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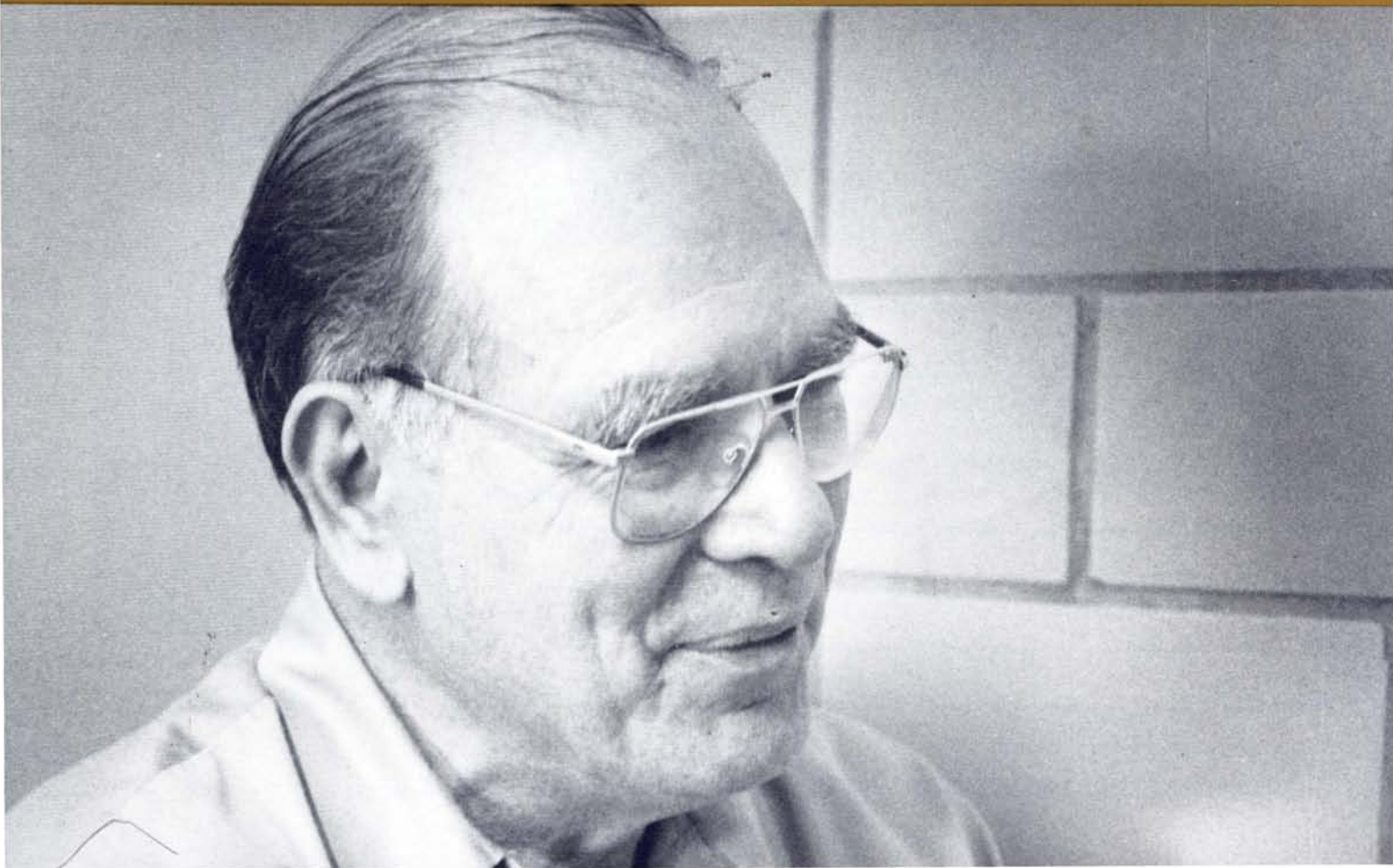
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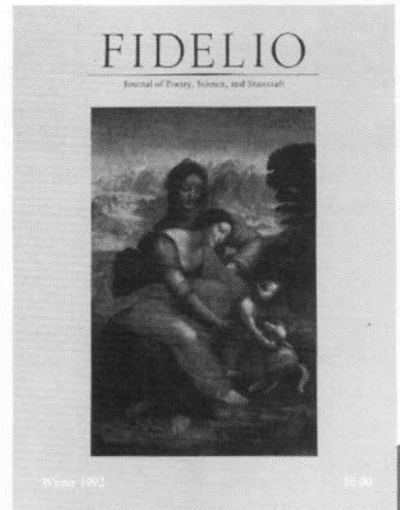
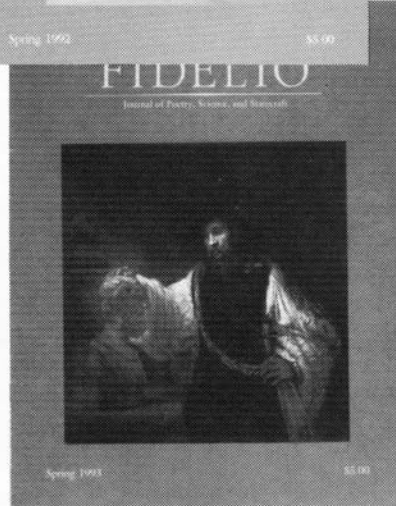
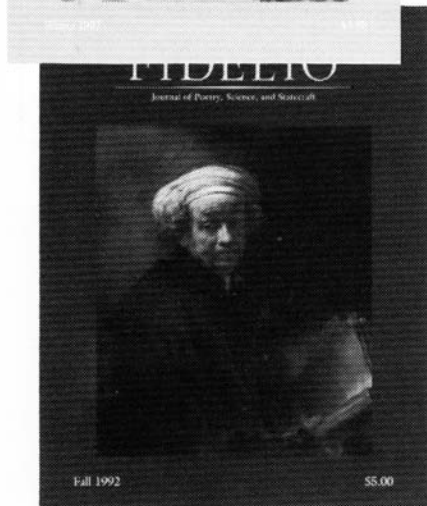
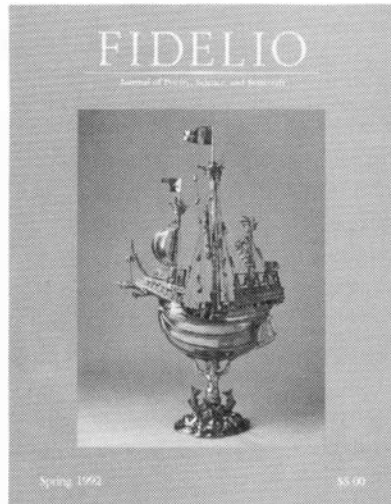
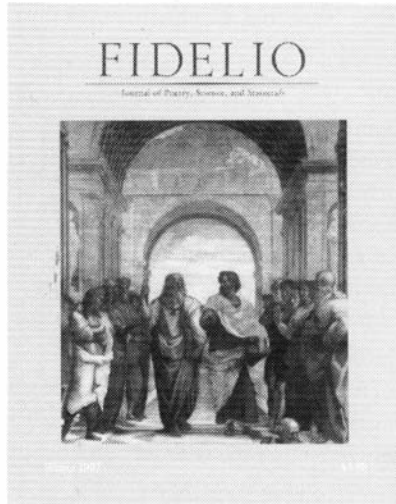
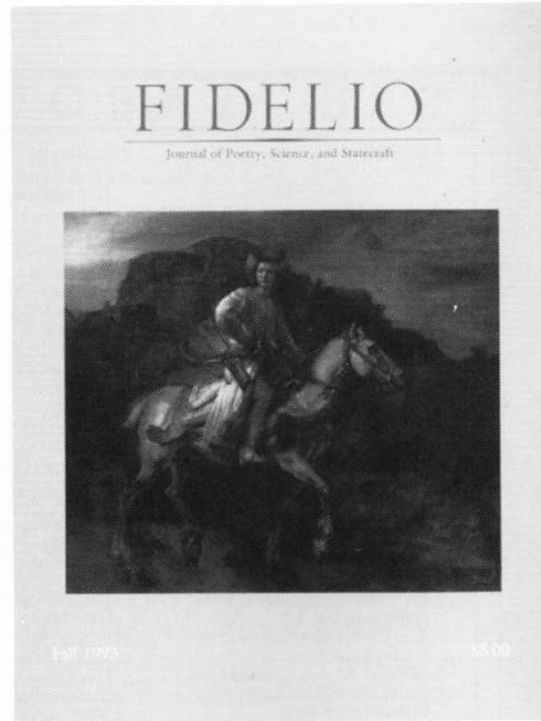
The power of ideas: Leibniz, Cantor, LaRouche  
What's really behind the 'Yeltsin coup'  
Clinton's new drug policy won't stop drugs

**The world needs LaRouche,  
lawmakers tell Washington**



*"I hope to convince you that, in order to solve the political problem in experience, one must take the path through the aesthetical, because it is through Beauty that one proceeds to Freedom."*

— Friedrich Schiller



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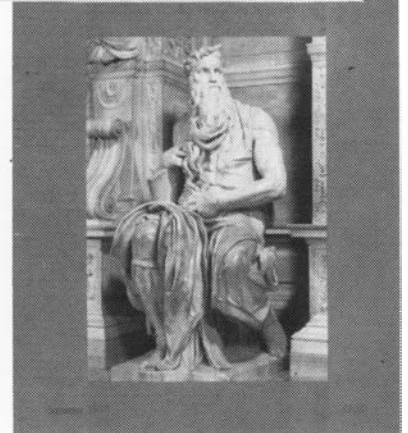
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## From the Managing Editor

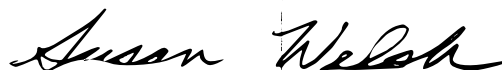
**M**oscow City Councilman Viktor Kuzin, in a message addressed to political prisoner Lyndon LaRouche and his friends, invoked the old slogan of the Russian human rights movement: “*Za vashu i nashu svobodu!*” (“For your freedom, and ours!”). That slogan aptly sums up many of the themes in this issue.

