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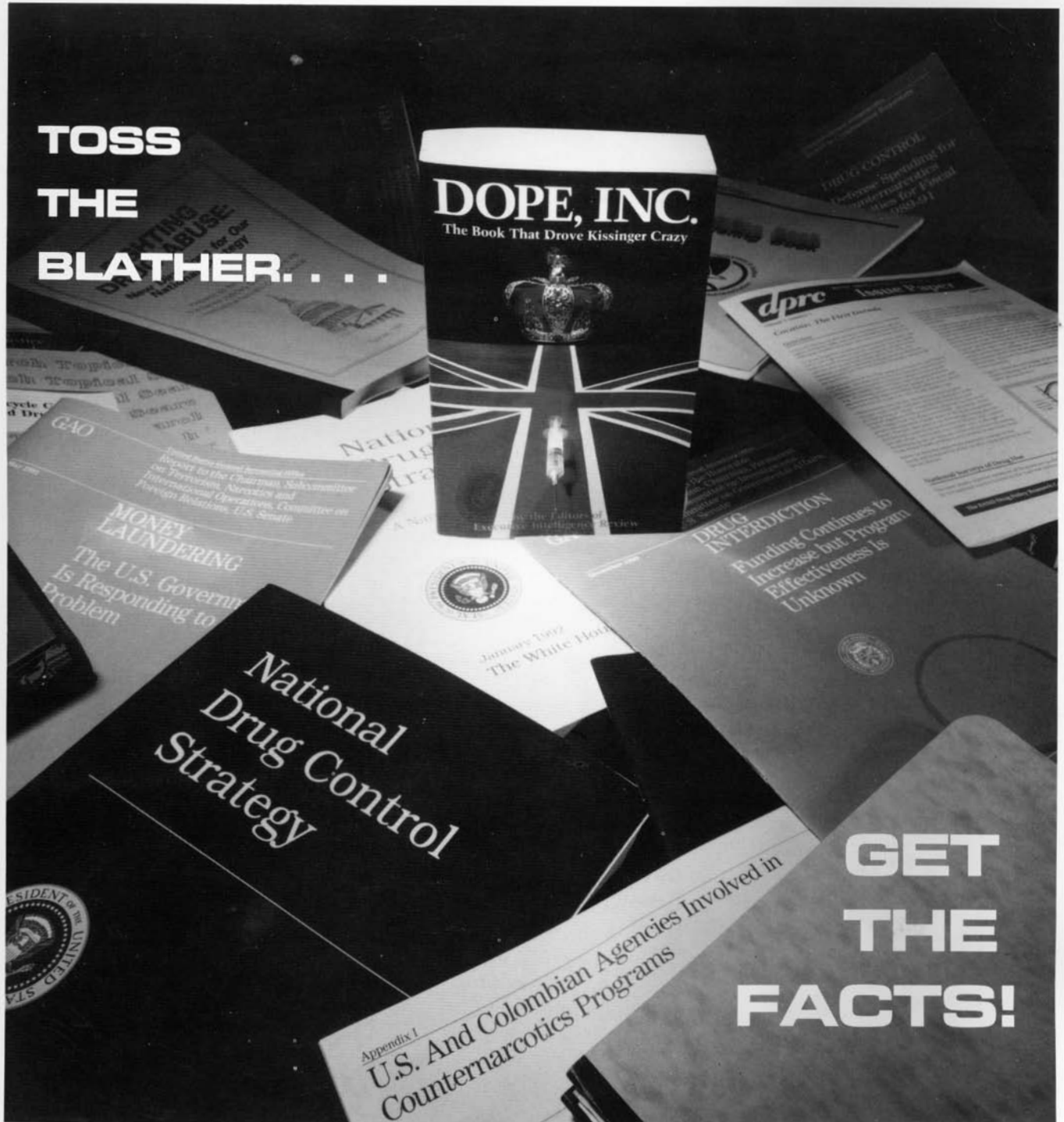
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From the Editor

The *Feature* is a report on how the Aquarian Conspiracy, also known as the New Age, has invaded the elementary schools, disguised as an anti-drug prevention program. Consider it a preview. Next week, *EIR* will publish an in-depth feature on how similar body-snatchers and mind-benders have invaded the university campuses, purveying what is known as Political Correctness.

A little history is in order. Back in 1980, I was the editor of the English-language edition of a magazine called *War on Drugs*, the journal of the Anti-Drug Coalitions. The ADCs had come together in a dozen countries and published that magazine in some eight languages at various points.

The ADCs and their *War on Drugs* magazines were inspired by the book *Dope, Inc.*, commissioned by Lyndon LaRouche in 1978. That book departed from all other approaches to the growing drug-abuse crisis by identifying the dope trade as one of the world's biggest businesses and naming the names of its sponsors and beneficiaries. The Carter administration and top political officials in other countries were on the list, as well as the biggest commercial banks, the oligarchy centered around the British Crown, and their networks in the Communist and Israeli intelligence services, among others.

War on Drugs magazine in English was a tremendous success, with over 100,000 subscribers. We not only targeted the drug traffickers and their protectors at the top, but we exposed the whole subculture of which drugs was merely a part—the New Age “counterculture.” The magazine was driven out of existence by 1982 by powerful enemies. Subsequently, the hegemonic approach to “fighting drugs” under Reagan-Bush became the one exemplified by the DARE program, which makes an alliance with Satan on the pretext that since Satan is holding the hands of our children, we must invite him into the classroom.

It's another one of the cases where LaRouche and his associates were right; and his detractors, who said we were exaggerating, were dead wrong.

To make sure all our readers are ahead of the news, this issue of *EIR* includes three major statements by LaRouche, on the topics of the strategic situation (p. 39), the Clinton administration (p. 58), and the Freemasonry's defense of the Ku Klux Klan (p. 66).

Nora Hamerman

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The U.S. 'budget process' is a symptom, not a cure

by Chris White

As finance ministers and other officials of the Group of Seven nations gathered in London in mid-February for their first "getting to know you" session with the Clinton crowd and U.S. Treasury Secretary and Texan comprador Lloyd Bentsen, it is sure that near the top of their agenda will be what is called "the apparent credibility" of the new administration's program to cut the U.S. budget deficit.

It is worth stepping back from the immediacy of the moment, to think about the fact that the so-called Group of Seven—the United States, Germany, Japan, United Kingdom, France, Italy, and Canada—whose finance and monetary officials do regularly get together to "coordinate" policy and so forth, is itself about as old as the problems, become crisis, with the U.S. budget deficit.

Both the Group of Seven and the U.S. budget deliberations were the outcome of the 1972-74 Watergate upheaval, when President Richard Nixon was forced to resign under threat of impeachment from Congress, to be replaced by the amiable gum-chewing Gerry Ford, one of the few surviving members of the Warren Commission's coverup of the Kennedy assassination.

Institutional arrangements today have become so fossilized that it is relatively easy to impute a false eternity to what has become known in the U.S. as "the budget process." The budget process, which now dominates much of the legislative calendars of both the executive and legislative branches of government, has actually been around only for the last 19 years. Prior to the Watergate reforms—out of which we got an Office of Management and Budget, attached to the White House, and a Congressional Budget Office, attached to the Congress, and the laborious process of authorization by committees in each house, followed by reconciliation in conference, and then the repeat process called appropriation, as monies authorized are allocated to be spent—there was no

such thing. It may seem hard to believe, but the budget, as it has come to be known, did not exist up to that point in the country's history.

And, guess what? When we didn't have a budget, and government was not dominated by the "budget process," we didn't have a problem with a budget deficit, either. It is only over the last 19 years, when we have insisted that successive governments treat matters of national economic policy much the same way a household is supposed to treat its income and expenditures, that we have had what became the budget crisis of today.

The same goes for the Group of Seven consultations. On Aug. 15, 1971, the ill-starred Nixon, persuaded to do so by then-Treasury Secretary John Connally, and his assistant from the Department, the later Federal Reserve chief Paul Volcker, took the dollar off the collapsed Bretton Woods gold standard, and left it to float against other currencies. The Group of Seven emerged during 1974 and 1975 out of meetings held in such places as the Caribbean island of Guadeloupe and the French Château Rambouillet as the agency which was supposed to coordinate the respective countries policies on floating exchange rates, and vis-à-vis the countries of the Southern Hemisphere. In the meantime, the countries of the Southern Hemisphere have been subjected to successive waves of genocidal austerity in the name of the International Monetary Fund conditionalities policies there adopted, and the U.S. budget deficit has ballooned.

Floating exchange rates and deficits

But what do floating exchange rates have to do with the U.S. budget deficit? The answer has to do with why policies said to be designed to cut the budget deficit, inevitably lead to the opposite result.

Over the last year, thanks to Alan Greenspan of the Feder-

al Reserve, U.S. commercial banks were able to take advantage of declining interest rates to borrow from the Federal Reserve at between 3% and 4% and lend those borrowed funds back to the U.S. Treasury at between 7% and 8%. Commercial bank holdings of such Treasury paper increased by \$100 billion over the 12 months ending Dec. 31, amounting to nearly \$700 billion. Assuming 7% paid out of the U.S. Treasury, the 4% "spread" between interest rates translates into a free gift of \$4 billion from the U.S. taxpayer to those commercial banks.

The U.S. commercial banks are not the only ones that hold U.S. government paper. The "Watergate reforms," as part of producing "the budget process," also expanded the volume and maturity ranges of marketable government paper. The two-year Treasury bill, for example, didn't exist prior to 1974. The 30-year bond, now the benchmark for calculating interest rate yields, was only introduced in 1977. Full marketability of government debt, with no proof of identity required, or even evidence that the money thus used was actually one's own, only followed in 1985.

Huge paper profits, paid by U.S. taxpayer

Foreign banks, chief among them British and Japanese, account for about 40% of the financial business of the New York banking community. Since the "big bang" opening of London markets in 1986, U.S. banks and others have been able to operate in London on pretty much the same terms as the British themselves. Now, suppose that during 1992, as the pound sterling was rising toward \$2.00 to the pound, banks or investment houses were borrowing devalued dollars, at the prevailing low interest rates offered by Greenspan, in order to lend those borrowed funds to either the U.S. Treasury Department at 7-8%, or to the German Bundesbank, at in excess of 8%. What happened around Sept. 15, when the pound devalued by 15% against the dollar and the deutschemark? In sterling terms, the 7% dollar yields became 22% yields, and the 8%-plus German yields became 23% yields. I.e., after charging off the 3% owed to the Fed, floating currency rates produce near 20% returns—all backed up implicitly by the U.S. taxpayer, and by U.S. treasury secretaries, who, as Bentsen is evidently learning how to do, play the floating rate swindle.

Bear in mind that during that same period, Citibank "made" \$1 billion on foreign exchange transactions, the partners in George Soros's Quantum Fund made \$1 billion, and Chemical Bank made over \$300 million—\$2.3 billion between the three outfits, over a few days, compared to the \$4 billion handed to commercial bank holders of the \$100 billion treasury debt added over the year.

Were the excesses of the summer a one-time affair? Far from it. This is actually the epitome of what the floating rate exchange system has become, as the U.S. government debt, and tax base has been swung into line as underlying security for such transactions.

For example, to start with, in the first phase of the floating rate system, the British pound floated with the dollar. This lasted through the beginning of Margaret Thatcher's tenure as prime minister in 1978, when exchange controls were ended on the pound, and the currency was enabled to float against the dollar, not with it. When Jimmy Carter devalued the dollar, remembered as "benign neglect," and appointed Paul Volcker chairman of the Federal Reserve, U.S. assets were sold off cheap to holders of over-valued pounds sterling, starting with the Hong Kong and Shanghai Bank's drug money takeover of Marine Midland in 1978.

The pound has floated against the dollar ever since. That means that when the pound is going up, the dollar is going down, and vice versa. The float has been managed, at least up to this point, such that within a year the currencies will move within a band of, say, from \$1.50-1.60 to \$1.90 against the pound. The peaks and troughs of either currencies' movements roughly correspond with the tax or fiscal years of the respective countries. The dollar typically rises against the pound, beginning September-October, as the fiscal year begins, reaching a peak prior to the start of the British tax year in the weeks before April 1, only to then decline over the summer. For, as the two currencies move opposite to each other, so, too, the respective bonds associated with financing the two governments move opposite to the currencies.

Enter the derivatives

The pattern has everything to do with the financial phenomenon known as "derivative" securities. These are always seen through the eyes of, say, the commodities trader, or the futures trader, as "hedges" against adverse movements in what is being dealt at the moment. But that is not what is involved.

Here we have two economically bankrupt powers, the U.S. and Britain, with evaporating political and military clout. They are, effectively, one single power with two currencies, as a result of what has happened since 1974, and then 1978, and more so since 1982, when Reagan backed Thatcher and the British Navy against the Monroe Doctrine and U.S. Constitution. In this, rates, black market, criminal, and just plain speculative funds are effectively secured against the U.S. tax base, and are transformed into a means for extracting wealth from those countries, chief among them Germany and Japan, who have not, until recently, followed so willingly down the primrose path leading to insanity and disaster.

George Soros and his friends might give an opposite impression. But there is a geopolitical objective, not financial returns per se. In this arrangement, derivatives are not simply "hedges" against risk; there is very little risk. Trading of derivatives permits speculative gains moving from one currency and its securities to be maximized across the full range of transactions. Such windfalls can then be thrown back into the warfare as added leverage the next time around.

British seek replay in Asia of IMF-run crash in Russia

by Kathy Wolfe

The 8.7% collapse of the dollar against the Japanese yen, from Y 125 per dollar late last year to Y 115 on Feb. 22, is bad news not only for Japan's economy but for all of Asia. Wild speculation in the yen was sparked on Feb. 19 by U.S. Treasury Secretary Lloyd Bentsen, who, asked if he'd like to see a weaker dollar, snapped: "I'd like to see a stronger yen."

Within days, a chorus of British System economists urged the Group of Seven industrial nations to formalize an even higher yen rate at their London meeting on Feb. 27. "The G-7 should confirm that they want the yen to strengthen," Robert Hormats, vice chairman of Goldman Sachs, said on Feb. 22. C. Fred Bergsten, the former Carter official who heads the Institute for International Economics, the sister think-tank of Britain's Ditchley Foundation, said on Feb. 23 that the G-7 should target a yen/dollar rate of 100 to 110. "A stronger yen is unambiguously good for the U.S.," he said.

Worse, Japan's NHK TV reports that western economists want such a 20% yen upvaluation versus the dollar to be accompanied by a 20-40% devaluation of other Asian currencies versus the dollar. That means a 50% devaluation of some Asian currencies to the yen.

The line began to circulate shortly after the Feb. 9 speech in Kyoto by Bergsten, entitled "Changes of the World Economic Order in the Postwar Era," which proposed the creation of a Pacific-American Free Trade Agreement modeled upon the North American Free Trade Agreement. This would force all Asian nations to float their currencies on the "free market," where speculators could steal their foreign reserves by promoting flight capital.

On cue, the Chinese yuan and Indian rupee, currencies of the world's two most populous nations, are sliding fast. In the last two months, both currencies, despite wide government controls, have fallen over 9% each against the dollar, for a drop of 18% each against Japan's yen. The International Monetary Fund (IMF), General Agreement on Tariffs and Trade (GATT), and World Bank are demanding on top of this that India and China allow total "free market" convertibility, so speculators can bash these currencies further.

Other Asian currencies have not been hit with such wild shocks, but Thailand, the Philippines, and Japan's other major trading partners could easily become victims. Depending on how far the dollar itself is allowed to crash, many curren-

cies of member states of the Association of Southeast Asian Nations (ASEAN) which are pegged to the dollar could suffer large devaluations against the yen.

British want to recolonize Asia

The Anglo-Americans, in short, are trying to replay in Asia the IMF's free market "shock therapy" program run for the last few years in Russia. There, a combination of free market currency floats and price liberalization has devalued the ruble by 99.8% since 1991, from one ruble per dollar to 576 official rubles per dollar (660 black market), creating 1,000% annual domestic inflation. This and other IMF reforms have notoriously collapsed the physical industrial and agricultural production of Russia.

The physical devastation the IMF program caused in Russia was no error or byproduct of reform. It was the deliberate consequence of economic warfare to render Russia's economy inferior to the collapsing British and U.S. economies.

The British, since the 18th century, have always considered Asia to be "their turf." London is eager to strangle Japan's development plans for China and other Asian nations, and to soften up Asian economies for Anglo-American "foreign investment." Such "investment" will boil down to demanding the right, as Asian nations go under IMF "conditionality" programs, to speculate in currencies, expand the drug trade, and buy up real estate.

British banks active in Asia have been demanding since the beginning of the year that India and China deregulate their currencies, allowing the "free market" to set whatever rate it wishes—which means allowing the invisible hand to pick their pockets. India should cooperate with the IMF to set up a "Rupee Stabilization Fund," Bank of England sources told *EIR*, to create a free market float for the rupee along the lines of the IMF's "Ruble Stabilization Fund" for Russia—which succeeded in destroying that currency. "In short, they have to do as the IMF says, they have to follow the IMF adjustments to open their markets and there are transition costs to this kind of a transformation process," he said.

India is vulnerable because it is seeking \$9 billion in IMF loans for the next three years (the current \$2.2 billion IMF loan expires in May). Although the IMF is not demanding a total free float of the rupee immediately, it is encouraging

removal of as many regulations as possible. "The Gulf war bankrupted India, which drove them to the IMF, and now they must continue their transformation from a regulated to a market economy, under the advice of the IMF," he said.

Since March 1, 1992, when New Delhi announced a partial currency liberalization, the rupee has fallen by 24%, from 25 per dollar to 33 per dollar. Now, India is damned either way, the British banker noted. If they do float the rupee, and "if the markets do not believe India's overall resolve to stick with the rest of the IMF conditions, they may have an escalating problem: You get capital flight, you lose your reserves."

Whether or not India goes with a free float when the annual budget is announced on Feb. 27, Citibank's Asia desk told *EIR* Feb. 24, the rupee will fall another 5%.

As for China, British-owned Morgan Guaranty Bank in New York told *EIR* on Feb. 24 that even under current controlled currency rules, the official yuan rate will fall from 5.2 per dollar in 1992 to 9.5 per dollar this year. China will have to allow this whopping 45% drop to gain entry this fall into GATT. On top of that, GATT will then require China as a conditionality to remove controls in stages, ending with a complete free market float for the yuan, which could collapse the currency by up to 100% as happened in Russia, one Morgan economist predicted.

Why would China agree to such insanity? Officials at London's Royal Institute for International Affairs explain that Beijing is being forced into this by the Clinton administration's threat of trade sanctions, under the pretext of a "human rights" campaign. "China must try to get into GATT, because . . . it would be impossible for the U.S. then to use political arguments to remove China's Most Favored Nation trade status," RIIA Asia-Pacific Director Peter Ferdinand told *EIR*. "Because once you're a member of GATT, you automatically confer on each other, MFN status. I don't think GATT has a human rights statute. GATT membership means a country commits itself against protection of trade, not to political issues."

Decoupling Japan from Asia

The Anglo-American motive for putting Asia, the only growing part of the world economy, through such a disaster, is clear. "Sustaining Rapid Development: East Asia and the Pacific Region," a report to be released March 1 by the World Bank's East Asian Operations department, warns that Japan is creating an economic power in Asia which Washington and London will not control. "Without much fanfare, Japan is quietly replacing the United States as the key partner in the development of Asian nations—in aid, trade and foreign direct investment," it says. "Lately, this has expanded to include financial flows and economic policy advice."

This Asian currency shock would "decouple" Japan from other Asian economies, by doubling the price of Japanese industrial and technological exports to such nations, crip-

pling Asian development projects. Japan accounts for more than half of the foreign aid now pledged to China, Indonesia, Thailand, Malaysia, the Philippines, and other countries in East Asia, while the U.S. share is less than 10%.

It would also bankrupt many Japanese firms in one blow, as Japan's exports to Asia are now 62% of total exports, far surpassing Japanese exports to the West. Already, the scheme has caused something like the "Nixon shock" in Tokyo, when Nixon devalued the U.S. dollar in 1971. "A strong yen is going to have a big impact on export-oriented industries," Hiroshi Mitsuzuka, top executive of the Liberal Democratic Party (LDP), said on Feb. 23. "It's going to be a very difficult period and we're likely to see unemployment rise." Japan's Shell Oil subsidiary announced on Feb. 22 a huge \$1 billion loss for 1992 from foreign currency operations, and Nippon Telegraph and Telephone Corp. (NTT) announced a 70,000 job cutback and major plant closures.

Electronics companies will be hard hit by the yen shock. "If the domestic market is weak, and they can't offset the yen's rise with new products, and the European market is weak, and they are trying to cut costs, then what are the effects of the strong yen?" said Michael Jeremy at Britain's Baring Securities in Tokyo on Feb. 22. "'Disastrous' is probably a useful word."

Despite this, during February, financial officials in both China and India have begun to sing the British tune, promoting a total free market float of their currencies. On Feb. 5, Indian Finance Ministry Manmohan Singh, architect of India's IMF free market conditionality program, allowed a leak on page one of India's *Economic Times* to the effect that "most of the ministry staff favor a full free market float of the rupee." The rupee began dropping like a stone, as speculators bet that Singh will go for total rupee deregulation when he unveils a new budget on Feb. 27 for the 1993-94 fiscal year.

"I think this budget will be more dramatic than the previous two," one British diplomat said on Feb. 22. "There will be enough there to make the IMF happy." Citibank's Asia desk, however, speculated on Feb. 24 that the rupee has collapsed so severely already that Singh may opt only to continue gradually deregulating the market.

On Feb. 11, top Chinese currency official Yang Gonglin of Beijing's National Foreign Exchange Management Bureau told the press that China "intends to let market forces determine the proper level for the renminbi (yuan) after China enters GATT as expected later this year." Yang was ostensibly reacting to speculators in Hong Kong, who had concluded from China's recent small devaluations, that Beijing had decided to fix the official exchange rate, now at 5.75 yuan per dollar, at 15 yuan to the dollar. "Such talk is extremely irresponsible and totally without foundation," Yang said, because Beijing is not going to fix the rate at all—it is going to let the gods of the free market set whatever rate the Invisible Hand desires.

IMF plots to hijack Manila central bank

by Lydia Cherry and Kathy Wolfe

Filipino patriots are protesting a self-described "scheme" by the International Monetary Fund (IMF) and World Bank to restructure the Philippines Central Bank (PCB) so as to fob off a secret 308 billion peso (about \$12 billion) debt owed by the PCB onto the national government. "This is passing the brunt to the taxpayers," House Rep. Joker Arroyo charged recently, describing bills now before Congress to do this. The debt is the size of the Filipino government's entire annual budget expenditure of some 300 billion pesos. It translates into a 5,133 peso debt for every Filipino.

These bills would hijack the nation's central bank by mandating an IMF plan to phase out the PCB, and set up a new "Central Monetary Authority" (CMA), modelled upon the usurious U.S. Federal Reserve. This new CMA would be independent from Manila's Finance Department (Treasury), as is the Fed. The Finance Department would have no control over the amount of credit issued by the CMA or the use of credit, yet it would be responsible for the old 308 billion peso Central Bank debt.

The scheme was a top demand of the six-man IMF delegation which was in Manila over Feb. 8-22 to negotiate the IMF conditionalities for the Philippines' arduous IMF program, a World Bank official said in an interview with a journalist provided to *EIR*. Manila is seeking \$800 million in a new three-year loan to replace its existing IMF Economic Stabilization Program expiring on March 31. Yet the IMF, while proposing to add a debt expenditure of this magnitude, is still demanding Manila "bring down the deficit," by cutting all other expenditures wildly.

Also tied to the Congress' passage of the scheme is a \$450 million World Bank "budgetary support" loan.

The controversy, however, presents those Filipinos with sufficient courage with the opportunity to reform the bankrupt Filipino banking system, by creating their own National Bank on the model of U.S. Treasury Secretary Alexander Hamilton's First National Bank of the United States. Filipino nationalists have for a decade been trying to wrest control of the Central Bank away from the "Council of Trent" faction, as they refer to the British- and U.S.-trained financiers who have tended to run Manila's financial policy.

Some Manila circles are discussing such a Hamiltonian plan to hijack, in effect, the IMF's hijack scheme. Under it, a truly constitutional new CMA should be put *inside* the government's Finance Department, as Hamilton placed his

National Bank inside the U.S. Treasury Department. Both the old Central Bank's 308 billion peso domestic debt, and the Philippines' \$29 billion foreign debt, would be assumed by the Finance Department, but would be restructured into long-term, low-interest bonds, as Hamilton reformed the colonial and Revolutionary War debt.

Blame the Federal Reserve

The IMF-World Bank crowd charges that the huge debt of the Philippines Central Bank was run up by the corrupt actions of former President Ferdinand Marcos. "We have to be a bit careful how we talk about past administrations," said the World Bank source. "Nevertheless, the Central Bank under Marcos . . . was crony capitalism; the whole economy became intertwined with the government and it was all run by he and his friends, and the Central Bank was a big part of that. Then, in 1983-84, when things began to break down, something like \$1 billion disappeared from the Central Bank."

This, however, is a lie. In fact, as with the U.S. national debt, about which the world is now up in arms, the sole cause of the immense PCB debt has been the actions of the U.S. Federal Reserve in raising not only U.S. but world interest rates to 20% and above during the Carter administration. This not only forced the U.S. government to borrow from private financial sharks at outrageous rates, as economist Lyndon LaRouche has said over and over again, but forced entire nations in Asia, Africa, and Ibero-America to do so, including the PCB. To demand that Filipino taxpayers pay this debt is like asking a victim to pay the mugger for his services.

After the 1986 overthrow of Marcos, provisions were imposed upon the new Aquino administration by the IMF and international bankers as "conditionalities," which as *EIR* reported at the time, made clear that this was no people's democracy but rather a "bankers' revolution." Under IMF pressure, a new Filipino Constitution drafted by Aquino in 1987 quietly mandated the formation of a new Central Monetary Authority to replace the existing PCB.

"We like to think of ourselves as participating in the discussion rather than dictating it," the World Bank official said of this period.

When the plan was initially put forward, "nobody even dreamed that the PCB's debt was 308 billion pesos; most people thought it was 5 billion pesos or so," one angry Manila businessman told *EIR*. "When the truth came out, Congress put up resistance and tried to have the conversion take place with no losses, but the IMF demanded complete absorption of the old PCB debt by the government, or they would not give us a structural loan," then desperately needed to buy oil and food imports.

The entire impetus, the World Bank admits, behind creation of the CMA as it now stands, is a scheme to force the taxpayers to foot the bill. "Basically the scheme is to clean

up the Central Bank. . . . Outside institutions like the IMF and World Bank have encouraged them to do so; we certainly believe that the Central Bank's finances need to be cleaned up . . . and also straighten out some of the legislation they had that related to the Central Bank," the banker said.

"You take off these funny bits of debt that they've got, and just put them in the national government; it doesn't matter how you do it. The national government needs to pay them off. You shouldn't have the Central Bank being concerned with them.

"It is a scheme to improve the strength of the institution through a number of changes of how it is run," the source said, laughing at a suit once filed against a governor of the Central Bank for raising interest rates. "Obviously this is ridiculous," the banker said, and must never again be permitted to occur.

In particular, the IMF and World Bank want to create a situation where the new CMA will be happy to let the peso drop like a stone on the "free market." "One of the problems of the past is because the PCB had a high amount of foreign debt, the PCB's own losses would increase if they allowed the peso to fall. Because the things they held were basically in dollars, if the peso fell, the peso cost of servicing these dollar liabilities rose, which meant the Central Bank had an incentive, as did the rest of the government, to not allow the peso to depreciate. And having a peso that is too high, of course, is very bad for trade and exports."

Current status

During early 1993, both the House and Senate split up the CMA bill, which the World Bank official complains is a delaying tactic. "They have split the bill in two pieces: one to establish the Central Monetary Authority as a shell, and a second to set up a commission to study restructuring the PCB," the source said. Both bills to create the new CMA become effective only upon actual restructuring of the old PCB; that is, they would establish the CMA, but it would have no power until the commission finished investigating the old PCB. As of the end February, even the forms of these bills are not final.

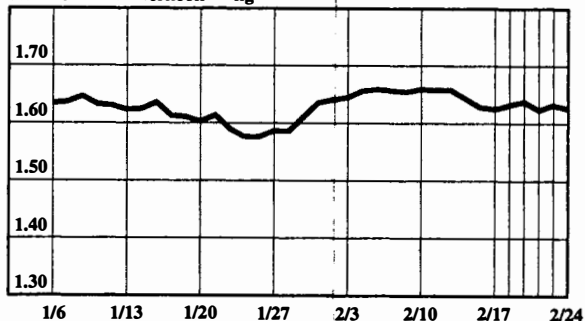
The IMF, the official said, wants the package passed by the end of March as an IMF conditionality for getting more cash, when Manila's current IMF program runs out.

Asked about the possibility of Filipino nationalists in the Congress using the move to get control of the Central Bank, the World Bank official said that that would be "messy," but that there was very little "danger" of such an event, as Filipino congressional debate is mostly "show." "Filipino politics," the source laughed, is just "a caricature of bad U.S. politics. . . . They say all kinds of things, outrageous things but they don't mean anything; it's for public consumption. . . . It doesn't worry us." Behind the scenes, the banker gloated, the Ramos administration is working to produce a perfectly reasonable bill "with which we're quite happy."

Currency Rates

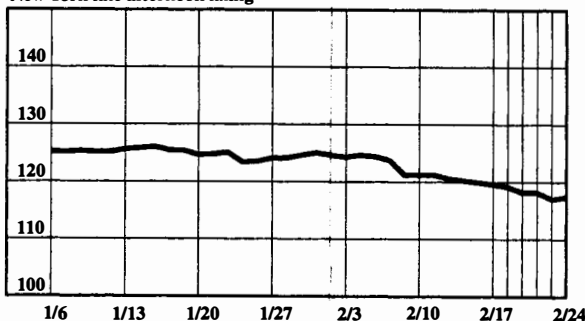
The dollar in deutschemarks

New York late afternoon fixing



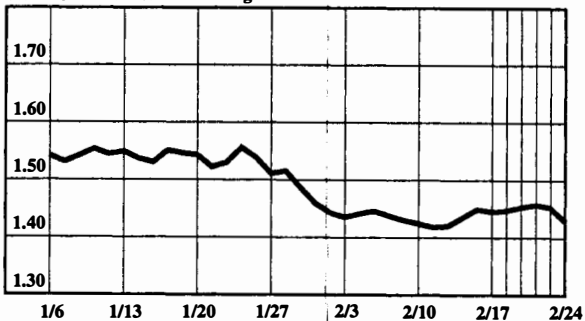
The dollar in yen

New York late afternoon fixing



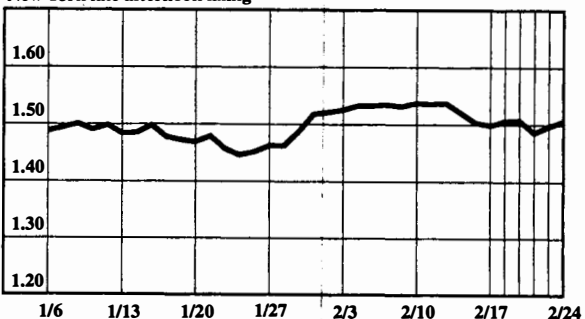
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



Fewer jobs, lower productivity is the agenda behind the BTU tax

by Anthony Wikrent and Richard Freeman

The environmentalist agenda behind the Clinton regime's proposal to impose a tax on the number of British thermal units (BTUs) in various energy sources is clear: Oil is taxed at more than twice the rate of other fossil fuels, and "alternative" sources of energy are not to be taxed at all. Even more interesting is Clinton's original proposal to tax electric utilities operating nuclear fission reactors for more BTUs than they use, and the tax's effect of making natural gas competitive in cost with coal for the generation of electricity. This conforms to the vested interest certain people in the Clinton regime have in the natural gas industry, such as White House Chief of Staff Mack McLarty and Secretary of Energy Hazel O'Leary (see *EIR*, Feb. 26).

The tax, as proposed, will be phased in over three years beginning July 1, 1994, and take full effect starting July 1, 1996. Alternative energy sources, such as solar, wind, geothermal, and biomass, will not be taxed. Coal, natural gas, nuclear power, hydropower, and electricity will be taxed at a base rate of 25.7¢ per million BTUs. An additional 34.2¢ per million BTUs will be levied on petroleum and petroleum products, such as gasoline, jet fuel, and heating oil. Fuels consumed for non-energy uses, such as feedstocks for making chemicals or plastics, would be exempted.

The Clinton administration estimates that the tax will cost Americans \$22 billion a year, according to preliminary budget estimates released in mid-February. But this figure assumes that the tax will cause a substantial decrease in energy use. According to industry analysts cited in the Feb. 23 *New York Times*, the tax will actually cost \$33 billion or more. Charles DiBona, president of the American Petroleum Institute, said that the administration figures "underestimate the effect on a family of four by 50%," and that the new tax will raise retail prices for gasoline by 10¢ a gallon, not the 7.5¢ projected by the Clinton administration.

Former Energy Secretary James Schlesinger, now at Georgetown University's Center for Strategic and International Studies, said, "The numbers just don't stack up. . . . The tax turns out to be understated. The oil industry will by itself pay about \$20 billion."

600,000 jobs at risk

Many industry analysts believe that the BTU tax will impair economic growth and job creation. In a press release is-

sued in mid-February, the American Petroleum Institute claimed that the tax would eliminate \$170 billion from gross domestic product and cause the loss of 600,000 jobs over five years. An API spokesman told *EIR* that those figures were obtained from a study of the probable effect of the BTU tax conducted by the Data Resources Institute of McGraw-Hill.

In fact, a tax on BTUs in effect targets the link between energy, on the one side, and transportation, industry, and households, on the other. In the trucking industry, for example, diesel fuel accounts for 16% of operating expenses. With 5.825 million BTUs per 42-gallon barrel of distillate fuel oil, a 59.9¢ tax per million BTUs would increase the cost of a gallon of diesel fuel by 8.3¢. That is a price increase of 7.3% from the \$1.10 a gallon currently in effect in the mid-Atlantic eastern seaboard. American Trucking Association President Thomas J. Donohue wrote in the Feb. 8 *Journal of Commerce* that the trucking industry is currently operating with barely a 2% profit margin, and an increase of just 10¢ a gallon in the price of fuel would render many small trucking firms unprofitable. Even larger companies, which are locked into year-long contracts, would suffer, since they would have to absorb the increase in fuel costs for months before being able to readjust contracts. If the BTU tax is paid by refiners and distributors, as well as end-users, the net increase in price paid by truckers will be well over 10¢ a gallon. Almost all finished goods reach their final destination by truck.

Even more vulnerable are airlines and inland waterway operators. Fuel accounts for between one-quarter and one-third of an airline's operating expenses (the airline industry has lost more money in the past three years than it has made in the entire seven-decade history of commercial aviation). Estimates are that the industry will lose another \$2 billion or more this year.

On the inland waterways, barges carry 15% of the nation's freight, including more than half of U.S. grain exports, a quarter of all coal moved, and a third of all petroleum moved. Fuel costs account for almost half of operating expenses, and the industry already faces new waterway user charges and other fees proposed by Clinton that will increase the tax on distillate and residual fuel from 17¢ a gallon currently, to \$1.20 by 1997. A towboat working the lower Mississippi would find its daily fuel bill doubled, to \$20,000 a day. Harry Cook, president of the National Waterways Conference, said that

Clinton's proposals, if implemented, "would destroy the inland waterways system." Joe Farrel, president of American Waterways Operators, wryly noted, "I assume this tax proposal is an error born of lack of understanding."

So, clearly, as National Coal Association chairman Gen. Richard Lawson charged on the Today Show recently, "A BTU tax is a special interest tax by the environmental groups to constrain economic productivity. . . . We will see growth lowered and jobs lost in areas with a concentration of energy-intensive industries, such as steel, mining, automotive, aluminum, where unemployment is already high."

