish Congress (WJC), for which Bronfman serves as president. In its June edition, there is a lurid attack on collaborators of LaRouche in Germany, for their campaigns against drugs.

The attack appears under the headline "AIDS Victims Get Nazi Treatment." The article purports to document a pattern of violent actions across Europe against drug-

under control." This is to be done by the establishment of the proposed "European Corps," which threatens to lock Europe into a "German defense structure." To prove the point, experts are quoted from London's Royal Institute for International Affairs and International Institute of Strategic Studies, expressing concern about Germany's ambitions.

The author concludes with fits of clinical hysteria, as he rails about how the German Army and intelligence services are being systematically restructured for "future interventions" into eastern Europe, including "military intervention to regain 'lost territories' like Silesia and East Prussia, as a result of provocations. . . . The intentions of German revanchism are becoming clear enough to be seen by anybody who bothers to look."



Chip Berlet, one of the drug legalization lobby's mouths.

users, AIDS victims, and immigrants, committed by a ragtag of fascist or Nazi groups. *Searchlight* intersperses such ostensible documentation with comments like: "Campaigning on the drug issue is not new for German Nazis," and "The so-called anti-drug campaign has become a part of the fascists' repertoire."

Toward the end, one reads: "Not wishing to be excluded from the fascist chorus is the loony right Schiller Institute in Germany, which has been busy promoting its own bizarre 'anti-drug campaign.'

"In its newspaper *Neue Solidarität*, the weird right-wing cult, which is led by Lyndon LaRouche, attacks liberal thinkers who have called for decriminalization of drugs. In particular, the paper smeared Hamburg state president [Henning] Voscherau, a life-long Social Democrat, as 'a mouthpiece of the Mafia' for advocating more

humane strategies in dealing with the drug problem."

"Liberal thinkers" and "human strategies"? The fact is, Voscherau is the foremost proponent, among office-holders in Germany, for the legalization of drugs.

*Searchlight* then comments: "In fact, the tightly controlled prescription of opiates would remove the drug mafia's \$500 million per year market and recognition of this and the importance of the AIDS-HIV syndrome has been instrumental in shifting establishment thinking in Europe."

Lawfully, the same *Searchlight* has a review plugging the new book of the drug lobby scribbler Chip Berlet, *Right Woos Left*, which warns leftists to avoid being wooed by "the fascist right" on issues like opposing the Gulf war. It was the same Berlet, one of the most persistent ADL-backed slanderers of LaRouche in the United States, who authored a major slander against LaRouche in the drug lobby's *High Times* magazine, which was billed on the cover under the title "LaRouche: He Wants to Take Your Drugs Away."

*Searchlight* and Berlet are collaborating with the London magazine *New Statesman*, the mouthpiece of the British Fabian Society, in circulating slanders against LaRouche into Great Britain.

At the WJC conference "The LaRouche Cult" was denounced in the "Anti-Semitism World Report 1992," the document around which the Brussels event was thematically organized. The "World Report" was compiled by London's Institute of Jewish Affairs, which is patronized jointly by the WJC and the ADL. "Anti-Semitism is a mainstay of the LaRouche publications," it writes. "His publications—the *New Federalist* (formerly *New Solidarity*) and *Executive Intelligence Review*—single out prominent Jews, Jewish families, and Jewish organizations for special abuse." Activities of the LaRouche movement in the United States and Mexico are singled out for scrutiny in the report.

## Read as a threat

The article must be read as a threat to leading German, Catholic, Croatian, and other influentials across Europe. In this light, it is to be noted that in its March issue, *Searchlight* had carried a prominent item entitled "LaRouchites in Croatia Peace Campaign," attacking "Helga Zepp-LaRouche, president of the Schiller Institute in Germany . . . [and] wife of the far-right Lyndon LaRouche," for her "Call for an International Committee to Save Croatia." As is widely known across Europe, Zepp-LaRouche's efforts had been instrumental in bringing international attention to the genocide being committed against Croatia by the Serb-Yugoslav army combination, and in getting the German government off the fence, in its diplomacy vis-à-vis Yugoslavia.

As pertains to Germany specifically, the epithet "Fourth Reich" has been used to create an atmosphere where leading political or financial figures could be assassinated, and the act blamed on anti-imperialist terrorists. For example, the assassination of Deutsche Bank chief Alfred Herrhausen on Nov. 30, 1989 was carried out amidst a propaganda barrage against the emergence of "Greater Germany." Such verbiage was widespread in the terrorist milieu, but as a July 1 feature on Germany's ARD television station demonstrated, the much-publicized "Red Army Faction" terrorists who supposedly killed Herrhausen probably never existed in fact, but were likely invented for the public eye by "secret services" who were the probable authors of the Herrhausen assassination (see *Report from Bonn*).

While German television did not identify which "secret services" it had in mind, experts have drawn attention to the hysterical warnings about a "Fourth Reich" that were issued, beginning in late 1989, by then-British Prime Minister Margaret Thatcher, former British Trade and Industry Minister Nicholas Ridley, and London *Times* scribbler Conor Cruise O'Brien (see *EIR*, July 17).

But there is another voice in the *Searchlight* article, evidenced in the epithet "German revanchism." That was the stock terminology used by the Soviet intelligence services and propaganda apparatus ever since World War II, whenever they denounced certain "threatening" political trends in West Germany.

### Bronfman's ties in the East

It is hardly surprising that Edgar Bronfman would sponsor such an "East-West" propaganda project. Throughout the late 1980s, he intimately cooperated with the East German communist regime in various projects, not the least of which was building his Seagram's liquor empire in the East. For such collusion, he has been roundly attacked in recent months by such Jewish influentials as Lord Weidenfeld of Britain, Simon Wiesenthal of Austria, and Michael Wolffsohn of Germany, as well as by the German Jewish magazine *Semit*. All have called into question his right to represent the Jewish community internationally, given his sordid deals with the East Germans.

Bronfman's underlings at the WJC's New York headquarters have also cooperated with communist regimes and with the U.S. Justice Department's Office of Special Investigations in the targeting of Austrian President Kurt Waldheim and of various other individuals accused of being Nazis or Nazi collaborators. At its May 1990 conference in West Berlin, the WJC had presented a special award to Neal Sher, head of the OSI, for his efforts. During that May 1990 event, *Searchlight* operatives were ostentatiously boasting about their collaboration with the Soviet Union, in building "Nazi war crimes" cases. *Searchlight* literature distributed at this month's Brussels event continues to boast about that activity.

In Brussels, however, the "Nazi-hunter" OSI activity was kept off the agenda, for certain understandable reasons. The most celebrated of OSI cases, the extradition of Ukraine-born retired Cleveland auto worker John Demjanjuk to Israel and his later conviction on charges of being the Treblinka concentration camp's infamous "Ivan the Terrible," has disintegrated, both in the Israeli appeals process and in a review process by a U.S. appeals court in Cincinnati, Ohio. Evidence has come to light that the OSI systematically withheld and distorted evidence, in collaboration with the Soviet judicial apparatus, during the late 1970s and '80s, in order to frame up Demjanjuk. Both in Israel and in the United States, there have been calls for OSI's Neal Sher and his predecessor Alan Ryan to be tried and jailed for their manipulation of evidence and obstruction of due process.

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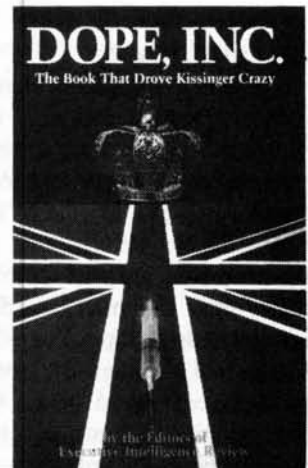
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# Afghan crisis enters a crucial phase

by Ramtanu Maitra

After 14 years of ceaseless wars, the last few weeks' political developments within Afghanistan indicate that the Afghan leaders are finally in the process of working out a consensus which may prevent further bloodshed and lay the foundation for an effective democratic process. The newly named prime minister, Ustad Fareed, has sent a warning to the foreign powers meddling in Afghan affairs asking them to allow the Afghans to resolve their differences.

On June 28, the 10-member Supreme Council handed over power officially to Jamaat-i-Islami leader Burhanuddin Rabbani. The council was acting according to the agreement among the major Afghan Mujahideen leaders who since 1980 had joined hands in defying the Soviet aggressors, but who then became involved in internecine warfare following the Soviet withdrawal in 1988. The agreement is supposed to turn Afghanistan into an Islamic state. The transfer of power from acting President Sibghatullah Mujaddidi to Rabbani has brought along a series of new and crucial political alliances. It is a unique event, in the sense that it is the first such peaceful transfer to take place in this century in this war-torn country.

The most important power shift is the appointment of Ustad Fareed as the prime minister. Fareed is the deputy of the controversial Hezb-e-Islami leader Gulbuddin Hekmatyar, who has been identified in the West as the torch-bearer of Islamic fundamentalism and a major controller of Afghan heroin.

Hekmatyar's participation in the new government indicates that the two Afghan strongmen, Hekmatyar and Rabbani's deputy, Ahmed Shah Massoud—a hero of the war against the Soviet aggressors—have worked out a viable arrangement, after fighting each other for the better part of the last four years over the control of the capital city of Kabul.

## Civil war averted

The peaceful transfer of power, however, did not come about smoothly. The acting President, Mujaddidi, as late as June 21 had told newsmen that he would not step down from his post. In his effort to stay in power, President Mujaddidi had courted the Uzbek militia leader, Rasheed Dostum, who was subsequently given military control of Kabul and northern Afghanistan.

Dostum, a renegade general who had fought the Afghan Mujahideen on behalf of Moscow and the Soviet-backed governments in Kabul, had earlier forged an alliance with Massoud in order to keep Hekmatyar out of Kabul. During the period of Soviet occupation, Dostum had trained his guns against Hekmatyar and his men, and it is widely acknowledged that the bad blood between Dostum and Hekmatyar runs deep.

There were genuine fears that if the transfer of power had not taken peacefully, a new bloodbath would occur in Afghanistan and would engulf the country in a dangerous civil war.

The Massoud-Dostum alliance was apparently forged with the help of the governments of Teheran and Washington, among others, and to the dismay of the Pakistani government, which would still like to see Hekmatyar as part of the overall solution. The alliance had threatened to sabotage the May 26 agreement, signed by both Hekmatyar and Massoud, which called for an election process after a six-month cooling-off period, and a consensus that the two parties would work together to establish an Islamic state. The agreement had also entrusted the security of Kabul to the hands of Massoud, while the Hezb-e-Islami would withdraw its forces to Lughar, a town approximately 65 kilometers southeast of Kabul.

## Mujaddidi's maneuvers fail

Meanwhile, acting President Mujaddidi had set up a 64-person governmental authority and loaded it up with anti-Hekmatyar figures, including eight members from the small Hezb-i-Wahdat, a Shiite party backed by Iran. Earlier, Mujaddidi had accused the Hezb-e-Islami of plotting to assassinate him. On another occasion, President Mujaddidi had charged the Hezb-e-Islami with plotting against him in collusion with the Khalq faction of the Afghan Communist Party. Hekmatyar has denied both the charges.

However, the acting President's move to break the Massoud-Dostum alliance and form his own alliance with Dostum did finally lead to his own downfall. The new situation allowed Massoud and Hekmatyar to form a viable working arrangement, with President Rabbani as the head of state.

The new arrangement, no doubt, is a major setback for the Iranian government, which had been meddling in Kabul's affairs and was instrumental in pushing Dostum as a major powerbroker during the last two months.

Pakistan's former military intelligence chief and a personal friend of Hekmatyar, Gen. Hamid Gul, addressing the current development, told newsmen that there are reasons to believe that Iran has lost out in Afghanistan and in the rest of Muslim Central Asia.

It is also noted by regional observers that President Rabbani, prior to his taking over the reins of power, had visited Saudi Arabia, although it is not clear that the visit was for either religious or political reasons.

## Vargas Llosa wants to scrap army

*A scribbler for the "new world order" has relaunched an offensive against the Peruvian government and military.*

Just as Peru's President Alberto Fujimori and the Peruvian Armed Forces are achieving important new successes in their war against the terrorists of Shining Path, the one-worldist oligarchy has launched a new offensive to destabilize Peru's government and to dismantle its Armed Forces.

In statements to Spanish television which were re-broadcast in Lima on June 28, pornography writer and former presidential candidate Mario Vargas Llosa claimed that "the disappearance of [South America's] armed forces would not be a catastrophe for Latin America. The armies have been . . . a source of extravagant waste in military weapons, the source of innumerable military uprisings, civil wars, and international wars . . . throughout our history." He added that "in Latin America, military expenditures have been a terrible hemorrhage for national budgets, and one of the obstacles to development and modernization." He proposed that "in this new era of democratization, of the end of the Cold War, the entire world should move toward the reduction and gradual disappearance of armies."