Mr. Kuzin had planned to be part of an international delegation visiting Washington at the end of September, to call upon President Clinton and the U.S. Congress to free LaRouche. But he was prevented from attending by the dramatic developments in his own country, the “Yeltsin coup,” which takes Russia one step closer to the new imperial dictatorship of which LaRouche and *EIR* have warned. For the sake of Russia’s future and world peace, LaRouche must be freed and his policies implemented, rather than the “shock therapy” policies that western governments are demanding.

As the international delegation met with Washington policymakers, their efforts were brought into sharp focus by a half-page ad in the *Washington Post* on Sept. 23, headlined “Legislators Worldwide Call on President Clinton: Free Lyndon LaRouche.” (See *National* section.)

In the Mideast, it is more apparent each day how crucial LaRouche’s policy input is. The Sept. 21 assassination in the Gaza Strip of PLO leader Mohammed Hashem abu-Shaabab, one of the most outspoken advocates of the PLO-Israel peace agreement, serves to underline how very little time there is to make the peace accord work. As LaRouche emphasizes, the bulldozers must start moving the earth *now*; construction must begin immediately on the canals and nuclear reactors that will make the desert bloom, and give hope to Palestinians and Israelis alike. We do not have months or years for the bureaucrats to haggle at international conferences; the bomb is ticking now.

Finally, our *Feature* highlights the methodology that has enabled LaRouche to come up with the breakthroughs that he has. As author Gabriele Liebig emphasizes, if you want to change the course of history and bring about a new Renaissance, you must fight for the *transfiniteness* of the human mind, against the oligarchs and malthusians who insist upon the mind’s *finiteness*.



# EIRContents

## Interviews

### 18 Teresa Platt

A member of the San Diego Fishermen's Coalition refutes the lies of Greenpeace about dolphin mortality in tuna fishing.

### 35 Lyndon LaRouche

In his weekly radio interview with "EIR Talks," economist LaRouche discusses the disintegration of political regimes around the world, from Moscow to Washington to Beijing.

### 50 Msgr. Michael Fitzgerald

The Secretary of the Pontifical Council for Interreligious Dialogue discusses the role of religious leaders in fostering Mideast peace.

### 51 Sen. Kamel Al-Sharif

Senator Al-Sharif is the editor of *Ad Destour* and secretary general of the International Islamic Council for Daw'a and Relief. He is a special envoy of Crown Prince Hassan of Jordan.

## Book Reviews

### 24 Conserving the landed gentry's tax dollars

*Good Dirt: Confessions of a Conservationist*, by David E. Morine.

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## Science & Technology

### 18 Pacific tuna fishermen take on Greenpeace

San Diego is now safer from the environmentalists and their phony claims about the dangers to dolphins from purse seine fishing, as Teresa Platt of the Fishermen's Coalition explains.

## Departments

### 14 Andean Report

Colombia's food security at risk.

### 53 Report from Bonn

Germany and its "instead-of" elites.

### 72 Editorial

No "free-market" health care.

## Economics

### 4 LaRouche vs. World Bank plan for the Mideast

Washington is organizing "donors conferences" to raise funds for Mideast development, but the paltry sums under discussion will not do the job of underwriting the historic Israel-PLO accord.

### 6 U.S. emergency mobilization needed to save flood-ravaged Midwest towns

A case study of the town of Grafton, Illinois. The town has prepared a \$29 million plan to rebuild, but where is the money going to come from?

### 10 Currency Rates

### 11 Tractorcades continue in Mexico, demanding farm debt moratorium

### 13 Agriculture

Farm protests explode as GATT stalls.

### 15 Banking

Crocodile tears over mutual funds.

### 16 Business Briefs

## Feature



Lyndon LaRouche, in prison in Rochester, Minnesota, where he is serving a barbarous 15-year sentence as a political prisoner.

### **26 Leibniz, Cantor, and LaRouche on the human mind**

Only by comprehending the power of great ideas to shape world history, can we find the means to reverse the present crisis. An analysis presented by Gabriele Liebig, executive member of the International Caucus of Labor Committees, to an ICLC meeting in Paris.

## International

### **32 Yeltsin dissolves parliament as Russia's crisis deepens**

The "Yeltsin coup" is not a step toward International Monetary Fund-style "democracy," as the Clinton State Department hopes, but rather brings Russia closer to an imperial dictatorship.

### **34 'Ex'-communists win in Poland**

### **39 European leaders call for quick action to build infrastructure in Middle East**

A statement by Helga Zepp-LaRouche and Jacques Cheminade, leaders of the Schiller Institute in Germany and France, respectively.

### **41 India and China decide to shed hostility, sign historic accord**

### **44 China faces breakup, internal report warns**

### **45 NATO in Balkans would be a disaster**

A commentary by Croatian military specialist Srecko Jurdana.

### **47 Franciscans issue appeal on Balkans**

### **48 Argentina a battering ram against Brazil**

### **49 Brazil's new minister would surrender Amazon**

### **54 International Intelligence**

## National

### **56 Clinton's drug policy will increase illegal drug flows**

The Coast Guard and Customs Service are furious over the administration's shift away from attempts at interdiction of illegal drugs, to a policy based on reducing the demand for drugs at home and military intervention abroad.

### **58 Top international delegation tells Congress: 'The world needs LaRouche'**

**Documentation:** The text of an ad placed in the *Washington Post*, signed by some 350 world leaders, calling on President Clinton to free LaRouche.

### **61 Virginia prepares to jail four more LaRouche associates**

### **64 ADL spy scandal just won't go away**

### **66 OBE in action: a day in a Michigan school**

### **68 Congressional Closeup**

### **70 National News**

## LaRouche vs. World Bank plan for the Mideast

by Joseph Brewda

Israeli Prime Minister Yitzhak Rabin, in a Tel Aviv speech on Sept. 16, underlined that if urgent actions are not taken to move forward the agenda of economic development for the Palestinians, the peace accord that was signed between Israel and the Palestine Liberation Organization on Sept. 13 will blow up. "If apart from assuming control of security and public order, there will be no economic solutions that will enable the Gazans to see the light at the end of the tunnel, the problem will not be solved," said Rabin. "So far, the world has only paid lip service to the Palestinian issue." Rabin's statement gives one more indication of the dramatic and unexpected changes now ongoing in the Middle East.

Yet the announcement by U.S. Secretary of State Warren Christopher on Sept. 20 that the United States will convene a series of "donors conferences," modeled on those there were to provide aid to Russia, indicates that Washington at least intends to continue that lip service. In what the State Department described as a major policy address, and the first since the PLO-Israel signing ceremony on the White House lawn the week before, Christopher endorsed a World Bank study which claimed that the Palestinians only need \$3 billion over ten years—a ridiculously small sum.

By contrast, Lyndon LaRouche, who first called for massive economic development as the basis of Mideast peace following a trip to Iraq in 1975, estimates that some \$2 billion a year in investments in infrastructure is required just to get things going. In early September, LaRouche also warned that certain forces in the United States and Europe would seek to sabotage the accords internally. "The danger is," he said, "that Washington and Europe seem to be insisting that, at this time, all economic development in the region be limited to penny-ante employment projects," rather than the grand infrastructure development projects needed.

In remarks on Sept. 22, LaRouche emphasized that these large-scale infrastructure development projects must begin immediately. "Without economic development of the style which I have insisted upon for the Middle East and for Europe and also for the United States; without introducing that kind of infrastructure-based dirigist or state-credit directed approach, it is impossible to reach a Middle East peace, because the foundations for mutual self-interest would not exist. Others have opposed that. You have the approach of George Soros and similar types of people, who want to turn the Middle East simply into a financial and gambling resort and house of prostitution or something like that. That means the death of everything."

### Christopher endorses World Bank

On Sept. 20-21, the World Bank held a conference at its Washington headquarters on economic aid to the Palestinians in the Occupied Territories of the West Bank and Gaza Strip. Attendees at the closed-door conference were reportedly told that a World Bank study has shown that only \$3 billion would be needed for the 1.7 million Arabs there. To get a sense of the inadequacy of this sum, one only has to consider that the Israelis have invested almost nothing in the territories since they seized them 25 years ago, except for their Jewish settlements. Nor does the World Bank propose the type of vast infrastructure projects needed, such as nuclear power and large-scale desalination works.

Even this projected outlay, much of which would be in the form of loans, would be reportedly delayed until some Palestinian entity is formed to "guarantee repayment of loans." In other words, the PLO will have a version of "International Monetary Fund conditionalities" imposed on it, even prior to forming a state, and even before being mired in debt.

Furthermore, the World Bank is reportedly insisting that the PLO undertake the type of "reforms" which it has increasingly demanded of all of its recipients, that is, "democratization" of its "autocratic structures."

As the World Bank conference was opening in Washington, Christopher was addressing a Columbia University gathering in New York at which he endorsed its estimates. Christopher reported that the United States will be convening a donors conference to support Middle East peace, with the participation of Russia, Japan, the Europeans, Saudi Arabia, the Persian Gulf states, Canada, and others. He said that the "World Bank will play a major coordinating role" in overseeing this assistance, and added that the assistance will be modeled on that provided for Russia.

But what is this model? In October 1991, the Group of Seven (U.S., Japan, Germany, Britain, France, Italy, and Canada) decided that Russia would get no debt relief, and that International Monetary Fund (IMF) conditionalities would be imposed despite the collapse of communism that summer. At a January 1992 donors conference—the cited model for the coming one on the Middle East—then-Secretary of State James Baker insisted that "humanitarian aid" would be given to Russia *only* in coordination with the IMF and World Bank, which would "work with the Russians and others to devise credible long-term reform plans." The economic collapse of eastern Europe, the reimposition of de facto communist rule in Lithuania and Poland, and the coming to power of an imperial leadership in Moscow, are a direct result of these reforms, and this lack of real aid.

In his remarks at Columbia, Christopher made the type of obligatory remarks one would expect at such gatherings, just as Baker did in 1992. For example: "The international community must immediately see that the agreement produces tangible results in the security and daily lives of Palestinians and Israelis." But then, immediately following: "The World Bank's initial estimate is that at least \$3 billion will be need over the next ten years. An important portion of this sum will be need for a quick-start effort over the next year."