Nuclear takes the biggest hit

It is not yet clear how Clinton will propose to tax electric companies operating nuclear power plants. A source in the tax policy office of the Treasury Department said that the method of calculating a tax for nuclear power is still under consideration, following an "education" provided by the nuclear power industry. The original proposal, which would probably have taxed the entire BTU content of uranium, one pound of which is equivalent to over 200,000 tons of coal, was abandoned after the industry pointed out that it is prohibited, by law, from utilizing the full heat of uranium. It would obviously be unfair to tax the industry for something it would have to break the law to use, the source said.

A spokesman for the U.S. Council on Energy Awareness, the trade association for the nuclear power industry, explained that only a small fraction of the uranium fuel is actually consumed in the annual cycle of energy generation, making it problematic to compute a BTU tax on the basis of weight. Second, the generating plant does not buy lumps of uranium. Rather, it buys rods in which the nuclear fuel is embedded, and therefore the direct cost of uranium per pound is not immediately apparent.

Thus, the computation of a BTU tax on the nuclear power industry is best done by working from the amount of electrical power generated. As a rough, but accurate rule of thumb, the utility, with approximately a 33% thermal efficiency, requires three BTUs of input for each BTU of generated electricity output. So, the utility can take the electricity output, based in kilowatt hours, convert that into BTUs, and assume that three times that amount of BTUs is the BTU value of the inputted nuclear fuel consumed. As a more practical measure, the U.S. Council on Energy Awareness spokesman said, each generating plant will record for the year how much thermal heat was generated at the plant to produce its annual electrical output. If the plant is nuclear-powered, then it has a record of how much nuclear power went into the plant as thermal heat, and can apply the tax to that figure directly.

Thermal efficiency ignored

Perhaps the most insidious effect of the proposed BTU tax is that it renders natural gas competitive in price with coal

for electric generating utilities. This is because it is *not* the heat content of the fuel being used to generate electricity that is important, *but the technological means by which that heat content is made to do work*. The key measure here is thermal efficiency.

The thermal efficiency of a nuclear power plant, which uses uranium fission to produce heat, to generate steam, which drives a turbine, which is coupled to a generator, is about 33%. This is also the approximate thermal efficiency of most fossil-fuel power plants, whether they use coal, natural gas, or fuel oil, because they all use the heat generated to run a steam cycle.

Power plants built today have achieved thermal efficiencies of about 40%, meaning that they consume 2.5 BTUs to produce one BTU of electricity. However, this savings in fuel is more than offset by the capital investment required for pollution abatement equipment.

However, General Electric, drawing on its expertise in manufacturing high-performance jet engines for military aircraft, has developed a series of turbines powered by natural gas that achieve thermal efficiencies of nearly 50%. The steam cycle is eliminated because of the design of the turbines, which make use of special ceramic coatings and other means to operate at temperatures well above the melting point of the metal components.

If the waste heat of this gas turbine is used to generate steam to power a secondary steam turbine, the resulting combined cycle electric power generating plant is able to achieve a thermal efficiency of over 50%. This is the first time a power plant has been able to deliver more power than it wastes, meaning that two or less BTUs of fuel must be burned to generate one BTU of electricity.

A tax of 25.7¢ per million BTUs has the effect of rendering natural gas less expensive per BTU of electricity generated at 50% thermal efficiency than coal burned at a 33% thermal efficiency.

According to the table entitled "Quantity and cost of fossil-fuel receipts at steam-electric utility plants" in the January 1993 *Monthly Energy Review* of the U.S. Energy Information Administration, the average cost of a million BTUs of coal during the first nine months of 1992 was \$1.417, and that of natural gas was \$2.187. Without the extra 25.7¢ BTU tax added on, the cost of three units of coal (the number required to yield one BTU of electricity at 33% thermal efficiency) is \$4.251, while the cost of two units of gas (the number required to yield one BTU of electricity at 50% thermal efficiency) is \$4.374. But with the tax added on, the cost of three units of coal is \$5.022, compared to the \$4.888 cost of two units of natural gas.

At a thermal efficiency of 51%, the non-taxed cost of natural gas to produce 1 million BTUs is \$4.288, compared to the \$4.251 for coal burned at 33% thermal efficiency. But with the tax added, the cost of natural gas is \$4.792, compared to \$5.022 for coal.

Rachel Carson and 'Silent Spring'

Biochemist Dr. Thomas Jukes, a professor at the University of California-Berkeley, appraises a PBS docu-drama shown in February.

Theme: It is alleged that Rachel Carson, in writing *Silent Spring*, changed the world by founding the environmentalist movement. She did this while she was dying from cancer. Her detractors were the pesticide industry, whom she had caught red-handed. She was a martyr to the cause of saving the world.

Background

Public terror (this word is applicable) about pesticides was implanted in November 1959 when the Secretary of Health, Education and Welfare, Arthur Flemming, went on the radio repeatedly to warn against eating cranberries because they contained a carcinogenic pesticide, the weed killer aminotriazole. (He had been supplied with the adverse information about aminotriazole by American Cyanamid scientists.) Hundreds of tons of cranberries were destroyed. Newspapers spoke of "the poisoned cranberries of Madison Avenue." A Cyanamid employee was refused gasoline at a service station. About 0.3% of the crop had traces of aminotriazole at levels biologically equivalent to thyroid inhibitors in cole slaw. Waiting in the wings, so to speak, was an eloquent author: Rachel Carson, ready to write a best-seller, *Silent Spring*. The way for this had also been prepared by books such as *The Poisons in Your Food*, and *A Hundred Million Guinea Pigs*.

Part of the success of her book is undoubtedly because people like to read a book that "makes their flesh creep." This is why millions of fictional murder stories are purchased. Chapter 1 to *Silent Spring* is a masterpiece of blood-curdling fiction. Add to this the idea that the reader was the victim, and that the notorious agri-business complex was responsible. As Justice William Douglas said, "With every page, the horror mounts . . . we need a Bill of Rights against the poisoners of the human race."

Meanwhile, the poisoned human race continued to explode in numbers with the aid of DDT. This furnished another boost to *Silent Spring*—there were too many people, and numerous thoughtful individuals preferred birds to people, especially to *other* people.

The idea that rampant technology is destroying the environment was an old one: pioneered by John Muir in the 1900s. The Sierra Club continued this with the book *This Is the American Earth* (1960), lavishly illustrated with beautiful photographs by Ansel Adams and containing statements such as "the oceans sunk to foul and deadly shallows" (obviously before the environmentalists got on the global warming bandwagon).

Another appeal of *Silent Spring* was its evocation of nostalgia for the golden days when nature smiled on people and the landscape alike. This delusion is eloquently voiced in the opening paragraph.

The attack on DDT: humanity lost

The attack on DDT was a colossal drama, and human beings lost the fight. No sense of this is conveyed in the television program. The main protagonist of DDT was the World Health Organization (WHO), which needed it for their campaign against malaria, primarily in tropical countries. The beneficiaries of DDT were millions of silent people; the opponents succeeded in banning DDT by following the procedures perfected by Josef Goebbels. DDT was banned in 1972 by an administrator who ignored the findings of his own hearing examiner.

Silent Spring starts with a big lie when it says that DDT killed people. The pesticide industry had only a minor role in this drama. Bob White-Stevens and I were not speaking on their behalf; they are resourceful, and they responded by selling non-persistent pesticides that were more expensive than DDT. DDT cost only 17¢ a pound. Moreover, new pesticides save lives. American Cyanamid is now processing and supplying (without charge) the pesticide *Abate* for the eradication of the guinea-worm in Africa in former President Jimmy Carter's program.

Bob and I were joined by Gordon Edwards, professor of entomology, and Norman Borlaug (a Nobel Laureate in Peace). We were slandered in the *New York Times*. We won our libel suit against the Audubon Society and the *New York Times*, only to have the verdict overturned by a judge who

was well known to be a friend of the publishers (c.f. "Judge Irving Kaufman and 'Edwards v. Audubon': a Reminiscence," *EIR*, Feb. 21, 1992, p. 65).

The plea is made by the opponents of DDT that it is of no use against malaria because the mosquitoes have become resistant. But WHO says that in only a small fraction of cases has this taken place.

This one-hour TV program was a skillful effort to elevate Rachel Carson to sainthood. The specific target of this program is DDT, and the general theme is that chemical technology, specifically pesticides, is upsetting the balance of nature. The pesticide manufacturers are depicted as unscrupulous villains. Criticism of Rachel Carson and *Silent Spring* consists of a few moments of carefully selected statements by the late Bob White-Stevens and myself. Her supporters are nine in number; some of them come on camera several times. In addition, there are several character witnesses for her. The pictures of spraying are devastating and terrifying, including massive spraying of children at lunch and a swimming pool.

A biased feature of the program is its omissions. Malaria is omitted. The World Health Organization is not mentioned. The worldwide life-saving effects of DDT are not mentioned. It has saved more lives and prevented more diseases than any chemical in history, and the only known injuries to human beings are from accidental use in pancake flour, and attempted suicides.

The facts about birds are left out—we are shown the paralyzed birds, but actually, the Audubon bird counts per observer *increased* for the majority of species between 1941 and 1960. Some birds were killed when they got in the way of the spray nozzle, during treatment of elm trees to kill an insect-borne disease. *Silent Spring* said in 1962 that the American robin was on the verge of extinction when in 1963, Roger Tory Peterson stated that it was the most common bird on the North American continent. The red-winged blackbird, which lives in marshes that were sprayed with DDT to kill insects, underwent a population explosion (from 1.4 million to 20 million in the Audubon bird counts). Chickens, which *Silent Spring* said could not hatch eggs when exposed to DDT, reproduce normally when fed a diet containing 100 parts per million (ppm) of DDT. Carson's book is extolled in the program as being "scientific" and "carefully researched." Actually it uses anecdotal information on birds, such as a friend telling Carson she hadn't seen any swallows lately (p. 111). The Audubon swallow count, per observer, increased fourfold (1941-1960). Many of Carson's critics, even eminent ones such as Wayland Hayes, seem to believe that she was "probably right about the harm to wild birds." This is not the case.

I have dwelt at some length on "the bird question," but the main offense of *Silent Spring* is its omission of the tremendous benefits that DDT has brought to the Third World, and to other countries as well, in the field of public health. This

is documented at great length in two articles in the book *DDT* by W. Hayes and S. Simmons (1,200 references). Carson deliberately contradicts the facts on DDT in *Silent Spring's* introduction, in which she infers that DDT kills children: She said "there had been several sudden and unexplained deaths, not only among adults, but even among children who would be stricken suddenly while at play and die within a few hours."

A one-sided presentation

I turn now to a detailed commentary on the program. It starts with alarming pictures of dusting and spraying, including on children eating lunch. A skeleton is then shown carrying "untested" pesticides. (No such pesticides exist.) Stuart Udall makes the first of several appearances, and says the book has a good flow to it, and that its essence is that humans have to come to terms with nature. (Actually, its essence is that pesticides are wiping out life.)

Roland Clement then makes the first of seven appearances on camera.

Clement was prominent in our libel trial against Audubon and the *New York Times*, 1976 (*Edwards et al. v. Audubon et al.*) In sworn evidence, it was disclosed that he wrote a letter to the *Times* in 1972 commending the newspaper for stating that we (G. Edwards, T. Jukes, R. White-Stevens, Nobel Laureate N. Borlaug, and D. Spencer) were paid liars. He signed the name of Arbib (another employee of Audubon) to the letter. Arbib was out of town. Clement phoned Arbib and told him. Arbib said, "Don't sign it." Clement replied that it was already mailed. I had the impression that the Audubon Society reprimanded Clement for this "trick." Clement's contributions to the TV program should be weighed in this light.

The statement that DDT was smuggled in from Switzerland, and that it was a previously described chemical taken off the shelf and put to use are incorrect. Paul Muller, the scientist who received the Nobel Prize in Medicine "for discovery of the insect-killing properties of DDT," synthesized DDT as part of his research program for Geigy, and found not until later that it was an "old" compound (described in the "new" book *The DDT Story* by K. Mellanby).

John L. George appears. His scientific field in *American Men and Women of Science* is listed as "effects of pesticides on wildlife." He makes the first of six appearances, and gives some incorrect history.

T.H. Jukes appears briefly and states that DDT controlled louse-born typhus fever in World War II. A speaker immediately says that there was a "different kind of threat in the U.S.A.!" (Actually DDT was used in 1943-44 to eradicate malaria in the U.S.A. See Muller text, pp. 253-257.)

Robert Rudd appears, pro-Carson. Interestingly, Rudd said in 1956, before *Silent Spring*, that the "spread of suburbs, industrial pollution, the building of superhighways, the increase in numbers of people, all have a disrupting effect on

the wildlife population compared with which pesticides are of minor significance.” This was a good analysis, but since then he has changed his tune.

Carson (whose voice is portrayed by Meryl Streep) tells about the “delicate balance of nature” but does not say what this balance does to human beings. The fact is, that this balance held humans in check until the discovery of the germ theory of disease. I wrote a note about this, “A Town in Harmony,” in 1962.

Three more appearances by Clement follow, then a re-run of spraying and dusting pictures, including a repeat of dusting of children at lunch, and spraying from a P-38 Lockheed Lightning Interceptor plane—rather unusual.

Paul Brooks then makes the first of six appearances as the former head of Houghton Mifflin, publisher of *Silent Spring*—a terrific best-seller. He is scarcely a disinterested party and, of course, is a great supporter of Carson.

An allegation is then made that information against effects of pesticides on pheasants and fish was suppressed by the U.S. Department of Agriculture. Actually pheasants are highly resistant to DDT—see DeWitt, *Ag. Food Chem.* 4, 672 (1955) 4, 863 (1956) for “unsuppressed” data. I don’t believe this claim of suppression is correct.

Clement then says supporters of pesticides were paranoid, and that opponents lost their jobs.

No mention is made in the program of Carson’s predecessors such as Laura Tallian who used to published diatribes against pesticides in *The Police Gazette*, or Jerome Rodale, who had been declaiming against pesticides starting in 1950 in *Prevention Magazine*, supported by the organic farming cult. Rodale’s biography (p. 107) states that he appeared in relevant congressional hearings in 1950 “long before Rachel Carson became famous for *Silent Spring*.” Carson is represented as personally discovering the evils of pesticides.

J. George comes back on with the remarkable allegation that dieldrin was applied so that it was “three inches thick” on chickens, cats, and dogs. He then alleges that TEPP and parathion were applied at a rate that could have killed all the people in the world. (He doesn’t mention that a related compound, Malathion, has low toxicity.)

Brooks tells us that people had just been exposed to dangerous chemicals “for the first time in the history of the world” (then why is life expectancy steadily increasing?) and the pesticide industry has a “Neanderthal philosophy.”

It is then revealed that Carson is under treatment for breast cancer, but no mention is made that industry pioneered in cancer chemotherapy (Methotrexate, 1953, American Cyanamid).

The publication of excerpts from *Silent Spring* in the *New Yorker* is then described by Rudd, Brooks, Udall, and George. The Velsicol Co. objected. President John F. Kennedy appears briefly and answers a question at a press conference, mentioning the name of Rachel Carson. Udall says that the chemical people began to speak up, clobbering Carson,

which is not surprising since she accused them of poisoning the planet.

The American Medical Association is mentioned as being anti-*Silent Spring*: perhaps because the AMA knows something about malaria, typhus, and plague. A page from Monsanto’s “The Desolate Year,” a pamphlet describing how the pests might take over, is displayed briefly, but not discussed.

Brooks comes back on, and says that the “lowest blow of all” was when someone said that Carson did not have any children, and therefore could not speak on behalf of future generations.

Actually the lowest blow of all was struck by Carson herself. She is probably responsible for more deaths of infants than any other woman in history, in view of her campaign against DDT, which saved the lives of numerous children threatened by deadly infant malaria.

It is next stated that the chemical industry appropriated the vast subsidy of \$250,000 to “fight her book.” What a trivial sum! Carson was alleging that the industry was ruining the world, and all they came up with was \$250,000. Incidentally, neither Bob White-Stevens nor I ever saw a nickel of it. Bob kept telling the chemical industry they should spend millions on public education. They ignored him completely. Bob then appears on camera, as an employee of American Cyanamid (the poisoners) in 1963, criticizing Carson in moderate and measured phrases. He comes on in a white lab-coat (mad scientist). What he says is discounted before he starts because of his affiliation with the pesticide industry.

Here I must interpose: Bob was my friend. He was deeply committed to preventing hunger and disease, and a memorial fellowship for him has been endowed at Rutgers University by the efforts of his wife. His field was not pesticides; it was nutrition and antibiotics, and he showed how to prevent the devastation of poultry by chronic respiratory disease. He entered the DDT dispute because of his sympathy for the work of the World Health Organization against malaria. He was not asked to do so by Cyanamid. Ironically, he died from a bee sting. The program spills buckets of tears over Rachel Carson, and doesn’t mention that Bob is dead, or how he died.

Jukes comes on briefly. White-Stevens says that “much of the material in *Silent Spring* is scientifically accurate,” thus contradicting himself. (I wonder how the producers managed to find this out-of-context statement!) Jukes appears again and criticizes Carson’s inaccuracies, thus seeming in conflict with White-Stevens. He is immediately put down by Clement, who says there was a “tug-of-war,” that no one knows the real answer, that adversaries are “staking out claims,” and that the real concern is that of destroying the earth.

Television journalist Eric Sevareid is shown arranging a TV program for Carson, and says that commercial sponsors of his program called up and threatened to withdraw their support. (This is a pleasant contrast with today’s industry,



Above: Spraying stagnant water with DDT insecticide in the 1950s in Guyana. Rachel Carson "is probably responsible for more deaths of infants than any other woman in history, in view of her campaign against DDT, which saved the lives of numerous children threatened by deadly infant malaria." Right: A poster in Italy in 1989 claims that "pesticides not only poison agriculture, but also the farmer. Sign for an ecological agriculture." The anti-pesticide referendum, thanks to a public terror campaign, gained enough signatures to be on the ballot, but was defeated by voters.



which pays blackmail to its detractors in the hope of appeasing them.)

A selected quote from White-Stevens is made about man "trying to control nature" (out of context, of course; he is actually referring to the diseases that nature threatens us with). This sets him up for a haymaker punch by Meryl Streep, masquerading as Carson, who tells him, "You might as well try to repeal the law of gravity."

By now, the program has reached a ludicrous stage of one-sidedness in favor of of Carson.

Sen. Abe Ribicoff [the former Democratic senator from Connecticut] appears, arguing for the Senate to help Carson who, he says, is not for complete outlawing of DDT, only for preventing its over-abuse (read *Silent Spring* to see that he is inaccurate).

Throughout the program, several women friends of Carson come on camera as character witnesses and devout admirers. The President's Scientific Advisory Council is then quoted as calling for an investigation of pesticides.

Udall then reappears and intones solemnly about the atomic age, the conquest of nature, and that the natural world has been pushed to the background, implying that Rachel Carson discovered these problems.

However, some of us Sierra Club members (I have been a life member since 1939) remember that John Muir had been saying for years that everything in the universe is hitched to

everything else.

The program now draws to its mournful conclusion with the death of Rachel Carson, and the statement is made that more people are reading *Silent Spring* now than ever before.

The box score for appearances of speakers on the program is: pro-Carson, 27, plus at least 10 appearances by character witnesses; anti-Carson, 6 (Jukes and White-Stevens, plus American Medical Association, 1). The time given to Jukes and Professor White-Stevens was less than 2% of the program. With one exception (typhus), the points that I wished to make, such as about bird counts, the World Health Organization and malaria, were excluded. White-Stevens was shown as an employee of a pesticide manufacturer.

The format of the program was that the statements by the two anti-Carson speakers (Jukes and White-Stevens) were "fed" to the pro-Carson speakers (such as Clement) for rebuttal, but the reverse procedure was not used, because I was not told who would be speaking, and, of course, White-Stevens was used by the program after he died, so he did not have a chance either to consent to being on the program or to respond to his critics. The budget allotted to this program was \$700,000. Note that the program criticized the Agricultural Chemicals Association for appropriating \$250,000 to rebut *Silent Spring!* It would be fascinating to learn how the expenditures for the TV program were allotted. My time was free, of course. What about the "pro-Carson" speakers?

Brazil opts for social agenda of the 'new world order'

by Silvia Palacios

In the two months he has been in office, Brazilian President Itamar Franco has failed to break with the policies of the International Monetary Fund (IMF) implemented by his predecessor, the impeached President Fernando Collor de Mello. Moreover, in early February, he announced his decision to adopt a Brazilian version of Mexican President Carlos Salinas's much ballyhooed National Solidarity Program (Pronasol), a move that further aligns Franco with Anglo-American banking plans for Brazil.

Pronasol and its variants which are cropping up around Ibero-America are a form of anesthesia which banking interests are using to numb the painful consequences of their looting policies. Recognizing that the poverty caused by their draconian "adjustment" programs could spark massive and uncontrollable upheaval, they are prepared to hand out a few crumbs under the guise of "alleviating poverty" while keeping the same austerity policies in place. The essence of Pronasol is minimally financed—with the emphasis on minimally—programs of self-help and fascist local control. Big projects and major investments in infrastructure are out the window.

To promote Pronasol as an international model, the World Bank, the World Conservation Union, and the United Nations have scheduled a major conference to be held next September in Oaxaca, Mexico. Carlos Salinas and his "Solidarity committees" will be on hand to co-sponsor the event, and to sell what should best be called the "social programs of the new world order."

During the first week of February, a delegation of seven Brazilian governors, including four from the impoverished Northeast, spent a week in Mexico to study Pronasol. Deputy Planning Minister Antonio de Rocha Magalhães euphorically declared that President Itamar Franco was extremely pleased with the governors' positive evaluation of the program. He proudly admitted that the World Bank has strongly recommended this type of social program. In fact, in statements published in the Feb. 14 *Jornal do Brasil* reporting on Pronasol's benefits, De Rocha explained that the World Bank financed the governors' trip to Mexico. Since last November, he added, he has worked closely with World Bank Agricul-

ture Division chief Krezentia Duer to study the social programs the Franco government was considering.

Augusto Marzagao, an adviser to Franco and for 12 years an executive of Mexico's powerful Televisa television network, has been chosen to run the publicity campaign for the Brazilian version of Pronasol. Marzagao just returned from Mexico where he met with ubiquitous José Córdoba Montoya, a French-born social democrat known as the *éminence grise* of the Salinas government, to discuss the massive and costly propaganda which promoted Pronasol.

Following the Mexican example, the Brazilian government is counting on the help of communists—in the form of the pro-Cuban Workers' Party (PT)—to give a radical cover to the same old IMF austerity. Taking advantage of the Armed Forces' concern over the potential for social upheaval created by mass poverty, it is also trying to rope the military into the plan.

The PT in bed with Boutros-Ghali

More surprising than the speed with which Itamar Franco gave in to World Bank demands, is the power he has bestowed on the PT to carry out these supposed "social programs." A member of the Cuban-inspired São Paulo Forum, a continent-wide organization which brings together the pro-terrorist Marxist left, the PT is closely linked to pagan "Theology of Liberation" factions. Its political strategy is Leninist: Participate in the National Congress, and at the same time take advantage of popular rage over the severe economic crisis to build its own base of support to eventually seize power.

On Feb. 9, President Franco and PT president, Ignacio "Lula" da Silva, held one of the year's most highly publicized meetings, in which the government agreed to adopt the PT's "National Food Security Policy" as part of its anti-poverty program. Also attending the meeting was Foreign Minister Fernando Henrique Cardoso, a member, like Lula, of the Washington-based Anglo-American policymaking agency the Inter-American Dialogue, as well as an intimate of the Clinton administration.

Another key objective of the Brazilian anti-poverty pro-

gram is to open the door to major involvement of numerous non-governmental organizations (NGOs)—the Anglo-Americans' vehicle for undermining national sovereignty, which have been particularly avidly promoted by the United Nations. This is seen in the fact that PT member and sociologist Herbert de Souza was named by Lula to serve with government experts on the commission charged with implementing the program. De Souza, known as "Betinho," is the president of the Brazilian Economic and Social Analysis Institute (IBASE), an NGO financed by the Ford Foundation. Personally linked to Marxist "theo-lib" factions through his family, Betinho has shaped the IBASE into one of the best private intelligence centers for the country's leftist movement, and especially for the PT, although it is not officially affiliated to it.

Involving NGOs in working up anti-poverty programs is not just reflected in Betinho's inclusion in the committee. "Stimulating the contribution of NGOs with competence in this area" is actually part of the PT's food security program. The PT intends to use hunger as one of its agitational banners and is organizing a Caravan for Solidarity and Hope to be held in April.

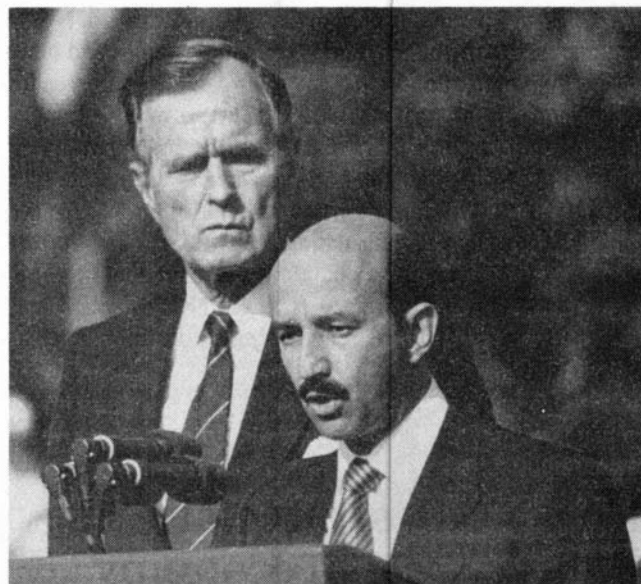
The PT's evolution as a fifth column for the new world order doesn't derive only from its backing for the United Nations' supranational agenda. Through Lula, it is linked to the Inter-American Dialogue, a kind of hemispheric Trilateral Commission which dictated George Bush's policy for Ibero-America, and is doing the same with the Clinton administration.

In its most recent document, *Convergence and Community: the Americas in 1993*, the IAD unabashedly proposed an agenda for limiting the sovereignty of Ibero-American nations, dismantling their armed forces, and broadening the powers of the Organization of American States to guarantee a "collective defense of democracy" through the use of multinational military forces. The report also emphasized the importance of expanding the role of NGOs in these nations. In commenting on the document, Lula limited his disagreements to rejecting the economic neo-liberalism which the IAD recommends. But, he added, "I completely agree with the section about the collective defense of Latin American democracy."

Involving the armed forces

President Franco's proposal to involve the armed forces in anti-poverty programs reflects Anglo-American pressure that the military, an institution whose *raison d'être* is the defense of economic and territorial sovereignty, be weakened or eliminated.

That viewpoint was recently expressed by U.S. Army counterinsurgency expert Russell Ramsey in an article in the Fall 1992 issue of *Strategic Review* on "The Role of Latin American Armed Forces in the 1990s." Couched as a rejection of the more radical demands for the disappearance of



Pronasol's promoter Carlos Salinas, backed by the promoter of the new world order, George Bush.

the Ibero-American militaries, Ramsey argues that it will be more effective to try to rope a downsized military institution into "sustaining the current wave of democratization and the shift to free markets" in the region. "Constitutionally obedient militaries" should be deployed to "plug yawning gaps in the drive to free enterprise development," he suggests, including carrying out "environmental policing programs," guarding tourists, and providing health, education, and transport services in remote regions.

Brazil's military leaders aren't buying into this scheme. In an unusual Feb. 15 meeting of the Army High Command in Rio de Janeiro, spokesman Gen. Gleuber Vieira explained that the Armed Forces would help combat poverty as long as the necessary funds were provided, and as long as the institution is not sidetracked from its primary goal, national defense—for which current funding levels are in any case inadequate. "If they give us more money," Gleuber Vieira said, "we are ready to act," but he added that volunteer work already under way "can be broadened but without damaging the Army's constitutional activities."

The strategy included in the April 1991 document prepared by the Superior War College, entitled *Vital Decade*, counters these kinds of Anglo-American plans by emphasizing that poverty can only be fought in the context of an overall economic development plan. Only then will efforts to eradicate it cease to be mere charity or the object of cheap demagoguery, to become a question of national security. Admiral Goulart Fortuna, commander of the Superior War College put it this way: Either the country again takes up the industrial development policy abandoned 12 years ago, or Brazil's future will be that of sub-Saharan Africa. No middle road or Pronasols can change that reality.

The same document slammed the proposed role of NGOs in limiting Brazilian sovereignty over the Amazon and other areas, by establishing Indian enclaves: "Self-government in Indian areas is a constant foreign effort to internationalize parts of the Amazon, beginning with the Indian enclaves, and which are used by the non-governmental organizations (NGOs). . . . There is a certain amount of support in the national press and among national artistic and intellectual layers, as in sectors of the church and multinational companies, to the demands directed by these NGOs, which are, minimally, very useful to strengthening the destructive obstacles to Brazilian interests."

How a U.S. strategist sees military role in economy

In a Fall 1992 article in *Strategic Review* magazine, Dr. Russell W. Ramsey sketches a plan for "The Role of Latin American Armed Forces in the 1990s." Dr. Ramsey, a visiting professor at the U.S. Army School of the Americas, is deemed an expert on counterinsurgency and the Latin American military.

Ramsey writes, " 'Gold, glory and God' are the famous (or infamous) 'three Gs' taught by many historians as the motivation for the Spanish conquest and colonization in the Western Hemisphere in the early 1500s. . . . For the 1990s and beyond, the 'three Gs' remain an easily memorized code for the roles that Latin America's much maligned armed forces need to play in the development of the region. The 'three Gs' will, however, have different meanings than in the past.

"If Latin America's current great wave of democratization is to endure, the region's booming shift to free market economics will have to pay off in jobs and decent living standards. There are urgent tasks that only the armed forces can accomplish to ensure such economic development. The armed forces will have to perform their altered task in a spirit of constitutional obedience, with total awareness on the part of their leaders that each thing they do, or fail to do, has an economic impact. And, U.S. policy in Latin America will have to support the concept of the Latin American military forces as nation builders and developers."

"Nation builders and developers" are redefined by Ramsey to mean the opposite of what any self-respecting nationalist might think. Thus, "gold" will mean to "plug yawning gaps in the drive to free enterprise development"; "glory" will be achieved when armed forces "assist their governments toward self-perpetuating electoral democracy" (the corrupt kind of democracy congenial to Wall Street); "God" will mean to "protect vital civil liberties such as religious freedom

under a constitutional framework," i.e., open the doors wide to sects and pagan cults.

According to Ramsey, "In the era of the *caudillos* (circa 1830-90), small numbers of entrepreneurs learned how to do business with Europe and the United States, often in ways which worked against Latin America's people. Entrepreneurship never became an important civic value, and Adam Smith's free enterprise philosophy never fully penetrated Latin America." The latter view, credited in a footnote to the neo-liberal ideologue Michael Novak, is a warped way of saying that many Ibero-American leaders in the past adopted the Christian outlook of the American System of economics, against the British System (Adam Smith) worship of the Invisible Hand, which has now driven even the memory of the American System out of the United States.

Ramsey relates, "Latin America's own military officers picked up the idea of using the armed forces to develop the national economy for both better and worse. As an example of the latter, the Army of Juan Perón's Argentina established its own set of national factories, a trend further advanced by Brazil under the military regime of the late 1960s. This form of military-dominated economic development had three goals: to establish a tightly controlled domestic arms industry; to wave the national flag against foreign economic domination; and to provide a source of revenue for the armed forces independent of taxation." For Ramsey, this was not "nation builders and developers"—no, "This approach was similar to Mussolini's fascist state paradigm," he lies.

Ramsey describes existing "positive, non-combat roles of the armed forces which have economic development functions," such as "the protection and assistance of tourists," which is, of course "vital because so many Latin American countries depend upon tourism as a source of revenue." Plus, "The maintenance of stability is also an economic role for the armed forces. Educated and disciplined armed forces acting under legitimate authority can prevent debilitating *coups d'état* which are costly in terms of public damage, loss of life, broken trade treaties, and altered policies that disrupt production and discourage investment. The key here is, of course, that armed forces must not take advantage of an armed challenge to their governments." In short, the armed forces can be turned into gendarmes for foreign debt collection, putting down strikes and demonstrations, protecting the jet set on vacation, and for crushing any behavior by governments that might annoy rich foreigners.

Laments Ramsey, "Several of the region's armed forces do have a history of 'saving the nation' via *coup d'état* when things go wrong politically." Therefore, the United States should act to put the military in their place: "For example, returning to office the legally elected Haitian President, Jean-Bertrand Aristide, should be a high U.S. priority, even if it means disarming and jailing segments of Haiti's armed forces by Organization of American States or United Nations forces."

Caught in the monetarist debt trap

The dramatic increase of the public debt in eastern Germany has sparked a debate on a debt moratorium.

A small news item on Feb. 16 shed more light on the economic situation in Germany than most elaborate analyses by "experts": The municipal magistrate of Rostock, the biggest port on the Baltic coast, declared that the city could not meet the month's payroll for its 6,100 employees; it ran out of money at the end of January.

Rostock cannot take new bridge loans because it has reached the legal limit of DM 104 million (\$65 million) for borrowings. It is short another DM 78 million that could have been in the municipal coffers long ago, mostly overdue transfers from the state of Mecklenburg-Prepomerania which cannot pay either, as the federal government in Bonn is late with its own transfers to the state government.

The story of Rostock, the capital of Mecklenburg-Prepomerania, is alarming, since this state is the poorest, with the highest jobless rate, among the five eastern German states and has the smallest tax base. Lacking sufficient revenue, the state, its capital, and many other municipalities have become hostage to creditors.

In discussion with this author, an aide to the state parliament of Saxe-Anhalt, one of the five eastern states, said: "We are caught in a debt trap from which, as the economic situation looks now, there is no escape." The state had a tax/income ratio of 25% in 1992 and expects one of 28% for 1993, which means that it can cover only a quarter of its expenses, depends on the federal government for funds, and is forced to borrow short term from banks at non-subsidized interest rates. As the state carries over old debt

from one year to the next, the interest rate it pays is rising.

Servicing the old debt of the pre-unification communist regime in eastern Germany, and the new debt accumulated since October 1990, already absorbs 30% of the tax income of the administrations in the east. This percentage is going up because the austerity-minded federal government is delaying transfers. Eastern states and local administrations have to borrow new short-term money at exorbitant interest rates above the average 9% money market level.

This explains, for example, how at the municipal level, the old debt of the eastern German housing sector will jump from DM 38 billion at the end of 1990 to DM 52 billion by the end of 1993—a 37.5% gain in three years.

Because of sluggish new investments in the productive sector, tax revenues are not expected to grow by more than an annual rate of 3% for the next years. There is no way to catch up with the growth of the debt.

The illusion that present policies of slow investment and cost reduction might improve things in eastern Germany, is also attacked in a new study by the German Labor Federation, which says that only an average annual economic growth rate of 17% will permit significant improvements. The study is quite appropriate with that figure, but it still respects a taboo which only a few have been willing to touch, so far: the proposal of a moratorium on the old debt and its legitimacy.

The eastern municipalities, whose three-year grace period for housing

sector debt (granted by Bonn when the two Germanys were reunified) will expire at the end of 1993, are in the forefront of the public debate about a moratorium. On Jan. 27, the magistrate of Erfurt, the capital of Thuringia, appealed to the federal government to cancel the old debt and thereby allow municipal housing agencies to use their income for investing in new construction and restoration projects, instead of debt servicing.

Bonn, especially the Ministry of Finance, has insisted that the debt be recognized and paid. The key argument of ministry officials has been that a debt moratorium of such a scope, DM 52 billion by early 1994, would send shocks through the world of banking and credit, destabilize international monetary structures, and destroy the basis on which the postwar system of western economic policy has been built.

This monetarist view, which is turning government officials in Bonn into mouthpieces for the International Monetary Fund, is diametrically opposed to the interests of the 16 million people living in the eastern states—20% of the nation. The Erfurt magistrate's move reflects, as this author learned, a rebellious mood in 145 other eastern municipalities, including Rostock.

The Rostock default will help to finally put the question about the "rationality" of a system that keeps people in a lethal debt trap on the political agenda of a leading industrial nation. This is something other parts of the world can profit from: The debt dynamic which Germans are struggling against now, is the same one that has blocked economic development in the Third World for decades. A new world economic order is long overdue, and the east Germans can help to create it.

