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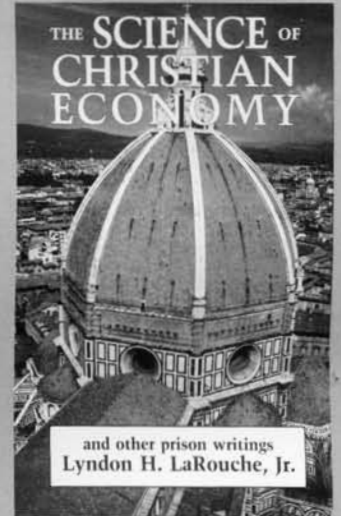
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From the Managing Editor

We're proud to say that *EIR*'s readers are getting quite a few "scoops" these days. As we go to press, a number of stories are breaking into the national and international media, which we have covered exclusively.

Most surprising, is the report in the *San Francisco Examiner* on March 9: "Police Said to Aid Spying on Political Groups; Anti-Defamation League Pays for Info Received from Cops." Where but in *EIR* have you ever read the real story of the ADL, which parades as a Jewish civil rights organization, but is actually a front for organized crime? The *Examiner*'s report is based in part on documents obtained by *EIR* under the Freedom of Information Act. Some of these are highlighted in our *Feature* this week, documenting the sordid legacy of J. Edgar Hoover in the FBI and the Justice Department.

The *Investigation* broadens this picture of the police-state apparatus, exposing the Cult Awareness Network and the newest indictment for kidnapping of its self-proclaimed top "deprogrammer," Galen Kelly. CAN is on the nightly news these days, putting itself forward as an authority on the Branch Davidian group in Waco, Texas.

Another big story from *EIR* has exploded on the Italian political arena, as the leading daily *Corriere della Sera* published an article on March 10, "Beelzebub on the Yacht," citing *EIR*'s exposé of the Anglo-American financial destabilization moves against Italy. You read it first in *EIR*'s Feb. 12, 1993 issue.

The *International* lead story is an appeal for emergency action by the U.S. to stop the Balkan war, by Gen. Paul Albert Scherer (ret.), the former head of Germany's military intelligence service. General Scherer visited Washington as the guest of the Schiller Institute, to brief U.S. policymakers on how the Serbian aggression augurs even worse horrors from the former Soviet Union. His March 9 presentation at the National Press Club was covered on the front page of the *Washington Times*.

Notice to Subscribers: Our next issue, a double issue commemorating the ten years since President Reagan announced adoption of Lyndon LaRouche's SDI policy on March 23, 1983, will feature a full report on General Scherer's strategic briefing. It will be published with a slight delay so that our editorial staff can take part in the Schiller Institute's spring conference.

Susan Welsh

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Franco-German industry hit by non-linear collapse

by William Engdahl

Germany's largest automobile maker, the Volkswagen group, has made public a dramatic shift in traditional company policy. Henceforth, VW, maker of the VW and Audi cars, will buy its components from the "cheapest source," regardless of where they are produced, unless the company's traditional German suppliers agree to a 5% price cut this year, as part of a company goal of slashing costs by some 30% over the next four years.

Immediate company investment will be slashed by 33% this year from DM 9 billion (\$5.6 billion) down to DM 6 billion, while construction of an ultramodern new production facility at Mosel in eastern Germany will be delayed indefinitely, and 12,500 VW jobs cut permanently in the next 18 months. Daniel Goeudevert, deputy chairman of the group, states his view of the company's problem as one of cutting "cost, cost, cost, to lower the breakeven level." Some 90% of all VW car assembly components are still made in Germany. "We want to start real global sourcing," said a company spokesman in announcing the new policy. VW also announced that it intends to make a profit this year, despite an estimated 20% drop in German new car sales.

At the same time, Germany's largest industrial company, Daimler-Benz of Stuttgart, announced that it would construct a new auto production facility in South Korea, the first time the once-technology-proud Daimler group has moved car production out of Germany.

French industry representatives have told *EIR* of a similar process savaging French industry in every sector at accelerating rates. Only extraordinary decisions from the Socialist government to control soaring unemployment before the March elections has delayed the full impact of these pressures. Industry observers expect a dramatic explosion of new and permanent industrial unemployment following the certain installation of a conservative coalition government in

April. The term used to describe the process which has now hit German and French manufacturing industry is "structural crisis," that is, a permanent shift.

The representative of one French chemical producer with facilities worldwide told *EIR*, "We could eliminate 40% of our employees today and still produce the same volume given computerized automation techniques and such, but for political reasons we have not . . . yet."

A senior representative of the French Chamber of Industry and Commerce added, "The world of trade has changed dramatically in the past 30 years. Before, we produced most goods domestically and exported a tiny portion. Now, transport and global deregulation of markets has changed this. The industrial G-7 [Group of Seven] economies as a result are in a suicidal self-competition. Hoover Co. leaves France because wage costs are cheaper in Scotland. Fish from Russia via Norway is being sold in France two to three times cheaper than what our French fleets can sell. The new economies of eastern Europe are exporting agriculture products, textiles, steel at two to three times less what we can sell it for in France or Germany. The result is that more and more French firms are laying off French workers and buying the cheaper goods from the East. Unemployment is well above 10% officially, and rising rapidly. This is something very different from the crises of the 1960s or 1970s."

These reports from French and German industry underscore the fact that a sea-change within the industrial economies of the world is under way, more devastating than the world depression of the 1930s. Until recently, France and Germany had held on to a distinctive tradition of national industrial policy and commitment to high-technology R&D as essential for industrial viability. This was in stark contrast to the Anglo-Saxon trend, more and more evident since the 1970s, of pushing "globalized production" and cheap "sour-

ing” of raw materials and labor inputs for multinational production. The American and British model, which took cancerous form during the Thatcher and Reagan era in those two countries, was the simple-minded foolishness of Adam Smith’s free trade: the national economy regarded as a giant shop. The only dictum is “buy cheap, sell dear.” The national economy is reduced to an idiotic shopkeeper’s bookkeeping of “profit” and “expenses.” The long-term necessity of national economic infrastructure, education of the labor force, and investment into science and R&D under this shopkeeper’s calculus, becomes “unnecessary overhead.”

The fallacy of cheap labor policy

The significance of the shift now beginning to savage the remaining industrial base of continental European economies cannot be overestimated. “We are engaged now in a process, as shown by the reports on the state of French and German economies, as well as the British and North American economies, in which North America and continental Europe are heading toward becoming part of what we call the Third World,” insisted American economist Lyndon LaRouche in a recent statement. “Instead of having highly skilled labor producing goods which are the envy of the world, the United States, under its present policies, is heading toward becoming a nation of coolies, qualified for nothing more because their educational and cultural level is that of Jonathan Swift’s fictional Yahoos.”

Some 20 years ago, U.S. industry, under pressures from the dollar and from the failure to invest in a higher-quality labor force and new technologies, began its steady decline. R&D budgets were cut, engineers were replaced at the top of corporate leadership by accountants, and short-term quarterly “profit” came to be called, in the vulgar idiom, “the bottom line.” Today, the results are clear. When we strip away the speculative bubble of New York stock price levels, we find that U.S. industry has all but destroyed itself. GM, IBM, McDonnell Douglas, the entire machine tool sector are in a shambles. The decision by the U.S. corporate and financial establishment to push for the North American Free Trade Agreement with Mexico signifies the decision to turn the once-advanced U.S. industrial base into a cheap labor Third World one. Even Mexico is unable to compete with Asian labor. In recent months, more than 150 Mexican textile plants were forced to close because of “cheap Asian imports.”

Until recently, French and German industry had stubbornly resisted what they rightly viewed as “typical American shortsighted pursuit of profit.” Now this is changing with breathtaking speed. If the trend is not soon reversed, Germany and France will follow the United States and Britain to become former industrial economies. It is little consolation to term it a “post-industrial” society, as millions more are added to unemployment rolls.

For example, in France, the large state electronics group, Thomson, had an impressive R&D team working on an advanced supercomputer to rival the American Cray. Under

cost pressures and lack of immediate success, management foolishly decided to abandon all supercomputer R&D and dismantle the research team. That is now gone forever.

Similarly, the decision by Daimler-Benz under Edzard Reuter’s leadership, to buy MBB, one of the world’s most advanced aerospace firms, was quite rational per se. But now, under the growing competitive pressures, management has made the devastating American-style error of eliminating the once-strong R&D commitment of what was MBB. “It costs too much,” it is said.

Now, with the decision by VW to go to Asia and other cheap labor countries to buy parts, a process is under way which could destroy German “Mittelstand” within months.

The secret of Germany’s ‘Mittelstand’

The “secret” of Germany’s impressive postwar economy has been the symbiosis between large, export-oriented companies like Daimler-Benz or VW, and a complex circle of small to medium-sized machine tool shops or suppliers who are able to turn out the highest quality parts for the large company, or to modify to rapidly changing specifications. Historically, unlike in the United States or even Japan, Germany’s machine tool sector has been composed precisely of such “Mittelstand” (often family-owned) firms. German machine tool producers pride themselves on being the “most diverse producers of all types of machine tools in the world.” Japan, the largest in total export sales, concentrates on mass-production of a small number of machine tools used for auto production. Now, under fierce financial pressures and a collapsing world capital investment in infrastructure and industry, the German machine tool industry is beginning to abandon this unique role and talk about this specialization as a “liability.”

IMF destroyed export markets

The problem is that current OECD industrial policy is fatally flawed with the poison of British “free market” assumptions. Failure of Germany, France, or Japan to resist British and American pressures in the beginning of the 1980s is a fundamental factor in the present crisis. When London and New York bankers successfully proposed to impose International Monetary Fund austerity “conditionalities” on Third World debtor countries for the private banks, this ensured the destruction of any developing markets in the less-developed sector for advanced machine tools, industrial goods, and technology. Instead, under the foolish consumer debt binge of the 1980s, misnamed the “Reagan recovery,” Japan, Germany, and France began to shift industrial exports to the U.S. market, away from the collapsing Third World. A vicious new form of monetary neo-colonialism, driven by IMF dictates for competitive currency devaluations in debtor countries to spur cheap exports in order to gain currency to repay foreign debt, took hold after 1982.

Germany, France, and Japan today are reaping the fruits of that failure to prevent what people like Alfred Herrhausen, the assassinated former chairman of Deutsche Bank, correct-

ly saw as a suicidal debt policy of Washington and London.

But, it is not even a matter of thousands of jobs. Unless Europe's surviving industrial nations impose intelligent protectionism, combined with careful non-IMF investment in infrastructure in eastern Europe as outlined in LaRouche's 1989 Paris-Berlin-Vienna Productive Triangle proposal, continental Europe will soon follow Britain and the United States into a depression without bottom.

A recent report by David Roche, a London economist of the Wall Street investment firm Morgan Stanley, points to the absurdity of trying to compete in such a global race for cheap labor. "The world is awash with workers," Roche wrongly insists. "Germany and Japan have increased manufacturing employment. Germany did it by producing perfectly engineered products, which even Mercedes says it now cannot sell because its labor costs too much (\$24 per hour)." Roche reviews the cheap labor horizon from the view of a financial speculator: "Unemployment is 15% and rising in eastern Europe, where labor costs \$1-2 per hour, and is highly educated to boot. The trains to Shanghai are full of peasants looking for jobs at 2-5¢ an hour, and they matter in a globally integrating economy. China received foreign direct investment commitments worth \$15 billion in the first half of last year."

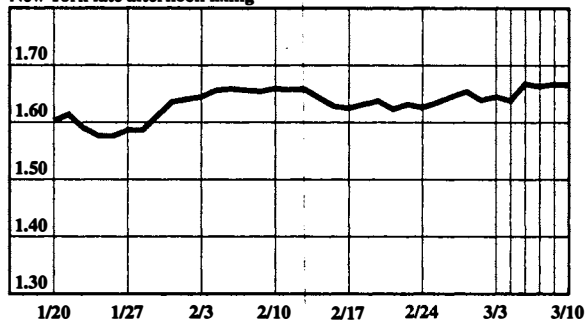
Instead of looting the cheap labor of China or Mexico or Poland, the OECD must return to a long-term infrastructure commitment to build national economies in the capital goods deficit parts of this planet. This ensures advancing employment again in Europe and North America, and at the same time builds a growing, healthy market in the less-developed parts of the world for German machine tools and French steel, high-speed trains, and nuclear technology. This, not the foolish accountants' cost-benefit calculus of productivity of labor, is what really defines economic success. Contrary to what corporate accountants and Wall Street speculators like Morgan Stanley believe, highly skilled labor is priceless.

As LaRouche has stressed for more than two decades, such a cheap labor policy is a recipe for global depression and collapse of advanced industrial capacities. By walking away from its traditional skilled labor base in western Europe, French and German industry will ensure that their fate will repeat that of Britain after World War II, but far worse. Edzard Reuter is an accountant by training, but he is also a trained physicist who should know the effects of non-linear disintegration in organic structures. This is the real meaning of what is politely being termed Europe's present "structural crisis." No sacrifice, however great, in some new "solidarity pact" for cuts in labor costs will reverse this process. The capitulation of the Paris and Bonn governments and industry to the General Agreement on Tariffs and Trade regime of "absolute free trade" and the foolish "cost-reduction" accounting, will ensure national economic suicide in the coming months, regardless of how it helps the short-term balance sheet of Daimler-Benz.

Currency Rates

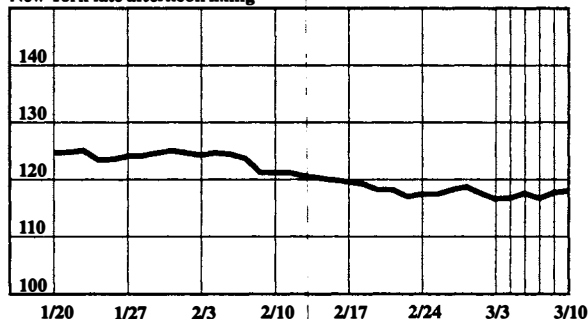
The dollar in deutschemarks

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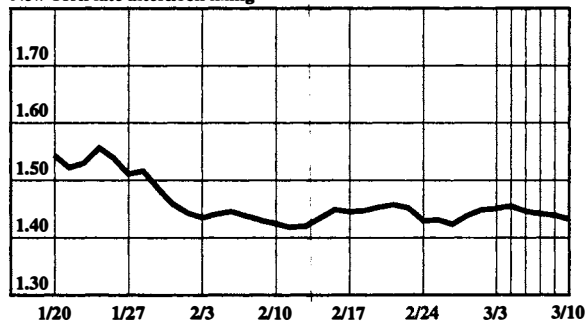
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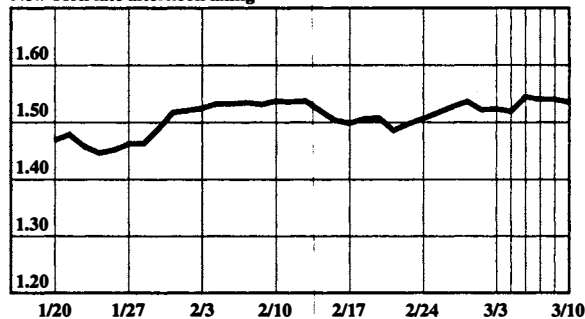
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



Machine tool sector, the heart of German industry, threatened

by William Engdahl

One of the most revealing demonstrations of the wrong economic course of German government policy since November 1989 is the present state of the German machine tool industry. In 1989, the perspective for the German machine tool industry was more optimistic than it had been at any time since the worldwide recession induced by the oil and interest rate shocks of the 1970s. Industry order books were full beyond capacity, with a near-record average nine-month backlog of new orders for German manufacturers.

Today, only three years later, the industry speaks of the "deepest crisis of the postwar era." According to the German Machine-Tool Producers' Association (VDMA), the German machine tool industry is expected to end 1993 with a level of new orders some 45% below the peak at the beginning of 1990. Production volume of new machine tools for the same period is now expected to be down by 30% from the production level of 1990. Alone in the first quarter of 1992, production volume had dropped 18% from the same period in 1991, and all indications are that the trend is accelerating. From a recent peak employment of 102,000 in the entire German industry branch at the end of 1990, industry estimates are that only 82,000 will remain at the end of this year, a drop of 20%. At the Munich producer Deckel, the number of employees has fallen from 2,500 two years ago to about 650. Maho, near Stuttgart, has fallen from 3,500 to 1,847 workers.

German crisis most alarming

While the dramatic collapse in the outlook for the German machine tool sector is not at all unique, as Japan's industry orders last year alone plunged some 40% from one year earlier, the German crisis is arguably the most alarming for future growth prospects of world industry out of the present deepening global industrial and agricultural depression. The economic significance of the machine tool industry cannot be over-emphasized. While steel output and consumption per capita remain the best single broad measures of real economic growth for a nation, the capacity to produce state-of-the-art modern machine tools is the "technological driver" of industrial growth and increase of labor productivity per capita.

Machine tools are, simply stated, the tools by which all other branches of industry are able to produce. The machine

tool sector produces the tools which produce the ultimate goods, machinery, mining equipment, and agricultural technology through which any economy today must feed, clothe, and transport itself and its goods to the world markets. In this sense, machine tools are the very heart of all industry. And arguably, the German machine tool industry as a group is the world's single most important sector. Japan has enjoyed a dramatic increase in the production of its machine tools. In the past five years in dollar terms Japanese production has even exceeded that of Germany. But, as industry authorities point out, most Japanese machine tools are mass-produced from a narrow range of types most intended to be applied in the production of automobiles. Huge producers like Toyoda Machine, Fuji, Komatsu, and Hitachi Seiki dominate the Japanese production. Most are daughter companies of large auto producers or industry conglomerates. But the German machine tool sector is dominated by medium-sized family-owned "Mittelstand" firms such as Gildemeister, Maho, Trumpf, Pittler, and Deckel. "The German machine tool sector is arguably the most diverse in the world, in that it is a market leader in production of every major tool type, from laser machine tools to numerically controlled tools to industrial robots," noted one industry spokesman.

What has gone wrong?

The dramatic crisis within the crucial German machine tool sector must be understood in terms of its causes. There had been an unusually strong boom from approximately 1987 into the autumn of 1990, occasioned by heavy Europe-wide capital investment in new equipment as companies prepared for the opening of the European Community (EC) single market by the end of 1992. As that demand factor eased, there was a somewhat natural decline in new orders. But this decline was aggravated to the point of crisis by three other factors.

First, there has been a dramatic decline in the activity and capital goods investment within the major western industrial economies since 1990. France, the United States, the United Kingdom, Italy, and Switzerland represent the largest traditional industrial country export markets for German machine tools. In the first nine months of 1992, exports to France, according to VDMA, fell by 23% compared with the same period in 1991. Those to the United States fell by 10%, to

Britain by 17%, to Italy by 31%, and to Switzerland by 21%. These are among the largest traditional German machine tool export markets.

But this dramatic drop in the exports to OECD countries was accompanied by a virtual total collapse of the formerly important markets of eastern Europe and the former Soviet Union. For years the Soviet Union had stood as the single largest (or second behind France) importer of German machine tools. In 1988, the U.S.S.R. imported some DM 1.03 billion (\$650 million) of West German machine tools. In the first nine months of 1992, that figure had dropped to DM 420 million, and the rate of decline is reportedly accelerating. The emerging economies of Poland, Czechia, and Slovakia are not able to import significant volumes of German machine tools as their hard currency reserves have been in effect impounded by the International Monetary Fund as hostage to an illusory and ill-conceived currency stabilization.

In short, the once-promising export potential to eastern Europe and the Community of Independent States, including Russia, has all but collapsed since 1990. In addition, the demand within both eastern and western Germany itself has dropped dramatically as the worldwide slowdown of the automobile and other industries using large numbers of machine tools has advanced. The president of VDMA, Jan Kleinewefers, recently characterized the export conjuncture for the industry: "Never before have we experienced such a simultaneous weakening of *every* major export market at the same time."

'Technological apartheid' worsens crisis

But bad as this collapse of traditional markets in the West and the East has been for the German industry in the past two or so years, an entirely new self-inflicted barrier to German machinery export was imposed by the Bonn government which, according to people inside the machine tool industry, has caused incalculable damage to the German industry at the moment of extreme vulnerability. Indeed, the passage, under the frantic urging of then-Foreign Minister Hans-Dietrich Genscher, of the world's strictest machinery export controls in the summer of 1991, may have been the death blow to the world's most important single machine tool capacity.

Reacting to a manipulated British, American, and Israeli media attack on Germany during the Persian Gulf war against Iraq, which portrayed Saddam Hussein as the "new Adolf Hitler" and which charged that German machine tool exports were permitting Saddam's army to retool Soviet Scud missiles with chemical warheads for bombing Israel, the German Parliament passed foreign trade regulations in summer 1991.

This export control policy requires that a German company effectively prove to what application his tools will be employed by an importing country. A special export license is now required for any civilian machinery export from Germany to a special "H-list" of 34 countries. Included in this

black list are the largest industrial markets of Ibero-America such as Brazil and Argentina, and the potentially huge growing markets of Asia such as China, India, Taiwan, North Korea, and Pakistan. Moreover, the Foreign Ministry has in effect banned export of German machine tools to most of the Middle East including Saudi Arabia and Kuwait, all but excluding German industry from a share of the business of reconstruction, as well as to Iran and Israel, and, of course, Iraq. The argument employed by the Foreign Ministry export authorities in deciding if an export is allowed is the hopelessly vague American term, "dual use." A machine tool for civilian use in, say, construction of a milk-bottling factory in Iraq, would be classed "dual use" because, theoretically, the same lathe could be used to bore rifle barrels.

Competitors pick up the slack

The bitter irony is that the self-imposed German export control has merely opened vast new markets for rival machine tool exporters. No other country has been foolish enough to impose on its industry such export restraints. "This new law has been a catastrophe for the German industry, dependent as we are on exports," a representative of the German machine tool industry stated. "Many customers got very angry when the German export firm was forced to ask them, 'why do you need this machine?' and such under the new law. In some cases, national governments told their industry, 'do not buy German machine tools because it is too politically risky if they can deliver.' "

The net effect of Genscher's "signal" to the world has been economically devastating. Just at the time when the industry was going into a downturn in traditional markets, almost all exports were stopped for months while Bonn sorted out its new export control rules. Customers reacted to what seemed endless delays in getting machinery.

"Many importing countries simply turned to other countries," stated a VDMA spokesman. "We estimate that fully 15-20% of the export market for German machine tools has been replaced by new competitors." At the beginning of 1991, just as the German export restrictions hit, for the first time a high-quality, lower-cost machine tool export offensive appeared out of South Korea and Taiwan. "Many of these markets we may have lost permanently." One result of the new law is that even were Daimler-Benz, for example, to want to import German machine tools for its new car production facility in South Korea, it would find it all but impossible!

But foolishly, there is little sense of urgency visible in Bonn over this crisis. There is little discussion of concrete measures, for example, to encourage creation of a large market for German machine tools in the development of a real Mittelstand in east Germany to rebuild the rotted infrastructure. Instead a "free market" dogma under the Treuhand (responsible for East German state industries) of Birgit Breuel continues to turn eastern Germany into a wasteland of deindustrialization.

LaRouche proposes tax on derivatives

The "derivatives" market has been the subject of much attention lately, now that European circles are openly denouncing Anglo-American financial warfare against their currencies, such as that which triggered the September 1992 crisis in the European Rate Mechanism (ERM). Derivatives are an enormous, poorly understood, and alarming new element in the international financial markets. They are financial instruments in which actual stocks or bonds are not exchanged, but only agreements by two parties to make payments on a future date at a price related to the performance of a commodity or currency. There are three basic types of derivatives: futures contracts, swaps, and options.

Economist Lyndon LaRouche on March 9 made the following proposal to deal with the situation.

It is my proposal that some form of nominal but otherwise significant universal tax be placed on individual derivative transactions not only in the United States, but abroad. The included purpose of this taxation is not merely to derive a new source of much needed tax revenue from a source whose taxation will be harmless to the real, that is, physical, economy, but also to bring into the light of day, under penalties of law for non-payment of this tax, the magnitude and structure of the derivative bubble as a whole.

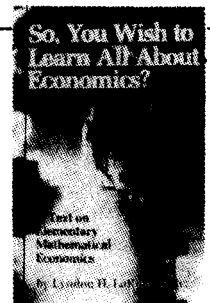
My additional comment qualifying this proposal is that it is clear that the derivative bubble by the very nature of these transactions is a financial bubble in the tradition of the more primitive, more rudimentary, and far less dangerous bubbles of the 18th century such as the John Law bubble in France and the South Sea Island bubble in England in the same period of time. This is the John Law bubble gone mad. The vulnerability to the entire financial system, the chaos and destruction of actual physical processes of production, distribution, employment, and so forth is incalculable potential, and therefore this thing must be brought under control promptly, otherwise all fine plans of stabilization of financial markets and economies go out the window as empty pipe dreams.

We must bring this under control and the best way to do it, I believe, is to impose a universal tax on each individual transaction as a percent of the nominal value of the matters which are traded in these credit, interest, and so forth swaps, and other similar derivatives. That is the only way that we'll bring the magnitude and structure of this into the light of day and force some rationality into the situation, and thus prepare ourselves to be able to take competent moves in order to

bring the market as whole under control.

The down side that would be argued from certain sources, apart from the wild free market monetarist manics, will be that the number of transactions related to any single initiating trade, can be enormous, can be over 100 individual transactions. Fine! Tax them all! That's a big amount of paper, they will say. Fine! Tax them all! The burden of doing the paperwork will itself prevent you characters from ballooning this market in that way. If it costs you too much in administrative work and effort to account for 100 transactions on one, linked to one, then that will deter you from building up 50-100 other significant transactions per initial transaction, and that itself will be a good deterrent against the growth of the speculative bubble.

In summary, unless we bring this derivatives market under control and begin to shut it down, at least to a significant degree, promptly, we're going to have the biggest financial blowout in history, bigger than the John Law-type bubbles of the early 18th century, and we'd better find out what we're doing fast. We'd better bring it under control fast, and if we need to tax something, let's tax this—say one-tenth of 1% of the nominal value or 10% of the actual amounts, something like that. One of those two. But I think that a tax based on the nominal value would perhaps be a better tax because of the differentials between those nations or banking systems which allow minting out and those which do not.



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George Soros: Where did he get his money?

by Scott Thompson

As *EIR* reported on Jan. 29, financier George Soros gained notoriety for making \$1-2 billion in a speculative binge against the pound and the lira on the financial derivatives markets, thereby wrecking the European Exchange Rate Mechanism. One of the mysteries for financial analysts was how Soros, whose investment fund holdings have an estimated value of only \$7 billion, could mobilize what some estimate to be \$40 billion for purposes of defeating the Bundesbank and Bank of England in their efforts to save these currencies. An ongoing investigation by *EIR* has discovered some startling facts about Soros's financial patrons, including his close ties with all national branches of the Rothschild family.

Trouble for the Rothschilds

The primary vehicle for Soros's speculative binge was his Quantum Fund NV, based in the Netherlands Antilles. Two of the Quantum Fund's eight board members are retainers of the Rothschild family. Although long considered to have attained Olympian status in finance, the Rothschilds have been losing their reputation as "untouchables" because of the machinations of their bank in Zurich, Switzerland. This bank, which is owned jointly by the British and French branches of the family, has recently come under investigation by Swiss magistrates for major irregularities. The scandal was so great that the French Rothschild Baron Elie has been forced to cede day-to-day control to the British Evelyn de Rothschild.

One of the Rothschild family retainers on the board of the Quantum Fund is Richard Katz, managing director of Rothschild Italia SpA. and a director of N.M. Rothschild & Sons Ltd., London. According to British financial investigators, Rothschild Italia is controlled by Edmund de Rothschild, who held minority control of the Zurich branch under Baron Elie de Rothschild, when that bank was wracked by scandal. It was charged that the Zurich branch had organized massive, illegal currency flight from Italy to Switzerland. As for Katz's position on the board of N.M. Rothschild in London, it implicates this ostensible pillar of the British establishment in Soros's deprivations against the British pound.

The second Rothschild retainer on Quantum's board is Nils O. Taube, chief executive officer of St. James Place Capital. The firm is controlled by Jacob Rothschild, son of the notorious Lord Victor. St. James Capital is interlocked with Global Asset Management, which is run by a former

Rothschild family adviser, Gilbert de Bretton. GAM was originally called St. James Management Services.

The Marc Rich empire

According to sources at the *Wall Street Journal* corroborated by British financial investigators, the Rothschild bank in Zurich had extensive dealings with fugitive commodities trader Marc Rich. Well-informed sources report that Rich, together with a group of Israeli financiers, may have been another major source of the loans used by Soros to speculate against the pound and the lira. Rich's connection to the Rothschild bank in Zurich was another one of the scandals that brought about the scrutiny of Swiss magistrates. A spokesman who managed Soros Fund Management's currency portfolio, while acknowledging that Soros had drawn on lines of credit for his speculative binge, refused to name the banks from which he had borrowed. However, he did deny any dealings with Marc Rich.

Rich, who fled to Switzerland to escape charges of income tax evasion in the United States, has much in common with Soros's policies of preying upon the former East bloc. In a Jan. 4, 1993 commentary in the *Washington Post*, Soros proposed a neo-colonial welfare scheme for Russia. In exchange for the West paying Russian citizens \$6 a day, Soros said, "Factories could be idled and the raw materials and energy that go into production could be sold for more than the output." From the headquarters of his Marc Rich and Co. in Zug, Switzerland, Rich began trading with Moscow in the 1980s, and today he is one of the largest traders doing an estimated \$1.2 billion in deals with Russia. According to a June 22, 1992 *Forbes* magazine article, Rich takes grain, Cuban sugar, alumina, and machinery to Russia, and gets back oil and refined aluminum ingot at highly favorable prices. In 1991, Rich purchased 500,000 tons of Russia's aluminum, more than half of its total exports. When Rich dumped the aluminum on the London Metal Exchange, prices were halved.

Apart from his tax problems, there is good reason for the Soros group to deny any dealings with Rich. Rich is a business partner of Bruce Rappaport, who gained notoriety as a friend of Oliver North's Iran-Contra gang at the Reagan-Bush White House. Rappaport was the real recipient of the \$10 million payment from Iran for Hawk missiles, which the Iran-Contra gang claimed had been "lost" through its diversion to the wrong Swiss account.

According to sources, one of the men who has mutual business dealings with both Rich and Rappaport is Alfred Hartmann, a top executive at the Rothschild family's Zurich branch bank, as well as a director of Rothschild Continuation in Zug. Rothschild Continuation is a holding company for the London N.M. Rothschild. Through his dealings with these Rothschild family banks, together with their clients such as Rich, George Soros is in the middle of one of the dirtiest gangs of financial manipulators in business today.

Economic earthquake to hit California

by H. Graham Lowry

The once mighty economy of the state of California, by itself ranking as the sixth largest in the world just a few years ago, is about to be battered again by a new round of military base closings ordered by the Clinton administration. Having lost nearly a million jobs in the last two and a half years, California has become instead the victim of forced economic disintegration—a model of the living hell known as the “post-industrial society.”

Advance leaks of the base shutdowns being proposed by the Defense Department include nine more in California, among at least 30 major installations and 150 smaller sites nationwide. According to a study by Gov. Pete Wilson’s Office of Planning and Research, California would lose \$6 billion annually and 182,000 jobs if the Pentagon plan is carried out. The job loss would include 76,700 directly employed and another 105,800 dependent on the nine bases. When combined with an additional 17 base closings announced in 1988 and 1991, the cumulative impact would cost the state’s economy \$11 billion a year and a total of nearly 330,000 jobs, the study reported.

Beyond the dubious estimate of defense requirements, based on the myth of a peaceful “post-Cold War era” when wars are raging out of control around the world, this so-called defense conversion is occurring at a time when the productive sectors of the economy are collapsing. California, moreover, is already inundated with layoffs from defense-related aerospace and electronics industries, and has an official statewide unemployment rate of 10%. The same week the new base closings were reported, the Los Angeles-based Northrop Corp. announced that it would eliminate another 2,400 jobs this year, reducing its work force to 30,600 from 48,200 in early 1988.

Proposed base closings

The base shutdowns’ estimated \$6 billion annual cost would have a devastating impact. “That figure is equal to the total damage caused by the Loma Prieta earthquake in 1989,” Governor Wilson declared on March 10. “But the damage from the base closings would be worse, because families and communities throughout California would pay for that damage year after year after year.”

Collapsing incomes have driven the state’s budget deficits to astronomical levels the past three years, and tax revenues are running nearly 3% below the level projected for the current

fiscal year. Massive cutbacks in aid to the poor, the sick, and the elderly have become routine; public schools are on the ropes; and major reductions are again expected due to a projected shortfall of at least \$8.6 billion for the current budget.

The proposed base closings, which Governor Wilson calls a “man-made disaster,” could push California over the edge. Slated to be shut down are the Alameda Naval Air Station; Alameda Naval Supply Center; Treasure Island Naval Station; Mare Island Naval Shipyard; McClellan Air Force Base; Long Beach Naval Shipyard; March Air Force Base; El Toro Marine Corps Air Station; and the Presidio of Monterey.

According to the state study, the unemployment rate in Sacramento County would more than double from the shutdown of McClellan Air Force Base and the previously announced closings of Mather Air Force Base and the Sacramento Army Depot. In southern California, where the bulk of layoffs in the aerospace industry have occurred, closing the Long Beach Naval Shipyard would eliminate 12,700 jobs; March AFB in Riverside, 16,400; and El Toro Marine Air Corps Station, 11,250—along with a combined total of over \$500 million in annual payroll and contracts. The Presidio of Monterey has 3,725 military personnel and 1,915 civilian employees, who pump \$560 million into the local economy. The total impact from proposed naval base closings in the San Francisco Bay area is estimated at \$1.3 billion in annual payroll and contracts.

What economic stimulus?

In an ABC News interview on March 7, Defense Secretary Les Aspin called the plan for nationwide shutdowns “the mother of all base closings.” Some people are undoubtedly using a little different language to describe the scheme, especially since there is nothing in the works which could even begin to compensate for the resulting blow to the economy. Last year, Congress appropriated \$1.7 billion for defense conversion, which President Clinton said last month during a visit to California that he was prepared to begin releasing.

But the Clinton administration plans to cut defense spending by nearly \$112 billion over the next four years. The job-creation component of his \$16.2 billion “economic stimulus” package before the Congress is primarily aimed at public works construction, and scarcely touches the re-employment requirements from military cutbacks.

As for the economic impact of base closings on local communities, the remedies President Clinton proposed March 11 featured a pitiful \$80 million, for a revolving loan and grant program “to directly and immediately aid communities hardest hit by defense cuts.” The President proposed an overall package of less than \$20 billion over five years for defense conversion and the promotion of civilian applications of military technologies. From initial reports, nearly half of that money would come simply from defense cuts. However the money is put together, the total amount would not even match the annual loss from base closings in California.

Islam: friend or fiend?

In Part 2 of a series, Muriel Mirak-Weissbach addresses the historical background to a Christian-Muslim dialogue around economic policy issues.

Both the advanced sector economies and those of the "Third World" are convulsed by the deepest depression in modern history. Whether or not this worldwide breakdown crisis will lead to further social upheaval, depopulation through famine, epidemic disease, migration, and wars, opening the chasm of a new Dark Age for humanity, or whether worldwide recovery will usher in an era of unprecedented growth and social progress depends on the extent to which those cultural impulses imbedded in our civilizations, responsible historically for generating human development, are mobilized for the task.

To be so mobilized, they must first be identified and scientifically understood. Lyndon LaRouche, in his groundbreaking work *The Science of Christian Economy* (Washington, D.C.: Schiller Institute, 1992), has articulated the first scientific approach to physical economy, built on the epistemological foundations of Christianity. With this and subsequent prison writings, including "On the Subject of God," published in *Fidelio* magazine (Spring 1993), LaRouche has provided the teaching for profound economic policy changes to occur in those nations of the world of a Christian cultural matrix, nations, such as France, the United States, and the nations of Ibero-America, for instance, which first emerged as industrial societies precisely due to the application of Christian humanist principles in economic and social policy, and which fell into decay as a direct result of their having betrayed those principles. LaRouche's works point the way for these nations to recover economic health, by rediscovering the science embedded in their Christian heritage.