To ensure that the import of Christopher's speech was understood, the State Department gave a background briefing on the subject that day. There a senior administration official emphasized that the World Bank estimate has been endorsed by the Clinton administration, and insisted, wrongly, and over the objections of some reporters present, that neither the PLO nor any other party involved has asked for more. Although citing the need for creating infrastructure, he emphasized that it should be "labor intensive," apparently to ensure what Christopher termed a "quick-start effort."

In a related announcement, Christopher and Treasury Secretary Lloyd Bentsen reported that the United States would be giving all of \$250 million as part of this aid package, complementing the measly \$400 million promised by the European Community.

## What the PLO and Israelis say

"It's too small a figure for the whole ten years," said Samir Abdullah, head of the PLO team which helped compile the World Bank study. "The PLO will ask the World Bank to change the assumptions it based its investment proposal on in light of the new Israel-PLO accords." He called for the World Bank to double the investment. Similarly, Bassam Abu Sharif, an adviser to PLO chairman Yasser Arafat, told *L'Express* newspaper of France that what was required was "a seven-year plan which foresees the disbursement of \$2 billion a year only for the reconstruction of infrastructure."

The PLO is well aware of the dangers if no real aid is forthcoming. Yasser Abd Rabbuh, for example, one of Arafat's closest aides, emphasized to the Berlin paper *Neue Zeit* on Sept. 14 that "the improvement of the economic situation is a precondition of the agreement turning into a success," adding, "the people must see that the Palestinian administration has power, that it is not just the pawn of Israel." And Arafat himself told an Egyptian daily, on the eve of the White House ceremony where the accord was signed, "I will not be another Gorbachov; the West promised him financial assistance and then let him down."

In the United States, the Palestinians are finding some previously unexpected allies. "If people in the region don't see the benefits, they're likely to be susceptible to the pleas of religious radical terrorism," said Lester Pollack, chairman of the Conference of Presidents of Major Jewish Organizations, on Sept. 17. "I've been a supporter of economic development, and I think it should be both public and private initiatives at this point." Several U.S. rabbis included pleas for aid to the Palestinians in their Rosh Hashanah (Jewish New Year) sermons.

On the Israeli side, Deputy Foreign Minister Yossi Beilin has called for \$15 billion in investment in five years. But most remarkable is a proposal of Foreign Minister Shimon Peres in the French publication *Acque et Terre*, calling for supplying \$8 billion a year in aid to the region overall. While Peres's proposed source of this money—a \$1 a barrel oil tax—may be questioned, the amount of funds called for is reasonable. Significantly, Peres called for "the greening of the Middle East," noting that the "most viable method for producing water may be nuclear energy." In 1986, Peres, then prime minister, had called for a similar \$50 billion "Marshall Plan" for developing the Middle East. He asked that a then upcoming meeting of the Organization of Economic Cooperation and Development (OECD) adopt the proposal; it was rejected.

In underlining the need for these projects, LaRouche commented: "We've got to do that *now*. This is our last chance to do it globally; that's what the Israelis are trying to do, and that's what Arafat's trying to do: to seize this opportunity while they are still alive to do it, before a younger generation which presently would not be morally or intellectually capable of doing it, is left with the task. They have to move now; this is their last chance."

# U.S. emergency mobilization needed to save flood-ravaged Midwest towns

by Marcia Merry

Grafton, Illinois is a river town of 918 residents located at the confluence of the Mississippi and Illinois rivers, just upriver from where the Missouri River meets the Mississippi. Like hundreds of other towns, Grafton was devastated by the Flood of '93.

In terms of geography, Grafton is unique. Because of its location, Grafton is liable to flooding when any of the three rivers—the Illinois, the Mississippi, or the Missouri—reaches flood level. This year, when all three rivers flooded simultaneously, Grafton was flooded as never before in its history.

Vice President Albert Gore flew there July 13 during the floods to show federal concern. Politico Ross Perot went there to make a speech. The national media focussed on Grafton for a time. Then they abandoned it.

The financial condition Grafton is the same as the hundreds of other hard-hit river towns: It is in desperate trouble. Although the flood waters have now receded, no amount of sheer grit and effort can “clean up” after this killer flood, because these towns were already suffering from decades of economic depression. Even had the summer of 1993 been ideal, the towns would have been in trouble: Unemployment is high; infrastructure is aging; towns are trying to shift to reliance on tourism; there is an exodus of young people; bridges, roads, sewage and water treatment plants are in need of repair and replacement. Towns along thousands of miles of the midwestern river systems are in this condition.

Portsmouth, Ohio, for example (which didn't experience floods this year), had 50,000 residents in the 1950s, and many manufacturing plants serving the shoe industry. The town now has one factory, which makes shoe laces. Portsmouth's population has shrunk to 23,000, and the largest payroll in town is the welfare check.

Clairton, Pennsylvania, on the Monongahela River, declared bankruptcy last year. McKeesport, Pennsylvania, on the confluence of the Monongahela and the Youghiogheny, has shrunk in population from 90,000 down to 25,000; it can't support even one fast-food franchise. Its water supply system broke down and was infected with *giardia lamblia* in

the 1980s, and the National Guard had to come to the rescue.

Grafton estimates that it needs \$29 million to refurbish and rebuild (public budget money and private investment combined). If you figure that there is at least one “Grafton” in each of the 421 counties designated as disaster zones, out of the total of 791 counties in the nine states declared disaster states because of the 1993 flood, then the modest rebuilding figure for small municipalities is \$12.209 billion total, with no frills. Note that this does not even count the multibillions in damage to farms, to interstate infrastructure (rail lines, bridges, highways), nor large urban areas.

Yet, under “business-as-usual” in today's depression, there is no current or expected foundation of economic activity nor tax base by which these towns can remain alive, let alone rebuild. Unlike the federal government, they can't print money.

Over the past three decades, the base of economic activity of both the river towns, and all municipalities alike was wiped out by depression. After the Flood of '93, it's either a national economic mobilization to restore the economy, or it's the end of the line for these towns and the nation.

## Casinos thrive on economy's corpse

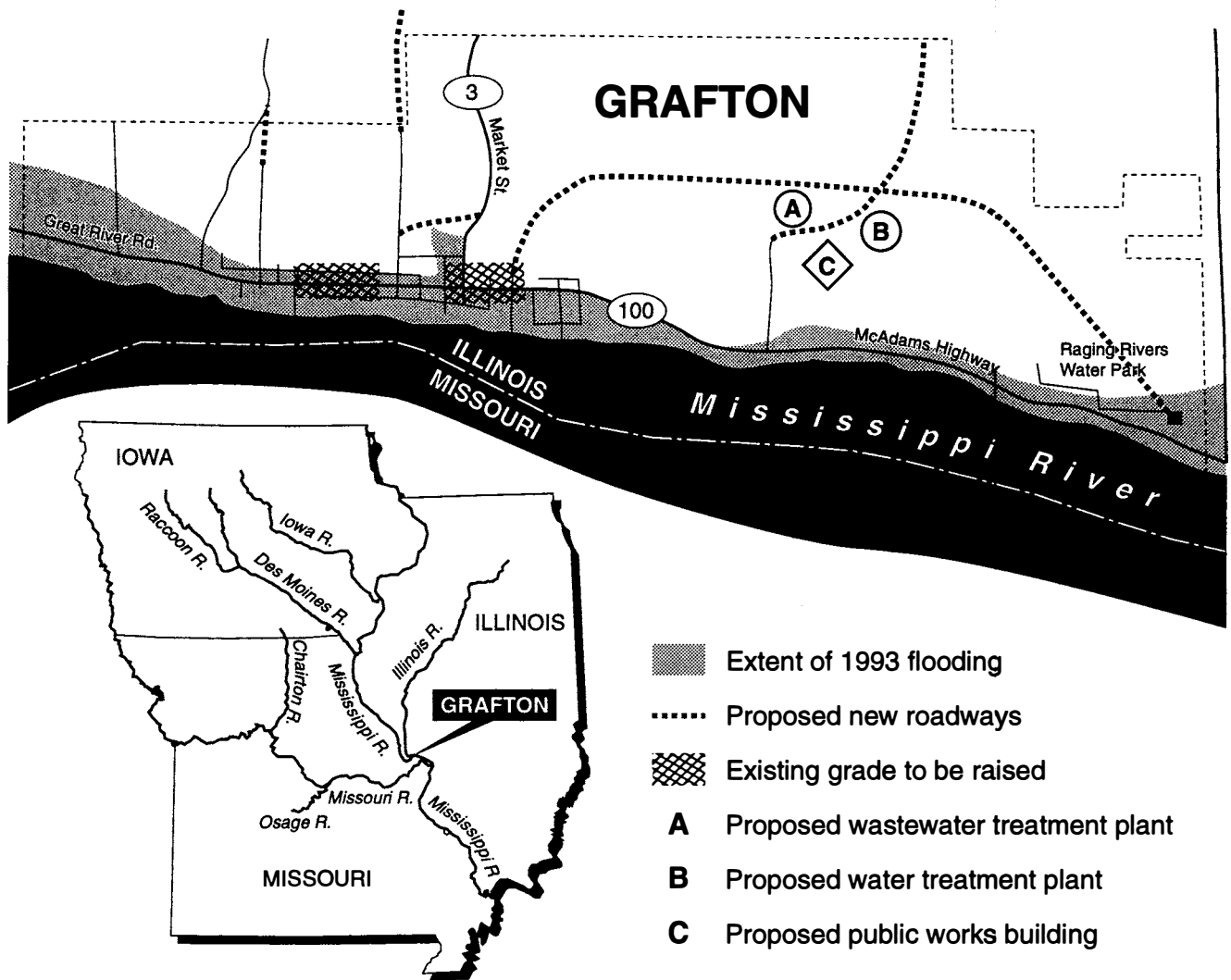
Alton, Illinois, just 15 miles downriver from Grafton, used to be 80% industrial. As the 1980s depression hit, the industry shut down, and now only the ConAgra flour mill is still operating. In desperation, the townspeople approved a riverboat gambling casino.