Mexican T-bills are risky business

What happens to the sovereignty of a country when its domestic debt falls into the hands of foreigners?

On Feb. 15, the Bank of Mexico announced that it will be increasing its offerings of 28-day Treasury Certificates (Cetes) by 75% in order to meet the heavy foreign demand for this government debt paper.

The measure was immediately criticized by the analysis departments of the various brokerage houses that control Mexico's stock exchange—a logical enough reaction on their part, given that the Bank of Mexico and the federal government have proven to be “disloyal competitors” by drawing capital, and foreign capital in particular, away from the stock exchanges. Cetes certificates bear an interest rate of 17.58% a year, against a forecasted annual inflation rate of less than 10%. This promises an annual yield of over 100%!

And yet, according to the brokerage house of Bancomer, “there continues to be the risk of a flight of foreign investment in the face of any uncertainty of economic policy or delay in approval of the Free Trade Agreement.” Indeed, according to that firm, some \$800 million that had been invested in Cetes and other government paper fled the market—and the country—in just the eight days between Feb. 4 and 12. According to *El Financiero* of Feb. 23, this represents 30% of the foreign capital that has entered Mexico since the beginning of 1993, and about 9% of all the capital invested in the government's short-term internal debt.

What the brokerage firm analysts have not succeeded in explaining, is why the government has adopted this

“disloyal” and risky strategy. The daily *La Jornada* editorially asks: “Has this strategy been adequately examined from the financial standpoint?” The answer is an unequivocal “yes.”

Miguel Mancera Aguayo, Bank of Mexico director and the real financial brains behind the Salinas de Gortari government, decided on this operation in coordination with the U.S. Federal Reserve. The move was intended to capture capital fleeing from the United States in the face of the “uncertainty” that the new Clinton administration has introduced into an already unstable and declining economy.

As is well known, all of the world's stock exchanges are on the decline, and the foreign demand for Mexican government financial paper is consequently a direct result of the fact that a portion of their increasingly nervous capital wants a refuge in government debt which is considered “more secure.”

Mancera is merely restaging the maneuver with which Antonio Ortiz Mena financed his so-called “stabilizing development” model during his tenure as finance secretary in two successive Mexican governments (1958-64 and 1964-70). The U.S. Federal Reserve also allowed Ortiz Mena to maintain yields on government paper higher to those of U.S. certificates, in order to “attract capital” which would enable the Mexican government to accumulate sufficient international reserves with which to buy back its own foreign debt. During that period, Ortiz Mena kept the national economy in an

“intermittent period of economic rise and fall,” as he himself described his model.

Not surprisingly, several Mexican newspapers have already begun to warn against the dangerous “foreignization and North Americanization” of Mexico's internal debt. They note that by the end of 1992, foreign investors possessed 33.5% of government bonds (Cetes, Pagafes, and the rest) issued on the internal market—a full one-third.

The question as to whether this government strategy has been adequately considered, must again be answered with a “yes.” And not only that, but it is a policy approved by the Mexican Congress and incorporated into the federal budget for 1993.

On Nov. 10 of last year, when Finance Secretary Pedro Aspe requested approval of the proposed 1993 budget, he told Congress that “with foreign interest rates below domestic ones, the contracting of foreign financing will allow us to reduce the balance of domestic indebtedness and thereby reduce even further total interest payments on the public debt. . . . Despite the fact that financing the deficit is not required, authorization is sought for a direct foreign indebtedness . . . equivalent to \$3.5 billion.”

The upshot of all this is that the Mexican government is contracting foreign debt (at lower interest rates) to pay the higher interest charges on domestic debt which is increasingly in the hands of foreigners. What will happen if the “citizens of Wall Street,” who are the foreign and domestic creditors of the Mexican government, demand payment by force?

One thing you can be sure of: If and when Mexico is invaded by the creditors (domestic, foreign, or whatever), the current government and its buddies are not likely to be caught hanging around to defend the country.

Will Congress stop farm foreclosures?

Dakota legislatures and other states petition Congress to protect farms and curb Federal Reserve.

Several state legislators have taken initiatives on the economy over the last month which President Clinton would do well to heed, as they surpass in merit anything proposed so far by the administration. In each case, the legislators were moved to action by their constituents demanding emergency measures.

The proposals call for stopping the looting of the productive economy by private banking interests, and protecting the family farm economy from foreclosures and other destruction caused by these same banks and credit agencies.

On Jan. 28, two state legislators from North Dakota, Rep. James A. Kerzman and Sen. Aaron Krauter, introduced a resolution into the House and Senate of the North Dakota legislature, calling upon the President and Congress to investigate fraud and abuse in farm credit lending policies, and for a moratorium on farm foreclosures pending the outcome of such an investigation. The resolution, HCR 3037, was introduced following a series of hearings in the Dakotas on human rights violations against family farmers.

At the hearings, sponsored by the Schiller Institute, which took place Dec. 7-10, farmers testified about extreme abuse and loss of rights experienced by family farmers since it became government policy to liquidate them in record numbers and to replace independent family-owned farms with corporate-controlled enterprises which operate in the interests of the international banks and grain traders. Many of the participants opposed this on the grounds that the decision to

move to large-scale corporate farming will result in a Soviet-style collapse of food production.

The resolution cites "evidence of fraud and abuse by banks and credit agencies in the handling of agricultural loans," and evidence of abuse by the Farmer's Home Administration loan guarantee program, which has injured farmers and resulted in severe hardships and in loss of confidence in government agencies. It says that a "healthy and prosperous independent family farm system and a fair credit system are vital to the economic well-being of all Americans." A similar resolution is being considered by South Dakota legislators.

On Feb. 22, Rep. Fred Grandy (R-Iowa) issued a letter to the House Agriculture Subcommittee on Credit, requesting an investigation. The letter was also signed by Rep. Tim Johnson (D-S.D.). It made reference to the North Dakota resolution HCR 3037, and requested hearings on the matter as soon as possible.

A press release on the letter states: "I am calling for a congressional investigation into government-guaranteed agriculture loans. I expect several colleagues from both sides of the aisle to join me officially. We want hearings on charges that commercial banks and credit unions handling the loans have committed fraud and abuse, and the the Farmer's Home Administration has been sloppy in its oversight. Subject to completion of the investigation, we want a moratorium on farm foreclosures. This is not something I do lightly. I don't like to meddle in the market place. But mismanagement has apparently cost

farmers their homes and livelihoods and cost the taxpayers billions of dollars. The FmHA, an agency within the U.S. Department of Agriculture, is the 'lender of last resort' for farmers who can't get credit on reasonable terms anywhere else. Farm financing is the main artery that provides the life blood for production agriculture. Farmers have been defaulting on FmHA loans far more than expected. In recent years, FmHA reduced or forgave about \$7.6 billion in delinquent debt, according to the General Accounting Office, Congress's investigative arm. Some of the defaults came about because the loans shouldn't have been made in the first place—there are some risks even the government shouldn't take. Some of the defaults came about, apparently, when lenders pushed farmers into delinquency to immediately collect the government-guaranteed 90%."

Also addressing the manner in which the productive economy has been looted by the private sector financial establishment, is Senate Memorial 25, a resolution introduced into the New Mexico legislature on Feb. 18 by state representative Tom Benavidas (D-Albuquerque). The resolution is called "A Memorial Bill to Restructure the Federal Reserve." Hearings were expected in late February.

Referencing a "financial system teetering on collapse," Senate Memorial 25 attributes the cause to the Federal Reserve System created 50 years ago which "has created an economic house of cards based upon debt that produces high interest rates and low productivity and has conferred a special privilege upon bankers who profit enormously from the Federal Reserve System." It calls upon the New Mexico congressional delegation to examine and restructure the nation's currency-issuing system.

Business Briefs

'Free Market'

Drugs the lead income source for many nations

"Although not traded officially on the financial markets, illegal drugs constitute one of the most profitable commodities in the world today," wrote Rachel Ehrenfeld in a commentary in the Feb. 21 *New York Times*. "They are the main source of income for many economies. Both Mexico and Canada are involved—Canada mainly in money laundering, Mexico in drug trafficking." Many of her points were first elaborated in *Dope, Inc.*, commissioned by U.S. statesman Lyndon LaRouche.

"Canada has been especially hospitable to money launderers, who rely on an elaborate infrastructure within the international banking system itself, a network that includes bank accounts, trust companies, financial institutions, dummy corporations and other 'fixers' along the way," she charged.

President Clinton said recently in Detroit that he would focus on drug money as a way to deal with the drug problem. If he is serious, Ehrenfeld said, he must "take a fresh look at this nation's policies to combat the laundering of drug money, through bank regulations or other measures."

Energy

Indonesia, Malaysia to begin nuclear cooperation

Malaysia and Indonesia are to sign a memorandum of understanding to promote cooperation in nuclear technology research, it was announced in Jakarta Feb. 12 by the Malaysian news service Bernama. The decision was made following talks between Indonesian Minister for Research and Technology B.J. Habibie and Malaysian Minister of Science, Technology and Environment Law Hieng Ding. Both countries have announced intentions of becoming industrialized countries in the near-term.

Law emphasized that the nuclear cooperation was purely for peaceful uses, with empha-

sis in the fields of industry, agriculture, and medicine. He noted that nuclear technology has wide applications, and could be used for industrial product testing like detecting defects in rubber gloves as well as improving yields and products in agriculture and medicine.

Indonesia has announced plans to build nuclear energy plants, and five companies have been tendered so far to build the first one. The Indonesian atomic energy agency has announced that Indonesia needs 7,000 megawatts of electricity from nuclear power alone to help meet its needs. Law said that the government has concluded that it is urgent to keep up with developments in the nuclear field, so that if the need arises, "we will be able to rapidly enter into the nuclear era."

An editorial last fall in *Business Times*, the Malaysian business daily, titled "No Way But the Nuke Way," made clear that there is interest in nuclear fusion, "the new kind of nuclear energy which will be cheap, clean and virtually inexhaustible; this is because the main fusion fuel, deuterium, a heavy form of hydrogen, can be easily extracted from water in nearly endless quantities."

Africa

Cholera is spreading like wildfire

Cholera "is spreading through southern Africa like wildfire," stated Dr. Levon Arevshatian, the World Health Organization (WHO) representative in Zimbabwe, IPS news service reported from Harare on Feb. 16.

Arevshatian described cholera as a disease of poverty and underdevelopment. "I say so because the disease is prevalent in Africa where there is widespread poverty, economic crises, heavy indebtedness, and poor living conditions." He warned that "the disease is expected to become entrenched in the region unless there are improvements in the living conditions, the provision of clean water and sanitation, and the elimination of poverty."

Zimbabwe Health Minister Timothy Stamps told IPS that improved water and sanitation facilities are the only way to control the spread of the disease: "Cholera is affecting poverty-stricken people living in squalor and

having no access to clean water and good toilet facilities." Only 40% of Africa's population has access to safe water supplies and, according to the WHO representative, about 80% of ill health on the continent is attributable to polluted water from unprotected water holes and rivers or poor sanitation.

Infrastructure

European industrialists call for strategic plan

The European Roundtable of Industrialists issued a white paper in mid-February, entitled "Action Plan for Europe," which calls for a massive infrastructure investment in Europe to stimulate an economic recovery. The group emphasized a strategic commitment to integrate eastern Europe into the European infrastructure grid. The plan echoed elements of Lyndon LaRouche's "Productive Triangle" proposal for concentrating infrastructure investment in the Paris-Berlin-Vienna region to fuel a global recovery.

"European industry needs decisive action to break out of the crisis of 1992, to rebuild confidence and make Europe work again," the white paper reads. The program calls for "massive investment in new infrastructure, to build linked European networks of roads and high-speed trains, combined transport systems and fully integrated air traffic control. No other measures have such decisive effect on the competitive efficiency of European industry; no other measures can act so quickly to stimulate economic recovery."

The report adds that such a major infrastructure commitment is "essential for the integration of central and eastern Europe into the mainstream of European economy." The group distances their call from traditional Keynesian pump-priming public spending: "This is a strategic program, not an old-fashioned Keynesian reflation. It should be designed to meet genuine economic needs for trans-European communications."

The group is composed of the chairmen of 40 of Europe's largest companies including Fiat, Volvo, Krupp, Philips, Hoechst, Daimler-Benz, and others.

Science

Space technology allows look inside living cells

Richard B. Hoover of the Marshall Space Flight Center in Huntsville, Alabama, has been named NASA inventor of the year 1992 for developing a new X-ray microscope that will permit scientists to see living atomic-scale structures for the first time, according to a NASA press release on Feb. 8.

Hoover developed his "water-window" technology as part of the program to develop X-ray telescopes for astrophysical investigations. The Hoover Water-Window Imaging X-ray Microscope will allow researchers to see in great detail high-contrast X-ray images of proteins, chromosomes, and other tiny carbon structures inside living cells. This new tool promises to revolutionize many areas of biological and medical research, including genetics, gerontology, gene splicing, cancer, medical diagnostics, and genetic engineering. It will have major applications to AIDS research in terms of analysis of viral HIV structures and assessment of real-time interactions of drugs and antibodies.

"This instrument essentially will allow us to see through the water and into the living cell with very high resolution and high contrast, without using dyes or stains which produce limitations," Hoover said. The microscope got its name because it is designed to operate in a wavelength region where water is transparent to X-rays, while carbon atoms are still opaque. The living cell is mainly water, though it is carbon structures that researchers want to see.

Labor

200 million youths at risk because of IMF

According to a U.N. report presented by Vito Muntarbhorn, Special Rapporteur of the U.N. Human Rights Commission, in Geneva in mid-February, 200 million children worldwide are at risk from prostitution, exploitation at work, pornography, slavery, and murder for their organs, IPS news service reported on

Feb. 17. The austerity policies of the International Monetary Fund (IMF) were blamed by some for this result.

The World Protection for Children group estimated that in Bangkok, Thailand alone, 200,000 children are forced to work as prostitutes. According to the Bangkok Central Hospital, 60% of those involved are 12-18 years old, and 54% suffer infectious diseases.

In a television documentary called "Children in Chains," Ahmed Abdallah, an economist in Cairo, reported that 10% of the active workforce in Egypt is made up of half a million children. Abdallah said the effects of economic structural adjustment programs imposed by the International Monetary Fund and the World Bank have placed intolerable burdens on working class families, who are forced to put their children to work. In India, founder of the Front for the Liberation of Slaves, Swami Agnivesh, reported that there are over 55 million working children in his country, all severely exploited. In the United States, the report adds, over 500,000 Mexican children are forced to work in agricultural enterprises in California without social or medical security.

Austerity

Donors withhold aid to drought-stricken Tanzania

Loans to Tanzania for the 1992-93 fiscal year fell by 42.3% by the end of January, Reuters quoted the Tanzanian Finance Ministry on Feb. 17. Diplomats cited said the aid was being withheld to press President Ali Hassan Mwinyi for faster implementation of economic reforms backed by the World Bank.

Diplomats said the West wants Mwinyi to devalue the Tanzanian currency by 100%, trim the civil service, and stop alleged mismanagement of project funds.

World Bank officials told Reuters that Tanzania was unlikely to receive half of the \$1.2 billion due under agreements with western donors if it did not begin to implement sound economic management. A Finance Ministry official said that Tanzania had received only \$72.9 million of an agreed \$247.5 million from the International Monetary Fund.

● **A TUBERCULOSIS** outbreak in the Harris County, Texas jail is inevitable and will likely spread to the community, a report by a federal court jail monitor warns. County TB control efforts do not meet Centers for Disease Control guidelines, and many inmates refuse to undergo voluntary tests, partly because the jail charges inmates for them.

● **A YELLOW FEVER** epidemic has killed about 500 people in Kenya in the last four months, President Daniel arap Moi said in Nairobi on Feb. 8, Reuters reported. He said that health officials had been sent to his native Baringo and neighboring Elgeyo Marakwet districts in the Rift Valley to combat the epidemic.

● **ISRAEL AND CHINA** signed an agreement on Feb. 14 to collaborate on research in space technology, electronics, medical instruments, renewable energy, and agriculture, during a visit by eight Chinese scientists. The two countries established diplomatic ties one year ago.

● **THE TAIWAN** Air Force will make its own fighter jets next year, and expects to have 250 by 1999. Because of pressure from mainland China, Taiwan has not been able to buy the arms it wants from western countries.

● **FARM LEADERS** from South Korea, Japan, and Taiwan agreed at a meeting in Seoul on Feb. 12 to work together to keep their rice markets closed to foreign imports. "In the Uruguay Round [of GATT] discussions, it must be noted that rice is our staple food and the main source of income for our farmers," they said in a joint statement.

● **PERSIAN GULF** nations are making huge arms purchases. "Iran's submarine purchases have set off a flurry of interest by other Gulf states in submarines and defenses against them," said an official at the International Defense Exhibition (IDEX 93) in Abu Dhabi on Feb. 15. Gulf Arab states are planning to spend \$10 billion a year on arms purchases until the year 2000.

Will Americans kick the kooks out of the classrooms?

by Susan Welsh

All over the United States, “guerrilla warfare” operations are being waged by parents against some of the worst features of the New Age takeover of the public school system. These efforts have had some notable recent successes, such as the ouster of New York City School Chancellor Joseph Fernandez on Feb. 10, and the defeat by the Pennsylvania state legislature on Feb. 8 of the so-called reform program known as outcome-based education. But for such campaigns to succeed, there is going to have to be a deeper understanding of what has gone wrong with American society and education, and a clear positive alternative.

That means uprooting the self-proclaimed “Aquarian Conspiracy,” which now almost completely controls not only the elementary and secondary school systems, but also the universities, the media, and the institutions of government—from the Supreme Court on down.

In 1974, Stanford Research Institute issued a study titled *Changing Images of Man*, prepared by institute director Dr. Willis Harman with the help of such mind benders as psychologist B.F. Skinner and anthropologist Margaret Mead. Its results were popularized in a book by Marilyn Ferguson, *The Aquarian Conspiracy*. According to Ferguson, “a leaderless but powerful network is working to bring about radical change in the United States. Its members have broken with certain key elements of Western thought. . . . This network is the Aquarian Conspiracy. . . . The great shuddering irrevocable shift overtaking us is not a new political, religious, or philosophical system. It is a new mind—the ascendance of a startling worldview.”

The Stanford study recommended the replacement of the “industrial-technological image of man” which has hitherto characterized American society. The Old Testament image of man having “dominion over nature” must be scrapped in favor of an environmentalist ethic; the Christian image of the New Testament must be replaced with a gnostic “self-realization ethic”; the image of man that emerged from the Italian Renaissance—described as individualist, rationalist, materialist, seeking objective knowledge—must be discarded.

In the words of the kooks cited by Ferguson and company, the Age of Pisces—



A parade in New York City in 1983. The Aquarian Conspiracy wishes us to believe that homosexuality is a legitimate "alternate lifestyle" that should be taught as such to school children. Such "affective education" brainwashing is relegating what passes for an academic curriculum to the back seat.

with its dedication to rational thought, science, and technological progress—must give way to the Age of Aquarius—the "post-industrial society." The Christian conception of man in the living image of God must be replaced with a Nietzschean worldview in which God is dead and the *self* reigns supreme.

From this blueprint, and related programs of the Club of Rome, the London Tavistock Institute, the Esalen Institute, and other elite think tanks, there emerged the entire gamut of education "reforms" that we see today. In the reports that follow, we examine some of them, especially Drug Abuse Resistance Education (DARE). Most parents tolerate these programs in the schools, believing they are innocuous enough, "and who knows, maybe they will help children 'say no' to drugs?" As our report documents, that is far from the case. In fact, studies have shown that graduates of DARE are *more* likely to use drugs than those who have not been through the program at all.

No to 'Rainbows' and condoms

In the case of New York City, determined action by parents forced the ouster of Fernandez, who had advocated condom distribution through the school system—supposedly to fight AIDS—and his endorsement of the "multicultural" curriculum known as "Children of the Rainbow."

Teachers were instructed to introduce a positive treatment of homosexuality as an "alternative lifestyle," as early as the first grade. Children were to read books such as *Heather Has Two Mommies*, so that they would view lesbian and homosexu-

al relationships as on a par with heterosexual marriages.

Last fall, the local school district in Queens revolted, refusing to allow the "Rainbow" curriculum in its schools. Fernandez retaliated by suspending the Queens school board; but the state Board of Education in February voted 4-3 not to renew Fernandez's contract when it expires in June.

A similar program went down to defeat in Pennsylvania, with a vote of 139-61 in the state House of Representatives. The outcome-based education (OBE) program put forward 55 statements that prescribe what students should know before graduation from high school. Parents feared that vague, non-academic goals such as "demonstrating respect for the dignity, worth, contributions and equal rights of each person" would lead to teaching acceptance of homosexuality.

Such fears are well grounded. One parent phoned the Board of Education and was told, "Look honey, it doesn't matter—it's a done deal. . . . If you think homosexuality is wrong, then you're prejudiced." The spokesman informed her that OBE was designed to correct such "bias." Another parent reported that her second-grader had brought home a packet of information that included a condom.

The "political correctness" trend on university campuses which has drawn so much attention of late, begins with these insidious curriculum changes on the elementary school level. The backlash that is now in evidence against them must gain strength and conceptual clarity fast, if an entire generation of children is not to be turned into zombies. With this *Feature*, and forthcoming articles in *EIR*, we provide ammunition for that fight.

DARE: 'Brave New World' comes to your local police department

by Leo F. Scanlon

In most police jurisdictions in the United States, uniformed police officers are intervening in grade school and junior high school classrooms, supposedly in the name of anti-drug education. The program is called Drug Abuse Resistance Education (DARE), but it is not really an "anti-drug" program at all; it is psychotherapy administered by an unlicensed practitioner, who happens to wear a uniform and carry a gun. The aim of the New Age psychotherapy sessions is to break the child's ties to the moral outlook of the parents and church, and to persuade the young child that he or she is qualified to decide whether or not to use mind-altering drugs.

DARE is an intensive psycho-profiling program run by specially trained and selected local police officers, who conduct group therapy sessions with children in all grades in the public school system. The essence of the scheme is described by the words "Resistance Education" in the program's acronym. Under the rubric of "increasing the self-esteem" of the child, in order to build "resistance to peer pressure," the officers conduct a weekly session with each grade of students, during which the children are induced, through invasive and coercive techniques, to discuss personal and family problems in the group setting. The alleged purpose of this therapy is to encourage the child to value opinions which he perceives to be his own, above those he has assimilated from other sources, parents included. DARE officer Rick Martin explains: "It's not so much a program where we say, 'This is marijuana, this is cocaine, don't do it.' . . . It deals with ways to feel good about themselves."

A study titled "Sensation Seeking as a Potential Mediating Variable for School-Based Prevention Interventions: A Two-Year Followup of DARE," published in the *Journal of Health Communication* in 1991, concluded that the DARE program so confuses its victims that no significant difference between students subjected to DARE and a control group could be found, except one: *Significantly fewer non-DARE than DARE children had tried marijuana within a year of taking the course.*

The psychotherapy techniques used in this and other curriculum reforms now prevalent in the schools are seen by their practitioners as an end in themselves, and the negative result of such programs with respect to their stated goals is of no consequence to the program managers. The "therapy" develops information which is of interest to the vast social

services bureaucracy which extends beyond the classrooms, and the information developed in the course of the role playing and group dynamics sessions which shape the DARE discussions, is noted and catalogued by the officer, who develops dossiers on the families of the students, ostensibly to profile potential cases of abuse or neglect. The information developed by the DARE officer is transmitted to specific state agencies which maintain reports on "suspected" child abuse, and other family problems.

The DARE officers make use of techniques developed by Carl Rogers, who pioneered the "non-directional" psychotherapeutic techniques (generically known as "group therapy") which are now being imported into all manner of educational curricula. Rogers's work was popularized by his student J.T. Hart, in a book called *New Directions in Client Centered Therapy*. The book was published in 1970, and served as a how-to manual for spreading group dynamics therapy into every conceivable social setting. This was the substance of the New Age movement, which spawned the plethora of pagan cults which have been "mainstreamed" into American culture. The personality theories of Abraham Maslow, who rejected behaviorism and psychoanalysis in favor of an approach he called "humanistic," were incorporated by Rogers and the New Age apostles.

Maslow himself spent his last years repudiating the feel-good ethic of Rogers and the New Age movement, and his student W.R. Coulson continues this effort to this day. The use of group therapy techniques aimed at encouraging "self-actualization" (this is called "affective education" when applied in the classroom) was dangerous with adults, Maslow concluded, and would produce outright psychological disorders if applied to children, since the exaggerated effort to create an unearned sense of self-esteem destroys the child's ability to identify evil within himself. Coulson warns that these programs will have a "time bomb" effect on the next generation.

History of DARE

DARE began in 1983, as a project of the Los Angeles Police Department in conjunction with the Los Angeles Unified School District. Dr. Harry Handler, superintendent, and Dr. Ruth Rich, a health education specialist, reviewed programs under development in the behavioral training lab cir-

cuit, and concocted DARE, which concentrated on “techniques for resisting peer pressure, on self-management skills (decision making, values clarification, and problem solving), and on alternatives to drug use” (*Program Brief, Invitation to Project Dare*, from the Bureau of Justice Assistance).

Despite the fact that no official study could demonstrate any positive value to the radical program, DARE quickly became the premier anti-drug educational curriculum in the country, something which could not have happened without the efforts of Daryl Gates, former chief of the Los Angeles Police Department—which, at the time, was the most sophisticated and one of the most respected police departments in the country. Chief Gates lent his wholehearted support to DARE, thus validating it among law enforcement officials who otherwise would tend to shy away from such New Age schemes.

While it may be debatable whether Gates understood the full nature of the DARE program, it is clear from his public utterances in support of the program that he has been subjected to a “light rinse” in the New Age laundromat. Gates might be caricatured as a product of “assertiveness training on steroids,” but his flawed views are representative of the outlook of the millions of American parents who approvingly watch their children get brainwashed in school every day, by DARE and similar programs.

DARE is the result of the fact that the United States did not launch a real War on Drugs. It was the substance of the “Just Say No” campaign of Nancy Reagan in the 1980s, which marked the end of the Reagan administration’s efforts to forge a serious War on Drugs on the international level. Instead, it turned anti-drug politics into a domestic circus. As this magazine has documented, the Anti-Defamation League, in conjunction with drug runners operating in the orbit of Lt. Col. Oliver North, took advantage of this shift to launch an effort to bankrupt and silence those calling for effective action against the financial centers of drug money laundering, and eventually succeeded in jailing Lyndon LaRouche and several associates. Government prosecutors in cahoots with the ADL made it clear in court that they were retaliating against the book *Dope, Inc.*, commissioned by LaRouche. That politically motivated prosecution, along with the launching of the Contra guns and drugs supply operation, signalled the abandonment of even any consideration of the kind of policy option which LaRouche had put forward to the administration, for an effective international War on Drugs.

According to the above-mentioned brief of the Bureau of Justice Assistance, in 1983-84, ten officers taught the DARE curriculum to more than 8,000 students in 50 Los Angeles elementary schools; by 1986, the program encompassed all schools in the city. Gates invited other jurisdictions to send officers to Los Angeles for 80 hours of intensive DARE training, drawing officers from 33 states representing 398 agencies, at which point the BJA agreed to fund the establish-

ment of multiple DARE regional training centers, which became operational in 1988. These centers are governed by a board which includes two representatives of law enforcement and one educator from the BJA. Also in 1986, the BJA awarded federal grants to numerous jurisdictions to participate in training, and the Department of Defense agreed to incorporate the program in all of its anti-drug programs in schools for military dependents. The program then went international, with New Zealand first, and England and Australia following soon thereafter.

According to the BJA, “The most important component of the training is the modeling of each lesson by experienced DARE officers (or ‘mentors’). Each trainee then prepares and teaches one lesson to fellow trainees, who play the role of fifth or sixth graders, and who subsequently evaluate the officer’s performance. Mentors advise and support trainees throughout the training, by helping them prepare for presentations and offering suggestions for improvement.”

What this actually means is explained by articles published in the *Empire-Tribune* in Stephenville, Texas, which reported that DARE training involved officers being subjected to a regimen which begins with the issuance of a teddy bear to each participant, who must sleep with his teddy, “protect” his teddy, tell his secrets to his teddy, etc. (This is the thematic basis for Justice Department-sponsored programs such as “Bears Against Drugs” and other similar government programs.) The candidates are then subjected to therapeutic sessions where they “learn to cry,” “re-experience their childhood,” and “face the emotions inside.” They participate in psychological techniques designed to “break down barriers built from being policemen.” In “communications training,” officers “grope around, blindfolded, able to communicate only by tapping each others’ palms. . . . Or . . . writing poems. . . . Or guarding their teddy bear from harm.” These exercises are “intended to change the officers’ most basic ideas about police work.”

The attack on traditional law enforcement outlooks is blatant enough that, on average, 10% of the candidates (a self-selected, pre-screened elite group of officers), become morally repulsed with the training and drop out. “They don’t have the right attitude,” an administrator says. Religious officers report that the program is aggressively amoral and New Age.

The graduates of the program are relieved of normal police duties, and in fact are forbidden to make arrests in the community, since that would break the “trust” they must establish with the target group of students. These officers report on their work directly through their “mentors” in the DARE network, which exists as a parallel, supra-police agency.

‘It was as if we’d driven them to drink’

DARE draws its techniques from a variety of psychotherapeutic devices which were evaluated in a study conducted

Psychiatrist shows how reading levels dropped

The "New Age" approach to education, which the DARE program typifies, is having a disastrous impact on how children learn—or fail to learn—the Three R's. In his book *On Learning to Read* (Alfred Knopf, 1982), psychiatrist Bruno Bettelheim advances various hypotheses on the decline of reading in the United States, focussing on the role of grade-school primers as they have *devolved* over the years, and on the destructiveness of their boring repetition on a child's desire to learn to read. He cites a 1971 study by Harris and Sipay which documented a shocking decline in the content of the most widely used primers. (This was before the full onset of "affective education," and the situation today is much worse.)

"Harris and Sipay report that the first readers published in the 1920s contained on the average 645 different words. By the 1930s, this number had dropped to about 450 words. In the 1940s and 1950s, vocabulary had become further reduced to about 350 words. Analyzing seven basic readers series published between 1960 and 1963, they found that 'the total preprimer vocabulary ranged from a low of 54 to a high of 83 words; primer vocabularies from 113 to 173 words.' "

The readers became perforce repetitive and dull. Bettelheim notes that even the least verbal group of first graders has command of about 2,000 words, which cuts through the argument that children from culturally deprived homes need such simple readers. On the contrary, as he shows, the manifest decline in reading skills, which was used to justify continuing reductions in vocabulary, is actually due to children's increasing boredom with the material presented.

This negative assessment has been repeated in studies conducted by a variety of academic behavioral psychologists, the latest done in Kentucky in 1991. These studies all show that DARE and its progeny are capable of changing the "attitudes" of students toward drugs, but not their behavior. DARE officers "test" the children at the end of the course, and the children politely repeat what the nice policeman has been telling them to say for the last 17 weeks—and then go out and use drugs anyway, often at higher rates than if they had never met the DARE officer at all. Advocates of the DARE program cannot produce a single study, except these useless questionnaires filled out by the students themselves, which shows that a child subjected to the curriculum is less likely to use drugs than one who is not. Since the bulk of the claims on behalf of DARE come from the officers who administer it, it is useful to note that the *DARE Implementation Manual* instructs the officers that "the DARE officer's classroom performance is graded by (among other things) how well he rephrases students' responses as needed."

Judy Mclemore, an anti-DARE activist in Alabama, notes that one of the most damaging indictments of DARE comes from "Nata Preis of USC's Project SMART . . . [who] said that in its first year her institution's experimental alcohol education program . . . stressed decision-making and self-esteem for children. . . . On conducting the scheduled followup research, however, *she and her colleagues found significantly more members of the experimental group than the control group imbibed. . . . It was as if we'd driven them to drink!*" In fact, they had.

Project SMART was designed to compare two parallel systems of "resistance training," one focussing on social forces (parental pressures, etc.) and the other focussing on affective elements. The issue being addressed was the apparent superiority of the methods which appealed to social pressure and the example of authority to induce a change in attitude toward smoking, alcohol, and drugs. As will be seen, this "social forces" program itself is no prize, and the "affective" curriculum is even worse. SMART was supposed to find ways to make the affective approach, which does not have the "defect" of appealing to parental or adult models of behavior, as effective as the social curriculum. The improvements in the affective methodology which resulted from this work led to the DARE program.

The course outline for the Social Curriculum includes the following topic headings:

- Promoting group identification
- The nature of peer pressure
- Role playing
- Role playing resisting peer pressure to use drugs
- Positive and negative parental influences
- Saying "no" (practice)
- Public commitment
- Videotaping of students' commitment to say "no" to pressure to use drugs.

By comparison, the Affective Curriculum differentiates

for the National Institute of Drug Abuse (NIDA), called "Project SMART." Project SMART was reviewed by a group of psychiatrists from the University of Southern California in a paper published in the *Journal of Preventive Medicine* in 1988, and that review states flatly that the techniques utilized in the DARE curriculum had a *negative* effect on the students who were exposed to them. The summary concludes that "by the final post-test, *classrooms that had received the affective program had significantly more drug use than controls.*" The SMART study is the basis for a RAND Corp. program using similar techniques, and underlies a family of "anti-drug" programs which go by the name ALERT, as well.

itself with lessons devoted to:

- Alternative solutions to problems
- Deep breathing
- Self-monitoring
- Goal setting, Part I
- Goal setting essentials
- Drug use interference in personal goals
- Deep breathing (practice)
- Goal setting, Part II
- Setting a personal goal
- Deep breathing (practice)
- Building self-esteem
- Assertiveness, Part I
- Making assertive statements
- Muscle tension—relaxation
- Assertiveness, Part II
- Muscle tension—relaxation
- Public commitment
- Videotaping of students' commitment to engage in alternatives instead of using drugs.

In sum, the “affective” approach modelled by Project SMART is, if anything, even more insidious than the more conservative “social curriculum” approach, though both are outright brainwashing schemes of Orwellian dimensions. They attempt to destroy and then reform the value system of the child, in order to encourage the child to “make his own decision” about the use of drugs. Reliance on parental authority or adherence to religious strictures is viewed as a *negative* factor to be overcome. Not surprisingly, successful administration of the program produces adolescents who are (falsely) confident about their judgment in such matters, and frequently “make their own decision” to use drugs anyway.

A Benthamite judicial concept

Both curricula reflect the axiomatic view of American criminologists and social scientists, that individual morality is merely the result of a rational submission to social pressure by an individual who is otherwise driven by asocial hedonistic impulses. This Benthamite concept has dominated the field of criminal justice throughout American history, and was most recently popularized by criminologists Wilson and Herrnstein of Harvard. This view counterposes itself to the idea that each individual, even the criminal, is created in the living image of God, and is therefore capable of rehabilitation (or, redemption) if given the proper circumstances and spiritual guidance.

It is no secret that the majority of the Supreme Court is actively partisan in support of the Benthamite thesis. In a speech delivered to a crime summit last year, Justice Sandra Day O'Connor called for a “new Great Awakening” as the only way to stem criminality. The nineteenth-century movement she wishes to revive combined prohibitionism with a variety of social reform movements, which were based on the idea that membership in various “clubs” (YMCA's, masonic associations, and so on) would create social pressure to deter criminality.

The prohibitionist movement of the nineteenth and early twentieth centuries was not merely “anti-alcohol,” but, like the DARE propaganda of today, was part of a broader approach to social policy. The prohibitionists insisted that if the poor would simply stop drinking, for example, they would no longer be poor, and prohibitionist propaganda was explicit in its rejection of the need for reform of the monetary and

economic policies of the nation. Prohibitionist rhetoric is directly comparable to the “family values” rhetoric of today, in that it asserts that failure (poverty) is primarily a result of the refusal of the individual to conform to or “join” specific social institutions. Both theories invert reality in order to avoid facing the fact that the existence of *endemic* poverty, drug abuse, and other social ills, is evidence of some failure in the monetary and social and governmental policies of the society as a whole.