In those nations of the world stretching from the Mediterranean across the Middle East and Persian Gulf, through Central Asia, the subcontinent, and into the Pacific, whose primary cultural impulse has been shaped historically by Islam, no such elaboration comparable to LaRouche's exists. A myriad of works has appeared, particularly in the last decade, purporting to define the parameters of Islamic economics, but they have by and large missed the mark, due to one fundamental methodological error. Rather than seeking to recover the seed-form in Islamic philosophy, which, planted in the soil of Arabic culture, gave rise to a flourishing industrial society, a veritable garden, they have fixated on the shape of certain specific leaves, so to speak, hanging on the tree. These are the financial mechanisms gleaned from a

literal reading of certain passages in the holy book of Islam, the Koran. The system thus constructed by assembling financial mechanisms, known as "Islamic" banking, may have facilitated the administration of vast fortunes, as in the case of Saudia Arabia (which pioneered Islamic banking), Kuwait, and Pakistan, but, as the respective economies show, it has not generated real wealth. Conversely, Iraq, which did generate enormous physical economic development, until it was stopped by the 1991 war, did so without the trappings of Islamic banking practices. For the economies of predominantly Muslim nations to pick up and continue the thread of successful economic development, which ran broadly from the 8th to the 13th centuries, it is necessary to revive for practice the philosophical outlook of that tradition.

Man as the subject of physical economy

In *The Science of Christian Economy*, LaRouche writes: "The possibility of a successful society depends upon two conditions. First, the society must generate scientific and technological progress; to do this, the society must have developed in its members the disposition and capacity for scientific progress. Second, the society must adopt policies which cause (the physical equivalent of) productive investment in scientific and technological progress to prevail over opposition to such policies.

"Thus, with certain qualifications, we must speak now of 'man the creator.' The mental-creative powers, which mankind demonstrates through the use of scientific revolutions, to increase qualitatively the potential population-density of our species, is the generality referenced. This generality shows mankind to mirror the Creator. Thus, man is designed to become the 'little creator,' the small mirror-image of the universal Creator. . . .

"Not only is this creative power uniquely characteristic of mankind, among all species; this creative power is located within the individual human personality, as a *sovereign* potential contained within that individual personality. Thus, it is the individual person who, by virtue of representing this *sovereign* power, is, individually, in the *living image of the Creator (imago viva Dei)*. . . .

"These two conceptions, *the role of scientific and technological progress*, and the fact that *each creative mental act is a sovereign process of an individual personality*, are the essence of all economic science" (pp. 227-229).

LaRouche shows that “economic science was developed . . . by Christianity; furthermore, the evidence is that perhaps economic science could not have been developed except by Christianity” by virtue of the fact that Christianity “organizes society implicitly according to the principle of the sovereignty of the human individual, defined in the way we have defined it here” (pp. 229-230).

Universal principles

If the principles underlying LaRouche’s economic science are universal—and they must perforce be, as it is a science—then those same principles must be reflected, albeit in another form, in Islam; otherwise, Arab society, organized through the revolutionary impulse of Islamic culture, could not have met the criteria for a “successful society” as defined by LaRouche. Since the historical record documents that Islam did lead Arab society to qualitatively increase its population potential, through the mediation of scientific and technological progress over centuries, the question is: How are the principles governing the relationship between God and man, as developed in Islam, coherent with those introduced by Christianity? And what are the implications for economic policy shaping?

The Koran is explicit enough to suffice, without immediate recourse to the schools of Platonic philosophers who elaborated the question. According to the holy book of Islam, believed to have been revealed to Mohammed, the Prophet, there is only one God:

God! There is no God
But He—the Living,
The Self-subsisting, Eternal (S ii, 255).

God, who is Life, Eternity, Unity, Power, Truth, Beauty, Justice, Love and Goodness, is the Creator of all things:

Lord and Cherisher,
Who created—
Created Man, out of
A (mere) clot
Of congealed blood . . . (S xcvi, 1).

His creation, furthermore, is continuing:

Praise be to God,
Who created (out of nothing)
The heavens and the earth,
Who made the angels . . .
He adds to Creation
As He pleases: for God
Has power over all things (S xxxv, 1).

This God does through the agency of man, the crown of His creation:

We have indeed created man
In the best of moulds (S xcv, 4)

who is endowed with the divine essence:

Behold, the Lord said
To the angels: “I am
About to create man
From clay:
When I have fashioned him
(In due proportion) and breathed
Into him of my Spirit,
Fall ye down in obeisance
Unto him (S xxxviii, 71).

Man is created, as is the rest of the universe, with a specific task or goal:

To each is a goal
To which God turns him.
Then strive together (as in a race)
Toward all that is Good (S ii, 148).

Man, by nature, has been created with a nature biased toward striving for the Good:

Him who created thee,
Fashioned thee in due proportion,
And gave thee a just bias (S xxxii, 7).

Specifically, the goal of man, as God’s representative on earth, is to engage in the process of self-perfection:

But God will not allow
But that His Light should be
Perfected, even though the unbelievers
May detest it (S ix, 32).

This means subjugating nature, by learning the laws of the universe:

He has made subject to you
The Night and the Day;
The Sun and the Moon;
And the stars are in subjection
By His command: verily
In this are signs
For men who are wise (S xvi, 12).

The conception of man sketched through these references is seen to cohere with that of the Christian tradition, which Islam explicitly incorporates, though in different form. Consequently, the economic teaching of Islam, in part explicitly laid out in the Koran, imbeds this conception in the laws of

social organization.

Man is provided by God with resources and natural means of production:

It is We Who have
Placed you with authority
On earth, and provided
You therein with means
For the fulfillment of life (S vii, 10).

As God's representative on earth, man must develop these means lawfully, that is to say, in respect for fellow man, without thievery, fraud, or misappropriation. Explicitly forbidden, on grounds that they violate the nature of man and the laws of the universe, are economic practices involving prostitution, gambling, alcohol, idols, or divination. All these practices tend toward reducing man to a beast, in violation of the way he was created. The most severe ban is on all forms of usury, which represents the greatest perversion of the lawful production of real wealth.

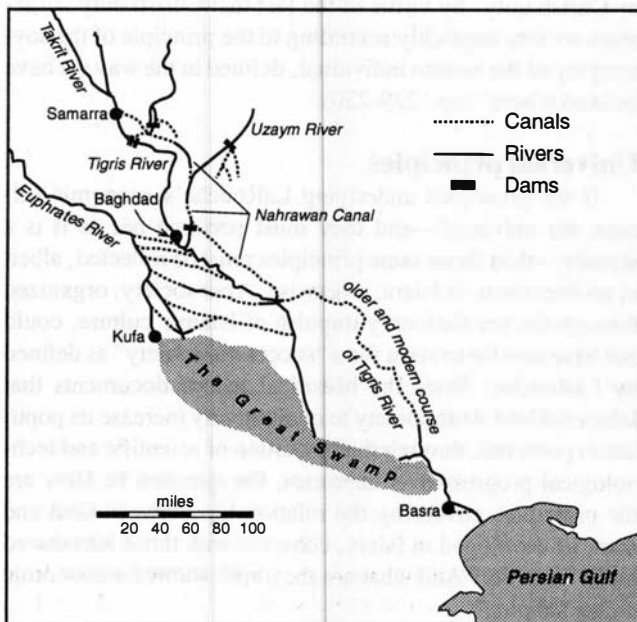
The Islamic injunction is for man to harness his God-given faculties of mind, creative reason, to produce wealth, for the benefit of himself and his family, as well as of his fellow man, through the institution of *zakat*, or charity tax. The way this and other taxes were levied and the revenues allocated in those periods of Arab history when the moral precepts of economic teaching were followed, demonstrates how technological progress was thereby stimulated through conscious policy. A brief reference to some highlights of Arab society following the death of Mohammed illustrates the point.

Arab policies for productive investment

Arab society, under the impulse of Islam, gave birth to a flourishing culture, organized around cities which were centers of industry, agriculture, commerce, and science. The enormous economic growth in the 8th and 9th centuries led to a demographic explosion; in Mesopotamia, the area of today's Iraq, it is estimated that 30 million people lived (as opposed to 18 million now). This correlation of an increase in potential population-density with the progress of civilization was noted, later, by the Arab historian Ibn Khaldoun (1332-1406) who, in his *Muqaddimah* ("An Introduction to History") used the word *'umran*, based on the verb "to build up, to develop," to designate both "civilization" and "population." Ibn Khaldoun saw the qualitative and quantitative increase in urban-based population correctly as an indication of an improvement in civilization.

Significantly, in Mesopotamia, 80% of the population which worked the land were not serfs, but free farmers. Islamic inheritance laws regarding private property, which excluded the right of primogeniture, favored the maintenance of family farms through distribution of lands to all the heirs.

Irrigation systems in Mesopotamia, A.D. 762-1200



Source: Donald Hill, *A History of Engineering in Classical and Medieval Times*, La Salle, Illinois: Open Court.

Following the founding of Baghdad in A.D. 762, the Arabs maintained an elaborate system of irrigation canals and dams in Mesopotamia (the area of modern-day Iraq), in order to control flooding along the Tigris and Euphrates rivers. Earlier, in A.D. 629, a disastrous flood had radically changed the course of the Tigris; beginning around 1200, the Tigris began to gradually shift back to its older bed.

Whether farmers maintained their independence or placed themselves under the custody of larger landowners, who managed their taxes, productivity was not affected, as economic legislation supported agriculture, through taxation. If a farmer produced food, simply reaping the fertility of God's land without making investments, he was expected to give 10% of his yield to the state. If, however, he developed irrigation, he would have to pay only 5% of his produce in taxes. Generally, it was the central state which invested in irrigation, with the idea that it was better to have a wealthy peasant than a poor one. In a *Book on Land Taxes* from the late 8th century, Abu Yusuf writes: "If you inform the Caliph that there is land in this region which could be cultivated if it were irrigated, and if this is confirmed, then you should give the order to dig canals. The cost will be covered by tax revenues of the state and not paid by the inhabitants. It is in fact better for people to be well off than to be poor, and that

they enrich themselves rather than going to ruin, and being condemned to helplessness" (André Clot, *Harun al-Raschid: Kalif von Bagdad*, note 2, p. 264).

Irrigation given top priority

Irrigation systems were the most important infrastructural prerequisite for all agricultural production (except wheat and grain), and their development and expansion were treated as a top priority. Canals, dams, and reservoirs ordered the flow of water around the new city of Basrah as well as Baghdad, and severe regulations were defined there as in Spain, northern Africa, and the East, regarding their upkeep and the distribution of water. Clot reports that in one city, Merv, "the head of the water works was a high-level official with 10,000 workers" and he enjoyed a higher social standing than the police chief. A waterwheel moved by animals was developed, as were water mills.

As a result of this advanced irrigation system, and the enlightened taxation regime, agriculture flourished. The yields were much higher than in non-Muslim Europe at the same time. "The ratio of yield to seed for wheat in Egypt was 10 to 1 . . . compared to 2 or 2½ in Europe at the time of Charlemagne. Comparable yields were not achieved in France until the 18th century" (Clot, p. 204). The main crops, aside from wheat and grain, were rice (brought in from India), dates, sugar beets (also from India), all sorts of fruits and vegetables, and spices. Overproduction in agriculture kept food prices at a very low level. Plants for industrial use included cotton, brought in from India and cultivated in Transoxonia, Iran, Iraq, Palestine, and Syria. Flax grew in Egypt, Tunisia, Spain, Iraq, and Iran. Wool was another textile product developed, and the Islamic world was the leading producer, especially North Africa. Silk was also developed.

Textiles the leading manufacture

Thus the textile industry was the leading manufacturing branch, providing clothing of the simplest cotton or flax to the finest silk for the caliphs and their entourages. The textile shops were owned by the caliph and run as state enterprises, but there were also private textile shops, as, for example, in Tinnis in the Nile Delta, where the textile industry employed the entire population (Clot p. 211). Spindles were used to spin, and a horizontal loom or a pedal-run one were used to weave. Tents, carpets used in homes as well as for prayer purposes, and clothing of all sorts were manufactured.

In 751, the Arabs introduced paper into their part of the world from China, and a paper industry rapidly grew up with the first factory in Baghdad in 794-795, followed quickly by others in Andalusia (Spain), Morocco, Sicily, Damascus, and Tiberias. Metalworking was very advanced, for weaponry, building fixtures, scientific instruments for weighing and measuring, for medical application, as well as for astronomical observation and navigation. A hefty construction industry

existed to build housing and government palaces, and shipbuilding was necessary for commercial fleets engaged in trade. Trade routes were expanded massively, both by land and sea, bringing the Arabs into constant contact with peoples throughout the Mediterranean as far east as China and as far north as Scandinavia.

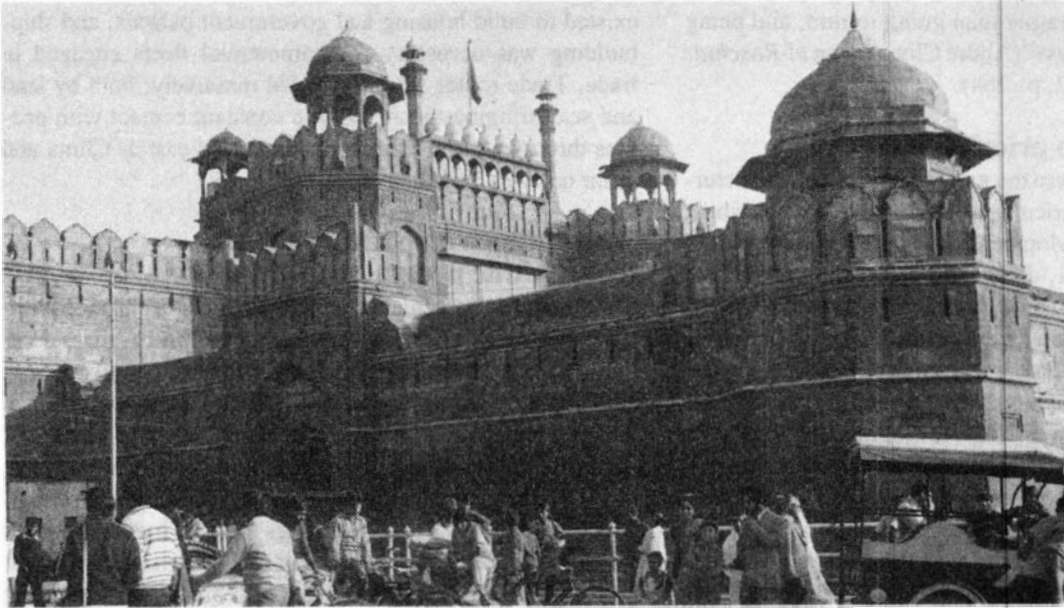
Generating a disposition for scientific progress

None of these achievements could have been made without a conscious effort, on the part of the first Abbassid caliphs, to develop cities as poles of economic activity as well as science. Two of the earliest cities, Basra, which had 300,000 inhabitants in 670, and Kufa, became centers of linguistic study, where the study of Arabic, the language of the Koran, engendered an advanced philological school, which incorporated the teachings of the Indian Sanskrit scholars. But certainly the jewel of early Islam was Baghdad, a city built from scratch by the Abbassids into a thriving metropolis and world center of learning.

Since Islam views man's capacity for Reason as that which separates him utterly from all lower species and destines him to comprehend God's universe in order to develop it further, the greatest of all human activities, to be fostered by the ruling institutions, is learning. The first task taken on by the Omayyad and Abbassid dynasties, was that of translation, to render into Arabic the knowledge available in other language cultures, especially from the Greeks, the Persians, and the Indians. From the end of the 7th century come the first reports of libraries in Baghdad.

It is absolutely crucial to understand that the intellectual awakening that took place under the first Arab caliphs (as well as later in Andalusia) was an ecumenical process, involving the works of the greatest minds of Judaism, Greece, and Christianity, conversing in the language of the Syrians, Aramaic, as well as Persian. It was the extraordinarily open characteristic of Arab culture, open to anything of value which could be introduced from any other culture, which constituted its greatness. As the Prophet is said to have stated, "Seek out wisdom, even if you have to travel to China to find it."

The routes through which classical Greek learning reached the Arabs were several. One was through the university of the Nestorian Church in Nisibis at the end of the 5th century, which was a center for translation of Greek classics into Syrian. Another was the school in western Iran at Gundeshapur, under the Sassanid (Persian) Khosroe I, who gave refuge to the neo-Platonic scholars from the School of Athens which had been closed by Justinian in 529. Here, great works of the Greeks, from Galen's medical treatises to the basic works in philosophy, were translated, again into Syrian. The Nestorian missionaries from Nisibis traveled into Arabia, just as the scholars and doctors from Gundeshapur centuries later gravitated toward Baghdad.



The city-building impulse: The Red Fort in Old Delhi, one of the magnificent fortresses built by the Moghals, 16th century Muslim emperors who established a national state in India in alliance with the Hindu kings.

Translation projects

In 765, Caliph al-Mansur had summoned the head of the Gundeshapur hospital to Baghdad to treat him. This learned man, Ibn Baktishu, was a Nestorian Christian and remained so, though he became the court physician, a tradition continued for generations by his family. Caliph al-Rashid sent emissaries to Byzantium in search of ancient manuscripts, which were then translated into Syrian and Arabic. Under al-Mamun (813-833) translation work became better organized, and the “House of Wisdom,” which the caliph founded as an academy and translation center, with an astronomical observatory, grew into one of the richest libraries of the world. Everything they could lay their hands on was translated: Greek medicine from Galen, Hippocrates, and Paul of Aegina; Greek philosophy, especially Plato and Aristotle, Greek science of Ptolemy and Euclid, as well as Archimedes.

One of the foremost translators was the Nestorian Christian Hunayn ibn-Ishaq, who worked under the court physician Baktishu, until he was appointed head of the library. Ishaq oversaw all the scientific translation work, leading a staff of 90 students and translators. He himself translated from Greek into Syrian; his son, then, translated from the Syrian into Arabic. Ishaq’s translations were so highly valued that al-Mamun paid him the equivalent in gold of the weight of the books he rendered into Arabic.

Treasures from Persia and India were also translated, particularly works of mathematics, and the Arab numerals, including the zero, adapted from the Indian system, were introduced. Works in astronomy, especially the Indian Siddhanta, were translated. Philip K. Hitti, in his *History of the Arabs*, writes: “In three-quarters of a century after the establishment of Baghdad the Arabic reading world was in possession of the chief

philosophical works of Aristotle, of the leading neo-Platonic commentators, and of most of the medical writings of Galen, as well as of Persian and Indian scientific works. In only a few decades Arab scholars assimilated what had taken the Greeks centuries to develop” (pp. 306-307).

Scientific contributions

By virtue of this immense translation effort, the caliphs made available in Arabic—a language which in the process became the main vehicle of thought in the educated world—the fundamental works of the ancients, thus making it possible for Arabs to study and re-trace, re-experience individually, the scientific breakthroughs which had been made by their predecessors. The introduction of paper contributed to the production and diffusion of books. As a result, Arab culture produced its own discoveries, contributing to universal human knowledge. Khwarizmi introduced the decimal system into mathematics, and wrote a book entitled *al-Jabr* (from which we have the word algebra), which was used as a textbook in Europe until the 16th century. Fundamental advances were made in the field of medicine by al-Biruni, Ibn Sina (who became revered in medieval Europe as “Avicenna”), al-Razi, and many others. Al-Razi, who wrote over 200 books on medicine, theology, and astronomy, was the first to develop diagnoses for various illnesses accompanied by fever, the first to develop treatment for smallpox, and the first to intuit the ways infectious diseases were transmitted. Ibn Sina, another giant source for Arab culture, was a Persian who wrote 170 books on philosophy, mathematics, astronomy, medicine, and theology. His *Canon of Medicine* was the leading textbook in European universities from the 12th to the 17th centuries. The Arab doctors developed advanced methods for surgery, including Caesarean sections and a

drainage for Gray Star of the eye, complete with anesthesia.

Such developments in the field of medicine were fostered by strict state supervision of the quality of doctors. Every doctor had to be licensed. Each surgeon had to go through intensive training, especially in Galen's writings; doctors were expected to make fundamental contributions to their discipline with original works. Furthermore, a network of social institutions was developed to promote medicine. Pharmacies prescribed medicines, all under the strict control of an inspector, who would appear unannounced any time day or night to make sure utensils were clean and prescriptions properly filled. In the 9th century, the first hospital was built in Baghdad, followed shortly thereafter by 34 more in the Islamic world. Hospitals had separate wards for different illnesses; patients were treated both as out-patients and in-patients. By the 11th century, mobile hospitals appeared, to reach patients in outlying areas, which was particularly important when epidemics appeared.

Emphasis on education

That this policy outlook, oriented toward developing the productive powers of labor through education, a public health system, and the promotion of science, was characteristic of Arab culture is illustrated as well by developments in Sicily and Andalusia.

Parallel to the advances in agricultural output stimulated by land reform, cities grew up in Andalusia after the Arab conquest of 711 as magnificent centers of industry and learning. Cordova boasted 113,000 homes, 21 suburbs, 70 libraries, and many bookshops, mosques, and palaces (Hitti, p. 526). It was to Europe what Baghdad was to Arabia. It employed 13,000 weavers in its textile industry and also had a flourishing leather industry. Spain produced wool and silk, glassware, pottery, mined gold and silver, and produced items in iron and lead renowned the world over. Seville and Malaga developed into rich trading centers.

As in Baghdad, emphasis was placed on developing the creative capacities of the citizens. Al-Hakim II al-Mustansir (961-976), son of Abd al-Rahman III, patronized learning with generous scholarships and established 27 free schools in Cordova (Hitti, p. 530). He expanded the mosque of Cordova into a university, which attracted Jewish, Christian, and Muslim scholars from the whole world. Al-Hakim also built up a magnificent library, sending emissaries to Alexandria, Damascus, and Baghdad to buy books. His library had 400,000 volumes. The population of Moorish Spain was, as a result, the most advanced in Europe; according to one account, "nearly everyone could read and write," at a time when elsewhere in Europe literacy was largely a privilege of the clergy.

The power of poetic imagery

Of utmost importance in the development of an educated population was the fact that the language of the Koran was

Arabic. Already in Bedouin society, Arabic had shown itself to be a language of enormous poetic capability. Through the Koran, which is a poetic work, the language became richer, finding ways of expressing not only poetical ideas but also important scientific concepts. As Wilhelm von Humboldt remarked, the Arabic language shares with its sister Semitic language Hebrew the power of poetic imagery, but excels it in having a finely developed scientific capacity.

Since the Koran is the holy book, as revealed to the prophet by Allah, it is incumbent on every Muslim to read it in the original. This fact is of capital importance. As Islam spread, proselytizing among the pagans as well as the members of the various Christian sects into which the Byzantine Church had degenerated—the Monophysites in Syria and Egypt, the Nestorians in Iraq and Persia—it brought with it mass literacy in the Arabic language. Due to the role of the language, anyone who was a Muslim and expressed himself in Arabic came to be known as an "Arab." Not only the religion, but the language, therefore, became a factor of unification, and an absolutely crucial element in the spread of science and technology.

Implications for the present

The Arab world, and, beyond it, the nations of Muslim culture among non-Arabic speaking peoples, preserve a heritage which, if revived as a Classical culture, would prove to be an invaluable asset to reordering world affairs. Regrettably, there are too few leaders in the Arab and Islamic world who recognize this in practice. The sheikhdoms of the Persian Gulf have amassed fortunes from oil revenues, dressing themselves in the extravagant pomp they believe to have characterized the ancient caliphs, while their populations lie in poverty, ignorance, and slavery. Those, on the other hand, who have claimed a return to "Islamic purity," as is the case in Iran, have imposed a formal, "rigid constructionist" reading of Islamic law on an oppressed population, smothering the spirit of creative intellectual life necessary to progress. As a result, they have so undermined the growth of the physical economy that they have introduced population reduction policies, which fly in the face of Islamic teaching.

Regrettably, also, too few among the political leadership in the non-Muslim world know what Arab civilization and Islam have achieved historically; thus, even those among the ecumenically minded are hampered in outlining a workable approach to building an alliance for economic recovery, the only route to peace. It is by looking back to Europe in the 13th to 15th centuries, when some of the best minds of Christendom entered into an historic dialogue with Arab culture at the highest philosophical level, that one can learn how such a process may generate yet further breakthroughs in science, technology, and art. It provides an excellent example of how peoples from different cultures can "Strive together, as in a race, toward all that is God."

Clinton buys the deregulation line

But even as the Treasury promises breaks for bankers, Rep. Henry Gonzalez is moving to tighten regulatory control.

Deputy Treasury Secretary Roger Altman previewed the Clinton administration's plan to further deregulate the already dangerously underregulated U.S. banking system, in a speech March 8 to the Institute for International Bankers. The administration's plan, Altman promised the bankers, "will modernize a series of outdated regulations and examiner attitudes, and make it easier for lenders to lend."

Those "outdated regulations" of which Altman speaks include the Glass-Steagall Act and related measures passed in the wake of the Great Depression of the 1930s—measures specifically designed to reign in some of the more predatory and criminal practices of the big banks. That those regulations are now being vilified as obstacles to the expansion of the banking system, says volumes about the bankers' intentions.

So, too, does the talk of "outdated examiner attitudes." The job of a bank examiner is to verify that the banks' books are honestly kept, that assets and liabilities are properly valued, and that the balance sheets accurately reflect the financial conditions of the banks. Bank examiners are supposed to be guardians of the public trust, but the Clinton administration, like the Bush administration before it, is demanding that they instead be cheerleaders for the bankers. The tendency for some examiners to reveal bad loans, rather than covering them up, is one of the "outmoded attitudes" of which Altman complains.

Altman, it should be noted, came to the administration from the Blackstone Group, one of Wall Street's up-

per-crust investment firms. Peter Peterson, head of Blackstone, is the chairman of the elite New York Council on Foreign Relations.

The basic thrust of the Clinton plan is to reduce the federal government's regulatory control over the banks, while attempting to boost the faltering real estate market.

Under the proposal, banks ranked in the first two of the five supervisory categories would be freed from many of the rules on lending criteria and loan documentation on certain small-business loans which are based upon the borrower's character and reputation in the community, rather than strictly on his ability to repay. The regulatory agencies will also work together to eliminate duplication and conflicting guidance to banks. The regulators would establish ombudsmen to field complaints from banks about problems with examiners or other officials, as well as complaints from rejected borrowers who believe they were discriminated against.

The Clinton proposal would make it easier for banks to unload their huge holdings of foreclosed real estate—\$28 billion as of the third quarter of 1992, the last quarter for which figures have been released. The plan would let banks lend money to someone who buys those foreclosed properties, and carry those loans on their books as normal, performing loans, something the current regulations do not allow. Appraisal requirements will be reduced or even eliminated on smaller loans, and examiners will be ordered not to write down troubled loans to their current market value.

All told, the Clinton proposal will allow the banks more leeway to speculate on real estate and to roll over unpayable loans. It will make a disastrous situation even worse.

Meanwhile, a pair of bills to restructure the federal bank regulatory system has been introduced in the House.

H.B. 1214, the Regulatory Consolidation Act of 1993, was introduced March 4 by House Banking Committee Chairman Henry B. Gonzalez (D-Tex.). Gonzalez's bill would combine the regulatory functions of the Federal Reserve, the Federal Deposit Insurance Corp., the Office of the Comptroller of the Currency, and the Office of Thrift Supervision, into a single new agency, the Federal Banking Commission (FBC). The Federal Reserve would retain its powers as a central bank, and the FDIC would continue to administer the bank and savings and loan deposit insurance funds. The OCC and OTS would be abolished.

Gonzalez said the FBC would be more accountable and responsive to the public, because it would be independent from the Treasury.

"The savings and loan crisis taught us that we must protect the industry and the insurance funds from any attempt by the Executive branch to use bank regulators as willing or unwilling political operatives," he said.

Rep. Jim Leach (R-Iowa), the ranking Republican on the banking committee, introduced a competing bill, H.R. 1227, the Bank Regulatory Consolidation and Reform Act of 1993, which would combine the OCC and OTS into a new Federal Bank Agency. Leach's bill would give the Federal Reserve control over the big banks, while letting the FBA and FDIC divide up the small banks and thrifts.

The central bank debate

Who ultimately controls economic policy was at the heart of President Franco's purge of the economic cabinet.

The surprising resignation of Economics Minister Paulo Haddad on Feb. 28 was not due, as the speculation in the Brazilian and international press would have it, to bad timing on the part of a President with an "incompatibility" problem. Haddad's departure from the cabinet was in reality due to a fierce dispute over the question of who would control Brazil's central bank, until now little more than a rediscout window at the disposal of the all-powerful Brazil Banking Federation (Febraban).

According to the daily *Jornal do Brasil* of March 3, President Itamar Franco resolved to fire Haddad because he had concluded that instead of controlling the government's technocracy, it was controlling him. Franco was also convinced that the bulk of the state bureaucracy, especially in the area of finance, maintained incestuous relations with the major business groups. His concern was especially acute with respect to the central bank, which he viewed as a sort of Febraban central office.

"Economic policy has been set by the central bank. I want to invert this process. The central bank is the one that must shape itself to the economic policy," Franco said. Regarding Haddad, the President called him "an accountant, a mere controller of expenses. The central bank is what controls the interest rate. And whoever controls interest rates controls economic policy."

The mere threat of an intervention into the financial policy of the central bank has awakened the furies of the financial oligarchy and its political henchmen, presaging the fall of the

President himself. During the first week of March, the possibility of Franco's resignation was the subject of discussion among political groups in the National Congress.

The magazine *Veja*, mouthpiece of the Anglo-Americans in Brazil, dedicated its March 10 issue to attacking President Franco for believing in "the conspiratorial theory of history," especially with regard to the behavior of the major economic groups. *Veja* went so far as to report alleged economic plans, including a new seizure of assets and price freeze, to no other purpose than provoking a financial panic.

Reflecting this same climate of hysteria, the daily *O Estado de São Paulo* reported March 7 that the French government had cancelled all credits to Brazil, in reprisal for Franco's change in economic ministers. The false report had to be officially denied by the French embassy in Brazil.

Also symptomatic was the immediate reaction of the Brazilian Social Democratic Party (PSDB), to whose ranks belongs Foreign Affairs Minister Fernando Henrique Cardoso. The President's personal decision to replace Haddad with Eliseu Resende was considered by the PSDB to be an act of independence which "broke the consensus" that has been sustained in the Congress since the impeachment of ex-President Fernando Collor de Mello at the end of last year.

Eliseu Resende, a personal friend of President Franco, comes out of the political networks of the state of Minas Gerais which were prominently involved in the major infrastructure

projects of the period of military rule known as the "Brazilian miracle." This prompted condemnation from the Workers Party (PT), which lamented "the choice of a minister who served the dictatorship."

If what worries the PSDB and the PT is Franco's growing signs of political independence, their reactions are perfectly compatible with that of the financial oligarchy, which fears that Franco will intervene into the corrupt financial system and reform it by attacking the privileges of Brazil's private banks.

Franco appears to understand that there is no possibility of political or economic stability in Brazil as long as the status quo of the national financial system is maintained. That is why Brazil's oligarchy is having nightmares about the return of the ghost of Dilson Funaro, the economics minister who declared a debt moratorium in 1987.

For example, the "insider" weekly *Relatorio Reservado* speculates in its March 8-14 issue that "Itamar and his group want to re-issue Funaro's Cruzado plan," in reference to the 1986 plan which, despite its flaws, succeeded in halting for several months the financial carousel which proved so profitable to the bankers then controlling the central bank.

Franco has reached a moment for fundamental decisions. Either he intervenes into the financial system with a de facto nationalization of the central bank—a move which implies a change in the foreign debt renegotiations and a rechanneling of state resources into development—or he will take the path adopted by President José Sarney, when he fired Dilson Funaro in the midst of a financial reorganization. The only difference is that, this time, the country, having just been through the impeachment of Collor, will not tolerate a repeat of Sarney's cowardice and mediocrity.

Business Briefs

Demographics

Fertility dropping sharply in Third World

Fertility is falling sharply in many developing sector countries, a report published by Johns Hopkins University says. Average total fertility (the number of children a woman has in her lifetime, which is a more accurate reflection of population trends than the birthrate) has fallen from six in the 1960s to four today in the 44 African, Asian, and Ibero-American countries surveyed.

At the same time, fertility in East and West Europe, the Community of Independent States, the United States and Canada, and Japan, has been significantly *below* replacement level for some time. At this point, in all developing countries outside China, 38% of married women use contraception; in the developed countries and China, the figure is 70%.

Fertility rates have begun to fall even in countries with traditions of large families, including Bangladesh, Kenya, Zimbabwe, and Botswana.

The report also notes that every year, 13-15 million children die before the age of five, 98% in the developing sector. Most of these deaths are easily preventable, the report states. Even with improved immunization and preventive health care programs, infant mortality remains seven times greater in the developing sector.

Dope, Inc.

Massive drug cultivation plagues CIS members

While the integration of the Commonwealth of Independent States (CIS) countries into the global economy has been slow, it has done very well as far as its integration into the world narcotics market is concerned, Vladimir Radyubin, a freelance columnist for the Indian daily paper *The Hindu*, wrote on March 2.

Although overall figures for drug-trafficking across the CIS are not available, security officials in Moscow believe that drugs being moved through Russia also originate in the Persian Gulf, India, Hong Kong, Singapore, and even Africa. Drug smugglers consider

Russia not only as a convenient transit route at a crossroads between Asia and Europe, but also as a vast potential market.

Drug abuse and trafficking is on the rise in the former Soviet republics. Cannabis and poppy are grown on 1 million hectares in Russia, 140,000 hectares in Kazakhstan, and 6,000 hectares in Kyrgyzstan. In addition, Tajikistan opium production has doubled since last year, and Azerbaijan has emerged as a major center for the manufacture of synthetic drugs. Experts partly blame the deteriorating drug situation in Russia on a more liberal criminal legislation passed in December 1991 which legalized the consumption of drugs.

Also in eastern Europe, a drug bust in Bulgaria on March 1 has brought heroin seizures in one month to almost 161 pounds, fueling fears that the so-called "Balkan route" is being used for as much as 80% of the heroin bound for western Europe, according to police, Reuters reported. "Bulgaria is still a transit zone for narcotic smugglers," Interior Ministry Chief Secretary Kosta Bogatzevski said.

Energy

Oil assumes strategic urgency for China

According to informed international oil industry reports, China is in the midst of a major shift in its energy self-sufficiency which will have marked impact on Chinese foreign policy over the years ahead. Until quite recently the Chinese economy had been self-sufficient in production of oil, its main energy source. But incentives to domestic and western oil companies have failed to boost the needed new oil and gas production. The largest known untapped deposits exist in the remote and uneconomical areas of Tibet and Mongolia, thousands of kilometers distant from the coastal urban industrial centers.

According to these sources, the domestic oil production of China today has stagnated at some 140 million tons per year, while domestic Chinese energy consumption for industry and transportation is growing at 20% annually. At this juncture, China is being forced to rely on foreign oil imports for the indefinite future for a significant portion of its annual oil needs. China will have to import a minimum of more than 33% of present total production, some 50

million tons per year. This foreign dependence will significantly affect Chinese foreign policy orientation, especially toward the Middle East oil-producing states, according to these reports.

Agriculture

Japanese cities say 'protect our farms'

A new Japanese group composed mostly of city residents appealed on March 1 for protecting rice farmers and a continued ban on rice imports. "We should encourage farmers and sustain agriculture to protect our land and environment," Isoshi Kajii, Tokyo University of Agriculture professor, told a news conference.

Kajii is one of 31 founders of Citizens' Conference on Land, Environment and Agriculture, whose members include academics, television actors and the president of Zenchu, the Central Union of Agricultural Cooperatives.

They are demanding Japan refuse to implement a farm accord of the General Agreement on Tariffs and Trade (GATT) which would "deny the nation its right to meet its own food demands and destroy parts of agriculture," a release read.

Aerospace

Dereg, not competition, said to kill industry

"The real killer of Boeing's sales is not Airbus, but airline deregulation," Robert Kuttner wrote in a commentary in the March 1 *Washington Post*.

Kuttner attacked free market theorists by making the obvious argument that the aerospace industry in the United States was successfully helped by the indirect support of U.S. defense spending, while the European industry was aided by direct subsidies to commercial passenger jet manufacturer Airbus Industrie. Thus, both the U.S. and European governments "helped create superior planes, which would have evolved much more slowly if companies had waited for private capital."

Infrastructure

Australians push rail link for Asian trade

The construction of a rail link to the port of Darwin on the northeast coast of Australia in order to boost trade with Asia, is gaining support, according to an advertisement in the March 1 *The Australian*. The link from Alice Springs would connect Darwin by rail with all major cities in Australia. Entitled "Support for the Austral-Asian Rail Link Is Coming from All Directions," the ad is signed by 46 Australians of note, mainly friends of the establishment. Among the signers are former prime ministers (from opposing parties) Hon. Malcolm Fraser and Hon. Gough Whitlam.