Upriver from Grafton is the famous Quad Cities—Davenport and Bettendorf in Iowa, and Rock Island and Moline in Illinois. Quad Cities used to be famous for high-technology farm-implement manufacturing, such as John Deere tractors. Then the depression knocked that out, and now since 1991, Davenport is home port to the President Lines riverboat casino. They, too, have made a deal with the Devil.

Davenport didn't even build a levee to protect itself from floods, so as not to “spoil” the view of the riverfront for the visiting prospective gamblers. The town was getting \$20,000



## Schematic of Grafton, Illinois and its proposed rebuilding plan



Source: City of Grafton, Illinois.

a week payoff to its budget from the President casino company. Then when the Flood of '93 came. As economist Lyndon LaRouche said from prison, "They wanted a river view; they got it in their living rooms."

### Grafton's battle against the flood

Unlike Davenport and Alton, Grafton has not made a deal with the Devil, and did not approve gambling as an apparent solution to its economic problems. But financially, the town could not afford a levee, and was barely surviving on the summer tourist trade. Then came the flood, which ruined Grafton's 1993 summer tourism revenues, and damaged its aging infrastructure.

The townspeople did everything they could to survive the raging waters in July and August. They evacuated residents, boarded and sandbagged property, and built makeshift gravel roads on higher ground. They patrolled by boat. Everywhere there were signs reading "Do Not Make Wake," in order to protect the structures from further damage from the wakes of passing boats. The town's only grocery market was flooded to the ceiling. They set up an emergency food bank and meals center. Three of the four churches in town were flooded, and all residents pitched in to minimize the damage. The only commerce and trade that went on were floating food concessions to serve the swarms of visiting journalists. Then the media left, and there was no activity at all.

TABLE 1

**Overview of Grafton's needs**

(estimated August 20, 1993)

| Needs, today and tomorrow                   | Cost                 |
|---|----------------------|
| 1. Temporary personal needs                 | \$ 3,624,500         |
| 2. Temporary municipal/public systems needs | 610,000              |
| 3. Temporary business needs                 | 1,540,000            |
| 4. Permanent personal needs                 | 10,620,625           |
| 5. Permanent municipal/public systems needs | 10,449,000           |
| 6. Permanent business needs                 | 2,412,500            |
| <b>Total Grafton needs</b>                  | <b>\$29,256,625*</b> |

\* Plus possible additional amounts to be determined after floodwaters recede.

Grafton Mayor Gerald Nairn reports that about \$67,000 comes into the town's budget annually in the form of revenues from the summer season tourist trade. But this year, \$50,000 of that is lost. Therefore, besides the direct flood damage, Grafton is thrown into financial crisis because the town budget cannot even pay its staff who provide security, public works operations, and other services.

Yet Grafton reacted to the physical emergency in July and August with full moral commitment. To protect their 38-year-old sewage plant, they wrapped it in plastic sheeting, and when a hole developed, they commissioned divers to go down and plug it. Then the waters rose even higher and came within inches of pouring into the sewage plant through the windows. However, the town's effort prevailed, and the plant is intact. But it is located on the flood plain, and the engineering life of a sewage plant or water works is only 40 years, so Grafton's plant is ready for retirement, even without another flood episode that it very likely would not withstand, no matter what precautions were taken.

While the physical battle against flood waters raged, townspeople formed a committee and drew up a program for putting the town right for the future. They released their proposal, "Flood Relief Comprehensive Plan," on Aug. 20. The proposal is illustrative of what is needed in towns throughout the Midwest in similar circumstances. The total cost estimate is \$29,256,625, for a combination of municipal, business, and personal costs. In the case of Grafton, most of the municipal costs involve replacing the aged infrastructure and moving its sewage treatment, water supplies, the telephone exchange, and power lines to nearby higher ground. The topography of the upper Mississippi is such that many flood plain towns could relocate their utilities to more protected sites. Mayor Nairn issued a statement saying, "Our goal is to *save our town*."

On Sept. 11, Mayor Dennis Knobloch of Valmeyer, Illinois, likewise announced that the 900-plus residents of his

town, located 15 miles south of St. Louis, also voted in favor of moving the town to higher ground to the east. Knobloch said that of the 239 votes cast, 66% favored making the move. "We thought when the water went down, all our problems would go with it," he commented. "But the water was just the tip of the destruction."

**Call in the Army**

In addition to the local plans for refurbishing, the results of the Flood of '93 show that the Army Corps of Engineers must be mandated to finish the job of overall flood control measures throughout the entire upper Mississippi/Missouri River watersheds—tributaries and all, as has been rather well done in the southern Mississippi basin, from about Cairo, Illinois southward.

After a devastating flood in 1927, Congress passed the "National Flood Control Act" and the Corps of Engineers went to work on the lower Mississippi basin. The full panoply of methods was used—levees, diversion channels, dams on the tributary channels, stabilizing channels with dredging, revetements.

On the upper Mississippi, for various reasons, such systems were only partially built, with devastating consequences this year. The decision whether to build levees was left to each municipality on a site-by-site basis, and maintaining levees was left to local levee districts—meaning, in practice, to financially strapped farmers and residents of small towns. (See "The Damage of the Flood of '93 Could Have Been Prevented," *EIR*, Sept. 10.)

The lessons of the flood now show to whoever across the nation can still learn, that this folly must be changed. A national emergency economic approach is required, in which millions of jobs can be created in the course of dealing with the nation's decrepit infrastructure and unbuilt large-scale water, transport, and other public works improvements.

To make the point concretely, what we here provide are the details of Grafton's plan, excerpted from the Aug. 20 release by Mayor Nairn, for the City of Grafton, and sent to President Clinton, Vice President Gore, Illinois Gov. Jim Edgar, and others, including this news service. Besides the 18-page report, also available is a 20-minute video made by the town, to dramatize their situation. (The video be obtained by writing to Mayor Gerald Nairn, City Hall, Grafton, Ill. 62037.)

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## **Flood Relief Comprehensive Plan City of Grafton, Illinois Aug. 20, 1993**

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*Grafton's Goal:* To present herewith a well-thought-out plan for approval and implementation to recover from the disastrous flood of 1993. Rationale: Let's spend the money

prudently *now* so that future flood damage costs will be minimal. The current flood has been and will be very costly to the Citizens of Grafton, the City of Grafton, Jersey County, the State of Illinois and the United States government. With a proper plan, the 1993 flood will be the *last* disastrous flood in Grafton's history. *The City of Grafton will not survive unless we receive assistance.*

*Background:* The City of Grafton lies within Jersey County in southwestern Illinois, 15 miles upriver from Alton via the beautiful "Great River Road." Grafton is 45 minutes from downtown St. Louis and 40 minutes from St. Louis Lambert International Airport.

The population is 918. We have 383 households, 60 business, four churches, and an elementary school. A large number of Grafton residents have jobs in Alton and St. Louis. Others have small businesses in Grafton or are employed in town. We have no manufacturing or industry.

Grafton's economy relies strongly on tourism. Spring, summer, and fall are our busiest seasons. Raging Rivers Water Park, now in its third year, is our largest employer, and is a \$5,000,000 investment. It is located within our city limits. It lost 80% of this season due to flood.

After each flood in the past, the sturdy folks of city of Grafton have returned to their homes, cleaned up, repaired, and went along with their lives without complaint. But the 1993 flood is different. Many of our homes and businesses will be condemned. Many residents will have no home to return to.

During the devastating flood, Grafton made many accomplishments. Grafton survived and kept the community together in spirit and in hope. Grafton coordinated FEMA [Federal Emergency Management Agency], SBA [Small Business Administration], and Illinois Employment Security applications for qualified residents, businesses, and employees. Grafton surveyed residents and businesses as to emergency and future needs. Grafton worked with FEMA representatives to secure temporary mobile home housing for flood victims. Grafton began emergency road building for some of our flood-bound citizens. Without these quickly constructed gravel roads, over 95% of the people of Grafton would have been unable to leave town without taking a boat.

Beginning in July, there were meetings of the Grafton Flood Control Committee, and in July and August surveys were taken to reach maximum possible consensus on steps to take.

Here is the overview of needs, and then a breakdown of two selected subgroups of requirements—municipal (public services) and residential [see table].

Below, we now give excerpts from the Grafton Flood Relief Comprehensive Plan, for the two largest cost lines in the Grafton list of needs—Permanent Municipal/Public System Needs, and Permanent Personal Needs—i.e., residential, which total \$21,069,625. First, the municipal requirements.

## Municipal

The costs for meeting temporary municipal needs include incurred costs for such essentials as the mobile wastewater treatment system for use at the main temporary housing site, which later was shifted to a new public works site for emergency back-up use (\$85,000). For the water and sewer plans, there are temporary repairs once the floodwaters are gone, and before new plants are in operation (\$50,000). Otherwise grants are needed on the scale of \$17,500 monthly for police, fire, public health, and other city services until Grafton revenues resume (\$210,000).

The long-term municipal and public systems needs add up to \$10,449,00. (When the \$610,000 is combined with this, the total of \$11,059,000 is explained, which is listed in the table of overall needs.) These are basic infrastructure, without which a community cannot exist for long until dysentery, cholera, and other diseases will depopulate the settlement, or else the population must evacuate.

The schematic map of Grafton shows the following elements of essential infrastructure requirements [see map].

### 1. New Public Works Complex.

New five-acre public works complex above flood plain located at expanded site of present water storage tanks (for water, sewer plants and maintenance building). Includes land acquisition and site improvements. (Estimate \$185,000.) See "C" on the map.

### 2. Water

New water plant, estimated \$600,000, less approximately \$135,000 available from present HUD/DCCA grant. (\$465,000.) See "B" on the map.

### 3. New water wells

Two new water wells, \$100,000-\$200,000 estimated cost range. (\$150,000.)

### 4. Eight-inch water line

A new 8-inch water line to tie in to existing 8-inch water line from west end of Grafton through center of city (trunk line) to storage tanks. A grant application has been submitted to DCCA on June 30, and is pending. (\$120,000.)

### 5. Eight-inch water main

A new 8-inch water main from existing 280,000-gallon storage tanks to proposed 800,000-gallon elevated storage tank at highest available elevation in Grafton. (\$200,000.)

### 6. New elevated storage tank

800,000 gallons. (Estimated \$800,000.)