If you examine the two counterposed curricula studied in Project SMART from this standpoint, it will be clear that these are not mutually exclusive programs, since they share basic assumptions. The Affective Curriculum's “self-esteem” is the cognate for “peer pressure” in the Social Curriculum, and so on. DARE proponents attempt to distinguish between the supposedly opposite approaches in order to duck the repeated findings that affective education always increases the use of drugs among the target group, since it more effectively dislodges the student from any norms of adult society. Even a study published in *Health Education Research* (Vol. 6, No. 3), which evaluated DARE as if it were a distinct form of “social skills” program—which it isn't—was unable to come up with any more favorable conclusion than that “DARE demonstrated no effect on adolescents' use of alcohol, cigarettes or inhalants, or on their future intentions to use these substances.”

The “affective education” referred to in the studies is code talk for behavior modification programs which are endemic throughout the school system, and industry as well. In general, the term means that the moral or “value” base of the target is being manipulated through a variety of devices, including role playing, group dynamics, physical exercises, and confrontation sessions. SMART and its derivatives and offshoots, were developed as “anti-smoking” campaigns, and have been used to justify the enormous funding poured into the anti-tobacco lobby over the past 10-15 years. Virtually all of the government's propaganda in this realm is shaped by the social-psychology research done by SMART and the labs which created it, and just as DARE does not reduce drug use, there are no statistics to show that there has been a reduction in the number of people who smoke cigarettes, even if there have been slight shifts in the demographics of smokers.

This is the model of the “new prohibitionism” which is shifting its focus to alcohol, especially wine.

The most important point is that these programs utilize techniques of social manipulation, not reason, to achieve their goal. The social manipulators admit that they are targeting “gateway” examples of what they call bad behavior by adults—parents in particular—and thus are opening the door to further attacks on the authority of the family.

The government bureaucracy at all levels participates in this policy of ersatz prohibitionism, producing the propaganda slogans which appear throughout DARE literature. For

example, the "style manual" of the Office of Substance Abuse Prevention instructs that "'Alcohol and other drugs' is the suggested expression when writing about drugs, including alcohol. The use of this expression emphasizes the too-often-overlooked fact that *alcohol is a drug*." Later, the manual reiterates the point that "'alcohol and other drug use' or 'abuse' is the preferred expression. Avoid using 'substance abuse' or 'substance use' because these terms are very broad and many people believe that these terms do not include alcohol." The child who accepts this formulation as authoritative has implicitly accepted the idea that his parents (if they smoke or drink wine) are "drug users." At that point, the more serious "mind games" begin.

What the DARE officers do

The main focus of the activity of the DARE officer is the 17-week course he or she administers to each of the classes in the schools he or she is responsible for. The Arizona Regional Training Center hands out a brochure to DARE officers which explains: "What You Might Expect of Fifth/Sixth Grade Students." The brochure reveals some very important elements of the mind set cultivated among the uniformed, armed psychoanalysts this program deploys against American schoolchildren:

"Fifth and sixth grade students are at a fascinating age. Many changes are taking place in their bodies, both emotionally and physically.

"You will observe a vast difference among the children. Some will be physically developed to a greater degree than others. . . .

"For the most part, the girls will be developmentally ahead of the boys. You will observe some very interesting behavior because of this phenomenon!

"You will inevitably find a few children who will want to try you. But generally, you will find the children to be controllable. Many at this age are still quite anxious to please adults. . . .

"Fifth and sixth grade students are still *infatuated with the police officer*. They will be most impressed with your uniform and all the accoutrements. Police officers dominate much of their television viewing time. . . .

"One of the reasons that DARE employs a uniformed police officer for curriculum delivery is that *we capitalize on the children's fascination with the officer*. The officer has instant credibility with these youngsters.

"You can certainly expect that many of these children are starved for attention. They are also starved for positive role models in their lives. In that setting *we have the potential for the development of strong relationships*. The DARE officer must be aware that *many of these children will seek to 'adopt' the officer as a father*. This can be a sensitive situation and must be handled delicately. . . .

"*You can expect that most of the children will be anxious to win your approval*. . . .

"These children will *regularly fail to observe the rule that we don't mention a family member or friend's name in class*. . . . *This is one of the rules most often forgotten*" (all emphasis added).

The last point is perhaps the most revealing. A DARE instructor at the Huntsville, Alabama training center was overheard explaining, "These kids will tell you everything; they'll tell you things that Mommy and Daddy would not want you to know." And that is one of the most important points of the entire DARE program. All the information elicited by the officers during the course of the group therapy sessions is logged and catalogued, and is available only to the DARE officer and those he or she reports to. One piece of DARE literature explains that in one exercise, students are asked to list, neutrally, various types of "feelings," and "the students are then asked to describe the times when they experienced one of those emotions. . . . The DARE officer introduces the idea that everyone has good and bad feelings by asking students a series of questions about what makes them happy, angry, scared, or sad. Students are called on to act out each of these emotions" (*Implementing Project Dare*, p. 49).

The ostensible reason for recording the musings of children is to encourage them to talk about "such problems as abuse, neglect, alcoholic parents, or relatives who use drugs." According to the *DARE Program Brief*, "Officers are trained to report and refer these cases to the appropriate school administration and state agency."

There are two points which need to be addressed with regard to this, admittedly sensitive, business.

First, as recent exposés in Maryland, Missouri, and elsewhere have shown, the government bureaucracies which have anointed themselves the saviors of "abused children" are constructing lists of parents who have been labeled "abusive"—even though in many cases, this label is pinned on the parents by impressionable children, or even the children of neighbors, who gossip to a school psychiatrist, a social worker, or some other official. (Keep in mind that the FBI is famous for suppressing evidence of the truly *organized* abuse, i.e., Satanism.)

The label "abuse," once applied, sits in a state file, and, as increasing numbers of unfortunate parents have learned, it can crop up to haunt them many months or years later, since these computerized lists are swapped freely among social workers, school officials, and police—everyone except the parents. The parents have *no right* to know that they have been so labelled, and have very little ability to fight the stigma which the secret label creates. For those who entertain the notion that such government practices are an illegal violation of individual privacy, note that the Education Commission of the States publishes a manual for bureaucrats which explains how to engage in "information sharing" without violating confidentiality laws.

Second, even if such lists could be presumed accurate,

Public scrutiny makes DARE trainers 'mad'

Alabama anti-DARE activist Judy Mclemore and a friend secured permission to attend a training session for DARE officers, and soon discovered that the officer subjected to this training has a very fragile sense of identity, easily threatened. Sergeant Osmer, who had spoken to Mclemore before the training session, told her that "anyone who didn't like the DARE program was his 'enemy' and if anyone messed with the DARE program 'it will make me mad.' "

Mclemore and her colleague requested to see a copy of the DARE training manual being studied by the officers (which, according to federal law, should be available to every citizen), and quickly found that they had poked into a hornet's nest. First, an officer was assigned to sit with the two observers, but this officer left after becoming uncomfortable with the arrangement.

Mclemore reports: "At this point, Captain Randy Amos came over and sat down behind us and stayed for the remainder of that session. At break-time, he came up and said that he wanted to talk to me. I could tell that he was upset but still had no idea what had occurred to cause him as well as the others to be so agitated. . . .

"He began by saying that the DARE Board had met

that morning and voted on whether to allow us to attend the training or not, and had decided to allow us to attend. But, he stated, 'you have been disruptive during the entire day.' By this time, many of the officers had gathered around us. I searched my mind for any disturbance we may have inadvertently caused but came up blank. So I asked him, 'how did we disrupt the meeting?' He replied, 'because you are resented.' More confused than ever, I then asked him exactly why were we resented. The Captain explained that all the men were aware of a letter that I had written to Governor Guy Hunt and therefore resented our presence at the seminar. . . .

"The officers seemed totally convinced that we were the enemy and by this time, we were surrounded at every turn by a DARE officer. They were making statements and throwing questions much faster than we could possibly answer. (It occurred to me at this time what an interrogation might be like.)"

She turned on the tape recorder she had brought to the seminar while this confrontation occurred. One officer reached over and turned it off, and later, another stole the tape. "To say the least, I was revolted. I recalled how only a few hours earlier I had seen a statement in the DARE workbook that read, 'Stealing a cassette is an example of a high-risk low-gain behavior.' And my mind immediately went back to the humiliating treatment we had just endured from the DARE officers." The police later admitted that they had, indeed, stolen her cassette; but they did not return or replace it.—*Leo Scanlon*

the broader social question is: Should such problems be addressed by government agencies, police agencies, in the first place? While one is naturally sympathetic to the plight of those who are truly victimized, there is something chilling about the image of a uniformed representative of the state police agencies passing out candy and teddy bears to children who are then induced to complain to the state about their family circumstances.

Behind the concern about "nipping abuse in the bud" there lurks a more arrogant and ominous attitude, reflected in a DARE manual handed out to officers instructing in the middle school grades:

"Many child development experts believe adolescence is stormy because *adults are ambivalent* about how grown-up they want youths this age to be . . . *adults often expect more than adolescents are capable of giving* . . . the simple ideas and truths that *adults* may have presented earlier no longer work for adolescents . . . adolescents want *explanations and real answers*."

The manual goes on to lead the officer into the real meat of the DARE program, the exploitation of adolescent conflict

by an adult who wishes to alienate the child from the influence of parental religious or moral values. While it is of course true that adolescence is a natural time for questioning one's parents' authority, it is quite another matter when a third party, a policeman, intervenes to *steer* that process in such a way that family ties are further weakened, telling a 12-year-old that he is now "an adult," the peer of his parents:

"Adolescents are beginning to recognize that everything is not strictly *good or bad, right or wrong*, but that there are *shades of gray to moral problem solving and decision making*. As a result, they are influenced less by the power of individuals who are bigger, older, or in authority, and more by *their own ability to make moral decisions* . . . the best way to present information is not through threats, statistics or *lectures about morality* . . ."

The officer is taught to encourage the child to act on his or her own "independent process of judgment." It is no wonder that the effect of such a New Age schema is to increase the use of drugs—after all, the 12-year-old is no longer interested in the attitudes of the parents. As the DARE officer is instructed to explain to the sixth graders, they are "no

longer little boys and girls. *We're adults now*. We'll be talking on an adult level" (emphasis added).

The cult of the DARE officer

As the series in the *Empire-Tribune* newspaper illustrates, DARE officers are themselves the victims of dangerous psychotherapeutic practices. The destruction of the officer's identity as law enforcement professional is essential to creating the new identity as a therapist. Of course, the therapist moniker does not come with a medical license, and the officer does not give up his uniform, his gun, or his badge. In fact, our newly minted "therapist" is now conducting free-lance mind bending under the direction of his DARE mentors. This identity is perfectly suited to the mentality of the individual who sees himself as "above the law" and who believes that his special status as a psychological manipulator entitles him to powers and authorities which are actually extralegal.

Foremost among those extralegal powers is the right to keep secret records of the conversations he has with children. According to a *DARE Program Brief*, when students tell officers about "such problems as abuse, neglect, alcoholic parents, or relatives who use drugs . . . officers are trained to report and refer these cases to the appropriate school administration and state agency." As one observer of the DARE program says, "I guarantee you the DARE officer knows what you think of your neighbors, what kind of jokes you tell, what kind of books you read, and plenty of other things."

Mommy and Daddy often get a little worried about some of the things they find in junior's DARE workbook, so the *DARE Implementation Manual* suggests that after the children have completed 6-8 weeks of the program, the DARE officer hold a parent meeting to allay "suspicions" and assure the parents "that they are there to serve as role models, not to collect undercover information."

What is this concept, "role model," all about? Why should a policeman be the role model, rather than the parents? Of course, if you have abandoned your children to MTV, the policeman looks like a positive alternative. Unfortunately, DARE just makes a bad situation worse.

The DARE officers are no longer in the business of enforcing the law. They are in the process of becoming members of a *cult*, and betray the paranoid and secretive behavior common to all secret societies. The very words used in the DARE manual cited above emphasize that children under the effect of the program will eventually forget why they initially became attracted to the authority figure, and will "worship" this figure "like a hero."

This last point raises one of the more serious problems represented by the popularity of programs such as DARE. The destruction of the image of the heroic individual is a conscious policy of the American cultural elite of this generation. The soldiers, statesmen, and scientists who built the country have been denigrated and their struggles and accom-

plishments ignored, while the entertainment media have cultivated the violent, eroticized, existential anti-hero as the only image allowed to be represented in the culture. As the spread of "political correctness" on college campuses shows, this generation is increasingly susceptible to new and insidious forms of totalitarianism.

An organization of police officers who are cultivating themselves as "heroes," is a particularly dangerous and unhealthy influence on the children of a nation facing this internal threat.

DARE fronts for drug legalization

The official actions of DARE officers show that they are opposed to parental efforts to teach children to obey the law of the land (except when they "feel good" doing so). Parents in Alabama introduced a measure, House Bill No. 302, which contained the following paragraphs, dealing with anti-drug education programs, mandating that they include:

"2) Information conveying to students that the use of illicit drugs and the unlawful possession and use of alcohol is wrong and harmful and is punishable by fines and imprisonment"; and "4) Conduct that is illegal under state or federal law, including but not limited to, illegal use or distribution of controlled substances, under-age alcohol use or distribution, sexual intercourse imposed by means of force, or sexual actions which are otherwise illegal, shall not be encouraged or proposed to public school children in such a manner as to indicate that they have a legitimate right to decide or choose."

Sgt. Charles Thompson, president of the Alabama DARE Officers Association, Winston County Sheriff's Department, wrote to all county sheriffs in the state, demanding that they *lobby against* against these sound and simple admonitions:

"This letter is to inform you about the above referenced bills that are currently being proposed. . . . These bills, if passed as is, would return *all* Drug Abuse Prevention Programs to those that rained *scare tactics* upon youth in the late sixties and seventies. We can all attest to the fact that these programs at their very best were minimally effective, they did not work then—they won't work now. . . .

"These Two Sections, as referenced, would effectively remove *decision making skills* and *critical thinking* as prevention techniques from *all* currently practiced curriculum. These Sections would eliminate your local School System's right to choose the Drug Education and Prevention Programs that they are now free to choose."

There is nothing secret about DARE, its contents, its origins, or its purpose. Normally, the parent is given the opportunity to have a child "opt out" of the program, although unfortunately very few do. Those parents who are properly agonized over their children's propitiation of their peers, and are hoping that a police officer can cure that personality defect, should first look in the mirror and examine the peer the child should emulate. Tom Sawyer summed it up: "Anyone who takes a DARE will suck eggs."

The Pumsy program's mind benders invade elementary schools

In Virginia and many other states, an insidious program is currently in effect that combines hypnosis and eastern mysticism to brainwash elementary school children into joining the "feel good" society. Known as Pumsy: In Pursuit of Excellence, it is one of several curricula used in mandatory guidance counseling programs required for all public school children in Virginia. A guidance counselor coaxes children into a guided fantasy, featuring a dragon named Pumsy and her Friend.

A song used in the program, sung to the tune of "Frère Jacques," conveys the "me-centered" idea:

"I am special, I am special, So are you, So are you.

"I am enough, I am enough, You are too, You are too."

George E. Twente II, M.D., doctor of adolescent and adult psychiatry at Decatur General Hospital in Decatur, Alabama, is circulating an open letter, dated Feb. 20, 1992, which is highly critical of the program. Here are brief excerpts:

. . . Another aspect which concerns me in some of the programs used in the public school system is that they tend to imply that the answers to the child's problems are within himself. This approach is directed toward kindergarten and elementary school age children when it is well known that developmentally, children of this age are normally dependent on external authority for guidance and security. . . .

In general, hypnosis is described as creating an altered state of consciousness, a partial sleep. The person being hypnotized is responding to suggestions in an uncritical and automatic fashion. . . . Appropriate hypnotic suggestions also can prompt the subject to embrace false beliefs or delusions, for example, a belief that they lived in previous lifetimes. . . .

Induction of hypnosis requires little training and no particular skill, a tape recording often being sufficient. Even though little skill is needed to induce hypnosis, considerable training is needed to evaluate whether it is appropriate or not. When used in the treatment context, hypnosis should never be employed by individuals who do not have the competence and skill to treat such problems without the use of hypnosis. . . . Improperly used hypnosis may add to the patient's psychiatric or medical difficulties. . . . Of particular concern to

me is that children are told that they can feel the way they want to feel just by using self suggestion or self hypnosis. . . .

In particular, I want to talk about the *Pumsy: In Pursuit of Excellence* program that is used from the first grade on through elementary school. In the program summary it says, "Pumsy decides how to stop waiting for something good to happen to her and learn how she can feel good about herself all by herself." Most of the Pumsy Program is dependent on hypnotic trance induction and hypnotic suggestion. Most of the slogans that are used, such as, "I can choose how I feel," "I am me, I am enough," and "It's good to have a friend," are all introduced to the child in an altered state of consciousness or hypnotic state. I will give you an excerpt from Session 6 which is typical of hypnotic induction in all the sessions but this one in particular has to do with manipulation of feelings.

"Session 6. Discuss how we can use that power in whatever way we want. That is, we can choose to have positive thoughts or negative thoughts, and nobody can stop us. Nobody can make us feel bad, and nobody can stop us from feeling good—unless we let them. That is a lot of power!

"Painting Mind Pictures—To Be Read Aloud Slowly: Let's take a moment to paint a Mind Picture. Relax and get comfortable with both feet on the floor. Let your shoulders relax, and let your arms and hands rest in a comfortable way. Let your head relax. . . . Take slow, deep breaths. . . .

"Imagine for a moment that you are outdoors sitting next to a stream with water slowly going by you. It is a beautiful day with the sun dancing and sparkling on the stream in front of you. . . .

"Next to you on the ground is a pile of little rocks just the size that you can pick up very easily and wrap your hand around. These rocks have words written on them that say how we might feel. Some of the rocks have words for a good feeling. Other rocks have words for a bad feeling.

"You can pick up the rocks one at a time. The first rock you pick up has the word 'happy' on it. Do you want to feel that way? If you want to feel happy, keep the rock and put it in your picnic basket. . . .

"When you are ready, you may start wiggling your fingers, and then when you are ready, you may begin to move your arms around a little bit. Next, you may begin to open your eyes and repeat aloud with me in a clear, strong voice. . . . 'I can choose how I feel. I can choose how I feel. I can choose how I feel.' . . .

One of the problems we have in our society today is that young people and adults seek instant gratification. To suggest to the children that they can feel any way they want to by mind manipulation encourages this problem we have in our society today. . . . Part of this Session 6 states that by picking up a rock with "happy" on it, a child should be able to feel happy whenever he chooses to. This could encourage drug abuse by implanting the idea of instant gratification. . . .

Vatican is right: Dutch euthanasia law is Nazi

by Mark Burdman

The normally taciturn nation of Holland, where deeds, moral or immoral, are usually carried out with a minimum of words being spoken, was suddenly thrown into a complete tizzy over the Feb. 19-22 period, in reaction to charges by Vatican spokesmen that a Feb. 9 decision by the Dutch House of Commons to legalize euthanasia was reminiscent of the policies of the Nazis. On Feb. 22, the papal nuncio in The Hague, Msgr. Henri Lemaître, was summoned to the Dutch Foreign Ministry, and was delivered a formal protest by Foreign Minister Peter Kooijmans against the Vatican statements. Kooijmans said he would be sending the Holy See a copy of the new legislation, to clear up what he is claiming to be a misunderstanding.

There is no misunderstanding at all. The Vatican's warnings are entirely appropriate and carefully thought-out. On Feb. 18, the influential Msgr. Elio Sgreccia, who is secretary of the Pontifical Council of the Family and director of the Catholic Center for Bio-Ethics in Rome, told Vatican Radio that what is happening in Holland "is the logic which is implied in legalized euthanasia and the philosophy behind it: Once you overcome the border of respect of human life, you pass from the voluntary euthanasia to imposed euthanasia, according to a criterion of utilitarianism. You eliminate all lives which are an economic weight for the society. This, obviously, has to make us recoil in horror before a society and a kind of culture which is embedded in this logic."

Asked by Vatican Radio whether he was referring to the precedent of Adolf Hitler, Sgreccia responded: "Effectively, supporters of euthanasia, as those who support selective abortion of deformed fetuses, become offended if one evokes Hitler. In reality, the conclusion is the same, and that is, that you eliminate human lives that are considered not functional to that kind of society. For Hitler, Jews, or mentally ill people, were not functional. And for our society, which is more hedonistic than Hitler's, which was fanatically nazistic, there is the same way of thinking: We are always in the context of

utilitarianism."

His declarations brought an immediate denunciation from Dutch Prime Minister Ruud Lubbers, who is himself (at least nominally) a Catholic. "This is going too far," stated Lubbers. He criticized what he characterized as "incorrect and careless" statements by Sgreccia. Dutch Justice Minister Hirsch Ballin and Social Health Minister Simons attacked Sgreccia's comments as "alarming." One Dutch influential proclaimed shrilly to the Italian daily *Corriere della Sera* on Feb. 23, "We are not the empire of evil."

In his Feb. 22 meeting with Kooijmans, Monsignor Lemaître said that Sgreccia's statement only represented the latter's "personal opinion," and did not reflect the official views of the Holy See. The European press immediately portrayed this as a "retraction from the Vatican," but the reality is undoubtedly more complicated. Whatever motivated Lemaître's comment, the fact is that on the same day, the official Vatican daily *Osservatore Romano* echoed Sgreccia in substance, warning that the Netherlands was "moving toward a culture of death." The paper stressed that the policies being adopted by the Dutch state for euthanasia and abortion could lead to a policy of "race selection," and could further lead to a collapse into barbarism "with mortal effects." Stressing that the preconditions were being created for, one day, leaving alive only the "efficient and productive men and women," *Osservatore Romano* stated that Dutch politics "are already in the abyss."

Trend-setter for the cost-cutters

In response to the Vatican attacks, Dutch officialdom is throwing out all sorts of confetti, including lying to European journalists that there never was any legalization of euthanasia by the Dutch Parliament's lower chamber (the law still has to pass the Dutch Senate). But whatever denials and obfuscations are issued from Dutch officialdom, the fact is that a monstrous, *state-authorized* process is being unleashed in

Holland, with historical impact on both the past and on the future, and with the potential of negatively influencing developments far beyond Holland. Historically, Holland has become the first nation to break with the 2,000 year-plus tradition of the Hippocratic Oath in medicine, and to formally legalize the practice of euthanasia, otherwise known as murder. From a more recent historical purview, Holland has indeed adopted the same argumentation and approaches that were prevalent in Nazi Germany, although even the Nazis never took the *formal* step of legalizing euthanasia.

For the immediate future, the danger is that Holland will serve as a trend-setter for other countries, beginning with the United States and Great Britain, which will now point to the "Dutch model" in order to expedite the legalization of euthanasia in their respective lands. This will be particularly seductive for the transatlantic financial policymaking elites, who are seeking to preserve the bloated structures of international indebtedness by "cutting health costs" and by claiming that budget deficits are being caused by the expenses required to "keep the elderly alive."

The City of London's *Economist* magazine gave the signal for this approach, which closely echoes the Nazi diatribes against "useless eaters," by referring to U.S. senior citizens opposed to cuts in Social Security benefits as "white-haired shock troops." The liberal establishment media in the United States have begun to give prominent attention to a new group, "Lead or Leave," which is mobilizing support among younger people for the grotesque idea that Social Security is a "rip-off by the elderly" of America's younger generation, and that "greedy" senior citizens are to blame for the United States' economic problems. Writing in the *New York Times*, the group's co-founders Jon Cowan and Rob Nelson proclaimed: "Older voters and politicians be warned. Younger Americans aren't going to let you continue destroying our country."

In Britain, the composition of a new House of Lords Select Committee on Medical Ethics is being announced on Feb. 24. This group is mandated to come up with guidelines for euthanasia in Britain. Sources at the Voluntary Euthanasia Society in London told a caller on Feb. 23 that they were greatly encouraged by the Dutch lower house's "courage," and were confident that euthanasia would be formally legitimized in the U.K. during the course of the 1990s. In Britain, there is an ongoing, savage "rationalization" of health care, to reduce costs.

'In this way you kill the law'

The "Dutch way" of doing things on the matter of euthanasia is particularly insidious, incorporating all of the cunning, guile, and immorality that one would associate with the Roman Empire's Pontius Pilate. The law passed by the Dutch chamber can, from an Aristotelian, formal-technical standpoint, be portrayed to the gullible as not a legalization of euthanasia, since it "only" gives formal legal sanction

to medical guidelines for euthanasia cases that have been elaborated by the Dutch Medical Association, based on accumulated practice in Holland over a two-decade period. This is precisely what Dutch Justice Minister Hirsch Ballin told *Corriere della Sera* on Feb. 23. However, this is a sick joke, since those medical guidelines are carefully designed to expedite the practice of euthanasia, *both voluntary and involuntary*, on a grand scale.

As Monsignor Sgreccia stressed in his Feb. 18 comments, the reasoning which states that the Dutch Parliament decision only "puts under control an ongoing practice," and therefore did not actually legalize anything, is the kind of reasoning which "makes the situation even worse, because in this way you kill the law, which is no longer there to safeguard the good of people, but is just a registration of facts, even the most evil ones. You also have the killing of the force of law, which is a force protecting the good of the person."

The trick of the thing is that after a patient dies, the doctor is required to submit a report to a coroner, who is the *only* judge on whether certain guidelines were met or not. Since the patient is dead, he or she can no longer testify as to what happened, barring new capabilities of speaking from beyond the grave. Worse, there is *no autopsy allowed*, beyond a cursory review of the body of the recently deceased, to ascertain the actual cause of death. So, if a doctor has committed an act of euthanasia without the request of the patient, he *need not* report this. He can, instead, claim death was from "natural" causes. Of course, with the usual Calvinist respect for detail, the questionnaires that doctors must fill out after the death of the patient contain questions asking whether there was involuntary euthanasia, and if so, why. And technically, this is still illegal. However, the doctor simply need not answer the question truthfully. By this cute trick, which is actually *encouraged* by the Dutch legal system in accordance with a Dutch Supreme Court decision against self-incrimination, the doctor avoids violating a still-existing legal prohibition against involuntary euthanasia.

Here is the way that Karel Gunning, president of the World Federation of Doctors Who Respect Human Life and an opponent of euthanasia legalization, characterizes the law passed by the Dutch lower chamber: "This law makes it possible for a doctor to kill a patient at his own request, but also without request. The euthanizing doctor must inform the coroner and give him a report which shows he has paid strict attention to a number of 'requirements of carefulness.' This report goes to the public prosecutor, who may dismiss the case if he sees no reason to start prosecution. But he can only judge on the basis of the report, as the chief witness is dead. And the report is written by the euthanizing doctor himself. Will there be any doctor who will report that he has not met the requirements, thus condemning himself? Even our Supreme Court has ruled 'that the suspect may not be compelled to active cooperation with what can lead to his con-

viction'!"

The point here, is that the *vast majority* of cases of euthanasia are *involuntary*, although in the Orwellian state of Holland this is covered up by various semantic and legalistic obfuscations. Hence, while the official Dutch statistics for 1990 listed 2,300 euthanasia cases (where the patient was killed ostensibly at his explicit request, although even that is not ultimately provable), estimates are that 6-17,000 further deaths were one form or another of euthanasia. According to experts, there are thousands of cases in which one of the following three events occurred: 1) a doctor gave a lethal drug to a patient without his request; 2) a doctor gave an overdose of a certain medicine with the intention—explicit or implicit—to kill the patient; 3) a doctor discontinued treatment with the intent to kill.

In the Dutch legal-administrative system, the first of these three categories is classified not as euthanasia, but as “killing without request,” while the last two are called “normal medical practice,” which means that the reporting procedure is not even required.

Adding the various categories together, the number of euthanasia cases in Holland per year could be as many as 20,000, the which figure would be almost *one in six* of all deaths annually in the country.

This reality explodes the fraudulent sophistry of “soft” euthanasia advocates that a society should allow “voluntary euthanasia, with the consent of the patient,” but not allow “involuntary euthanasia without request.” Anti-euthanasia spokesmen in Holland correctly counter with the “slippery slope” argument, namely that once you allow for one form of euthanasia, i.e., murder, then other forms will quickly be sanctioned as well. They cite the precedent of Nazi Germany, in which the categories of people against whom euthanasia was committed rapidly expanded to include the handicapped, the mentally ill, and others.

Mental patients, newborn babies— who's next?

Holland is rapidly travelling down this direction, although the point need be stressed that in many ways, it is even worse than under the Nazis. Under Hitler, the whole process of deaths by euthanasia was carried out much more surreptitiously, with great secrecy shrouding what was going on, and the propaganda directed to the population justifying “mercy killing” being incredibly sentimental in tone, as if even Hitler's jackboots feared a backlash from the German population. It is estimated that, in total, some 30,000 people were killed by euthanasia under the Nazis. In Holland, there is a much greater *public acknowledgment and awareness* of what is happening, with the practices justified by a liberal-utilitarian philosophizing about “quality of life” and “ending suffering” which echoes the Nazis' line about those “lives that are not worthy to be lived.” Recently, Social Health Minister Simons, a member of the Dutch Labor (socialist)

Party, made the claim that what matters is “not quantity of life, but quality of life,” a simple invitation for the elderly to kindly leave the scene, by whatever means are most efficient.

In Holland now, the next targetted layer of the population for elimination are psychiatric patients. Some months ago, the chief inspector of health had, in response to inquiries, stated that euthanasia guidelines prevailing in Dutch medical practice “did not apply” to psychiatric and mental patients. However, early this year, as the Dutch lower house was debating the euthanasia issue, the same chief inspector changed his policy, and said that the guidelines *were* applicable to psychiatric patients. This, of course, would appear to any normal person to be not only criminal but ridiculous, since the guidelines are *supposed* to apply only to those “consenting” to euthanasia (which is not met in practice anyway), and a mental patient is not competent to make that judgment. But, as one anti-euthanasia activist told *EIR*, the parliament chamber's formal approval of guidelines for euthanasia ultimately leaves all discretion up to doctors and the appointed coroners reviewing the case. “The whole procedure leaves the patient unprotected, and now mental patients are unprotected. In fact, nobody's life is protected any more.”

One other “target” part of the population that is, by definition, also unprotected, is the newborn infant, and here too, the Dutch Nazi doctors are moving to impose their “quality of life” genocide. An increasing trend in Holland, according to experts, is euthanasia against newborn infants who are adjudged to have a “poor quality of life” if they are allowed to live. One main advocate of this is Prof. Zier Versluys of the University of Utrecht, who says that “newborn euthanasia” should be carried out in those circumstances in which the child's quality of life will be severely impaired.

With euthanasia thus expanding into ever broader layers of the population, the message has been clearly delivered, that complicit doctors have extraordinary powers of life and death over patients, and that patients are, in essence, unprotected. Matters have gotten to the point, that many Dutch citizens now carry cards in their wallets, stating that, in case of accident, they do *not* want euthanasia committed against them.

Mercy is not murder

To counter the Dutch process, the entire edifice of the argument, usually suffused with sickening sentimentality that killing can be an act of “mercy,” must be taken head-on. As Monsignor Sgreccia told Vatican Radop, in response to the questioner's probe that “those who support euthanasia, claim they are doing it out of humanity and mercy”: “It never can be mercy to eliminate the lives of others, and to eliminate pain, by killing the sick person. Mercy is something else: better cures for sick people, attending those who are dying, administering therapies which reduce pain. . . . In any case, a kind of assistance which is human, but which does not proceed to kill the life of the others.”

Russia's military flexes muscle; Ukraine independence threatened

by Konstantin George

Events in Moscow during February, reaching a peak around Armed Forces Day on Feb. 23, show that Russian President Boris Yeltsin's position is being steadily undermined in favor of an ineluctable trend toward restoring a "Great Russian" empire. The brutal Russian energy blockade against Ukraine, and Russian conduct toward Georgia in the Transcaucasus, express a stunning agreement among all power factions in Moscow to pursue this policy.

The sea-change in Moscow is already very far advanced, and it is likely to make expendable both personalities whose "duel" for power has been the subject of exaggerated western media attention: President Yeltsin and Parliament Speaker Ruslan Khasbulatov.

It is not really a question of a revived Soviet Union—which was, after all, only the last incarnation of Great Russia. Thus, while media coverage of Feb. 23 centered on the noise of 10-20,000 mostly elderly Communist and nationalist demonstrators in Moscow, the real news of the day was more ominous. The demonstrators demanded the firing of Yeltsin as an "enemy of the people," invoked a Russian policy aimed at restoring the Soviet Union, and called for the Army to play the decisive role in Russian politics and to champion this cause. Yet, as acknowledged by Yeltsin in an Armed Forces Day interview with the Defense Ministry daily *Krasnaya Zvezda* and openly hailed by Defense Minister Gen. Pavel Grachev on Russian TV, the Army already is calling the shots.

Army as 'guarantor'

Yeltsin in *Krasnaya Zvezda* called the Army "the guarantor of stability in society." General Grachev went further in his TV address, praising the Army, despite problems concerning the officer corps, as "the only reliable and well-organized force in society."

Grachev, citing the presence of Russian officers at a Feb. 20-21 weekend conference of old Communists and ultra-

nationalists, declared that the Army command won't allow the Army to be misused for political purposes, and that all attempts to "split the Army" will be quashed. Grachev announced that disciplinary action will be taken against 3,000 officers on counts of "corruption," and formal charges will be pressed against 46 "generals and other officers" for the illegal sale of military aircraft.

If that was the "stick," Yeltsin underscored the "carrot" in his interview. He reported that in January the basic pay for soldiers had been tripled, and the basic pay for officers increased fivefold. He also said that from now on, "members of the Armed Forces" will have "priority" in receiving apartments.

Security Council draws the line

It is not the Army alone, but the tightly interconnected institutional alliance of the Army, the related security services, and allied military-industry complex and industry directors, who are running the show in Moscow. These forces together control the true organ of power, the Russian Security Council.

The Security Council, the post-Bolshevik "Politburo" set up in May 1992, is chaired by military industry "tsar" Yuri Skokov, an *éminence grise* of Russian policy-making. Its members include Vice President Rutskoy, Defense Minister Grachev, and the security and interior ministers. The Security Council also has the support of the powerful Civic Union industrial directors' lobby.

On Feb. 15 the Security Council issued an ultimatum to Boris Yeltsin to end the political chaos in Russia by calling off his threatened April 11 constitutional referendum. This action forced Yeltsin to meet Khasbulatov Feb. 16 to work out an agreement ending the political brawl in Moscow. The council warned Yeltsin that the "very precarious" economic situation would plunge over the brink unless he acted to prevent Russia from "sliding into total political chaos," by

calling off the referendum.

Quoted in the Feb. 18 *Nezavisimaya Gazeta*, council staff member Andronik Migranian declared: "Given the sharply deteriorating economic situation, it is suicidal to push the masses into a struggle." The referendum would "not only deepen the political crisis and polarize the various forces in the center, but it will also further the disintegration of the state."

Yeltsin backed down initially on the referendum, but this concession has not stopped the erosion of his powers. Khasbulatov appeared in Novosibirsk, Siberia, Feb. 19, openly challenging the legitimacy of the Yeltsin presidency. Khasbulatov asserted that Yeltsin had been elected President of a Russian Republic of the former Soviet Union, but never of Russia as an independent state. He demanded that Yeltsin surrender all of his presidential powers, and allow a "new leadership" of what he called "the creators" to come to power.

In Russia today, as in the last years of the U.S.S.R., the two negative dynamics of political and economic disintegration are feeding each other. The Russian elite, reflected in the Security Council and the Civic Union, knows that the March-April period marks the last chance to impose political stability and buy time before the economic crisis spins out of control. This was most pointedly expressed in mid-February statements of Civic Union leader Arkady Volsky, cited by Vienna sources. Volski told Austrian industry leaders that "the situation will deteriorate as long as there is no resolution to the political wars in Moscow," and that both Yeltsin and Khasbulatov will eventually have to "agree to stop this process of disintegration," or else Russia itself will begin to disintegrate.

Strong-arming Ukraine

Moscow's prime response to the Russian crisis is an iron-fisted policy aimed at reconquering the non-Russian republics of the former Soviet Union. The future of Ukraine, the most populous of these, and a potential economic powerhouse by western European standards, will be decisive in determining whether the post-Bolshevik independence of any of the republics survives this decade. Ukraine is being subjected to a level of economic chaos that makes Russia look tame.