Joining Vargas Llosa's anti-military campaign were several spokesmen of Peru's political parties, who publicly called on the "institutionalist" faction in the military to ignore orders from their commanders and to "reestablish democracy" in the country.

Gen. Nicolás Hermoza, general commander of the Army, was obliged to call a July 8 meeting of commanders from all the military regions of the country, to present an "act of unity and

institutional solidarity" as a means of responding to the anti-military machinations: "These attacks, which some have viewed as innocuous or as the result of political immaturity, hold another meaning for us. . . . This is a pre-meditated attack, forming part of a systematic plan to harm Peru." General Hermoza added that Vargas Llosa's Peruvian nationality was "a geographic accident."

President Fujimori himself told the same gathering of military commanders and officers that Vargas Llosa's statements "are part of clumsy and useless maneuvers to try to break the unity of the Armed Forces. . . . Imagine a fictional country, with all the ingredients of our situation and where an Armed Forces does not exist! Such a country wouldn't last a week."

The President insisted that "in a country like ours, weakened by the crisis in which we live, threatened by terrorism and by the drug trade, the Armed Forces are the first guardian of the nation." He also challenged the party-ocracy, which "has knocked at the doors of the cartels," demanding defense of their own privileges, and he warned the politicians that they were making a serious error, because there is "an indestructible and monolithic unity of the Armed Forces."

To judge by the fighting tone of such statements, both the government and the Armed Forces appear well aware that what is at stake is not merely the existence of the military institution, but that of the nation itself. Vargas Llosa is merely repeating what

former U.S. Defense Secretary Robert McNamara told a recent assembly of the World Bank: They should reduce the size and resources of the Armed Forces.

These same one worldist spokesmen are now proposing outright elimination of the Armed Forces, as a certain means of doing away with national sovereignty and assuring the triumph of narco-terrorism in countries like Peru.

Should this effort fail, there always remains to the one-worldists the option of using so-called "inter-American forces" to intervene against Peru, under the pretext of preventing narco-terrorism from spreading regionwide, as the local press has already begun to predict. It remains to be seen whether President Fujimori and the Peruvian military will be able to withstand the pressures of the one-worldist oligarchy, which has not forgiven them for having "kicked over the chessboard" on April 5 to halt Shining Path's advance.

The biggest question, however, is still whether President Fujimori will finally put aside his dangerous illusion that he can continue to wage successful war against narco-terrorism and for national sovereignty while continuing with the free trade economic policies imposed by that same financial oligarchy and defended by his economics minister, Carlos Boloña. Indeed, it is already evident that by putting a priority on the repayment of usurious foreign debt service, there are insufficient resources for the adequate equipping and training of Peru's Armed Forces. Asked about the pitifully low wages of Peru's military, Boloña responded July 12: "We're doing what we can. . . . I can't give more than what I have." And yet only a few days before, Boloña admitted that Peru was paying \$60 million *every month* in debt service.

## **Parliamentary inquiry on terrorism**

*Investigative work is looking into the role of western intelligence agencies in assassinations like that of Herrhausen.*

**T**he sensational revelations aired on ARD television on July 1 debunking the official police theory that Alfred Herrhausen, chairman of Deutsche Bank, was assassinated by "third generation" Red Army Faction (RAF) terrorists, and suggesting that he may have been killed by western intelligence agencies, has now been forced onto the parliamentary level. Ingrid Koepe, a "Bündnis 90" parliament member from Berlin and former dissident in pre-1989 East Germany who has specialized in matters concerning intelligence agencies, has addressed a list of parliamentary questions to the German government.

The ARD revelations bolstered *EIR* charges that Herrhausen was assassinated on Nov. 30, 1989 on orders of Anglo-American financial circles intent on blocking Germany from launching an independent economic development initiative into the former communist states of eastern Europe (see *EIR*, July 17, "Was Herrhausen Killed by Western Intelligence?").

Koepe's list of questions is certain to increase the heat on the government, because it challenges conventional anti-terrorism "wisdom."

Koepe asks the government to explain why it is ruling out the possibility that "other circles that are not linked to the RAF are issuing claims of authorship in its name, using RAF insignia, linguistic and stylistic mannerisms known from earlier pamphlets of the RAF."

As the ARD special documented, the only basis for the theory that a "third generation" of terrorists exists, is a pattern of "strange disappear-

ances" of members of the left-wing terrorism support scene. There is no evidence that a structure that could be characterized as a "third generation" exists.

Another question Koepe poses is: "When and by what methods have security agencies at the federal and state levels last been able to unmistakably identify the authorship of a specific member of the RAF for a terrorist act?"

The ARD broadcast confirmed that there is no forensic evidence that could back the official theory of a "third generation," nor is there any proof that Herrhausen was killed by terrorists of the RAF.

Koepe also asks: "How does the federal government interpret documented deviations among the five-pointed stars of the RAF symbol that were depicted on the claims of authorship for the latest terrorist attacks that have been associated with the RAF?"

ARD reported that the letters claiming authorship of RAF attacks that have appeared over the past 10 years don't deserve the label of "authenticity" that experts of the BKA, the federal anti-crime agency, have given them, but rather indicate manipulations of seemingly typical insignia like the five-pointed star. Moreover, there are considerable deviations from the original star in pamphlets of the first and second generations of the RAF, as a cross-checking of letter samples by two independent experts at Mannheim University showed.

And finally, Koepe asks: "Which evaluations have led the government to determine the selection of targets

of the last attacks and the operational mode of the terrorists as typical of the RAF, so that other circles can be ruled out?"

Whenever a leading individual fell victim to terrorist attack in the past years, the authors have never been clearly identified or arrested. The question, "who benefited?" was easier to answer.

All assassinations eliminated key political and industrial figures at crucial points: Dresdner Bank chairman Jürgen Ponto was killed in 1977 a few days before he planned to depart for Ibero-America for a new initiative on debt rescheduling and economic recovery.

Herrhausen was killed in 1989 before he could realize his design for a new banking structure in eastern Europe that would have emphasized issuance of productive new credits rather than the servicing of old debt.

Treuhand chairman Detlev Rohwedder was killed in 1991 before he could shift the work of his agency from mere privatization (implying mass layoffs) to consolidation of industries in east Germany.

In all three cases, the enmity of Anglo-American monetarists was voiced publicly and privately. Had the RAF terrorists done the killing on behalf of banking circles that viewed the plans of the three Germans as a "declaration of war on free market principles"—the same way Ibero-American terrorists have removed political opponents for the dope cartels?

In the Rohwedder case, experts noted that the professionalism of the attack was atypical of known RAF modes of operation. In the Herrhausen case, experts voiced doubts over the official theory that he was killed by a remote laser-controlled bomb which the terrorists were alleged to have installed, an effort which would have taken several hours at least.

# International Intelligence

## ***Yemenis say Saudis behind assassination attempt***

Saudi Arabia is responsible for an assassination attempt on Anis Hassan Yahya, former deputy prime minister of Yemen and a leading member of the Socialist Party, in an apparent attempt to destabilize the process of unification of Yemen, Yahya charged.

Yahya said that the attempt on his life was part of a conspiracy to prevent the emergence of a modern Yemeni state. Yemeni President Ali Abdullah Saleh accused "enemy forces" of conspiring against his efforts to set up a democracy on the Arabian Peninsula.

Although no accusation has been made by the Yemen government, there is a widespread belief that the Saudis were behind the operation because they fear the possible success of Yemen unification and democratic reforms. Yemen will hold elections this November.

According to the July 10 London *Guardian*, Sheikh Ali Shami of the moderate Islamic Al Haq Party openly accused the Saudis: "Saudi Arabia is pouring lots and lots of money into Yemen to promote its own version of Wahhabist Islam. This is actually an irrational and an uncompromising version of our religion which we can do without."

The United States and Great Britain are also accused of attempts to destabilize Yemen because of its refusal to back the Gulf war against Iraq.

## ***French group launches exposé of Cousteau***

The French branch of the International Caucus of Labor Committees (ICLC), founded by American statesman Lyndon LaRouche, has launched an operation dubbed "Complete Destruction" against Jacques Cousteau. The aim of the operation is to expose Cousteau, a malthusian extremist who has said that "we should eliminate 350,000 persons per day."

These words, published from an interview he gave to *Unesco News*, came back to haunt him in early July when he appeared

on the French television talk show *L'heure de Verité* ("The Hour of Truth"). One of the journalists, who had been provided with a press dossier on Cousteau in advance, was sufficiently shocked by Cousteau's statements to ask some useful questions.

Cousteau, who became defensive and angry when questioned on the *Unesco News* quote, claimed that the paper had "changed" what he said. The reporter questioned him on another quote, that "to eliminate diseases and suffering was a beautiful idea, but not beneficial in the longer term." Cousteau was speechless. He was saved only by another journalist who changed the subject.

Bahgat Einadi and Adel Rifaat, who had conducted the interview for *Unesco News*, confirmed that Cousteau had indeed made the remark, that they had kept the tape of the interview, and that Cousteau had made even more outrageous statements which they did not print. They also said that they had sent the transcript of the interview to Cousteau so that he could correct it before publication.

## ***Ghozali dumped, Algeria may see economic shift***

Algerian Prime Minister Sid Ahmed Ghozali, who had vigorously pushed International Monetary Fund (IMF) austerity policies on Algeria even before the coup in which President Mohammed Boudiaf was assassinated on June 29, was dumped on July 9 and replaced by Belaid Abdesselam.

Abdesselam was a key lieutenant of former President Houari Boumediene. As minister of industry and energy from 1965 to 1977, he oversaw the state takeover of oil fields from foreign companies in 1971, which was followed by Iraq the next year, and then the rest of the oil-producing Arab states. He held the light industries portfolio until 1979, and was on the FLN's Politburo until June 1980. Reuters and other news agencies have warned that Abdesselam might reject privatization and resume the dirigist policy which he earlier led.

In the 1980s, when former President Chadli Bedjedid began the policy of privatization, Abdesselam publicly denounced it

and led the opposition. The solution to Algeria's problems, he said in a 1989 book, was the rebirth of Algerian nationalism. Recently, in respect to privatization, he said, "We must completely challenge the reforms to reconcile the system and inscribe it in continuity with the past." He reportedly supports foreign involvement in helping exploit Algeria's oil wealth, like his predecessor, but has condemned the IMF as "being under the influence of France."

## ***EIR exposé a hot item in Thailand***

The *EIR* exposé on the U.S. funding of the so-called democracy movement in Thailand, the AFL-CIA sponsorship of provocateurs Gen. Chavalit Yongchaiyuth and Gen. Chamlong Srimuang, and the U.S. operation to destabilize Thailand, is circulating throughout the country (see *EIR*, May 29 and June 12).

The Chat Thai Party, the business party which was part of the five-party ruling coalition, has printed 100,000 Thai-language copies of the May 29 *EIR* article detailing the Bush assault on Thailand. The party is using the exposé as its manual nationally for the upcoming elections, to be held Sept. 13. Another 100,000 copies of the article are being circulated by the party of former Communications Minister Samak, whose constituency is in Bangkok, which is also the base of Chamlong. Thousands more copies are being circulated by the National Labor Congress.

The effect of the *EIR* exposé has helped to isolate Chavalit and Chamlong. The Democrat Party, part of the democracy opposition, has issued a white paper distancing the party from the two, saying that they acted to provoke the violence that occurred May 17-21.

So far, however, the *EIR* exposé has been blacked out of the newspapers, which are largely controlled by the Anglo-Americans and the Asia Foundation Press Development Institute.

The U.S. embassy in Bangkok, meanwhile, is reported to be circulating a six-page memorandum against U.S. statesman



## Briefly

Lyndon LaRouche and *EIR*, which is full of quotes from drug lobby scribbler Dennis King and the Anti-Defamation League. The memo, however, does report that LaRouche has met with former heads of state Indira Gandhi, Raúl Alfonsín, and José López Portillo.

### **British Parliament probes Queen's billions**

British parliamentarians have ordered an "unprecedented probe into the \$22.5 million a year paid to the Queen and the royal family. . . . Unrest over the role of some of the royals has sparked the inquiry," according to the July 4 *Herald Sun* of Melbourne, Australia.

British Labour Party Member of Parliament Alan Williams said it was "absolutely incongruous" that parliament had never used its right, won during the reign of King Charles I, to investigate whether the country "received value for money from the monarchy. I think the public are becoming aware that some members of the royal family are receiving taxpayers' money for little or no public work."

In particular what is being questioned is whether Prince Andrew, Prince Edward, and Princess Margaret should stay on the civil lists (i.e., be paid). The total annual cost for the royal family is \$131 million, most of which comes from British taxpayers.