### 7. Sewerage

New sewer plant at public works site including lift station from present plant location and lines from lift station to new plant. Estimated cost range of \$1.5 to \$2 million. See "A" on map. (\$1,750,000.)

### 8. Existing sewer line video study and repair

Includes installation of insituform lining for sewer lines being infiltrated. (\$285,000.)

### 9. Streets, roads, highways (city, county, and state)

(A) Build a series of roads in high areas of Grafton (see map). The proposed roads will provide ingress and egress to and from all areas of town. Passage to proposed new public works sites will be assured.

Approximately 10 miles of roads, estimated at \$550,000 per mile, are required. (\$5,500,000.)

**10. Raise Illinois state highway 100**

It is called McAdams Highway and Great River Road, and is to be raised where it crosses state highway 3 at the center of Grafton to maximum appropriate flood avoidance level. This is approximately 0.7 mile. (\$994,000.)

**Permanent personal (residential) needs**

Here are some of the factors that went into the final calculation of a total estimated figure of \$14,245,125 to cover personal needs. About 20% of the households are candidates for rebuilding. This comes to \$1,412,500, based on 75% of assessed valuation. Approximately 80% of the households are candidates for relocation. This comes to \$5,650,125 based on 80% of assessed value adjusted for apartments and mobile homes.

Then there are transition costs (storage, etc.) amounting to perhaps \$239,250 for 229 households (which is 60% of the 383 households that need to relocate).

Other costs include grants to subsidize requirements (subdivision infrastructure, home loan buydowns, etc.) to bring rent and homebuyer costs down for HUD low- and moderate-income people. This amounts to \$3,318,750.

Finally, there are the costs of the new homes and apartments—to be paid by the owners. It is estimated there need to be 229 relocations: 80% new homes (\$55,000-75,000 range), and 20% new apartments (\$25,000-35,000 per unit). The overall cost range is estimated to be \$15 to \$20.5 million. Most all of this is to be paid by owners.

**Temporary personal needs**

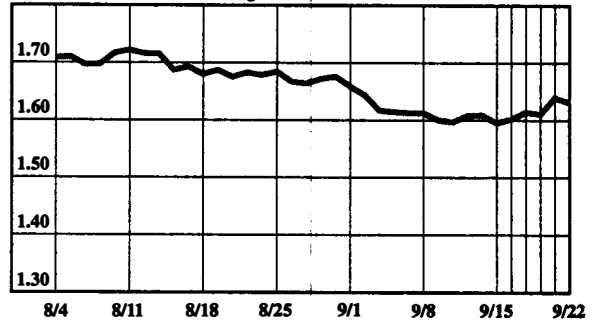
Apart from the permanent residential requirements, the costs of the temporary personal needs are more obvious—and played up on television, and relatively speaking, much smaller by comparison. As calculated by the Grafton townsmen, the needs include survival cash, temporary housing, and special assistance.

Of the 383 households, an estimated 306 (80%) need assistance. It is estimated that \$750 is needed monthly for each household for 11 months until rebuilding is well under way. That amounts to \$2,524,500. Other costs need to be met for 100 mobile homes for temporary housing for FEMA-qualified residents (\$950,000, including costs of developing the sites). And about \$1,500 per family is required for the 100 families that found their own temporary housing with friends and relatives, but for the 6-15-month period of dislocation, need cash to help defray their upkeep (\$150,000 total). Thus, the total for temporary personal needs for the town is listed as \$3,624,500.

**Currency Rates**

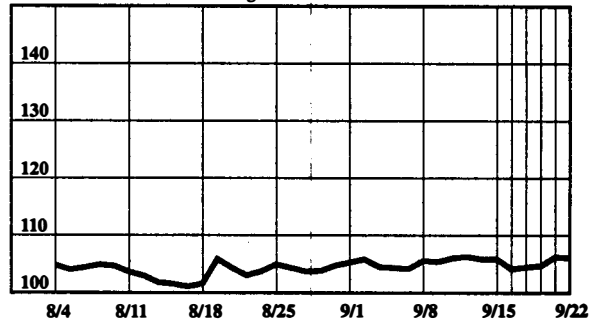
**The dollar in deutschemarks**

New York late afternoon fixing



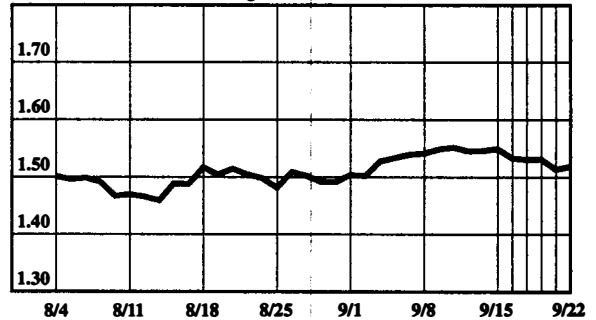
**The dollar in yen**

New York late afternoon fixing



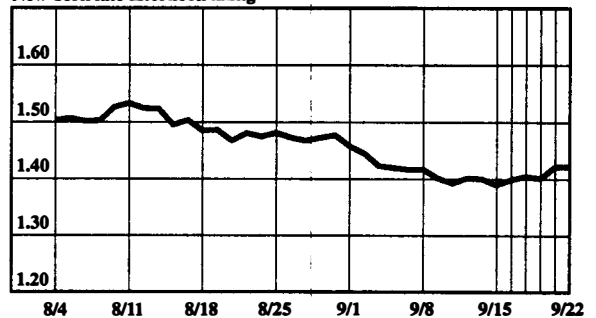
**The British pound in dollars**

New York late afternoon fixing



**The dollar in Swiss francs**

New York late afternoon fixing



# Tractorcades continue in Mexico, demanding farm debt moratorium

by Hugo López Ochoa

Hundreds of farmers from Mexico's Sonora, Chihuahua, and Jalisco states celebrated National Independence Day on Sept. 15-16 by occupying the main Plaza de Armas of Jalisco's capital, Guadalajara, with 300 tractors, blockading the offices of the Treasury Department in Ciudad Obregón, Sonora with 200 tractors, and staging sit-ins and other actions in at least 10 towns in Chihuahua, involving nearly 500 tractors.

The actions were coordinated by the Permanent Forum of Rural Producers (FPPR), the El Barzón movement in Jalisco, and the umbrella Farmers Coordinator organization—all with the same demand for an end to the bank usury which is destroying agriculture and the entire productive sector of the country.

The mobilization is occurring in the midst of an intense national debate over the FPPR's proposal to declare 80% of the country's agricultural debt illegal, and to demand a moratorium on the rest of that debt, as the necessary first step toward formulating a National Agricultural Plan that can guarantee the country food self-sufficiency and economic sovereignty.

The FPPR is also proposing that Mexico refuse to sign the North American Free Trade Agreement (NAFTA) with the United States and Canada, a proposal which intersects the growing opposition to NAFTA within the U.S. Congress. This opposition to the pact on both sides of the border has triggered a precipitous decline on the Mexican stock market over ten days, and it is said that President Carlos Salinas de Gortari is readying a contingency plan in case the treaty is not signed.

The FPPR's proposal to return Mexico to a system of national economy is also triggering debates within the news media over whether the actions taken by former President José López Portillo in 1982—the nationalization of the banks (since re-privatized by Salinas) and exchange controls—were correct.

Five congressmen held a 72-hour hunger strike in solidarity with the farmers' demands, after Deputy Cecilia Soto read the FPPR proposal for a national moratorium on farm debt before a full session of the House in early September.

Into this volatile situation, Lyndon LaRouche's Sept. 14

commentary on the situation fell like a bombshell. LaRouche was responding to Mexican scribbler Luis E. Mercado, who, in his Sept. 6 column in the daily *El Economista*, attacked LaRouche's support for the Mexican farmers as a foreign intervention into the Mexican presidential succession fight. Mercado demanded that legal measures be taken against LaRouche's friends in Mexico.

LaRouche responded that Mercado's attack was nothing but an attempt by Mexican bankers (for whom Mercado is a known mouthpiece) to cover up a secret plan orchestrated by the U.S. Federal Reserve and incorporated into the NAFTA agreements, to force Mexico's producers into liquidation. LaRouche emphasized that this secret plan was leaked at hearings on NAFTA called by the Banking Committee of the U.S. House of Representatives.

The *EIR* press release reporting LaRouche's commentary said that the aim of the secret plan is "to bankrupt Mexico. Bankrupting Mexico is taking away that country's ability to survive. Yet, as long as Mexico's producers remain in possession of their lands, and their plant and equipment, and as long as they can function, Mexico will survive. If that is not permitted them, then Mexico will not survive. Mercado has put himself forward as the apologist for the bankruptcy of Mexico and its producers, as grist for the mill or another looting swindle cooked up by the New York banks."

Although the Mexican press has yet to print a word about the existence of these secret accords, LaRouche's statement landed on the desk of every newspaper editor, congressman, and farm leader in the country. Interviewed on the question, FPPR coordinator Alberto Vizcarra told *EIR* that "it is clear that the Treasury Department's obstinacy with respect to the FPPR's proposal has everything to do with those secret agreements. The FPPR will launch a campaign to demand that these secret deals be made public, and that the full weight of the law fall upon those who are betraying Mexico."

## The battle for debt moratorium

The FPPR's battle to get the Chihuahua and Jalisco growers to adopt its proposal for debt moratorium and a return to a system of national economy was rewarded during the week

of Sept. 20, when its program was unanimously adopted by Combat District One of Chihuahua's Regional Agricultural Union, headed by Rubén Ortega Rodríguez, Pascual R. González Vega, and Felipe de la Rosa.

A document containing the FPPR proposal was given by District One to Chihuahua Gov. Francisco Barrio, and was also sent to President Salinas de Gortari. It is hoped that Barrio will facilitate a meeting between the producers of his state with Treasury Secretary Pedro Aspe. Felipe de la Rosa announced his plan to invite FPPR leaders from Sonora and from other states to attend that meeting, when and if it materializes.

Meanwhile, 250 cattlegrowers from the state of Nuevo León have decided not to wait, and have declared a unilateral suspension of debt payments, while another 100 farmers from Río Bravo, Tamaulipas, held a sit-in in front of the mayoral office.