When German Foreign Minister Klaus Kinkel was in the Ukraine capital, Kiev, on Feb. 16, he was told by Prime Minister Leonid Kuchma: "The situation in Ukraine is getting desperate. If present trends continue, the country could easily slide back into the old system. The people have had it. They can't take any more. They are faced with an endless downslide into pauperization. People say that in the past, we at least had bread and meat. That is no longer the case."

Kuchma said that the Russian oil embargo, joined by a natural gas cutoff set for Feb. 25, threatens a "full paralysis" of Ukraine, which is nearly totally dependent on Russia for oil and gas. In January, at the Moscow summit of Yeltsin and

Ukrainian President Kravchuk, Russia had promised Ukraine 20 million tons of oil for 1993. But during the entire month of January, Ukraine received not a single drop. On Feb. 16, Russian Deputy Prime Minister Shokhin announced an overnight natural gas price increase of 2,500%. Shokhin "offered" Ukraine a return to subsidized prices on the humiliating condition that Ukraine grant Russia permanent military bases on Ukrainian territory, and surrender all but minimal claims to a part of the Black Sea naval fleet. On Feb. 20, the Russian state gas company, Gazprom, ordered a complete stop of natural gas to Ukraine, pending Ukrainian payment of 165 billion rubles owed for January deliveries.

As the Russia leadership knows, Ukraine will get around this by tapping into the pipelines that traverse its territory before they reach Slovakia and then western Europe. Russia and its European gas customers will then blame Ukraine for Russian non-deliveries of gas—a malicious lie, since Russia has, if it chooses to let it flow, more than enough natural gas to cover both West European and Ukrainian demand.

Kinkel's visit illustrated how Ukraine is being strangled in concert by the West and Moscow. He responded to Ukraine's predicament by arrogantly upholding the Anglo-American policy of a total credit embargo against Ukraine. Under this policy, Ukraine must first ratify the START-1 and Nuclear Non-Proliferation Treaties, and agree to assume its "share" of the former Soviet debt, while renouncing its claims to a share of former Soviet assets. Ukraine's last foreign hope to break this vise was Germany; Kinkel scuttled it, and added insult to injury by treating Ukraine as like a Russian colony, so brazenly that his Ukrainian hosts were forced to publicly admonish him for "seeing Ukraine through the eyes of Moscow."

The other front where the Russian Empire restoration is moving apace is in the Transcaucasus Republic of Georgia. While feigning neutrality, Moscow has all along supported the separation of the Black Sea coastal region of Abkhazia from Georgia, with the aim of eventually annexing it into the Russian Federation. Last July, with Moscow's unofficial support, Abkhazia declared its independence from Georgia, and its desire to join Russia. Russian "peace-keeping" troops entered Abkhazia, acting as a screen to prevent Georgian forces from retaking the parts held by the Abkhazian separatists.

The Russian Army launched provocations designed to goad Georgia into an open battle, and thus give Moscow the pretext to drive the Georgian Army out of the part of Abkhazia it still holds. The provocations climaxed with a Russian air raid on the Abkhazian capital of Sukhumi. Georgia threatened to order a general mobilization. On Feb. 24, the Russian Defense Ministry raised the war danger threshold to its highest level yet, ordering Russian troops in Abkhazia and Georgia to "shoot to kill" any Georgian troops who got in their way. Then, Defense Minister Grachev, speaking in *Izvestia*, said that Russia can never relinquish Abkhazia because of the question of "access to the Black Sea."

Mistakes in Moscow and Washington behind dynamic toward World War III

by Gabriele Liebig

During the 1980s, there emerged twice the chance to place the East-West relationship on an improved basis. The fact that both times these chances were aborted, is responsible for the renewed fateful dynamic toward a strategic showdown between Russia and the West. In two recent interviews and a policy memorandum dated Feb. 23, Lyndon LaRouche explains that the first chance was in 1982-83, the East-West collaboration in what became the Strategic Defense Initiative (SDI), as LaRouche had outlined it and Reagan adopted it. This was aborted, when Soviet party boss Yuri Andropov rejected Reagan's offer.

The second chance was the East-West collaboration in rebuilding the ravaged economies in eastern Europe and the former Soviet Union following the shift of 1989, as LaRouche outlined in his "Productive Triangle" program of December 1989. This was sabotaged by the Anglo-Americans, who instead enforced a disastrous International Monetary Fund "shock therapy" on the former communist economies. LaRouche warned that the dynamic toward a new East-West confrontation could only be broken, if these two major mistakes and failures are admitted, and reversed.

Lyndon LaRouche himself, the author of both the SDI and the Triangle program, became a political prisoner in this process. His political prosecution entered a serious stage in 1986, when, only days prior to the Reykjavik summit, the U.S. government ordered a 400-man paramilitary raid against the Leesburg, Virginia offices of LaRouche-linked companies and organizations. After two political trials, LaRouche was sentenced in January 1989 to 15 years in jail and has been incarcerated for more than four years.

Back-channel negotiations with the Soviets

In an interview on Feb. 18, LaRouche told about the back-channel discussions he was conducting with the Soviets about beam-weapons defense in 1982-83, that had led up to Reagan's televised SDI speech of March 23, 1983.

"In late 1981, representatives of the weekly intelligence news magazine *Executive Intelligence Review*, with which I

am associated, were approached at the United Nations by a very high-level Soviet intelligence official. Certain questions and suggestions were made by this official to this representative of the *Executive Intelligence Review*. This was reported to me promptly at that time, and I asked the individual who had been contacted to write a memorandum of the exchange, and I forwarded an accompanying covering memorandum to relevant places in the U.S. government, giving my opinion on this matter.

"As a result, about a month later, the decision of the U.S. government communicated to me, was to ask me, under the National Security Act provisions, to undertake, on behalf of the Reagan administration, a back-channel discussion with Soviet high-level channels—to open up a new back-channel with Moscow.

"The agreement was, with my discussion of the clarification of this with the U.S. government, that what we would do, is that we would as a trial float, with full discussion with Moscow, what I was proposing, which later became known as the SDI. And that I would select, by probing, which channel in the U.S. we would use, for this back-channel exchange, which eventually was taken over by the National Security Council, to Moscow's top leadership. I picked a man in Washington who was approved, and we began discussions in February.

"As some will recall, there was a three-day conference in Washington in the middle of February [1982] where I publicly surfaced the same material that I was discussing with the gentleman from Moscow.

"So we fully explored all the features of my proposal for what became known as the SDI with Moscow. In about the beginning of February 1983, I had a clarification from Moscow, from Yuri Andropov, or his immediate circles. Yuri Andropov was then the General Secretary of the Soviet Union. The clarification was that they agreed with me that what was called the SDI the way I designed it would work as a ballistic-missile defense system. They agreed that the technological spin-offs of this for the economy would be

highly beneficial; but they said that they would not agree to this policy under any circumstances, because the United States and the West would have an advantage in this kind of program. Therefore, they were very interested in the other things we were talking about, they wanted to continue the back channel, but they assured me that their decision at that point not only was that Moscow would not accept it, but Moscow had a fix in with the top leadership of the Democratic Party to make sure it would not be adopted in the United States.

“Then [President] Reagan announced on March 23, in the concluding portion segment of his televised speech that night, the exact terms which I had previously indicated to the Moscow channel, saying that if the President were to offer this package, how would you react. The President of the United States, Ronald Reagan, on March 23 offered to Moscow publicly, by way of national television, exactly the proposal which I had presented to Moscow as the tentative trial-balloon proposal earlier. At that point, from the highest level, my back channel said, ‘We are shutting down the back channel. From the highest level, we are cutting you off.’”

Moscow demanded LaRouche’s imprisonment

“And immediately, I was attacked by the Soviets, first not by name, that is, not in print, but in May of 1983,” when Soviet agents were privately circulating slanders against LaRouche internationally. Not long afterward, “[Fyodor] Burlatsky, who is a KGB man, a top adviser to Andropov, in *Literaturnaya Gazeta*, which is a KGB publication, denounced the operation,” the SDI, as a *casus belli*.

This occurred in August 1983; for an annotated chronology of Soviet attacks on LaRouche and his movement, see *EIR*, Vol. 16, No. 4, Jan. 20, 1989 p. 50 ff.

“Meanwhile, all kinds of KGB operations against me were set into place around the world. In the fall of 1983, the Soviet government officially, through Burlatsky, identified me as a *casus belli*, saying that the existence of my personality and my position of influence in the U.S. government, would be a potential cause for a general thermonuclear war between the two superpowers. And that continued more or less; it quieted down under [Andropov’s short-lived successor] Chernenko, but when Gorbachov came in, the heat on me increased, and this led to the heavy demand on the U.S. government by Moscow, to the effect that there would be no agreement.

“The reason for this heat was, that I had warned them in 1982 and 1983, that if they did not enter into such an agreement to revive their economy and reorient this strategic situation, that their continued commitment to try to achieve a first-strike war-winning capability, would result in the collapse of the Soviet economy within about five years, that is, about 1988. They hated me for it, and saw me as being the evil genius who understood them and their problems and their economy all too well.

“Since then, I have had a lot of trouble. The Soviet intelligence services, in collaboration with the ADL and others including the prosecution team in Boston, promulgated the false reports that I had been the intellectual author of the assassination of Olof Palme. Following that, during the summer and early autumn of 1986, from July through October 1986, the featured articles in the leading Soviet press on the subject of me, echoed what was being said to the United States and others from behind the scenes through diplomatic and other channels. Moscow demanded of the United States government, that the United States government demonstrate a commitment to my elimination—and they used the word imprisonment—as a condition for the summit negotiations, which were then tentatively scheduled for October.

“Under the pressure of these pressures from Moscow, an agreement was reached between the Gorbachov government and the Reagan-Bush administration. And the British establishment as well. As a result of that, a raid was conducted against the headquarters of publishing organizations associated with me in Leesburg, Virginia, and elsewhere—a demonstrative raid, which was to signal to Moscow a commitment on the part of the Reagan-Bush administration to put me in prison and show the Russians they meant business on this thing, which assured the success of the Reykjavik Summit.”

LaRouche continued, “I was thrown into jail, and then kept there by Bush as a result of that New Yalta type of agreement between Gorbachov and the Reagan-Bush administrations.”

Long-term relationships among nations

In another interview on Feb. 22, LaRouche elaborated another crucial feature, of what he had discussed with the Soviet in those negotiations that lasted 13 months from February 1982 to the end of March 1983.

“The crucial feature in these exploratory discussions was something which was not much discussed, however, in the major media. That is, I pointed out to the Soviets that there was a long history of a relationship between the United States and Russia prior to the Bolshevik phenomenon, and that at various times in our history, especially during the middle of the 19th century, Russia, under, say, Alexander II, the Czar of Russia, had been an ally of the United States and had intervened on behalf of the United States during a crucial part of our history, the Civil War, to prevent Britain and France from invading the United States. That is what Russia did for us at that time. Czar Alexander II stopped the British plan to invade the United States on behalf of the Confederacy or if not invade at least to break the naval blockade of the Confederacy and to use British and French combined naval power to crush the United States.”

LaRouche said he told the Russians that “we had to look at things from a higher standpoint of national interest, not these ideological questions; that the Russian economy was in deep trouble, that is, the Soviet economy at that time,

1982-1983; and that the U.S. economy was in trouble—not as acute, but in trouble. Unless something was done, on the one hand we had the danger of first-strike thermonuclear war almost by accident, that is, where short-range missiles were so close to each other that a U.S. President, for example, had about two or three minutes' warning time before he had to push the button for full-scale nuclear war in case the missiles started coming at us. A very dangerous situation; as a matter of fact, the first-strike condition was maintained on the Soviet side into 1989. There was always a continuing danger of a first strike from the Soviet side into 1989, just before the collapse of East Germany occurred.

“So I proposed that, first of all, since an effective ballistic missile defense system could only be accomplished by aid of what are called new physical principles in the diplomatic language, and since those principles were now at the point of readiness or near-readiness of development to be deployed, I proposed that both the Soviets and the United States, with others, agree to ballistic missile defense based on new physical principles as a counterweight to the danger of first strike, and secondly, that we agree to share this technology for peaceful purposes, and to foster a general global economic development based on these new technologies.

“At the same time, I warned the Soviets, that if they rejected my policy as I proposed would become Reagan's policy, and if they continued with their alternative to my policy proposal, then within about five years or say the five year half-life of their capital cycle, the Russian and Soviet economies would break down beginning with an inevitable breakdown in eastern Europe, the Warsaw pact countries, which would start a chain reaction leading to the collapse of the Russian economy. It didn't happen quite in 1988, but it did happen in 1989.”

Eurasian development was sabotaged

“In response to the collapse that then occurred, I proposed the *Dreieck* proposal, i.e., the Productive Triangle proposal, which was blocked by the Anglo-Americans and others strenuously. If that had not been blocked, we would have rescued and bailed out the situation at that time. Instead, we went with IMF conditionalities and atrocities such as the so-called Sachs shock therapy plan. This aggravated the situation beyond belief, not only for the Russians but brought a situation in which the total collapse of the U.S. economy and the British economy became almost inevitable as long as the rejection of my alternative was maintained.

“What Bush did and what the British and others did, beginning in 1989 or 1990 with the fall of the [Berlin] Wall, was the worst possible thing. They said: Okay, the Russians are weak, they have to accept our diktat to some degree. We are going to destroy eastern Europe and its economy. We are going to destroy the former Soviet economy by these kinds of pressures.

“What they should have done—which they thought was

being too generous—was to cooperate in developing eastern Europe, especially Poland. But the United States and Britain have *wrecked* Poland, almost to an irrecoverable level.

“The Polish leadership, despite the fact that what the United States has demanded of them has wrecked the Polish economy (the Poles today are under far worse economic conditions than they ever suffered under communism), is clinging to the idea that the United States is their friend against the big Russian monster, and therefore, they must follow faithfully and with full belief whatever the Americans suggest to them on economic policy. That is causing a lot of Poles to starve.

“In Russia, there is a different attitude. Only a few people, most of whom are making money on swindles involving the U.S., Britain, and so forth, actually believe any of the hogwash which is coming by way of people like Jeffrey Sachs or the International Monetary Fund [IMF] or Washington. But the Russians believe, that in order to maintain a political-strategic balance, they must at least appear to accept the so-called free trade, deregulation reforms which Washington and London demand.

“The Russians actually do not believe in these reforms. They think the Polish model is insane. But they do not want to have a confrontation with the United States at this point, at least some of them. That is what Yeltsin represents.

“At the same time, other forces and most of the forces inside the Russian government—not just the military—are saying, ‘Yeltsin, if you continue this policy, you have got to go. Because we have reached the point that Russia will begin to disintegrate unless we dump these policies which your American friends have induced you to accept. That is the breaking point.’

“So instead of going into the post-Wall Europe and saying, let's go ahead with a science-driver/infrastructure development program, which would have opened the whole area up to a peaceful cooperation with the West for decades or longer to come, what we did was to go in with a short-term program, which was very destructive, and turned what had become a nation willing to cooperate with us—i.e., the former Soviet Union—into what is now becoming a bitter adversary again. It is one of the greatest follies in human history, this particular nonsense which was put into effect under the influence of the leadership of Bush and Thatcher.

“What is building up now in Russia in the so-called return of the hard-liners, is that a bunch of people are saying, ‘Okay. The United States and Britain are going to collapse’—and they are right. They are going to collapse at the present time. They say, ‘We have to wait. And we are going to be a superpower again.’

“That is the strategic threat. There is no possibility of an actual policy bailing the planet out of the mess to which it has found itself unless we look at the policy decisions which were the turning points, the crossroads decisions which led to this disaster.”

The big stick behind the Vance-Owen plan for the Balkans: Russian troops

by Katharine Kanter

As Bosnia slides toward oblivion, the single most fateful decision in the debacle was taken in mid-February, and no one seems to have noticed. On Feb. 18, according to reports in the British press, Valery Churkin, Russian envoy to the “Yugoslavian” “peace” talks in New York, agreed with U.S. and British envoys Cyrus Vance and David Owen that 15,000 Russian troops will shortly be sent into Bosnia and Croatia. The next day, the Russian Parliament, by a vote of 162-4, declared itself in favor of sanctions against Croatia. Failing this, the Parliament demanded that sanctions against Serbia be lifted.

The Feb. 20 London *Times* noted that Churkin had “made it clear” to Reginald Bartholomew, President Clinton’s special envoy, that the Russian troops would “not come under direct NATO command.” Furthermore, it was established that the western countries will *pay* the Russians to come in, because, Churkin said, they can’t feed their own troops. Owen added that he would have the Swedes deploy a battalion of their beardless beachboys to play alongside the Russian troops, so that, in Churkin’s words, “it doesn’t look like NATO plus one.”

Furthermore, the British proposed to have western Europe pay the Russians’ salaries—pay them, to de facto invade Yugoslavia, a state which even the Communist Tito threw them out of 50 years ago.

Risk of superpower confrontation

Will the Clinton administration go along with this madness? One prays not, but the most recent events augur ill for an independent American foreign policy. Although the administration had said in early February that U.S. support for the Vance-Owen plan was out of the question, since the Bosnians oppose it, Owen’s trip to the United States somehow hypnotized the administration—like his alter-ego Karadzic, Owen is a psychiatrist—and turned it round like a glove. Precious time was gained for the British and French to put into effect the next phase of the war plan: Pour Russian troops into the Balkans, so that any decision by the new administration to finally intervene militarily against Serbia, if it come at all, will come too late—unless the administration wishes to risk a direct confrontation with Russia.

What, precisely, can be expected from the Russians in Bosnia? An article in the *Sunday Times* let slip, *ex post facto*,

what the Russians have been up to for months as “U.N.” soldiers in Croatia. Unbelievable as it may seem, given the fact that anyone who is anyone in Europe knows that the Russians are with the Serbians, Russian troops were posted *one year ago to the U.N. cease-fire zones in Serbian-occupied Croatia*. In other words, the Russians were sent to guard Serbian conquests.

According to Louise Branson, the *Times* correspondent in Erdut, Croatia, 800 Russian soldiers were stationed in Serbian-occupied Erdut, next door to the headquarters of Arkan. Arkan, the sobriquet of Zeljko Raznjatkovic, is a psychopathic underworld figure who runs Chetnik gangs on the front lines. Branson coolly reports that it was the Russians who simply handed over to Arkan’s “men,” if that is the right word, the sets of keys for the U.N. armory and tanks. Diplomats in the Erdut area told Branson that although other U.N. troops patrol their sectors in occupied Croatia at night, the Russians refuse to do so, so that the Serbians may take Croatian men out of their homes for sport, such as making them run across mine fields.



During a 1992 tour of the war zone, a Schiller Institute delegation looks at devastated houses in Croatia, the target of wanton destruction by Serbian forces.

This is only a small glimpse, given what Arkan is. After a series of scandals erupted around wild Serbian parties thrown for Col. Viktor Loginov, who was driving a white Mercedes the Serbians had given him, and Col. Aleksandr Khromenchenkov, the senior Russian U.N. commander in Croatia, the two had to be recalled to Russia. But the troops remain in Erdut, although Gen. Satish Nambiar, the U.N.'s commander in Croatia, has three times "ordered" them to decamp—to Vukovar.

Prime Minister Bujar Bukoshi

Kosova faces imminent catastrophe

The following was received too late to accompany the interview with Kosova Prime Minister Bujar Bukoshi in our Feb. 26 issue.

Dr. Bujar Bukoshi is prime minister of the Republic of Kosova, and was elected in clandestine elections that were held against the wishes of the Serbian forces occupying Kosova. He has campaigned relentlessly to bring to the attention of the world public the dangers posed by Serbia's brutal suppression of Kosova's 2 million-strong Albanian population.

For example, on Jan. 7 of this year, Bukoshi spoke before the Committee on Foreign Affairs and Security of the European Parliament in Brussels. He told the assembled group that "the purpose of my visit here is to sound the alarm about the dangerous situation in the Republic of Kosova, where Albanians live under the harshest of martial law conditions, with all civil, human, and national rights represented and abrogated by the Belgrade regime. My purpose is also to urgently appeal to the international community for timely assistance and support, in order to avoid an incredible slaughter which would make Bosnia pale in comparison."

Bukoshi stressed that "Kosova is a powder-keg, ready to explode at any moment. It is believed by most observers and analysts that our country is next on the ethnic genocide list of Serbia." He insisted that "preventing, preemptive action" by the world community must be taken, to prevent this from happening.

Bukoshi told the European Parliamentarians that the dangers had been greatly exacerbated by the election in Serbia on Dec. 20 of "war criminals and extreme nationalists" into the Serbian Parliament. "In recent weeks, Serbia has massed troops in Kosova. Serbian-led Yugoslav troops and paramilitary forces are being deployed in large numbers, particularly

near the Albanian border. Meanwhile, Serbian refugees from Croatia and Bosnia-Herzegovina are being brought to Kosova to change the demographic makeup of the region." In the face of this, "the people of Kosova are virtually defenseless."

Bukoshi warned the international community of attempts to "draw a line" in Kosova against further Serbian aggression. This idea, he said, "in effect consigns Kosova to oblivion. The facts are that today, the Serbs have supplemented their previous military forces in Kosova with new troops that were withdrawn from Makedonija. The Belgrade regime has heavy artillery and advanced weaponry in place surrounding most of our cities. They have calculated trajectories and other technical details of launching a barrage on our people. They have even identified specific apartments that are occupied by Serbs so they will be protected when an attack is launched."

He further warned: "In short, the Serbs are prepared at a moment's notice to decimate our country with their overwhelming firepower and fanatical determination. If, in fact, Serbia is prepared to launch simultaneous attacks on the unarmed, unprotected Albanians in Kosova, then a catastrophe of unimaginable proportions will occur. Close to 2 million men, women, and children would be wiped out within a matter of hours, in an unprecedented campaign of ethnic genocide.

"By the time the line is crossed, it will be too late to come to Kosova's defense. In the dust of our demise, the international community will find itself in a conflagration pitting many nations of the region against each other, with tens of thousands of additional refugees, and thousands of senseless massacres. Then it will be too late. . . . That is why we appeal to the international community to pay special attention to Kosova, and to take adequate measures in order to prevent the conflict."

Interview: Ejup Ganic

'Someone has to change the mandate'

Umberto Pascali interviewed Bosnian Vice President Ejup Ganic by phone on Jan. 31 in New York. He thanked the Schiller Institute for its campaign against the genocide being perpetrated against Bosnia and added, "We are grateful to anybody who is helping Bosnia. In Bosnia, we have a crime against humanity. If they are helping us they are helping humanity."

EIR: What is your position on the big debate concerning an

intervention in Bosnia?

Ganic: The main problem is that the legal government of Bosnia doesn't have weapons, and the aggressor is dictating to them. Unless we reach approximate military balance, we cannot achieve anything by political negotiations, because the aggressor dictates the situation. In Geneva, nothing will happen. We asked for the withdrawal of heavy weapons and they just did not guarantee that.

EIR: What do you think about the campaign which says that there is a danger of an upsurge of Islamic fundamentalism?

Ganic: This is not a real danger. Only if Bosnia is not defended by the international community will Islamic radicalism spread around the world. Not necessarily in Bosnia, but other Islamic countries by themselves can become radical.

EIR: Sources in Zagreb and Bosnia told *EIR* that the only reason for the U.N. so-called negotiations is to provoke the bitterness of Bosnians.

Ganic: Right, they are trying to de-legitimize our government, that is the problem.

EIR: There is also a big campaign to magnify the fighting between Bosnian and Croats. *EIR* has discussed how to overcome this attempt to divide the two peoples with Bosnian leaders in Ottawa.

Ganic: I went to several meetings, in New York, Cleveland, and in Canada, and I met many Croats and many Bosnian Muslims and Bosnian Croats. They all stay together for Bosnia and they say that no one should try to create artificial trouble between Muslims and Croats, and it is all done maybe by the Serbian intelligence service, by giving money to the individuals. There are no basic problems between Bosnians and Croats that cannot be solved.

EIR: There are many voices in the United States against any form of intervention in former Yugoslavia. Even military spokesmen are saying that the implementation of the no-fly zone is not going to change anything.

Ganic: The Serbians are using helicopters to distribute ammunition and for all logistics. If you introduce the no-fly zone this will not be possible, and any time they want they can bomb by air. Any time we do make advance they take their air forces and destroy our positions.

EIR: We saw the role of the U.N., which was at least counterproductive if not openly complicit, in the assassination of Deputy Prime Minister Hakiija Turajlic while under U.N. protection. How do you characterize the U.N. role?

Ganic: Inefficient, unfair, not doing much. In some ways they are even helping the siege of Sarajevo. I am not saying [the U.N. is doing this] on purpose. They do not have a mandate to do the job, so someone has to change their mandate.

UNTAC oversees breakup of Cambodia

by Linda de Hoyos

Cambodia's Prince Norodom Sihanouk sounded the death knell for the United Nations-sponsored "peace process" in Cambodia on Feb. 13, with the announcement that he would not participate in legislative and presidential elections scheduled for this May. Sihanouk stated: "Certain foreign powers among the permanent representatives of the U.N. Security Council, that is, the Big Five [China, Russia, France, Britain, and the United States], as well as certain Cambodian political parties and factions are opposed to the holding of presidential elections in Cambodia before the legislative elections. Because of political wrangles over the issue of the presidential elections, I reluctantly give up and will not take part in them."

Although "mercurial" is an adjective the press often appends to Sihanouk's name, his assessment of the deterioration of his country is precisely true. Stating that the Khmer Rouge and other forces are opposed to his running in a presidential election first, Sihanouk explained his decision: "I am extremely concerned that there would be disorder, instability, and insecurity which could spark off a war after the May 1993 elections. . . . My nonparticipation in the elections is to prevent Cambodia from sliding toward a partition and a civil war that will bring the Cambodian nation and race to an end."

In sum, despite the deployment of 22,000 troops in Cambodia costing over \$2 billion, the United Nations Transitional Authority Cambodia (UNTAC) has brought Cambodia again to the brink of civil war. However, for most of the members of the Big Five powers of the U.N. Security Council, bringing peace to Cambodia was never the goal.

The UNTAC operation in Cambodia—touted as a model for future U.N. interventions into countries in strife—was the brainchild of a Big Five plan, which was formulated in October 1990 and pushed by the United States, China, and the Chinese-backed Khmer Rouge. As originally formulated, the U.N. would move in with the following objectives: 1) to secure a cease-fire; 2) to move the forces of all military groupings—the army of the Vietnam-backed Phnom Penh government, the Khmer Rouge, and the two smaller forces of Sihanouk and the U.S.-backed Son Sann—into cantonments where they would be disarmed; 3) to replace the Phnom Penh regime with a U.N. administration; 4) and to supervise the holding of national elections.

Vietnam and its comrade regime in Phnom Penh rejected

the plan because it summarily dispensed with the Phnom Penh government. A compromise was reached through the efforts of Japan, Thailand, Indonesia, and France, whereby the Phnom Penh regime would continue to function to a limited extent, but under the nominal control of the Supreme National Council, to be composed equally of representatives of Phnom Penh on one side, and representatives from the tripartite opposition coalition on the other. The revised plan was further backed up by the promise of a major financial commitment from Japan for Indochina's economic reconstruction.

The cease-fire began in October 1991, ending a series of wars in Cambodia that began in 1970. However, it did not take long before reality caught up with diplomacy. Early this year, U.N.-dispatched troops succeeded in placing in cantons and disarming many of the forces under Sihanouk, Son Sann, and the Phnom Penh regime. However, the Khmer Rouge refused to permit UNTAC forces in areas under its control, going to the extremes of murdering or kidnapping U.N. officials who tried. The Khmer Rouge publicly refused to disarm, citing the alleged presence of Vietnam forces in Cambodia as justification.

In the face of this intransigence, the UNTAC did absolutely nothing—thereby guaranteeing Cambodia's slide to new war. The reason for UNTAC's paralysis was the Security Council's unwillingness to embarrass one of its members, the People's Republic of China. Although Beijing publicly "urged" the Khmer Rouge leadership to abide by the Paris peace accords, this was diplomatic distancing only. Even so, when the U.N. Security Council placed sanctions on the Khmer Rouge—a bid to stop the Khmer Rouge trading in gems with Thailand, China abstained from the vote. To be sure, Beijing would have vetoed any resolution for military action against the Khmer Rouge by UNTAC's "peacekeeping" forces. Finally, on Feb. 3, Beijing let down its mask, and criticized Phnom Penh for its attacks on the Khmer Rouge, after months of Khmer Rouge guerrilla activity. A "deeply concerned" Chinese Foreign Ministry urged UNTAC to take "concrete measures to prevent the situation from getting worse."

In fact, Phnom Penh brought to a halt its late January offensive against Khmer Rouge positions, especially the gem town of Pailin on Cambodia's western border, because of "international criticism." Unwilling to break with UNTAC, Hun Sen, prime minister of the Phnom Penh regime, called for the UNTAC to administer a buffer zone between Phnom Penh territory and the Khmer Rouge. The proposal was rejected by other members of the Supreme National Council as a violation of national sovereignty.

Partition next?

Very early in the game, despite the presence of Khmer Rouge minister Khieu Samphan on the Supreme National Council, the Khmer Rouge declared it would not participate in any elections. The reason given was the same: UNTAC is failing to investigate and check the massive infiltration into

Cambodia of Vietnamese settlers and military. The charges have also been echoed by the U.S.-backed Son Sann.

The Khmer Rouge stance on the elections all but guaranteed Sihanouk's withdrawal, since the Khmer Rouge would wage war against any "elected" government. In addition, Sihanouk, who resides in Beijing and Pyongyang, is in the final analysis only permitted to move as far as Beijing will permit, despite the hopes of Paris.

Sihanouk's unwillingness to participate in any elections, which he is expected to win handily, comes also in protest to assassinations of key members of his own political forces. The murders are believed to have been carried out by Phnom Penh agents, as the Hun Sen regime sees Sihanouk as its major *political* rival.

Despite Sihanouk's withdrawal, U.N. Secretary General Boutros Boutros-Ghali stated Feb. 16 that elections will take place in May in Cambodia. However, the polls are more likely to lead to full-scale war. In Thailand, Air Chief Marshal Woranat Aphichari told the *Bangkok Post* that heavy fighting is expected in Cambodia after the elections.

The condition of total instability has further prompted Boutros-Ghali to state that UNTAC forces will stay on in Cambodia after the elections. Under the original plan, UNTAC would withdraw from Cambodia, but Boutros-Ghali, speaking for the Big Five, declared that UNTAC could not scale down its presence until an elected constituent assembly has finished its work.

Boutros-Ghali's hypocrisy is clear. The UNTAC will be on hand to oversee Cambodia's dismemberment. The constituent assembly will rule over only sections of Cambodia, as the Khmer Rouge tightens its grip on the widening areas coming under its control. According to the Feb. 4 *Far Eastern Economic Review*, the Khmer Rouge has created its own "Kampuchea banknotes." Although the Khmer Rouge controls large chunks of the countryside forming a ring around Phnom Penh, these areas are thinly populated. But UNTAC has been systematically moving back refugees from Thailand across into Khmer Rouge-held areas of western Cambodia. Many of the refugees are coming on the basis of a Khmer Rouge promise of land to farm.

Meanwhile, what of the \$800 million promised by the world for Cambodian reconstruction? Only \$95 million has been received, according to UNTAC chief Yasushi Akashi, who blamed the lack of aid flow on the press, for its "unbalanced and alarmist" reporting of Cambodia. "Clearly, the critical time when it was necessary was the past nine months to help build up the economy."

Reconstruction, however, is not on the agenda. Akashi's pollyanna calls for aid to "build a new civil service based on a spirit of national reconciliation and imbued with a neutral political character" hide the bitter reality: Cambodia is in the process of being ravaged further by war and partitioned, as the Cambodian people continue to serve as pawns for superpower geopolitics.

Venezuelan violence sparked by vote fraud

by Alfonso Rodríguez

A new wave of violent demonstrations, with their sequel of looting, injuries, deaths, and material losses on the order of some \$15 million, hit Venezuela during the week of Feb. 15-19, with the focal points of the protests in the states of Barinas and Sucre. The detonator was the decision of Venezuela's Supreme Court to suspend new elections, scheduled for March 14, for governor of those states.

The Supreme Court decision, issued on Feb. 15, was in response to a suit by the ruling Democratic Action (AD) party demanding suspension of an earlier ruling by the Supreme Electoral Council ordering new elections. Last Dec. 6, the AD party had lost its bid to stay in the governor's house of those two states. The Social Christian (COPEI) party claimed victory in Barinas, and the Movement to Socialism (MAS) party claimed victory in Sucre. By a 5-4 vote, the Supreme Court ordered the outgoing AD governors to resume their posts on an interim basis while the legitimacy of the December elections was pondered.

When the vote was revealed, enraged mobs took to the streets, burning AD party offices and looting stores in the main cities of Barinas and Sucre. The government headquarters in both states were occupied by supporters of the disenfranchised opposition candidates, in an attempt to keep the AD officials from resuming office.

This social explosion is not just a reaction to the dictatorial imposition of state governors by the Carlos Andrés Pérez government, but is an expression of the accumulated outrage of the population against that despised government itself: its economic policy, as dictated by the International Monetary Fund; its unrestrained corruption; and its arrogance in the face of the people's will. These attitudes have already produced two coup attempts in the past year, and innumerable demands for Pérez's resignation.

On the first day of the riots, there was at least one death and more than 70 injured in Sucre's capital city of Cumaná. COPEI congressman Lorenzo Tovar charged that tear gas and bullets were sprayed upon the population from helicopters, and he charged Deputy Minister of the Interior Gustavo Luis Vasquez with responsibility. He also accused AD "armed bands" of encouraging the looting and street violence. A COPEI leader in Barinas, Enrique Carmona, similarly charged that armed groups headed by Civil Defense Director Giomar Durán had been placed at the service of the

AD, primarily to prevent COPEI candidate Behard Cartay from taking office.

Jorge Ahmar, the president of Sucre's Chamber of Commerce, Industry and Production, declared his organization in an emergency because of the violence in that state. Ahmar reported that more than 50 stores had been sacked and destroyed, causing unemployment for more than 400 Venezuelans in this impoverished state.

While rumors were spreading in Caracas of an impending new uprising comparable to the so-called "Caracazo" of Feb. 27, 1989, the protests began to spread to other states. In the western city of Mérida, for example, one student was killed during a demonstration, which led to student protests in Caracas; in La Victoria, in the state of Aragua, the AD headquarters was burned down; in the central state of Carabobo, transport was paralyzed by piles of burning tires. Transportation between the cities of Barcelona and Puerto La Cruz, near Cumaná, was also interrupted by the burning of vehicles.

The drug factor

Poverty-stricken Sucre, in the east, is largely a coastal state. Bordered on the east by the Orinoco River delta, it is considered by experts to be a key part of the drug-trafficking route to the Caribbean and the Bahamas. The state of Barinas, largely farming and cattle-raising, is in the western plains where the traffickers' illegal airstrips abound. Several analysts have drawn the conclusion that the AD's insistence on remaining in power in those states is not unrelated to this factor.

Ironically, on the same day that the Supreme Court ruling was made known, the daily *El Nacional* published a full-page article based on a report of the United Nations' Narcotics Council, which stressed that "Venezuela is the largest money-laundering center in Latin America." According to the report, the U.S. Drug Enforcement Administration estimates that some 200 tons of cocaine passed through Venezuela in 1992, on its way to the United States, Canada, and Europe. It is estimated that the drug money laundered in Venezuela runs in the billions of dollars.

On Feb. 16, *El Nacional's* reporter Berenice Gómez published several interviews with anti-drug experts in the Judicial Technical Police (PTJ), the National Guard, and the DISIP (political police), who all concluded that "the financial facilities that the country offers for major capital deposits are comparable to those existing in the Cayman Islands and the Bahamas."

Researchers told the reporter that "there really does not exist the will to take either the political or fiscal measures necessary to confront the problem, because a simple review of taxation of profits could uncover the existence of frontmen." They were referring to statistics of the finance minister regarding the invasion of luxury imported cars and the construction of luxury buildings in the midst of the spreading depression.