### **German court nixes funds for 'anti-cult' groups**

The German federal administrative court has declared public financing of "anti-cult" groups a violation of the basic rights of religious and philosophical organizations. The decision upheld a lower administrative court ruling. Most of the German anti-cult groups are built around "cult experts" from either the Protestant or Catholic churches, but they are primarily financed by different levels of government, in some cases up to 90% of their annual budget.

Since 1979-81, the Anglo-American en-

emies of the International Caucus of Labor Committees, the philosophical association founded by Lyndon LaRouche, have relied on this anti-cult network to do the lion's share of the visible dirty work against LaRouche's co-thinkers. The Anti-Defamation League and the American Family Foundation-created label, "extremist political sect," was brought into Germany through the collaboration of pro-drug frontman Dennis King with the late euthanasia promoter Reverend Haack of Munich, and was coordinated by the exclusively federally funded anti-cult umbrella organization "Action Association on the Danger of Psycho-Cults" (AGPF) based in Bonn. Hundreds of articles which caused untold damage, including physical attacks, cancellations of public meeting rooms, pre-election black propaganda, and intimidation of supporters, were based on the "experts" and activities of these subsidized groups.

### **Philippines President pushes for death penalty**

Fidel Ramos, who was sworn in as the new President of the Philippines on June 30, said in a television interview on July 6 that he wants to bring back the electric chair, Reuters reported from Manila. Ramos had earlier indicated he intends to pursue aggressive population control programs.

The first Protestant President of the largely Catholic country said he would ask the Philippines Congress to enact a law reviving capital punishment for "heinous crimes" such as drug trafficking and offenses involving use of unlicensed guns.

The death penalty should also be imposed on incorrigible criminals, he said. "Under our laws right now, the criminal can repeat the crimes because he can get himself bailed out, but this is precisely what encourages [them] to go into very heinous and brutal types of crimes," he said.

Ramos said he intends to revive several bills urging the restoration of capital punishment, which he had proposed as defense secretary under the previous government of Corazon Aquino but which the Congress failed to act on.

● **VIETNAM** announced that Chinese troops had landed on another of the disputed Spratly Islands in the South China Sea, and issued a stern diplomatic protest, the *International Herald Tribune* reported July 9. In response, Beijing said that its claim to that section of the islands is "historically authentic," the BBC reported.

● **THE KHMER ROUGE** on July 3 demanded the dismantling of the Phnom Penh government of Heng Samrin as a condition for their continued participation in Cambodian peace accords they signed last October in Paris. The Beijing-backed genocidal group said that between now and planned, U.N.-organized elections, they want: "No prime minister, no deputy prime ministers, no ministers. . . . no national assembly and senate. No other state and government attributes (flag, armorial bearings, anthem)."

● **THE AFRICAN** National Congress has decided to follow its own agenda for the seizure of power, South African President F.W. de Klerk said July 2, Reuters reported. "Instead of bringing about the new South Africa through talks and agreement they want to force their views on the rest of our society through confrontation and mass mobilization."

● **NEGOTIATORS** from the U.S. are going to Moscow to push for changes in the 1972 Anti-Ballistic Missile Treaty which would allow joint U.S.-Russian development of the Strategic Defense Initiative, the July 12 *New York Times* reported. A U.S. proposal would allow each side to develop ground-based defenses, but space-based systems would be developed and controlled by the U.S.—a point not agreed to by the Yeltsin government.

● **LEBANESE** and Syrian authorities have destroyed the 1992 opium crop in the Bekaa Valley, the U.N. Drug Control Program reports. The move is seen as contributing to the normalization of the Lebanese political situation by denying to the various militias and factions what has been their main source of income.

## Democrats nominate a New Age ticket

by Kathleen Klenetsky

With the nomination of Bill Clinton and Albert Gore, the Democratic Party has completed a profound transformation that has been in the works since the assassination of President John F. Kennedy. Over the course of the last three decades, the party has moved further and further away from its principal constituencies, including labor and minorities, and turned itself instead into the party of “post-industrial” yuppiedom, a shift that has returned it to its roots in the feudal, Confederate South.

Rather than fight the U.S. economy’s collapse into the low-wage, no-growth “service economy,” the Democratic elite—Trilateral Commissioners like Clinton controller Warren Christopher and British oligarch Pamela Harriman—has opted instead to throw its base to the wolves, and to position itself as the champion of the very policies that threaten the survival of those whom it has so unceremoniously disenfranchised.

This year will be the first presidential election in recent history in which the party powers have not even made a pretense of caring about the concerns of the party’s traditional base. Not only do standard-bearers Clinton and Gore both hail from the South—a slap in the face to the ethnic urban layers which comprised the party’s grass-roots support since the 1930s—but they were both founding members of the Democratic Leadership Council, the key “Bush Democrat” grouping in the party.

Moreover, both Clinton and Gore have independently backed policies verging on fascism, ranging from both men’s support for George Bush’s genocidal war against Iraq, to Clinton’s vow to get rid of welfare, and Gore’s embrace of radical environmentalism.

The ticket reflects the cynical calculus upon which the party’s leadership is now operating: Since the political power of labor and minorities has been drastically reduced by the

collapse of the U.S. industrial and agricultural base, the party should concentrate on wooing the “new constituencies,” primarily the yuppie suburban vote, along with a motley assortment of homosexuals, pro-abortionists, greenies, etc.

### Dems say ‘yes’ to death penalty

The actions of Clinton and his handlers concerning the death penalty point to the drive toward barbarism underlying the party’s orientation. The death penalty issue threatened to blow apart the party’s carefully orchestrated mid-July nominating convention, and to undercut Clinton, whose cynical use of executions in his home state of Arkansas sickened many loyal Democrats.

In the weeks leading up to the convention, supporters of Democratic candidate Lyndon LaRouche spearheaded a campaign to get the party to reject capital punishment (see *EIR*, July 3, p. 62). Three hundred delegates had signed a petition calling for the party to reject the death penalty. Many other non-delegates, including members of European parliaments and prominent Americans, had also signed an anti-death penalty resolution. A minority plank that would have put the party on record opposing the death penalty had been introduced, prior to the convention, by Jerry Brown delegate Robert Fittrakis of Ohio.

Faced with this challenge, the Democratic National Committee pulled out all the stops to prevent the death penalty question from even being raised on the convention floor. Prior to the convention, party hacks had used strong-arm tactics to squash Fittrakis’s plank, and, during the midst of the convention, succeeded in turning back a last-minute court challenge to its undemocratic tactics.

The same viciousness dominates the party’s platform. As *EIR* reported last week, the platform, taken together with

Slick Willie's ludicrously titled "Putting People First" economic policy statement, calls for levels of austerity even beyond what the Bush administration has called for—at least publicly. In addition to support for the jobs-destroying North American Free Trade Agreement (NAFTA), which both Clinton and Gore support, despite labor's opposition, the two policy documents call for getting rid of welfare, cutting back entitlement programs (Social Security, Medicare, farm price supports), abortion on demand, and lethal health-care cost containment.

Keynote speaker Barbara Jordan, a former House member from Texas, struck the same theme in her address to the opening night of the convention. Asserting that the Democrats should "change from a party with a reputation of 'tax and spend' to one with a reputation of investment and growth," Jordan said that the way to achieve this is for the party to "frankly acknowledge our complicity in the creation of the unconscionable budget deficit—acknowledge our complicity—and recognize, painful though it may be, that in order to seriously address the budget deficit, we must address the question of entitlements also."

Jordan called for "equity in sacrifice," defining this to mean that "all will sacrifice equally," including "the person who is retired on a fixed income" and "the day laborer," as well as the "corporate executive."

## Blood and Gore

The choice of Al Gore as Clinton's running mate further certifies that the Democratic Party has gone back to its Confederate origins. If anything, the Tennessee native, who idolizes Andrew Jackson, is worse than Slick Willie, in his espousal of an environmentalist ethic that is not only rabidly anti-growth, but pro-pagan as well.

Gore's selection has drawn rave reviews from the environmentalist movement, including from Britain's malthusian Prince Philip. According to an aide, the prince was "delighted" that Gore was named to the ticket. During his congressional career, Gore has compiled a record that reflects an unalloyed commitment to the entire gamut of neo-malthusian policies. He is the leading spokesman on Capitol Hill for the "ozone hole" fraud, and has lobbied for a host of extremist measures to "save the environment." Earlier this year, Gore published a manifesto on the environment, entitled *Earth in the Balance: Ecology in the Human Spirit*, in which he outlines a "Global Marshall Plan" whose number-one priority would be "stabilizing human population" (see *EIR*, April 3).

Gore headed the U.S. congressional delegation to the U.N. Earth Summit in Brazil in June, and has vowed to introduce legislation to make the global climate treaty signed there legally binding on the United States.

Moreover, he has played a pivotal role in the project, associated with the British royal family's Prince Philip and Prince Charles, to bring about a pagan revolt against the Jewish and Christian concept that man is made in the image

of God. Gore collaborated with Prince Philip on a "religion and ecology" conference which took place in Washington in May 1990, at which Philip gave a speech praising paganism for its nature worship.

Last May, Gore sponsored a meeting of U.S. religious leaders who voted up a declaration which asserted that religion "has an essential role to play" in promoting an "environmental consciousness" and called for "concerted efforts to stabilize world population."

Ironically, the Gore family wealth comes largely from Occidental Petroleum—the company responsible for the notorious "Love Canal" chemical spill in upstate New York. Gore's father, Al Sr., who also served in the U.S. Senate, made a tidy fortune as head of Island Creek Coal, a Kentucky-based coal company owned by Occidental, the multibillion-dollar company founded by the late Soviet agent of influence, Armand Hammer, who financed Al Jr.'s abortive 1988 presidential bid.

## Bush on the ropes

The Bush-Quayle team is making political hay out of the Democratic ticket, but they've hardly got the election wrapped up. Indeed, for weeks, the word from high-level British sources has been that Bush will be forced to withdraw from the presidential race due to ill health. British banking sources began to circulate the report several weeks ago, and it has now begun to hit the media. The London *Observer* picked up the story on the eve of the Democratic convention, and British journalist Christopher Hitchens declared on a U.S. cable television talk show that the real, but still largely unnoted, story of the 1992 elections is that Bush is too sick to fulfill his presidential functions.

With or without Bush, the Republicans could not count on keeping the White House. A slate headed by Dan Quayle—or even Jack Kemp or James Baker—could hardly be called a winning ticket, particularly given the economy's persistent slide.

As for the Democrats, the Clinton forces may have succeeded in choking debate at the convention, but it could prove to be a Pyrrhic victory. Democratic strategists assume that the constituencies they've disenfranchised—labor, civil rights layers, farmers—couldn't possibly vote for the Republicans, at least not in numbers, so they'll have to stick with the Clinton-Gore ticket. Some may reckon that Ross Perot's July 16 announcement that he won't make an independent run for the presidency, bolsters the Democrats' bid to be seen as the only "force for change."

But there *will* be an independent presidential candidate this year—Lyndon LaRouche. Perot's quitting underlined what was true all along: that LaRouche, the one opponent Bush feared enough to put behind bars, has an actual industrial policy that can revive the nation's economy and morale. Whether voters' anger will rise to the level of playing the "LaRouche card" in November is a question the political pundits of the two parties have no ability to calculate.

# NAACP leadership wanly backs Clinton

by Bruce Director

On July 12, the National Association for the Advancement of Colored People (NAACP) kicked off their 1992 convention in Nashville, Tennessee with a pep rally for the newly announced Clinton-Gore Democratic presidential ticket, but many of the 15,000 delegates were less than enthusiastic about supporting the executioner from Little Rock, Arkansas.

Benjamin Hooks, the outgoing executive director of the NAACP, made it clear from the beginning that he expects blacks will give the Democratic ticket "unprecedented support." Hooks played down expected opposition from the black population to Gov. William Clinton's practice of using public executions to advance his election campaign. The NAACP has traditionally been opposed to the death penalty. Retired U.S. Supreme Court Justice Thurgood Marshall, an outspoken opponent of the death penalty, was formerly legal counsel for the NAACP.

## FBI, ADL given convention role

The NAACP's willingness to sacrifice its traditional commitment to civil rights for pragmatic alliances with the establishment was also evidenced by the fact that for the second year in a row, the FBI and the Anti-Defamation League (ADL), both bitter enemies of civil rights, were allowed to play a prominent role at the convention. This is particularly ironic, since the ADL has publicly declared that the black community is riddled with anti-Semitism.

At his farewell press conference, Hooks was asked by *EIR* if the NAACP had changed its position on the death penalty in order to win support for Clinton. Hooks claimed that the NAACP was as opposed to the death penalty as ever but indicated he was willing to downplay the issue, saying that blacks were more concerned by black-on-black violence. Hooks said he would make his opposition to the death penalty known to Clinton, but he admitted he had not brought it up for discussion with the governor when he saw him the day before.