"More and more people are realizing that the Southeast Asian market of 250 million people on our doorstep is key to Australia's economic future. Opening up this trade corridor is an essential step. . . . The project could start immediately and the benefits would be immense. It would create at least 2,000 jobs for Australians over the four-year construction period that the project would involve. The national economic benefits far outweigh the cost of construction," the ad read.

Health

Vegetable margarine linked to heart disease

Substituting vegetable margarine for butter and other animal fat could cause rather than prevent heart disease, according to a U.S. study published in the British medical journal *Lancet*, Reuters reported on March 6. The research team was from Harvard University Medical School, and was headed by Dr. Walter Willett.

The findings support other studies that have found hardened vegetable fats can be as dangerous to health as animal fats. "Intakes of foods that are major sources of [fatty acids formed by hydrogenated vegetable oils]—margarine, cookies, cake, and white bread—were each significantly associated with higher risks of coronary heart disease," it said.

Industry

Japanese companies can't cope with yen rise

Despite remarks from the Ministry of International Trade and Industry (MITI), Japanese companies are taking huge losses from the collapse of the dollar against the yen.

Nippon Electric Corp. (NEC) said on March 1 it expected net earnings to plunge \$364 million into the red in the year ending March 31, as sales fall by over \$2 billion compared to the previous year, due to Japan's domestic chip and computer downturn.

The closure of Nissan's Zama plant, the first car plant closing in Japan in recent memory, will force 2,500 workers to move to other Nissan jobs and has shocked the public. "This was a very big surprise. The city feels at a loss," Zama Mayor Katsuji Hoshino said in a television interview. Japan's number-two car maker announced the closure after almost doubling its projection for losses to \$247 million in the fiscal year ending March 31.

Russia

Social unrest cripples Baikonur space center

Damage and theft during a revolt of construction troops at the Community of Independent States' Baikonur space launching center in Kazakhstan, the launch complex assigned to work on the Buran space shuttle, will take more than 18 months to repair, according to the Moscow newspaper *Nezavisimaya Gazeta*, reported *Space News* in late February. Baikonur is the former Soviet Union's "Cape Canaveral" with facilities for launching a manned spacecraft, the Energia booster, and the Buran shuttle.

The group that revolted deserted their posts of duty to protest an unbearable work load, with many units operating at only about 60% of their authorized strength. Social conditions and health care are poor, and clothing and food supply in scandalous shape. Military police arrested 20, releasing no details about injuries.

● **THE DANISH** economy has suffered "a dramatic worsening" in recent months; a Danish economist reported to *EIR* on March 2. "Over the past several months there has been the most dramatic decline in new orders for business since the government's severe 1987 'potato cure' austerity program. There is a sharp acceleration of farmers needing acute financial assistance, and industrial companies are laying off more and more."

● **CREDIT S ISSE** was forced to increase provisions for bad loans by 30% in 1992 compared to the year before, covering 1.5 billion Swiss francs, the board of the bank, Switzerland's third-largest, said on March 5.

● **MACHINE TOOL** maker Wean, Inc. missed debt payments of about \$13 million, and posted a loss of \$1.8 million for the fourth quarter, the March 1 *Wall Street Journal* reported. Last year, *American Machinist* magazine ranked Wean as the ninth largest machine tool maker in the U.S., with 1991 sales of \$101 million.

● **RUSSIAN-CHINESE** trade hit a record \$5.85 billion last year, three times the 1991 figure, the *China Daily* reported on Feb. 25. Russia is now China's sixth-largest trade partner. Some 63% of trade between the two countries is still on a barter basis. There was a sharp increase in industrial products traded, up to 82.5%.

● **BARCLAYS**, a major British bank, posted the first yearly loss in its history in 1992, losing \$352 million compared to a \$776 million profit in 1991, Reuters reported on March 4. The bank blamed the British recession and poor lending decisions for its losses.

● **CHINA** will try to expand its railway system by over 2,300 kilometers this year, three times the amount built last year, *China Daily* reported. China's rail system, the primary transport mode, is so overcrowded that 800,000 passengers travel every day without seats and only 60% of freight is shipped on schedule.

Cold fusion revolution marks its fourth year

Cold fusion researchers used to think of themselves as a “resistance” movement against unfounded attacks; today, they are deepening their understanding of this new field. An interview with Carol White.

On Feb. 9, 21st Century Science & Technology editor Carol White was interviewed for the cable television series “The LaRouche Connection,” on the subject of cold fusion, which has granted EIR permission to publish a transcript edited by Mrs. White. She was interviewed by Paul Gallagher.

Gallagher: Good evening, and welcome to “The LaRouche Connection.” Our topic this evening is the extraordinary reactions discovered four years ago, known as “cold fusion.” The media, both in this country and abroad, and also the scientific establishment, have been trying to convince you that cold fusion, in fact, does not work, or that the very idea of cold fusion reactions is a hoax. Many of you may know that that is not the case, and that, in fact, the most fascinating developments in science are taking place in these experiments.

Our guest tonight is Carol White, who is the editor of *21st Century Science & Technology* magazine, and who is constantly in touch with and circulating the work of virtually all of the people who are important in this extraordinary field of experimentation.

Carol, let me ask you first, what has *21st Century Science* done in the field of cold fusion? You can start, if you like, with the first announcements which were in 1989.

White: Well, we covered it from the very beginning, because we’ve always been interested in fusion energy, and this seemed quite extraordinary; normally with fusion energy you need huge machines, and it’s a very elaborate setup. And here were two scientists, saying that with test tubes on a table, they could cause nuclei to come together and to fuse, and we thought this was really, incredibly exciting. We wondered if it was true, but we were very interested, and we just followed it from Day One. And of course, after not too

long, we realized that this was a very extraordinary, and very serious experiment, and we’ve been writing about it ever since.

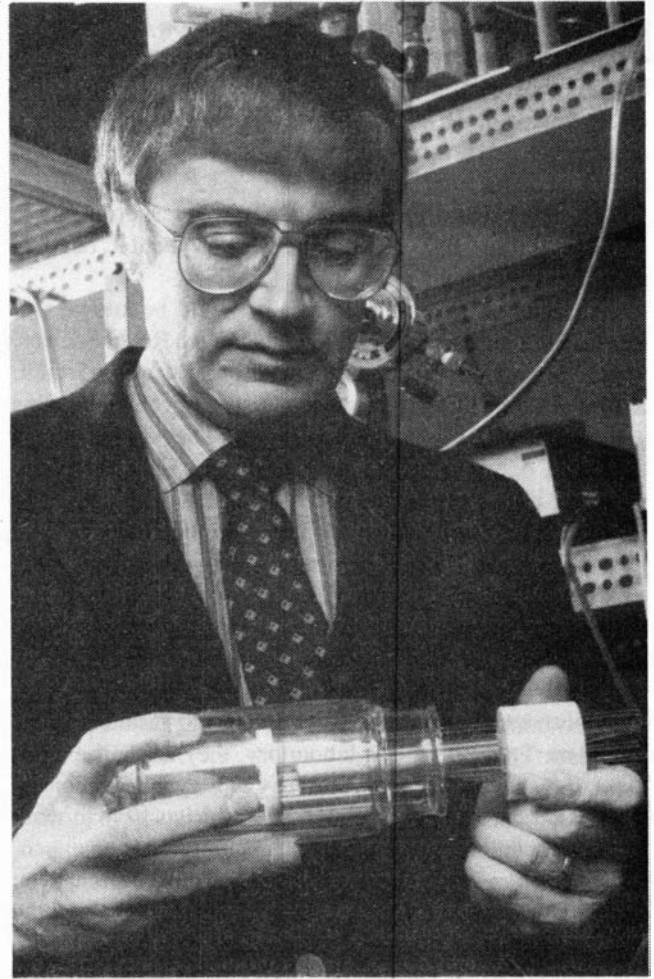
Gallagher: Here you have one issue of your magazine, in which the subject was a conference, the Como conference in Italy. You were there with *21st Century*. Tell us about that conference.

White: The conference was open to all journalists, and we were the only scientific magazine in the world that came. There were two other publications there, but one was a technical journal put out by the American Nuclear Society by George Miley, and one was Hal Fox’s *Fusion Facts*, which is a newsletter; but we were the only mass-circulation popular magazine which chose to come. *Scientific American* didn’t choose to come, or *Nature* magazine, or *Science*; and they never chose to cover any of the positive results, and haven’t to this day in any detail on cold fusion. Mainly they have panned it or they have been sarcastic. Now, most recently with the large Japanese program and the enormous positive results, they haven’t been able to totally black it out, but they have yet to give any serious scientific coverage to cold fusion.

Gallagher: What was the Como conference? When was it, and what was established?

White: It was a year and a half ago on July 4 [1991]; it was the second annual conference on cold fusion.

From the beginning, Fleischmann and Pons demonstrated that—using electrochemical means—they could, with chemistry, elicit a nuclear response. They could do it in a controlled, if not repeatable, fashion—that is, you didn’t have an uncontrolled explosion—and they had announced that on March 23, 1989. Many people tried to repeat the



Cold fusion pioneers Martin Fleischmann (left) and Stanley Pons (right).

experiment, and a lot were successful and some were not. The unsuccessful results were played up, and the successful results were debunked and slandered.

This conference was really an extraordinary gathering, in that it was a collection of scientists from around the world—from Russia, from Japan, from the U.S., Italy, one Frenchman, one German—who stood up for the fact that they had themselves, in different ways, proven the phenomenon to be true, and they were refusing to take the easy road of saying: “Well, probably it’s artifact,” or “It’s not real,” or just shutting up about what they did. These were very conscientious, brave scientists, and they were standing out for the truth [see box]. They were threatened, they found it very uncomfortable in their campuses, these professors, to be pursuing cold fusion, because the scientific establishment had said it was merely a hoax, or it was bad science; it was called “pathological science.”

First it got enormous headlines—oh, cold fusion is going to solve all our energy problems in two days—and then after about three weeks, it began getting a very bad press.

Gallagher: And this was why your magazine was among the very few that were even present at the conference?

White: Well, I wouldn’t put it that way. I would say that the magazines that gave it a bad press, did it deliberately, because they just didn’t like the idea of somebody going around the edges of approved procedures, and going out to the public as Fleischmann and Pons did in Utah, with a press conference, saying, “We have done this magnificent thing, that stands science on its head, and gives us a whole new perspective on what can be done”; and they just didn’t like this, and they decided to teach a lesson to any scientist who wasn’t going to go through established channels.

Now, it’s ironic, because Fleischmann and Pons didn’t really want to do the press conference, but they were forced to do it by the University of Utah, where Stanley Pons was the head of the Chemistry Department; and the university arranged the press conference, because they were afraid that, if they didn’t, the magnificent experiment would be taken by other people. There were a lot of patent claims in this, because there’s a mint of money, when it gets proven. The

university had patent shares, because it was done on the campus, and they wanted to establish this thing very quickly, because they were afraid that the Department of Energy had circulated too much information about the experiment to other scientists and that other people would take the patent, and the university wouldn't get it.

So, they jumped the gun with a massive press conference. Fleischmann and Pons were a little worried about it, but they went along with it.

And then they were pilloried. It should be known that Martin Fleischmann is a fellow of the British Royal Society, which is a very prestigious thing to be. He was 65 then, and he was one of the famous scientists and chemists of his generation, and he was just *pilloried*. They called him a fraud. At one point, they were saying in Utah that there might be criminal charges raised against him, because the university collected \$4 million to set up the National Cold Fusion Institute. They spent it mostly on overhead; then they tried to control Fleischmann and Pons, and tell them just what to do, and how they should develop their experiment, and so forth. And there was a lot of bad blood, because they brought in a lot of people from outside.

Fleischmann and Pons are two very old-fashioned-type scientists: They sit in their laboratory, they do their experiment, they have their ideas, and they're very independent.

In fact, chemists are wonderful. Physicists have to work in very big teams now, because the equipment is so expensive—if you're going to have a tokamak, it costs billions, you know. You can't be an independent person in most scientific experimenting today, certainly in physics. But in cold fusion, it's very cheap: It's a \$10,000 experiment in its simplest form, and actually Stanley Pons had financed their work through his own private income (he had a cotton mill in the family, and so forth); and they were very independent. Most chemists are that way: They're very independent, sort of old-fashioned scientists.

Gallagher: Can you tell us what actually is going on in these electrolysis experiments?

White: You have a positive electrode made of platinum, which is a coil. Inside it you have a negative electrode, made of palladium. Now, both platinum and palladium look to the eye very similar to a gold wedding ring, not in color, but in composition: The difference is that hydrogen, or deuterium—which is hydrogen with an extra neutron in the nucleus, or a heavier hydrogen—they are absorbed readily into palladium; it just seems to suck out hydrogen or deuterium from the atmosphere and compact it in. So you can get 1,000 times more compressed hydrogen or deuterium in a bit of palladium than you would get free in the atmosphere. That gives you a kind of density. In the palladium, the hydrogen ceases to be an atom. The electrons separate from the nucleus, so you have protons—the single proton in the nucleus of the hydrogen, or the proton and the neutron in the nucleus of deuterium—

um—and these nuclei can fuse together to form a new atom, or a different isotope of hydrogen. That's fusion.

Gallagher: You're saying not only that it *can* happen, but that it appears to *be* happening. What is the evidence? What made these experiments extraordinary in the first place?

White: When Pons and Fleischmann were experimenting with the hydrogen they noticed that they were getting a good deal more heat energy out of their electrolytic cell. They noticed that they were heating up the water. You have these two electrodes, and they're in water; they're in what's called heavy water, that is, water which is not made with hydrogen, H₂O, but with deuterium, D₂O, and with a bit of lithium, and there's a salt. And you have electrolysis occurring.

Now, the water was being heated up, way beyond what you could conceivably expect to be the case simply by an electrolysis experiment, where you get a certain amount of resistance heating.

Gallagher: So, apparently some large amount of heat was coming from a non-chemical process of some sort?

White: Yes. So, they said, "What could it be coming from?" Well, there must be something nuclear going on. It's very extraordinary: In chemistry, normally you get compounds interacting because the electrons outside of the nucleus bond together. That's a chemical reaction. Here, what was occurring was the bonding of the nuclei. And, of course, to *do* that, using simple chemistry—it's an extraordinary window of opportunity for us to solve all of our potential energy problems, and with a very clean energy source.

Gallagher: We all know that, after the first few weeks, all of the science magazines turned around and said that this really didn't happen, or can't be replicated by anybody else, or that none of the labs could make it happen, and so on. But what has actually happened? Your experience here is not simply from reading literature, but from talking to many of the people who are engaged in cold fusion experimentation.

White: Yes. In this experiment, Fleischmann and Pons would spend about three months on one experiment; so, they didn't get heat within a week, or two weeks, or three weeks. They had been working on this experiment for five years, before 1989. At the point that it became very clear to them that they had something very unique, they told the university, because they needed to get some more funding to do this thing on a more systematic scale. They had developed techniques for doing it; they had expertise.

They didn't know all the things that were making it work: For example, if you do it in a Pyrex glass cell, that favors the experiment; if you do it in a Teflon cell, which would seem to be much more clean, the experiment doesn't work as well at all, because from the Pyrex, you get silicon which coats the electrodes; and that's very beneficial for keeping the deuterium inside of the negative electrode, so that the concentra-

tion is maintained, and then the fusion can take place. Things like that.

Other people came on the scene, some of them not even chemists; they tried to do the experiment one week, two weeks, three weeks, and they didn't get anywhere. Many chemists, for example, a guy named Huggins, who is now heading a laboratory in the German state of Baden-Württemberg, which is one of the premier hydrogen laboratories in the world today, got high heat. He was at Stanford University at that time. John Bockris, at Texas A & M, another one of the most eminent chemists in the world, a teacher of Martin Fleischmann, not only got excess heat, but he produced tritium; in other words, he had a nuclear ash, and you could have only gotten tritium if nuclear fusion had taken place. And he got high tritium.

Then, in Stanford Research Institute, Michael McKubre's group has a systematic program. They have the only big program now going on in the United States. . . . He has done three years of experiments, and he has gotten up to 50% excess heat—in four instances he got bursts of three times as much power output as he put into the cell—and he's gotten them over protracted periods of time—weeks, and so forth. He has many, many, many experiments which document this; and it's probably, in some ways, the most rigorous work that's ever been done on this, because he uses, not an open cell, but a closed cell, and he has expert diagnostics.

Gallagher: So, this is the production of a large amount of excess heat from a simple electrolysis, but one in which there are special materials being used, and in which the deuterium and palladium are fusing, or packing each other in some way. Is there a range of results, where some are better than others? And how many places in the world has this been shown so far?

White: Well, the best results were Fleischmann and Pons, and they have sometimes gotten 15 times as much output as input, which is quite extraordinary. And they are able to get their cells to boil off; and they can get a cell to boil off under some kind of nuclear reaction which is taking place—some form of fusion reaction—and it will boil off in 11 minutes; where, if electrolysis had been going on with the same input of electricity and so forth, you would have expected it to take 40 minutes for that cell water to evaporate.

I've seen a film of that, and it went in 11 minutes, and that's very classy.

Now, there is someone in the United States, whose name I'm not able to use because he wants to make sure his results are repeatable, who's recently gotten a boiloff, which seems very exciting.

The next highest results were in Japan. You have a picture of Akito Takahashi there—

Gallagher: Here he is with a blown up photograph of *Time* magazine.

White: That's a very funny story. He's a very well known physicist who works in the area of neutron detection. He works for the IEAA and so forth in Japan. In 1989, he was supposed to be doing a program coordinated between the United States, Japan, and China, on neutron detection and corrosion studies, and Tiananmen Square occurred, and that program was suspended. (It's now started again.) He had the time then to check out the results from the Fleischmann-Pons experiment to see if any neutrons were emitted, which would have been another sign of a nuclear reaction taking place. If you look at this *Time* magazine cover, it says, "Fusion, Or Illusion" and shows Fleischmann and Pons, and on top it says "China's Angry Students."

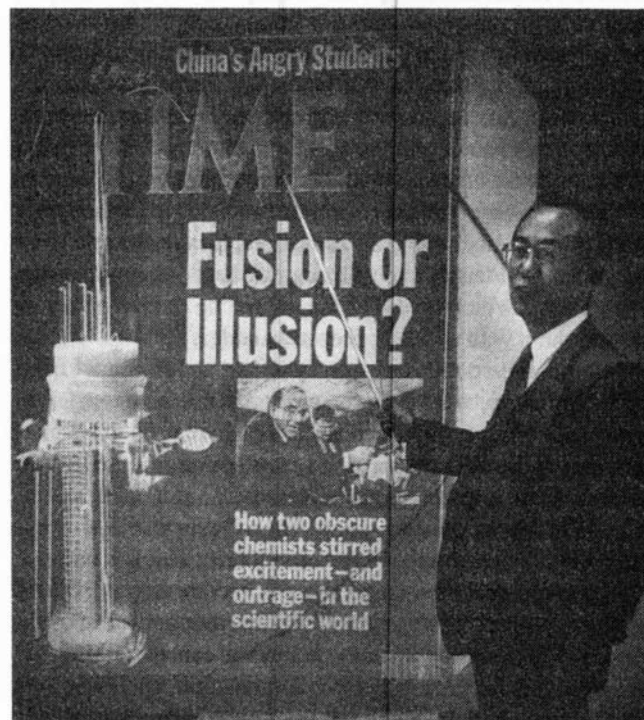
Akito Takahashi was here last year on a tour, this is him at MIT showing a slide of this and explaining how he got into the work to this large audience at MIT.

He got 100% excess power in his experiment, using a plate of his design last winter. He got 70% excess heat over two months.

Gallagher: Where are the largest efforts going on?

White: In Japan, you had two things occurring.

You had Michael McKubre in the United States, and in Japan, Keiji Kunimatsu, and they're both chemists. Both of them had worked in 1976 in Martin Fleischmann's laboratory in Southampton on some very advanced electrochemical ex-



Japanese physicist Akito Takahashi, pointing to Time magazine's cover story on cold fusion. When a project he was supposed to work on with the Chinese was postponed because of Tiananmen Square, he took advantage of the time to investigate the Fleischmann-Pons findings.

periments, with him and Stanley Pons, and a group of people working there. So, when Fleischmann gave his announcement, both of them took it very seriously—Mike, who was in California, and Keiji, who in Japan. Keiji had just left a university position to go work with a firm—Aisin A.W., which makes transmission parts and is part of a conglomerate associated with Toyota. So when Keiji went to work at Aisin A.W., that was just when Pons made his announcement, he said, “Oh, I’ve just done the wrong thing”—he was going to work on fuel cells, and he was terribly depressed, because he thought he couldn’t do the experiment.

But he told his boss, Mr. Moroto—someone I met, a wonderful person, who’s an engineer who is the chairman of the company, but is an engineer by profession. He was very excited by it, and he went up the ladder to the honorary chairman of the group Mr. Minoru Toyoda, who just died. . . . He was very, very excited about this.

Keiji briefed him on Fleischmann and Pons and the experiment, and he said, “Well, we’ve got to do what we can to support this effort.” He gave Keiji the ability to work on cold fusion. He set him up to do it, and he invited Fleischmann to give a speech to a group of people in Japan. . . . He went and spoke; he met with Mr. Toyoda, and they became friendly, and when things became very bad at the National Cold Fusion Institute in Utah, Fleischmann asked if he could get some support. Mr. Toyoda offered him and Pons a chance to work in France, and set up a laboratory where they could just work, and do what they wanted. That’s really what has saved cold fusion.

Gallagher: So, you’re saying the pioneers were almost driven out of this country by the scandalization?

White: It was such an unpleasant environment.

The Japanese gave them a place to work in France, in a laboratory in Nice, and at the same time, they sponsored Keiji Kunimatsu—Fleischmann’s former student—to replicate the experiments which he did in Japan, and he did his own version of them with a unique fuel cell anode.

In the universities program, you had another input from Hideo Ikegami, who coordinated the universities program independently of the Toyodas. He’s a plasma physicist, which is really unique, because in this country the hot fusion scientists really dismissed cold fusion.

There are, by the way, many reasons why scientists don’t believe in the reality they see before their eyes. It’s because a cold fusion reaction would seem to be very improbable by the theory which guides current physics today. First of all, it would seem improbable that even at the concentrations that are achieved, you would get a fusion reaction, and overcome the Coulomb barrier, the repulsion between like-charged nuclei. Secondly, from the reaction, while you get a lot of heat, you don’t get the nuclear ash that you would expect; you don’t get the production in sufficient quantity of either tritium, the heaviest isotope of hydrogen, or the next highest element,

helium; and we haven’t identified enough so far to account for the heat. Also, the balance between the production of the helium-3 and the tritium is not one to one, as in a hot fusion reaction, but it’s very unbalanced; it’s 100,000 or a million to 1 in favor of the tritium, depending on the experiment.

Fusion in the solid state, or whatever nuclear reaction is occurring in the solid state, is a new kind of nuclear reaction. It needs new theory. Most of these physicists were unwilling to look that straight in the eye, and Hideo Ikegami’s a different kind of guy. He saw the challenge as extraordinary and something that he thought the Japanese should immerse themselves in, for the reason that it was a scientific challenge, and he’s very eager for the Japanese to go into fundamental scientific experimental work, not just technological development.

So, he was an adviser to the ministry that coordinates university science programs, which is called the Ministry of Education, but it’s the university science program. Instead of simply coordinating hot fusion work for them, he also took some of the money and he got a group together, with people like Takahashi, and they worked on cold fusion. That was a parallel effort.

Things came together, where Ikegami and the Toyodas, of course, got together, and you’ve got a very strong group of people. Then they began to organize a climate in Japan amongst the broader scientific community and industrial community, and now the Ministry of International Trade and Industry (MITI) is supporting this effort to the tune of \$30 billion over four years, with industry contributions added to this. It’s going to be a very, very big program there, and very impressive.

Gallagher: You recently visited Japan and met with some of the people doing these experiments there. Here’s a photograph of you with Dr. Takahashi [not shown here].

White: I went to a conference last January in Japan, but then my husband and I went back to Japan in April. I visited Dr. Takahashi’s laboratory, and was able to look at some of his results. This was a repeat of his classic experiment, where he got the 100% heat, and, on one occasion, he also got boiloff. Here he’s getting about 20-30% excess heat, in the second run of the experiment, which is still very impressive.

Gallagher: And now, we evidently have labs in the United States which are re-doing the experiments that have been done in Japan.

White: Yes. Takahashi did a tour of the United States, and Tanaka Metals Co. has provided free palladium for all the scientists in Japan who want to work on this; and they offered the same thing to American researchers, so they could all work on the same palladium and repeat the Takahashi experiment. The importance of this is that the quality of the palladium makes a very big difference in whether the experiment succeeds or not: If it’s too cracked, then the hydrogen drifts

out, and you don't get an activation center and you don't get the cold fusion occurring. So, there are many problems in controlling the quality of the material.

Ed Storms, who works at Los Alamos, repeated Takahashi's experiment and he got 20-30% excess heat. There are some other people, who have also repeated the experiment, but again, they want to publish, they want to be peer reviewed, they don't want to go through being pilloried as Fleischmann and Pons have been; so they want to get peer review before they release their experiment to the public, but there have been several.

In Japan, there have been repeats, and there have been at least two or three—John Bockris (I think he wouldn't mind my talking about him) has gotten 18% excess heat. Another experimenter got that in Italy. Francesco Celani got 10% excess heat in an experiment that he did.

Gallagher: So, in other words, this supposedly impossible experiment has, in fact, been replicated scores of times, by large numbers of groups of scientists in various places.

White: Oh, yes. And then, in Russia, they've done different kind of experiments, but they have shown similar solid state fusion taking place, and producing different kinds of particles as a result. They have one experiment with tungsten and bronze, which is very exciting, where they load it, and all kinds of similar but different experiments have also been going on. In China, they've done experiments showing neutron emissions and helium-4.

But in Japan they have had several people who have gotten excess heat—but not all with the Takahashi configuration. People are doing their own experiments and broadening the field.

Gallagher: Here you are with another scientist [not shown here]. Who is that?

White: This is Dr. Okomoto. He was a co-chairman with Ikegami, whose picture you saw before, as co-chairman of the Third International Conference on Cold Fusion, which was held in October in Nagoya, Japan.

Gallagher: What was the change between the second conference, the one in Como, and the third conference in Nagoya?

White: Enemies used to say the second conference was the "true believers," because it had this wonderful quality of people who got together, and said, "We're standing up for the truth against anything"; and there was a kind of solid support for Fleischmann and Pons.

We had an interview here with Hideo Ikegami; it was an interview that Ikegami did in a magazine in Japan called *Aera*, and they interviewed me, too, and some other people in the United States—Gene Mallove, and so forth. All of us independently had the same idea, in a sense—I guess, because we all knew each other—but I said that the cold fusion

scientists were like a resistance army in the French *maquis* in the Second World War. And Ikegami said, well, it's like the hidden Christians; in Japan in the 17th century, Christianity was outlawed, and many people practiced it, but they had to do it secretly, and they were the hidden Christians. And he says the cold fusion community is like the hidden Christians.

Gallagher: Were there not cases where scientists in this field actually hid the fact that they were working on cold fusion?

White: Oh, yeah! Well, they had to, or they would lose their jobs.

So the second conference was rather like the hidden Christians, or the underground, coming together, and people who were just brave enough to come out and say, "We're going to keep the flag waving."

But the third conference was different, because by then it had been established. And really, the interest of the third conference was the direction of this now, to not prove it, but to establish the scientific parameters: Why is it working? What happens in the surface of the palladium? What are quantum reactions? What is the loading? What is the science of this? And it's a much more broad-based, serious scientific effort that's going on now. And, of course, there were very exciting, odd things that occurred. There are people who say they can get it, not with heavy water, but with light water, using nickel.

Gallagher: Have the establishment magazines and so forth stopped denying that cold fusion results occur? Or are you saying that any competent scientist now looking at this can say, "It's been confirmed."

White: The hegemonic view is still that it's not confirmed, but there's a lot of disquiet, because the Japanese have put so much resource into it. So, you've got the *New York Times*, which covered it in their science review, and they said, "Well, y'know, the Japanese are doing it. Hmm." Or the *Wall Street Journal* covered it, and said, "Hmm." And there was a spread in the *Financial Times* in England, in which they said, we think that England and America missed the boat. So, there's beginning to be real nervousness, which is being covered in the following way: They're saying, "Well look, the Japanese are energy-short. They will take a flyer and go for a risk, where the United States and Britain don't feel that need, that pressure, to do it." So, they're saying that the Japanese have taken a real risky chance, but *maybe* something is there.

So, there's going to have to be a shift. But what's happened now is a kind of an opening up; *Business Week* has written articles which are raising the possibility that this is true. There have been brief notices in *Nature* magazine, but no serious coverage as of yet in either *Nature* or *Science*.

Another thing that occurred was that *Scientific American* in Japan covered Takahashi's results honestly in their local

Japanese edition. And in their local Japanese page, they gave a big spread last spring to Takahashi. In the United States, in the English-language edition, it did not appear.

Gallagher: If these experiments are further developed, what are the technological possibilities?

White: Fleischmann and Pons are getting power densities of about 4 kilowatts (kW) per cm^3 , which is on the same level as the breeder nuclear reactor. They're doing it for less than a half-hour; they don't have a prolonged burn. But the advantage of the cold fusion reaction appears that you get very little contamination, you get much, much more heat than neutron flux or tritium, which is what you want, because you don't want the tritium and you don't want the neutrons. The same things that make it a terrific scientific puzzle—why don't you get the radioactive contaminants?—is really a very big plus from the point of view of a realizable technology. So, they believe that they could make some form of boiler out of this, and therefore, that you could have small generators; and you could have localized power generation possibly. They see that as a potentially feasible thing in three, five, or ten years, that you would get some demonstration capability like that.

It's possible that it could also be used for desalination, but we haven't established that. It's simply the hope, that we would have this very controllable, very inexpensive generator; and you could have relative decentralization of your generation, so that you wouldn't have to have the overhead of the power-transmitting lines—you wouldn't have to transmit over such huge areas. Obviously, if we could do it, we could begin to use fusion power technologically for generation.

And, of course, if we can establish what's going on, then who knows what we could do? You don't really want to boil water and run a turbine to generate electricity; it would be much better if you could get positive and negative currents generated from the cells, so that you could capture it, and make your energy directly. But, whether that's a possibility, we're nowhere near that at this point.

But, you're just at the very beginning of a whole new branch of science, and we don't know what that's going to tell us. We don't know what it'll tell us about materials, and maybe many different things will come from it that we don't even consider today, just as with lasers or transistors, or any other new, unfolding branch.

Let me say that the implications of cold fusion are much bigger than superconducting, even high-temperature superconducting, or transistors, or semiconductors. If we can't unleash the energy of the nucleus in this safe way—

Gallagher: Such an easy way—

White: It's enormous. It's an enormous potential. Therefore, it's worth whatever the risk to see what's happening.

And if it turns out that this is some unique chemistry, or unique electronic effect that no one had known before, but not nuclear fusion, it's still going to be a tremendous discovery.

Gallagher: That brings up another question. Do the experimenters that you have interviewed and talked with and so forth, the public knows the name "cold fusion," but do they consider that they understand that this is fusion? Or are they still open to other explanations?

White: Well, there are many people with many different explanations: Some people feel that neutrons are travelling from the deuterium into the palladium, or into the lithium, and that you have a neutron transfer reaction, which is not a real fusion, but is a nuclear reaction.

There is undoubtedly an interaction between the lattice structure of the metal, the crystal lattice structure and its vibrations, and the implanted deuterium atoms.

Gallagher: Can you explain? You have a metal lattice and its vibrations. What metal are you talking about?

White: Palladium.

Every metal has a structure; it's a solid, and that solid structure vibrates and has a kind of vibrational motion. There are many theories that suggest that that creates a climate favorable to allow fusion to take place, even though you would not normally think that it could occur.

Gallagher: It's vibrating under conditions where it is the negative pole?

Cold fusion, courage, and a passion for truth

In September 1992, 21st Century editor Carol White interviewed Martin Fleischmann and Giuliano Preparata in southern France. The following is excerpted from that interview in the Winter 1992 issue of 21st Century.

Fleischmann . . . remarked rather wryly on the moral predicament that his and Stanley Pons's discovery of this extraordinary phenomenon had created for them. "If this had just been some normal science and I had so much flak thrown at me, I might well have given it up," he said. "It just was not worthwhile to take that amount of abuse. But this is not a normal piece of science. If it turns out to be useful, it will be of such consequence that it cannot be regarded as normal science. Therefore, it brings in its train the antagonism, and the political element, and all of the other factors that have so bedeviled us. But Stan Pons and I decided that we could not back down, that to do so would be irresponsible."

Preparata interrupted to underscore the importance of courage to a scientist—to be willing to stand up for the

White: Well, no. Inside the palladium, which is the negative electrode, is where you would be getting some kind of an oscillation, which would encourage the possibility of the deuterium to be accelerated and fused together; so, you get some form of collective interaction of the host metal, the palladium, which creates electron clouds and somehow accelerates these nuclei of hydrogen, the deuterium nuclei, in such a way that they can come together and mesh. Or maybe, they're in clusters and they come together in some geometrical way to actually have a nuclear interaction.

But what that nuclear interaction is, is a very big question, and there are many different theories of that.

Gallagher: You are talking about a context in which deuterium—this is a gas—is getting inside a metal—palladium—and apparently a great deal of the deuterium is getting inside the metal. Is that unique? In other words, the absorption of a large amount of gas into a metal, is this a field of chemistry? Is this unique to these materials? Or is this something these people were working on before that?

White: People were working on the absorption of deuterium in palladium, for example, to build detectors for nuclear reactors. Also, palladium can simply be used to store hydrogen. Working with deuterium in palladium is something that people have done for other reasons; it wasn't something

unique to the experiment. The study of hydrogen and its flow in palladium has gone on since the 1920s, and there are many people who worked on that: Paneth, Alfred Coen in Germany, and there have been many studies of that.

Gallagher: And is it this which makes the cold fusion occur? this packing of the deuterium inside this? is this what leads to excess heat, and so forth?

White: I believe so. I believe that what actually occurs is that, in the surface of the palladium is where the activity happens, or at least, where a lot of the activity goes on in a surface layer, or near-surface layer, where you get very dense concentrations. And it's in these dense concentrations that the initial fusion is, at least, or the initial nuclear reactions, take place. Then, you may have diffusion into the center of the volume of the palladium, or—it's not really clear what's occurring.

Gallagher: There have been reports of explosions of one or two of these experiments. Are they characterized by very rapidly increasing amounts of energy and heat?

White: There was one. You're talking about the explosion that killed Dr. Andrew Riley on Jan. 2, at SRI last year. But it was not a mini-bomb explosion. Possibly, you got a lot of excess heat from fusion taking place, but the explosion

truth no matter what the opposition. He pointed to the situation of Pons, who had been the chairman of the Chemistry Department at the University of Utah, but had his tenure removed after the attacks on him and Fleischmann from the press and the majority of the scientific community.

Laughing, Fleischmann responded: "Yes, that is perfectly true that Stan and I were courageous, but I did have the good sense to make the announcement about cold fusion after I had retired. I had no illusions about the kind of attack we would face. Stanley Pons and I discussed the kind of problems that could emerge, and I asked him, 'Stan, are you really sure at this stage in your career that you can take this on, because it is going to be bad,' and he said, 'yes.' "

Fleischmann described Stanley Pons as a man of absolute integrity, willing to pursue and fight for the truth at all costs. . . .

Preparata emphasized in this regard that the approach that he and Fleischmann were adopting was, in fact, the Platonic method of hypothesis. One must have the courage to ask "why?" not just "how?" For Aristotle and his followers, it was enough to ask how.

Fleischmann agreed, pointing out that this method, posing "how" rather than "why," always leads to a compli-

cated patchwork in which an incorrect theory is "fixed up" rather than discarded and replaced by a more truthful, more comprehensive theory. He stated, "In the end you always have to go back to Plato, and really this is how science most efficiently answers the question of 'how,' by understanding 'why.' The universe is governed by reason and simplicity. If we think it is complicated, almost certainly we are wrong." . . .

In other words, the question of "why or what if" leads in the final analysis to the most fundamental questions of the creation, the possibility of the very existence of the universe as we know it. If it were not for constants such as the fine structure constant and the speed of light, then our universe would not exist.

For Preparata, this is a question of God's generosity to man in allowing man to understand how reason governs nature. "It is an act of generosity toward man," he said, "to make him understand. I am a religious person and according to my metaphysics, the ability to understand nature is a great gift to us."