Yale's Prof. Paul Kennedy catalyzes new malthusian offensive

by Mark Burdman

A qualitative new phase in the Anglo-American establishment elites' drive to impose malthusian population-reduction measures in the southern hemisphere has been ushered in with the February 1993 publication of the latest book by British historian Paul Kennedy, *Preparing for the Twenty-First Century* (New York: Random House, 1993). Kennedy has introduced a conception that might be called "malthusian geopolitics," or perhaps "geopolitical malthusianism," in which global political and economic relations are seen as being defined by the "threat" posed by "rapid population growth" in the developing sector nations. Kennedy, who is the director of the International Security Program at Yale University in the United States, has defined a conceptual paradigm around which the liberal establishment is rallying, using the book as a pretext to stage a new "debate" about which measures might best achieve their goal of reducing populations in the non-white areas of the world.

A new Thomas Malthus

Writing in the Feb. 14 *New York Times* book review section, U.S. liberal economist-ecologist Robert Heilbroner stated: "Inevitably, Mr. Kennedy's book will be compared to Thomas Malthus's famous essays on population," which Malthus began writing in 1798.

Kennedy had earlier become widely known for his book, *The Rise and Fall of the Great Powers*. This put forward the view that the United States was heading down the same path of decline as had imperial Hapsburg Spain in the 17th century, ostensibly because it was suffering from a phenomenon known as "imperial overstretch," in which the domestic economy was being strained to the breaking-point by assuming the military and related burdens of a worldwide extension of power. While that book made some sobering judgments and diagnoses about the state of affairs in the United States, Kennedy displayed little understanding of how the processes of physical economy work, and what might be done to regenerate the American economy as it entered the 1990s. He did, however, accumulate a great deal of historical data, and demonstrate a capability for sensing which way certain trends in thinking were developing in the United States.

From early excerpted versions of Kennedy's new book, it is clear that Kennedy has collected piles of facts and foot-

notes to back them up, but that his powers of judgment and understanding of scientific reality are terribly flawed. Here even more than in his earlier work, Kennedy has revealed his penchant for adapting his historical work to trendy assumptions.

Does Islam lead to global warming?

Kennedy premises his neo-malthusian argument on acceptance of the fraud of so-called "global warming." He writes: "Whereas birthrates in richer societies plunge well below the rates that would replace their population, poorer countries are experiencing a population explosion that may double or even treble their numbers over the next few decades. As these fast-swelling populations press upon the surrounding forests, grazing lands, and water supplies, they inflict dreadful damage upon local environments and may also be contributing to that process of global warming first created by the industrialization of the North a century and a half ago."

As *EIR* has repeatedly documented, with input from leading scientists around the world, there is no proof whatsoever of the phenomenon of "global warming," and certainly no causal link with "the industrialization of the North a century and a half ago."

Kennedy's copious use of threatening adjectives ("fast-swelling," "dreadful") and verbs ("press," "inflict") sets the stage for his mode of analysis. So, he places the entire continent of Africa into the category of a basket case, with population growth allegedly raging out of control. His only qualifier is that AIDS *might* substantially reduce the continent's population, but it is hard to figure out where "objective analysis" ends and a macabre kind of wishful thinking begins.

Likewise, tailoring himself to the prevailing portrayal of the Arab-Islamic world as the new "enemy image" of the western powers, Kennedy discovers an ominous demographic threat from that direction: "There is, moreover, little likelihood that population growth will fall in the near future. Since infant mortality rates in many Muslim countries are still high, further improvements in prenatal care will produce rises in the numbers surviving, as is happening in the Gulf States and Saudi Arabia. . . . As elsewhere, politics intrudes: many regimes are deliberately encouraging women to have large

families, arguing that this adds to the country's military strength. 'Bear a child,' posters in Iraq proclaim, 'and you pierce an arrow in the enemy's eye.' Countries such as Iraq and Libya offer many incentives for larger families."

Indeed, "politics intrudes," but in this case from the side of the author. Strangely, Kennedy has apparently had a sudden bout of amnesia about the Gulf war, which has helped to significantly reduce the threat from "Iraqi children," since tens, if not hundreds of thousands of them were killed or irreversibly handicapped, either during the war or by the effects of the sanctions which have gone on unabated from autumn 1990 until today. Oddly enough, Kennedy himself had published some cogent critiques of the Gulf war during 1990-91. Is it amnesia, or has he decided that wars like that against Iraq are effective in reducing population? Is that the real content, albeit unstated, of his new brand of malthusian geopolitics?

Kennedy had displayed a similar ability to be less than faithful to the truth at the annual Davos "World Economic Forum" in January. Stressing that "the single greatest challenge in the coming period will be the expected doubling of the world population from some 5 billion to about 10 billion over the next decade in the food-deficit countries of China, Africa, Asia, and Latin America," he forecast social upheavals and "many Somalias" resulting from this "excessive" population growth. He claimed that the problem was worsened by the "unfulfillable" demands created by Third World populations watching American such TV shows as "Dallas" on CNN. The only solution? Substantial economic "sacrifice" and active population control measures. For his European audience, Kennedy insisted that the number-one agenda item for Europe in the coming two decades would be population growth in North Africa.

Leaving aside the contention that Third World populations have nothing better to do than to feel envy for the degenerates on "Dallas," Kennedy's Davos contribution was plagued by a distortion of reality that has become all-too-accepted: that there is a North Africa "demographic threat." According to leading French demographer Prof. Youssef Courbage of the French National Institute for Democratic Studies in a speech last Nov. 28, the United Nations has systematically distorted the potential population figures for the North African countries by overestimating the fertility rates of Algeria, Morocco, and Tunisia, rates which in fact have been falling rapidly. As a result, the number of people that these countries will have midway into the next century has been greatly overstated, according to Courbage—whose findings were certainly available to Kennedy before he spoke in Davos.

Repressive population policies

But truth is one thing, and establishment policy is another. Just days after the book's publication in the United States, establishment commentators began rallying behind its thesis.

New York Times commentator Anthony Lewis, in an article in the Feb. 20 *International Herald Tribune*, wrote that Kennedy's work must necessarily reanimate a push for population control and help bring the United States back into supporting such programs, following the Reagan-Bush administrations' cutoff of U.S. support. Wrote Lewis: "Here is a problem that President Clinton can address quickly. He has ended the Reagan-Bush distortions of domestic policy on birth-related matters. The need for change in foreign policy is even more urgent: the need to face a reality more menacing in the long run than just about any on earth." Lewis lauded a recent article in the Council on Foreign Relations' *Foreign Affairs* magazine by Michael S. Teitelbaum, attacking the "self-inflicted blindness" of the United States under the past years' Republican administrations in refusing to back population-control programs.

The same day's *Daily Telegraph* of London ran the banner headline, "Bangladesh Population Could Equal that of U.S.": British Professor Issues a Doom-Laden Warning to Whole World." The paper stated: "In pondering the future in the countdown to the year 2001, Professor Kennedy begins with the continuing, accelerating population explosion and the key point that it is concentrated almost entirely in the Third World. In the next 30 years, world population is set to rise from 5 billion to 8 billion; 95% of the increase will take place in the Third World. The population of Bangladesh may equal that of today's United States. This offers the possibility of much of the world living as the Haitians do today. But it will not be a problem kept safely beyond the theoretical borders of the First World. Rather, argues Professor Kennedy, world demographics will be the cauldron from which pressures arise on every aspect of the developed world's coming struggle to maintain its civilization. These pressures will include regional conflicts, unprecedented migration, economic upheaval, and accelerating environmental damage."

Some commentators are insisting that Kennedy does not go *far enough* in coming up with draconian measures in response to the problems he identifies. In the *New York Times* review, Heilbroner expressed anxiety that Kennedy lacks "the willingness to face up to the severity of the challenges, in terms not of the damage they are likely to inflict but of the full measure of the social and political remedies they may require. . . . What form of political leadership will suffice to halt the juggernauts of demographic, economic and ecological change? Can demographic explosions be halted without recourse to severe, even repressive population policies? . . . Can an allocation of carbon emission rights be instituted or enforced without military force? . . . To complete this malthusian inquiry requires a degree of intellectual fearlessness equal to that which emboldened Malthus himself, a God-fearing clergyman, to argue against charity because it was a cause of population growth and thus of human misery."

Islam: friend or foe?

Pope John Paul II and Crown Prince Hassan of Jordan have acted to avert a religious war. First in a series by Muriel Mirak-Weissbach.

On Jan. 19, His Royal Highness Crown Prince Hassan Bin Talal was scheduled to give a speech to the Friedrich Ebert Foundation in Bonn, Germany on the subject of current developments in Jordan. Instead, to the surprise of his audience, he delivered an address on "Islam and Europe," in which he elaborated a call for the integration of Europe's 6 million Muslims into contemporary society. Three weeks later, Pope John Paul II visited the Republic of Sudan, and, to the consternation of many, met both privately and officially in public with President Omar Hassan Ahmed Al-Bashir. Instead of openly criticizing the government for its alleged persecutions of Christian communities, His Holiness focussed his remarks on the importance of dialogue, stating, in one speech addressed to the religious leaders, that he was "happy to know that here in Sudan good ecumenical relations exist and that there are many instances of cooperation."

The two interventions, though different in immediate purpose and scope, have contributed to redefining the "Islamic debate" in an attempt to defuse the trend towards confrontation, and redirect energies toward dialogue. Increasingly since the 1991 Gulf war, the contours of a geopolitical strategy have emerged, whereby the Muslim peoples stretching from the Mediterranean to the Pacific, have been labelled the "new enemy," assigned to fill the adversary role formerly played by the Soviet Union, this time, in conflict with the "North."

Breaking Sudan's isolation

A favorite target of journalistic hysteria whipped up against the "fundamentalist threat" has been Sudan, its government accused of deploying Iranian money and men in a war of religious extermination against Christians in the south. Thus, John Paul II's visit and his decision to meet the Sudanese President constituted a bold step. And, regardless of loud media complaints of "legitimizing a fundamentalist tyrant," the pope's gesture has effectively broken the political isolation into which the Sudanese government had been thrust by the international community. It was warmly welcomed by the Sudanese government; General Bashir greeted John Paul II as a "pilgrim of peace" and announced that the nation's internal problems were on the way to speedy solution. The people of Sudan as well, both Christian and

Muslim, turned out in the hundreds of thousands for a mass, celebrated in Arabic, in the Green Square, usually used for military parades.

Most important, the pope's intervention challenged the rules of the game of geopolitics, which makes use of contrived ethnic or religious conflict, and redefined the parameters of social relations from a higher, moral standpoint. Vatican spokesman Joaquín Navarro Valls characterized the pope's approach as an "exceptional operation."

In his address to President Bashir, the pope referred back to his January address to the Vatican diplomatic corps, in which he expressed the hope that the civil war in Sudan would be overcome. "Your Excellency, this is the hope which I renew here today. It is a hope born of confidence, for peace is always possible. Man is a rational being endowed with intelligence and will, and therefore he is capable of finding just solutions to situations of conflict, no matter how long they have been going on and now matter how intricate the motives which caused them. Efforts to restore harmony depend on the parties involved being willing and determined to implement the condition required for peace. But where constructive action does not follow declarations of principle, violence can become uncontrollable."

To underline that his remarks were not limited to Sudan, he added, "A noteworthy example in Europe is the conflict in the Balkans; in Asia, Cambodia and the Middle East; in Africa, the tragic situation of Liberia." Continuing to elaborate the premises for peaceful coexistence between different religious communities, he said:

"The church approaches this question from an eminently moral and humanitarian point of view. Two fundamental principles underlie the universal obligation to understand and respect the variety and richness of other peoples, societies, cultures and religions. First, the inalienable dignity of every human person, irrespective of racial, ethnic, cultural or national origin or religious belief, means that when people coalesce in groups, they have a right to enjoy a collective identity. Thus, minorities within a country have the right to exist, with their own language, culture, and traditions, and the state is morally obliged to leave room for their identity and self-expression. Secondly, the fundamental unity of the human race, which takes its origin from God the Creator of

all, requires that no group should consider itself superior to another. It likewise requires that integration should be built on effective solidarity and freedom from discrimination. Consequently, the state has a duty to respect and defend the differences existing among its citizens, and to permit their diversity to serve the common good.”

From this standpoint, in an address to the leaders of the religious denominations, he said: “Here in Sudan, I cannot fail to emphasize once more the Catholic Church’s high regard for the followers of Islam. Sudanese Catholics recognize that their Muslim neighbors prize the moral life, and worship the One God, Almighty and Merciful—especially through prayer, almsgiving and fasting. They appreciate the fact that you revere Jesus and his Mother Mary. . . . They acknowledge that there are very solid reasons for greater mutual understanding, and they are eager to work with you in order to restore peace and prosperity to the nation. I hope that this meeting will contribute to a new era of constructive dialogue and goodwill.”

At the conclusion of his visit, he launched a call to the tens of thousands gathered to participate in the mass: “I greet the entire Muslim community. An important purpose of my visit is to appeal for a new relationship between Christians and Muslims in this land.”

Muslim danger seen as artificial

The remarks made by Crown Prince Hassan can be seen, in a certain sense, as complementary to those articulated by the pope. While John Paul II was speaking as the highest representative of the Christian minority in a Muslim land, Prince Hassan was addressing the condition of the Muslim minority within predominantly Christian Europe. Attempting to define the direction for dialogue, the crown prince made several considerations of a historical nature, aimed at debunking common misconceptions about Islam and Muslims.

First, he stated bluntly that “a number of politicians and academics regard the presence of Muslim communities in European societies as something of an aberration . . . at best . . . as a social and cultural anomaly . . . at worst . . . as a threat capable of undermining the political order.” Characterizing these perceptions as “part and parcel of the accumulated baggage of history,” he reviewed the historical relationship between Islam and Europe, from the early phase, when “Islam posed a problem for Europeans, both as a religion and as a world power,” through the establishment of Islamic presence in Spain and southern Italy, and the later Muslim rule set up by the Ottoman Empire in the Balkans. In addition to these developments toward creating Muslim communities in Europe, the “expansion of European power to Muslim lands over the last two centuries has also affected the situation” and migration routes to Europe were determined largely by colonial relations. The post-World War II economic reconstruction and expansion of Europe drew in further num-

bers of Muslims, laborers from the former colonies, who settled and brought up families.

Coming to the situation today, the crown prince seemed intent on defusing fears of “fundamentalism” and the “Islamic bomb.” Of the “purveyors of doomsday scenarios” who say the bomb is already deployable in Muslim Kazakhstan, he said: “The purpose of this appears to be the portrayal of Islam and its adherents as a danger to world security, mirroring medieval depictions of Islam as a ‘shadow-self’ of Christianity.” In other words, Prince Hassan pointed to the artificial nature of the “Islamic danger” being broadcast in the West. And he correctly added that such propaganda has only fueled tensions: “The result has been to intensify Muslim indignation: For at a time when 80% of the world’s refugees are Muslim, it seems inappropriate at best to portray Islam as a major threat to world security.”

The parameters of integration of multi-religious communities are not defined here as the pope dealt with them in Sudan, in terms of moral principles, but rather from a pragmatic standpoint; nonetheless, certain basic points cohere with the principles articulated by John Paul II. “The integration of Muslim communities can . . . take place only on the basis of their acknowledgment of the prevailing rule of law. . . . It is incumbent on Muslims to utilize all means of legal protection afforded them under European laws to ensure their freedom of religious belief without impinging on the rights of others.” Concretely, the crown prince proposed that the European Convention on Human Rights be incorporated “into the national laws of all European states” in the interests of protecting the fundamental right to religious belief.

More important than specific points, however, is the general tenor of the speech, which is one of optimism, particularly regarding the fruits of interreligious cooperation. Quoting from a German physicist, he concluded: “ ‘In the history of human thinking the most fruitful developments frequently take place at those points where two different lines of thought meet. These lines may have their roots in quite different parts of human culture, in different times or different cultural environments or different religious traditions. Hence, if they actually meet . . . then one may hope that new and convincing developments will be able to grow.’ ”

The papal intervention into Muslim Sudan and the remarks by Crown Prince Hassan are responses to one of the gravest dangers—that of a generalized war, disguised as “religious warfare”—of our century. The only efficient means of averting such catastrophe is to forge a dialogue among the great religious cultures, which aims not only to protect and defend each culture, but to develop the richness of such diversity to serve the common good. How, concretely, this ecumenical process can unfold—not pragmatically, but as a principled dialogue flowing from shared universal principles, like those named by John Paul II—will be the subject of the next article of this series.

Communists at center of Central Asia wars

by Adam East

The bloody war in Tajikistan, which could easily spread into neighboring Central Asian republics in the not so distant future, continues to go on unnoticed by the rest of the world. So far, over 70,000 people have fallen victim to the atrocities of the former communists, and over 10% of the country's 5.1 million people have been turned into refugees.

Tanks displaying the communist hammer-and-sickle flag are patrolling the streets of Dushanbe, the capital. Acting President Imamil Rakhmanov, a former communist who seized power in December 1992, recently told reporters that he is prepared to "use whatever measures necessary" to wipe out the opposition, the backbone of which is formed by the Islamic Renaissance Party (IRP).

According to the latest reports from the region, the soon-to-be-reinforced Russian 201st motorized division, which helped Rakhmanov and company come to power, is now actively helping the government. Russian tanks and bombers are now engaged in the fighting against the Islamic forces.

A terror campaign

Rakhmanov, who is backed by the old-guard communists who have been ruling the country for the past six decades, has recently started a terror campaign against prominent intellectuals and the educated class who had earlier sided with the opposition. The groups that make up the opposition are Orthodox Muslims, liberal intellectuals, and leaders and representatives from the regions that were long excluded from power since the days of Stalin, mainly Garm in the northeast and the mountainous Badakhshan region in the east. Armed vigilante groups are patrolling the streets of Dushanbe, and anyone that appears suspicious to them is arrested and taken in for questioning, which obviously includes torture. Most of the notable political and intellectual figures in the country who have disappeared mysteriously over the past two months, have not been seen since. It would be safe to assume that most of them are dead by now.

As a result of the "ethnic cleansing" that is being carried out against the Muslim civilian population, over 100,000 Tajik refugees have fled to the bleak deserts of northern Afghanistan. Without adequate food or shelter, they are in

danger of starvation or freezing to death.

The Islamic forces, who to the pleasure of the West are conveniently branded as "Muslim fundamentalists" by Moscow and its puppet regime in Tajikistan, are gradually losing ground to the communists. Faced with Russian helicopter gunships, bombers, and fighter jets, the ill-equipped Islamic guerrillas are suffering heavily from lack of an effective air-defense. Chinese- and Soviet-made assault rifles and some rocket-propelled grenades are all that the poorly trained Muslim guerrillas have to rely on against the well-armed Russian troops and pro-government militias. Driven out of the capital and southwestern Tajikistan late last year, the opposition forces have now been forced into the mountains, and the Garm Valley has now become the new front-line.

The die-hard puppet President Rakhmanov has been recently reported as saying: "We want the 201st to stay in Tajikistan for the next five to six years." The initial excuse given for the deployment of the Russian troops to Tajikistan was for "peacekeeping" purposes and "safeguarding" the Russian minority, which makes up only about 10% of Tajikistan's population of a little over 5 million people.

Uzbekistan police state

Neighboring Uzbekistan, led by another former communist, Islam Karimov, also played an instrumental role in helping fellow communists come to power in Tajikistan. Karimov, who saw the opposition in Tajikistan as an ideological threat to himself, more than willingly provided the Tajik communists with arms and troops. Karimov, who was dismayed with the breakup of the former Soviet Union, rules with an iron fist and has turned the country into a virtual police state. Here, repression is the order of the day. Arbitrary arrests, phone taps, press censorship, and beatings are all too common in Uzbekistan.

While it is no secret that Iran and Turkey are competing for influence in this area because of obvious linguistic, cultural, and ethnic ties, it is actually the Russian bear who dearly wants to keep the republics under its claws for economic and geopolitical reasons. Not too long ago this area of the world served as the chess board for the "Great Game" which was being played by Britain and Russia.

If we look at the map from the Balkans to Central Asia, we see that there are conflicts which have been strategically instigated. There are wars in former Yugoslavia, the Caucasus, Tajikistan, and the ongoing war in Afghanistan. These conflicts effectively prevent this entire region from undertaking any sort of meaningful economic development. The area from Turkey and Iran through Central Asia and Afghanistan all the way to northern India, which was the center of a great civilization about eight centuries ago, has been turned into a battleground. Fearing the end of its world supremacy and the collapse of its rotten economies, the West is promoting policies of war, famine, and depopulation in this area, thereby ensuring the region remains in perpetual backwardness.

A hesitant Kohl assures India

With Indo-German relations still at a low point, the German chancellor assured Indians of better days to come.

German Chancellor Helmut Kohl's once-postponed visit finally took place when India was in the midst of growing religious tensions and a presumed economic upturn, so far only apparent to the Indian Finance Ministry.

Kohl, whose scheduled October visit was postponed due to his reported preoccupation with the future of the European Monetary System, was in India on a four-day visit from Feb. 19-22. Earlier, Indian Prime Minister P. V. Narasimha Rao had chosen Germany as his first overseas visit in September 1991.

That visit had raised hopes that the Indo-German relationship could be lifted out of the rut it is in. However, it soon became clear that for that, more than a visit would be required. The recent effort of the German chancellor was also half-hearted and has done little to improve the situation.

Nonetheless, as expected, the Germans were willing to give the Indian economy a nudge. Chancellor Kohl extended a soft credit of DM 55 million (about \$33.7 million) to the Indian government for the construction of a lift irrigation project in the state of Orissa, and another soft credit of DM 30 million (about \$18 million) to one of the financial institutions for financing imports of German capital goods.

As a footnote, following a skimpy script on further economic ties, Chancellor Kohl assured the Indians that a 10-month plan to put economic cooperation and investment on a "fast track" had already been decided upon,

and Germany has also decided to open bilateral talks with India on arms control, security issues, and disarmament.

Beside the fact that Germany is steadily slipping from its position as a leading trading partner of India, a great many trade issues remain unresolved. India is buying fewer German capital goods while the Germans remain hooked on traditional imports like tea and carpets from India. The termination of the rupee trade agreement with East Germany has created new problems, as yet unresolved.

Moreover, a number of recent statements issued by German authorities have only created suspicion in Delhi. Germany's repeated assertion that India must cut back its defense expenditures has been considered by Delhi not only as interference into a sovereign nation's internal affairs, but also as a disturbing echo of Washington emanating from Bonn.

It has also been hinted that future German development aid to India may be made conditional on such defense cuts by India. On another occasion, the German ambassador to India, Dr. Hans-Georg Wieck, had said that united Germany will prefer that aid to India be channelled through multilateral agencies such as the World Bank and the International Monetary Fund (IMF).

In addition, the German government has always been on the front line in demanding that India sign the Non-Proliferation Treaty (NPT). During his visit, Kohl harped on the same theme. At the dinner meeting hosted by the Indian prime minister, Kohl

said that he hopes "soon India, too, will be able to ratify the nuclear Non-Proliferation Treaty on the non-proliferation of nuclear weapons and the control regime which is part of it. That would be beneficial to Indo-German economic and technical cooperation. We are prepared to conduct a comprehensive dialogue with you on aspects of non-proliferation."

From the look of it, the statement clearly says that German investment to India in the future will be linked with India's response to signing the NPT. However, later at a news conference, Kohl stated that India's opposition to signing the treaty would have no impact on Indo-German relations.

Assuring the Indians that the Indo-German trade volume would increase in the future, he also reminded the Indians that Germany's development assistance has declined because of Bonn's commitments to the eastern European countries. Kohl also asked the Indians to resolve the Kashmir issue with Pakistan through bilateral peaceful negotiations and said that the priority item on the German agenda is to strengthen the United Nations to "check aggression, ensure world peace and safeguard human rights."

In his private meeting with the Indian prime minister, the chancellor reportedly expressed concern over the communal situation and the future of India's secular democracy.

Despite such pussyfooting and a lackluster performance by the German chancellor, observers believe that Indo-German relations cannot be judged by the conventional yardsticks such as a number of joint ventures and trade figures. There is a wealth of support for Germany within India, and if Bonn and New Delhi can maintain the pace of development in their relations, there will be enough on the agenda for both sides, much of which is shared interests, noted one commentator.

Drug cartel threatens 'superbomb'

Will Colombia's Gaviria yield to Escobar's newest "surrender" campaign, or will he stand by his pledge?

More narco-terrorist attacks with car bombs, such as a 10,000-kilo "superbomb" against the Attorney General's office or against some national newspaper, is the latest threat by fugitive drug lord Pablo Escobar Gaviria against the capital city of Bogotá, its inhabitants, and the Colombian government.

The threat was made by anonymous callers to the media on Feb. 15, immediately after two car bombs exploded in the heavily trafficked commercial center of the city. The callers claimed to represent Escobar's criminal Medellín Cartel. The bombings caused the deaths of five people, and injured more than 200 others. They also caused incalculable material damage, and triggered total social panic.

Escobar's spokesmen declared that the terror campaign would only be suspended if the government agreed to the following surrender terms: 1) that Escobar and his associates receive full pardon or amnesty for any and all crimes they have committed; 2) that all ongoing military and police operations aimed at his capture be suspended; 3) that all the directors of the National Police force be changed because, according to Escobar, they have violated the human rights of the drug traffickers; 4) that the state commit itself to investigating and pursuing the so-called Cali Cartel, criminal rivals of Escobar's own organization, and offer significant rewards for capture of the Cali Cartel leaders.

"Only after the government complies with these conditions will we be prepared to hold dialogue with the

government," stated one of the anonymous spokesmen.

"The wave of terrorism which the country is suffering, is nothing but a continuation of the drug traffickers' violent efforts to force the government and the country to submit to its will," declared Enrique Parejo González, former Colombian justice minister and one of the country's few surviving heroes of the anti-drug war. Parejo, who is currently a presidential pre-candidate of the ruling Liberal Party, told the daily *El Espectador*, "They clearly hope that the government will again negotiate the law with them and that it will again surrender to them," as occurred two years earlier when the government even rammed through a change in the Constitution to prohibit extradition, a key demand of the traffickers.

Despite the threats, the Gaviria government does not appear willing to submit once more to the humiliation and international disgrace it suffered when Escobar fled his personal posh jail last year. "The government reiterates its firmest decision to confront these criminal organizations, and calls upon all Colombians not to yield," states an official government communiqué issued after the Feb. 15 bombings.

However, the daily *La Prensa* and the radio and television news programs show no inclination to heed the government's appeal, and have already begun a furious campaign to force Gen. Oscar Peláez Carmona, commander of the Bogotá police force, to resign, thereby fulfilling one of Escobar's conditions.

bar's conditions.

Four years ago, General Peláez Carmona was director of the investigations division (SIJIN) of the national police. His operations against the cartels were so effective that one of Escobar's first demands during his late-1990 and early-1991 surrender negotiations with the government was that Peláez be retired from the job. The government yielded, and sent the general out of the country to a diplomatic post. After Escobar engineered his July 1992 prison walkout, Peláez was named Bogotá police director.

The electronic media and *La Prensa* nonetheless now argue that the terrorism slamming Bogotá is a direct result of Peláez's position as police chief. Their astounding argument is that, were Bogotá to choose a police chief less odious to Pablo Escobar (that is, either bought by the cartel or at least negligent in his law enforcement duties), the city would not be terrorized, but would be left in peace!

Television's QAP news show went so far as to ask Peláez if Escobar's claim that the police department "belongs to the Cali Cartel" were true. Other news shows have unleashed a flood of accusations against General Peláez, charging negligence in protecting the city and so forth. The campaign is, not surprisingly, strikingly similar to the mudslinging campaign that Escobar orchestrated against Justice Minister Rodrigo Lara Bonilla, just prior to his 1984 assassination.

Instead of dancing to Escobar's tune, these news services would better serve the public interest by asking why Escobar's wife, children, and nephews were found in possession of *valid* U.S. visas, a fact discovered when they recently tried (unsuccessfully) to abandon Colombia for the United States. An embarrassed U.S. State Department was forced by the revelation to revoke the visas.

International Intelligence

Communists win big victory in Lithuania

Algirdas Brazauskas, Lithuania's "reform" communist leader, won a landside victory in the Feb. 13 election for President in the Baltic nation. Brazauskas, head of the Democratic Labor Party, received 60% of the vote, against 38% for his main opponent, former Ambassador to Washington Lozaris. Reports from the capital city of Vilnius are that the margin of victory exceeded even the expectations of Brazauskas's own advisers. The Democratic Labor Party has an absolute majority in the Lithuanian parliament.

These results show the depths of dissatisfaction in the Lithuanian population with the economic policies of the former Landsbergis regime, which, by its adherence to International Monetary Fund austerity prescriptions, brought economic devastation to Lithuania. A German television show documented that the population of Vilnius has been living without heating oil this winter.

'Clean Hands' probe targets Italian elites

At the beginning of February, the rumor was circulating in Milan that the court there was going to indict every political party in Italy, under the Italian equivalent of the U.S. racketeering laws. That would amount to a virtual shutdown of Parliament, a coup d'état.

Observers believe that we are very close to that point, thanks to the anti-corruption investigation called "Clean Hands," which has sent to prison more than 100 local politicians and businessmen, and opened investigations of more than 20 members of Parliament.

Until recently, the Milanese investigations had concentrated on a single target: the Italian Socialist Party (PSI), whose Secretary General, Bettino Craxi, has so far received five subpoenas. Craxi's Socialists are accused of taking bribes from businessmen and companies which were, in turn, favored in state-financed public works.

It is ironic that the machine which is now watering Craxi and the PSI is connected to the very American forces that had helped Craxi become Italy's single most influential politician.

Craxi has fought back against what he calls "an international conspiracy," and Socialist-linked media have exposed what they call "a CIA plot." He told journalists on Feb. 11, "Maybe my old American friends are doing the job against me."

On Feb. 10, the Milan investigation escalated, hitting very close to the leadership of the Republican Party and the Christian Democracy. Everybody is now expecting that a subpoena will be issued for former Christian Democratic Party Secretary General Arnaldo Forlani, and other top party officials have already been subpoenaed.

China releases two student leaders

The People's Republic of China announced on Feb. 17 that it was releasing two prominent student leaders, and claimed that all the students sentenced for the Democracy Movement's 1989 protests had now been freed. The two being released are Wang Dan, 25, number one on the list of 21 "most wanted," and Guo Haifeng, 27, who was a graduate student at the time of the 1989 movement.

Wang Dan told reporters, "You can say I will never change my political stance. I have never before now, I will not in the future."

While the U.S. State Department, Asia Watch, and various overseas Chinese organizations welcomed the release of the dissidents, the International Federation of Chinese Students and Scholars (IFCSS) underlined that nobody should be confused by this superficial effort from the Beijing regime to improve its human right record.

Beijing's claim that all have now been released conflicts with the continued imprisonment of student leader Liu Gang, and other cases of students who are being confined without benefit of a trial. An unknown number of dissident intellectuals and others re-

main imprisoned.

There are two immediate issues related to this release. One is the question of China's desire for Most Favored Nation trade status from the United States. Bill Clinton had vowed during the presidential election campaign to make MFN dependent on improvements in China's human rights record.

The other issue is that the United States may grant Chinese nationals who entered the United States before April 11, 1990 permanent residency by the end of next July, under the condition that the President is unable to report to the Congress that human rights has been significantly improved by that time. The IFCSS has been the major lobbyist on behalf of such a plan to protect exiled members of the Democracy Movement.

Venezuelan church blasts condom handout

The Permanent Commission of the Venezuelan Bishops' Conference has issued a statement harshly attacking the government's campaign to distribute free condoms to all. Organized by the Family Planning Association, the program was launched on Feb. 15; 500 volunteers fanned out to subway stations and busy streets and distributed 200,000 condoms.

Program director Alfredo Díaz Bruzual justified the plan as a means of "creating consciousness about AIDS and other venereal diseases." Every adult receives a condom inside a box of matches inscribed with the slogan, "Don't Play with Fire," and a brochure on the use of condoms.

Msgr. Mario Moronta, secretary of the bishops' conference and auxiliary bishop of Caracas, stated that "this type of campaign is not a solution to the AIDS problem, nor will it prevent unplanned pregnancies. At bottom, this is an invitation to moral relativism and promiscuity." Father Aldo Fonti, director of the bishops' Social Pastoral Commission, wrote to the media that "the problem isn't condoms, but creating a humanized society to educate integral men and women."

Ayatollah Montazeri arrested in Iran

Ayatollah Hossein Ali Montazeri was arrested in Iran recently after denouncing Ayatollah Ali Khamenei, the current Iranian spiritual leader, according to a report by the exiled former President of Iran, Abol Hasan Bani-Sadr. Bani-Sadr told the press that the arrest followed an armed attack on Montazeri's home which left three of his aides dead. Montazeri was chosen by Ayatollah Khomeini to be his successor, but upon the latter's death he was pushed aside for the current Ayatollah Khamenei.

Montazeri's arrest follows unconfirmed reports published in the *Times* of London on Feb. 15 that Iranian President Ali Akbar Hashemi Rafsanjani was the target of an assassination attempt in Teheran on Feb. 10. The underground opposition group Babak Khorramdin is said to have attempted a rocket and machine gun attack on Rafsanjani's motorcade. The attackers were stopped after a 20-minute gun battle.

Milosevic blames Germany for Balkan war

Germany is to blame for the war in the Balkans, charged Serbian communist dictator Slobodan Milosevic in an interview with the Russian daily *Pravda* published Feb. 20. He also attacked the "present Russian government" for betraying the Serbs by joining the international embargo against Serbia.

As *EIR* has reported, one of the chief geopolitical purposes of the Balkan war has been for the Anglo-Americans to block any independent moves by Germany—a policy which Milosevic has been all too happy to assist.

Milosevic alleged that immediately after reunification, Germany launched a policy of reconquering all the territories it had occupied militarily during the last world war, but lost with its defeat. The reunited Germany, he raved, is taking revenge for this defeat

now, "punishing" the victorious powers of 1945.

A "German-Catholic alliance" is to blame, Milosevic charged, for the fact that an international propaganda campaign against Serbia has been launched, and that the Croats could "invade" territories (their own territories) that were under the protection of the United Nations.

Even many in Russia, he said, are influenced by the anti-Serbian propaganda, which is why the government of President Boris Yeltsin has joined in an act of "shame," the sanctions against Serbia.

Rallies demand that Europe act in Bosnia

"Europe is dying in Sarajevo," was the main slogan in pro-Bosnian rallies in several German cities on Feb. 20, calling for an end to the U.N. arms embargo against Bosnia.

The rallies were initiated by a cross-party coalition that is calling for tighter western measures against Serbia, ranging from intensification of the arms and economic embargo against the Serbs to a limited military intervention against the Belgrade regime and its troops outside the borders of Serbia.

More than 1,000 protesters gathered in Munich, another 800 in Stuttgart, and more than 4,000 in Berlin. Smaller rallies also took place in Düsseldorf, Bonn, Hamburg, and Bremen in connection with the hunger strikes which have been launched by Bosnian refugees in Germany, in support of the hunger strike in Sarajevo, the Bosnian capital.

The rally in Berlin was largely backed by the Turkish community there, which recently called for the impeachment of U.N. Secretary General Boutros Boutros-Ghali. It was addressed by Stefan Schwarz, a young Christian Democrat who has taken a leading role in the German parliament in a cross-party campaign of solidarity with the Bosnians. The rally in Stuttgart was addressed by two representatives of the Schiller Institute.

● A NATO-LED mission to enforce any peace agreement in Bosnia could include Russia and other forces from outside the alliance, said NATO Secretary General Manfred Wörner on Feb. 17. He said the western alliance would have to retain command of the operation, but "we would welcome the participation of other nations in such an undertaking, including . . . Russia."

● THE ORGANIZATION of African Unity, meeting in Addis Ababa, Ethiopia, in mid-February, agreed to create a military force that would deploy into member African states. This proposal has come before the OAU twice before in the last decade, but was rejected as a violation of national sovereignty. It is supported by the United States.