Hooks, who is originally from Tennessee and is a good friend of both Sen. Al Gore, Jr. and his father, former Sen. Al Gore, Sr., put on a big rally on Saturday July 11, the day before the convention was officially scheduled to begin. The rally amounted to a coming-out party for the Democratic ticket. The audience was made up mostly of local Gore supporters as most of the delegates hadn't even arrived yet. After warming up the crowd with 20 minutes of "We Shall

Overcome," Clinton and Gore gave carefully orchestrated speeches about unity, which were laced heavily with anecdotes from Clinton about growing up poor in Arkansas. The pair was generally well received by the audience.

This institutional support for Clinton was contrasted to the reactions of individual delegates who were not as eager as Hooks to accept the Clinton-Gore ticket. As the delegates left the pep rally, LaRouche in '92 organizers distributed close to 1,000 copies of Lyndon LaRouche's statement "Death Penalty Is Barbarism." This provoked a frenzy of activity from Clinton's people to protect their carefully orchestrated media opportunity.

## Litmus test for the election

On Sunday night, over 2,000 leaflets, the LaRouche statement, and a special leaflet addressed to NAACP delegates were distributed in front of the hall where Hooks was to give his farewell address. The leaflet, entitled "Clinton Must Renounce Death Penalty, Stop Execution of Barry Lee Fairchild," stated in part, "There is a litmus test in this year's election, but it is not the one Bill Clinton and his Democratic Leadership Council (DLC) cronies would have you believe. Clinton and his Trilateral Commission backers claim he is bringing the Democratic Party back toward the 'center,' to the 'moderate mainstream.'

"It should be clear to delegates at this convention what that means. They are appealing to the die-hard believers in the Old Confederacy, to the Jim Crow racists who used to run the Democratic Party in the South, to 'come back home.' In fact, what they are doing is imitating George Bush. Clinton is trying to out-Bush Bush! And his choice of Al Gore as his running mate demonstrates why some say that DLC really stands for Democrats who Love the Confederacy!" The leafleting from the previous day had already had its effect. Some delegates took the leaflets asking, "Is this the LaRouche leaflet attacking Clinton?" After most of the leaflets were distributed, the security guards threw the LaRouche and Clinton leafleters out.

Not all the NAACP leaders were as cavalier as Hooks. About 15 NAACP officials signed the anti-death penalty resolution to the Democratic Party including Dr. William Gibson, the national chairman of the NAACP.

As a growing number of delegates turned increasingly toward LaRouche in a reaction against the pro-death ticket of Clinton-Gore, LaRouche's enemies went into action. On the third day of the convention, the ADL-linked Center for Democratic Renewal (CDR) held a seminar for delegates ostensibly on voting registration drives. This seminar was used by the CDR representative, Loretta Ross, to spread the ADL's lies and slanders against LaRouche, accusing LaRouche of being a racist. Ross cited pro-drug propagandist Dennis King as her source.

Also on the third day, the FBI held a workshop on "hate crimes" statistics, a project originated by the ADL.

# DOJ backs down, will release Hashemi files

by Edward Spannaus

Under pressure in the Freedom of Information Act (FOIA) lawsuit brought by *EIR* writers and investigators, the U.S. Department of Justice (DOJ) has agreed to begin processing for possible release 20 boxes of prosecution files concerning the late Cyrus Hashemi and Stanley Pottinger. The files were located in the U.S. Attorney's Office in New York. Iranian banker Hashemi and former Justice Department official Pottinger have been shown by *EIR* to have been key figures in the effort to sabotage the Carter administration's efforts to obtain the release of the American hostages being held in Iran in 1980.

For five years, the Justice Department has refused to process the Hashemi case files, claiming that they were exempt from release because of a pending law enforcement investigation. The *EIR* plaintiffs submitted affidavits and other evidence showing that Hashemi was deceased, that all charges in the Hashemi case had been dismissed, and that the case was officially closed. Even in the face of this overwhelming evidence, the DOJ stubbornly continued to stonewall, claiming that charges were still pending against Hashemi's corporations. *EIR* then submitted evidence showing that the corporations were no longer in existence. Finally, on June 19, the DOJ informed *EIR*'s attorney that it had recently determined "that this exemption is no longer applicable," and that they have begun processing the 20 boxes of records. (It is often the government's practice in FOIA cases to back down at the last moment, rather than lose a motion in court and thereby have a precedent set against it.)

The DOJ has agreed to process one box of documents per week. However, the first box of 3,000 pages is claimed to be entirely exempt, because it consists of grand jury materials and classified information. The second box contains 137 FBI tape recordings of Hashemi, which the DOJ has sent to the FBI for processing according to their normal procedures. The FBI has not yet notified *EIR*'s attorney what portion of the tapes will be released.

## House report released

Meanwhile, it has been disclosed that over 2,000 hours of tapes derived from secret FBI surveillance of Hashemi and Pottinger are currently being reviewed by congressional investigators. The fact that the Hashemi-Pottinger tapes have been turned over by the FBI was officially disclosed in the Interim Report of the House of Representatives' "October

Surprise Task Force," which was released on July 1 by Rep. Lee Hamilton (D-Ind.).

A team of four Task Force members is deployed exclusively on reviewing the 540 tapes and related documents from the Hashemi surveillance. Many of the tapes are in Farsi (the Iranian language) or French, and are being translated.

Most press accounts of Hamilton's July 1 press conference emphasized the only finding made by the investigators so far: that the evidence shows that George Bush was not in Paris Oct. 18-22, 1980. However, Hamilton minimized the importance of that single finding, saying that "the whereabouts of George Bush in 1980 does not in itself resolve the many allegations under investigation by the Task Force. Let me emphasize that we are still in the middle of this investigation. We think an awful lot of work still remains to be done."

Asked if the finding means that Bush did not know about any agreement to delay the hostage release in order to defeat President Carter at the polls in November 1980, Hamilton replied carefully that "the credible evidence that we have shows to us that he was not out of the country. It does not go beyond that."

The issue of whether Bush was in Paris in October 1980 has been used to misdirect many journalists and investigators since 1987. An *EIR* Special Report published in February 1992 showed that the key to the "October Surprise" is to be found in the actions of Hashemi's lawyer and business partner Stanley Pottinger, who also happens to be a personal friend of George Bush. Excerpts of summaries of the FBI surveillance tapes obtained by this news service show that Pottinger and Hashemi were able to manipulate the issues of Iran's frozen assets and the Shah's assets—about \$24 billion total—to sabotage the Carter administration's hostage negotiations.

## Bush administration stalling

House investigators have requested thousands of documents from numerous agencies, including the Departments of Justice, State, Defense, and Treasury, as well as the CIA and the National Security Agency. However, the administration has delayed the release of many of the documents. The Task Force report puts the onus directly on the Bush administration: "The response of some Executive branch agencies has slowed the work of the Task Force. This is so because counsel to the Task Force have decided not to conduct a number of sworn depositions of witnesses until after counsel has had an opportunity to completely review the documentary evidence that underlies such oral testimony."

One knowledgeable source reports that the Bush administration demanded that the Democrats exonerate Bush from charges that he was in Paris, or they would face a drawn-out fight over withholding of documents by the Executive branch. As it is, the Task Force is still likely to have difficulty completing its investigation before the elections, or even by the end of the congressional term.

## Special prosecutor sought on 'Iraqgate'

Members of the House Judiciary Committee, including chairman Rep. Jack Brooks (D-Tex.), sent a letter to Attorney General William Barr on July 9 requesting that the Justice Department appoint an independent counsel to investigate whether the Bush administration violated the law in supporting Iraq before the Persian Gulf war.

"Our investigation and our request are not an attempt to second-guess the administration's policy in tilting toward Iraq," said Brooks. "The stupidity of that policy speaks for itself."

The request follows Judiciary Committee hearings to determine whether there was sufficient evidence to call for a special prosecutor. The request was supported by all but one of the Democrats on the committee, but by none of the Republicans. Barr now has 15 days to determine whether the information is specific enough to warrant a preliminary investigation.

The letter cites assertions that the administration interfered in the criminal prosecution of the Atlanta branch of the Italian-owned Banca Nazionale del Lavoro (BNL), which provided Iraq with loans and export credits. The discovery that a lawyer on President Bush's personal legal staff discussed the criminal investigation directly with the federal prosecutor in Atlanta was a decisive factor in the panel's submitting the request.

Commenting on the decision of the Judiciary Committee on the floor of the House on July 9, House Banking Committee Chairman Henry B. Gonzalez (D-Tex.), who initiated the investigations into the BNL scandal, pinpointed the role of National Security Adviser Brent Scowcroft in determining the administration's Iraq policy. "It is now becoming increasingly clear that Mr. Scowcroft was the

key figure in the manipulation of the CCC [Commodity Credit Corp.] program for Iraq," said Gonzalez. "It is hard to imagine that Mr. Scowcroft did not also have a role in White House calls to the assistant U.S. attorney in Atlanta or the Justice Department's handling of the BNL scandal."

## Russian aid languishes as Congress recesses

Although many congressmen were sympathetic to the plea of Russian President Boris Yeltsin for aid when he addressed a joint session of Congress on June 17, the so-called aid package is languishing in the House as Congress prepares to recess.

Rep. David Obey (D-Wisc.), chairman of the House Subcommittee on Foreign Operations, and House Speaker Tom Foley (D-Wash.) have blamed the delay on reluctance to vote for foreign aid in an election year.

But the irony of the Russian aid package, entitled the Freedom Support Act, is that the only real money in the package is the authorization for a \$12 billion increase in the U.S. account with the International Monetary Fund, which is to enable the IMF to finance its operations worldwide. The \$417 million in direct bilateral assistance for Russia in the bill has already been passed as part of this year's foreign aid bill.

## Hayes lambasts urban aid bill as a fraud

Rep. Charles Hayes (D-Ill.), in floor comments on July 2, attacked the urban aid package later passed by the Congress, as a remnant of the Reagan-Bush "trickle-down mentality."

"Instead of funding programs that

in the past have truly assisted our cities by creating jobs and rebuilding the infrastructure, the effort is to again spur the economy through tax incentives to corporate America and the wealthy," said Hayes. "While some will vote for this bill because they believe that some help is better than none at all, I cannot participate in what amounts to an election year hoax.

"If we do not begin to commit ourselves to addressing the plight of our urban cities," he warned, "then we jeopardize the future of our country as a whole."

## House shifts foreign aid funds to transportation

In a move which undermines the 1990 budget agreement between Congress and the White House, the House on June 9 agreed to take \$400 million in foreign aid savings and spend it on transportation. The Bush administration has threatened a veto, claiming the measure would trouble financial markets and cause interest rates to rise.

The vote in the House was 213-190, far short of the two-thirds majority needed to override a veto. The shift of the savings, originally intended for deficit reduction, was the result of a plea by House Majority Leader Richard Gephardt (D-Mo.), who urged his colleagues to "deal with a recession that's in front of us," with 10 million Americans out of work.

The Budget Act of 1990 divides all spending into three major categories—domestic, military, and foreign aid spending—and stipulates that there be no transfer of funds between categories. "Savings" made through budget cuts would have to go to other items in that same category or be used to reduce the deficit.

## **C**onyers attacks **Carnes nomination**

In comments on the House floor July 9, Rep. John Conyers (D-Mich.) criticized the Senate Judiciary Committee's recommendation of approval of the nomination of Edward Carnes to the Eleventh Circuit Court of Appeals. Carnes is widely known for his pro-death penalty views. The Senate committee vote was 10-4.

Conyers attacked Carnes's "executioner mentality" and his role in protecting a practice in Alabama that keeps blacks off trial juries. Conyers said that "with the economy in shambles, this nomination is part of the President's new strategy to get the Southern white vote in the general election by once again playing the crime and race card, as he did during the last general election with the Willie Horton campaign."

## **K**ennedy assassination archive not fully opened

The House Judiciary Committee has created a loophole, an amendment proposed by Rep. Don Edwards (D-Calif.), in legislation which calls for disclosure of government records concerning the 1963 assassination of President John F. Kennedy, ensuring that significant material will still be withheld from public scrutiny.

The amendment would place all materials touching on the assassination which are now in the John F. Kennedy, Lyndon B. Johnson, and Gerald R. Ford presidential libraries beyond the reach of the historical review board assigned to investigate the assassination. Under the Presidential Records Act of 1978, most records in presidential libraries, beginning with Ronald Reagan's, are defined as federal rather than private records, but

the law was not retroactive. The amendment means that Kennedy's autopsy records and X-rays are controlled by a deed of gift from the Kennedy family and are unavailable without the consent of the family. Also, the material from the Gerald Ford-appointed Commission to Investigate CIA Activity within the United States, is treated as the private property of Gerald Ford.