### **El Barzón farmers take the bait**

On the other hand, the FPPR suffered a temporary setback in Jalisco, where the leadership of the El Barzón farmers' movement there, headed by Maximiano Barbosa Llamas, rejected the FPPR proposal, and instead agreed to negotiate with the Treasury Secretary around a "case-by-case" consideration of producers' debt arrears.

They chose to ignore the FPPR's warning that this would only lead them into a bankers' trap; and that is precisely what happened. On Sept. 15, El Barzón and the Treasury Department announced that they had reached an agreement that would include forgiving 100% of interest charges in arrears, fresh credit at 16%, a 90-day halt to bank foreclosures, a return of embargoed assets still in the possession of the banks, and renegotiation of farm debt facing bank action. All of these concessions had been rejected earlier by the producers as totally inadequate in the face of a profound, sector-wide crisis. El Barzón then claimed that an additional concession had been granted: The banks would absorb "up to 100% of normal interest charges and part of the principal *when* the causes cannot be charged to the producer—for example, calamity, partial credit disbursement, recapitalization of interest, or a collapse in prices due to indiscriminate imports." All of this, together with the original offer, appeared highly attractive to farmers who have already been protesting for 25 days.

Of course, the El Barzón news bulletin announcing the concessions never made clear that the Treasury Department had rejected a global approach, and was offering only "case-by-case" consideration, to be left to the discretion of the banks. Earlier, it had been said that there were only enough funds to help 30% of the producers, and that another 30% could not be rescued. Presumably, the second 30% would be allowed to "fend for themselves." The Treasury Department has still not said a word about whether more funds would be issued to keep this 30% from starving to death.

On Sept. 15, the Jalisco farm protesters met and resolved

that, while the package of concessions was not what they had hoped, they would be willing to accept it if the banks' assessment criteria were in good faith. They decided to prolong their mobilization until the banks had given some sign of that good faith. However, on Sept. 17, Barbosa Llamas held a press conference to announce that he would lift the occupation of the Guadalajara plaza on Sept. 19, despite the fact that the intervening weekend made it impossible to determine whether the banks would in fact comply.

### **FPPR sets record straight**

On Aug. 18, the leadership of the FPPR held a Mexico City press conference at which they released a statement charging that the deal between EL Barzón and Treasury "is a measure that has nothing to do with reactivating food production, and everything to do with resolving the banks' administrative problem in managing the growing arrears of the agriculture sector."

The FPPR statement added that the banks urgently need to reach an agreement of this sort because "at least 14 of the 18 re-privatized banks are operating with a bad debt portfolio that represents 7.8% of their assets, while international norms impose a limit of 3.5%." It is well known to all of the country's producers that none of the affected branches of production can handle this new debt structure, given zero profits and the absolute decapitalization of agriculture. It is expected that the new fall-winter agricultural cycle will once again find itself sunk in unpayable debt."

"With this restructured debt," the FPPR statement concluded, "the bankers will launch their offensive to loot even more from the producers" and will hand their lands over to the international grain cartels. The FPPR insisted that only the application of a global moratorium "will permit the necessary financial reorganization that can reactivate food production and save us from the national disaster to which current economic policy is leading us."

The FPPR also reported that, according to the Treasury Secretary himself, the banks had rejected a substantial portion of the deal announced by El Barzón. This was confirmed later that same day at an assembly of the El Barzón protesters in Guadalajara, at which the growers refused to lift the plaza occupation because some of them had already been to the banks and had been rejected.

The FPPR's statement quickly swept the country, and was published in such national newspapers as *Excelsior*, *Ultimas Noticias*, *La Jornada* and *Unomásuno*, as well as in regional papers such as Baja California's *La Voz de la Frontera*, Sonora's *Tribuna del Yaqui* and *El Imparcial*, and *Siglo XXI* of Jalisco. On Sept. 22, *Siglo XXI* published a call by Jalisco FPPR leader José Ramírez Llanes to "not go to the banks to renegotiate under these conditions, and to stay mobilized until a full moratorium on debt arrears is declared." The previous day, 70 more tractors had joined the occupation in Guadalajara's plaza.

## Farm protests explode as GATT stalls

*With the streets of Paris blocked by tractors and enraged farmers, what French politician would sign this rotten deal?*

**T**he ministers of agriculture, economics, and foreign affairs of the European Community met in Brussels, Belgium on Sept. 20, and reached an agreement to accept the formal framework of the 1992 "Blair House Accord" with the United States, on reducing EC farm exports—but allowing the specifics to be open to "interpretation." According to informed European insiders, this so-called compromise is really being viewed as the death knell for the General Agreement on Tariffs and Trade's (GATT) seven-year-old Uruguay Round negotiations.

Contributing to the demise of the Uruguay Round are French farmers, who in cities all over France have mounted a new round of protests since mid-September against GATT, using tractors to block traffic on major arteries. On Sept. 15, over 15,000 farmers and fishermen protested in Paris, mounting a traffic blockade that began at 3 a.m., and roved throughout the city, causing massive traffic jams.

Elsewhere in the country, textile workers, small shop owners, and craftsmen also staged protests.

President Laigneau of Rural Coordination (CR), which organized the actions, regards this as a first big victory for the farmers. "Last year, the blockades were also a success, but we were completely isolated from the rest of the working community. This time we were able to involve other branches of industry that are victims of free trade just as we are," he told the press.

CR's protests are directed against EC agriculture reform and its massive

price cuts, as well as against the Blair House compromise. CR is demanding that France veto the agreement. The compromise would have Europe cut its farm exports by 21% within six years, and would guarantee the grain cartels increased imports of grain substitutes like soybeans and corn gluten.

CR decries the "lie of overproduction, while we even have hunger in Europe," and denounces the "free-trade ideology that will ruin all economic sectors." In a press release, CR warns that "GATT means that all over the world, working conditions will worsen, hundreds of millions of children in the Third World will be enslaved, and unemployment and misery will face tens of millions of workers in the industrialized countries."

CR is demanding parity prices, fair prices that cover the costs of production and modernization, especially for the developing countries, "where people have to work 10 to 12 hours a day just to get a bowl of rice. If we paid them fair prices they could support and build up their own economy," CR says, adding that "it must . . . be the right of all peoples to protect their natural resources, their culture, their agriculture, their economic activities, and their legislation."

Certainly, farmers in India agree: More than 30,000 staged an anti-GATT rally in Delhi on Sept. 17.

That the farm protests struck a nerve, is shown by the number of EC high officials shuttling to other capitals to point fingers of blame. On Sept. 16, it was reported that French President François Mitterrand had reiter-

ated that France will not sign the Blair House Accord. German Economics Minister Rexrodt then flew to Paris to meet with French Agriculture Secretary Jean Puech, after which Puech said there were no differing views concerning Blair House between France and Germany, while Rexrodt saw some room for "flexible interpretations" of the agreement.

Indicating that Germany was playing the role of negotiator, Chancellor Helmut Kohl also went to France to discuss the situation with President Mitterrand.

On Sept. 16, French Prime Minister Edouard Balladur demanded a renegotiation of the agreement with the United States. France was backed by Spain, Italy, Greece, and Portugal; Ireland and Belgium also raised strong arguments against the agreement.

The other EC countries are supporting Blair House, especially Great Britain. On Sept. 19, British Prime Minister John Major, while on a four-day trip to Japan, warned France against being intransigent, and wrote to Prime Minister Balladur to express his annoyance at France's opposition.

A British official was quoted in the press as saying, "GATT is the number one concern of the EC in the next few months and developments on this issue are far more important than on peripheral issues."

Britain also pledged, said an official, to "bring extra pressure on France to make sure the EC is not hampered in its attempts to get a GATT deal."

But after the Sept. 20 vote, informed sources now say that the new Blair House "interpretation" will take talks well past the final Dec. 15 deadline for acceptance of the remaining parts of the GATT accord, at which time, they say, it will be respectfully buried, with France having agreed to accept the "blame" for its demise.

## Colombia's food security at risk

*IMF and World Bank "free trade" conditionalities are destroying its ability to meet its own food needs.*

The "economic opening" free trade policy which the government of President César Gaviria began to enforce in Colombia as of 1991, on the strong "recommendation" of the World Bank, the International Monetary Fund, and the U.S. government in Washington, is seriously undermining national food security, and threatens to force a wholesale abandonment of the agricultural sector. Already, farmers and peasants are emigrating in growing numbers from the countryside into the cities, swelling the slums, or so-called "misery belts," that surround Colombia's major urban centers, or accepting the tempting offers of the narco-terrorists to join their subversive ranks.

The seriousness of the crisis in agriculture can be seen in official statistics. In 1989, Colombia imported 500,000 tons of food; in 1992, the nation imported nearly 2 million tons of food.

Simultaneously, the area under crop cultivation is declining. Since 1991, the area under cultivation for all crops has fallen by 300,000 hectares, representing 10% of total cropland. This process is now accelerating. In the first half of 1992, seasonal crops saw a drop in area under cultivation of 161,113 hectares compared to the area under cultivation two years earlier. By the second half of 1992, cropland had fallen 261,668 hectares compared with the same period in 1990. Production tonnage is falling by similar percentages.

Failure to support Colombia's agricultural producers with subsidized

input costs, parity prices, and cheap, plentiful credit has gone hand-in-hand with Gaviria's open-door policy to foreign imports. For example, the area financed by the agriculture sector's official lending agency Finagro fell a whopping 40%, from 713,878 hectares in 1991 to a mere 436,706 hectares in 1992. The shrinkage in available credit, in real terms, was approximately 25%.

The unavailability of affordable credit is not only forcing farmers to abandon their land, but is causing a dramatic unemployment problem. There are some regions of the country, especially the impoverished Atlantic Coast region, where agricultural employment is 70%. This socioeconomic crisis in the agricultural sector is, of course, having its impact on industry as well. Most of the industrial associations today admit that Colombia is in a recession, and that a major causal factor is the lost buying power of rural producers.