● PANAMA'S former President Manuel Solís Palma has signed an international appeal to President Clinton, demanding freedom for Lyndon LaRouche. Solís Palma served as President until just before the December 1989 U.S. invasion of his country. He is the second former President of an Ibero-American nation to sign, the first being Argentina's Arturo Frondizi.

● ALGERIAN Defense Minister Gen. Khaled Nezzar narrowly escaped assassination when a car bomb exploded as his motorcade drove by in mid-February. Clashes between government security forces and Islamic militants have led to the death of over 600 security officers in the last year.

● KUWAIT and Russia signed a defense memorandum on Feb. 16, during a visit to Kuwait of Russian Defense Minister Pavel Grachev. "The memorandum is the first step toward enhancing future relationships and I expect this will include signing a [defense] agreement during 1993," said one diplomat. Kuwait expects to buy \$15 billion in arms by the end of the century.

Clinton 'information highway' is no infrastructure program

by John Hoefle

There is a joke making the rounds of New York cab drivers. The cabbie asks the rider: "Have you heard about Clinton's new infrastructure program?" Rider: "What about it?" Cabbie: "We're going to build an information highway." Rider: "What's that?" Cabbie: "You know . . . fiber optic cables everywhere. You will be able to eat by watching a hamburger on TV three times a day."

The reference is to the new nationwide computer network proposed as part of the \$30 billion infrastructure package announced in President Clinton's economic program.

On Feb. 22, President Clinton, Vice President Al Gore and Clinton's national science adviser Jack Gibbons, went to Silicon Valley in California, to announce the "Technology for America's Economic Growth: A New Direction to Build Economic Strength," which features a plan to link the country's businesses, schools, libraries, hospitals, and government agencies by a network of high-speed computerized "information highways." Technically, such computer nets are communications infrastructure that can benefit the physical economy. So why the jokes?

First, the overall administration infrastructure proposal is too small for the desired effect of creating high-technology jobs through rebuilding the decaying physical infrastructure of the economy. Second, Gore, known as the "tekkie" in the administration because of his affinity for computers, has been asserting that the computerized information network *is equivalent* to hard infrastructure and tangible goods, such as bridges, ports, rail, and by implication, hamburgers.

A nationwide computerized network of the sort proposed by the administration and the computer manufacturers, would be useful as an adjunct to a functioning industrial economy. But it can never *replace* an industrial economy, because it is overhead; the money spent on such a project must be deducted from the real profits of the physical economy.

The Clinton administration has not shown that it compre-

hends the difference between overhead and production, judging by Gore's remarks on Feb. 22 to the employees at Silicon Graphics, a computer manufacturer in Mountain View, California. At the beginning of the Industrial Revolution, infrastructure meant such things as "deepening ports," he said. Later, infrastructure came to mean such things as "extending the railroads to carry goods, for example, coal, to places for use by consumers." But today, Gore said, infrastructure means building a computer network to "move information." Clinton claimed that the program would strengthen the economy and keep the United States "on the cutting edge of change."

What is it?

The "information highway" would consist of a nationwide high-capacity computer transmission grid or "backbone," a sort of electronic interstate highway system, which would connect the major metropolitan centers and provide for the rapid movement of all sorts of computer data. The network would be built in stages, to eventually include most of the businesses, public institutions, and homes in the United States. Proponents say it will revolutionize the way Americans live, by opening up new possibilities for work, study, and play.

With the capability for nearly instantaneous transfer of large amounts of data, businesses could link their computers in ways not now feasible, allowing close tracking of sales, inventory, and financial conditions. Businesses would be able to exchange data with their customers, allowing them to eliminate much of the delay inherent in paperwork. For example, a retailer's computer could automatically notify a supplier when stocks run low, making the "just in time" delivery more efficient.

Proponents of the plan envision users gathering a wealth of information on almost any subject from a terminal in their home, office, or library. With access to so much information at your home, proponents say, the distinction between home

and office blurs. With your office computer, and with the capability of video conferences with your co-workers and business associates, much of the work now done from the office could be done from the home.

Telecommuting

Under the Federal Clean Air Act which took effect in late 1992, all companies with at least 100 employees in certain cities, must reduce their commuter ranks by 25% by 1996. Absent serious mass transit alternatives, these companies must do so either by cutting the number of employees, getting employees to use car pools, or allowing employees to perform some of their work from home. In response, many state and local governments, and a growing number of businesses, are establishing telecommuting programs for their employees.

There are already some 7 million "telecommuters" in the United States, and the number is rising by nearly 20% a year, according to Link Resources. These telecommuters spend an estimated \$4.5 billion a year on personal computers, faxes, and phone services for their home offices. The costs to the employers and the telecommuters vary, as some companies provide the equipment, and others require the employees to buy their own.

Bell Atlantic, one of the regional Bell telephone companies, has a model of the "intelligent home" of the future in the Cascades development in Loudoun County, Virginia. The centerpiece of the home is an interactive video system that is a combination computer, telephone, and cable TV. Bell Atlantic is wiring 6,000 homes, businesses, and schools in Cascades with fiber optic cables, to create a small-scale version of the information highway. Cascades residents are supposed to telecommute to work, order groceries, pay bills, and play interactive video games with neighbors all from home.

Post-industrial society

The Clinton-Gore plan is based upon a proposal by the Computer Systems Policy Project (CSPP), founded in 1989 by the chief executive officers of many of the nation's biggest computer manufacturers (Apple Computer, AT&T, Compaq, Control Data Systems, Cray Research, Data General, Digital Equipment, Hewlett-Packard, IBM, Silicon Graphics, Sun Microsystems, Tandem, and Unisys). The CSPP proposal calls for the government to create a National Information Infrastructure Council, headed by Gore, to push for the development of information technology as a replacement for what CSPP head John Sculley, chief executive of Apple Computer, calls "that old industrial model."

The essence of the CSPP's position was presented by Sculley at Clinton's economic summit meeting in Little Rock, Arkansas on Dec. 14, 1992. "I believe that we're at a turning point in the world economy today, not unlike what we saw at the time we had a transformation from the agricultural economy in the 19th century to the industrial economy that we've had for most of this century," Sculley said.

Replacing this "old industrial economy" and its mass production and consumption, Sculley said, will be a "new economy" of decentralized work and custom-made products, capable of competing on a global scale. To effect this transformation, Sculley said, we mean the "reorganization of work itself. This means the re-engineering of the way that work actually gets done to be more productive in the new economy. But there's a major problem, and that is that most Americans don't know what this new economy is and they don't realize how much of an impact it's going to have on their lives in the years ahead."

If you are one of the millions of former industrial workers, whose life has already been "re-engineered" by this post-industrial nonsense, you should have a pretty good idea of what this means.

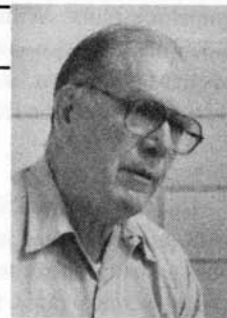
Not everyone is happy with the government's plans to build and operate such a system. Leading the fight against it are long-distance phone companies such as AT&T, which would prefer to build and control the system themselves, and various advocates of free enterprise, who see the government's plan as the implementation of an "industrial policy" designed to help American industry. What a lot of the fight boils down to is, who will get the government research funds to develop the information highway hardware and software, and who will control the income from the implementation and servicing of the network.

Internet

A version of the information highway already exists, in the form of Internet. Construction on Internet began in 1969, financed by the Department of Defense to link universities, research labs, and military installations working on various defense-related projects. With the computer boom of the 1970s and 1980s, Internet grew into a matrix of more than 9,000 interlocking networks connecting some 100 countries, offering on a smaller scale many of the services planned for the new network.

The problem with Internet, is that it operates over ordinary phone lines, which are not capable of handling the volume of data required for the new network. That problem was addressed by the High Performance Computing Act of 1991, sponsored by Gore, which authorized \$2.9 billion in financing over five years for the development of a National Research and Education Network. One of NREN's tasks will be to raise the capacity of Internet's backbone from 45 million bits of data per second, to 3 billion bits per second.

For the new information highway network to perform as advertised, it must be based on fiber optic technology. Fiber optic cables can transfer data at the speed of light, far faster than electrons can travel over copper wire. Critics say the fiber optic system would be too expensive, and urge that the new system be based upon Integrated Services Digital Network, which would increase the capacity of the existing copper wire grids.



'Clinton will fail unless he takes on the Federal Reserve'

The following comments by the former presidential candidate on William Clinton's Feb. 16 State of the Union address, are taken from his weekly radio interview on Feb. 18. Mel Klenetsky conducted the interview. Radio stations can receive: "EIR Talks with Lyndon LaRouche" by satellite. The interviews are broadcast from 7-8 p.m. Eastern Time, Saturdays on: Galaxy 2, 74 Degrees W; Transponder 3 74.9 MHz NB, SCPC; 3:1 Companding Flat; or Satcom C-1 137 Degrees W; Trans 2 7.5 MHz; Wideband Video Subcarrier.

EIR: Mr. LaRouche, we have just heard from Bill Clinton in his State of the Union message. He talks about \$500 billion in new taxes and spending cuts. He is talking about reducing the debt, he is talking about investment.

Does this program do the job?

LaRouche: No. There are features of it which are possibly workable, or even represent emotions moving in the right direction; but the program overall is guaranteed to be a flop in its present form.

EIR: Why so?

LaRouche: Well, as I have said before: First of all, there is a misdiagnosis of the problem by the Clinton administration.

Clinton's speech was in some parts artfully done, admitting that both parties have been responsible for the mess and that this goes way back. But the fact of the matter is, that all the key issues are the ones he didn't address.

We are in, actually, a worldwide depression, in which the United States is collapsing a bit faster than Japan or western continental Europe, and has been collapsing for a longer period of time because of policies we adopted during the middle 1960s—that is, policy axioms, policy assumptions: the rock-drug counterculture, the New Age, which, together with the anti-technology, anti-scientific bias which is reflected, of course, today in our school systems. So we no longer have an orientation toward growth real growth; growth in productivity has always depended and will always depend upon a relatively massive concentration on investment in scientific and technological progress.

Secondly, as part of that, changes in educational policy, away from a traditional, pro-scientific educational policy into a social-engineering-of-the-student's-mind policy, has given

us a labor force which today is no longer capable of the kind of productivity which is implied in a recovery program, without very special measures and a change in philosophical orientation.

And the mechanism of the debt growth and the growth in the fiscal crisis, is a combination of deregulation, free market policies so-called, but especially the role of the Federal Reserve System under this arrangement. *As long as they do not touch the Federal Reserve System and its problems, there is no possibility—no matter how stringent or austere the measures—of dealing with the growth of the total national debt, or the growth of the fiscal bite of the debt into the operating budgets.*

To make it clear: Let us assume that President Clinton is going to carry out the program of Ross Perot. Ross Perot would assuredly be *as big a failure* on this count as Clinton. Obviously, we would expect that if Bush had been elected, he would have done pretty much the same. So any of the three leading candidates, which the voters voted for, would have done as badly as Clinton is doing right now. The thinking of any of them would have assured us a catastrophe.

EIR: Does the debt stand in opposition to any kind of a real investment policy?

LaRouche: Absolutely.

The basic problem here, in terms of the debt and in terms of debt service, is that you have got to stop buying high-priced debt, which means no more 7½-8%, 30-year bonds, for example. That is the crux of the matter there.

And you have to increase the tax revenue base without raising the tax rates generally. There are cases where tax rates could be raised without a counterproductive effect, and perhaps should be raised. But in general, the tax rates *should not be raised.*

The way to solve the problem is to increase the tax revenue base of households and business income; if we do not expand that income, there is no possibility of a rational solution to this problem.

To do that, you have to create credit. The question is, where are you going to create the credit, and how much? You have to create about \$1 trillion a year of new credit—somewhere between \$600 billion and \$1 trillion a year minimum—to get the economy moving, to get to a breakeven

point, where the problems of the economy are met, and the problems of balancing the budget are met. If you do not do that, you are not going to solve the problem.

If you are going to do that through the Fed mechanism, you are going to blow the system out—at least under present arrangements. Because the Fed creates money out of thin air, not out of taxes, not out of deposits, but out of thin air, at about 3%. Then the federal government borrows that money, at about 4½-7½% now.

At present, the banks are going *heavily* into government bonds, because their own situation is so desperate. In other words, the federal government is bailing out the commercial banks and other institutions, by offering this growth in debt through the federal bond route, through the Federal Reserve mechanism. If you do not change that and go back to direct creation of currency by the Treasury, under bills authorized by the Congress, and do not deposit that money, say, at 2% on 10 years, 2% on 20 years, somewhere in there, to selected categories of investment . . . unless you dump the Federal Reserve mechanism of monetary generation, and take those powers away from the Fed, and go back to the Constitution (of which the Fed is actually in violation, so that is not a big innovation), you cannot get this economy out of a depression.

The issue here is that there are commercial and financial interests, such as the commercial banks, which are presently being subsidized by the federal debt. That is, the banks which are out of position under the new rules, or were close to it, went to the Fed, borrowed money on the discount mechanism, money which the Fed created out of thin air and loaned at about 3%. The banks turned around and made a secure investment in U. S. government bonds at between 4½ to, say, 7½%, depending upon the length of maturity.

Those bond purchases were then used to bail out the banks' position, and the banks themselves. So what has happened is—which is what neither Perot nor Clinton nor Bush mentioned in the campaign, nor Clinton today—a swindle by these financial interests of the United States taxpayer through the Fed, which is the principal mechanism causing the difficulty we have, in trying to get the economy moving.

These interests, which have pressured Clinton into making a very modest recovery program (actually much less than \$30 billion in total investment), are the same interests which are looting off the federal government, the federal taxpayer. Unless we go to the other mechanism, that is, of creating money at the Treasury, not the Fed, and of loaning it at 2% on 10 years to selected categories of borrowers, then what would happen if you tried to cram a monetary aggregate buildup through the Fed for a recovery, is that these financial swindlers—I think they are fairly called swindlers—would simply take most of that money, and plug it in to their speculative financial bubble to try to prop it up. That would blow out the U. S. economy in a hyperinflationary explosion if that were attempted.

No President, no Congress, can get a recovery out of this

spiralling downward depression we are still in, unless they take on the Fed. We must remember, also, that we are not even looking at, directly, in any of these discussions, the major mechanism of the financial bubble which has threatened to blow out the whole world financial system, and that is called derivatives. That is a whole other subject in itself.

We have *trillions of dollars* of unaccounted paper as obligations floating around the system internationally; and when that blows out, the whole financial system will blow out. Any more of that kind of speculation which is now ongoing, and we have reached the point where that becomes uncontrollable.

So that is why, perhaps for all the good motivation or whatever that Mr. Clinton has, what he proposed yesterday, just cannot work.

EIR: So far, it seems, in terms of spending cuts on the federal budget, one thing which has remained sacrosanct, untouchable, is the federal debt. You have mentioned this derivative market, the trillions of dollars in terms of debt. Is there any way of getting a stimulus investment program with this kind of debt? And if we have to restructure the debt, then what is the nature of the stimulus program that you recommend?

LaRouche: I have already recommended it. I had a 10-point program which I announced in the *Washington Times* and various other media during January and so forth of last year. This program had a significant impact on the Democratic Party and others. We hear echoes of this word “infrastructure” all over the place, a term which essentially I introduced in this form. Clinton had adopted a small, pale shadow of that.

That is what has to be done.

To do that, you have to do as I say. You have to generate your credit the constitutional way, and create what used to be called debt-free money. The federal government no longer goes into debt to create its own currency, which is what the problem is here.

It is not a question of how to pay or restructure the debt. The essential thing is that *you have to take the nation off the Fed monetary mechanism and go back to constitutional mechanisms*. If you do not do that, nothing will work. If you do it my way, which is the constitutional way, it *can* work. It is going to take a lot of hardship to get it going because we do not have a labor force which has the education and skills—especially college graduates are not too good for real work these days.

But if you do not do it that way, it is not going to work. And that is the problem. It is not a matter of restructuring the debt—forget restructuring the debt, that is not going to work, *unless* you go to this other mechanism.

So the restructuring of the debt is not the problem. It's a problem; but it's not *the* problem. *The* problem is to get off the Federal Reserve tit.



Former presidential candidate H. Ross Perot, whose program has been adopted by Clinton. Perot, says LaRouche, "would assuredly be as big a failure on this count as Clinton," because neither Perot, nor Clinton, nor Bush recognized the swindle of the U.S. taxpayer by the private commercial and finance interests that run the Federal Reserve.

EIR: Some people recommend that the Federal Reserve should be shut down. Is that your recommendation?

LaRouche: No.

I would take the thing over, make it constitutional, and make it a National Bank of deposit. I would peel off certain aspects of it to go away from the Federal Reserve district operation to a constitutional approach, which is to make the principle that of state banking systems, a corresponding bank within states for a National Bank, rather than having the Federal Reserve regions which, in my view, are on principle unconstitutional.

EIR: Some of the cutback programs: Mr. Clinton has put out polls. ABC, CBS, all of the news, have had polls saying that the American population is willing to accept this sacrifice in such areas as health care, in social security. What will this do in terms of the actual living standards of the population?

LaRouche: We are going down. This is going to be "share the poverty," to a certain degree—not much sharing, but a lot of poverty. This is not going to work. There is no way.

But the public is *desperate* now. The public themselves are not willing yet to look at what they consider the really radical solutions; and until the public is willing to look at radical solutions—which means saying that deregulation was insane, free trade is insane, and things like that—unless they are willing to start talking about that and the Fed, then the public is going to, out of pure desperation, listen to any con man who comes along offering a supposed solution with a good pitch, with good motivational language.

Anything which does not attack free trade or the Federal Reserve, or deregulation, they are going to tend to accept, because they do not want to attack free trade, the Federal Reserve, or deregulation. Therefore, I am afraid that most of the American public is still a bunch of suckers who are going

to fall, in large part at least, for any hokum that comes out from the best con man in sight. And that is the situation that we are in, unfortunately.

EIR: You talk about radical solutions. Are there any historical precedents for what you are proposing, in the 20th century?

LaRouche: In the 20th century, there are lots of them.

There was one attempted in Germany, and the Anglo-American powers couped the von Schleicher government in Germany, and put Hitler into power to prevent it from being implemented.

Then they let a certain form of that solution, which was being implemented under Dräger. They allowed that to continue under Hitler, which was the real cause for the so-called recovery under Hitler. But Hitler had been opposed to that program, totally; but the foreign bankers said, "Well you can do it, because we will shut it off whenever it goes too far."

But there have been frequent moves in that direction. Elements of our own recovery programs at various times during this century, were reversions to it. Take wartime financing, for example: World War I, World War II, the mechanisms for financing were imitations of our original constitutional system—parodies of it at least—of the so-called Hamiltonian or the Monroe or John Quincy Adams or Lincoln sort of mobilization.

EIR: What is the size and dimension of your job-creation program compared to what Clinton is talking about? He is talking about 200,000 jobs.

LaRouche: You have to have about 6 million jobs—remember, you have about 17.3% of our total labor force which is actually unemployed. That is full-time equivalent unemployment. They are listing about 7.1% unemployment, so the difference is, about 10% of the labor force is somehow lost

even in the accounted figures of the Labor Department. And there is actually a larger unemployment factor than even the official figures of 7.3%. So we have plenty of people who are unemployed.

To get enough tax revenue base increase from households and business to balance the budget without raising tax rates on businesses and middle- to lower-income households, you have to have about 6 million more people employed. That is going to mean that you have to stick in a stimulant in the form of credit, of somewhere between \$600 billion and about \$1 trillion minimum to get the wheels turning to get that kind of employment.

EIR: Some people say this will be inflationary. Is it inflationary?

LaRouche: Not if you do it properly, if you invest in basic economic infrastructure, the right stuff. If you concentrate on using sectors which are collapsing now, say, auto and aerospace, and find out the other products that they can create right away, because of their technological capabilities, to supply or help supply some of these infrastructure projects such as rail systems with equipment, then you are going to end up with the right result.

Of course, if you throw it around on make-work projects and so forth—which are not economical—then you could have an inflationary result, not because of the mechanism you are using, but because you are applying it to things which are not the most productive.

EIR: There is a resolution being introduced into the North Dakota state legislature which calls for a moratorium on farm foreclosures in the farm sector. Is that the kind of direction that you would recommend?

LaRouche: I would include that. Absolutely. Although most people do not realize it, we are net importers of food from foreign countries. If we are going to try to even balance our national balance-of-payments situation, we are going to have to cut out our dependency on imports, by providing protection of various kinds for domestic producers who are either of competitive or potentially competitive quality.

For example, that is why I would support a piece of legislation which has come out of committee from [Senators] Bennett Johnston [D-La.] and [Bob] Krueger [D-Tex.], which would establish a trigger price tariff on petroleum, setting a price on petroleum, and if petroleum is priced to come in the country at a lower price, we will just put a tax on it to make up the difference, to protect the U.S. native producers.

Those kinds of protective measures, which are not unfriendly and not really trade war against anybody—that has to be done, and stopping farm foreclosures in order to save the irreparable damage of losing this capacity, is one of the measures that has to be taken, not only for the farmer, but for the eater, for the consumer.

Will Clinton end DOJ police-state abuses?

by Edward Spannaus

No section of the U.S. government is more desperately in need of reform than the Department of Justice (DOJ). Over the 12 years of the Reagan-Bush administration, it grew into a gigantic police-state gestapo posing a threat to the civil rights and liberties of all citizens. Its abuses have been recently chronicled in *Time* magazine and in a six-part *Washington Post* series.

There are tentative signs that the new administration intends to reverse, or at least curb, some of the worst abuses of the Reagan-Bush years. These have appeared in connection with the trouble-plagued nomination process for a new attorney general, and in some recent actions of the temporary regime in the department itself, particularly around the case of Rep. Harold Ford (D-Tenn.).

Prosecutorial abuses

While the pattern of abuse and prosecutorial misconduct didn't begin with the Reagan-Bush administrations (remember Abscam and Brilab from the Carter years), the past 12 years have seen an unprecedented consolidation of unbridled police-state powers in the DOJ. Its budget quadrupled, from \$2.3 billion in 1981 to \$9.3 billion today—this from the people who promised to “get government off our backs”! It now has over 90,000 employees.

The *Washington Post* series highlighted the “vastly expanded” powers which federal prosecutors have assumed over the past decade. DOJ policies and U.S. Supreme Court rulings have given federal prosecutors “more flexibility than ever before in pursuing convictions,” and have made it almost impossible to “hold federal prosecutors accountable for tactics that once were considered grounds for case dismissal or disciplinary action.”

The type of disreputable tactics cited by the *Washington Post* were: manipulation of grand juries; failure to disclose evidence favorable to a suspect or a defendant; government intrusion into the relationship between defense attorneys and clients; intimidation of witnesses; and blitzkrieg indictments or threats of indictment designed to force capitulation without the need for trial. The series described numerous examples of such tactics, including entrapment situations where prosecutors induce a target to commit a crime, or set up a defendant to hire an attorney who is actually a government informant, or multiple, simultaneous indict-

ments in different parts of the country to force a target to plead guilty or face bankruptcy.

Readers of *EIR* are quite familiar with such methods, since the two federal trials involving *EIR*'s founder Lyndon LaRouche were probably the most dramatic example of federal prosecutorial misconduct and underhandedness in recent U.S. history. Were the *Washington Post* so inclined, it could easily write another six-part series on the LaRouche case alone.

Out of control

What has compounded the problem is the U.S. Supreme Court's "hands off" policy toward prosecutorial misconduct. Behavior which would have gotten a case thrown out of court 10-15 years ago, is now tolerated under the doctrines of "harmless error" and prosecutorial immunity. Even judges who want to use the power of their court to remedy prosecutorial misconduct can no longer do so, because they face almost certain reversal by appellate courts.

Added to this is the fact that former Attorney General Richard Thornburgh had declared that federal prosecutors cannot be disciplined by local bar associations, the traditional vehicle for bringing complaints of violations of the lawyers' canon of ethics. All such complaints must be directed to the Justice Department's Office of Professional Responsibility, which has been accused of sweeping most such complaints under the rug and of hiding behind a veil of secrecy. (One of the few instances in which the OPR has shown any zeal is in the current investigation of FBI Director William Sessions, which most observers consider to be a vendetta launched for former Attorney General William Barr.)

Time magazine, in its Feb. 15 issue, described the DOJ as having gained a reputation, among both Democrats and Republicans, as "the most thoroughly politicized and ethically compromised department in the government." "The whole Justice Department building needs to be scrubbed down by the Clinton administration," one specialist told *Time*.

The Ford case

The absence of a new attorney general has delayed any such housecleaning. Officially, the acting attorney general is Stuart Gerson, a Bush administration holdover who headed the DOJ's Civil Division. Many regard the real power in the department at present to be Webster Hubbell, a law partner of Hillary Clinton who now holds the post of White House liaison in the DOJ. But, despite the lack of any Clinton-nominated and Senate-confirmed officials running the department, the new administration has already taken one highly visible step which suggests an intention to reverse some of the abuses of the Reagan-Bush period.

On Feb. 19, acting Attorney General Gerson took the highly unusual action of ordering federal prosecutors in Memphis to join in a motion by defense lawyers for Rep. Harold Ford, seeking to dismiss a nearly all-white jury picked

for the black congressman's retrial.

Ford's first trial in April 1990 had ended in a hung jury, with black jurors voting for acquittal, and white jurors voting for conviction. Jury selection for the retrial was moved to a predominantly white, rural area, although the trial itself is still to be held in Memphis; Ford appealed the ruling which ordered the jury picked outside of Memphis; the Sixth Circuit Court of Appeals denied the appeal, and the U.S. Supreme Court refused to hear it.

Earlier this year, the Congressional Black Caucus had sent a letter to President Bush charging that Ford had been "railroaded" by the DOJ. Then, on Feb. 3, Rep. Kweisi Mfume (D-Md.), chairman of the CBC, wrote to Clinton and asked him to order a DOJ review of the jury selection. "The idea that the popularity of a political figure, particularly a black public figure, should disqualify that person from trial in his home town is profoundly disturbing." Ford has been a congressman since 1975, and has been reelected three times since his 1987 indictment.

On Feb. 18, Gerson and Hubbell met with a 26-member Black Caucus delegation who called the selection of the nearly all-white jury a "travesty of justice" and "racially prejudicial." Gerson ordered local prosecutors to join in Ford's motion to have the new jury dismissed; at the time, Gerson said that he believed that an impartial jury *could* be picked in Memphis.

The U.S. Attorney in Memphis, Ed Bryant, resigned in protest of Gerson's order, and two of his assistants also attempted to withdraw from the case. But the trial judge denied Ford's motion on Feb. 22. When Ford again took an appeal to the Sixth Circuit, Gerson declined to join Ford's appeal, on the grounds that the legal standard for reversal of a trial judge was not met. A DOJ spokesman denied that this constituted a "double reversal."

Meanwhile, Gerson was being attacked for allegedly bowing to political pressure from the Clinton White House; the *Washington Times* charged that Gerson was hoping to get a job from the Clinton administration. Gerson angrily denied the accusation, saying he had no intention of staying on. "I have a moral duty to this department and this country," declared Gerson, "and my independent advice is not for sale."

Asked about the Ford case on Feb. 24, White House spokesman George Stephanopolous said that the initial inquiries to the White House on the Ford case had been turned over to Hubbell, the DOJ's White House liaison. Stephanopolous answered "yes" to a question of whether the White House was "comfortable" with Gerson's decision.

Senate hearings for Janet Reno, the new attorney general nominee, are now expected to take place in early or mid-March. With no "nanny" problems to clutter up the agenda, it is hoped that the Senate hearings will focus on the pressing issues of criminal justice reform confronting the new attorney general.

IPO refutes U.S. misrepresentation of LaRouche case to U.N. commission

On the evening of Feb. 17, the International Progress Organization (IPO) again presented the case of U.S. political prisoner Lyndon LaRouche to the ongoing 49th plenary session of the United Nations Human Rights Commission in Geneva.

After the Special Rapporteur on Elimination of All Forms of Discrimination Based on Religion or Belief had included the LaRouche case in his report last year—as the only case which was not a question of religious discrimination, but of discrimination based on belief—the United States government sent a reply to the Special Rapporteur on March 24, 1992 (see EIR, Feb. 21, 1992, p. 58). As a matter of usual procedure, the reply was included in this year's report of the Special Rapporteur to the Commission, together with a reprint of the original allegations from the Rapporteur.

The IPO intervened with corrections and comments to the U.S. government's reply, the text of which we print below, followed by the U.S. government reply. Ortrun Cramer spoke on behalf of the IPO.

The presentation took place around 8 o'clock in the evening—the Commission sits for about 10 hours a day—but there were still a significant number of people in the room. After Cramer's presentation, many national delegations from the Commission came to pick up copies of the speech, including from the Third World, Europe, and, the United States, as well as representatives from non-governmental organizations. In addition, facsimiles of a half-page appeal to President Clinton to free LaRouche signed by nearly 1,000 people that appeared in the Washington Post on Inauguration Day were distributed.

Commission on Human Rights, 49th session

Agenda Item 22: Implementation of the Declaration on the Elimination of All Forms of Intolerance and of Discrimination Based on Religion or Belief

Mr. Chairman,

On 8 November 1991 the Special Rapporteur monitoring violations of Intolerance and Discrimination Based on Religion or Belief formally transferred allegations of major human rights violations against Lyndon LaRouche and his associates to the United States Government. The Special Rapporteur's allegations against the United States were published in United Nations Document E/CN.4/1992/52, para. 74, dated 18 December 1991.

On 24 March 1992, the Government of the United States sent a reply to the Special Rapporteur containing numerous explicit misrepresentations of fact, distortions and obfuscations. The U.S. Government Reply is published in the February, 1993 Report of the Special Rapporteur to the Human Rights Commission (Document E/CN.4/1993/62).

The following specific examples illustrate the pattern:

1. The U.S. Government reply states that Mr. LaRouche "has been given due process under the laws of the United States," without making any mention of the fact that over two months before it submitted its reply, on January 22, 1992, the internationally known human rights advocate and former U.S. Attorney General Ramsey Clark, and other attorneys filed before a federal court six volumes of evidence newly discovered after trial that LaRouche was not afforded due process. The evidence was part of a more than 100-page *habeas corpus* motion, unprecedented in scope, which sought to vacate Mr. LaRouche's sentence because his conviction and detention were unlawful, based upon outrageous government misconduct. Massive evidence was presented by Ramsey Clark, et al. of at least nine provable major violations of due process. Mr. LaRouche was not present at any legal event where his *habeas* petition was being determined. The principal ground for LaRouche's demand for immediate release was that massive amounts of newly obtained evidence proved that "the prosecution conducted and participated in a conspiracy and concerted action with others to illegally and wrongfully convict him and his associates by engaging in outrageous misconduct, including financial warfare." This motion is currently on appeal before the Fourth Circuit Court of Appeals.

2. The U.S. Government reply is incorrect when it states that the Alexandria [Virginia] convictions resulted from fraudulent fund-raising activities conducted by Mr. LaRouche and his supporters to finance his presidential campaigns. This is not true. None of the specific counts in the indictment against LaRouche or his associates involved funds to finance his presidential campaigns. Furthermore, at the sentencing hearing after trial the Court found that the total value of all transactions at issue was less than \$300,000 and this money did not involve financing presidential campaigns.

3. The U.S. Government reply is incorrect when it states that some lenders lost their life savings. At the trial the U.S. Government presented perjured testimony from one lender witness, Elizabeth Sexton, whom they argued had lost her

last dime to the LaRouche association. Subsequent to trial Mr. LaRouche's defense team obtained concrete documentation including bank and real estate records which showed that this woman had considerable financial means at the time and after the trial.

4. The U.S. Government reply asserts that a number of state authorities have investigated or prosecuted him and his associates for income tax crimes. There has not been a single state indictment or prosecution for income tax crimes.

5. The U.S. Government reply reports that Mr. LaRouche's Boston trial ended in a mistrial. They fail to report that the day after the mistrial a member of the jury stated publicly that the jury would have voted for acquittals because they believed that it was government targetting and misconduct which had caused the situation. Furthermore, they fail to inform the Special Rapporteur that the federal judge on the case, Robert E. Keeton, formally cited the government's "systemic and institutional prosecutorial misconduct." The government's prosecutorial team had steadfastly denied any and all entanglements which they had with private citizens and intelligence community "secret government" political enemies of LaRouche; they also denied the existence of any and all exculpatory evidence in this regard.

6. The U.S. Government feels obliged to state that Mr. LaRouche, though incarcerated, is continuing his political activities. This appears rather to be a line of defense against the growing wave of international protests the incarceration of Mr. LaRouche has prompted. The above-mentioned *habeas corpus* motion by Ramsey Clark and other attorneys concludes its extensive documentation: "This entire prosecution, and those actions preceding and succeeding it, were so corrupted by politically motivated misconduct and bad faith as to have overwhelmed any pretext of due process and fairness in the trial. . . . Relevant and exculpatory materials were intentionally and routinely withheld by the Government in an effort to preclude defenses, prevent discovery of the truth, and cover up the conspiracy and concerted action in which the Government was engaged."

The International Progress Organization also wants to draw the attention of the Commission to the testimony of Lyndon LaRouche's wife, Helga Zepp-LaRouche, to the Subcommittee on the Prevention of Discrimination and Protection of Minorities of 19 August 1992, a summary of which is included in document E/CN.4/Sub.2/1992 SR.22. Mrs. LaRouche then stated: "One leading obstacle to a fair trial for my husband is the refusal on the part of President Bush and the prosecution, to release any exculpatory material, under the pretext of 'national security reasons.' "

Recently, well above 1,000 prominent personalities from around the world have appealed to incoming U.S. President Bill Clinton to break with the policies of his predecessor and free political prisoner Lyndon LaRouche. Among those who signed the appeal were a former head of state, parliamentarians, senators and former government officials from 16 coun-

tries; human rights activists and well-known representatives of civil rights movements, both from eastern Europe and from the United States; representatives from churches from around the world, artists, scientists, and newspaper publishers. The president of the International Progress Organization has endorsed this call to President Clinton.

Finally, the U.S. Government reply argues that LaRouche and his associates had ample opportunity to defend their rights in court up through the level of the U.S. Supreme Court. The International Progress Organization has in several presentations to this body and to the subcommission expressed its deep concern, shared by many in the field of international law, over the general collapse of judicial standards in the United States. Most egregiously, the U.S. Supreme Court in the *Herrera* case (S. Ct. 1993 WL 10369 U.S.) decided that "actual innocence" is not a bar to the death sentence. In his dissenting opinion a member of the Supreme Court, Justice Blackmun, describing the Supreme Court majority's decision as "perverse," wrote: "The execution of a person who can show that he is innocent comes perilously close to simple murder."

The arrogant misrepresentations of the U.S. Government in its reply to the Special Rapporteur on the LaRouche case bespeaks a power which would substitute its own expediency for the principles of international law. We appeal to the Human Rights Commission to see to it that the United States Government, no matter how supreme its own self-conception as the sole remaining super-power on earth, must be held accountable to the same universal principles of international justice, human rights, and natural law as other civilized nations.

U.S. government's March 24, 1992 reply to the Special Rapporteur

United States of America

Par. 66. (Reprint of the letter by the Special Rapporteur to the U.S. government—as in last year's report.)

Par. 67. On 24 March 1992, the Government of the United States of America sent its comments to the Special Rapporteur regarding the above-mentioned communication:

The Government of the United States refers to paragraph 74 of the report entitled "Implementation of the Declaration on the Elimination of all Forms of Intolerance and of Discrimination Based on Religion or Belief" (E/CN.4/1992/52, dated 18 December 1991) and offers the following response regarding the case of Lyndon LaRouche, who is alleged in the above paragraphs to have been subjected to violation of his human rights because of his beliefs.

The paragraph noted that a complaint had been received by the Special Rapporteur on religious intolerance that Mr. LaRouche had been subjected to harassment, investigation, and prosecution solely because of his beliefs. The paragraph further noted that the Special Rapporteur was not able to establish beyond doubt whether Mr. LaRouche's case could

be considered as falling under the terms of the Declaration on the Elimination of All Forms of Intolerance and Discrimination Based on Religion and Belief. The Government of the United States believes that the following information will make it clear to the Special Rapporteur that Mr. LaRouche has not been subjected to any form of intolerance or discrimination based on religion or belief but has, instead, been given due process under the laws of the United States for criminal violations to those laws.