## **P**ush on to secure Space Station funding

In the floor debate in the House on July 8, the day the Space Shuttle Columbia was to complete its mission, Reps. Robert Dornan (R-Calif.) and George Brown (D-Calif.) underlined the necessity for continued funding of Space Station Freedom.

"We must push forward with a space station if we are going to successfully and aggressively explore the final frontier of space," said Dornan. "We cannot turn back now, just as we approach the threshold of space exploration. We cannot limit ourselves to shortsighted, short-term cost savings that would result from cancellation of the station. . . . We must look forward, as explorer Christopher Columbus did 500 years ago when he brought two amazing worlds together."

Brown, chairman of the House Science and Technology Committee, stressed the importance of the experiments on the Columbia. "The specific experiments that were conducted on this mission could lead to improved drugs, medical treatments, engineering materials, computers, infrared detectors, water desalination equipment, chemical and industrial processes, and the development of such wonders as artificial skin, blood vessels, and other parts of the body."

Brown pointed out that, although this flight (14 days) was the longest ever for the shuttle, the space station would be able to operate for many months or even years.

## **T**rade bill passes Congress, faces veto

The Trade Expansion Act of 1992, dubbed the "Trade and Employment Contraction Act of 1992" by one of its opponents, was passed by the House on July 8 in a 280-145 vote, short of the votes needed to override a threatened presidential veto.

Although some of the more onerous measures were removed in committee, including one which called for negotiated limits on the sales of Japanese automobiles in the United States, the new "purged" bill is an attack on U.S. trading partners, Japan in particular.

The legislation extends the Super 301 authority for an additional five years, but goes one step further in requiring the U.S. Trade Representative to post a list of "trading enemies." The bill also targets Taiwan and Korea, mandating a Super 301 investigation by the Trade Representative with regard to products and auto parts within 45 days of its enactment.

Opponents argued that the measure will create even more acrimony in the General Agreement on Tariffs and Trade (GATT) and North American Free Trade Agreement (NAFTA) negotiations.

Also passed was an amendment sponsored by Reps. Richard Gephardt (D-Mo.) and Sander Levin (D-Mich.) which directs the President to negotiate an agreement with Japan that would limit the number of Japanese automobiles exported to the United States. The amendment was passed in 260-166 vote.

# National News

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## Dr. Muhammad's AIDS work receives tribute

A gala dinner held in Washington, D.C. on July 11 paid tribute to Dr. Abdul Alim Muhammad, a surgeon and national spokesman for the Nation of Islam and for Minister Louie Farrakhan, and his work against AIDS. It was announced at the dinner that he has been made minister of health and human services for the Nation of Islam.

As *EIR* reported on Sept. 20, 1991 ("Shocking Revelations on AIDS Research"), Dr. Muhammad traveled to Kenya last year, and returned to announce that a team at the Kenyan Medical Research Institute had made dramatic advances in the treatment of AIDS with a new derivative of the drug alpha interferon. Dr. Muhammad charged that the coverage of this work by the U.S. establishment media reflects a deliberate policy of genocide against black populations.

At the Washington dinner, various individuals were cited for their help to the Maryland surgeon in his work. Dr. Muhammad asked the chairman to add to the list *EIR*'s Carlos Wesley and the Schiller Institute's Debra and Lawrence Freeman.

Dr. Muhammad's research to fight the AIDS epidemic was praised by Minister Farrakhan, as well as by members of the Washington City Council. Mayor Sharon Pratt Kelly declared July 11 to be Abdul Alim Muhammad Day.

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## Clinton called 'more hardline' than Israel

The Bill Clinton presidential campaign is so much under the influence of the American Israel Public Affairs Committee (AIPAC), that his Middle East policy now is more hardline than that of the new government of Yitzhak Rabin in Israel, wrote the British magazine *Private Eye* in mid-July.

"The political influence of Bill Clinton's financial backers is getting out of control," according to the article. "Clinton's biggest

campaign backer has been the American Israel Public Affairs Committee, and his 'general counsel' is one David Ifshin, who holds the same position for AIPAC. His Middle East policy was drafted by Sarah Erhman, also from AIPAC, and his chief fundraiser is Israeli-born Rahm Emanuel, who took time off work in an Israeli Army base 'near the Lebanese border' during the Gulf war.

"These, and scores of other AIPAC hangers-on, are why the so-called liberal Clinton is pledged to recognize Jerusalem, including the occupied eastern side, as Israel's capital, and not to allow a Palestinian state. And it is why he pushed for unconditional handover of the \$10 billion loan guarantees to former Israeli Prime Minister Yitzhak Shamir.

"It is also why he is not the current Israeli prime minister's best friend. It was Bush's refusal to give Shamir the \$10 billion that allowed Yitzhak Rabin to win the election, and Israel's victorious Labor Party well remembers the years of uncritical AIPAC support for Likud, which allowed Shamir and Begin to buy the support of the loony religious parties.

"The result for Clinton, however, is that his Democratic election platform is now even more hardline on the Middle East than that of the new Israeli government!"

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## FBI 'psycho-spooks' study riot potential

The FBI's Behavioral Sciences Unit in Quantico, Virginia have been profiling the potential for urban riots, according to Gerald Arenberg, executive director of the national Association of Chiefs of Police. Arenberg told the July 13 *Parade Magazine* that the FBI unit began planning for mob violence "at least three years ago" and says that the FBI study "discussed changes in demographics that had occurred over the past 30 years. Because of those changes and social problems that had developed, the study predicted that before the year 2000 we would have the worst possible rioting we've ever had in history."

The Behavioral Sciences Unit is headed

by Kenneth Lanning, who specializes in suppressing evidence of satanic criminality, and who claimed that "more people have been killed in the name of Christ than in the name of Satan." The same unit botched the Navy investigation into the explosion on the battleship *Iowa*, with the theory that the Bible studies of seaman Clayton Hartwig proved that he was a homosexual obsessed with death. The unit was favorably depicted in the film "Silence of the Lambs," and "trained" actress Jodie Foster for her portrayal of a member of the FBI unit.

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## Canada intervenes to block Texas execution

Joseph Stanley Faulder, 54, is one of at least three Canadians on death row in the United States. He has spent 15 years in a Texas prison, apparently without the knowledge of his family or even the Canadian government.

According to Amnesty International, Faulder has now become the subject of Canada's first attempt to stop the imminent execution of one of its citizens by a foreign country.

The Toronto *Globe and Mail's* Sean Fine reports that, while Canada abolished the death penalty in 1976, it does not interfere in capital sentences imposed by other countries "without some cause," says External Affairs Minister Barbara McDougall. In the case of Faulder, she has found a cause to intervene.

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## NED suppresses Christian trade unions

The U.S. government's National Endowment for Democracy is suppressing Christian trade unions in eastern Europe, according to a July 13 *Washington Times* profile focusing on the activities of AFL-CIO agencies operating on NED money. The article also points out that there is an ongoing battle between the NED and the World Confederation of Labor throughout the eastern European labor movement.



## Briefly

According to the WCL's Carlos Custer, the NED is "anti-Christian." Polish Solidarnosc official Krzysztof Dowgiakko said that Solidarnosc is one of two unions with dual affiliation in the WCL and the International Confederation of Free Trade Unions, which is controlled by the AFL-CIO. Dowgiakko said that NED and the AFL want the WCL "to disappear . . . WCL thinks that there are different traditions. One is our tradition, the Christian tradition, and the other is the social democratic tradition, both being very present and combined in some way in Poland, but we don't feel the unity of trade unions is very good."

The WCL's American affiliate is the National Alliance of Postal and Federal Employees, which was formed in 1913 to counter the racist policies of the AFL. The 65,000-member, all-black union is shunned by the AFL-CIO, and it has been denied grants by the NED despite the fact that it is very active among African trade unionists.

### White House in uproar over Provost appointment

White House Chief of Staff Sam Skinner announced the appointment of Steven Provost as the new White House communications director and chief speechwriter for George Bush on July 8, after a number of people in the administration had rejected the post. The appointment of Provost, who is currently public relations director for Kentucky Fried Chicken, caused an uproar at the White House. Evidently staffers feel that it will take more than experience selling fried chicken to be able to sell this President to voters in November.

The *Washington Post* wrote: "Skinner's announcement, at yesterday's senior staff meeting, generally sent a ripple of disbelief and anguish through a campaign and White House operation demoralized by Bush's plummet in the polls and self-acknowledged inability to communicate a positive message to American voters."

One Bush intimate told the *Post*: "This seals it. This is the end of Skinner. I predict right here and now James Baker will be

back, and he'll bring a team of professionals with him." Baker and Bush were planning a private hunting trip in Wyoming. They made a similar trip in 1988, just before Baker left his post as Treasury secretary to take over the Bush election campaign.

### Did FBI, NBC try to frame LaRouche in Palme death?

Washington, D.C. federal Judge Gerhard Gesell ordered the FBI to allow him to inspect its documents pertaining to efforts to link associates of Lyndon LaRouche to the assassination of Olof Palme in 1986. The court order was issued on July 10 in a Freedom of Information Act (FOIA) case brought by Michele Steinberg, a former co-defendant of LaRouche's in the mis-tried Boston federal prosecution.

Steinberg's FOIA request asked for all documents pertaining to the FBI handing over copies of her and others notebooks to Swedish police authorities. Prosecutor John Markham has testified that the exchange of information with Swedish authorities was arranged by NBC producer Pat Lynch. NBC had repeatedly attempted to link associates of LaRouche to the Palme killing.

The FBI did release some heavily redacted documents, but is withholding about 85% of the information in its documents, much of it on so-called "national security" grounds. Steinberg has argued that the information is probably being withheld because it would be highly embarrassing to the U.S. government, including the fact that the campaign to link LaRouche to the Palme assassination was spearheaded by Soviet news outlets such as *Izvestia*, *Krasnaya Zvezda*, and Radio Moscow.

Judge Gesell has now taken the unusual step of ordering the government to "file with the court for *in camera* inspection an unredacted copy of the materials that have been released to plaintiff pursuant to her FOIA requests at issue in this case." Steinberg had asked the court to examine the unredacted documents, and then to order the FBI and Justice Department to conduct a further search for the rest of the Palme documents.

● **OVERHEARD:** Two black restaurant employees discussing Clinton's choice of Gore for vice president. One said to the other, "Did you hear about Clinton? He picked Gore for vice president. 'That's the [Democrats'] southern strategy.' He then added, 'And they want to reduce the population. Do you think they have a particular race in mind, or do you think they're talking about somebody else?'"

● **LYNDON LAROUCHE** has qualified for ballot status as an independent presidential candidate in the state of Washington, supporters announced on July 16, the day after the Democratic Party's nomination of Bill Clinton. LaRouche qualified at conventions held throughout the state two weeks before.

● **PAT MOYNIHAN** told reporters at the Democratic National Convention on July 13 that "the Democratic Party should try unity for a change." The New York senator concluded, "It's time for us to rise above principles, and win." CBS News's Cokie Roberts, who had asked him what Democrats could do to win the presidential race, was compelled to point out that Moynihan was joking.

● **'UNDECIDED'** won an unusual poll taken in Pennsylvania in late April and again in late June. Most polls disallow such a response. Between late April and late June, Bush dropped from 30% to 20%; Clinton dropped from 29% to 19%; Perot rose only from 27% to 29%; and "undecided" rose from 12% to 30%.

● **FBI agents** raided the Virginia farm of Phil Costis on July 11, and searched it for nine hours, ostensibly looking for the banned pesticide DDT. The agents took samples of agricultural chemicals he had stored on the farm (it is not illegal to store DDT, just to use it). It is believed that the raid took place because Costis is politically active.

## Britain's failed plot to smash the Union

by H. Graham Lowry

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### **America in 1857: A Nation on the Brink**

by Kenneth M. Stampp

Oxford University Press, New York, 1990

388 pages, hardbound, \$29.95

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It must be said at the outset that this latest historical work by Kenneth Stampp is a very *relevant* book—and a British-inspired fraud. Now professor emeritus of history at the University of California at Berkeley, the old revisionist has taken the theme of “a nation on the brink,” to set forth the disastrous events of 1857 in the United States as an implicit projection of its doom in the 1990s.

Completed in late 1989, Stampp's work stresses the destructive shocks suffered by the American Republic in 1857 as “the political point of no return,” making the “violent resolution” of the outbreak of the Civil War in 1861 virtually inevitable. The abuses heaped on Americans in 1857 have a familiar ring: outright trampling on the Constitution by the President and the Supreme Court; a “free market” trade policy which battered the American economy; the collapse of an underregulated banking system; massive real estate and paper speculation leading to a financial panic; nationwide industrial shutdowns and farm foreclosures; skyrocketing unemployment and homelessness; organized riots and lawless mobs.