Fleischmann concurred. . . . "I believe that the moral sense must be ingrown. . . . It has to be in there. I see it as a total part of the universe. In this it is like a scientific idea. The universe is there for us to discover, and the moral principles are there for us to discover. . . ."

occurred, because it was a closed cell, and the pressure wasn't vented, and it went up too rapidly. The recombiner, which is ground platinum and carbon, which allows the recombination of hydrogen and oxygen to be going on all the time, had stopped working; so, what you got, is an explosive combination of hydrogen and oxygen, and an explosion of hydrogen-oxygen recombination shattered the cell and a piece of shrapnel penetrated his forehead and he died.

Gallagher: But you are talking about a lot of heat being produced in these simple table top experiments. You said it was comparable to the density of energy in a breeder reactor.

White: Yes, but the electrodes used are very small—maybe one one-hundredth of a cubic inch or less. Fleischmann and Pons get that; no one else does. They get much less. The boiloff that I was talking about with the breeder densities, they were getting 600% more heat output than the energy input into the electrolysis cell. In SRI, they get, maybe, 20% output compared to the input. Twenty percent is 20%—that's non-chemical output heat, but it's not on the scale that Pons and Fleischmann get.

We know why. We have many reasons why we think that's the case. McKubre at SRI was testing to see how he could get the loading most effectively, and get repeatability of the experiment; so, he was not striving for the high heats, but repeatability under certain parameters which he could identify:

What he identified was that, if you added aluminum to the cell, that would work to create a surface that held the deuterium concentrated into the palladium and enhance the reaction. So he was doing a great deal of experimental work with what they call the "loading" of the hydrogen or the deuterium into the palladium. It was not an explosion of the sort that Fleischmann and Pons would worry about, when they do their experiment.

Gallagher: This is, then, like other fundamentally new fields, where a large number of experiments of many different kinds have to be done in order to surround the problem.

White: Absolutely.

Gallagher: Among these people who are doing the experiments, have they begun to agree at all on theory?

White: No.

Gallagher: What are the leading ideas, or who are people, other than the experimenters, who are trying to come up with a totally new physical hypotheses?

White: There is Giuliano Preparata, who writes a good deal for our magazine. He's an Italian, a professor in Italy. He's a particle physicist, very well known in his field. He believes that a kind of lasing takes place, only that you don't need a population inversion, as you do in a normal laser—that is,

you don't have to excite the electrons and then have them release simultaneously or sequentially, but that you get a kind of lasing effect, which he calls "superradiance," in the palladium. It is that superradiant effect, which is caused by very small electromagnetic radiation fields, which is actually creating the conditions for cold fusion to occur.

Gallagher: In other words, like a laser which does not require a great amount of energy to get it going.

White: Right. He has worked to develop a theory with Martin Fleischmann. In our December 1992 issue of the magazine, we have an interview with him and Martin Fleischmann about how they think that cold fusion is going to actually transform the whole way people look at quantum physics; that what you have to do is look for this kind of collective activation which gives you energy enhancement. This is like a second field theory, second quantization. They take off from the work off from the work of Richard Feynman, and they are trying to develop their own theory on that.

Gallagher: What do you think is going to happen next in the experiments in this field?

White: I think that there's going to be a lot of work in exploring what's going on in the solid state, that it's going to go back into solid state physics, and there's going to be a great deal of diagnostic work, and they're going to try to find out how plasmas inside solids actually behave. It's just going to open up a whole new field of research. In that way, it's very exciting.

Gallagher: You're talking about the deuterium gas inside the solid palladium?

White: Yes, but you don't think of it really as a gas—in that sense, it's not a gas. It's really a plasma inside a solid. So it's not a gas: A gas outside in the atmosphere does not have coherent behavior in the same way, although I do believe in plasmas you do develop coherent geometries. But, that's the essential quality of something that happens in the solid state, that it's impacted together, and you have to get collective activation.

Gallagher: At the same time, are they going to try some kind of technological demonstration in the future?

White: Well, Martin Fleischmann says that he sees nothing that stops them yet. He's hoping to do that, and he sees nothing in his way.

I would like to mention one thing: This is a picture [not shown here] of Eiichi Yamaguchi in Japan, he works for Nippon Telegraph and Telephone, and behind him is Professor Tsarev from Russia, who coordinates the program in the former Soviet Union.

Yamaguchi loaded an actual deuterium gas and a palladium plate, and he was able to get helium-4 from it, which is a stunning confirmation that a nuclear reaction took place.

That was the big news at this conference in Nagoya. He is a solid state physicist, and I think it's a very definitive experiment that he did, because he was able to get this helium-4, which may be the secret that accounts for the excess heat or one of the secrets as to why we're getting the excess heat, and we couldn't measure it before, because helium-4 is very hard to measure.

Gallagher: Other than the fact that there is not a theory to explain what's going on, what else do you think accounts for the extraordinary resistance—one would almost say, downright insistence that this was a fraud, in 1990-91?

White: I think that, from the days when President Kennedy said we Americans were going to put a man on the Moon, and the whole country was mobilized in that effort, we have gotten to a position in which there is a priesthood who control science, who are scrambling to get any money to continue their researches. And this priesthood has become sort of embattled, and they're seeing only the maintenance of their position, that they can work as scientists in any way, in a very hostile environment.

And the general public has become against science; they have become yuppies and they want immediate gratification, and you've got the idea of pleasure being primary—the "Dallas" mentality—in place of a culture in which people believe that life is about working and accomplishing something, and building for the future. From when we had a work ethic in this country and a sense of pride in science and accomplishment, you have a general population—now suffering an economic depression, so they're getting kind of enraged—but who believe their birthright is pleasure and not accomplishment.

You have children being raised in the most pessimistic way possible to believe that man is the enemy of the planet, and science is the enemy of life.

I *totally* reject that. I think all true scientists reject that, because they see what could be more beautiful for man than to understand the creation, to understand the universe, to understand the earth, to make it more beautiful; to provide, in a beautiful, safe, non-polluted way—as cold fusion can, perhaps, do—enough energy, enough resources to support all children to become whatever they want to be; and so that you don't have starvation in Africa, or war and the kind of horror that we're seeing all around the globe.

I think people are getting pessimistic, and they're getting narrow in their vision, and they've lost *hope*; and therefore, it has been easy to organize a climate against this magnificent discovery. And instead of saying, even if proved wrong in the end, it was *absolutely* worth the effort. I believe it's a monument to the human spirit that this has been done.

Americans are always saying, "Japan: They stole this, they did that," but in Japan, you had some people with extraordinary vision—Mr. Toyoda. He said in a beautiful speech [see *EIR*, Dec. 11, 1992, p. 20], that Toyota was a

business, but he saw that he wanted to end his life giving something to all of humanity, and that's why he backed Fleischmann and Pons. He saw cold fusion as a gift that he could make to all humanity.

Fleischmann and Pons *knew* they'd be pilloried, because they were saying something so extraordinary, but Fleischmann said, "I couldn't not do it. It was too important. I knew I was going to take it on the chin, but I had to do it."

Gallagher: And Mr. Toyoda was the one who came to their rescue.

White: He came to their rescue and supported the effort. He just died in December: I think he was a wonderful, wonderful man.

Hideo Ikegami, Kukujiro Namba, who is the president of Technova, which was the corporation that is actually sponsoring Fleischmann and Pons. These are people with great vision—Ed Storms, who's working against opposition in Los Alamos; Mike McKubre; John Bockris. I mean, each of these are individuals whom our grandchildren, our great-grandchildren will remember with great pride and will wonder what kind of a nation we were, and what happened to us, that these people weren't being celebrated, but were being castigated.

Gallagher: What is *21st Century* doing next in this field?

White: I'm going to write up the implications of all the experiments from the point of view of where it's going to go in solid state physics, and where I think the direction of the work over the next year will be in our April issue. . . . We cover a broad array of science—biology and we're on the scientific frontiers in many areas.

Gallagher: Your objective with the magazine, by bringing together these scientists in print and getting their work out, is to get this breakthrough made in theory as well as in science, which obviously has to be made.

White: Well, I think my efforts are modest in sharing information, insofar as I can help in the organization of the international effort; but, my main hope is to create for people in the United States, Europe, and Japan who read our magazine, a renewed excitement, so that they can follow this.

It's a spiritual adventure! You're doing something that's totally new, totally against what people would have expected from the point of view of existing theory; it's unknown; it's risky; it's tremendously exciting; and we have the chance of watching it day by day. It's as if you were there in Einstein's brain when he was thinking about special relativity: It's a tremendous, great moment! And we have the chance to have a window on it, because we know all these people.

I think if Americans, if Europeans, if everybody immersed themselves in this, then we would see a transformation in their attitude about what we can do, what we accomplish, what we can build. I believe in optimism.

Judicial corruption: It didn't end with J. Edgar Hoover

by Jeffrey Steinberg

Calls for a cleanout of the U.S. judiciary system are growing by the day, from many different parts of the political spectrum. Last autumn, the *Washington Post* ran a six-part series cataloguing a horrifying pattern of prosecutorial abuses by the Department of Justice (DOJ) and its chief investigative arm, the Federal Bureau of Investigation. The *Post* was joined shortly after the Clinton inauguration by *Time* magazine, which ran a four-page story warning the new President that his greatest challenge would be reform of the Justice Department and FBI. Such ideologically diverse publications as *Forbes* and *Mother Jones* magazines have joined the drumbeat with recent cover stories; and Rep. Jack Brooks (D-Tex.), chairman of the powerful House Judiciary Committee, has mooted the creation of a congressional select committee to probe corruption in the federal judicial system.

An ongoing probe of the Justice Department's handling of the Inslaw case, involving DOJ trickery, fraud, and deceit leading to the bankrupting of a small Washington computer firm, could lead to the appointment of an independent counsel to look into that scandal further.

And, most important, Congress and the Executive branch are being inundated with calls and letters from the United States and abroad, demanding a reversal of the judicial railroad of political economist Lyndon LaRouche, carried out on orders of the Bush White House over four years ago. LaRouche is now in his fifth year of a 15-year federal prison sentence, on totally invented conspiracy charges.

Over at the J. Edgar Hoover Building in Washington, D.C., FBI director William Sessions is facing an internal revolt, led by old-time Hooverites, who are reportedly furious about—among other things—his support for black and Hispanic agents battling against Bureau discrimination. On the eve of the presidential elections, Sessions earned the wrath of President Bush and Attorney General William Barr, for probing a DOJ coverup of the Banca Nazionale del Lavoro (BNL) banking scandal, to conceal U.S. and Italian government high-level collusion in the secret arming of Iraq. Barr counterattacked against Sessions by dredging



J. Edgar Hoover and his homosexual lover Clyde Tolson (left), the deputy director of the FBI, live it up at Manhattan's Stork Club on New Year's Eve, 1936, with model Luisa Stuart. Later, she was shocked to see them holding hands in a limousine. Hoover and Tolson hobnobbed openly with the leading lights of organized crime.

up a string of petty allegations about personal corruption by the FBI boss and his senior aides, based largely on leaks from Bureau "old boys" out to regain control over "The House That Hoover Built." President Clinton is now faced with the decision whether or not to fire Sessions, who is midway through a 10-year appointment.

In the midst of this swirl of corruption charges, new revelations about the FBI's legendary former director, John Edgar Hoover, have surfaced, providing a crucial framework for understanding how it was possible that the federal government's judicial and police functions could fall into such a state of malaise. Twenty-one years after Hoover's death, a small army of eyewitnesses has at long last come forward to recount horror stories about the FBI under Hoover. Thousands of pages of previously classified documents have been released under the Freedom of Information Act (FOIA), corroborating much of the eyewitness reporting.

The *Boston Globe*, in an editorial published on Feb. 9 (the day that the Public Broadcasting Service televised an hour-long documentary about the Hoover era), appropriately warned its readers against thinking that the Hoover exposé was a matter of history: "The demystifying of Hoover should not be classified as an academic history lesson. It also offers a political moral. The better Americans understand how this crime fighter of legend was really a pawn of organized crime, the devoted civil servant a blackmailer of elected Presidents, the chief defender against subversion the ultimate subversive, the better they will know how to guard themselves

against the Hoovers of the future."

'Official and confidential'

The source of many of the revelations is a just-published biography of J. Edgar Hoover by British investigative journalist Anthony Summers. Summers spent over four years gathering the material for *Official and Confidential: The Secret Life of J. Edgar Hoover* (New York: G.P. Putnam's Sons, 1993). The book is a damning indictment of Hoover and the entire FBI. It reveals that the federal agency responsible for combatting organized crime was led for 48 years by a man deeply tied to Meyer Lansky, the chairman of the board of the National Crime Syndicate. Hoover's marriage to the mob afforded him access to blackmail material on every top elected official in Washington, material he used frequently and ruthlessly. Yet Hoover himself was addicted to gambling and was a notorious homosexual. Photographs and other evidence of Hoover's sexual escapades were in the files of Meyer Lansky, the Office of Strategic Services (OSS), and its postwar successor, the CIA.

Although Summers does not provide any direct documentation, it is impossible to conceive that the Soviet intelligence services were not equally aware of Hoover's obscene sexual and gambling appetites. The implications of such Soviet access to the "Hoover File" should force a reassessment of some of the most significant events of the Cold War.

The picture that emerges from the Hoover story is a tragedy. Presidents, senators, and congressmen were ruled for

decades by fear and extortion. Some of the most profound decisions affecting the future of the United States were made, not on the basis of principles or the merits of argument, but were based upon secret police methods of coercion.

There is a strong implication in the Summers book that, when the traditional blackmail and extortion methods did not work, Hoover had no qualms about resorting to murder. Hoover's power struggle with the Kennedy brothers, John and Robert, was resolved only by assassins' bullets. An even stronger case is made by Summers that Hoover was in some way involved in the assassination of civil rights leader Dr. Martin Luther King, Jr. While it would be foolish, in light

of all the evidence now publicly available, to presume that Hoover was solely responsible for those three tragic murders, the vital role of the Hoover FBI in covering up the assassinations was so important, that it is hard to conceive that he was not at least a major player in setting up the executions in the first place.

Hoover's personal attitude toward the Kennedy brothers and Martin Luther King was demonstrated by the director's itinerary the days after John Kennedy and Martin Luther King were shot. He went to the race track, arm-in-arm with his sometime homosexual lover, FBI Deputy Director Clyde Tolson.

Summers: Dismantle the FBI's blackmail files

Author Anthony Summers released the following comments on his probe of J. Edgar Hoover on Feb. 16:

Readers will be appalled, first, to discover for themselves that Hoover's abuses were every bit as bad as his critics claimed. And once they take that on board, I think it will dawn on them that, for decade after decade, this man succeeded in pulling the wool over the eyes of the American people. They will realize the leading role he played in using the threat of Communism within the United States—a threat which even he came to dismiss in private—to keep the nation in a state of panic. This was a pervasive fear, one which distorts American political life to this day. Readers will realize too that the man who held himself up as a God-fearing standard-bearer of morality, democracy and the American Way was in reality the very opposite—a hypocritical, corrupt man who institutionalized the suppression of essential freedoms. . . .

Hoover was able to pressure Presidents and make them aware of his power in such a way that even when they wanted to remove him, they couldn't. . . . Hoover created his own massive propaganda department at the Bureau, building himself up, through the '30s and '40s, as a national figure. As one President after another discovered, you can't just turn around and fire a national icon. More importantly, Hoover became an asset to those in power. Every President from Roosevelt to Nixon—Eisenhower came closest to being the honorable exception—used the FBI in ways that, if known at the time, would have seemed unacceptable to most citizens. By doing so, those leaders essentially delivered themselves into Hoover's hands. . . .

Newly released White House tapes show that the Nixon administration had been worrying—panicking even—

about what Hoover had in his files. Later, during the Watergate probes, investigators were told there had been plans to break into Hoover's home before he died—perhaps even to murder the man. The morning Hoover died, when the undertakers arrived, they found men swarming through his house, ransacking the place. Hours earlier, according to neighbors, two men were seen removing a heavy load wrapped in a quilt. Someone, evidently, thought the director had squirreled away some of his secrets at home. Meanwhile, despite orders to seal his office, many files were spirited away from FBI headquarters before Nixon's new acting director could get to them. Some were destroyed by Hoover's longtime assistant Helen Gandy. Others were reportedly kept by his aide and lover Clyde Tolson, and retrieved by the FBI when he in turn died.

The lesson to be learned

A congressional inquiry failed to find out for sure what happened to the secret and sensitive files that were removed from headquarters. I suspect most were destroyed. But there's no doubt that the massive file systems still maintained at the FBI contain information that should never have been collected in a democratic society. Some of it would probably harm prominent people still alive, and certainly there is data that could smear the memory of revered politicians now dead. It is small consolation that much of the information the FBI gathered was baseless gossip. I would second the call Anthony Lewis made in the *New York Times* recently, that the Clinton administration should promptly force all agencies to disgorge their files on American citizens on request of the citizens involved. This should be the case anyway—had the Reagan and Bush administration not castrated the Freedom of Information Act. Finally, and most important, we must show that the lesson of Hoover's abuses has been learned. We should prohibit the investigation of Americans because of their beliefs or associations.

The anal-sadistic personality

The strongest feature of Summers's biography of Hoover is the deep insight it provides into the director's personality, largely through the eyewitness accounts of people who were integral to Hoover's career and private life.

Born in 1895 and raised in Washington, D.C., Hoover was the youngest of four children of Anna and Dickerson Hoover. His mother was from a well-to-do Swiss Calvinist family. His father was a government printmaker who had a mental breakdown during World War I and spent much of the rest of his life in and out of mental institutions. He died of his mental illness in 1921, and Hoover never discussed his father, not even with his most intimate associates.

Hoover got his first job at the Department of Justice through family connections (his mother's cousin was a top DOJ attorney, soon to be appointed to a federal judgeship). Hoover's first substantive work involved the pursuit of aliens, particularly German aliens. It was the eve of the Red Scares and the Palmer Raids of the early 1920s. Hoover's zealous pursuit of aliens earned him a job with the FBI. His personal role in the 1919-20 Palmer Raids positioned him to win the directorship in May 1924.

Forty-eight years later, Hoover was still the FBI director, despite widespread belief throughout official Washington that he had become completely senile. Nearly deranged and prone to rambling diatribes about the "commie menace" and the sex lives of prominent Washingtonians, Hoover nevertheless remained in office. The key to his power was the private blackmail files he maintained on the nation's most powerful figures.

The night that Hoover died, his closest aides showed up at his home and at his office and carted off truckloads of those secret smut files. Their continued existence assured that the Hoover legacy would survive, even after the director himself was laid in the ground.

Through scores of interviews with longtime friends and enemies of the director, Summers established beyond a doubt that J. Edgar Hoover was a very particular brand of homosexual: the kind that in public maintained a fanatically puritanical code of morality and conducted brutal purges of suspected homosexuals in the government, while in private engaging in the most degrading and obscene acts.

One principal source of this information used by Summers was Susan Rosensteil, the wife of Lansky syndicate operative Louis Rosensteil. A Prohibition-era bootlegger, Rosensteil used his ill-gotten gains to found Schenley's Liquor Company. Despite his nominally legitimate business ventures, Rosensteil remained a front-man for the Lansky Syndicate, laundering black market money and handling the illegal bookmaking for some of America's power elite. According to his widow, Rosensteil was J. Edgar Hoover's bookie. He, along with former Joe McCarthy aide and mob lawyer Roy Cohn, was also Hoover's pimp.

In a televised interview with PBS's "Frontline" and in



FBI man "Fearless Fuzzdick" was the star of a 1970s cartoon series published in *New Solidarity* newspaper. The paper was shut down by the federal government in an "involuntary bankruptcy" action in 1987—later ruled illegal.

a sworn statement to Anthony Summers, Susan Rosensteil described two separate instances in which she was present at parties at the Plaza Hotel in New York City, where Hoover dressed in women's clothes and engaged in homosexual acts with young men.

The second incident described by Mrs. Rosensteil was particularly noteworthy: "A year later, according to Susan, Rosensteil asked her to accompany him to the Plaza again. She agreed, in return for an expensive pair of earrings from Harry Winston's, and the procedure was the same as on the previous occasion. Cohn ushered them into a suite to find Edgar, again attired in female finery. His clothing this time was even more outlandish. 'He had a red dress on,' Susan recalled, 'and a black feather boa around his neck. He was dressed like an old flapper, like you see on old tintypes.

" 'After about half an hour, some boys came, like before. This time they're dressed in leather. And Hoover had a Bible. He wanted one of the boys to read from the Bible. And he read, I forget which passage, and the other boy played with him, wearing rubber gloves. And then Hoover grabbed the Bible, threw it down and told the second boy to join in the sex.' "

The incident described by Susan Rosensteil took place in 1959, at the very height of Hoover's power. Just a few years earlier, Hoover had been initiated into the 33rd degree of the Southern Jurisdiction Scottish Rite Freemasonic Lodge. Hoover had been a Mason since the early 1920s, and many of his most trusted hands at the Bureau were also members of the secret society.

Louis Rosensteil was more than just a pimp and a bookie



A rally in support of Sen. Harrison Williams (D-N.J.), victim of the Justice Department's Operation Abscam, in March 1982. Williams was subject to an FBI "sting," framed up, and driven from office. Lyndon LaRouche called this the beginning of the end of representative self-government in America.

for Hoover. So intimate were the two men, that Hoover deployed his chief FBI publicist, Lou Nichols, to work for Schenley's as vice president in charge of public relations. Rosensteil also set up the J. Edgar Hoover Foundation, and it was the foundation that financed the building of a memorial room to honor Hoover at the Scottish Rite Temple a few blocks from the White House.

What Summers overlooks

On many occasions during Hoover's 48 years at the helm of the FBI, victims of his wrath drew the parallel between Hoover's FBI, Hitler's Gestapo, and Stalin's NKVD. His personality was certainly that of a Heinrich Himmler or a Lavrenti Beria.

Hoover was a known entity. His homosexuality was the worst kept secret in America. Every winter, he and Clyde Tolson vacationed at the southern California resort hotel of Texas oilmen Clint Murchison and Sid Richardson. They hobnobbed openly with well-known gangsters. The Lansky Syndicate covered all of Hoover's horse track bets. When he won, they paid him off, and when he lost, they "forgave" his debts. Hoover and Tolson attended the horse races at Del

Mar, sitting in a VIP box at the finish line. The owner of the box was the head of the Mattachine Society, one of the first homosexual organizations in America, founded by members of the Communist Party U.S.A. All of the regulars at Del Mar knew that anyone sitting in that box was a "fairy"—to use the terminology of the day. The Soviet intelligence services and the FBI coexisted inside the Communist Party and, according to some historians of the Cold War, used the CPUSA as a back channel for intelligence collusion.

In other words, even though Hoover's exploits were kept from the general public until long after his death in May 1972, his homosexuality, his protection of the mob, and his blackmailing of public officials were all well known among members of the establishment, East and West. To presume, as Summers does, that the key to the Hoover file was his blackmail by organized crime, is to miss the fundamental nature of the beast.

Hoover was installed in power at the point that the United States was falling under the domination of an Anglo-American oligarchical cabal, out to overturn everything positive that the United States had once stood for. The creation of the FBI, like the creation of the Federal Reserve System and the Anti-Defamation League of B'nai B'rith, all at the same time, signaled the consolidation of enormous power by this faction.

J. Edgar Hoover was groomed and elevated into the FBI director's job because of his obscene profile. He shaped an institution around that profile, and the institution carried forward that profile after Hoover's own demise.

We told you so

In 1979, when the Carter administration Justice Department and FBI launched Operations Abscam and Brilab, Lyndon LaRouche warned that this was the beginning of the end of representative self-government in the United States. He called upon Congress and the labor movement to stand up and resist the blackmail and frameups by the federal police. They did not do so.

Earlier, in the mid-1970s, LaRouche and his associates had mocked the FBI and Hoover in a series of political cartoons recounting the tales of a mythical FBI man, "Fearless Fuzzdick." In several of the cartoon strips, FBI men were portrayed as transvestites.

Neither LaRouche nor any of his associates had been enlightened by Susan Rosensteil or any of the other witnesses to the Hoover drag shows. It was self-evident in the nature of the FBI's political operations that as individuals, the top FBI people were depraved.

The Summers book does an admirable job of documenting that depravity. What remains to be seen is whether the Congress, the White House, and the American people will draw the lessons of the secret life of J. Edgar Hoover, and launch a genuine effort to restore the Constitution and dismantle the police-state apparatus.

Strange bedfellows: FBI allied with the communists against LaRouche

by Edward Spannaus

Unique insight into the real nature of J. Edgar Hoover's FBI is provided by looking at the role of the Bureau in operations against Lyndon LaRouche and his associates dating back as early as 1968. There is a continuity between the operations against LaRouche in the Hoover days, and those leading up to the events in the 1980s which resulted in LaRouche's illegal and unjust imprisonment. The seeds of the more recent efforts to kill or jail LaRouche were planted in 1968-69, and by the late 1960s and early 1970s, such efforts involved the same players—including the Soviet Union and its collaborators, the Anti-Defamation League (ADL), and a lesser but significant role played by the *New York Times*.

The origins of the National Caucus of Labor Committees (NCLC), the philosophical association founded by LaRouche, go back to 1966, when LaRouche attracted a number of student activists by means of an economics class applying LaRouche's original breakthroughs in physical economy to a critique of Karl Marx's *Das Kapital*. The strategic perspective around which the 1966-68 group was formed was that the monetary crises of that period were heading into a general breakdown crisis which would emerge during the 1970s, and that this would result in the rise of a new form of fascism based upon the practices of Hitler's economics minister, Hjalmar Schacht.

In 1968, LaRouche deployed his original cadre grouping into the student ferment of that day, particularly the Students for a Democratic Society (SDS), to recruit the best of the student radicals into the new political cadre force, which was to become the NCLC. The FBI's first documented intervention came in 1968-69, after the LaRouche grouping formed regional "Labor Committees" within SDS, and identified the Mark Rudd anarchist and proto-terrorist grouping as a fascist upsurge, resembling the radical ferment around Mussolini in 1920s Italy. The Rudd group did soon emerge as the "Weatherman" terrorists.

FBI "Cointelpro" files obtained under the Freedom of Information Act (FOIA) show that by October 1968, the FBI was already attempting to intervene into the SDS factional disputes. A Jan. 7, 1969 FBI memorandum from the "Special Agent in Charge, NY to Director" discussed the split within the New York Regional SDS Labor Committee and the alleged "expulsion" of the Labor Committee from SDS because of the Labor Committee's support of the United Federation

of Teachers in the 1968 New York teachers' strike:

"To take advantage of the above situation, the NYO [NY office of the FBI] is preparing a leaflet which will be submitted to the Bureau for Approval."

A June 30, 1969 FBI "Memorandum to the Director" stated:

"During the period 5/1-5/69, an anonymous leaflet entitled 'The Mouse Crap Revolution,' designed to widen the split between the SDS Columbia University Chapter and the so-called NY SDS Labor Committee, was mailed to 219 individuals and organizations in the New Left."

The "Mouse Crap" leaflet was a raving, infantile attack on Tony Papert, a prominent leader of the Columbia strike and as well a leader of the New York Labor Committee. After calling Papert the "Chief Mouse Crapper" on Columbia's campus for "trying to screw SDS into the ground," the FBI leaflet proclaimed:

"Our Black friends will be surprised to know that Papert and the NY Labor Committee supported the Teacher's Union against Ocean Hill-Brownsville during the last strike! The UFT owns Papert and his crew. Tony has accused Mark Rudd of busting up his meetings, stomping on his demonstrations, and pissing on his social reforms. Mouse crap! The fact is that Mark effectively creamed the Labor Committee's little tea party on March 11th to expose Papert's mice for what they are . . . Tony, baby, we suggest [sic] you take your Mouse Crap elsewhere. Go swap spit with your hero, Albert Shanker of the UFT. . . . As for the rest of the so-called NY SDS Labor Committee, we say . . . LOOK OUT!"

FBI defends the Communist Party

In the early 1970s, the NCLC concentrated its efforts in two areas. The first was building up a private intelligence capability, created immediately following the August 1971 collapse of the postwar Bretton Woods monetary system, which led to the creation of New Solidarity International Press Service and *EIR* in 1974. The second area was the effort to prevent a growing clash between employed and unemployed, through the creation of the National Unemployed and Welfare Rights Organization (NUWRO). This area of organizing took the NCLC into direct FBI strongholds in the labor movement and the so-called political "left," which dominated the labor movement and whose influence

the NCLC had determined to crush.

Not so surprisingly, when the NCLC came into head-on confrontation—sometimes bloody—with the Communist Party U.S.A., this upset the FBI's appellation as well, since the FBI's Division Five was firmly entrenched as a major factor in the CPUSA.

With FBI instigation, the CPUSA tried to disrupt NCLC organizing and attempted to start a race riot at the founding convention of NUWRO in Philadelphia in March 1973. Immediately thereupon the NCLC announced "Operation Mop-Up," vowing to eliminate the Communist Party as a political force in the United States. The operations's success resulted in a flurry of direct FBI harassment of NCLC members and a mobilization of FBI assets in the CP to try and discredit the NCLC among "the left."

This was the genesis of the "right-wing terrorist" and "CIA" characterizations of the NCLC; these originated with the FBI and were laundered through the CPUSA. Reading between the lines of the FBI's Aesopian Bureau-speak, it is clear how this was done in an 1973 Memorandum from "SAC, Los Angeles to Director," which disputes an FBI communication characterizing the NCLC as an "ultra-left" organization. After quoting from an article in the CPUSA newspaper the *Daily World* (formerly the *Daily Worker*), the memo went on:

"According to [name deleted] . . . a source close to Southern California District, Communist Party (SCDCP) leadership, the functionaries of the SCDCP look upon the NCLC as a 'terrorist' group with right-wing connections.

"It would seem this group has created a facade to cloak its true purpose as a goon squad to combat the left."

An FBI memo from "SAC, San Francisco" dated Sept. 7, 1974 contains the following comment:

"Representatives from various left wing groups and radicals in the San Francisco Bay area are in agreement in their opposition to the NCLC. They feel the NCLC is some kind of a front either for the local police or the CIA."

By 1973, according to FBI reports, the CPUSA was actively discussing the assassination of LaRouche. Despite the fact that the FBI was well aware of this, the Bureau officially scoffed at evidence of assassination operations aimed at LaRouche in January 1974 and at later dates. The following is from a November 23, 1973 FBI memo:

"TO: DIRECTOR, FBI

"FROM: SAC, NEW YORK

"SUBJECT: LYNDON HERMYLE LAROUCHE, JR.

"[Line deleted] information has been received that the CPUSA is conducting an extensive background investigation on the subject for the purpose of ultimately eliminating him and the threat of the NCLC, on CP operations. [Deleted] have furnished this information to the New York office, and this information has appeared in the *Daily World* newspaper several times.

"[Deleted] the subject is the controlling force behind the

NCLC and all of its activities. A discussion with the New York NCLC case agent indicates that it is felt if the subject was no longer in control of NCLC operations that the NCLC would fall apart with internal strife and conflict."

Later, in September 1975, and then again in January 1976, the FBI used an acknowledged FBI informant, Gregory Rose, to launder lying and defamatory information through the Communist Party newspaper, the *Daily World*. From at least May through October 1975, Rose was officially on the FBI payroll, which was acknowledged in a letter to Rose signed by former FBI Director Clarence Kelley.

Under the 1976 "Levi Guidelines," the FBI was required to submit a summary of its investigation to the attorney general for review. This review resulted in an Aug. 19, 1976 memorandum from the attorney general to then-FBI Director William Webster. This memorandum has to be one of the more startling documents in law enforcement history, for its principal justification for the FBI's continued investigation of the NCLC was that the NCLC had attacked the Communist Party U.S.A.

"The actions taken to accomplish the NCLC's short-term goals, that is, of breaking-up Communist Party and Socialist Workers Party meetings, assaulting their members, and forced 'reprogramming' of its own members, do involve force and violence. The force and violence as used tends to deprive the victims of those actions of their civil rights. . . . While certain activities of the Communist Party and other like groups are proscribed by statute, such activities are typically intertwined with other acts which can be protected exercises of political activity. In either case, however, decisions as to which are legitimate and which are not is not a decision for the National Caucus of Labor Committees, and that group is in no way authorized to take such actions against its political opponents.

". . . these incidents have a greater purpose . . . the violence employed against individuals has the long-term aim of overthrow of the government. It is, therefore, appropriate to consider such acts in an 'overthrow' context. . . ."

Protecting the KGB's American assets

The FBI's protection of the CPUSA was only one facet of the Bureau's close collaboration with the "left" against the NCLC. The Bureau also worked closely with the Socialist International grouping in the U.S. labor movement, both around the AFL-CIO and the United Auto Workers (UAW). The most prominent channel into the FBI was the League for Industrial Democracy (LID), the original offshoot of the British Fabian Society in the United States, and the initiating organization for the founding of SDS in 1960, which by the end of the decade had spawned the terrorist Weathermen faction.

The section of the U.S. labor movement with which the FBI collaborated most closely against the NCLC in the mid-1970s, was the Jay Lovestone grouping, the "Comintern's anti-communist section." Before participating in the found-

ing of the CPUSA in the early 1920s, Lovestone was head of the LID student group at City College in New York City. After Lovestone's celebrated break with Stalin in 1929, the former is reported to have remained a top official of Soviet intelligence in the western hemisphere into the 1950s. Lovestone's "international affairs" apparatus in the AFL-CIO, overlapping with the International Ladies Garment Workers Union (ILGWU), has been closely identified with the Meyer Lansky organized crime syndicate since the 1920s, especially in the postwar period in Europe.

The FBI and the ADL

The first documented high-level contact from this network with the FBI took place in September 1973, when William Ruckelshaus, then the acting deputy attorney general, had a meeting with officials of the UAW concerning NCLC organizing in the auto industry and what could be done to stop it.

Then, during 1974, the League for Industrial Democracy was deployed to infiltrate the NCLC and prepare intelligence reports to be transmitted to the AFL-CIO, the UAW, and later to the FBI. The LID reports advocated goon attacks and financial warfare against the NCLC:

"The only thing that seems to work is an overwhelming physical defense which intimidates the NCLC . . . the UAW has used this tactic successfully in the past."

As to the second tactic, the LID report argued:

"Their principal weakness at the present time is financial . . . a well-planned slander suit would tie them up in expensive court suits."

Sure enough, shortly after this was written, the UAW filed a \$30 million lawsuit against the NCLC and *New Solidarity* newspaper for libel and "trademark violation." A second LID report boasted that, "If successful, this suit would bankrupt the NCLC."

On June 27, 1975, UAW General Counsel Steven Schlossberg met with Attorney General Edward Levi to brief Levi on the progress of the UAW suit and offered to let the FBI go through his extensive files on the NCLC, accumulated during the *UAW v. NCLC* lawsuit. In addition to the LID reports, Schlossberg gave Levi a copy of a June 1975 report on the NCLC prepared by the Anti-Defamation League of B'nai B'rith (ADL).

The ADL report expressed the group's fears over the NCLC's peace initiatives for the Middle East and complained that the NCLC "is considering a full-scale organizing campaign aimed at American Jews" and that the NCLC has "already contacted several Jewish organizations." (It was to attempt to counter LaRouche's policy initiatives in the Middle East and NCLC organizing within the Jewish community in the United States that the organized crime-linked ADL first developed the "anti-Semitic" slander line against the NCLC. Later, when NCLC members published the book *Dope, Inc.* in 1978 and launched a "war on drugs," the ADL

went wild in defense of Jewish gangsters like Meyer Lansky and the "Israeli mafia.")

The ADL's principal public line of attack on the NCLC at this time was through the *Homefront* newsletter, run by its asset Charles Baker, who floated to the surface out of the seamier side of Walter Reuther's political machine. *Homefront* devoted its April and June 1975 issues to the NCLC, and then in June, Baker contacted the FBI, trying to recycle information peddled to him by FBI informant Greg Rose. Rose's information became the basis for further *Homefront* articles, which also quoted from the Communist Party's *Daily World* articles, based on Rose's tall tales.

At the same time, ADL agent Charles Baker drafted a new, private intelligence report on the NCLC which was submitted to AFL-CIO officials and the UAW's Schlossberg. The Baker memo contained the first detailed analysis attempting to characterize the NCLC as a "cult," along the lines of the "Moonies." On Sept. 23, 1975, as Schlossberg had suggested, the Baker memorandum was transmitted to the FBI by Assistant Attorney General Richard Thornburgh. The April 1976 *Homefront*, an updated version of the Baker report, also made its way to the FBI. And, lo and behold, the FBI's semi-annual report to the attorney general, dated June 28, 1976, contained phrases and formulations directly plagiarized from the Baker memo and *Homefront*.