On 16 December 1988, Mr. LaRouche and six of his associates were convicted in Federal District Court in Alexandria, Virginia, on various counts of mail fraud and conspiracy to commit mail fraud in violation of United States Federal Statutes. In addition, Mr. LaRouche was convicted of conspiracy to defraud the United States Internal Revenue Service. The defendants received sentences varying from 3 to 15 years. Mr. LaRouche was sentenced to a term of 5 years on each of 13 counts of conviction, with various counts ordered to run concurrently, so that his total sentence of incarceration was 15 years.

Those convictions, and other proceedings against members of Mr. LaRouche's organization, resulted from fraudulent fund-raising activities conducted by Mr. LaRouche and his supporters to finance his presidential candidacies and other political activities.

On 22 January 1990, the United States Court of Appeals for the Fourth Circuit affirmed the conviction of Mr. LaRouche and the other defendants, specifically rejecting their contentions concerning the lack of an impartial jury and other procedural improprieties that had allegedly denied them a fair trial. (*United States v. LaRouche*, 896 F.2D 814 (4th Cir. 1990)).

The United States Supreme Court declined to review that decision on 11 June 1990. (*LaRouche v. United States*, No. 89-1785, 58 U.S.L.W. 3782 (12 June 1990)).

In each of the proceedings, Mr. LaRouche and his co-defendants were represented by counsel of their own choosing and had ample opportunity to defend their rights in court.

Mr. LaRouche was the founder and chair of the National Caucus of Labor Committees (NCLC) and the now-defunct United States Labor Party. He was also a candidate for President in 1980, 1984 and 1988. The NCLC (also known as the "LaRouche Organization") supported various political candidates and initiatives, had offices throughout the country and carried out many of its activities through commercial corporations and political committees. One of its principal activities was to raise funds from private citizens to support those activities, by obtaining voluntary contributions, selling literature and borrowing from individuals (especially through telephone solicitation, use of the mails, and credit cards). All of the individuals convicted along with Mr. LaRouche were directly involved in these fund-raising activities.

Beginning in 1983, at Mr. LaRouche's personal direc-

tion, the NCLC resorted to increasingly aggressive and illegal fund-raising tactics, including schemes to obtain money by fraudulent pretenses. In particular, it was proved at trial that donors were asked to loan money to the organization with the promise of repayment at specific times and with specific rates of interest, when in fact defendants knew that the loans would not be repaid in the manner promised and had no intention of honoring their promissory notes and letters of indebtedness. Many lenders lost significant amounts of money, some their life savings. Moreover, the organization engaged in credit card fraud. It obtained credit card account numbers from private individuals who offered donations or purchased subscriptions to LaRouche publications, and then made fraudulent billings against those accounts without the individual's knowledge or consent. These activities, together with Mr. LaRouche's failure to file income tax returns and his efforts to mislead and obstruct the United States Internal Revenue Service, were the basis of investigation and prosecution by a number of state and federal authorities.

A federal grand jury initially issued an indictment against the LaRouche Organization in Boston, Massachusetts, on 6 October 1986; a second superseding indictment naming Mr. LaRouche and various of his colleagues, was issued in July 1987. The charges included credit card fraud and obtaining fraudulent loans, as well as conspiracy to obstruct justice. Trial began in Boston in December 1987, and continued for four months but was terminated when the presiding judge declared a "mistrial" due to "severe hardships" that would be suffered by several of the jurors if the trial had continued.

Retrial in Boston was set for January 1989, but in October 1988, Mr. LaRouche and his colleagues were separately indicted by a federal grand jury sitting in the Eastern District of Virginia on similar grounds including mail fraud, conspiracy to commit mail fraud, and conspiracy to obstruct income tax collection. At trial, a number of defrauded investors as well as several of Mr. LaRouche's former associates testified; by their own choice, none of the defendants took the stand. On 16 December 1988, the jury returned verdicts of guilty on all of the counts with which the defendants had been charged. As noted above, that conviction has been affirmed by the Court of Appeals, and the Supreme Court has declined to review it further.

The Government of the United States categorically denies the allegations that have been made to the Special Rapporteur on religious intolerance and notes that the prosecution of those who engage in criminal fraud is a fully legitimate exercise of a Government's authority to enforce its own laws. The United States further notes that, even though he is incarcerated at the federal correctional institution in Rochester, Minnesota, Mr. LaRouche has continued his political activities, publishing his writings and, in 1990, running as a candidate for the House of Representatives in the United States Congress.

How Gen. Albert Pike proved himself a Ku Klux Klan criminal

C. Fred Kleinknecht, Sovereign Grand Commander of the Scottish Rite of Freemasonry Southern Jurisdiction of the United States, issued a position paper Feb. 1, attacking Lyndon LaRouche as the director of a nationwide campaign for the removal of the Albert Pike statue in Washington, D.C., erected by Mr. Kleinknecht's organization. The 17-page Kleinknecht paper attempted to rebut the evidence that Pike was the co-founder of the Ku Klux Klan while also the commander of Kleinknecht's masonic group. Kleinknecht also asserted that the post-Civil War Ku Klux Klan was not a very bad organization.

The Pike statue stands on federal land at Judiciary Square and is maintained at federal expense. The city councils of Austin, Texas; Buffalo, New York; Birmingham and Tuskegee, Alabama; Newark, New Jersey; and New Orleans, Louisiana have requested that the federal government to remove the statue as offensive to mankind.

The following response to the Kleinknecht paper was released by Mr. LaRouche on Feb. 21. LaRouche describes the tradition of rational geometry through which "we can determine from the characteristics of actions, intellectual actions as well as others, the kind of universe to which certain kinds of thoughts and actions belong"—and thus demonstrate the kind of "KKK universe" Albert Pike occupied.—*Anton Chaitkin*

LaRouche's rebuttal

I have been made aware of attacks on me, in your purported rebuttal of the documentation showing that Gen. Albert Pike was the spiritual and actual founder or co-founder of the original Ku Klux Klan, in addition to his functions as an intelligence officer of the treasonous Confederacy, and in addition to his close liaison with Lord Palmerston's Italian collaborator, Giuseppe Mazzini.

This is to inform you, not only that your defense of Pike from his affiliation with the original Ku Klux Klan, the outgrowth in fact of the earlier Knights of the Golden Circle, is false; but that there are several important points bearing upon this proof in addition to the obvious documentary ones which, up until recent time, were uncontested—or virtually uncontested.

Two geometries

Permit me to give you a lecture on certain relevant principles of geometry as they apply to this matter.

There are two forms of rational geometry known to Mediterranean and European civilization, primarily derived, to the best of our knowledge, from Ancient Egypt.

The first is a constructive or synthetic geometry as represented by the influential books of Euclid, as typified by the 13 books of *The Elements*, attributed to one Euclid. This is a geometry whose theorems are premised axiomatically upon formal consistency with axiomatic notions concerning the point and the straight line.

There is a second geometry, a truly constructive geometry, which throws out any axiomatic claims for the ontology of the point or straight line as the putative shortest distance between two points. This second geometry is based on the work of such influential figures as Nicolaus of Cusa from the middle of the 15th century, referencing particularly Cusa's *De Docta Ignorantia* and also his *De Seculii Quadratura*. This view defines as elementary in geometry only circular action, otherwise called later *isoperimetric action* and referenced by Cusa and by others as a Maximum-Minimum principle. In this second geometry, the notions of point and of the shortest distance and shortest time between two points are derived from the axiomatic notions of circular action and not from any of the conventional Euclidean axioms and postulates.

The first geometry, that of Euclid's 13 books of *The Elements*, led to the neo-Aristotelian geometric physics of René Descartes, and led to the generalization in that way of a notion of algebraic functions. The second type of geometry, that developed by Cusa, led through the work of Leonardo da Vinci, Johannes Kepler, Fermat, et al., to the definition of a non-algebraic geometry by Gottfried Leibniz, Johann Bernoulli and others, at the end of the 17th century.

I cite these two examples to make the following point. As the great Bernhard Riemann emphasized in the concluding portion of his habilitation paper on the subject of hypotheses, the definition of the metrical characteristics of the universe for a continuous manifold is defined in respect to physics. Essentially, from certain internal features of any physical system or any attempt to represent relations in space and time, the geometric model applies. We can determine from

the characteristics of actions, intellectual actions as well as others, the kind of universe to which certain kinds of thoughts and actions belong. That is, a universe based on which set of axioms and postulates, is consistent with which set of axioms and postulates, to which those thoughts or intellectual conceptions belong.

We may apply this aptly to the case of General Pike's sundry writings. I cite as a directly relevant reference, his correspondence with Giuseppe Mazzini, his book *Morals and Dogma*, and the other writings as a newspaper editor and other correspondence, which is generally available through your own library.

If you put this together, there is no question that the original Klan and the new Klan organized by Colonel Simmons under the sponsorship of Woodrow Wilson in 1915 were perfectly consistent in every respect with the thought of Pike.

Pike the Satanist

Pike, as most clearly but not exclusively shown by his correspondence with Mazzini, was a Satanist. This relates to the following concluding point that I have to make in reply. In France in 1889, Pike said:

"That which we must say to the crowd is, we worship a God, but it is the God one adores without superstition. . . . The Masonic religion should be, by all of us initiates of the high degrees, maintained in the purity of the Luciferian Doctrine. If Lucifer were not God, would Adonay (the God of the Christians), whose deeds prove his cruelty, perfidy and hatred of man, barbarism and repulsion to science, would Adonay and his priests calumniate him?

"Yes, Lucifer is God, and unfortunately Adonay is also God. For the eternal law is that there is no light without shade, no beauty without ugliness, no white without black, for the absolute can only exist as two Gods. . . . Thus, the doctrine of Satanism is a heresy; and the true and pure philosophical religion is the belief in Lucifer, the equal of Adonay; but Lucifer, God of Light and God of Good, is struggling for humanity against Adonay, the God of Darkness and Evil."

This quote is given by your organization itself to researchers; it is available in the vertical file marked "Albert Pike—Lucifer Quote" at the library of the Scottish Rite Southern Jurisdiction at 1733 16th St. NW, Washington, D.C. This Satanic speech corresponds exactly with Pike's evil glorification of the Manichean sect, beginning on page 565 of his *Morals and Dogma*.

In the entirety of western civilization's history, which covers approximately 2,600 years from the reforms by Solon at Athens, the development of European progress, the growth of population, the growth of achievements passing all other cultures by European civilization, depends upon two things. First of all, the views which were articulated (from Pythagoras and others) by Plato; and secondly, a fundamental contribution, a revolutionary feature added to the Platonic thought

from the Mosaic tradition and Christianity. I refer specifically to Philo's commentaries on the notion of Creation in the first chapter of Genesis (verse 26), to the effect that man is distinct from and set apart from the animals and above them, by virtue of being in the image of God—not image in the ordinary sense, but by having this power of creative reason.

That notion of man as being in the image of God defines all men as spiritually equal, as sovereign individual persons before the Creator and, among all right-thinking men, among each other. That does not mean that men are equal in their development, but it means they are equal in their species nature.

On the contrary side, on the opposing side, to which General Pike adhered, we have the oligarchical view, which rejects the notion of man as in the image of God, and views man as more or less inherently utterly detestable, utterly depraved by his nature—as do, say, John Locke, or Adam Smith, or David Hume.

Britain's strategy in the U.S. Civil War

In the case of the Civil War, these issues had the following application. Despite all the complications which are rightly attributed to the process, the American War of Independence against Britain was premised on the consideration, not only that Britain was suppressing the Americans' right to scientific and technological progress in modes of labor, especially in manufactures, but that this suppression of our rightful aspirations by the British Crown and Parliament reflected a moral and philosophical conflict between that British state and government and the Americans, which could not be compromised and composed, but in which one had to prevail over the other. Thus Benjamin Franklin, in the years 1763 through 1766, came to the appreciation that the conflict was irrepressible and inevitable; it was merely a question of when, and of becoming prepared for it.

Since that time, the British, up through this period of the so-called Civil War in our country, were committed to the destruction and reconquest of the United States. They had many agents inside the United States, such as August Belmont, Albert Pike, John Slidell, and so on: the principal authors of the Confederacy, who used the issue of slavery and abolition as a fulcrum to the intent of carving up the United States into several contesting powers and thus establishing the unchallenged hegemony of the British Empire—a project which was chiefly initiated by Palmerston, but also by others.

So in that sense, Pike—a man from Boston, Massachusetts—was a witting traitor to the United States, not an honest rebel. This character pervades all of his writings, a characteristic which can be shown from the standpoint of comparative geometry which I identified. The same method we would apply to distinguishing between a Descartes and a Leibniz, for example, applies to the distinction between all patriotic men and women, all Christians, and the satanic General Pike.

That is the fundamental issue.

Senate keeps ban on HIV-positive immigrants

The Senate voted 72-23 on Feb. 18 to maintain the immigration ban on people who are HIV-positive. The vote is a challenge to President Clinton, who had promised to lift the ban if he were elected. The ban was appended to the \$17.8 billion bill funding the National Institutes of Health for three years. A similar measure has been offered in the House by Rep. Bill McCollum (R-Fla.).

The Senate resolution, sponsored by Don Nickles (R-Okla.), gained the support of 34 Democrats over a milder amendment offered by Edward Kennedy (D-Mass.) which would have delayed enforcement of the policy for 90 days.

Jesse Helms (R-N.C.), a supporter of the Nickles amendment, complained that "the public health agenda of America" had been "torn apart by an AIDS lobby which promotes special rights rather than public safety."

The White House may try to overrule the ban through an executive order but, given the support for the Nickles amendment, it doesn't seem eager to do so. As White House spokesman Dee Dee Meyers said, "The vote margin is fairly dramatic."

Clinton delays stimulus until cuts are approved

After day-long negotiations with House Democratic leaders on Feb. 24, President Clinton requested a delay in consideration of his short-term stimulus proposal until Congress votes on the cuts contained in the package. This followed attempts by House Democrats to get Clinton to postpone any stimulus package until after the House deals with the fiscal 1992 budget resolution.

But while Democrats are under

pressure because of the hysteria over the deficit, Clinton is also meeting resistance to the proposed cuts from Democrats. Although the Clinton program offers "investment incentives," it is clear that it would mean major cuts in many social and economic programs. One question will be which districts will take the bulk of the cuts.

Cabinet members went to Capitol Hill on Feb. 19 to defend the economic program announced by Clinton on Feb. 18 in his State of the Union message before Congress. Office of Management and Budget Director Leon Panetta met a lot of flak from House Republicans who complained that the Clinton program had not gone far enough in its social cuts and that it introduced new taxes.

During the hearings on Sept. 19, Sen. Barbara Boxer (D-Calif.) queried Treasury Secretary Lloyd Bentsen as to what he would offer the laid-off workers in the aerospace industry, which is subject to major cuts in the Clinton program.

Gonzalez says U.S. under Fed is like Weimar Germany

In comments on the House floor on Feb. 16, House Banking Committee Chairman Henry B. Gonzalez (D-Tex.) compared the rule of the Federal Reserve to the situation in Germany during the Weimar Republic.

Characterizing the Federal Reserve as "a creature of the commercial banking system," Gonzalez noted that "there is not a note or a bill, whatever we want to call it, in our pockets that does not say 'Federal Reserve Note.' . . . It was not always that way. I remember more often than not when it was a U.S. Treasury note," and "that is one of the causes why we are in the mess that we are in."

Gonzalez referred to the situation

in Weimar Germany. "I remember the moratorium. Germany said, 'You just cannot wring blood out of a turnip. We cannot pay the reparations you have imposed on us.' . . . In the old *Liberty* magazine that I sold during the Depression, I remember reading the article and seeing the features of emaciated, pale-looking German mothers with little kids in line and the caption said, 'German mothers waiting for milk.' Then there is a picture . . . it shows a whole row of men with their head on what looks like an iron rail, and it said, 'German homeless men in a railroad station sleeping.' That was in 1932. Then we began to see, like we did in 1982, the so-called homeless [in the United States]. . . .

"We began as a creditor nation in the year 1914, and we did not become a debtor nation again until Sept. 16, 1985. . . . And today, less than seven years after, we are the greatest debtor nation in the world. And we want to delude ourselves into thinking we are the strongest, and the only, what do they call it, unipolar power. It is a delusion."

Former U.S. officials hit U.S. Bosnia plan

In a hearing before the European Affairs Subcommittee of the Senate Foreign Relations Committee on Feb. 18, former U.S. government officials expressed a wide range of opposition to the plan, a variation of the notorious Vance-Owen plan, advanced by Secretary of State Warren Christopher for former Yugoslavia.

The Vance-Owen plan would "cantonize" the present republics, fragmenting the tiny republic of Bosnia-Herzegovina, and would legitimize the territorial conquests by the Serbian forces in their policy of "ethnic cleansing" against the Croats and the

Bosnian Muslims. The Christopher proposal, although formally critical of the Vance-Owen plan, accepts the basic premises of "cantonization," introduces the use of U.S. ground forces to implement the new divisions, and would bring the Russians in as "mediators."

Former Reagan U.N. ambassador Jeane Kirkpatrick, complaining that the Christopher proposal "stops short of an adequate response," suggested that the United States use air strikes against Serbian position in order to stop Serbian aggression. "Unfortunately," Kirkpatrick said, "in this first important action in foreign policy, President Clinton sacrifices the principles invoked by candidate Clinton to a policy of appeasement which will prove no more successful than previous efforts to appease aggressors."

Appearing before the House Foreign Affairs Committee also on Feb. 18, former Carter National Security Adviser Zbigniew Brzezinski was even more blunt, calling the Christopher plan "toothless and essentially procedural." The Christopher "improvements" to the Vance-Owen plan, Brzezinski indicated, "engage the United States without either amending the plan nor increasing the probability of its successful implementation."

Brzezinski also objected that the Christopher plan made an unnecessary concession, bringing the Russians into the negotiating process. "It is not clear whether the appointment of a U.S. negotiator was made with the intention of precipitating also the appointment of a Russian negotiator," he said, but it was the "predictable consequence" of the Christopher moves. Brzezinski questioned "whether the injection of a pro-Serbian Russian negotiator will in fact facilitate the peace process." Brzezinski proposed "modifying" the existing U.N. arms embargo in order to allow

the Bosnians to defend themselves against the heavily armed Serbs.

Bosnian minister asks unilateral U.S. action

Bosnian Foreign Minister Haris Silajdzic, speaking before the Senate Foreign Relations Subcommittee on European Affairs on Feb. 18, called for a lifting of the arms embargo against Bosnia, and requested that the U.S. take such action on its own if Russia or any other member of the U.N. Security Council were to veto the proposal.

"I think the United States should do that regardless of the results because it is the right thing to do," said Silajdzic. "By supporting the arms embargo on Bosnia, the United States of America is violating its own principles on which it stands. . . . We all need a principled United States of America. Now more than ever."

Silajdzic praised the decision of the Bosnian capital of Sarajevo not to accept humanitarian aid until it was delivered to the eastern Bosnian provinces, where the U.N. had decided to halt deliveries. "Those that do not want to help us, the message is clear, just leave us alone. . . . They [the people of Sarajevo] do not want to be humiliated anymore. They do not want their countrymen to die just because they don't have the TV cameras there. They think it's unfair for them to receive the aid and other people die without the aid," said Silajdzic. "It is a noble protest against what the world community is doing to Bosnia and Hercegovina."

California city says to fund Space Station

The city of Garden Grove, California, a district with many aerospace jobs, has passed a resolution to the U.S.

Congress calling for full funding and support for Space Station Freedom.

The resolution, read into the *Congressional Record* by Rep. Robert Dornan (R-Calif.), stresses that "a vibrant space program, especially in the human exploration of space, is one of our most effective tools for spurring students' interest in math, science, and engineering, all fields vital to our global economic competitiveness."

The resolution notes that the program currently employs more than 30,000 people and indirectly affects employment for 75-100,000 people.

Black Caucus gets DOJ response on Ford trial

U.S. District Judge Jerome Turner on Feb. 22 ordered that a new trial of Rep. Harold Ford (D-Tenn.) on charges of bank fraud and conspiracy proceed with a nearly all-white jury. On Feb. 19, following a meeting with a 26-member delegation of the Congressional Black Caucus, acting Attorney General Stuart Gerson overruled prosecutors in charge of the case and threw the Department of Justice's support behind a defense motion asking that the jury be dismissed and a new panel selected.

Ford, a black congressman from Memphis, was tried on the same charges in Memphis in April 1990, the result of a six-year-old indictment. That trial ended in a mistrial after 8 of the 12 jurors agreed on his innocence. The federal judge in the case ruled that the next jury pool should be selected from the largely white area around Jackson, Tennessee, 70 miles east of Memphis, who would be bused in to the proceedings.

Members of the Black Caucus sent a letter to Clinton suggesting that Ford had been "railroaded" by the Justice Department, and demanding that the DOJ begin an investigation.

National News

New York Times covers Mississippi jail 'suicides'

The Feb. 21 issue of the *New York Times* devoted nearly a full page to the series of 22 hangings of young black men in Mississippi jails in recent years. The article cited the death of Andre Jones, which authorities ruled a suicide, but which his family and supporters called a "lynching," saying "it is only one of the many committed in the jails of a state where the terror of the Jim Crow and civil rights eras lives on in new forms."

"This is a continuation, it's a revival of the fear that existed in Mississippi prior to 1964," said Ben Chaney, whose older brother James Chaney was murdered in Philadelphia, Miss. along with Andrew Goodman and Michael Schwerner during the civil rights struggles. "These atrocities are just building up and are continuing."

"There's a feeling among blacks across the nation that the new way of lynching us is to get us in jail and lynch us," said Mississippi State Rep. Barney Schoby, chairman of the Legislative Black Caucus. Trying to downplay the situation, the *Times* noted that "suicide, usually by hanging, is the quiet plague of the nation's prisons and jails, particularly in the South." But of the reported suicides in Mississippi jails over the last five years, 52% were black, compared to a 16% rate nationally.

Robinson, Bevel appeal for LaRouche's freedom

Veteran civil rights leaders Amelia Boynton Robinson and the Rev. James Bevel are circulating a letter to prominent individuals to join the international petition effort to free political prisoner Lyndon LaRouche. Bevel was LaRouche's running mate in the 1992 presidential campaign. On Inauguration Day, over 1,000 names appeared in an ad in the *Washington Post* calling on President Clinton to free LaRouche. That campaign is now being extended to include 10,000 prominent individuals and 5 million names worldwide.

The letter reads in part: "We, who

worked in the civil rights movement, are familiar first-hand with the abuse of the law in the defense of systemic injustice. We worked personally with Dr. Martin Luther King, and often preceded or joined him in jail, for a cause which we all hold dear—the inalienable rights contained in the Declaration of Independence, and the Constitution. . . .

"There is no excuse, in our country, for the unjust prosecution, conviction, and incarceration of the innocent. Yet, case after case of violent abuse of the judicial system, usually by factions of government, or by unscrupulous but powerful individuals, shock the national consciousness. An exemplary current case of such abuse is that of political prisoner Lyndon LaRouche. . . .

"For example, Chief Justice Rehnquist has declared that his model of enlightened jurisprudence is Roger Taney, who, as Chief Justice of the Supreme Court, passed the infamous 'Dred Scott Decision' in 1857, declaring that, under the Constitution blacks were to be judged to have no rights, over and against the fact that they, as slaves, were property first and foremost. . . . On June 11, 1990, the court declined to review the LaRouche case, despite abundant evidence of gross injustice pervading lower court decisions. . . ."

Citing the fact that two of LaRouche's associates are also imprisoned, one of them for 77 years, Mrs. Robinson and Reverend Bevel conclude the letter with an appeal to join the petition effort.

Boston Globe defends 'hate crimes' laws

The June 23, 1992 ruling by the Wisconsin Supreme Court in overturning the state's hate crimes law "has created deep anxiety among law enforcement officials who prosecute" those crimes, the *Boston Globe* wrote in its lead editorial on Feb. 21. "Hate crime laws focus on criminal conduct, not speech," the *Globe* insisted, and it is "the duty of the state to link the defendant's bigotry to the discriminatory selection of the victim and to the commission of the underlying crime. . . . Its aim is to assign consequences to those who act criminally upon such thoughts."

Wisconsin has appealed to the U.S. Supreme Court, which will hear the case this term. The law, which exists in some form in roughly 30 states and is modeled on legislation created by the Anti-Defamation League of B'nai B'rith, enhances the sentence of anyone committing an existing statutory crime, if the individual committed it out of bigotted intent. The U.S. Supreme Court one day earlier struck down St. Paul, Minnesota's law which made certain "hateful" actions themselves crimes.

The little-known federal statute, also backed by the ADL, makes police agencies responsible for reporting information on the race, religion, beliefs, or sex of both suspects and victims, to assemble national "hate crimes" statistics. Many local police officials fear that such classification affects the outcomes of trials and threatens due process.

Notes show Shultz tried to stop Iran arms sales

The Feb. 20 issue of the *Washington Post* ran a lengthy summary of "voluminous" notes from November 1986 kept by Charles Hill, an aide to then-Secretary of State George Shultz. Released a week earlier by Independent Counsel Lawrence Walsh, whose investigation and office no longer exist, the notes reveal a tremendous crisis within the Reagan administration during that month.

Hill's daily record of Shultz's meetings and conversations apparently show that, once the Iran arms-for-hostages deal had been exposed, Shultz tried to engineer the ouster of National Security Adviser John Poindexter and halt the arms sales to Iran.

The *Post* also reported that Nancy Reagan was attempting to get Shultz fired for not being supportive enough of President Reagan; and Defense Secretary Caspar Weinberger was angling to take over as secretary of state, and trying to arrange the return of William Clark as national security adviser.

According to Hill's notes, Shultz was particularly worried that the arms sales to Iran "could get mixed up with help for the ff [freedom fighters] in Nicaragua." He told Attorney General Edwin Meese on Nov. 22

that there "may be a connection. Our enemies on Capitol Hill would love to wrap the two together." Hours later, Meese was informed by Justice Department aides that documents discovered in Oliver North's White House office pointed to the diversion of funds from the arms sales.

European musicians to honor late Dr. King

Norbert Brainin, founder and first violinist of the legendary Amadeus Quartet, and distinguished pianist Günter Ludwig, announced their plans to hold a concert in honor of Dr. Martin Luther King at the Ebenezer United Methodist Church, at the corner of 4th and D Sts., SE, Washington, D.C., March 22. A second concert is planned for Birmingham, Alabama. Brainin expressed his appreciation for the incalculable legacy bestowed by Dr. King on the people of the world, on this, the 25th anniversary of his untimely death on April 4, 1968.

The Ebenezer United Methodist Church was founded in 1801 as an integrated congregation; blacks who opposed the practice of the "Negro pew," and who had become too numerous to continue to be segregated, founded the church as "Little Ebenezer." Frederick Douglass and Abraham Lincoln both spoke there.

Tickets are available from the Schiller Institute which is sponsoring the concert, at (202) 544-7018.

Satanist Anton LaVey was a mobster and eugenicist

According to a 1990 book, *The Secret Life of a Satanist—The Authorized Biography of Anton LaVey*, by self-described Satanist Blanche Barton, Anton LaVey, the founder of the Church of Satan in San Francisco, was the son of a Chicago liquor distributor. As a young man, LaVey accompanied his uncle Bill to Las Vegas, to help Bugsy Siegel and Meyer Lansky set up the Flamingo Hotel and Casino. LaVey was later involved in running guns to the Zionist terrorist groups Irgun and Stern Gang.

LaVey's hero was arms merchant Sir Basil Zaharoff, whose house contained a "black-draped Satanic chapel," the book said. Among the "first members of what would eventually evolve into the Church of Satan . . . was the heir to the Vickers munitions estate." Zaharoff was an agent of Albert Vickers, the head of the Vickers arms empire.

Barton wrote: "Lurking behind all the nasty tricks of high heels, seamed stockings, fantasies, fetishes and odors, however, is the real, and dangerous, content of Anton LaVey's *Satanic Witch*. . . . In the guise of practical witchery, LaVey has written a handbook of eugenics, insidiously putting forth a system for applied natural selection to be implemented by any woman who reads and heeds what LaVey has written. 'Because of forced egalitarianism,' says LaVey, 'the lost science of eugenics, the art of typing people, has been all but outlawed, and the Darwinian process of natural selection has been virtually reversed.' "

'Lead or Leave' incites 'age war' vs. elderly

A gang of yuppie punks called Lead or Leave, founded last summer by Jon Cowan and Rob Nelson, is holding forums on college campuses in an effort to foment a generational war of young against old, and charging that Social Security is a "rip-off by the elderly." Despite claiming to be "grass-roots," LOL got an initial boost from Wall Street banker Peter G. Peterson and the Concord Coalition, headed by former Sens. Warren Rudman (R-N.H.) and Paul Tsongas (D-Mass.). LOL revealed that it has received \$40,000 from Ross Perot, as well.

The two LOL founders appeared on a Washington, D.C. talk show on Feb. 23, complaining that Clinton's economic package didn't go far enough in spending cuts. They insisted that "53% of the budget is entitlements. . . . This means tough belt-tightening. . . . The younger generation won't pay. . . . When our generation gets to be 40, our enemy will be the older generation who are sucking up resources."

LOL recently demonstrated in front of the D.C. headquarters of the American Association of Retired People, and plan a March 10 "Rock the Deficit" concert.

Briefly

● **AL KHAFIR**, an Arabic magazine published in Beirut Lebanon, carried a three-page review of *EIR*'s book, *The Ugly Truth about the ADL*, including a large photo inset of the book's cover.

● **BRENT SCOWCROFT**, George Bush's national security adviser, will be knighted as a Commander of the British Empire, by Queen Elizabeth II on March 17, "for his duty on behalf of the kingdom and its allies during the Gulf war," according to the *Washington Times*.

● **NANCY SPANNAUS**, an associate of Lyndon LaRouche, filed to become the Democratic candidate for Virginia governor on Feb. 22. Former Attorney General Mary Sue Terry is her opponent, whom Spannaus characterized as "the 'Ilse Koch' of Richmond. . . . If I didn't give [Virginia Democrats] the opportunity of an alternative, it would weigh on my conscience," she said.

● **CALIFORNIA'S** euthanasia ballot initiative received the highest vote from voters under 30, and those with postgraduate education and incomes over \$75,000, according to a study by the Tarrance Group. The strongest opposition came from women, older voters, Asians and blacks.

● **'USA TODAY'** ran two editorials on Feb. 16 calling for women on welfare to get the five-year sterilization implant Norplant. In a guest editorial, Walter A. Graham, president pro-tem of the Mississippi Senate, called for "mandated contraception through legislation." In a bill last year, Graham called for disqualifying women who do not accept such sterilization.

● **JACK KEVORKIAN**, the Michigan "suicide doctor," is still licensed as a physician in California. A spokesman for the California licensing bureau responded to an inquiry from *EIR*, "When are they going to stop giving that man grief?" and said no action will be taken to discipline Kevorkian, or to even put a reprimand on his record.

The case of the Venezuelan officers

At the end of February an incident exploded in Ibero-America which puts to the test every government in the continent and the future of U.S. policy toward our hemispheric neighbors. It involves an illegal attempt by the corrupt Venezuelan regime to use the Colombian government to grab two fugitive officers of the Venezuelan Army as they attempted to enter Ecuador by the international Rumichaca Bridge.

Venezuelan Army colonel Higinio Castro, one of the leaders of the failed military coup last Nov. 27 against Venezuelan President Carlos Andrés Pérez ("CAP"), was detained on Feb. 20 in Ipiales, Colombia, together with Capt. Oscar Navas.

The Colombian government, through its Department of Security Administration (DAS), announced on Feb. 22 that the two Venezuelan officers would be deported, thus violating the right of asylum protected by the Caracas Treaty of 1954, which provides that "in the case of persecution every person has the right to seek asylum in any country," and that "one cannot expel from a country a foreigner even in the case he entered into the territory in a surreptitious or irregular manner." Thanks to a mobilization by *EIR* and others, the affair has become the subject of an international uproar.

The Venezuelan Army officers, who have been fugitives since the failed coup, were traveling to Peru when they were arrested and placed under the custody of Colombia's DAS in Pasto. The Peruvian government of President Alberto Fujimori has granted political asylum to a group of Venezuelan officers, led by Air Force Brig. Gen. Francisco Visconti, who participated in the November coup attempt.

Colonel Castro and Captain Navas said they were concerned about the welfare of their families in Venezuela, and said that their lives were in danger if the Colombian government deports them.

Indeed, during the Nov. 27 coup attempt, security forces loyal to President Carlos Andrés Pérez massacred between 63 and 200 inmates at the Catia prison outside of Caracas, according to eyewitnesses. The Pérez government is also accused of ordering the murder of a dozen Army troops in Los Mecedores, site of

a Caracas television station, *after* these troops surrendered last Nov. 27. The insurgents were murdered by shots "to the temple, the forehead, and mouth," according to the Venezuelan press. The Dec. 8 issue of *Diario de Caracas* reported that there have also been repeated accusations that jailed insurgents, including civilians, have been tortured and savagely beaten, "naked and threatened with sodomy and electric shock to the testicles."

A few weeks ago, the wife of Adm. Hernán Grüber, one of the detained coup leaders, informed Venezuela's General Prosecutor that she feared for her husband's safety. General Visconti has explained that he had to seek asylum with his men in Peru "to save his life and avoid a massacre perpetrated by the Pérez government."

At issue here is the desperate attempt by CAP, with the backing of the U.S. State Department, to get Colombia to side with him against the 90% of the Venezuelan people who hate him for imposing murderous austerity and destroying his country's institutions at the behest of Venezuela's international creditors. It is well known that the vast majority can't wait to see his overthrow.

Seventeen Venezuelan senators and 19 congressmen signed a letter to Colombian President Gaviria on Feb. 26, stating that while they don't condone coups, "for humanitarian reasons, in the concrete case of these officers, they must be granted political asylum." In Bogotá, leading Colombian politicians, including a conservative senator who will be a presidential candidate, have pointed out that CAP himself once sought, and received, asylum in Colombia, as did the ex-President of Peru, Alan García.

We demand that the U.S. government distance itself at once from CAP's bloody effort to hold onto power. It must also reverse the Bush policy favoring Peru's Shining Path terrorists and their "human rights" support apparatus against the legitimate government of Peruvian President Fujimori. So far, the Clinton administration has done just the opposite; it has just denied Peru a desperately needed loan on alleged "human rights" grounds.

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The LaRouche Connection
Thurs., Mar. 18—6:30 p.m.
- MOUNTAIN VIEW—
MVC-TV Ch. 30
The LaRouche Connection
Tuesdays—4 p.m.
- SACRAMENTO—
Access Sacramento Ch. 18
The LaRouche Connection
Wed., Mar. 10—10 p.m.
Wed., Mar. 24—10 p.m.

- DISTRICT OF COLUMBIA
■ WASHINGTON—DCTV Ch. 34
The LaRouche Connection
Sundays—12 Noon

FLORIDA

- PASCO COUNTY—
TCI CableVision Ch. 31
The LaRouche Connection
Tuesdays—8:30 p.m.

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- ATLANTA—
People TV Ch. 12
The LaRouche Connection
Fridays—1:30 p.m.

IDAHO

- MOSCOW—
CableVision Ch. 37
The LaRouche Connection
Weekly—usually Weds.
evenings (Check Readerboard
on Ch. 28 for exact schedule)

INDIANA

- SOUTH BEND—
TCI of Michiana Ch. 31
The LaRouche Connection
Thursdays—10 p.m.

MARYLAND

- MONTGOMERY COUNTY—
MC-TV Ch. 49
The LaRouche Connection
Thursdays—2:30 p.m.
Saturdays—10:30 p.m.
- WESTMINSTER—
Carroll Community TV Ch. 55
The LaRouche Connection
Tuesdays—3 p.m.
Thursdays—9 p.m.

MICHIGAN

- TRENTON—
TCI CableVision Ch. 44
The LaRouche Connection
Wednesdays—2:30 p.m.

MINNESOTA

- MINNEAPOLIS—
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