An historical work devoted to alerting us to the mistakes of the past, especially to prevent their repetition in a similar time of crisis, is always valuable. But Stampp's *America in 1857* is a deliberate effort to make those errors both unknow-

able and inevitable again. His veneer of scholarly competence is supplied by noting tens of thousands of trees, without ever identifying the forest. But Americans of the time were not so lost in the woods as Stampp suggests. Enough of them knew that they were in a battle for survival against Britain, their historic adversary, and had to defeat it once again.

The American Revolution had nearly ended British dreams of a world empire. America's nation-building surge begun in the 1820s, under the principles of the American System of political economy, threatened to extinguish those imperial ambitions entirely. What followed was a series of British-sponsored coups d'état, beginning with the fraudulent election of the traitor Andrew Jackson to the presidency in 1828, and his destruction by veto of the Bank of the United States and federal internal improvements.

Outright violence was employed to bolster the main base of the British enemy within—the slave-based “Confederate” oligarchy of the Southern states—by undoing Virginia's attempted constitutional emancipation of slaves through fomenting Nat Turner's rebellion in 1831. To the same end, Jackson ordered the barbarous denial of assimilation and citizenship to the Cherokees, leading to their forcible removal from their Southern lands, and the infamous death-march to Oklahoma over “the trail of tears” in 1838.

In 1840, American patriots—led by Henry Clay's Whigs—mobilized to end the ruin imposed by Jackson and his successor Martin Van Buren, the first man ever appointed minister to our despised enemy, Great Britain. Whig candidate William Henry Harrison, hero of the War of 1812, was elected President—only to be murdered quietly by White House physicians a few weeks later. The assassination in-

stalled his vice president, John Tyler of Tennessee, who promptly broke with Whig policies and reimposed British-Confederate rule.

The list could go on and on, including the first of many British efforts to use the United States as its “dumb giant”—and on behalf of the slave power—in the 1846 War with Mexico. But suffice it to say, by the 1850s, the future Confederate States of America was *already* controlling the government of the United States, and the British plan for the destruction of the Union was close to completion.

For a reader with some idea of the forest he is entering, Stamp’s work unintentionally provides more than sufficient evidence, that the intended fatal blows of 1857 were directed from London.

### **The slave-based Confederacy**

At the United States Military Academy at West Point, there is a spectacular overlook of the broad Hudson River which also provides an important historical lesson. Upon this high point of land, a long row of captured Confederate cannon are still on display, aiming north onto the river. From the foundry markings, every single one of them is identifiable as made in Britain. Nearby monuments recite the deeds and sacrifices of the Union armies in the “War of the Rebellion,” as the Civil War was then properly known to defenders of the Union. It is as though the cannon are arrayed in proud defiance of British efforts to destroy the republic, recalling the British attempt during the American Revolution to attack from Canada, down the Hudson, and split the new nation virtually in two.

The British-backed Confederacy was entirely based on the oligarchical system of slavery. And between the New England secessionists of the War of 1812 and the Southern slave interests, the British grip on the affairs of the United States gained the upper hand. This was especially true after the disastrous Compromise of 1820, which mortgaged the expansion of the nation to the admission of another slave state for every new free state admitted from the Western territories. By 1852, the year with which Stamp begins setting the stage for his work, the power of the slave interests and their Northern allies was enormous.

The election of 1852 installed as President Democrat Franklin Pierce, a Confederate “ringer” from New Hampshire who narrowly won the popular vote against Whig hero Winfield Scott, but carried the South to take the Electoral College by 254-42. He was an 1824 graduate of Maine’s Bowdoin College, where he became the close friend of Nathaniel Hawthorne, the romantic “transcendentalist” writer and peddler of cultural pessimism, who wrote his presidential campaign biography. “Almost from the outset,” Stamp acknowledges, Pierce “fell under the influence of the Southern wing of the party, especially the state-rights extremists such as [future Confederate President] Jefferson Davis of Mississippi, whom he appointed secretary of war.”

Pierce was the willing instrument of every British pro-slavery policy during his term. He backed the schemes of slavery expansionists to detach Cuba from Spain, and “looked benevolently” on Tennessee-born William Walker’s brief seizure of the government of Nicaragua. In 1854, he took the pro-slavery side in support of Stephen Douglas’s Kansas-Nebraska Act, which legalized slavery in the territories and set off the violence in “Bloody Kansas.” He endorsed the rigged election in 1855 of a pro-slavery legislature for the Kansas Territory, and supported it with federal troops and pro-slavery judicial appointees.

### **A Queen’s favorite in the White House**

Pierce’s successor as President, the infamous James Buchanan of Pennsylvania, was narrowly elected in 1856 over John C. Fremont of the fledgling Republican Party, and—like Pierce—owed his office to the slave power. Nearly two-thirds of his electoral votes came from slave states. Buchanan also came with direct British training for the job, having served as minister to Great Britain under Pierce. While being groomed at the Court of St. James, Buchanan enjoyed the hospitality of Queen Victoria at Windsor Castle.

He later reciprocated, just before the fateful election of 1860, by inviting the young Prince of Wales to the United States as his personal guest. This unprecedented homage to the British monarchy, extended to the future King Edward VII and great-grandson of King George III, included a joint visit to George Washington’s tomb at Mt. Vernon! Stamp omits the tale, of course, since it did not happen in 1857.

In 1854, while serving in London, Buchanan helped frame the so-called Ostend Manifesto, urging the Pierce administration to acquire the slave colony of Cuba from Spain, by force if necessary. As President-elect, Buchanan’s most trusted advisers were led by Louisiana Sen. John Slidell, later Confederate minister to Britain. In selecting his cabinet, Buchanan was advised to “yield pretty generously” to the South by his long-time aide, John Appleton of Maine, who had been his secretary in London. “Buchanan heeded the advice,” Stamp notes, “and wrote a friendly letter to Jefferson Davis, who responded cordially to his wish to renew their ‘old relations of friendship and confidence.’ ”

Early in 1857, the lame duck Congress put through a tariff bill, which seriously weakened what remained of the American System’s protections for domestic manufacturing, especially the iron industry—so vital to national security. Largely the work of Virginia Sen. R.M.T. Hunter, a rabid state-rights slaveholder, the measure was signed into law by Franklin Pierce as one of his last acts as President. Some Northern congressmen predicted the measure would lead to a “financial panic”—and it did.

James Buchanan was inaugurated the next day, March 4, 1857. He apparently knew his mission was the destruction of the Union, for he made the unusual announcement in his inaugural address that he would not be a candidate for

reelection. He had also engaged in a secret correspondence with members of the Supreme Court, urging a delay in rendering the *Dred Scott* decision until after his inauguration, and a ruling to overturn the Missouri Compromise's restriction on slavery in the territories.

Chief Justice Roger Taney, appointed by Andrew Jackson in 1835 to succeed John Marshall, issued the decision on March 6. The abominable ruling by the pro-slavery majority went so far as to declare that Negroes were not citizens, whether slave or free—*nor could their descendants ever be, even if emancipated by state law!* Taney argued that the Constitution excluded members of the “negro African race” from citizenship, and that the “inalienable rights” of “all men” in the Declaration of Independence did not apply to the descendents of slaves, since Negroes were “so far inferior, that they had no rights which the white man was bound to respect.” On this British racial policy, James Buchanan founded his administration.

### The plot to smash the Union

The *Dred Scott* decision added tremendous fuel to the intensifying “sectional conflict,” which patriotic Americans recognized as a war over the founding principles of the republic. The Southern oligarchy had already threatened to secede if the Republicans won the White House in the election of 1856—and would do so again in 1860. The destruction of the Union—not Southern “freedom”—was always its objective. One of Stamp’s useful but scarce notes on its opposition is a comment by the *Chicago Tribune*, nearly a month before *Dred Scott*, that the sectional conflict was “no accident,” but sprang “from the contest between non-slaveholders and . . . the Oligarchs who rule upon *Slave Labor*.” Following the infamous decision by the Supreme Court, Henry C. Carey’s Philadelphia paper, the *North American*, urged Northern voters to “rally as one man . . . for the overthrow of the Oligarchy and its allies in the free states.”

With their power consolidated through Buchanan, the British, meanwhile, were preparing to smash Northern industry and agriculture. During the railroad boom of the 1850s, the companies sold stocks on Wall Street “to foreign, especially British, investors,” Stamp notes in passing. Federal land grants of millions of acres fed enormous land speculation along railroad right-of-ways. Railroads in Wisconsin and other Midwestern states persuaded farmers to buy stock, with personal notes secured by mortgages on their farms. The mortgages were then sold to Eastern bankers to finance building the railroads.

The end of Britain’s adventure in the Crimean War in 1856 returned Russian wheat to the European market, shutting off a large part of America’s grain exports. By the spring of 1857, declining imports further reduced freight traffic and railroad earnings. Textile sales by New England’s mills dropped off; and in July, Stark Mills of Manchester, New Hampshire, became the first of many to close its doors.

Meanwhile, the Bank of France, weakened by losses from the Crimean War, was forced to draw upon the Bank of England. London then jacked up interest rates, and British investors dumped their American stocks in favor of the higher return at home. Prices on the New York Stock Exchange fell, and bank assets declined with them. In late August, the failure of a private brokerage house triggered a crash. Banks ran out of specie to cover depositors’ claims, and a series of bank failures swept across Pennsylvania and New Jersey in late September. A run on all the New York City banks began on Oct. 13, and every one of them closed within two days. The banking collapse struck New England a day later, spreading shortly to the West and South.

The Panic of 1857 wiped out more than 5,000 American businesses. With credit short, farmers went under with the collapse in land values and commodity prices; one railroad after another fell into receivership. Industries ordered mass layoffs or total shutdowns, and 20,000 men were out of work in New York City within two weeks. By November, 40,000 were out of work in Philadelphia, and 20,000 Pennsylvania iron workers lost their jobs.

Had they the capability for a modern-day strategic bombing attack, the British could hardly have done a better job of flattening the U.S. economy. Historian Stamp almost chortles over the results, and restricts his account of the mobilization to restore the American System to a total of three pages. “Democrats ridiculed Whigs,” he declares, “for their pathetic attempt to revive an idea as obsolete as the chartering of another Bank of the United States.” Henry Carey’s extensive campaign, including a long series of open letters to Buchanan on the necessity of a protective tariff, is dismissed in three sentences.

Buchanan proceeded to heap further atrocities on the nation. He defended the *Dred Scott* decision and determined to bring Kansas into the Union as a slave state. In December, he defended the infamous Lecompton constitution, which imposed slavery on Kansas by fraud and thuggery, as “in the main fair and just.” Of Buchanan’s argument before Congress, Stamp says, it “went well beyond the rights given the slaveholders in the *Dred Scott* case, for the court did not question the authority of a territory, when ready for statehood . . . to abolish whatever slavery might then exist within its borders. In effect, his novel doctrine denied the right of *any* territory where slaveholders had chosen to settle to become entirely a free state regardless of the wishes of the majority.”

While Stamp has to differ with Buchanan’s outright pro-slavery stand, he nonetheless calls the traitor “one of the best trained Presidents the country has ever had.” *Americans* had other words for him, however; and even Stamp concedes that some of Buchanan’s actions so enraged them, that he ensured a republican mobilization to save the Union *before* 1860, producing the election of Abraham Lincoln and the defeat of Britain’s Confederacy.

# Patrician view of the Second Reconstruction

by Sanford Roberts

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## **John Marshall Harlan: the Great Dissenter of the Warren Court**

by Tinsley Yarborough

Oxford University Press, New York, 1992

395 pages, hardbound, \$29.95

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As the Supreme Court of William Rehnquist prepares for another term of tightening the noose around the necks of American citizens as well as the necks of any foreign citizens who can be dragooned into an American court, it is useful to remember we did not arrive at the present state by overnight express. The willingness of today's Supreme Court to permit improper, oppressive, and even barbaric exercises of governmental power owes much to the dissenters of a bygone era. Prof. Tinsley Yarborough's book tells the tale of one dissenter who happened to be Chief Justice Rehnquist's closest predecessor. Even though Justice Marshall Harlan may seem to represent a "kinder, gentler" jurisprudence, he and the present Chief Justice are soulmates on most questions of constitutional law.

John Marshall Harlan sat on the U.S. Supreme Court from 1855 to 1871, a period when the Warren Court revitalized the legacy of the Reconstruction-era Congress, especially the Thirteenth, Fourteenth, and Fifteenth Amendments to the U.S. Constitution. This biography of Justice Harlan plods its way through the details of this monumental era in American constitutional history. Listless as it is, the book obliquely demonstrates the significance of this Second Reconstruction in shaping the jurisprudence of the protagonist. Lawyers for the civil rights movement periodically prevailed upon Justice Harlan to vote with them in pivotal cases, even though his constitutional principles and social inclinations seemed to put him on the other side.