The June 1976 FBI analysis in fact adopted full-blown the ADL's falsifications, characterizing the NCLC as similar to a religious cult. This June 1976 FBI report provides conclusive evidence that the FBI was operating in close coordination with the Socialist International and the mob-linked ADL against LaRouche by this time.

The Soviets update their orders

In 1977, the FBI was forced to officially terminate its domestic security investigation of the NCLC. In reality, the "LaRouche case" was contracted out to the ADL for a number of years. Even during this period, the FBI continued to retail its "leftist" line against LaRouche. A December 1980 FBI teletype, from the director to the FBI legal attaché in Paris, declared: "Recently, LaRouche and the USLP [U.S. Labor Party] have reportedly swung violently to the right and the USLP is now authoritarian and anti-semitic among other things."

In 1983, an official FBI investigation of LaRouche and associates was reopened at the personal behest of Henry Kissinger. After the Reagan administration adopted a form of LaRouche's strategic defense proposal in March 1983, the Soviets began open attacks on LaRouche. The FBI and Justice Department obliged by opening a new grand jury investigation in October 1984. In the summer of 1986, the Soviets escalated their attacks, demanding that the Reagan administration show its good faith by jailing LaRouche. Once again, the FBI obliged, with the massive October 1986 raid against LaRouche, and the indictment and ultimate imprisonment of LaRouche and numerous associates.

Was Meyer Lansky the 'best man' in the ADL's marriage to the FBI?

by Scott Thompson

Over the last five years, *EIR* investigators have been fighting for release under the Freedom of Information Act of all FBI files on the Anti-Defamation League of B'nai B'rith—the front for organized crime that masquerades as a Jewish civil rights group. The thousands of pages that have been released so far from the FBI's main file on the ADL (FBIHQ 100-530) tell a story of decades of collusion between the two. The FBI's longtime director, J. Edgar Hoover, kept his close ties to the ADL "in the closet," rejecting every invitation to speak before ADL national conventions (every subsequent FBI director has willingly taken up the ADL offers). Hoover's behind-closed-doors collaboration with the ADL may have been motivated by the fact that the director was well aware of the League's extensive ties to both organized crime and communism.

Despite the avoidance of publicity, Hoover was an enthusiastic collaborator of the ADL. As early as Sept. 8, 1941, he started to write directives to the effect that Bureau agents must maintain contact with the ADL, which was then based in Chicago. Hoover wrote dozens of letters over the decades to protect the ADL from those investigating or reporting on the ADL's criminal nature. During the McCarthy period in the early 1950s, Hoover praised the ADL's alleged role in the fight against communism in his book *The Masters of Deceit*, when many in the ADL were justifiably under probe as suspected Soviet agents and fellow travellers.

'Unreliable, unwise, and dangerous'

The budding ADL-FBI relationship was given major impetus before the Japanese attack on Pearl Harbor, when the ADL let the FBI make wholesale use of its files on neo-isolationists, whom the Bureau labeled "subversives." According to FBI files, one ADL official boasted that the League had assisted the FBI in 373 such cases. That particular collusion was abruptly ended by the attorney general in a July 16, 1943 memorandum to Assistant Attorney General Hugh B. Cox and J. Edgar Hoover. The attorney general wrote:

"After full re-consideration of these individual danger classifications, I am satisfied that they serve no useful purpose. . . . It is now clear to me that the classification system

is inherently unreliable. The evidence used for the purpose of making the classifications was inadequate; the standards applied to the evidence for the purpose of making the classifications were defective; and finally, the notion that it is possible to make a valid determination as to how dangerous a person is in the abstract and without reference to time, environment, and other relevant circumstances, is impractical, unwise, and dangerous."

In short, the attorney general told Hoover that the ADL's "fact finding" was gossip to be disregarded.

Despite this assessment, Hoover ensured that the Bureau maintained a regular liaison with the ADL. After Hoover's death on May 2, 1972, the relationship grew until then-FBI Director William Webster on Feb. 4, 1985 issued an order that represented a virtual marriage between the two organizations.

Lansky's National Crime Syndicate

One of the questions raised by the new revelations of J. Edgar Hoover being blackmailed over his homosexuality by mobster Meyer Lansky, is whether Lansky was the hidden "best man" in the marriage between the ADL and the FBI. As is documented in *EIR*'s book *The Ugly Truth About the ADL*, the ADL's leadership has included many lieutenants of Lansky, who have steered the group as a protection arm for the Zionist component of the National Crime Syndicate. The ADL-Lansky links were notorious from the Prohibition era onward. The ADL's bank, Sterling National, which helped save the ADL from bankruptcy, was founded in 1929 by one of Meyer Lansky's New York City crime lieutenants, **Frank Erickson**, who was a specialist in money laundering. Erickson also handled all of Hoover's horse race betting.

By 1985, when **Kenneth Bialkin**, the attorney and silent partner of fugitive narcotics financier **Robert Vesco**, became ADL national chairman, the ADL-Crime Syndicate links were so public that the League gave its prestigious "Torch of Liberty" prize to Las Vegas "businessman" **Morris Barney Dalitz**. While the FBI maintains the fiction that Dalitz has "gone legit," honest investigators of organized crime have documented that Dalitz was a lifetime right-hand man of

Meyer Lansky.

Starting out in the Cleveland Purple Gang, where he ran a “Jewish Navy” to smuggle rot-gut whiskey from Canada into the United States (in partnership with the Bronfman family), Dalitz emerged by the 1930s as a privileged partner of Lansky when the latter set up his first offshore gambling, narcotics, and money-laundering haven in Cuba. Next, Lansky chose Dalitz to take over the lion’s share of “**Bugsy**” Siegel’s Las Vegas casino interests—interests the ADL award-winner still holds today—after the Syndicate decided to have Siegel assassinated.

FBI files, especially a voluminous file on **Dore Schary**, who became ADL national chairman in 1963, show that Hoover’s agents systematically dismissed charges that Schary was close to Syndicate higher-up **Abner “Longie” Zwillman** of New Jersey—even though the files themselves acknowledge that the two had been friends since childhood. In fact, experts on organized crime report that Zwillman sent Schary to the West Coast and installed him at Metro Goldwyn Mayer studios, where Schary became the reigning superstar. According to source reports in FBI files, Schary was close to Zwillman, who was one of the first Lansky aides to get involved in the Hollywood motion picture industry; however, Schary simultaneously became a confidant of Assistant FBI Director **Louis B. Nichols**. The latter wrote several memos in 1961 to Hoover’s aide **Clyde Tolson**, which were aimed at protecting Schary from charges that he was a “communist fellow traveller.” Instead, Nichols argued that Schary was a “Liberal.” Shortly after these Nichols memos, Hoover was himself writing Schary to thank him for his work on “The Hoaxsters,” a film that Hoover said “exposes in a most effective manner the menace of Communism.”

Meanwhile, Schary’s patron Zwillman got into trouble with the Internal Revenue Service, and on Feb. 27, 1959 he was found hanged in the basement of his West Orange, New Jersey mansion. Apparently some of his Syndicate associates feared Zwillman would cut a deal and talk. During a 1961 background check requested by the White House, which was thinking of giving Schary an appointment, it emerged that witnesses had seen Schary at Zwillman’s funeral.

A long report from the FBI’s Newark Field Office to the director on Schary, dated Aug. 2, 1961, includes a virtual eulogy for the mobster from a clipping in the *New York World Telegram*; the FBI synopsis states: “. . . Abner ‘Longie’ Zwillman . . . [was] once the perfect underworld czar and one who headed a fifty million dollar bootlegging ring in Prohibition days.” The *Telegram* continued: “Nobody . . . followed so successfully for so long the approved underworld formula for success—from rags to riches to respectability.”

Although the Kennedy administration finally decided that Schary was too tainted for an appointment, the Bureau refused to follow up his ties with Lansky aide Zwillman. Two years later, in 1963, Dore Schary was elected national chairman of the ADL.

Organized crime expert Hank Messick, who wrote biographies of ADL patrons Lansky and Dalitz, aptly summed up the situation with the remark to a PBS interviewer that the only good thing that J. Edgar Hoover ever did for American law enforcement was to drop dead!

Cointelpro and the KKK

Files received from the New Orleans Regional Field Office of the FBI, through the Freedom of Information Act, document that ADL regional director **Adolph “Sam” Botnick** had close ties with **Guy Bannister**, who was a leading member of the Bureau’s counterintelligence Division Five. Bannister gained notoriety when New Orleans District Attorney Jim Garrison identified him as a close associate of **Lee Harvey Oswald** as well as other figures whom Garrison believed to be part of the team assembled to assassinate President John F. Kennedy. **Clay Shaw**, the man Garrison indicted for the Kennedy assassination, was closely linked to Bannister.

Although Bannister was officially retired from the FBI by the time of the JFK assassination, he was still considered the most important “Bureau man” in New Orleans right up until his death in 1967. His collusion with the ADL’s Botnick came in the context of the FBI’s now notorious Operation Cointelpro.

Cointelpro was a “strategy of tension” that pitted black against white, left against right. One of the dirtiest operations that came out of Botnick’s collaboration with remnants of Guy Bannister’s network came to light in 1970 through an exposé in the *Los Angeles Times*. The story recounted a June 30, 1968 ambush in Meridian, Mississippi outside the home of ADL official **Meyer Davidson**. A local schoolteacher, **Kathy Ainsworth**, was killed by police, and a second person, **Thomas A. Tarrants III**, was shot 70 times by 22 FBI agents and police, but managed to survive.

Tarrants and Ainsworth were Ku Klux Klan members who were sent by local KKK leaders **Alton Wayne Roberts** and **Raymond Roberts** to plant a bomb at Davidson’s home. What the two would-be bombers did not know was that the Roberts brothers had just been paid \$69,000 by the New Orleans office of the ADL to work as agents provocateurs. Ainsworth’s murder was stage-managed by the ADL, apparently to put forward Davidson as a hero-victim of a racist attack upon Jews. Adolph Botnick passed the cash to the Roberts brothers with the full approval of local FBI officials, although the Bureau knew that the Roberts brothers were suspects in 10 terrorist incidents in the previous year. They were under federal indictment for the 1964 murders of three civil rights workers, Andrew Goodman, James Chaney, and Michael Schwerner, in Philadelphia, Mississippi. The ADL has been trying to capitalize on their deaths ever since.

As a side benefit of the collusion with the FBI and the ADL, the Roberts brothers received slap-on-the-wrist sentences for the Philadelphia murders and their other terrorist

escapades, and they were eventually squirreled away into the Federal Witness Protection Program.

Throughout the period of Cointelpro, from the 1960s to the mid-1970s, FBIHQ main file 100-530 shows that the League's "Research" and "Fact-Finding" units regularly passed inflammatory "intelligence" to the Bureau and other law enforcement agencies. For example, the ADL sought to incite violence against the Black Panther Party, the Nation of Islam, and other African-American groups.

The railroading of LaRouche

This obscene collaboration between the FBI and the ADL became a virtual marriage after ADL leaders struck an agreement in 1985 with FBI Director **William Webster**, that joint action should be taken against Lyndon H. LaRouche, Jr. Actual collaboration as part of the "Get LaRouche" task force, which resulted in LaRouche being railroaded in Alexandria, Virginia by U.S. Judge Albert V. Bryan, Jr., nonetheless took years to effect. (See the accompanying article for details of the FBI's war against LaRouche.)

The ADL had been trying to elicit FBI assistance in targeting LaRouche and associates since the ADL's leaders met with William Webster shortly after he became FBI director in early 1979. In a discussion with undercover investigators, ADL official **Justin Finger**, who attended the meeting with Webster, spilled the beans: "I saw Judge Webster back in February in Washington and I mentioned the U.S. Labor Party and . . . he wouldn't go into details with me, but it was very clear to me from what he said . . . that this is an active investigation and that they are watching these people very closely." Former ADL national chairman **Burton Joseph** of Minneapolis, Minnesota, who was also at the meeting, conveyed the same sentiment to undercover investigators, and files from the FBI Minneapolis Regional Office show that Joseph was trying to incite the Bureau by feeding it false information about LaRouche and his associates.

On April 2, 1979, associates of LaRouche filed a complaint about this ADL-FBI collusion with Attorney General **Griffin Bell**, and he ordered an investigation; the FBI was assigned to investigate the charges about its own director. That investigation, of course, turned up nothing. However, new material released under the FOIA demonstrates that FBI-ADL collusion had been established. A Feb. 5, 1979 letter from FBI Director Webster to ADL Director **Nathan Perlmutter**, who is listed in Bureau files as an informant, states: "Any information which you might wish to share with us should be communicated to Deputy Assistant Director **James O. Ingram** at FBI Headquarters."

On Feb. 4, 1985, FBI Director Webster finally consummated the marriage between the FBI and ADL by issuing an "airtel" ordering every FBI Regional Office to establish liaison with its ADL local counterpart. That airtel was transmitted shortly after Boston U.S. Attorney **William Weld** had initiated a witchhunt federal grand jury probe of publica-

tions and political committees associated with LaRouche. Although the Webster order for local-by-local ADL-FBI liaison was an all-encompassing mandate, LaRouche was one of the primary targets of the new arrangement.

The text of Webster's airtel states that on Jan. 18, 1985, the New York Division of the FBI initiated contact with officials at the ADL headquarters in that city. These individuals, known to include ADL Director Perlmutter, "were advised that any legitimate civil rights allegation should be immediately brought to the attention of the appropriate FBI Office. . . . It was also established that each FBI Office contact each Regional [ADL] Office to establish a line of communication to promptly receive any allegations of civil rights violations. Each receiving [FBI] office should contact the Regional ADL Director(s) listed in your Division and establish this liaison."

On Feb. 28, 1986 Swedish Prime Minister Olof Palme was assassinated by a "lone gunman" in Stockholm, and within hours, Soviet Communist Party Central Committee member Georgi Arbatov blamed western "reactionary" forces. Over the next few days, *EIR* investigators traced how publications known to be conduits for Soviet disinformation were able to create a deluge of articles blaming associates of LaRouche. The head of the ADL's Fact-Finding Department, **Irwin Suall**, an Oxford University-trained member of the Socialist International, flew to Stockholm to fuel the disinformation campaign. Meanwhile, the ADL, in collaboration with officials at the Israeli embassy in Washington, D.C., peppered Swedish officials with slanders against LaRouche, according to undercover investigations. On his return from Sweden, Suall told the press that he had given a report to the FBI. To this day the FBI is running a coverup of the ADL role in propagating the Soviet charges that LaRouche associates murdered Palme.

There is no question that Suall has become very close with the FBI. For example, according to a letter from the Bureau to Suall dated Nov. 21, 1989, Suall is invited "to address an upcoming FBI civil rights supervisory training conference . . . [presenting] a national overview of the violent hate movement in the United States. . . . Your remarks will be attended by approximately 50 FBI Supervisory Special Agents who are responsible for the supervision of the Civil Rights Program at the field office level."

Another striking example of the ADL's "dirty tricks" collusion with the "Get LaRouche" task force surfaced in testimony in the Roanoke, Virginia courtroom of Judge **Clifford Weckstein**, where numerous associates of LaRouche have been subjected to a judicial railroad. Virginia ADL leader **Murray Janus** flagrantly sought to bribe Weckstein with a Virginia Supreme Court judgeship, to make sure that the "railroad" ran on time. Suall's Washington, D.C. lieutenant Mira Lansky Boland worked with state, federal, and local levels of the prosecution, preparing the railroad of LaRouche's associates.

Hoover, Satanism, and the Scottish Rite

by Scott Thompson

At the House of the Temple on 16th Street in Washington, D.C., which is the headquarters of the Supreme Council 33rd Degree of the Scottish Rite Southern Jurisdiction, there is a J. Edgar Hoover Law Enforcement Room, which was dedicated on May 10, 1989. The only other member of the Scottish Rite Southern Jurisdiction who is honored by such a memorial room is past Sovereign Grand Commander and Confederate general Albert Pike, a founder and chief judiciary officer of the Ku Klux Klan. J. Edgar Hoover, who starting in 1954 rapidly became a 33rd Degree Mason Grand Cross, was fascinated by the satanic religious practices of the Scottish Rite.

In an interview with a journalist, Reynold J. Matthews, 33rd Degree and Grand Archivist of the Scottish Rite Southern Jurisdiction, revealed that a decade after Hoover's death, there were still many FBI agents who were Freemasons. Numerous agents-in-training at the Bureau's Quantico, Virginia facility are brought to see this shrine at the House of the Temple. It contains a replica of Hoover's FBI office, as well as many masonic awards and decorations given Hoover. In 1992 with top FBI officials present, the Sovereign Grand Commander of the Supreme Council 33rd Degree, C. Fred Kleinknecht, donated a plaque which appears in the J. Edgar Hoover FBI headquarters.

In June 1989, an issue of *The New Age Magazine*, which is today known as *The Scottish Rite Journal*, was dedicated to Hoover. In it, Matthews described Hoover's career in Freemasonry, in an article titled, "From Obscurity to Security—The Shaping of a Giant."

According to Matthews, there is strong evidence that Hoover was influenced to join Freemasonry by associates at the Department of Justice. Hoover was on a fast track within the department; in 1919, at the age of 24, he was appointed special assistant to the attorney general.

Perhaps at this time Hoover thought of Freemasonry as a means to advance his career. He was initiated into Masonry as an Entered Apprentice on Sept. 14, 1920, in Federal Lodge No. 1 (a Blue Lodge), Washington, D.C.; he passed to the degree of Fellow-Craft on Oct. 12 and to the degree of Master Mason on Nov. 9, finishing the three degrees of Craft Masonry.

Gnostic heresy

Unlike many Masons, Hoover quickly sought out the more esoteric degrees, which, drawing from the Rosicrucian Gnostic heresy, became a syncretism of ancient satanic cults.

Hoover became a Royal Arch Mason in Lafayette Chapter No. 5 in April 1921, and a Knight Templar in Washington Commandery No. 1 on July 20, 1921. He was created a Noble of the Mystic Shrine in Almas Temple on March 1, 1922, and was immediately appointed an Ambassador, a post he held until his death.

Hoover's initial choice of the Templars is interesting, because this nominally Christian branch of Freemasonry is really based on the Baphomet cult of a crusading order of monks known as the Knights Templar, who followed ancient Middle-eastern mysteries in an initiation ceremony that involves spitting on an image of Christ. The masonic followers of the Knights Templar today have sworn revenge against church and state, because the Templars were found to be heretics. On May 10, 1924, soon after his initiation in this satanic cult, the Hon. Harlan Fiske Stone appointed Hoover as director of what was then called the Bureau of Investigation (later, the FBI).

Hoover finally joined the Scottish Rite Southern Jurisdiction in 1954, and he was rapidly advanced to the 33rd Degree. He was "Coroneted" a 33rd Degree Inspector General Honorary in 1955, and 10 years later was awarded the Grand Cross of the Court of Honor.

Racist tradition of Albert Pike

Given the record of Albert Pike with the Ku Klux Klan, it may be no accident that at the time Hoover joined the Scottish Rite, he was starting Cointelpro ("Counterintelligence Program"), targeting Martin Luther King and other civil rights leaders. Under the Cointelpro program, the FBI came to fund and control the KKK, as three congressional committees discovered during investigations in the mid-1970s. For example, the final report in 1976 on Cointelpro of the Senate Select Committee to Study Governmental Operations reveals on page 45:

"The second kind of 'notional' was the fictitious organization with some unsuspecting (non-informant) members. For example, Bureau informants set up a Klan organization intended to attract membership away from the United Klans of America. The Bureau paid the informants' personal expenses in setting up the new organization, which had, at its height, 250 members."

During the 48 years that J. Edgar Hoover was FBI director, his agents acted in the long tradition of Albert Pike within the Scottish Rite, as a vehicle of Confederate treason. A former U.S. intelligence officer told *EIR* that in Hoover's days, FBI headquarters was honeycombed with cells based on Freemasonic Lodges. This was partially confirmed by the chief of security at the House of the Temple, who said in an interview that there are certain Washington lodges which have a disproportionately high number of FBI agents in them—e.g., the Alexandria Lodge. The continued existence of masonic cells within the Bureau may explain many problems that have continued since Hoover's day—such as the FBI's resistance to racial integration.

An emergency proposal to end the war in the Balkans

by Gen. Paul Albert Scherer (ret.)

General Scherer is one of the world's leading experts on the former Soviet Union. He was, during the 1970s, the director of the Militärische Abschirmdienst (MAD), the military intelligence and counterintelligence agency of the Federal Republic of Germany. During several visits to the United States since the fall of the Berlin Wall in 1989, he forecast very accurately the fall of Gorbachov, and the probability that war would erupt among the nations of the former Soviet Union.

He is currently visiting Washington as the guest of the Schiller Institute, and gave a press conference at the National Press Club on March 9.

His briefing there focused on the need to stop the Balkans war, as he presented the proposal which is outlined below. He also discussed the explosive situation in Russia, warning that President Boris Yeltsin will be out of power very soon.

General Scherer explained how, in the early 1980s, there was an effort to avert the crisis that has now developed in the former Soviet Union. "In the spring of 1982," he said, "in the Soviet Embassy, there were very important secret talks that were held, with the participation of top American political leaders. The question was, did the United States and the Soviet Union wish, at that time, jointly to develop an antiballistic-missile defense that would make war impossible for the immediate future? This was the Strategic Defense Initiative. These talks went on until about June 1982. Then in August, you had this very sharp Soviet rejection of the entire idea. I can say this with great exactitude, because I have also discussed this thoroughly with the developer, the originator of this idea, the scientific, technological, strategic expert Lyndon LaRouche. The rejection came in August; then the American President, Reagan, decided to push this entire thing out into the public eye, so he made his speech in March 1983 to show that the SDI could be developed even without

the Russians and that it would make substantial progress even so."

The brutal and extremely critical conditions of the situation in the former Yugoslavia no longer permit us to consider Serbia's aggressive war, waged for the purpose of creating a Greater Serbia, and the concomitant genocide of so-called ethnic cleansing, as a civil war.

It is possible the horrible barbarism of this Balkan war may become an example to be imitated among the CIS states which occupy the territory of the former U.S.S.R., and which make up one-sixth of the world's land surface. If Serbian aggression is crowned with success, it is also likely to be imitated by Islamic fundamentalist forces in Iran and elsewhere in the world. The Balkan situation contains the danger of the early outbreak of a third world war which would necessarily entail the collapse of western civilization.

There is no alternative to an immediate stopping of the Balkan war. The strategic situation allows no further loss of time through negotiations. Time is the most fundamental factor of this psychologically explosive situation. Gorbachov's six-and-a-half-year bankruptcy administration of the former U.S.S.R. has deprived the world of any margin in this regard.

A multi-ethnic nation cannot be coerced into staying together if its individuals and peoples no longer wish to remain together. But the successor states, especially in light of their mixed ethnic composition (and we should recall that 52% of marriages in the former Yugoslavia involved members of different ethnic groups) must guarantee the human rights of all persons. None of these states can tolerate armed insurrection or the open incitement to the violent overthrow of its government. On the other hand, those persons who choose to emi-

grate from one successor state to another must be guaranteed the right to do so, and a mechanism for safeguarding their property rights and right to compensation must be provided.

The United States must act

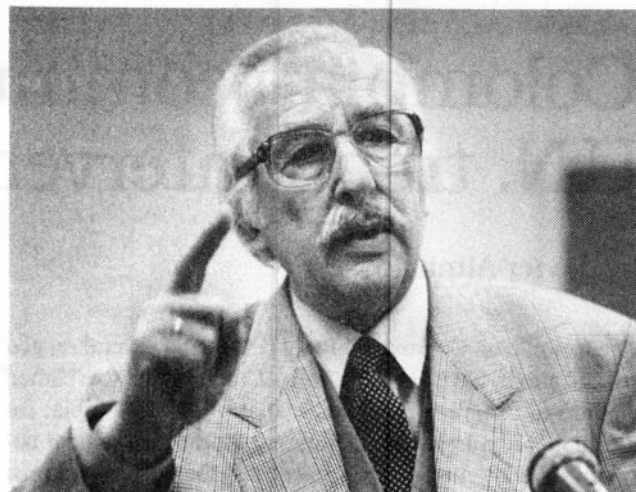
The United States must at this point exercise its function and responsibility as the leading power of European-American civilization within the framework of the NATO alliance. The European nations have shown that they are incapable of carrying out this role. The United States must intervene, applying force against force, before the end of the spring of 1993. But there must under no circumstances whatsoever be any commitment of United States ground forces. This means that the proposal of U.N. Secretary General Boutros Boutros-Ghali for stationing such U.S. ground forces in Bosnia must be decisively rejected. The approach suggested by Mr. Boutros-Ghali brings with it the immediate danger of a new political and military catastrophe on the strategic scale of Vietnam.

In light of the experiences of the Second World War, as well as of all proxy wars waged after 1945, it is clear that the NATO command must seize air superiority over the entire combat area in the former Yugoslavia. This air superiority must be of permanent duration. In this way, the Serbian artillery positions which encircle and besiege the principal Bosnian cities can be broken up by bombing, in the interest of the starving populations. NATO must establish liaison commands and at the same time deploy air force liaison officers to the fighting fronts. These liaison officers must accompany Croatian and Bosnian units and carry out a double role of calling in air strikes, while at the same time making sure that Croatian and Bosnian units do not violate any international borders. Air drops of humanitarian supplies should be halted, and replaced with transport by land truck convoys and air deliveries to airports where security has been reestablished. Measures must be taken to allow television cameras and journalists of the free world to accompany Croatian and Bosnian units in their operations, and generally to move freely in the war zone.

End the weapons embargo

The embargo against weapons acquisitions by the Croatian, Bosnian, and Slovenian ground forces must be terminated. Ending the embargo must, however, be made conditional on acceptance by these forces of the principle of the respect of all international borders and of the basic human rights of all ethnic minorities that are intermixed in these areas.

With the cooperation of Russia, Ukraine, Belarus, Buglaria, NATO partner Greece, and Romania, it must be assured that, as long as hostilities last, economic sanctions against Serbia be fully applied. Military operations on the part of NATO should be terminated immediately as soon as all population groups involved recognize and accept the minority rights of the other ethnic groups and cease to de-



Gen. Paul Albert Scherer (ret.): "The strategic situation allows no further loss of time through negotiations. Time is the most fundamental factor of this psychologically explosive situation."

mand special privileges for themselves. All states involved must retain their national sovereignty and territorial integrity intact. Any changes in this regard must be approved by all parties to a peace conference to be convened after the cessation of all hostilities.

Treatment of Serbia

The goal of this policy is to stop the war, but this must not be presented or understood as a punishment of the Serbian ethnic component as such. There is no collective guilt of all Serbians. War crimes must be adjudicated through an action of the United Nations with full validity under the terms of international law, on the basis of evidence gathered by a special commission of international jurists. The goal should be to guarantee that freedom-loving western civilization will never again undergo war.

A further pursuit of a soft line in regard to Serbia must be ruled out, because the contending parties have repeatedly shown that they are unable or unwilling to behave peacefully unless they are compelled to do so. If elements of the old communist *nomenklatura*, in synergy with Great Russian nationalism, are able to seize power from the Russian reformers, a recrudescence of East-West confrontation, probably in the unconventional form of psychological warfare (state-sponsored terrorism, etc.) is to be expected. The need to resolve the Balkan crisis before a possible return to power of the communist *nomenklatura* is yet another powerful reason for forcing an end to the hostilities immediately. In any case, Russia is not going to commit suicide in order to go to the aid of Serbia.

Permanent peace must be promoted through the application of a program of economic reconstruction and development for the benefit of all states involved. This can be planned and financed within the framework of the European Productive Triangle.

Colombian communists invite U.N. troop intervention

by Javier Almario

The Colombian Communist Party (PCC) and several related organizations have issued a formal request for the United Nations to intervene in the internal affairs of Colombia, for the supposed purpose of facilitating a peace agreement between the Colombian government and the various Marxist guerrilla organizations that operate in the country.

According to PCC Secretary General Manuel Cepeda, it is unimportant that U.N. mediation in the ongoing conflict might lead to the intervention of U.S. troops wearing the "blue helmets" of the United Nations. "Military intervention in the country is already a fact," Cepeda declared in statements to *EIR*. "The DEA [U.S. Drug Enforcement Administration] is already here, there are innumerable U.S. military advisers, there are U.S. bases in San José del Guaviare, there are U.S. bases in Amazonas. We already have U.S. intervention here, there is already interventionism. On the other hand, an official U.N. intervention could be a positive intervention."

Cepeda's statements were made during the course of the Seventh Forum on Peace and Human Rights, held on Feb. 19-20 in the capital city of Bogotá. The forum was organized by the PCC, the Patriotic Union (a political front organization created by the communist guerrilla group, FARC), and the Permanent Committee for Human Rights, another communist front organization headed by former foreign minister and fellow traveller Alfredo Vásquez Carrizosa.

The forum ended on Feb. 20 with a formal petition calling on the United Nations to name a mediator in the Colombian "conflict," who could facilitate a so-called human rights agreement identical to that signed by the Salvadoran government with the Farabundo Martí Liberation Front (FMLN). That human rights pact with the FMLN was the "foot in the door" which eventually led the Cristiani government to hand over half of its political power to the guerrillas. Known as the San José agreement, it forced the government of El Salvador to "respect human rights" even while the United Nations refused to view the FMLN as an agent of human rights violations, and therefore exercised no control over the Salvadoran "rebels."

The proposal for a U.N. intervention was initially made by Alfredo Vásquez Carrizosa during his opening presentation to the forum. Vásquez proposed "calling upon the United Nations to provide the assistance of a mediator to the parties in conflict." He also proposed the deployment of internation-

al observers, that a group of notables assume responsibility for issuing proposals that could reinstate dialogue (which has been 13 years in the making!), and that the guerrillas not be accused of complicity or collaboration with the drug trade.

As it turned out, the proposal for U.N. mediation was the real objective of the forum. "If this alone is achieved as a result of the forum, we will have met our objective," Cepeda asserted.

U.S. policy objective

The proposal for U.N. mediation in Colombia is not the brainchild of the communists, however, since they are but receivers and transmitters of orders. On Nov. 24, 25, and 26 of last year, the Jesuits' Center for Research for Popular Education (CINEP) organized a forum on the participation of the United Nations in the internal affairs of El Salvador. At that conference, Jesuit priest Rodolfo Cardenal, from Central American University in San Salvador, explained that every peace agreement in El Salvador has occurred thanks to the United States' interest in "peace."

The truth is that U.S. foreign policy in this period is directed at nothing less than eliminating the armies of the Ibero-American countries, as has already been accomplished in Panama by a U.S. invasion force, to suffocate any nationalist resistance to the so-called new world order. Under such a one-world order, the United Nations would fulfill the role of supranational government under the primary control of the United States, England, France, and Russia.

Within this schema, the United States is prepared to place the Marxist guerrilla minorities in power in such countries as Nicaragua, El Salvador, Guatemala, and Colombia, to assist the process of "disappearing" the national armies of these countries.

The Colombian communists, who rely directly on the support of the FARC guerrillas and indirectly (through the so-called Guerrilla Coordinator) on the support of other Marxist groups such as the ELN and EPL and the legalized M-19 terrorists, revealed in their forum that they are prepared to collaborate with Washington's scenario. However, many of the communists in both the PCC and the FARC also see U.N. intervention in the country as an opportunity to increase their own political and military power, in hopes that the key will turn and Russia's communists will recapture control of that nuclear power.

Thus, the Seventh Forum on Peace and Human Rights had the explicit intention of forcing a renewal of dialogue and negotiations between the government and the Marxist guerrillas, at precisely the moment in which popular pressure has forced the César Gaviria government to suspect those talks.

President Gaviria has rejected the proposal to accept U.N. mediation on several occasions, including earlier this year when he stridently dismissed Nobel Peace Prize winner and former Costa Rican President Oscar Arias, when the latter arrived in Colombia to offer himself as mediator. However, Gaviria does not disagree with the idea of dialogue with the terrorists. Rather, because of widespread popular opposition to negotiating with terrorists who are daily kidnapping, blackmailing, and murdering Colombians, current conditions are considered "inappropriate" for renewing such dialogue.

The communists' forum was, however, intended to change the national consensus, and to try to force the government into a position which would eventually lead to abandoning national sovereignty to a United Nations' supranational government.

Interview: Alfredo Vásquez Carrizosa

The model is El Salvador

The following interview with former Colombian foreign minister Alfredo Vásquez Carrizosa, currently director of Colombia's Permanent Committee on Human Rights, was conducted by Javier Almario during the Seventh Forum on Peace and Human Rights, held in Bogotá on Feb. 19.

EIR: Can you explain for us your proposal for the United Nations to intervene in the Colombian conflict?

Vásquez: The United Nations should intervene because it needs to take account of what factors, what groups are in conflict, to submit a proposal for them to decide. I propose that it be the United Nations which comes to mediate. But it must mediate among two or three adverse groups. Understand that the United Nations cannot come up with a concept outside the framework of what is being discussed here.

EIR: This role of the United Nations in resolving the internal problems of nations is new. . . .

Vásquez: It isn't new. It has already been done in El Salvador, in an internal war in El Salvador. It is doing it and has done it. In Honduras it is doing it. It has done it.

EIR: But it is new for the U.N. to get involved in the internal affairs of a country.

Vásquez: It is new, but there already exists a mediator for an internal war.

EIR: Is what the United Nations did in El Salvador the example for Colombia?

Vásquez: Of course, El Salvador. The Farabundo [Martí Liberation] Front was at war with the government. Peace was achieved with United Nations' mediation.

EIR: Ever since Bush announced the new world order the United Nations has been an instrument of foreign policy of the United States and England.

Vásquez: That the United States has a very great influence in the United Nations is indisputable. But the United Nations is the only world organization to which one can resort to achieve peace in the country.

EIR: How many U.N. personnel would be required to verify the agreements and to eventually oblige the government and the guerrillas to comply with them?

Vásquez: I couldn't know. It all depends on the zone which is going to be verified.

EIR: Don't you believe that this would lead to a foreign military intervention?

Vásquez: Forgive me for not answering because I must go now.

Interview: Manuel Cepeda

U.N. intervention is welcome in Colombia

Colombian Communist Party Secretary General Manuel Cepeda was interviewed by Javier Almario during the Seventh Forum on Peace and Human Rights, on Feb. 19.

EIR: Do the Communists support Alfredo Vásquez Carrizosa's proposal to seek a U.N. intervention to facilitate peace negotiations?

Cepeda: We totally support Vásquez Carrizosa's proposal. We believe that if this alone is achieved as a result of this forum, we will have met our objective.

EIR: Why do you support U.N. intervention?

Cepeda: We think that a U.N. intervention could unblock the negotiations between the guerrillas and the Colombian government, because achieving peace in the country requires the entrance of a major authority. And the United Nations has that strong authority.

EIR: Aren't you afraid that the U.N. intervention would lend itself to a foreign intervention in the internal affairs of Colombia?

Cepeda: No, because the U.N. action to verify the agreements is a quiet intervention, it is almost a matter of a secret action.

EIR: But the U.N. is an instrument of U.S. foreign policy. The U.N. massacred Iraq, invaded Somalia, granted the Serbs permission to carry out ethnic cleansing in Yugoslavia, and is starving the Haitians to death. . . .

Cepeda: But there are many different interests in the United Nations other than those of the United States. Note that the intervention of the United Nations in El Salvador and in Nicaragua was very positive. In El Salvador, with the peace process. In Nicaragua, the U.N. achieved the demobilization of the Contras.

EIR: But an intervention of the United Nations would lead to U.S. troops intervening in the country by putting on blue helmets. . . .

Cepeda: Military intervention in the country is already a fact. The DEA [U.S. Drug Enforcement Administration] is already here, there are innumerable U.S. military advisers, there are U.S. bases in San José del Guaviare, there are U.S. bases in Amazonas. We already have U.S. intervention here, there is already interventionism. On the other hand, an official U.N. intervention could be a positive intervention.

EIR: In El Salvador, an intervention of 10,000 people was required. How many U.N. agents will have to intervene in Colombia?

Cepeda: This remains to be resolved. Colombia is a very large, very complex country with a much more difficult guerrilla process. Here, the central issue is how many people will it take to verify compliance with the agreements between the government and the guerrillas.

EIR: So the U.N. intervention in Colombia will be more prolonged than in El Salvador?

Cepeda: Yes, in Colombia the process will be much more difficult, and much slower than in El Salvador. There, the guerrillas took 10 years. Here, it has half a century.

EIR: Do you think the new Clinton government favors negotiations between the government and the guerrillas?

Cepeda: I'm not going to stick my neck out to defend Clinton.

EIR: But the Inter-American Dialogue organization, which is handling Clinton's foreign policy, proposes using the political weight of the United States to resolve conflicts in every country through negotiations.

Cepeda: Well, that position could be positive.