The destruction of Colombian agriculture has been deliberate. In 1985, the World Bank gave Colombia a \$200 million loan to "modernize" its agricultural sector. Among the conditions for that loan were the elimination of agricultural development credit, which was dubbed a "subsidy" representing "disloyal competition"; that the national agricultural merchandising agency (Idema) in charge of overseeing commerce in food, abandon its regulatory role to permit a true "free market" to reign; and that restrictions on food imports be eliminated and import tariffs lowered.

These conditions began to be applied in earnest as of 1991, when the Gaviria government eliminated import restrictions in every category. At that point, the World Bank added an additional condition, which Gaviria willingly accepted, namely that the Caja Agraria, the state bank responsible for providing credit to growers, be completely "restructured."

The loans offered by the Caja Agraria lost their preferential character as "development credit," and became nothing more than ordinary bank credit. Gaviria then moved to sell off the Caja Agraria's warehouses of machinery and inputs, and began to liquidate all of its regional and local branches which were not showing profits. Such local branches tended to correspond to those areas of the country which had the greatest infrastructural deficiencies in terms of transport and merchandising.

Gaviria also ordered the merchandising agency Idema to stop buying up crops, and froze all support prices, the minimum price which Idema sets for the purchase of crops to prevent usurious merchants from buying crops from desperate farmers for next to nothing. With Idema no longer buying up crops, the frozen support prices became symbolic rather than real. Since 1991, those support prices have declined in real terms by more than 40%.

The question of guaranteeing food security for one's nation was addressed by the president of Fenalce, Adriano Quintana, in the conclusion of a recent interview he granted to *EIR*. "Our food cannot depend on the Mississippi or on a good U.S. crop year, nor on whether they want to sell us food or not, nor on imports from Argentina. So our argument is that food security is not achieved by depending on imports, but by developing national production," he said.



## Crocodile tears over mutual funds

*Now the banks want you to throw your life savings into keeping the speculative bubble from popping.*

**M**uch has been said over the past few months about the flight of depositors out of bank and thrift certificates of deposits and into mutual funds. To what extent these reports are accurate remains unclear, but the whole affair has the distinctive aroma of another disinformation campaign.

Over the last 18 months, from the beginning of 1992 through June 1993, the amount of money in mutual fund equity and bonds has risen \$456 billion, from \$824 billion to \$1,280 billion. That's a rise of nearly 60%. Some \$10 billion a month has been flowing into these funds, according to the Investment Company Institute.

During the same period, according to the Federal Reserve, the level of under-\$100,000 bank and thrift certificates of deposit has dropped \$200 billion, from \$1,020 billion to \$820 billion. But the Federal Deposit Insurance Corp. figures show that total bank deposits dropped only \$7 billion over that period.

Total mutual fund assets have surged to \$1.7 trillion from \$300 billion a decade ago. During the past ten years, the share of the combined bank, thrift, and mutual fund asset base held by banks and thrifts has declined from 84% to 54%, while the share held by mutual funds has risen from 16% to 46%.

The theory, according to the usual gang of "experts," is that much of this money has fled the banks and thrifts, which are paying only 2-3% interest on their CDs, into the mutual funds, in search of higher yields.

Undoubtedly, some of this is go-

ing on, but even if the entire \$200 billion which has supposedly disappeared from the bank and thrift CDs over the last 18 months went into mutual funds—a most unlikely occurrence—it would account for less than half of the increase in mutual fund assets over the period.

It is certainly the case that many CD holders are receiving much lower interest rates on their savings than in the past. That's not such a bad thing, either, since usury is usury, whether it benefits the depositor or the banker. But that's a whole different discussion.

One must, however, suspect the banks are crying crocodile tears when they complain about the loss of depositors to the mutual funds, since the artificially high margins between the interest rates the banks pay their depositors and the interest rates they charge their borrowers, is a key component of the massive covert bailout of the bankrupt U.S. banking system.

Whenever the bankers whine about a situation that was custom-designed to put taxpayers' money into their own pockets, one must take a close look at what the bankers advance as a "solution" to this "problem."

In this case, the bankers are blaming their alleged inability to compete on the Glass-Steagall Act of 1933 and other federal regulations which limit the authority of banks to function as stock brokers and underwriters, and to branch across state lines.

"The need for comprehensive reform of banking regulations is greater than ever," said Timothy Hartman,

chairman of NationsBank West, in testimony before the Senate Securities subcommittee in May. "The issue is whether the United States' banking system will become globally competitive or fade into irrelevance."

Non-banks and foreign banks have "far greater financial muscle" than U.S. banks, Hartman testified, "because they offer commercial and corporate lending and a full array of investment banking services—including debt and equity underwriting—without facing the provisions of Glass-Steagall."

That Glass-Steagall was passed to prevent exactly the sorts of abuses which the banks are so eager to commit, and which contributed significantly to the depression and the banking crisis of the 1930s, is never mentioned by these idiots.

Neither has their propaganda campaign—nor the law—stopped the banks from rushing headlong into mutual funds themselves. A mid-year survey by the Investment Company Institute found that banks accounted for about 30% of all mutual funds sold in the first half of 1992, and that mutual funds got more money from bank customers in the first six months of 1992 than in all of 1991.

Another critical aspect of this shift into mutual funds, is that money put into mutual funds—even through banks and thrifts—is not federally insured. Thus the saver, whose bank deposits were insured by the FDIC, becomes an investor, whose investments rise and fall with the speculative casino known as the financial markets.

"Knowing how to invest is no longer a luxury; it's a necessity," Securities and Exchange Commission commissioner Carter Beese recently pontificated. "Given today's interest rate levels, people simply are not getting the returns they once did. They need to speculate."

# Business Briefs

## *Eurasia*

### **Germany, China expand advanced technology ties**

A joint German-Chinese Bureau for Cooperation in Passenger and Freight Transport was formed in Berlin on Sept. 13, during a tour of Germany by a delegation of experts from China. The bureau is to work out an outline for potential projects, such as a Beijing-Shanghai high-speed rail line. German rail producers are hoping that Beijing, unlike South Korea recently, will choose their high-speed trains in 1994, when a decision is expected on building a new Beijing-Shanghai line.

The bureau is funded by the German East Asia Institute and the China State Committee for Transportation (CCTA). The Beijing-Shanghai line for high-speed trains is a priority project, the Chinese delegation said.

Also, intensified aerospace cooperation between Germany and the People's Republic of China is envisioned in an agreement signed between Jürgen Schrempf of the German Aerospace Corp. (DASA), a private sector firm, and Song Yian of the P.R.C. State Agency for Space Research. DASA is a daughter company of Daimler-Benz, the leading German producer of aerospace equipment and technology. Details of the cooperation agreement have not yet been made public.

## *Labor*

### **Massive job cuts planned in United States, Europe**

U.S. employers have announced plans to cut costs by slashing more than 400,000 jobs during the first eight months of 1994, about 20% more than in the first three quarters of 1991 "during the depths of the depression," UPI reported Sept. 18. Some of the planned layoffs include:

Du Pont has announced that its chemicals and specialties business will eliminate as many as 4,500 positions in the United States by mid-1994; AMR Corp. said its American Airlines subsidiary will cut 5,000 employees and ground aircraft by the end of 1994; U.S. West

Communications announced plans to eliminate 9,000 employees over the next three years; and Cigna Insurance Corp. will cut about 1,000 jobs in its health insurance division by the end of the year.

UPI states that, in Europe, "cataclysmic unemployment" will be fueled by layoffs at Daimler-Benz, which announced plans to eliminate 44,000 jobs over 1993-94 and "phase out" additional workers until 20% of its work force is gone by 1997-98. Besides its automotive division, which has been hit with a slump in commercial truck sales over the past year, Daimler-Benz's aerospace sector will cut back 10,500 workers within 15 months. Air France also announced it would eliminate an additional 4,000 jobs by the end of the year, as well as selling its Meridien hotel chain and cancelling flights in order to stem huge losses.

## *Currency Speculation*

### **Soros reportedly hit by huge losses**

Financial sources in Switzerland and London have told *EIR* that speculator George Soros and his Quantum Fund group have suffered devastating trading losses in recent weeks in their high-profile moves on world financial markets.

Soros is reported to have lost upwards of \$400 million in betting this summer that the German mark would collapse, and the French franc would rise. But the opposite happened and Soros was forced on July 31 to reverse his position and sell his franc holdings in a desperate bid to minimize trading losses. However, he was reportedly too late as the European Community finance ministers altered the rules of the Exchange Rate Mechanism on Aug. 1.

Since April, Soros has been key in promoting the buying of gold and gold bullion futures. The futures price of gold rose from the year-low of \$327 up to \$406 per ounce at the beginning of August, and Soros appeared positioned to reap huge profits. But a sudden collapse of the market, reportedly triggered by an unexpected selloff of gold reserves by the Bank of China, brought gold prices below \$350 per ounce, leaving Soros with trad-

ing losses there as well.

Soros has reportedly attempted to hide his problems by making several high-publicity announcements, such as the deal to buy a bloc of troubled American real estate properties from the Travellers Insurance Co., and moves to buy shares of two Swedish companies, Skandia and Handelsbanken. But all three deals were long since consummated and are only now being made public.

## *Trade*

### **Russia, Kazakhstan pact will promote trade flows**

A Russia-Kazakhstan trade package was signed by Russian Prime Minister Viktor Chernomyrdin and Kazakhstan President Nursultan Nazarbayev and Prime Minister Sergei Tereshchenko, in Kokchetov, Kazakhstan over the weekend of Sept. 11-12. One agreement will abolish, as of Sept. 20, all taxes and customs duties on goods exchanged between the regions of Russia and Kazakhstan which border on the other republic.

The agreement was hailed as an important bilateral example of inter-republic free-trade zones for bordering regions in the framework of the Community of Independent States (CIS) Economic Union, scheduled for Sept. 24. It sets a precedent for similar agreements, such as those Russia will push for between the regions of south-central and southern Russia bordering eastern Ukraine.

The parties also signed a barter agreement in which Kazakhstan will exchange 2.7 million tons of grain for 300,000 tons of gasoline and 540,000 tons of diesel fuel.