Professor Yarborough, unfortunately, fails to portray the dynamic interplay between the Supreme Court and the turbulent political world outside the courtroom. His Supreme Court inhabits a one-dimensional world limned in hues of

gray legalisms. Although Yarborough performed a yeoman's service of researching the conference notes and draft opinions of Supreme Court justices, he remains trapped within the cloistered confines of the conference room and the four corners of legal documents. His book organizes the discussion of prominent Supreme Court cases into topical modules as if this were *American Jurisprudence* rather than someone's life story.

## **Two John Marshall Harlans**

John Marshall Harlan was actually the second individual so named to sit on the U.S. Supreme Court. His great-grandfather, James Maynard Harlan, a Henry Clay Whig from Kentucky, named his first son after Chief Justice John Marshall. This John Marshall Harlan lived up to his christening by securing an appointment to the U.S. Supreme Court in 1877 where he served for 34 years with great distinction. One of his sons, John Maynard Harlan, developed a lucrative law practice in Chicago where his only son, John Marshall Harlan II, was born in 1899.

As detailed in his first two chapters, the younger Harlan spent his formative years in circumstances far removed from the backwoods of Kentucky where his grandfather grew up. His father's wealth and social contacts allowed him to follow the well-worn career path of patricianism from prep school to Ivy League university to Oxford's Balliol College on a Rhodes scholarship to a prestigious Wall Street law firm where he settled in as a corporate litigator. A former clerk interviewed by the author depicted him as the quintessential establishmentarian: "Harlan was part of the establishment, as close to an upper-class justice we've had since [Charles Evans] Hughes. . . . His main concern, his lodestar, was to keep things on an 'even keel.' He used that phrase many times to me in conversation." The book's epilogue emphasizes that the younger Harlan became a committed Anglophile at Oxford and admired all things British, including Britain's legal system, throughout his adult life. He even adopted British spellings in his court opinions.

The two John Marshall Harlans were polar opposites in outlook, experience, and temperament, but Professor Yarborough only blinks at this contrast. We are informed the grandson wore his grandfather's gold vest pocket watch and claimed the first John Marshall Harlan was prone to "overstatement," but this book is mute about his memories or thoughts concerning his grandfather.

The senior Harlan championed the nationalization of constitutional rights, provided for in the Reconstruction Amendments at a time when the high court was retreating from the issue. This John Marshall Harlan was not just a great dissenter, but very often, a prophetic minority of one. In 1896, when his brethren condoned segregation, Justice Harlan registered the solitary dissent which contained the immortal words: "Our Constitution is color-blind, and neither knows nor tolerates classes among citizens." Fifty-eight

years later, the Warren Court vindicated him in *Brown v. Board of Education*, the famous 1954 decision outlawing segregation in the public schools.

The jurisprudence of Harlan II owed little, if anything, to his grandfather. In his early years on the court, the second Harlan's mentor was Justice Felix Frankfurter, a tie which earned him the sobriquet "Frankfurter without mustard." The Frankfurter-Harlan duo constituted an oppositionist bloc to the reasoning, but not necessarily the results of Warren Court decisions. After Frankfurter retired in 1962, Harlan took up the mantle, but at no time, with or without Frankfurter, did he become the great dissenter imagined by the author.

Whether it was his patrician's sense of *noblesse oblige* or a desire to keep things on an "even keel" in turbulent times, Justice Harlan periodically concurred in and even wrote the majority opinion in cases extending protection to the civil rights movement. For example, he authored the landmark opinion, *NAACP v. Alabama*, which imposed a First Amendment right of association against demands by the State of Alabama for the membership lists of the NAACP. He voted with the majority in *New York Times v. Sullivan* to subject state libel laws to a strict First Amendment standard, a decision which overturned a half-million-dollar defamation judgment aimed at crippling the civil rights movement. He also subscribed to opinions upholding the Civil Rights Act of 1964 and the Voting Rights Act of 1965 as valid exercises of congressional power.

### The issue of 'incorporationism'

This does not suggest that Justice Harlan was the warm friend of civil rights which his grandfather was. "Poor Grandpa Harlan," sighed one lawyer after Harlan II opposed the civil rights position in one case, "how he must suffer for such" a decision. Yarborough synthesizes the grandson's judicial philosophy as including the belief "that the political processes, federalism, and separation of powers were ultimately more valuable safeguards than specific guarantees to individual liberty, as well as the view that judicial constructions of such liberties should be conditioned by due regard for those important features of the American political and legal system." Still, Harlan was not willing to make individual rights completely dependent upon the beneficence of state governments. In his view, the Fourteenth Amendment's Due Process Clause prohibited all arbitrary action by state authorities as well as guaranteeing "fundamental fairness" in legal proceedings.

Yarborough accentuates the difference between Justice Harlan and the majority of the Warren Court in his discussion of "incorporationism," a subject which pervades this book and receives comprehensive treatment in its penultimate chapter. "Incorporationism" may sound like a mundane reference to business law; it is actually a constitutional doctrine of considerable importance. This doctrine professes that the first section of the Fourteenth Amendment, which prohibits

the states from abridging the privileges and immunities of U.S. citizens or depriving any person of life, liberty, or property, without due process of law, "incorporates" the Bill of Rights, applying its contents as restrictions upon the powers of the states. Absent the Fourteenth Amendment "incorporation" thesis, state governments remained at liberty to restrict and even abolish the most basic rights of their citizens. The constitutional rights, which were secured against invasion by the federal government, could be annulled by any and all states choosing to do so.

The elder Harlan had expounded this view in several dissenting opinions, but no majority of the Supreme Court ever accepted the idea that the Bill of Rights, *in toto*, operates as an injunction against the states. However, in the 1930s, the Supreme Court began to do in a piecemeal fashion what it refused to accomplish in one fell "incorporationist" swoop. In a series of cases, the court extended the Fourteenth Amendment's Due Process Clause to those portions of the Bill of Rights deemed essential to "the concept of ordered liberty." By the time of Earl Warren's ascendancy, court precedents incorporated the entire First Amendment into the Fourteenth, but very little of the Fourth, Fifth, Sixth, and Eighth Amendments had been similarly included. Since these latter amendments apply to the criminal justice system, the refusal to incorporate them within the Fourteenth Amendment allowed state police and prosecutors to act beyond the pale of constitutional limitation.

During the 1960s, Warren Court majorities selectively incorporated the most crucial provisions of the Fourth, Fifth, Sixth, and Eighth Amendments into the Fourteenth Amendment. John Marshall Harlan became the principal critic of this policy inside the Warren Court. Yet, despite his opposition to "the onward march of" the incorporation doctrine, Justice Harlan frequently concurred in the "incorporationist" majority decisions on the grounds of due process.

The Due Process Clause, wrote Harlan, "has not been reduced to any formula; its content cannot be determined by reference to any code . . . it has represented the balance which our nation, built upon postulates of respect for the liberty of the individual, has struck between that liberty and the demands of organized society." Adhering to an elastic notion of due process, Harlan distinguished himself from his epigone William Rehnquist.

This book is not Professor Yarborough's first chronicle of a Supreme Court justice nor does it appear to be his last. According to the book jacket, his next opus will be a biography of the first Justice Harlan. More than 50 years ago, Edward Corwin observed that the dissents of the elder Harlan "deserve more fame than they have been accorded for keeping the spark of life going in the *corpus juris* of our constitutional law during a very damp season." My reading of this dreary biography causes me to anticipate that the professor's portrait of Grandpa Harlan will be warped by seasonal dampness.

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## New on CD

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# The singing voice and the singing keyboard

by Kathy Wolfe

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### **"Baroque Duet"**

Kathleen Battle, soprano, Wynton Marsalis, trumpet  
Sony Classical SK 46672, 1992, \$14.88

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### **Beethoven, Sonatas Op. 10 & Op. 79**

Melvyn Tan, fortepiano  
EMI Classics CDC 7 54207 2, 1991, \$14.99

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### **Schumann, Liederkreis Op. 24 & Kerner-Lieder Op. 35**

Olaf Bär, baritone, Geoffrey Parsons, piano  
EMI Classics CDC 7 54027 2, 1991, \$14.99

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### **Mozart, " 'Coronation' Mass in C" K. 317 & "Missa brevis in C ('Sparrow')" K. 220**

Vienna Boys' Choir, Vienna Symphony  
Philips 411 139-2, 1983, \$14.99

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"We instrumentalists are always trying for the clarity the vocalists have. I just want to hear the way Kathleen Battle phrases, to learn how to play with that level of expression," says jazz trumpeter Wynton Marsalis in the PBS television documentary on the making of "Baroque Duet." Good idea, for Miss Battle is at her vocal and musical peak. The contrapuntal force of the Bach, Handel, and Scarlatti arias chosen has voice-led Mr. Marsalis and the Orchestra of St. Luke's, conducted by John Nelson, to one of the best sets of this repertoire available.

Collecting these pieces alone is a big help to students of vocal and instrumental music. The exquisite Scarlatti songs,

especially "Mio tesoro, per te moro" shed much light on the history of both bel canto singing and the trumpet. The singing and dialogue in the better-known selections such as Bach's "Jauchzet Gott in allen Landen" and Handel's "Let the Bright Seraphim" equal the best performances of the 1950s by Elisabeth Schwartzkopf.

PBS's video is worth watching in order to see Miss Battle's vocal technique, growing rounder every year; be sure to avoid the footage of the duo's "pop" side when they lapse into "be-bop" in rehearsal. PBS plans to air the 90-minute program again in August, and the video, "Baroque Duet," will be released by Sony both in videocassette and laserdisc in September. The segment on Mr. Marsalis and his New Orleans jazz family portrays this as musically equal to bel canto, which it is not. We hope now Mr. Marsalis will return to his earlier, classical repertoire.

### **'Singing' the fortepiano**

Melvyn Tan's recent EMI release of four Beethoven sonatas on fortepiano (the term used nowadays to distinguish the instrument invented by Cristofori in the early 1700s, from the post-1840 modern grand) reveals an impressive mind. The only fault is in the liner notes, which tell nothing of him. He succeeds in not only playing the fortepiano, but in playing all of the counterpoint and different voices such that Beethoven's humor comes out. Even the most rapid passages have a delightful, singing phrasing, internal rubato, and voice differentiation.

Most fortepianists can't play the instrument. The results are either precious, as if on harpsichord, or banged out using



*Soprano Kathleen Battle and trumpeter Wynton Marsalis in musical dialogue.*

irrelevant modern pianoforte technique. Mr. Tan, however, has gotten the joy of the fortepiano into his blood. He delights in the very different fortepiano low and high registers, and its uncannily precise ability to shape a tone, because he has seen how Beethoven's concepts require these. The music, his technique, and the instrument's powers are highly integrated.

The three earlier sonatas of Op. 10 are played on a modern fortepiano replica. The fourth, Op. 79 in G, is a special treat, played on an antique 1815 Nannette Streicher from Beethoven's Vienna, whose richer tone is evident in comparison. The entire CD is far better miked than most other fortepiano efforts I have heard.

### Singing Schumann

Olaf Bär, Germany's popular baritone, has a glorious voice, but a badly romanticized approach to Schumann's Liederkreis Op. 24 on his recent EMI CD. Pianist Geoffrey Parsons, often very good, here responds even more romantically and the result is sentimental schmaltz. This is a shame, as Op. 24, the first songs Schumann wrote in 1840, contains some of Schumann's finest responses to some of Heinrich Heine's most ironic poetry. In this CD, almost no irony is to be heard.

Schumann/Heine fans would do much better with baritone Thomas Allen's CD of Op. 24 and "Dichterliebe" with the very poetic Roger Vignoles at the keyboard, on Virgin Classics, VC 7 90787-2 (1989). Mr. Allen is the best Mozart baritone alive: Years of singing Mozart operas have taught him to let his voice do the composer's work and not gild the lily with overly pronounced theatrics. The result, with Vignoles's impressive support, is the long line missing from most recordings of the Heine cycles.

Mr. Bär does better in some of Schumann's less often recorded "Twelve Poems of Justus Kerner," Op. 35, some of the last songs Schumann wrote in that extraordinarily productive year, 1840. These are important songs which deserve more notice, and a number of recordings of them have just been released.

### Children's voices

As a result of the Vienna Boys' Choir wonderful 1992 U.S. national tour, *EIR* acquired their European recording of Mozart's "Coronation Mass" K. 317 and "Sparrow Mass" K. 220 on Philips 411 139-2 (1983). The disc is only now being made available in the United States.