Mulroney resigns, as Canadian crisis grows

by Gilles Gervais

On Feb. 24, 1993, Canadian Prime Minister Brian Mulroney announced his resignation as head of the Conservative Party, thereby becoming the seventh prime minister in Canadian history (since the beginning of Confederation in 1867) to quit his duties as head of Her Majesty's government while still in office.

Among the former prime ministers who resigned, only three were forced to do so citing "ill health": John Abbott (June 1891), Robert Borden (July 1920), and Mackenzie King (November 1948).

Mulroney's exit from politics had less of the theatrics of his predecessor, the flamboyant Pierre Elliot Trudeau, who suddenly quit the prime ministership in early March 1984, coming to his final abrupt decision during a famous wintry midnight walk in the woods.

Mulroney's decision did not come as a total surprise, but it did come a few weeks after he had assured his cabinet and fellow Canadians that there was no basis whatsoever to the rumors of his imminent departure and that he would lead his Conservative Party troops in the next federal elections.

Conservative Party insiders are now pondering how to come up not only with a candidate who can unify the party at the national convention in June, but with one who will be able to hold on to power in the upcoming elections, given that the Conservatives have been stuck below 21% in the popularity polls for the last three years.

They will be looking for a new Conservative Party leader (who will then become prime minister, under the parliamentary system) who will be able to avoid the fate of the Liberal Party's John Turner, the Bay Street lawyer and prime minister (briefly) who lost badly to Mulroney's Conservatives in the 1984 general elections that followed Trudeau's resignation. The Conservatives are hoping to replicate the exploit of Great Britain's John Major in salvaging an unpopular government.

The Mulroney legacy

Under the tenure of Mulroney, the Canadian economy has posted records for financial and physical hardship, while the social and political structure has become increasingly fragmented. The three-year-old U.S.-Canada Free Trade

Treaty has had a devastating impact in Canada, with at least 350,000 Canadian jobs lost. In the prairie provinces, the Minneapolis-based food cartel companies have repositioned their grain facilities—elevators, shipping logistics, etc.—across the U.S.-Canadian border, to undercut independent farmers on both sides. The Canadian Wheat Board is insolvent.

Meanwhile, the vaunted financial empires of Olympia and York real estate, Bramalea, and other famed Canadian-based companies, are bankrupt. Fully 15% of the value of the Toronto stock exchange has been wiped out over the past two years, as Anglo-American money speculation operations collapsed in the world depression.

Canada is wracked by federal and provincial budget crises. In response, Mulroney took such actions as the sweeping Goods and Services Tax (GST), which has cut deep into living standards and slowed economic activity as a whole.

In the face of this real decline in the Canadian economy, it is revealing how the City of London has lauded Mulroney's term in office. The *Financial Times* of London, in an editorial on Feb. 25, praised the Canadian prime minister, saying he "may well turn out to have laid the foundation for a new era of Canadian prosperity." As for the fact that only 14% of Canadians say they approve of Mulroney, it argued that they have an "unfair" perception of Mulroney's policies as being responsible for their personal economic hardships. "Most of the causes of the recession lay outside the prime minister's control," the paper claimed. The London newspaper backed the not-yet-ratified North American Free Trade Agreement (NAFTA) among Canada, the United States, and Mexico, and the imposition of the hated Goods and Services Tax, as among Mulroney's successes.

Mulroney said in a recent interview with the Cable News Network that his government would ratify the NAFTA accord before the end of the parliamentary session in June, when he steps down.

Key among Mulroney's achievements, the *Financial Times* continued, "has been to hold the federation together during a period which has seen three federal states in Europe break up," referring to the Soviet Union, Czechoslovakia, and Yugoslavia.

Mulroney did yeoman service for the Anglo-American free-trade cause when, in December 1988, he hosted the mid-term session of the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) in Montreal. The 10-day affair was staged with great pomp and ceremony, covered by close to 1,000 journalists. However, despite the theatrics, the negotiations ended in deadlock when continental Europe, especially France, refused to yield to the Anglo-American demands for cutting government subsidy to agriculture.

On the thorny issue of Canada's national debt, the largest per capita debt among industrialized nations, the federal government has just been taken off the hook at the March 1 joint press conference given by Canada's three New Democratic

Party (Socialist International) provincial premiers, who represent 14 million Canadians out of total of 28 million. Ontario's Bob Rae, Saskatchewan's Roy Romanow, and British Columbia's Mike Harcourt jointly called "for a national debt-management program with the provinces taking the lead because of a political vacuum at the federal level," reports the *Financial Post* of Toronto.

On the issue of Quebec's separation, Quebec nationalists view the departure of Mulroney as the end of a 25-year policy designed to keep Quebec in Canada by putting a French-speaking Quebecer in Ottawa (starting with Trudeau in 1968) to placate the Quebec population and antagonize the nationalists. Their view is that an Anglophone prime minister from outside Quebec will accelerate the separation of Quebec from Canada.

The unique combination of support from western Canada and Quebec, which provided Mulroney with two majority governments over the last eight and a half years, has now disintegrated. Regional parties in the prairie states and in Quebec will split the vote and probably result in a minority government in Ottawa this autumn.

The British calculations

While the British may publicly praise Mulroney (and while he was in office, they could be assured of control over this Quebec-raised, French-speaking Catholic prime minister of Irish descent), it simply did not make any sense to keep Mulroney in the political picture in the post-Reagan-Bush-Thatcher era. For British Canada, Mulroney was put in place to be a sounding board for the second Reagan administration. Under President George Bush, Conservative Brian Mulroney was always there standing by, ready to give a helping hand in facilitating the implementation of all aspects of the "new world order," including its free-trade component.

With the coming to power of Democrat and Rhodes Scholar President Bill Clinton, a more appropriate candidate for the Canadian prime ministership would have to be found, in the British view—someone like the present leading Conservative Party contender, Kim Campbell, a legal scholar who studied in London, plays the 'cello, and is fluent in Russian.

The British elites have fixed the electoral process such that an option always exists for a new Canadian prime minister to be elected in concert with the United States presidential race. Given the fact that Canada operates according to the British parliamentary system, there is a flexible electoral calendar; elections are usually called after a government has been in power for four to five years, and that timetable can be adjusted as the need arises. If a new U.S. President is judged not to be malleable enough to adopt British policies, then the British will resort to using the Canadian prime minister and/or his British counterpart in some combination of a "Mutt-and-Jeff" routine capable of handling a recalcitrant American President.

CEC campaign worries the establishment

The call for a Hamiltonian economic program instead of free trade has struck a chord in a country devastated by British economics.

The release of new statistics documenting Australia's economic collapse, in the run-up to the March 13 elections, belied the airy "recovery" promises of ruling Labor Party head Paul Keating and Dr. John Hewson, the former International Monetary Fund employee who now heads the opposition grouping known as the Coalition. In such a setting, the Hamiltonian economic policies enunciated by the Citizens' Electoral Councils (CEC), the cothinkers of Lyndon LaRouche, have drawn considerable attention.

Although the CEC is also fielding 11 other candidates, including Senate teams in four of Australia's six states, it is the flagship campaign of Maurice Hetherington in Queensland for the federal House of Representatives, that has made it most apparent that this movement could break out of the control assigned to minor parties by the elites.

The latest economic figures are gruesome. On Feb. 24, the Bureau of Statistics reported that in three and a half years, Australia has lost 1,762 factories that used to employ 10 or more persons. On March 4, it was announced that Australia's foreign debt had risen to Aus \$168.25 billion, the highest on record. Sources say this is still a coverup and the actual foreign debt is in the range of \$200 billion. On March 5, statistics were released indicating that the average wage has fallen for the first time since World War II. Official figures for unemployed and underemployed have reached 2 million, out of a total population of 17 million.

It was no surprise, then, that in officially launching Labor's reelection bid on Feb. 24, Keating offered an extra \$55 million over the next four years to help people "die with dignity."

At the national level, Labor is now running neck-and-neck with the Coalition, which is composed of the Liberals and the once agriculturally based National Party. Former IMF hack Hewson, who heads the Coalition, has pledged to allow unemployment and interest rates to rise; has called for \$33 billion in spending cuts; has announced the most far-reaching privatization agenda in Australia's history; and has proposed to turn back the last 100 years of Australian labor laws. Hewson proposes that employees make individual work contracts with their employers, to replace union bargaining.

The CEC says that only Hewson's Coalition could make the Labor Party's suicidal policies look good.

Meanwhile, the governor of Australia's Reserve Bank (the equivalent of the Federal Reserve System in the United States) has announced that both Labor and the Coalition will have to reassess their spending promises if elected. Noted the Melbourne-based newspaper *The Age*, "The Reserve may warn the new government soon after the election of the need to trim spending."

Major dailies in the Hinkler district, where cattleman Hetherington is running his campaign, have given extensive coverage to Hetherington's economic proposals, based on the

American System concepts of Alexander Hamilton. The Bundaberg-based *News Mail* on Feb. 26 focused on Hetherington's calls for removing the powers of the Reserve Bank and reconstituting it as the Commonwealth National Credit Bank. "Such a bank would be the key to recovery, without blowing out our overseas debt even further," he said.

There has been extensive coverage of Hetherington's attacks on Hewson's goods and service tax (GST), which is a 15% tax on everything bought and sold, and which Keating has pledged that the Labor Party would also back, and of Hetherington's polemics against free trade and for tariff protection.

A poll taken by the *News-Mail* a week before the election rates Hetherington third out of the eight candidates running for the seat.

Predictably, the Australian friends of the Anti-Defamation League of B'nai B'rith intensified their ongoing slander operations against the LaRouche associates as the national election neared. Among numerous examples, the *Australian-Jewish News* came up with a special Queensland "supplement" edition, never seen in the state before, that published as its lead story a warning about Hetherington, "the most prominent candidate of the far right" in the country, "affiliated to the Lyndon LaRouche movement in the United States, which adheres to a range of conspiracy theories." It quotes World Jewish Congress head Edgar Bronfman's Australian sidekick, Isi Leibler, once again calling "for a government investigation into the increased activity of the LaRouche followers," who have "become a new force on the Australian far right wing." (For a three-part profile of the corrupt Leibler clan, see *EIR*, Feb. 5, Feb. 12, and Feb. 26, 1993.)

CAP tied to Letelier murder

The President of Venezuela is in hot water both at home and abroad, and many think he won't last out his term.

The trials and tribulations of Venezuelan President Carlos Andrés Pérez are fast spreading beyond Venezuela's borders. Indeed, in the immediate aftermath of his failure to force neighboring Colombia to deport two Venezuelan military officers who had participated in last November's coup attempt against him, Pérez's name has once again come into the limelight, this time linked to international terrorist activities.

The details surfaced during the Santiago trial of the former director of the Chilean Directorate of National Intelligence (DINA), Gen. Manuel Contreras. He is charged with participating in the 1976 assassination of former Chilean Foreign Minister Orlando Letelier in Washington, D.C.

According to the Chilean daily *Ultimas Noticias* of March 2, Contreras insisted that "the authors [of the assassination] were agents of the DISIP [Venezuela's political police], linked to the CIA." The Chilean newspaper *Mercurio* reported on the same day that "the former chief of the defunct DINA, Gen. Manuel Contreras, told magistrate Adolfo Bañados that . . . he had reached the conclusion that the CIA had ordered the attack" against Letelier.

This same conclusion is held by Venezuelan lawyer Pío González, who testified before Judge Bañados as a defense witness for Contreras on March 1. González's familiarity with the Letelier case stems from his work as an attorney for anti-Castro Cubans Orlando Bosch and Luis Posada Carriles, both accused of having bombed

a Cuban airliner in 1976, in which 73 people died.

Chilean newspaper *La Segunda* reported that during his testimony, González confirmed unequivocally that "Venezuelan-nationalized Cubans, who are members of the [Venezuelan] political police and at the same time are agents of the CIA, organized the assassination of former minister Orlando Letelier." Both the attack against Letelier, and the attack on the Cubana airplane were planned, according to González, at a meeting of anti-Castro Cuban exiles, held in Bonao, Dominican Republic in May 1976, just a few months before the attacks were carried out. At that time, Carlos Andrés Pérez was President of Venezuela and George Bush was director of the Central Intelligence Agency.

González explained at a press conference in Santiago that for some time, "Carlos Andrés Pérez has been the U.S. State Department's spearhead in Latin America. The Letelier case and the Cuban airplane disaster cannot be seen as isolated incidents. They form part of a constant, systematic trajectory of Mr. Pérez in favor of State Department interests." In response to questioning by journalists, González explained that "other examples of Carlos Andrés Pérez's interventionism in Latin America are his support for the U.S. invasion of Panama, the sending of troops to Central America, and the rupture of relations with Peru. All of these cases prove that Pérez, at the bidding of the State Department, wants to prevent the so-

cial and economic unity of Latin America which, because of similarity of principles and customs, is given to trade and territorial integration."

González added, "With Letelier's assassination, the United States sought to destabilize the Chilean government, a government which was not subservient to it, just as it destabilizes all of Latin America today by means of the foreign debt." Offering extensive documentation, González told the journalists of numerous cases of corruption involving what is known as President Pérez's "inner circle," which is identified in Venezuela with the associates of his mistress Cecilia Matos. The cases range from fraudulent sales of weapons to the Venezuelan Armed Forces, to terrorism and drug trafficking. González insisted that Pérez is fully aware of these illicit dealings.

The same week of the Contreras trial, Pérez also found himself harried by the repeated accusations of opposition journalists that he maintains a personal army of Central American and Caribbean mercenaries. Thus far, Pérez has managed to deal with the denunciation the same way he has dealt with accusations that he made a fortune by speculating with secret government funds—by simply declaring imperiously that, "out of respect for myself and for the dignity of my office as head of state," there was no need to respond to the charges.

With the same trademark arrogance, Pérez responded to the evidence in a recent U.N. Narcotics Council report identifying Venezuela as "the major money-laundering center in Latin America," by saying that money laundering is not a crime in his country! "The problem of dollar laundering is that we do not have legislation which establishes such a crime," he breezily informed reporters.

Party for sale: \$25 million a share

Salinas's efforts to sell the PRI to the country's shadier billionaires has triggered a national scandal.

At the beginning of the year, Government Secretary Patrocinio González Garrido expressed his government's concern over the links of certain political parties with the drug trade, and announced plans to investigate their sources of funding. But González, a member of the ruling PRI party, made no reference to the PRI itself. He should have.

On Feb. 26, the daily *El Economista*, owned by Bank of Mexico director Miguel Mancera Aguayo, reported that President Carlos Salinas de Gortari had attended a secret meeting, flanked by his uncle, Antonio Ortiz Mena—ex-president of the Inter-American Development Bank, and intellectual chief of the monetarist mafia that has taken possession of the country since 1983—as well as by PRI president Genaro Borrego. At that meeting, Salinas asked a group of prominent “businessmen” for their support for the 1994 presidential campaign, at the price of \$25 million per head.

On March 8, the magazine *Proceso* published the names and business affairs of 25 of these “businessmen,” the country's wealthiest and the principal beneficiaries of the auction of state-sector businesses in the last ten years.

Heading the list was Emilio Azcárraga Milmo, owner of the Televisa media consortium known for its defense of drug legalization. Known popularly as the “Cathedral of Satanism,” Televisa specializes in soap operas and programs in which Satanism, Dracula, drug traffickers, and prostitutes like Madonna are the stars.

Recently, Azcárraga explained his approach in an interview, stating that “Mexico is a country whose lower class is screwed-up, and is going to stay that way. We take these people out of their sad reality.” Azcárraga's late first cousin Gastón Azcárraga was reportedly an accomplice of drug trafficker and assassin Rafael Caro Quintero.

Such is the fame of Azcárraga that even his friend Juan Sánchez Navarro, owner of the Corona Brewery, told the March 8 issue of *Proceso* that Azcárraga “is a man outside of what is considered the paradigm of a businessman. . . . His mentality [is] rather low on the moral, intellectual order. . . . [His business is] an instrument that doesn't lend itself to society's well-being. And that is why Televisa is the way it is.”

Listed by *Forbes* magazine as the richest man in Ibero-America, Azcárraga was not shy in telling the President: “I have made so much money over the years, that I commit myself to giving an even larger amount.”

Also attending the meeting was Carlos Slim, a principal beneficiary of the state-sector privatizations carried out by Salinas, including Teléfonos de México and Banamex, which Slim acquired together with Roberto Hernández (reportedly as frontmen for President Salinas). Slim is second on *Forbes*'s list of the richest people in Ibero-America, and his interests are closely tied to those of Carlos Hank González, currently secretary of agriculture, and top head of Masonry in Mexico, by means of which he con-

trols a good portion of the country's political spectrum, within and without the PRI. Spokesmen for Hank González, through the magazine he owns, *Siempre!*, have often come out in favor of drug legalization.

Manuel Espinosa Iglesias was another invitee to the secret meeting, and is known not only for his fanatical adherence to the pro-drug monetarist doctrine of Milton Friedman, but also because his Banco de Comercio (before it was nationalized in 1982 by President José López Portillo) was the preferred bank of “El Negro” Durazo, a prominent drug trafficker who is now in jail.

To complete the circle, there was Miguel Alemán, Jr., son of President Miguel Alemán (1946-42) and famous for his close ties to the Hollywood mafia, Meyer Lansky, and the tourism empire of Acapulco. The younger Alemán attended the meeting as the PRI's secretary of finance.

The net result of what is now a national scandal—besides the immediate beneficiary, the leftist Party of the Democratic Revolution (PRD) of Cuauhtémoc Cárdenas, who has already asked that the PRI's registration be cancelled because it is financed by foreign interests—is the weakening of PRI President Genaro Borrego, who was unconditionally placed in the post by Salinas in order to ensure the nomination of the PRI's candidate for President in 1994. The ultimate beneficiary is Carlos Hank González who, through his leadership of Mexican Masonry, is the *zoon politicon* (political animal) of Mexico's narco-oligarchy. Hank, who likes to present himself as sent by Providence to save Mexico from disintegration, cannot be President because he is the son of a German national, but he consoles himself by making himself indispensable to Mexico's invisible government.

The missing secret files

All looks quiet on the surface, but beneath the calm a debate is raging about "lost" files.

Much of the paralysis in German politics today can be traced to the fact that politicians are increasingly engaged in covering up old scandals, which absorbs a good deal of their energy. The scene is reminiscent of the last two years of the Bush administration, and Bonn is facing national elections in October 1994.

Under a seeming calm, the scene is so explosive that the career of Economics Minister Jürgen Moellemann, vice chairman of the Free Democratic Party (SPD), was ended over a ridiculously minor scandal two months ago.

The end of that affair was interesting in two ways. First, the man who replaced him, Günter Rexroth, came from the Treuhand agency, where he headed the section dealing with the remains of firms which were part of the East German arms and drug-peddling empire run by assistant minister Alexander Schalck-Golodkowski (who also was an officer in the foreign intelligence of East Germany until late 1989). At least one of these "firms," IMES, had business with the Richard Secord-Oliver North operation known as the "arms-for-hostage" deal between George Bush and the Iranians. Most of the original East German files on secret talks between IMES and the CIA are allegedly missing, and it is not known which of these shadowy East-West "business relations" have lived on after the collapse of the East German state in 1990.

Was Rexroth made minister of economics because he did a "good job" at the Treuhand, administering the IMES heritage? The fact that he

was selected for that cabinet post by FDP chairman Otto Count Lambsdorff, a key player in transatlantic relations and, since May 1992, head of the Trilateral Commission's European section, points in this direction. Lambsdorff is also the man who maneuvered Rexroth into his post at the Treuhand in August 1991.

Second, was that Foreign Minister Klaus Kinkel replaced him as vice chancellor in the cabinet, and was also nominated the chief candidate to replace Lambsdorff as chair of the FDP at the party's next convention in June. Becoming chairman after only three years of party membership, as Kinkel would be, is very unusual in German politics, to put it mildly.

Before joining the party, Kinkel worked as deputy minister of justice, with Wolfgang Schäuble, state minister of the Bonn chancellery at that time, on sorting out and removing, in the weeks before the October 1990 unification of the two Germanys, sensitive files of the East German foreign intelligence apparatus (Stasi). "Sensitive" usually is a category for files that contain secret information identifying operations and personnel that are "still in business."

Two other persons helped in this file-sorting: a ministerial official of Wolfgang Schäuble's, Eckart Werthebach, and former Stasi Maj. Gen. Erhard Braun.

After the elections for the first all-German parliament in December 1990, Kinkel became minister of justice and Werthebach was made director of the Federal Agency for Consti-

tutional Protection. Then, in May 1992, Kinkel replaced Hans-Dietrich Genscher, who had been foreign minister for 18 years, and whose resignation was rumored to be related to "sensitive" Stasi files.

"Sensitive"? Well, Genscher played a key mediating role in the 1980 arms-for-hostages talks; some of the secret talks even took place at his home near Bonn. The director of the West German foreign intelligence agency during that period was Kinkel, and he had been one of Genscher's closest aides for several years.

So, a small, inner circle of politicians keeps the lid on some of the darkest intelligence affairs of the post-war period. And as the key persons have the most important posts in politics, all those affairs seem to be pretty much under control.

But beneath this calm, things are boiling. For example, on March 4, the parliament committee probing the IMES complex and related questions heard testimony from Philipp Jenninger, then head of the Bonn chancellery, on his 1982-85 secret talks with Schalck-Golodkowski. One of the issues being discussed between Bonn and East Berlin at that time was a joint venture of both German foreign intelligence agencies for various secret international transactions that would operate from Zürich, Switzerland.

Jenninger said that he could not recall all the details, but there were minutes at the chancellery on that period. Schäuble, however, testified that there were either no such files, or they had disappeared. This riddle remains unsolved, but thanks to Jenninger, it is now on the record that such minutes did indeed exist. The hint about Jenninger's talks about the Zürich joint venture came from Stasi files that ostensibly "escaped" the file-sorting operations of 1990, which may mean there is more to come.

International Intelligence

Australia blackballed from human rights meet

Asian nations have blocked Australia from voting at a United Nations regional conference on human rights that will be held in Bangkok at the end of March, the *Melbourne Age* reports.

Forty-five countries from Syria to Japan will have voting rights at the meeting, which will coordinate the Asian position for the U.N. human rights conference set for Vienna in June. "The Asian members appear to be closing ranks against the West on human rights," the *Age* quotes diplomats.

Australia's foreign policy has always been a "cat's paw" for Anglo-American interests in the region. The mechanism used by the Asian countries to exclude Australia from full participation in Bangkok was the fact that the U.N. technically groups Australia and New Zealand with western countries. The countries that pushed the hardest to keep Australia out included India, Pakistan, Syria, and Yemen.

At a U.N. workshop on human rights during the last week in January, Indonesia, currently head of the Non-Aligned Movement, emphasized that the right to economic development is the most important issue with respect to human rights. This seems to be the theme that the Asian bloc is adopting going into Vienna. Indonesian Foreign Ministry official Wiryono Sastrohandjojo explained, "The West takes the view that development is not a right but the result of your efforts. We think otherwise."

Zambia proclaims state of emergency

The government of Zambia declared a state of emergency the first week in March, and arrested seven senior Army officers, amidst charges spreading throughout the country of a coup plot against the regime of President Frederick Chiluba, which has been imposing a draconian austerity policy at the behest of the International Monetary Fund and

World Bank.

The British Broadcasting Corp. reports that the *Times of Zambia* has had sensational revelations about the opposition UNIP party plotting a "zero option" scheme for overthrowing the government, through a national campaign of strikes, industrial disruptions, and the like.

The Zambian press quotes former President Kenneth Kaunda claiming that he was forced out of power as part of an "American plan" for the overthrow of his regime. Chiluba came to power in October 1991, in what was touted as a "trend-setting" democratic free election. Before that time, Zambia had been a one-party state.

Expert on Balkans rejects 'British myth'

"It's a myth invented by the British, for political reasons, that an intervention against Serbia would require hundreds of thousands of troops prepared to engage in a long ground war," an Austrian-based journalist said in a discussion on March 5. "This was repeatedly said, to create an atmosphere that it was not possible to do anything against Serbia, whereas, in reality, it would be very easy to stop the Serbians.

"How else can you explain that the great military apparatus of the West, which for years was bragging about its capability of keeping the Warsaw Pact in check, is so afraid of a military force whose equipment is not so good, and which is extremely vulnerable to effective air attacks by the sophisticated airplanes that the West has in its arsenals? All this has nothing to do with military thinking, but everything to do with politics, and the British and the French are just playing their usual role as 'Munich' powers."

The source emphasized that for months, there has existed a perfectly viable "Balkans Storm" military plan for defeating Serbia within a short period of time, but the plan has not been implemented because of political obstruction from Britain and other quarters. He said the plan would be "very cheap

in terms of loss of lives," since it would mostly rely on surgical strikes on easily identifiable Serbian targets, including Serbian emplacements around Sarajevo; Serbian military bases, including in Bosnia; bridges over the Drina River used by the Serbian forces; Serbian gasoline dumps; the military airport outside Belgrade; and the lightly protected headquarters of Bosnian Serb leader Radovan Karadzic.

The only immediate obstruction to carrying out this plan, ironically, is the United Nations itself, since the U.N. troops on the ground "are now hostages, since they will be targeted if there is action against Serbia, but they are self-created hostages, created by the U.N. itself."

Thai destabilizer Sulak proposed for Nobel Prize

The godfather of the synthetic "democracy movement" in Thailand, known to be run by western intelligence services, Sulak Sivaraksa, has been nominated for the Nobel Peace Prize. Northern Ireland peace campaigner Mairead Maguire, a Nobel laureate, wrote in a letter to the Nobel Institute in Norway, released in Bangkok on March 6: "For more than 30 years he has been working non-violently for peace, social justice, and a form of development which truly expresses the culture and answers the needs of ordinary people."

Sulak, then in exile, was the key figure behind the demonstrations that erupted into violent action last May, resulting in confrontation with the Thai military and killing of several hundred people. The demonstrations resulted in bringing down the government and a significant weakening of the Thai military, a key Anglo-American goal for the region.

An interview with Sulak published in *EIR* on June 12, 1992 made clear that Sulak's program for "development" is to deny the Thai people access to even the most primitive kinds of technology, in favor of the "joy" of backwardness and poverty.

Sulak returned to Thailand from abroad

once a government more to his liking was sworn in six months ago. He no doubt met with Maguire and other Nobel Peace Prize winners who were in Bangkok in February for the purpose of putting pressure on the Thai government to treat Burma as a pariah state—much the same way that Asian countries are being encouraged to treat North Korea.

Major parties lose in German state election

Municipal elections in the German state of Hesse on March 7 resulted in losses for the largest parties, and substantial gains for the right-wing populist Republikaner party. The vote reveals a fragmentation of the electorate that is also evident in Italy, France, and other European countries.

The Social Democratic Party lost 8% statewide, with losses as high as 13% in Wiesbaden and 21% in Kassel.

The Christian Democratic Union, the second-largest party, which forms the opposition in most Hesse municipal parliaments, lost 3% statewide. The most significant gains were made by the Greens which went from 9% to 11% of the vote, and the Republikaner party, which jumped from 0.7% to 7.8%. The Greens gained 25% in Darmstadt, and the Republikaner gained 13% in Wiesbaden.

Part of the story behind the shift in votes is the low voter participation of 71.3%, which is the lowest since World War II, and 7% lower than four years ago.

Solzhenitsyn calls for presidential rule

A statement by novelist Aleksandr Solzhenitsyn supporting strong "presidential rule" in Russia was read out over Russian television on March 7. Solzhenitsyn said that in a huge country like Russia, it is impossible to rule without a strong President.

His statement came in the form of an

"Open Letter to Ambassador Lukin," who represents Russia in Washington. Some analysts believe it is intended to bolster the strength of Boris Yeltsin.

In another comment on the crisis, Valeri Zorkin, the head of Russia's constitutional court, said in an interview published with the German weekly *Der Spiegel* on March 8 that an institutionalized roundtable involving all parties is the only way out of Russia's crisis.

There is no perspective for governing the country with one political camp against the other, which would only lead to a new form of dictatorship, Zorkin said. He hinted that the fate of President Yeltsin will be determined either by his ability to launch such an all-party roundtable, or his failure to do so.

Mubarak denounces Islamic fundamentalism

Egyptian President Hosni Mubarak joined Israel and the Anglo-American media in calling for an international effort against Islamic fundamentalism, in an interview with the *Washington Post* published on March 5. Mubarak defended his government's "very heavy hand" against Islamic groups in Egypt.

Referring to the bombing of the World Trade Center in New York, Mubarak said, "This proves that terrorism is becoming a plague spreading all over the world, and it would call for international cooperation to resist this unhealthy phenomenon.

"For a certain period of time, it was thought it's some sort of local phenomenon concentrating in the Middle East. But now we believe this shows it's not a local phenomenon. It's spreading," said Mubarak.

The same line came from Islam Karimov, the President of the Central Asian Republic of Uzbekistan, in an interview with foreign correspondents on March 4. "Islamic fundamentalism threatens Uzbekistan," he said. "Fundamentalism begins when religion starts interfering in politics. . . . It does not suit our country."

● **EGYPT AND TURKEY** have both sent senior diplomats to Baghdad to take up diplomatic duties, against the wishes of the U.S.-led anti-Iraq coalition in which both countries play a leading role. Turkey will reopen its embassy in Baghdad, while Egypt will be sending a senior diplomat at the consular level. The move is said to indicate their belief that Saddam Hussein is not expected to leave power in Iraq for some time.

● **JOHN DEMJANJUK** conducted a three-day hunger strike in his Jerusalem prison March 1-3, to protest a nine-month delay in the Supreme Court's ruling on his appeal. His lawyer Yoram Sheftel accused the judges of a "double standard," and said that Israel's legal establishment would be "the happiest in the world" if the elderly Demjanjuk died in prison. Demjanjuk was sentenced to death for war crimes that he did not commit.

● **FIVE MEMBERS** of an Israeli military intelligence unit died when a missile exploded with which they were practicing to murder Iraqi President Saddam Hussein, according to the London *Sunday Times* of March 7. The incident occurred Nov. 5, 1992 in the Negev Desert, and after the accident, the operation was canceled, according to the report.

● **AFGHAN** rival groups reached an agreement on March 7 that would let President Burhanuddin Rabbani remain as head of state for 18 months, while his rival, Gulbuddin Hekmatyar, would serve as prime minister. The post of defense minister was not decided upon yet. A cease-fire is to take effect immediately.

● **THE JAPANESE** Socialist Party has vowed to oppose Prime Minister Kiichi Miyazawa's proposal for Japan to assume a permanent seat on the U.N. Security Council. Such a move would mean building up Japan's military strength, the chairman of the largest opposition party said. "We are completely against such an idea."

Cult Awareness brainwashers, Galen Kelly exposed at last

by Warren A.J. Hamerman

Self-styled "cult deprogrammer" Galen Kelly, who is actually a professional kidnapper and brainwasher, was indicted on March 3, 1993 by a federal grand jury at the U.S. District Court in Alexandria, Virginia on a felony charge that he kidnapped Debra Dobkowski on May 5, 1992. Sources close to the kidnapping investigation believe that other individuals are also likely to be indicted. The kidnapping for which Kelly has been indicted is described in the prologue to a new book to be released this month by Executive Intelligence Review, entitled *Travesty—A True Crime Story*. The indictment comes just as Kelly and his cronies in the Cult Awareness Network (CAN) had geared up a propaganda campaign to present themselves as legitimate consultants on so-called cults in the aftermath of the Feb. 26 bombing of the New York World Trade Center (being blamed on Islamic radicals) and the Feb. 28 shootout between the Bureau of Alcohol, Tobacco, and Firearms (ATF) and the Branch Davidian religious group in Waco, Texas.

Kelly is not just another thug; he is part of an international apparatus of Israeli, American, and British secret intelligence communities' "wetworks" capability. Kelly is on the board of JINSA, the Jewish Institute for National Security Affairs, a liaison group between Israeli and American military establishments that is suspected of having been at the center of the Jonathan Pollard spy ring. Kelly is also the security henchman and a paid operative of CAN.

Immediately after the Waco, Texas incident erupted, Kelly and one of his CAN deprogramming sidekicks named Rick Ross appeared on national media as experts to "explain" the events. According to various media reports the central "deprogramming" adviser to the ATF and FBI on the Branch Davidian sect is, in fact, the self-same Rick Ross. Along with Kelly, Ross is a leading deprogrammer for CAN. Ross

is a convicted jewel thief. He was arrested in November 1975 and pled guilty to the crime of Conspiracy to Commit Grand Theft Second Degree-Open End, according to a Phoenix Police Departmental Report. Ross was under criminal investigation in Washington state for a failed 1991 deprogramming attempt.

Ross was publicly described by CAN Executive Director Cynthia Kissler as "among the half-dozen best deprogrammers in the country." Priscilla Coates, the director of CAN in Los Angeles, said of Ross: "Rick has helped me with all kinds of questions. He has also competently counseled many parents and cult members." Ross is a member of two national committees for the Union of American Hebrew Congregations and an outspoken critic of Christian fundamentalist groups. He is past chairman of the Religious Advisory Committee to the Arizona Department of Corrections and of the International Coalition for Jewish Prisoner Services of the B'nai B'rith International, Washington, D.C.

The victim of Kelly's latest kidnap indictment is Debra Dobkowski, the roommate of the intended target, who was on her way home from work late at night when she was grabbed by two men and two women and forcibly taken to Leesburg, Virginia, some 40 miles northwest of Washington. On the way, she asked one of her abductors his name and he replied, "Galen Kelly," according to court papers. A study of telephone records showed that the mother of Dobkowski's roommate had placed calls to the Cult Awareness Network in Chicago three months before the abduction.

Kelly was to be arraigned in U.S. Magistrates Court in Alexandria on March 15. Assistant U.S. Attorney Lawrence Leiser told the media that, if convicted, Kelly faces a maximum sentence of up to life in prison. Kelly, 45, was acquitted Dec. 31 of plotting to kidnap Lewis du Pont Smith.

What is CAN?

"We're not a criminal organization, we don't engage in kidnappings," was the public comment of CAN's Cynthia Kisser, upon hearing of the arrests last September of Galen Kelly, Don Moore, Newbold Smith, Bob Point, and Tony Russo for conspiracy to kidnap LaRouche associate Lewis du Pont Smith. Oh, but the lady doth protest too much.

The evidence that has emerged from what has been called the "Kidnappers, Inc." trial, only provides more confirmation that the Cult Awareness Network is exactly what Kisser says it is not.

Originally called the Citizens Freedom Foundation, CAN was founded in 1974 by Henrietta Crampton and a small group of advocates of "deprogramming," a euphemism for making someone change his or her beliefs by force, which is otherwise called "brainwashing." Crampton described Ted Patrick as a prime force behind the formation of CFF.

Patrick, a pioneer of "deprogramming" who has been convicted numerous times for violent crimes, wrote in his book *Let Our Children Go!* that deprogramming involves "kidnapping at the very least, quite often assault and battery, almost invariably conspiracy to commit a crime and illegal restraint."

Since its founding, CFF changed its name to CAN, obtained more prominent sponsors, and broadened its affiliations; but it has always remained the same—a clearinghouse and referral service for people who, for a fee, will do whatever it takes to break a targeted individual from his or her beliefs.

Bucknell University religion professor Larry Shin told the *Philadelphia Inquirer* in 1992 that deprogramming is "the most destructive of the legacies of the great American cult scare. . . . CAN is much closer to a destructive cult than most of the groups they attack."

From the mid-1980s forward, CAN has functioned as the most active of a throng of so-called anti-cult organizations which sprang from the ravages of the counterculture. Such groups as the Jewish Community Relations Council's (JCRC) Task Force on Missionaries and Cults, the American Family Foundation, the International Cult Education Project and the Interfaith Coalition of Concern about Cults, all share interlocking boards of directors and funding. They give each other awards and share referrals. Through these associations, CAN has enjoyed the support and protection of powerful elements of the eastern liberal financial establishment.

It was through CAN that all the conspirators in Kidnappers, Inc. became associated.

'There's money to be made'

When E. Newbold Smith wanted a kidnapper/deprogrammer to go after his son, Lewis du Pont Smith, he called CAN, and they referred him to Galen Kelly, who in turn received payments from CAN. When Smith needed a psychiatrist who would testify to have his son Lewis declared mentally incompetent, Smith called CAN and they referred him to Dr. David Halperin, a board member of the American

Family Foundation, CAN's sister organization. Don Moore needed work after he was fired from the Loudoun County, Va., Sheriff's Department for rummaging through department files. So, as he told another former sheriff's deputy, Doug Poppa, after he sought to recruit Poppa to the "Kidnappers, Inc." scheme, "I'm working for CAN." Moore added, "There's money to be made in the anti-cult work." And when Moore and Kelly wanted legal cover for their kidnapping plans, lawyer Bob Point offered to provide that cover under the auspices of the work he does for CAN.

Cynthia Kisser has gone to great lengths to deny CAN's involvement in kidnappings and coercive deprogrammings, but there is ample evidence that points precisely to that.

Estimates are that CAN maintains a network of 20 to 25 full-time deprogrammers, and 30 or so part-time deprogrammers. Each full-time deprogrammer handles approximately 25 deprogramming jobs per year, making a conservative estimate of over 500 deprogrammings per year. Of those deprogrammings, some 25% involve outright kidnapping. The rest involve "detaining" the victim against his or her will. It has been reported that at the 1992 CAN conference in Los Angeles, a CAN deprogrammer claimed that over 2,000 deprogrammings occurred in the United States in the last year.

Occasionally, deprogrammers are arrested. Most frequently they plead guilty to lesser charges and spend little or no time in jail. Often they go scot-free.

At CAN's national conferences and local meetings, family members interested in having someone kidnapped or deprogrammed can meet professionals like Galen Kelly, whom they can hire. CAN claims to maintain files on over 1,000 organizations which it deems to be "destructive cults," and it distributes hate literature on many of them. But if an inquirer asks for more information about a particular organization, CAN will eagerly refer the inquirer to their "experts" on the particular organization. The "experts" are deprogrammers, who, for a fee, will arrange a kidnapping/deprogramming. A typical "deprogramming" fee is \$20,000.

Cynthia Kisser has personally referred callers to Galen Kelly as CAN's "expert" on LaRouche.

A critical element in CAN's deprogramming operations is maintaining a continuous barrage of its hate propaganda in the major media. If CAN succeeds in creating a hostile environment around a particular target, that limits or mitigates the reaction if they get caught. Such an effect can certainly be seen in the case of the December 1992 Kidnappers, Inc. trial in Virginia.

There has also been no shortage of credulous journalists who will do CAN's bidding. Former Loudoun County Sheriff's Lt. Don Moore referred to this type of operation with respect to the political movement around Lyndon LaRouche, as "busting the covey." Patricia Lynch, a former NBC reporter who produced several TV slanders against LaRouche in the mid-1980s, testified that Priscilla Coates, the head of CAN in the mid-1980s, was a major source for her stories.

Moore had regular contacts with reporters in Washington, D.C., Loudoun County, Va., and Philadelphia.

In any case, the arrest of Newbold Smith, Kelly, Moore, and Point was not the first time that CAN had to disavow illegality by its members. In October 1990, the Rev. Michael Rokos, an Episcopal priest, who was then president of CAN, resigned after it became publicly known that he had a sexual preference for young boys.

At that time, news stories broke in the *Baltimore Sun* and elsewhere that Rokos had been arrested in July 1982 for soliciting sex with a Baltimore vice squad officer posing as a minor. According to an affidavit from arresting officer Joseph G. Wyatt, Rokos solicited him, saying, "I want you to tie me up, put clothespins on my nipples, and make me suck your dick."

While hiding his perverted criminal past, Rokos spoke before law enforcement and civic groups slandering LaRouche. He portrayed himself as an expert on "political cults" and "Satanism." Rokos also fraudulently portrayed himself as the chaplain for the Maryland State Police.

Another embarrassment CAN suffered was the defection of "cult deprogrammer" Gary Scarff. In November 1991, Scarff told a Los Angeles press conference that he had falsely

claimed to be a survivor of the 1978 mass suicide by the People's Temple followers of the Rev. Jim Jones in Guyana. Scarff said he lied in order to raise "hundreds of thousands of dollars" for the Cult Awareness Network. According to a sworn affidavit, Scarff says he was associated with CAN for ten years. His affidavit recounts his participation in kidnappings and deprogrammings. During the preparations for one deprogramming, Scarff says, he was sodomized by deprogrammer Ray Brandyberry. According to Scarff, Cynthia Kissler was actively involved in organizing deprogrammings. He also accused CAN attorney Ford Greene of drug abuse and homosexuality.

Helen Overington: a case study

Sometimes a CAN deprogramming does not need the use of thugs to forcibly kidnap someone. In those cases, CAN uses other forms of pressure and intimidation to break the target's beliefs. An example of this is the case of Helen Overington.

Helen Overington is a former financial and active political supporter of the LaRouche movement. When LaRouche associate Rochelle Ascher was convicted on securities violations in 1989, and given a barbaric 86-year sentence by a Virginia jury (later reduced to 10 years by the judge), Mrs. Overington

EIR releases 'Travesty: A True Crime Story'

Travesty—A True Crime Story, detailing the sensational Lewis du Pont Smith kidnapping case in relation to the railroad of Lyndon LaRouche was released by Executive Intelligence Review on March 17. This 254-page paperback is the shocking story of one of the greatest cases of travesty of justice in the 20th century. In the same Alexandria, Virginia federal courthouse, virtually four years to the day after American political statesman Lyndon H. LaRouche, Jr. and six associates were railroaded, five kidnapers were acquitted of charges that they had plotted and conspired to violently kidnap and forcibly "deprogram" Lewis du Pont Smith, an heir to the du Pont fortune, and his wife Andrea Diano Smith, because they had joined with LaRouche to fight for the cause of bettering mankind.

The kidnapers were caught on over 60 hours of surveillance tapes, where they plotted their crimes in lurid detail. Both the criminals charged and their lawyers in the Kidnappers, Inc. case were the very same men who had thrown LaRouche in prison for life when they were working for the federal government.

Yet the kidnapers got off scot-free.

Travesty is written in the form of a "true crime" story, and presents detailed evidence of:

- The inner workings of Kidnappers, Inc., a national kidnap-for-hire ring called the Cult Awareness Network (CAN), which reportedly arranges more than 500 kidnappings and forcible deprogrammings per year.

- The complicity of the Anti-Defamation League (ADL), an organized-crime hate group, in violent attacks against LaRouche and his associates, including a near-miss assassination of LaRouche on Oct. 6, 1986 in the small Virginia town of Leesburg.

- How a top-secret unit of the U.S. military was in the center of the 400-man invasion of Leesburg, which included use of helicopters, an armored personnel carrier, and sniper teams. For the first time in print, details are revealed showing that on Oct. 6, 1986, LaRouche's enemies planned to assassinate him and his wife Helga during the raid, whose assault force was made up of 400 state, federal, and local law enforcement officials.

- How Loudoun County Sheriff's Lt. Don Moore, a federalized marshal, engaged in seven years of illegal covert dirty operations against LaRouche and his associates.

The dialogue for the book is taken entirely from the FBI's secretly recorded tapes, giving the reader a rare glimpse into the criminal mind.

wrote a letter to the judge, Carleton Penn, vigorously denouncing the sentence. But one year later, after being subjected to strong family pressure and intensive sessions with CAN deprogrammers, Mrs. Overington withdrew her support.

Pressure was brought on Mrs. Overington because her daughters, Mary Rotz and Peggy Weller, and her son, John Overington, opposed her political views, and wanted her money.

Mrs. Overington's children first called the Virginia Attorney General's Office and spoke with Assistant Attorney General John Russell, who would later give false testimony in the Kidnappers, Inc. case against government witness Doug Poppa; Mrs. Overington's children also spoke with Russell's investigator, Virginia State Police agent C.D. Bryant.

Bryant later testified in court that he referred the family to Mira Lansky Boland, the LaRouche case officer for the Anti-Defamation League, because the family believed Mrs. Overington had been "brainwashed." Boland in turn put the family in touch with CAN.

Soon, Mrs. Overington's children moved her from her apartment in Baltimore, where she had been living on her own, to a house next to her daughter's in Pennsylvania, where she found herself under virtual house arrest. She was worked on by Boland, then-CAN president Rev. Michael Rokos, and Bryant, who all told her lies, slanders, and half-truths about LaRouche and his associates. Mrs. Overington resisted the pressure for some days, refusing to believe the lies. She later told the news media that her family had to work on her pretty hard before she would believe she had been "brainwashed" when she supported LaRouche.

In a January 1991 article in *Woman's Day* magazine, Helen Overington described her political disagreements with her family: "When I tried to talk politics with my children, they'd say, 'Oh, Mom, you really don't believe that stuff, do you?' or 'Oh, Mom, you've been reading all that conservative literature again.' Especially Peggy, the most liberal. She finally told me, 'Look, Mom, we can't discuss these things. We just don't agree.'"

In an interview with an investigator, Peggy Overington Weller said her mother was deprogrammed with the help of CAN.

The Overington children then teamed up with Newbold Smith to organize and fund the "LaRouche Victims Support Group," which specifically targets supporters of LaRouche. The group has a special phone number in CAN's office so that callers can be referred to Kelly and other "experts" on LaRouche.

Once Mrs. Overington had been "deprogrammed," her family tried to use her to extort money from Rochelle Ascher, threatening to testify against Ascher in a criminal proceeding if Ascher didn't pay Overington some money. The family hired the Harrisburg law firm of McNees Wallace which had worked with the ADL and CAN in a previous case. When Ascher's attorney exposed the extortion attempt, McNees Wallace dropped out of the case.

The Overingtons also sought revenge by launching a national media campaign using journalists sympathetic to CAN and the ADL, like Pat Lynch of NBC. John Overington, a West Virginia state legislator, sent CAN's hate literature to every state legislator in the country, seeking to harass LaRouche supporters through instigating bogus legal proceedings. Overington also proposed legislation which would effectively outlaw political fundraising.

The MK-Ultra mind controllers

CAN's theories of the psychology of mind control are rooted in the CIA's mind control project, MK-Ultra. The MK-Ultra project came out of the British Tavistock Institute's studies of Nazi social control techniques. After World War II, up through the 1960s and 1970s, the CIA and U.S. military agencies funneled money through research foundations and universities to study the various effects of torture, brain surgery, hypnosis, sensory deprivation, and hallucinogenic drugs on individuals. These experiments were seeking to perfect methods of mind control. In many cases, the subjects were not volunteers, but were given drugs and otherwise tortured without their permission.

Many of the CIA's pioneer experimenters from the MK-Ultra project are today board members and advisers to the Cult Awareness Network and the American Family Foundation.

For example, Dr. Louis Jolyon West received CAN's 1990 Leo J. Ryan Award for "extraordinary courage, tenacity and perseverance in the battle against tyranny over the mind of man." Tyranny over the mind of man is certainly Dr. West's stock in trade. Over the course of 30 years, West has experimented on the minds of veterans, prisoners, alcoholics, and drug addicts with hallucinogenic drugs, electroshock, isolation, and small group behavior-control techniques.

In 1977, Dr. West was exposed on the front page of the *New York Times* as being funded by the CIA to perform experiments in mind destruction using LSD, as part of the MK-Ultra project. In John Marks's book *The Search for the Manchurian Candidate*, West was exposed as a pioneer of LSD and mind control experiments funded by the CIA. Despite these and other damaging stories, West continues to be held in high regard among CAN's members, and is a frequent lecturer and oft-cited researcher. West is also an advisory board member of the American Family Foundation.

Trained in group dynamics at the British Tavistock Institute, the "mother" agency for most of the postwar Anglo-American intelligence and "dirty tricks" apparatus, West set out to manipulate group behavior with hallucinogenic drugs.

He ran "field studies" in the Haight-Ashbury district of San Francisco in the early 1960s to study the effect of drugs on youths, at a time when the hallucinogen LSD was making it into the "Bohemian" groups via the numerous MK-Ultra experiments.

West studied how drugs could be used "as adjuncts to interpersonal manipulation or assault." He studied the use of

drugs in controlled groups, such as Charles Manson's killer cult. He wrote that the government could supply drugs to control a group or a select portion of the population. "This method, foreseen by Aldous Huxley in *Brave New World* (1932), has the governing element employing drugs selectively to manipulate the governed in various ways," West wrote. "In fact, it may be more convenient and perhaps even more economical to keep the growing numbers of chronic drug users (especially of the hallucinogens) fairly isolated and also out of the labor market, with its millions of unemployed. To society, the communards with their hallucinogenic drugs are probably less bothersome—and less expensive—if they are living apart, than if they are engaging in alternative modes of expressing their alienation, such as active, organized, vigorous political protest and dissent."

To further his studies in LSD, he collaborated with Age of Aquarius guru Aldous Huxley, the British pioneer promoter of LSD and Satanism. Huxley praised West in a 1957 letter to Dr. Humphrey Osmond, the man who coined the phrase "psycho-delic" (later changing it to "psychedelic" to take away any connotation of madness). Huxley wrote: "Dr. L.J. West, of the Medical School of University of Oklahoma, was here a few weeks ago—an extremely able young man, I think. His findings are that mescalinated subjects are almost un hypnotizable. I suggested to him that he should hypnotize his people before they took LSD."

After America's ghettos exploded in violence in the late 1960s, West promoted chemical castration and the implanting of electrodes into people's brains as a means of controlling violent behavior and political activity. In 1973, West proposed the creation of a Center for the Study and Reduction of Violence. Among the programs planned were genetic, biochemical, and neurophysiological studies of violent individuals, including prison inmates and "hyperkinetic" children. West wrote to the California director of health that a Nike missile base, which the Army was turning over to civilian use, would be a perfect setting for his center. "Such a Nike missile base is located in the Santa Monica Mountains, within a half-hour's drive of the Neuropsychiatric Institute. It is accessible but relatively remote. The site is securely fenced. . . . Comparative studies could be carried out there, in an isolated but convenient location, of experimental or model programs for the alteration of undesirable behavior."

Although West's Violence Center was never approved, he received millions of dollars in research funding for the study of gangs, violence, alcohol and drug abuse.

West became an "expert witness" for several court cases, including the Patty Hearst Symbionese Liberation Army kidnapping case; and he interviewed Jack Ruby, who murdered alleged John F. Kennedy assassin Lee Harvey Oswald, to evaluate Ruby's sanity. During the Hearst trial, West gave away the "family secrets" about brainwashing, when he said "perhaps the most insidious domestic threat posed by 'brainwashing' is the tendency of Americans to believe in its power."

Who's who among brainwashers

● **Dr. Margaret Singer** is considered the *grande dame* of the Cult Awareness Network. Singer, who is also an advisory board member of the American Family Foundation, got her start as an Army psychiatrist, studying Korean War veterans and prisoners of war. She worked in projects with Drs. Edgar Schein and Albert Biderman, both exposed in Marks's *The Search for the Manchurian Candidate* as running the parallel military MK-Ultra programs. Singer's writings are also cited by the CIA front, the Society for the Study of Human Ecology, Inc.

Together with Dr. West, she ran a survival and torture-resistance study for Air Force Intelligence at Stead Air Force Base in 1966. They helped devise a program of "survival training," by putting a group of airmen in the desert, where they were forced to scrounge and eat lizards to stay alive. They were kept in isolation boxes overnight. The results of this experiment were a failure. The training was so severe that it made the men weaker instead of stronger.

Also working with West, Singer studied the Haight-Ashbury hippie drug "culture." She interviewed hundreds upon hundreds of drug-crazed hippies, and examined their LSD-induced religious experiences in order to build psychological profiles on them.

Singer has expended a great amount of energy trying to give credence to her version of "brainwashing," and speaks regularly on the subject at CAN's annual conferences. However, her theories have been discredited by both the American Psychological Association and the American Sociological Association.

Singer holds herself out as an expert witness for legal proceedings involving what she calls "mind control or coercive persuasion."

In a 1990 federal court case in California, Singer was not allowed to testify as an expert witness on "mind control." In his ruling rejecting Singer's expertise, U.S. Judge Lowell Jensen said, "The evidence before the court . . . shows that neither the APA nor the ASA has endorsed the views of Dr. Singer. . . . Her proffered testimony in this case has been challenged by the scientific community on grounds of both scientific merit and methodological rigor."

In another case, Judge Jensen stated, "Significantly, the APA ultimately rejected the Singer task force report on coercive persuasion when it was submitted for consideration."

Frustrated at the failure to get the courts to adopt her absurd theories, Singer and her cohort Dr. Richard Ofshe filed a racketeering suit in 1992 against the American Psychological Association and the American Sociological Association for refusing to sanction her work.

● **Dr. Robert Jay Lifton** is noted for his groundbreaking work on Nazi interrogation and torture techniques. He is a favorite of CAN and the ADL, and is often cited as an authority on mind manipulation. Lifton analyzed Korean brainwashing techniques by studying American prisoners of war

and Korean War veterans. He was named in John Marks's book as heading one of the CIA-run MK-Ultra parallel programs for the Air Force.

Lifton worked with Dr. Singer and others at the Walter Reed Army Medical Center on "Chinese Communist thought reform, the assault upon identity and belief." His book, *Thought Reform and the Psychology of Totalism*, is the bible for those who believe in brainwashing. Deprogramming victims frequently are forced to read Lifton's writings during their ordeal. What Lifton describes in his book as thought reform, is remarkably similar to what CAN calls "deprogramming."

He studied subjects who had been brainwashed in Chinese Communist jails. The brainwashing succeeded because the victims were forcibly detained, and subjected to a selective use of physical force. The victim could alleviate the physical pain by submitting to "confession and re-education." One of the subjects Lifton studied was a Catholic priest who was forced to denounce his church to relieve his suffering.

Compare Lifton's description of Chinese brainwashing to a Galen Kelly deprogramming, for example, the woman Kelly and Moore kidnapped in Washington, D.C. in May 1992. The victim was forcibly detained. Kelly told the woman that he had a whole slew of techniques from drugs to various other methods, to force her to cooperate. The situation would become progressively adverse, unless the woman cooperated.

Lifton studied how to manipulate populations by fear and guilt. His studies of the victims of Nazi Germany and the Nazi doctors have been criticized for being overly sympathetic to the Nazi doctors. Dr. Bruno Bettelheim argued that Lifton went too far in "understanding" the Nazi doctors.

- **Rabbi Maurice Davis** is a member of the CAN advisory board who works closely with Dr. John G. Clark of Harvard in arranging "deprogrammings."

Davis was an early sponsor of Galen Kelly, and also helped create cult leader Jim Jones by arranging for an empty Indianapolis synagogue to house Jones's early activities. Jones later moved to San Francisco, where he founded the People's Temple. In 1978, after moving his followers to Guyana, Jones led a mass suicide of his followers after one of them murdered U.S. Rep. Leo J. Ryan. The resulting publicity propelled the anti-cult mafia into prominence. Patricia Ryan, the late congressman's daughter, is now the president of CAN.

Davis worked in the MK-Ultra program at the U.S. Public Health Service's prison in Lexington, Kentucky with Dr. Harris Isbell, who was administering psychotropic drugs to inmates. One subject was kept on LSD for 77 days.

- **Rabbi Arnold James Rudin** and his wife **Marcia Rudin** are leaders of the "interreligious" group within the Cult Awareness Network and the American Family Foundation and frequent spokesmen for the American Jewish Committee. Marcia Rudin is head of the International Cult Educa-

tion Project, a spinoff of the B'nai B'rith.

Rudin was an Air Force chaplain stationed in Korea and Japan in 1960-62. He participated in the formation of the New Religions Movement in America, along with such pioneers of LSD-induced "religious experiences," as Dr. Timothy Leary's sidekick Richard Alpert (now Baba Ram Das). The New Religions Movement, centered at the Graduate Theological Union, Berkeley, Calif., was a project which spawned numerous "religions," New Age belief systems, and helped revive "old religions," such as witchcraft and Satanism.

- **Herbert Rosedale**, president of the American Family Foundation, is a partner in the New York law firm of Parker, Flatau, Chapin and Klimpl, chief representative of Israeli-owned Bank Leumi and Bank Hapoalim. Rosedale sent a letter praising Galen Kelly, to help get Kelly out of jail after his Kidnappers, Inc. arrest.

Where does CAN get its money?

The Cult Awareness Network is incorporated in California and lists 2421 W. Pratt Blvd., Chicago, Illinois as its address, but this is just a mail drop. CAN's real headquarters is at 301 East Main St., Barrington, Ill.

CAN has tax-exempt status from the IRS, and lists its annual income at around \$250,000. The associated American Family Foundation reports about the same amount of income. The funding for CAN and the AFF comes from families who hire their deprogrammers, and from donations from establishment foundations. The Crestlea Foundation of Wilmington, Delaware, which is the personal foundation of E. Newbold and Margaret du Pont Smith, parents of intended kidnap/deprogramming victim Lewis du Pont Smith, contributes over \$10,000 a year to CAN.

The American Family Foundation has been funded, for the most part, by a handful of top Wall Street family foundations. Among them are the Scaife Family Foundation, the J.M. Foundation, and the Pew Foundation. In recent years, the San Francisco-based Swig Foundation has provided crucial support. Foundation trustee Melvin Swig is a national commission member of the Anti-Defamation League (ADL), and a national executive board member of the American Israel Public Affairs Committee (AIPAC).

The single largest financial promoters of the AFF for the past decade have been the Bodman Foundation and the Achellis Foundation. The Bodman and Achellis foundations combined to grant over a half-million dollars to the AFF during the first decade of its existence. The two separate foundations have overlapping trustees and officers and are both housed in the New York City law offices of Morris and McVeigh, which also acts as general counsel for both foundations. Both the Bodman and Achellis Foundations and the Morris and McVeigh law firm are chock-full of New York-based intelligence and banking families, who generally avoid the political limelight, preferring to shape national, political, and cultural policy through private foundation grants.

LaRouche-Bevel helped win stay on farm foreclosures

by Marcia Merry

On March 5, Agriculture Secretary Michael Espy announced long-overdue action to stay certain Farmers Home Administration farm loan foreclosures, and to make provision for review of FmHA lending practices. The Agriculture Department runs the FmHA, the loan agency that has become notorious—along with the Farm Credit Association and various private lenders—for fraud and abuse resulting in dispossession of farm families, and loan-guarantee payoffs to a select gang of farm loan holders ranging from such organized crime-related figures as Carl Polhad of Minneapolis, to the giant Rabobank of Holland.

Espy's actions come after a mobilization of farmers and others in the High Plains states of North and South Dakota, led by the initiatives of the LaRouche-Bevel presidential campaign in the fall of 1992, and by the Schiller Institute's Food for Peace effort, active since September 1988.

Espy made his announcements at a speech in Sioux Falls, South Dakota, at the annual convention of the multi-state National Farmers Union (NFU), headquartered in Denver, which backed the Clinton presidential bid.

'Tough times'

Specifically, the agriculture secretary has suspended FmHA foreclosure actions not yet referred to a court, pending review by an independent panel that he plans to form soon. Said Espy at Sioux Falls, "One of my priorities as secretary of agriculture is to ensure that FmHA is friend in need. A lot of farmers going through foreclosures feel that they're not always being treated by the book."

The borrowers facing foreclosure, but not involved in the courts, are to receive a certified letter informing them that they have 30 days to ask that their case be reviewed by the new independent panel. According to the U.S. Department

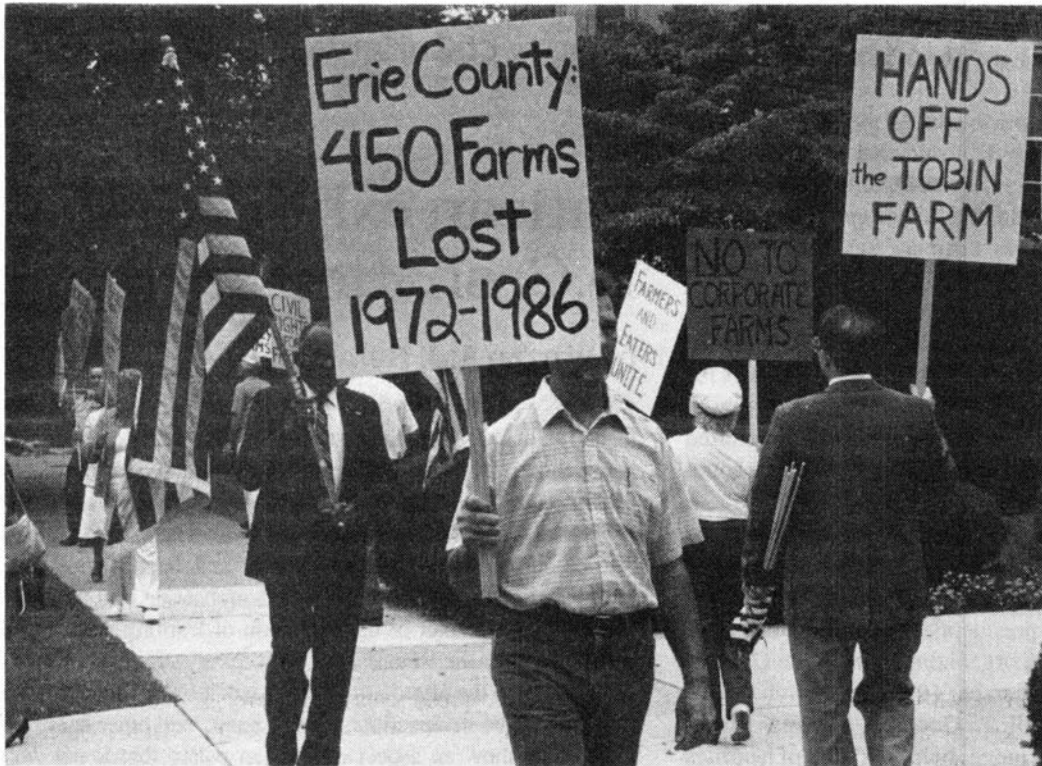
of Agriculture press release of March 5, the review panel "will then assess whether all FmHA procedures were followed, and where necessary, determine whether cases should be referred back to FmHA for corrective action." The USDA said that panel members will be named "shortly."

Espy said to the NFU convention: "I'm optimistic about the prospects for agriculture under this administration. But I know that many American farmers have been facing tough times. Every farmer struggles against the prospect of foreclosure, or knows someone who couldn't stay afloat. When that time comes, farmers turn to the FmHA.

"Let no one be mistaken as to the large message. This administration, and this secretary of agriculture, is going to keep a close eye on the FmHA process to make sure that every American farmer facing foreclosure will be treated fairly and equally under the law."

The number of FmHA farm borrowers immediately in line to receive potential relief and redress from Espy's action is estimated at 2,500-2,600, out of the total of 3,600 FmHA farm loans in the process of foreclosure. Overall there are about 155,000 borrowers from the FmHA. Last fall, letters went out to 30,000 borrowers in arrears, notifying them that arrangements would have to be made, or foreclosure would be initiated. This latest round of notification follows several others over the past few years, the result of which has been hardship on farm families ranging from forced dispossessions, "voluntary" exodus from farming, the necessity of taking off-farm jobs to meet debt service, and many other burdens.

In the early 1970s, national agriculture debt was under \$50 billion. By the mid-1980s, it had topped \$200 billion. By 1991, it had fallen down to around \$160 billion. This growth, then plunge of the debt reflects the liquidation and elimination of many individual family farms, rather than



A rally of the Food for Peace organization at the courthouse in Meadville, Pennsylvania in 1989, where a hearing was to be held on the foreclosure of a local farm. Years of work by the LaRouche movement to stop the foreclosures created a climate where the new agriculture secretary felt he had to respond to the pressure of his constituents.

increased solvency of the farm sector. Over this time period, the major lending agencies have been the Farm Credit Association (both Production Credit Associations, and Federal Land Banks,) commercial banks, the FmHA, and other private entities, including insurance companies.

The impetus for the debt growth has been the systematic underpayment of farmers for their output. For example, the farmer is getting only about \$2 for a bushel of corn today, when it costs \$5 to produce it. A dairy farmer is getting about \$11 per hundred pounds of milk, when a parity price, giving a fair return, would be \$25. Therefore, farmers have been forced into debt.

This underpayment has been enforced by cartel food companies monopolizing the market, and also setting USDA policy. The major companies include Cargill, Continental, Bunge, Central Soya/Ferruzzi, Louis Dreyfus, ConAgra, and Archer Daniels Midland.

Federal loan guarantee swindle

In the mid-1980s, changes in federal farm law were made in the name of providing additional credit to strapped farmers, but in reality, the changes made facilitated rampant pay-offs to private farm debt holders. The new mechanism was the provision of federal-loan guarantees for farm loans.

For example, a farmer would borrow from a local bank or other entity, and the bank would receive a federal loan guarantee. Typically, the local bank might then sell the loan—complete with guarantee—to a swindler combing the

countryside to collect such guarantees. Soon, the farmer would find himself foreclosed, and the federal loan guarantee money would be paid out to the noteholder.

In Iowa, the Production Credit Association was caught in the act, and had to repay \$4 million in compensation for fraudulent loan practices.

In the Dakotas and Minnesota, one such recipient of federal loan guarantee largesse has been Carl Polhad, a Minneapolis-based mob banker, who is part of the successor generation to mobsters Meyer Lansky and Kid Cann. Polhad, a one-time owner of the Las Vegas Tropicana Casino Hotel, has systematically bought up regional farm loans, and received the federal payoff when the farmer is liquidated. Locals call him "Carl the Liquidator."

In the 1980s, the Dutch-based giant Rabobank, the largest agriculture lender in Europe, systematically placed itself in a position to cash in on the U.S. federal loan guarantees.

Mr. Secretary, what next?

When he made his announcements, Secretary Espy made no reference to any of these specific personalities or violations in the farmbelt. But the truth is pouring forth in local courts and state legislatures, and Espy, who served on the House Agriculture Committee, had pledged to befriend the farmer. Espy's father was a career officer in the Department of Agriculture Extension Service in Arkansas.

Espy received a rousing ovation when he told the NFU

crowd, "If you can make it, we want to help you make it. For the past 12 years, we haven't been in that posture. But baby, it's a new day now."

In addition to his announcement of the selective farm foreclosure suspension, Espy has said that there will be a USDA investigation of the FmHA in regard to government guaranteed loans. He also said that he has appointed a committee to "look across the entire farm law to see what we can do for farm income."

The heat is on the administration to take action on the farm and food emergency. About half of the USDA annual budget, depending on the accounting methods used, goes for food stamps and other food relief. In February, a record number of 26.5 million Americans were officially reported to be receiving food stamps—and this number does not count those eligible who are not signed up.

Under the banner of "farmers and eaters united," all these issues of fraud, organized crime, and the right to grow and eat food, were taken up last fall in a campaign initiated by Rev. James L. Bevel, vice-presidential running-mate of Lyndon LaRouche, who was on organizing tours in the Dakotas in August, October, and December 1992, and March 1993.

In December, Judge William Goodloe, a former Washington State Superior Court judge, held four days of hearings in the Dakotas, to take evidence of wrongdoing. He was joined on the presiding panel by Rev. Wade Watts of Oklahoma, a former member of the U.S. Commission on Civil Rights, and Philip Valenti, leader of the Schiller Institute Food for Peace effort. Preliminary findings of the Goodloe commission were circulated to the new 103rd Congress, when farm, Native American, and other activists from the Dakotas went to Washington, D.C. in early 1993.

Representatives Fred Grandy (R-Iowa) and Tim Johnson (D-S.D.) issued a call for a moratorium on foreclosures, pending a congressional investigation of fraud and abuse in farm credit lending policies, which they have requested of the House Agriculture Subcommittee on Credit. On Feb. 3, this author raised the issue of federal loan guarantee swindles at the first full hearing by the House Agriculture Committee, chaired by Kika de la Garza (D-Texas).

On the state level, resolutions calling on Congress to investigate fraud and stay farm foreclosures, were introduced and debated in January and February in both North and South Dakota. In Pierre, S.D., a crowd of 150 people showed up for the March 3 legislative committee hearing on the matter—despite efforts to harass and deter backers of the resolution. Longtime South Dakota political leaders Ron Wieczorek (state representative of the LaRouche-Bevel campaign) and Charles Bellmon (former head of the state Democratic Party) are conducting citizen's hearings in Nebraska March 10 and 12 to assemble more evidence for redress in the farm belt. Already calls are coming in volunteering new evidence on the Kansas City Federal Reserve's involvement in farm dispossessions.

Library of Congress Exhibit

Vatican exhibit in D.C. shatters myths

by Warren A.J. Hamerman

In early January a myth-shattering exhibit of more than 200 items chosen from the collections of the first modern research library—the Biblioteca Apostolica Vaticana—opened at the Library of Congress in Washington, D.C. The exhibit entitled "Rome Reborn—the Vatican Library and Renaissance Culture," continues until April 30, and demonstrates that the Vatican was at the center of the explosion of learning and culture associated with the Renaissance rediscovery of ancient Classical learning in the aftermath of the Council of Ferrara-Florence (1437-45). The manuscripts, books, maps, and other items are selected to show an aspect of Vatican policy that is not well known: the decision of the Renaissance popes, starting with Nicholas V in 1451, to vigorously promote the revival of antique learning, especially Greek science and art.

The Washington exhibit, by laying evidence before the public in the form of the library's original manuscripts and books which launched modern science, Renaissance perspective, and polyphonic music—some spectacularly illustrated by great Renaissance artists such as Ghirlandaio—puts to rest the fundamental myth of the Enlightenment that Renaissance learning and creativity in the arts and science were somehow "secular" accomplishments in opposition to a "reactionary" and "repressive" church.

Many of the manuscripts give unique insights into the history of knowledge, as the viewer sees the actual works which were in the hands of the Renaissance humanists—their comments written in the margins in some cases.

Mathematics, astronomy, geography

The items in the show, selected and catalogued by non-Vatican-linked American scholars, include the first translation from Greek into Latin of certain works by Archimedes, which was sponsored by Pope Nicholas V (the pope who publicly announced that Nicolaus of Cusa had been made a cardinal). In 1453 Cusa dedicated his *On Mathematical Complements*, a critique of Archimedes, to this pope in gratitude for the translation project. The works of Archimedes survive at all only by virtue of three manuscripts, two of which are now lost, but were translated into Latin in the papal court and preserved later in the Vatican Library. There is also an elegant series of manuscripts of mathematical and optical

works by Euclid, Ptolemy, and others, as well as a 10th-century Latin version of Plato's *Timaeus* with wonderfully colored diagrams.

Apollonius's famous studies on *Conics* was all but unknown in the West until the 15th century, and is in the exhibit. Besides containing a parchment manuscript of Euclid's *Elements* dating from the ninth century, there is an incredibly beautiful copy of Euclid's *Optics* from 1458 on parchment with a miniature illustration of a street lined with buildings painted in true Renaissance perspective.

The Renaissance artist Piero della Francesca (d. 1492) researched his great geometrical works on *Perspective* and the *Five Regular Solids* from manuscripts in the Vatican Library. A beautiful edition of his work on the *Five Regular Solids* in Latin from the 1480s is opened to a page showing an icosahedron inscribed in a cube facing a cube in an octahedron. In terms of astronomy, the exhibit contains the oldest and best manuscript of early Greek astronomical works, as well as Ptolemy's famous *Almagest* on a parchment edition from the ninth century. There are also Arab and Persian astronomical works from the 13th and 14th centuries. Beautiful and large versions of Ptolemy's maps are laid open.

There is no less impressive a collection of books and manuscripts on the life sciences—medicine, botany, and Renaissance anatomy.

Promoting polyphonic music

Contrary to popular misconceptions, the music manuscripts of the papal choir demonstrate that the Renaissance Vatican choir was at the center of developing, promoting and encouraging polyphonic music along with preserving chant. From the 15th to the middle of the 16th century, the singers in the papal choir included such great composers as Guillaume Dufay (ca. 1400-74) and Josquin des Prez (ca. 1440-1521), the greatest composer of the late 15th century. The polyphonic manuscripts in the Sistine Collection demonstrate that the great composers of sacred music in the Renaissance celebrated God through polyphonic music as part of the liturgy. Much of the polyphony preserved provides musical settings for the ordinary of the mass. The ordinary consists of the five components of the mass texts—Kyrie, Gloria, Credo, Sanctus, and Agnus Dei.

At the point in the mass called the offertory, it became the custom for the singers to perform motets, polyphonic settings of any number of religious pieces. There are also manuscripts of many settings of the Magnificat—the canticle of the Virgin Mary, sung at vespers—and settings of hymns. One source dating from the late 15th century is a treasury combining hymns and Magnificats with motets. The papal singers had their own library, now containing 600 items, containing everything from documents relating to their daily lives, to manuscripts of chant and polyphony.