The earlier "Missa brevis" K. 220 (1777) is the better of the performances. Mozart clearly wrote it for boy trebles, in adherence to the famous, annoying demand by his employer, the pompous Archbishop Colloredo of Salzburg, that he "keep it short." While the tag "Sparrow Mass" is said to have been given after Mozart's death to a humorous violin figure, the Vienna and Salzburg boy singers have always been taught to "sing forward, like a bird." Such a brief and happy work is just the sort best sung by children, the elevation of whose

voices create such a joyful sense of freedom that even chained to the "letter" of the archbishop's law, Mozart was "free as a bird" to have the last laugh.

The "Coronation Mass" is not as good. Conductor Uwe Harrer rushes the counterpoint, so that little of it is heard. Moreover, this mass is better sung by adults, even though it was written in Salzburg where only boy trebles were used. By 1779, Mozart was writing more complex ideas for which he had in mind the revolutionary use of adult women's voices, which he required in later Vienna works such as the "Great Mass" in C Minor and the "Requiem." Mozart broke the old rule forbidding women to sing in church, because children simply don't have the maturity to grasp certain extended musical ideas he was inventing.

## Tantalizing sample: Bournonville in D.C.

by Nora Hamerman

The Royal Ballet of Denmark came to the Washington Opera House for a week of performances in June featuring works by the Danish-born, French-educated August Bournonville (1805-79), the greatest choreographer of the last century. He founded a school of ballet which has struggled to uphold classical esthetics in dance, against the juggernaut of what some call the "Anglo-Russian School" of flashy (not to mention fleshy) athleticism.

Our encounter with the U.S. tour of the Royal Ballet confirmed that Bournonville's heirs are valiantly maintaining the dialogue principle in their own, demanding artistic medium.

Ballet is the one art form which can claim to be both temporal (like music and poetry) and spatial (like sculpture and architecture). It suffers from some drawbacks in comparison to these other media. Its primary vehicle of expression is the human body; and unlike the voice, which is not only invisible, but is the very organ that renders us uniquely human through speech and song, the body is linked with the mechanics of living and, well, sex. So classical dancing has to fight to turn that into an irony, to prove that ideas which are immaterial are expressed through the very material body.

A second handicap is that ballet as we now know it matured in the 1830s—the era when the classic gave way to romanticism as the dominant esthetic. Of course there were still classical artists—like the composers Schumann and Brahms—throughout the 19th century, but an art form born in that era has less chance to define a truly noble standard for itself. For example, most of the music to which the great "classic" ballets are danced ranges from the tolerably light-





*Nikolaj Hübbe and Heidi Ryom dancing in March 1992 in Denmark. Inset: A scene from the "Raphael Bible" shows the Renaissance principle of three-dimensional motion in relief, which Bournonville adapted to the classical ballet.*

weight, to the intolerably sappy.

Bournonville's ingenious approach centers on *drama*, with dancing as a secondary feature. He draws the audience emotionally onto the stage through open-ended patterns of dancing and a way of moving the body which is always elastic, never brittle. Much in contrast to the often autistic style of Russian dance, men and women dance the same steps, and there is a place in the Danish ballets for all ages, from 8-year-old children, to 70-year-olds playing character parts.

We admired the Danish Royal Ballet's young soloists when they danced the *pas de six* from "Napoli" and other ballet excerpts at Wolf Trap near Washington, two summers ago, to recorded music. What is a rare treat, is to see the entire company, accompanied by a live orchestra, with full staging, here in the United States.

### **Mime is key**

The performances at Washington Opera House in the Kennedy Center over the weekend of June 19-21 featured two works: the two-act ballet "La Sylphide," Bournonville's first major work (1836), and Act III of "Napoli," his masterpiece, which is celebrating its 150th anniversary this year.

In the Saturday night performance, two of the most outstanding dancers of the company had leading roles in "La Sylphide." The drama is based on a fairy-tale about a Scotsman, James, who is betrothed to a village girl, but who chases a radiant sprite into the forest, running away from his own wedding feast. In the second act, James (danced by Nicholaj Hubbe in the cast we saw) is crushed after the Sylph dies when he embraces her, and the witches who control the forest destroy him.

The role of the main witch, a mime role with little dancing as such, was performed by Sorella Engeland, one of the great

character dancers in the company, who celebrates her 25th anniversary on the stage this year. Engeland's ability to communicate decrepitude, malevolence, and eerie grace is gripping beyond words and would have made the whole evening worthwhile by itself. In addition, the Sylph was danced by Heidi Ryom, one of the older stars of the Royal Theatre, who continually strives to surpass herself. She gave the impression of being totally ethereal and immaterial; one critic has called her recent performances "an outpouring of spiritual beauty."

"La Sylphide" is Bournonville's first major ballet and also his last, since he worked on it throughout his life. The current production of this short ballet needs much more thought. In the first act, the speech-like mime, on which Bournonville heavily depends, seemed rushed. At the end, the device of the dead Sylph being wafted away into the sky on invisible strings evoked nothing so much as the famous paintings of the "Voyage of the Soul" by the American romantic landscapist Thomas Cole, at Washington's National Gallery—which date from exactly the same era as Bournonville's ballet, the 1830s.

We had heard so much about the new production of "Napoli," especially the second act, that it would have been a thrill to see that *whole* ballet instead of only the third act, the Flower Festival, especially since the incomparable male star of the Royal Ballet, the American-born Lloyd Riggins, was dancing the lead role of the fisherman Gennaro. It is not clear why "Napoli" was not given in full, instead of the underdeveloped "La Sylphide."

But it is hard to quarrel with a theatrical performance so buoyant and yet subtle, that almost everyone in the audience walks out smiling to himself. A typical Bournonville action involves the dancer running to the front of the stage and stretching out her or his arms in a circle as if to embrace the audience. It is impossible not to respond to such warmth.

## Editorial

### *They still fear LaRouche*

On July 14, at the NAACP annual convention, a panel was held ostensibly to launch a voter registration drive. It was chaired by one Loretta Ross. Strange to say, her speech was devoted to an attack on Lyndon H. LaRouche and the movement which supports him, the only political movement in the United States which is defending oppressed peoples around the world. Her remarks appear to have been largely scripted by the Anti-Defamation league (ADL).

Ross identified the right-to-life movement as a white supremacist ideology, and she equated opposition to "gay rights" with racism. She then honed in on her real target, LaRouche, by attacking civil rights leader Rev. James Bevel for working with him. Since Ross not only attacked LaRouche, but called Dan Quayle the leader of a new white supremacist movement, and went after Bush, Perot, and Bo Gritz as racists, her real message was obvious: Vote for those two sons of the Confederacy, Clinton and Gore.

In a private discussion following her speech, Ross openly pushed Dennis King's scurrilous slanders against LaRouche, urging people to read his book—a clumsy attempt to portray LaRouche and his associates as anti-Semites. Thus she exposed herself as a deliberate liar and her whole speech as a hoax. She did not appear before the audience in order to support NAACP policy, but to use the NAACP meeting as a platform from which to attack LaRouche.

LaRouche was framed up and then imprisoned in January 1989, by a Justice Department-led task force which used the services of the ADL, precisely because Democrats and Republicans alike feared the potential power of the movement which he was building. They thought that they could destroy this movement by imprisoning him. Yet even from his Minnesota jail cell, he and his associates have created a situation in which it is LaRouche's policies, and only his, which must be addressed—if only by slanders—because they are the only policies that provide solutions to the economic and social crisis.

The recent Democratic Party convention was an-

other case in point. No delegate had access to a microphone without first clearing his remarks with a representative of the Democratic National Committee. Not only was a LaRouche-supported, official minority plank opposing the death penalty illegally suppressed by National Committee fiat, but delegates were warned not to oppose this at caucus meetings, because no breaches of unity would be allowed at the convention.

Then let us look at the Ross Perot campaign. During the primary period, Perot was touted by the press as a serious challenge to Bush and Clinton. Not only did he come under increasing press attack, in terms reminiscent of the attacks against LaRouche, before he bowed out, but he was accused of associating with LaRouche. Thus in a commentary which appeared in the July 15 *Washington Post*, Molly Ivins wrote: "Perot is seriously into paranoid, right-wing conspiracy theories. . . . But now we have to do some serious thinking about what it means to have a President whose grip on reality is both infirm and elastic. By now your humble servants in the ink trade have documented Perot's connections to Lyndon LaRouchies."

Perot has no connection with Mr. LaRouche, but were this not the case, perhaps Mr. Perot would have something substantive to say in his campaign, rather than merely repeat rhetorical assertions that the U.S. economy must be put back on track and that jobs must be created. The point to be made, is that the same media slander campaign which has been orchestrated by the ADL against LaRouche and his associates, was then turned against Perot. Yet many of the people who gave their support to Perot are in fact LaRouche supporters who felt support to LaRouche to be impractical, while believing that Perot had a chance of victory.

The truth is that you get what you pay for in this world. By not supporting LaRouche, even though his campaign suffers from the terrible disadvantage of his unjust imprisonment, these pragmatists have strengthened the hand of the thug apparatus which framed and incarcerated him, and which still rightly fears the strength of the movement which he has inspired.

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## The Genocidal Roots of Bush's New World Order

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**T**he radical depopulation lobby chalked up a strategic victory by holding their "Earth Summit" in Rio in June 1992. They claim the human race is a threat to the environment. If they prevail, we will soon have a dying planet—a growing population of older people without a vigorous youthful population to sustain them. As we have seen already, this will accelerate the demands for euthanasia, abortion, and executions to get rid of what oligarchs call "useless eaters." But the truth can still win. This intelligence report is your weapon. Contents include: The history of the depopulators; the



genocidalists in their own words (including the declassified National Security Study Memorandum 200 of 1974, which defines population growth as the enemy of the United States); a profile of Prince Philip's World Wild Fund for Nature; country and area studies; the record of the LaRouche movement against genocide and on the positive need for population growth; the story of depopulation in ancient Rome; quotes from the malthusians starting with Parson Malthus.

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# DOPE, INC.

## Is Back!

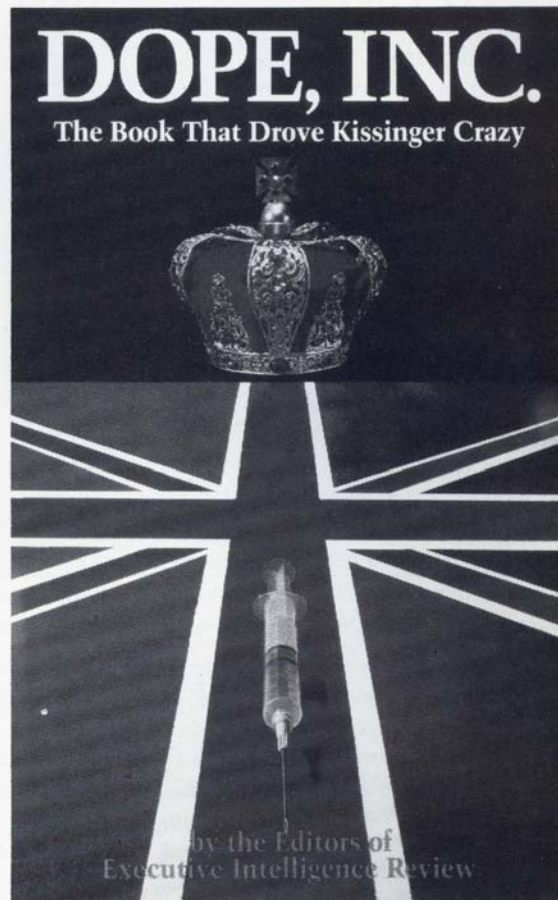
**T**he history-making book 'Dope, Inc.' is now available, after being out of print for five years. The third, expanded edition of the explosive best seller bears the title: "Dope, Inc.: The Book That Drove Kissinger Crazy."

This overview of the global narcotics trade, with a preface by American political economist Lyndon LaRouche, shows that the international trade in illegal narcotics is doubling every five years, with profits in 1991 alone of nearly \$1 trillion. Thus, drug money today represents the largest pool of liquid capital in the world.

Also exposed is the destruction of developing-sector economies by consortia of international bankers, which replaced the national economies with drug economies. Other chapters tell the real story of the organized-crime link to "Dope, Inc.," from the Bronfmans and Kennedys, to the British assassination bureau Permindex, to the Anti-Defamation League.

Finally, in an appendix, Lyndon LaRouche's 1985 "Proposed Multi-National Strategic Operation Against the Drug Traffic for the Western Hemisphere" appears in full, a 14-point plan for defeating the drug traffickers for good.

"Dope, Inc." was first published at the end of 1978, when the war on drugs could have been won. Politicians heeded the bankers instead of the warnings in this book. The war can *still* be won, if we force them to listen now.



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