The essay on the music in the collection in the accompanying catalogue reveals that "The manuscripts of Renaissance



From "Rome Reborn" at the Library of Congress: The earliest illustration of a subject seen through a microscope, a 1625 engraving of Francesco Stelluti's observations of insects. Bees were the emblem of the Barberini family, to which the pope belonged.

polyphony are all arranged in what is called choirbook format. In each opening, the first two facing pages of the manuscript, the layout of the music presents the polyphonic lines as separate voice parts, rather than as a score as we might see it today, in a notation strikingly different from anything we are used to. There are no bar lines, for instance. The names of the several parts varied, but they correspond more or less to the soprano (top left), alto (top right), tenor (lower left), and bass (lower right) of the modern choir—remembering, however, that in the Vatican all parts were sung by adult men. Each singer or group of singers would read from his or their own part like the players in a modern string quartet. No conductor was needed, although there probably was a time beater employed to keep all the singers together. The result was a music of great power, beauty, and complexity that must have entranced the congregation in the Sistine Chapel during the long celebration of the liturgy."

Other gems

Among the stunning other items in the show are several closely associated with the Council of Florence of 1439, such as the first Coptic, Armenian, and Ethiopian manuscripts to enter the Vatican Library, and a liturgy book which belonged to Isidor of Kiev (who tried to bring the Renaissance to Moscow). A major section is devoted to the efforts of Jesuit missionaries in China to show the coherence between Christianity and Confucian morality. There is also an illuminated manuscript of the plays of Plautus, a Latin comedy writer whose works were found in Germany by Cusa and brought to Rome in 1429. This became the basis for launching secular drama in the Renaissance. Also: Galileo's 1612 drawings of sunspots seen through

the telescope; Henry VIII's love letters to Anne Boleyn (in possession of the library since the mid-16th century); the Urbino Bible, a two-volume work the size of a coffee table, with spectacular illustrations, dating from 1476; prayer books written on palm leaves, from Sri Lanka.

There is a copy of the 12th-century Latin translation of a medical encyclopedia by Ibn Sina (Avicenna), illustrated with miniatures accurately depicting patient problems. The exhibit contains famed manuscripts, beautifully illustrated, of Euclid, Plato, Homer, Ptolemy, Petrarch, Cicero, Vergil, Thucydides, Alberti, etc.

Revival of the city of Rome

The creation of the Vatican Library, and especially the building of St. Peter's, was an integral part of reviving the city of Rome, which began the Renaissance as a collapsed city and cultural backwater compared to Florence. The population had fallen to 20,000, and was dominated by feuding noble families, terrorized by gangs, and devastated by malaria and other diseases. When the papacy returned to Rome from Avignon in 1377, the French party at the papal court elected its own pope. This Great Schism lasted for 38 years until 1415; in 1409 the situation became worse when the Council of Pisa elected a third pope. The financial and spiritual authority of the church was at an all-time low.

The conception behind the library was to throw open the windows and let in some fresh spring air by creating a public or Vatican center of learning opened to scholars of whatever religion, as opposed to a purely papal or private one. Humanist scholarship, centered on the recovery and explication of classical texts, was brought to the center of Christendom. Pope Nicholas V (1447-55) described his purpose in a letter to Enoch of Ascoli in 1451: "For the common convenience of the learned we may have a library of all books both in Latin and Greek that is worthy of the dignity of the Pope and the Apostolic See."

Two decades later, Pope Sixtus IV issued a famous bull giving form and structure to the library in which he again cited the aim "for the convenience and honor of the learned and studious." He installed the books in a custom-built suite of rooms, spectacularly decorated by artists of the day. The books themselves lay flat on the *banchi* or wooden benches with tables attached. Chains were specially forged in Milan to attach the books to their places. By the time Sixtus died, the library had more than 3,600 manuscripts. Today the Vatican Library includes 60,000 or more western manuscripts, 8,000 books printed before A.D. 1500, and vast numbers of non-western books and manuscripts.

Borrowers recorded the books they took and returned in simple notebooks. The Washington exhibit contains the entries by Pico della Mirandola when he borrowed and returned the works of the famous English Franciscan Roger Bacon. The library lent Cardinal Ximenes two manuscripts of the Greek Old Testament for his great edition of the Bible in three languag-

es. When the codices did not come back, Pope Leo X himself sent out a "recall" notice, also in the exhibit.

During the Renaissance, the Papal Curia—the priests, scholars, canon lawyers, and artists who were at the center of the pope's intellectual and artistic projects—were swept up in the excitement of a revival of learning and creative activity of all sorts. In the 15th century, humanists came to dominate the secretaryships and the entire papal bureaucracy. Papal secretaries had to have a mastery of ancient Latin literature and preferably Greek as well. It is estimated that at its height in the Renaissance, the papacy employed more than 100 humanist scholars.

The East—Near and Far

The strategic outreach of the Vatican during the Renaissance is represented in two other sections of the exhibit. One section displays treasured manuscripts from Isidore of Kiev to the Bulgarian czar, from an early Cairo edition of the Gospel of Luke in Arabic, to an Ethiopian Psalter, to early fragments of Arabic manuscripts in Spain. An edition of the Gospel of Matthew in Persian is displayed next to a Gregorian *Calendar for All Eternity* in Armenian. The other section is a most intriguing record of the great Christian humanist missionaries in East Asia.

Beginning in the 1540s, Italian, Portuguese, and later Spanish, German, and French missionaries carried western ideas and technologies to the Orient. St. Francis Xavier landed in Japan in 1549. Matteo Ricci (1552-1610) established a mission in southern China in the 1580s. The exhibit contains a rare and beautifully executed Chinese portrait of Matteo Ricci, the most famous of all the Jesuit missionaries to East Asia, a manuscript letter of appreciation to the church from Japanese officials in 1621, and an extensive collection of maps of Asia from the Vatican Library. Printed Chinese translations of western science and technologies from the early 17th century are also on display.

Those unable to travel to Washington to visit the exhibit can study the treasures in a beautifully printed 323-page catalogue published by the Library of Congress. The catalogue contains full-color photographs of all the most important manuscripts as well as extensive and informative essays by different scholars on the following areas: The Vatican and Its Library, The Popes and Humanism, The Ancient City Restored, The Recovery of the Exact Sciences of Antiquity, The Life Sciences and Medicine, Music and the Renaissance Papacy, Eastern Churches, and East Asia in the Vatican Vaults.

The lasting cultural impact of the exhibit will be to bury in the cemetery of dishonesty the attempt of 20th-century academics to replace Christian humanism with their invented, false construct of "secular humanism." It also contributes considerable evidence to disprove the false dichotomies between science and religion, between faith and reason, along with the overall Enlightenment myth that Classical learning, art, science, and Christianity are mutually incompatible.

New doubts about Trade Center bombing

by Jeffrey Steinberg

Although federal agents tracking down a myriad of leads have now arrested three individuals for their alleged involvement in the Feb. 26 bombing of the World Trade Center in New York City, the investigation to date has also raised a number of perplexing questions about the ultimate authors of the terror attack that left at least five people dead and thousands injured.

Following the initial arrest of Mohammed Salameh, a Jordanian national, on charges of aiding and abetting in the bomb plot, the FBI has arrested Ibrahim A. Elgabrowny and Nidal A. Ayyad. Elgabrowny, a cousin of El Sayyid Nosair, the man linked to the assassination of Jewish Defense League founder Rabbi Meir Kahane several years ago, was arrested on March 4 at his Brooklyn apartment on charges of assaulting a federal officer. He has not been charged in the bombing. Police and FBI agents raided his apartment because Salameh had listed it as his home when applying for a driver's license several years ago.

Ayyad, a chemical engineer employed by a major defense contractor, Allied Signal, was arrested at his Maplewood, New Jersey home on March 10 and charged with abetting the bombing. Ayyad shared a bank account and a storage room with Salameh, and police believe he may have been with Salameh when the Ryder van that apparently carried the bomb was rented several days before the Trade Center explosion. According to a March 11 *New York Times* story, federal investigators have traced a series of international wire transfers to the Salameh-Ayyad bank account totalling \$8,000 during the weeks leading up to the bombing. The probe into the source of those funds may provide one of the first hard leads into the authorship of the terror attack.

The Israeli connection

Federal investigators are following a series of fortuitous leads that developed from their initial search of the bomb site. However, so far, they admit that the arrests of the three individuals provide few clues about who ordered the bombing and for what purpose.

Israeli-linked terrorism "experts" have been quick to jump on alleged links among the three arrested men and an Egyptian Islamic cleric, Sheik Omar Abdul-Rahman. Abdul-Rahman, who preaches at mosques in Brooklyn and Jersey City, has denied any role in the bombing. For months, Israeli intelligence, along with groups like the Anti-Defamation

League of B'nai B'rith, have been lobbying the Clinton team to take a hard stance against alleged Islamic terrorism, a stance that would place the administration into a new "special partnership" with Israel. So far, President Clinton and Secretary of State Warren Christopher have resisted the pressure.

A newspaper in the United Arab Emirates, *Khaleej Times*, over the weekend of March 6-7 raised the question of possible Israeli Mossad involvement in the bombing. For years, Israeli intelligence has infiltrated radical Arab and Islamic fundamentalist groups, often with the aim of instigating violence to justify counter-terror actions.

In the specific case of the World Trade Center, questions have been focused on the role of a woman identified as Josie Hadas. When Mohammed Salameh rented the Ryder van, he listed an apartment rented in Hadas's name as his current address, and gave her telephone number. Hadas is reportedly a Jewish Israeli; one Israeli counter-terrorism expert contacted by *EIR* admitted that it was likely that she was working as an undercover operative for the Mossad, but would not speculate on her possible role in the bombing. According to *Khaleej Times*, "FBI officials would not comment on whether Miss Hadas was an Israeli or had any links to Israeli intelligence. Joe Valiquette stated: 'We have no idea whether Hadas is a member of the Israeli Mossad, but even if it were true, we wouldn't tell you anyway.'"

With the arrests of the three men, including one with a bachelor's degree in chemical engineering, the same Israeli-linked "experts" who one week before were screaming about Muslim fundamentalist terror squads invading America shifted gears and began peddling the line that the Trade Center bombers were amateurs who assembled a "makeshift bomb."

In fact, U.S. and European experts have insisted from the outset in interviews with *EIR* that the Trade Center bombing was a very sophisticated operation, which required the input of at least one leading intelligence service. None of the existing terrorist groups operating in the world today, according to these experts, have the in-house skills to carry out such an operation.

This evaluation was echoed by Lyndon LaRouche in a March 8 interview: "Certainly, that bombing could not have been done by a bunch of Arabs. There are a few people, a few teams in the world, that could have done that—relatively few. Most of them are known; this was not simply done by that blind, 80-year-old sheikh. That sheikh is a British intelligence asset. We have his pedigree. . . . He was brought into the United States in 1991 by the State Department and protected by the State Department, up until these recent events. He is actually owned by British intelligence out of the old Arab Bureau network.

"This whole thing is a can of worms. It is not the true story. It is not leading in the direction of the true story. This World Trade Center bombing is an act of terrorism against the United States, like that we saw in the strategy of tension in Europe in the late 1970s."

'Austerity Dems,' GOPers demand more budget cuts

Democrats, led by Reps. Tim Penny (D-Minn.) and Charles Stenholm (D-Tex.), pushed House leaders on March 4 to make \$10 billion of additional cuts in President Clinton's economic package for fiscal year 1994, and \$60 billion over four years, as budget negotiations move into a critical phase.

House Democrats met privately to try and reach a compromise with the "austerity Democrats," who believe that the Clinton package contained too many new taxes and not enough budget cuts. House Budget Committee Chairman Martin Sabo (D-Minn.) noted that pressure is growing for deeper cuts as recent estimates by the Joint Committee on Taxation and the Congressional Budget Office predict that the Clinton deficit reduction package will fall nearly \$17.5 billion short of its stated goals for fiscal 1997 and more than \$61 billion short for the five years ending in fiscal 1998.

During a bargaining session on March 3, Sabo offered to increase the spending cuts in Clinton's plan by \$3.7 billion in fiscal 1994 and by a total of \$21 billion over four years, according to Capitol Hill sources. Sabo, the Democratic leadership, and the White House are reluctant to accept additional spending cuts for fear of alienating those members who are trying to maintain necessary education and social programs.

Republicans have launched an offensive for deeper cuts with their usual charge that the Democrats are the party of the "big spenders." Republican senators held a press conference on March 4, where they attacked the Clinton administration for overestimating the deficit.

Rep. John Kasich (R-Ohio), the ranking Republican on the House Budget Committee, has worked out an alternate plan that would match Clin-

ton's deficit reduction targets without a tax increase. But many Republicans are reluctant to push the Kasich program for fear that by offering their own plan now, they would deflect the debate over the Clinton program.

Opposition to the Clinton stimulus package is especially strong in the Senate. A group of Democrats around Sen. David Boren (D-Okla.) are attempting to strip almost all of the new spending out of the bill, arguing that the economy is already on the road to recovery and therefore needs no stimulus. Sen. James Exon (D-Neb.), a key vote on the Senate Budget Committee, warned in meetings with Clinton and Vice President Al Gore on March 2 that they would have to eliminate the super-collider and the space station, as well as Clinton's pet national service program, in order to get their program through the Senate.

Debate on Bosnia policy heats up

As the House Armed Services Committee examined policy toward former Yugoslavia in committee hearings on March 4, a fight continues over whether to help the Bosnian Muslims.

A House Republican task force on the Balkan crisis is pushing for an end to American airdrops of supplies into Bosnia. Calling the airdrops ineffective, task force chairman Susan Molinari (R-N.Y.) said on March 4, "From all reports, these airdrops are doing nothing but provide bait" for Muslims to leave their towns to be attacked by Serbs. The task force said President Clinton should allow U.S. aid to be delivered on the ground by non-government organizations.

At the same time, momentum is building for stronger action in support of the Bosnian Muslims, who are subject to a Serbian policy of "ethnic

cleansing." A resolution sponsored by Rep. Steny Hoyer (D-Md.) has gathered 23 backers in the House, and a similar resolution sponsored by Sen. Dennis DeConcini (D-Ariz.) has gathered 14 backers in the Senate. The resolution calls for lifting the arms embargo against Bosnia, enforcement of the "no-fly" zone, the withdrawal of irregular forces, i.e., the Bosnia Serbs, from Bosnia-Herzegovina, and effective delivery of humanitarian aid.

Some are warning against the danger of doing nothing, or too little. In statements on the Senate floor on March 2, Sen. Alfonse D'Amato (R-N.Y.) warned: "Temporizing and half measures will not do. Time, and the Serbian aggressors, march on, paying no attention to our domestic debates about the economy or the deficit. The Serbians may even rejoice that we are distracted from their activities and appear unlikely to have the inclination, the will, or the strength necessary to decisively halt their aggression."

What is most dangerous, said D'Amato, is a situation "in which we do too little, too late, at every critical juncture, allowing aggression to succeed, allowing ethnic cleansing to go unreversed, allowing genocide to go unpunished, allowing the war to widen, and allowing the cost of correcting these developments to continue to escalate beyond the price that we are politically willing to pay at any particular point. . . . Instead of having a new world order, we face the possibility of an increasing world disorder."

Nunn warns of further cuts in defense budget

Sen. Sam Nunn (D-Ga.), chairman of the Senate Armed Services Committee, warned against trying to "raid" the defense budget in order to bring

down the deficit.

In comments on the floor of the Senate on March 5, Nunn complained that too many of the cuts demanded in the Clinton budget come from the Department of Defense, and called instead for more cuts in entitlements and other discretionary programs. "None of the other categories of the budget summit—entitlements, interest payments, or revenues, all of which were affected when the recession hung on longer—have met their share of the savings required by the budget summit," Nunn said.

Nunn noted that the Pentagon also takes an \$18 billion cut indirectly through the federal pay freeze proposed as a part of the Clinton package. He indicated that he thought the pay freeze could run into considerable opposition when it is taken up by Congress.

Attorney General nominee will speed up executions

In testimony before the Senate Judiciary Committee, President Clinton's attorney general nominee Janet Reno said that she would be willing to speed executions by cutting back on the appeal rights of death row inmates. "I have watched people at my office who we have prosecuted," said Reno. "We have gotten the death penalty, and to find those people still in prison without that penalty carried out after 10 and 13 and 15 years makes a mockery of the justice system and makes a mockery of what we try to do."

Reno, who said that she was personally opposed to the death penalty, also said that as a prosecutor she had "regularly" asked for the death penalty in Florida.

Although there were attempts to cast aspersions on her personal life,

the Reno nomination was generally well-received by Democrats and Republicans alike, judging from the hearings on March 10-11.

Sen. Charles Grassley (R-Iowa) pressed Reno to look into the Department of Justice's recent handling of the case against black congressman Harold Ford (D-Tenn.). After complaints by the Congressional Black Caucus regarding possible racial stacking of the jury in a retrial of Ford on bribery and conspiracy charges, acting Attorney General Stuart Gerson supported Ford's request to dismiss the jury and choose another. Reno said that she had already discussed the matter with Gerson and was satisfied he had not acted due to political influence. "I don't see any further action to be taken on it," she told Grassley.

Trade Center bombing fuels death penalty push

In the wake of the terrorist bombing of the World Trade Center in New York, Sen. Alfonse D'Amato (R-N.Y.) presented on March 5 the Bombing Homicide Death Penalty Act.

The D'Amato legislation calls for consideration of the death penalty in cases where the perpetrator caused death through the use of a bomb or other destructive device. Aggravating conditions meriting the death penalty would exist if the individual in question had previously been sentenced to life imprisonment for another offense, had had a previous conviction for a violent drug offense or a serious drug felony conviction, or a previous conviction for a violent felony involving a firearm.

D'Amato noted that the alleged terrorist arrested in connection with the Trade Center bombing, Moham-

med Salameh, had entered the United States on a business visa and stayed beyond the expiration of his visa. He also called for tougher restrictions in the procedure for granting asylum.

Glickman to stress 'economic intelligence'

The House Permanent Select Committee on Intelligence held hearings on March 9 with CIA head R. James Woolsey appearing in an open hearing to explain the needs of the intelligence community. This is an innovation set up by Rep. Dan Glickman (D-Kan.), the newly appointed chairman of the committee.

The open hearings are designed to "demystify" intelligence activities, according to Glickman, who succeeded Rep. Dave McCurdy (D-Okla.) as chairman. Although McCurdy was deposed from his House intelligence seat by Foley on the pretext of having been on the committee for a record nine years, Foley extended that limit to 10 years for Glickman, who has been on the committee for six years already, so that he could conclude a full four-year stint as chairman.

Glickman is known to be keen on increasing the CIA role in "economic intelligence." The March 9 *Washington Post* reported Glickman saying: "I'd like to be involved in determining, sensibly and rationally, how we involve ourselves in economic issues . . . economic intelligence, economic espionage, trade and technology transfer issues. . . . In a modern world of economic conflict, industry should be aware of the threats that it faces."

Concern over the stress on "economic intelligence" is strong in Germany and Japan, where it is viewed as hostility by the United States against traditional U.S. allies.

National News

Md. students demand Taney's name must go

Students at the Roger B. Taney Middle School in Prince George's County, Maryland are demanding that the Board of Education change the name of their school, after having learned that Taney, as Supreme Court Chief Justice, was the author of the hated 1857 *Dred Scott* decision which ruled that black slaves were property, not humans. The school is 80% black and is in a majority-black county adjacent to the District of Columbia. The students are demanding that the name be changed to honor another Maryland native, the late Justice Thurgood Marshall.

"I don't see how we can be proud of a man that didn't consider most of us citizens," said the president of the student government. "He thought most of us were property."

In reporting on a packed, March 3 school board meeting to discuss the name change, the local Washington NBC affiliate, added the comment: "This is not the only such controversy. The statue of Albert Pike which stands at Judiciary Square [in Washington] may be the next to go. Pike was the founder of the Klan." The anchor neglected to report that the effort to remove the statue was initiated by the presidential campaign of Lyndon LaRouche.

Governors protest Indian reservation gambling

At a March 8 meeting in the Interior Department, the governors of Arizona, Colorado, Nevada, and Rhode Island protested to Interior Secretary Bruce Babbitt against the U.S. government's imposition of casino gambling on Indian reservations in their states. The governor of Kansas sided with the gamblers. Rhode Island Gov. Bruce Sundlun voiced concern over the incursion of organized crime through the establishment of the casinos.

Secretary Babbitt issued a weak-kneed statement promising to "continue to seek input from all sides in this debate. . . . I

look forward to my meeting tomorrow with tribal leaders." A spokesman for the Interior Department told *EIR* that they had no plans for formal meetings with the gambler-gangsters who are using the Indian tribes in this enterprise.

Thornburgh leaves post at United Nations

Richard Thornburgh, the former U.S. Attorney General, resigned from his post as Undersecretary General for Administration and Management at the United Nations in early March, and simultaneously issued a report critical of Secretary General Boutros Boutros-Ghali's management of the U.N. staff. Boutros-Ghali replied that, insofar as this was the first written report his office has received from Thornburgh, he had no basis to evaluate Thornburgh's complaints, which included accusations that Boutros-Ghali rewarded retiring colleagues with over-priced consulting contracts.

Boutros-Ghali declined to renew Thornburgh's appointment, and offered the Clinton administration the opportunity to name his replacement. According to the *New York Times*, this was a concession by the secretary general, who had earlier attempted to establish the principle that such offices were "political" and under the control of the secretary general.

Ecologists stock Interior appointments

Interior Department appointments by Bruce Babbitt are causing great consternation among people living in the West who depend on natural resources for their livelihood, according to a report from Putting People First (PPF). The president of the Wilderness Society, George Frampton, has been nominated to become Assistant Secretary for Fish, Wildlife, and Parks—a position that would put him in charge of the National Park Service, Fish and Wildlife Service, Land and Water Conservation Fund, and enforcement of the Endangered

Species Act.

Jim Baca, a Wilderness Society board member, is slated to become director of Bureau of Land Management. Already confirmed is Alice Rivlin as deputy director of the Office of Management and Budget. The *Washington Post* wrote recently, "The team being assembled to run the Interior Department is as green and southwestern as a jalapeno pepper." (PPF says, "And it's leaving wise users with a hot taste in their mouths.")

Chuck Cushman, executive director of the National Inholders Association said, "Frampton is a classic eastern urban elitist, educated at Harvard Law and Yale, who knows nothing—and cares less—about rural Americans who depend on natural resources for their jobs." NIA fears Baca's influence over the Bureau of Land Management because "he is a demonstrated enemy of mining and private property." Cushman continued, "Many people in America have been convinced that 'wilderness' is synonymous with 'park.' They will be surprised to find out that 'wilderness' means 'you can't go there.'"

Pamela Harriman to be ambassador to Paris?

There's a "done deal" for Pamela Harriman to become American ambassador to France, the *Sunday Times* of London reported on March 7. The appointment of this "English aristocrat and daughter-in-law of Sir Winston Churchill" to the post is "considered a personal reward from President Bill Clinton for her political and financial support during the earliest days of his fight for the White House." In 1981, when Clinton lost a reelection bid for Arkansas governor, Harriman asked him to serve on her "influential Democratic fundraising board in Washington," the Democrats for the '80s. Harriman is known as "the Queen Mother of the Clinton court."

The *Sunday Times* article is fawning with admiration for the widow of Democratic Party kingmaker Averell Harriman, including talking of her postwar "glamor years" in Paris and her more recent "political soirées in Washington," which often included such figures as Henry Kissinger and Margaret Thatcher. She now prefers

Briefly

the Paris posting to a possible posting in London, since she should be able to "cut an impressive swath in French society" more easily.

Another story passing the rounds, is that Hillary Clinton connived to have her sent to Paris, to get her out of Washington, so she would not have competition among the Washington power circles.

Clinton appointee rejects managed health care

Bruce Vladek, president of the United Hospital Fund of New York, has been nominated by Clinton to head the Health Care Financing Administration, the federal agency that runs the Medicare and Medicaid programs. He is a vocal critic of what has come to be called "managed care," one of the Clinton administration's main nostrums for the health care crisis, having written an article last September entitled "Old Snake Oil in New Bottles."

In the article, Vladek charged that "managed care" offers "only untested theory (most of it contrary to actual experience) as a solution," and he said most health care providers are lining up behind it precisely because "they don't believe its cost containment mechanisms will really work, and they're afraid the mechanisms in other proposals for health care reform would work."

Spannaus exposes Va. Dems' caucus rigging

Nancy Spannaus, candidate for the Democratic nomination for governor in Virginia, charged on March 5 that the state party had rigged the nominations procedure to ensure that mavericks—and especially associates of Lyndon LaRouche like herself—would be shut out.

"Ironically, just as the Communist Party of the Soviet Union is being disbanded, the Virginia Party is adopting communist tactics. That's one tested way to get a 99% vote.

"What I have found is that numerous

local party machines are acting to not only discourage, but in some cases to prevent party members from becoming delegates for Spannaus, and in some cases, from becoming delegates for the labor-endorsed candidate for Attorney General, Jim Updike.

"In four localities which I know of, individuals approaching the designated party officials have been given delegate forms with the names of Mary Sue Terry and Don Beyer already typed in. When they have asked for blank delegate forms, they have been told that they are not available. In some cases the individuals wishing to become delegates for Spannaus, have succeeded in getting one form which was blank; in at least one other, an individual was told that it was not possible to sign up for anyone other than Mary Sue Terry, or uncommitted.

"This is clearly only the tip of the iceberg, and a violation in spirit, if not in law, of the voting rights which have supposedly been guaranteed to our citizens. Perhaps the Democratic Party intends to rename itself the Communist Party of Virginia?"

Las Vegas mob hotel hosts B'nai B'rith bash

The B'nai B'rith has put out a flyer inviting members, friends, and families to attend a big five-day bash commemorating the freemasonic organization's 150th anniversary. The celebration, slated for Aug. 15-19 is to take place at the Desert Inn, one of Las Vegas' hottest casinos. Desert Inn was owned for years by Meyer Lansky syndicate bigshot Morris Dalitz. In the mid-1980s, Dalitz was given a philanthropic award by the B'nai B'rith enforcement arm, the Anti-Defamation League.

The brochure advertising the celebration boasts: "We wanted a class hotel/casino with great facilities but with old-time Las Vegas hospitality. . . . *The* Party is the place to join old friends and new to celebrate a century and a half of a job well done. Old-timers will get a chance to reminisce about how it used to be while the younger set gets charged up to make plans for how it is going to be in the future. . . . \$1,000 winner take all Blackjack Tournament, \$1,000 winner take all Slot Tournament, \$1,000 winner take all Video Poker Tournament."

● **AMELIA BOYNTON** Robinson joined the commemoration of the March 7, 1965 march across Selma, Alabama's Edmund Pettus Bridge this year, marching beneath a banner declaring "From King to LaRouche: Freedom Still Can't Wait." During the original march 28 years ago, Amelia Boynton was beaten, gassed, and left for dead, but never stopped her battle for human rights.

● **INDIANA SENATORS** voted 41-9 this month to make it a crime in Indiana to assist in a suicide. The penalty could be a sentence of up to eight years in prison. The measure now moves to the Indiana House.

● **POLITICAL CORRECTNESS** determines that it is no longer proper to say that Stanford University, which straddles California's San Andreas Fault, is in an earthquake zone. We now say, it is "seismically challenged."

● **PABLO ESCOBAR**, the Colombian drug kingpin, denied any involvement in the World Trade Center bombing, in a one-page letter allegedly sent to U.S. Ambassador Morris Busby. "If I had done it, I would be saying why and I would be saying what I want."

● **BERNARD ARONSON**, former assistant secretary of state for Latin American affairs, has been replaced by career diplomat Alexander Watson, a former ambassador to Peru, who was described by a Peruvian paper as "an experienced student of Henry Kissinger." He was also close to Hernando de Soto, the "coca for debt" advocate of the primacy of the informal economy.

● **SEVENTY PEOPLE** attending a Midwest conference of Amnesty International signed the petition to President Clinton calling for the release and exoneration of U.S. political prisoner Lyndon LaRouche. One signer said, "We don't understand it all [why LaRouche was jailed], but something really set the government off against him."

Editorial

One last hope

On March 23, 1983, when President Reagan announced the Strategic Defense Initiative as an alternative to Henry Kissinger's policy of mutually assured destruction (MAD), a chain of events began to unfold which led ultimately to a true hope for peace in the world. It really all began in December 1981. At that time Lyndon LaRouche was approached by the Reagan administration and asked to begin exploratory talks with the Soviet Union on his "beam weapons" proposal, which later became known as the SDI.

LaRouche's policy was initially adopted by President Reagan, only to be sabotaged by forces grouped around then Vice President George Bush, who used Gen. Danny Graham to argue for the disastrous substitution of off-the-shelf technology in place of the frontier laser and beam weapon-related technologies proposed by LaRouche.

The Soviet response was to agree with LaRouche that his proposal to apply new physical principles such as lasers to the development of a strategic anti-ballistic missile system, would work scientifically and would generate the spinoff of new technologies into the civilian sector. They balked on this, however, even though LaRouche proposed that the United States and the U.S.S.R. should develop this in tandem, sharing the civilian applications.

This, the Soviets said they could not accept, because they recognized that the West would outpace the culturally backward Soviet system. Their rejection of the LaRouche/Reagan offer led the Soviet leadership down the track to disaster, as indeed LaRouche warned at the time.

In 1983 he told the Soviets that if they did not go the way of the SDI, which could be the engine to bring their economy out of backwardness, by 1988 they would see a breakdown crisis, which would emerge first in crucial parts of the eastern European economies. LaRouche was off by one year; however, in a celebrated speech in Berlin on Oct. 12, 1988, he foresaw the fall of the Berlin Wall and German reunification. At the end of 1989, he developed the Productive Triangle proposal. In response to the fall of the so-called Iron

Curtain, LaRouche proposed using the concentration of productive power in the Paris-Vienna-Berlin spherical triangle area, as the generator of new technologies which would be used to rapidly rebuild the economies of the former East bloc.

This was a continuation of the thinking which underlay the specific features of LaRouche's SDI proposal. The proposal was decisively rejected by Margaret Thatcher and George Bush, a miscalculation far more wicked than the infamous conduct of Neville Chamberlain in creating the Frankenstein's monster Hitler. Thatcher and Bush opted to collaborate with Mikhail Gorbachov and the Soviet *nomenklatura* and KGB, to suppress any potentials for rebuilding the destroyed economies of the East bloc. In collaboration with Gorbachov, they moved to destroy the potential of a unified Germany. Their policy was implemented first by unprovoked war against Iraq. Today the Russian apparatus, heir to the Soviet *nomenklatura*, is supporting the Serbian war machine, with the complicity of the British ruling elites who also support Serbia.

For the stupid British elites this appears to be another opportunity to clobber Germany. For the Russians, who have a historical alliance with Serbia, it functions as a backdrop for their own imperial ambitions, which have been temporarily put on the shelf. For the peoples of the world and future generations, it is nothing short of a proposed descent into the hell of a new Dark Age.

This need not happen; it never need have become a danger were it not that Bush and Thatcher (and now John Major) have done everything in their power to weaken the more positive forces in Russia, to destroy the Croats and the Bosnians, and to fan the flames of war. Thus they have brought us to the brink of a renewal of the Cold War, played out in a series of ever more brutal regional "proxy" wars.

Unless the ambitions of Greater Serbia are immediately checked by appropriate military measures and the sovereignty of Bosnia defended, we will be in the maelstrom of a third world war. This will be a war at least as terrible as World War I and World War II, even if no nuclear missiles are ever exchanged.

SEE LAROUCHE ON CABLE TV

ALASKA

- ANCHORAGE—ACTV Ch. 40
The LaRouche Connection
Wednesdays—9 p.m.

CALIFORNIA

- MODESTO—PA BB Ch. 5
The LaRouche Connection
Thurs., April 8—6:30 p.m.
- MOUNTAIN VIEW—VC-TV Ch. 30
The LaRouche Connection
Tuesdays—4 p.m.
- SACRAMENTO—
Access Sacramento Ch. 18
The LaRouche Connection
Wed., March 24—10 p.m.
Wed., April 14—10 p.m.

DISTRICT OF COLUMBIA

- WASHINGTON—DCTV Ch. 34
The LaRouche Connection
Sundays—12 Noon

FLORIDA

- PASCO COUNTY—TCI Ch. 31
The LaRouche Connection
Tuesdays—8:30 p.m.

GEORGIA

- 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)

ILLINOIS

- CHICAGO—Access Ch. 21
New Evidence May Free LaRouche
Mon., March 22—10 p.m.

The Ugly Truth About the ADL
Wed., March 31—8 p.m.

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
Tuesdays—11 p.m.
Thursdays—2:30 p.m.
- WESTMINSTER—
Carroll Community TV Ch. 19
The LaRouche Connection
Tuesdays—3 p.m.
Thursdays—7 p.m.

MICHIGAN

- TRENTON—TCI Ch. 44
The LaRouche Connection
Wednesdays—2:30 p.m.

MINNESOTA

- MINNEAPOLIS—Paragon Ch. 32
EIR World News
Wednesdays—6:30 p.m.
Sundays—9 p.m.
- ST. PAUL—Cable Access Ch. 33
EIR World News
Mondays—8 p.m.

NEW YORK

- BROCKPORT—Cable West Ch. 12
The LaRouche Connection
Thursdays—7 p.m.
- BRONX—
Riverdale Cable CATV-3
The LaRouche Connection
Saturdays—10 p.m.

- BROOKHAVEN—
TCI Cable of Brookhaven
Community Programming Ch. 6
The LaRouche Connection
Wednesdays—3:30 p.m.
- BUFFALO—BCAM Ch. 32
The LaRouche Connection
Mondays—6 p.m.
- IRONDEQUOIT—Cable Ch. 12
The LaRouche Connection
Tues. & Thurs.—7 p.m.
- MANHATTAN—MNN Ch. 69
The LaRouche Connection
Saturdays—12 Noon
- ROCHESTER—GRC Ch. 19
The LaRouche Connection
Fri—10:30 p.m., Sat—11 a.m.
- STATEN ISLAND—
SIC-TV Ch. 24
The LaRouche Connection
Wed—11 p.m., Sat—8 a.m.
- WESTCHESTER—
Mt. Vernon PA Ch. 18
The LaRouche Connection
Fridays—6 p.m.

OREGON

- CORVALLIS—TCI Ch. 11
The LaRouche Connection
Wed—1 p.m., Thurs—9 a.m.

TEXAS

- HOUSTON—PAC
The LaRouche Connection
Mondays—5 p.m.
Tues., March 23—2 p.m.
Mon., March 29—1 p.m.
Is the ADL the New KKK?
Thurs., April 1—12 Noon
Thurs., April 8—4 p.m.
Tues., April 13—7 p.m.

VIRGINIA

- ARLINGTON—ACT Ch. 33
The LaRouche Connection
Sun—1 p.m., Mon—6:30 p.m.
Wednesdays—12 noon
- CHESAPEAKE—ACC Ch. 40
The LaRouche Connection
Thursdays—8 p.m.
- CHESTERFIELD COUNTY—
Storer Ch. 6
The Schiller Institute Show
Tuesdays—9 a.m.
- FAIRFAX COUNTY—
Media General Ch. 10
The LaRouche Connection
Wednesdays—6:30 p.m.
Thurs—9 a.m., Fri—2 p.m.
- LEESBURG—
MultiVision Ch. 6
The LaRouche Connection
Mondays—7 p.m.
- RICHMOND/HENRICO—
Continental Cable Ch. 38
The Schiller Institute Show
Mondays—8 p.m.

WASHINGTON

- SEATTLE—PA Ch. 29
The LaRouche Connection
Sundays—11:30 p.m.
- SPOKANE—Cox Ch. 20
Mozart's Revolution in Music
Mon., March 22—3:30 p.m.
New Evidence May Free LaRouche
Tues., March 30—4 p.m.
- VANCOUVER—
Columbia Cable Ch. 49
The New Civil Rights Movement
Sat., April 10—12 Noon

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COLD FUSION

Challenge to U.S. Science Policy

The ground-breaking discovery announced by Martin Fleischman and Stanley Pons on March 23, 1989 has been received, not with scientific debate, but with a crude political witch-hunt. Compare what the anti-science mob is saying, with what Lyndon LaRouche writes in a 173-page science policy memorandum issued by the Schiller Institute.

Lyndon LaRouche



"These cold fusion experiments, taken together with other experiments exhibiting related kinds of anomalous results, should become featured elements of a special research project—a 'mini-crash program' of fundamental research—enjoying the moral and material support of appropriate public and private institutions of the United States and other nations."



Paul Ehrlich

Given society's record in managing technology, the prospect of cheap, inexhaustible power from fusion is "like giving a machine gun to an idiot child."



Jeremy Rifkin

"It's the worst thing that could happen to our planet."



Nature magazine

"The Utah phenomenon is literally unsupported by the evidence, could be an artifact, and given its improbability, is most likely to be one."

The New York Times

"Given the present state of evidence for cold fusion, the government would do better to put the money on a horse."



LaRouche's memorandum is available for \$25 postpaid from

The Schiller Institute, Inc.

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