## *Vietnam*

### **Development push may never get off the ground**

Vietnam said on Sept. 19 it aimed to attract \$13-14 billion in foreign investment by the turn of the century, confirming it prefers private capital rather than aid to be the driving

force for growth. "Our objective is to attract \$13 to \$14 billion of foreign investment by the year 2000," the official Vietnam news agency quoted Dau Ngoc Xuan, chairman of the State Committee for Cooperation and Investment, telling reporters. He said foreign-invested capital would be used to improve infrastructure, create new factories, and increase export earnings and budget revenues.

But economic development may never get off the ground, if the International Monetary Fund plays a major role in Vietnam's economy. On Sept. 15, sources reported that IMF Managing Director Michel Camdessus will visit Vietnam, Cambodia, Laos, and China in the first half of October.

Diplomats and bankers in Hanoi say that Vietnam is on track for a deal in early October with the IMF that will bring it back into the international financial fold. And sources in Washington say that the IMF will provide a one-year standby credit and funds from its new Systemic Transformation Facility, set up to help countries like Russia shift to market-led economies.

## Japan

### Economic weakness underlies yen rise

"There is a total misunderstanding of why the yen has been rising," a European banking source with strong ties to Japanese finance told *EIR* on Sept. 14. "What has been driving the yen to postwar highs against the dollar this year is not a conviction that Japan is on the verge of a new economic boom, but rather it is liquidation of huge amounts of overseas assets in U.S. real estate, bonds, and such by troubled Japanese companies. The severity of the economic downturn in Japanese industry is vastly more serious than anyone is willing to admit."

Since January, the yen has appreciated 20% against the dollar and 25-30% against European currencies. This has had the negative effect of further hitting Japanese industrial export sales because of the high yen price. According to a study by the Japanese Planning Agency, about 80% of Japanese companies need a yen at 120 or lower to break even, but

the yen today is 106 to the dollar. The Bank of Japan has sold an estimated \$30 billion of its reserves since January in an attempt to prevent the yen from rising even higher.

## Infrastructure

### Malaysian minister defends giant dam

Brushing aside protests by green groups, Malaysia's energy minister said on Sept. 17 that a giant dam project in Sarawak state will not damage wildlife or plants and is worth the \$12 billion price tag because of the country's energy needs. "Environmentalists are not qualified to make comments on the economic feasibility of such projects," S. Samy Vellu told reporters. "World experts have found it feasible and viable." He said Brazilian and local experts spent years studying the project's feasibility and environmental impact and the government was happy with their report that wildlife and plants would not be harmed.

The project will take 10 years to complete and will supply 16,000 megawatts of power from Sarawak, on Borneo island, to peninsular Malaysia. "The project is vital to meet our energy needs. We have to spend the \$12 billion whether we like it or not," Samy said. Malaysia's energy needs, now 14,000 MW, are expected to reach 25,000 MW by 2010 and 30,000 MW by 2020, the country's target date to become an industrialized nation. He said power generated from the project could be sold to Brunei, Indonesia, and Thailand, but that Malaysia did not intend to become an exporter of electricity.

The design of the project (shelved during the mid-1980s amid protests from environmental groups) was revised to include a series of dams to minimize impact on the environment, Samy said. "Originally, we wanted to build one large dam but now there will be at least four cascading dams to ensure that too much water is not impounded at any one area. This will help protect the flora and fauna at the site." Samy said most of the project work will be done by a consortium comprising the state oil firm Petronas, state utilities giant Tenaga Nasional, the Sabah state electricity board, and the Sarawak Electricity Supply Corp.

## Briefly

● **CHINA** will begin a drive to boost exports to Russia, Southeast Asia, the Mideast, and Africa in a bid to reduce its trade reliance on western markets, according to the *Wall Street Journal*. Seventy percent of exports now go to Hong Kong and 25% to Europe and North America.

● **WORLD OIL PRICES** are in a severe collapse and are on the verge of turning into a "free fall," similar to events in 1986 when prices briefly dipped below \$9 per barrel, according to oil industry sources. The situation is not expected to stabilize any time soon.

● **POLAND** and China granted each other most favored nation trade status on Sept. 13, Polish TV reported. A trade agreement signed in Warsaw will boost Polish exports to China and help reduce its trade deficit. Trade between the two nations fell dramatically when hard-currency accounting was introduced in 1990.

● **THE PRINCETON** Tokamak Program said on Sept. 15 that its experimental fusion reactor recently produced enough energy to light a city for 4-5 hours. A university spokesman said that even if the world exhausted all other energy supplies, fusion power could indefinitely provide safe, clean, and limitless energy. He added that solving all the engineering problems will take "30 years."

● **ALMA ATA**, the capital of Kazakhstan, was quarantined on Sept. 13, in a drastic effort by authorities to contain a cholera epidemic. Cholera is believed to have been brought to the city of over 1 million by airline travelers from Pakistan. At least 99 cholera-infected travelers from the subcontinent are now in Alma Ata hospitals.

● **JACQUES DELORS**, president of the European Commission, called on Sept. 16 for a study of the possibility of reimposing controls on the movement of capital in order to combat currency speculation. Delors "threw the cat among the monetary pigeons," Reuters commented.

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## Pacific tuna fishermen take on Greenpeace

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*San Diego is now safer from the environmentalists and their phony claims about the dangers to dolphins from purse seine fishing, as Teresa Platt of the Fishermen's Coalition explains.*

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*Teresa Platt of the San Diego Fishermen's Coalition gave the following interview to Jim Duree on July 25, at the "Wise Use Leadership Conference" in Reno, Nevada, where Platt was awarded the "Wise Use Grass-Roots Activist of the Year" award.*

**EIR:** How was the Fishermen's Coalition set up?

**Platt:** The Fishermen's Coalition came out of a protest we had on the docks in 1992, when the environmentalist group Greenpeace brought its ship *Rainbow Warrior* into San Diego. We just "couldn't take it any more." We organized the biggest protest they had ever been subjected to, and Greenpeace was very surprised. After that, we said, "Well, let's keep it going." So we meet the second Tuesday of every month at the local fishermen's hall.

**EIR:** Why did Greenpeace bring the *Rainbow Warrior* to San Diego?

**Platt:** Greenpeace wanted to revoke our [National Marine Fisheries Service] permit to fish for yellowfin tuna in the eastern Pacific. They were demanding a zero "accidental kill rate" for dolphins in our fishery. But these fish run in association with dolphins. We can't fish without a permit giving an allowance for some marine mammal mortality. We fish completely legally, have observers aboard the boat, and use the best gear and techniques that there are. But Greenpeace insists on zero mortality for dolphins at the expense of the industry. Fishermen's livelihoods and the health of the ocean don't matter.

**EIR:** How many people did you get out for this demonstration against the Greenpeace crowd?

**Platt:** Two hundred. . . . They were really shocked. They said, "Why are you protesting us? We're the 'good guys'!" We told them that we were tired of the lies they told about us, they didn't know what they were talking about, they were putting fishermen out of business, they were ruining the ocean, and they were doing it by misdirected ignorance.

We told them to sit down and read the reports, and think on how to do this [protect dolphin populations without destroying the tuna fishery] in the long term. They should ask the fishermen, "What do *you* think about 'dolphin-safe'? What would work, and what wouldn't?" They never sat down with us or the scientists. Instead, people not involved with the fishery and one man in a corporate jet decided the definition of "dolphin-safe," a definition that impacted so many fishermen, people in the canneries, and the health of the eastern tropical Pacific.

**EIR:** Has Greenpeace been back to San Diego since your demonstration?

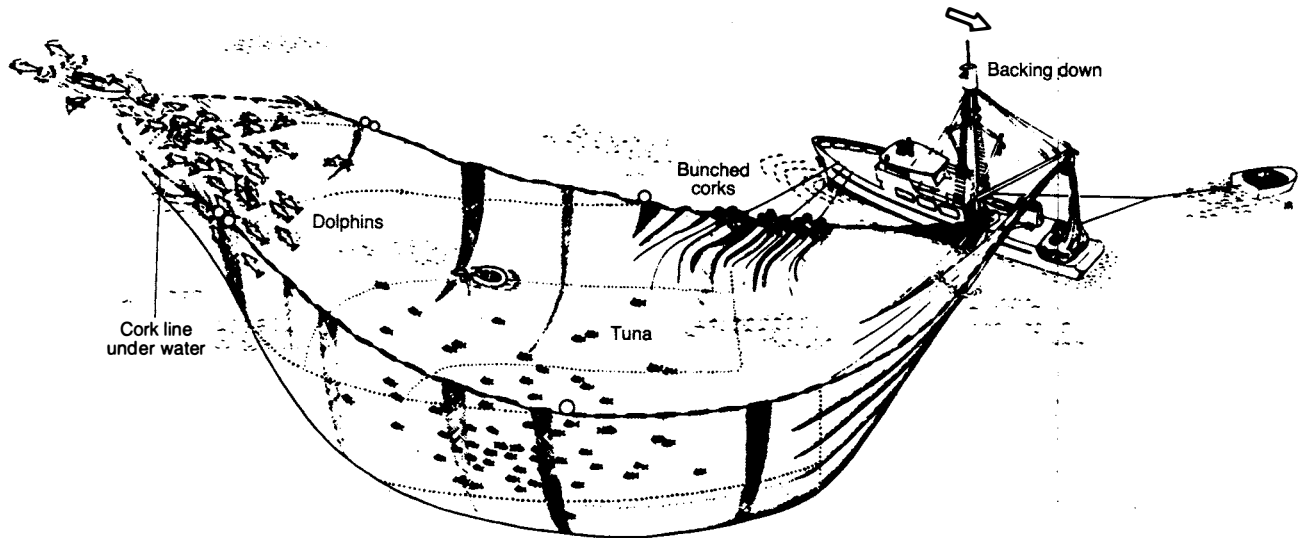
**Platt:** No, they haven't. From San Diego, they went to Ensenada. We talked to the people there, and they did better than we did. They have a cannery down there, so they had 300 people on the dock, and the officials had to shut down the port because they thought there would be a riot!

**EIR:** As I understand it, the U.S. tuna fleet has historically fished in the eastern Pacific. Can you give us some background on this fishery?

**Platt:** The California fishermen traditionally fished in the eastern tropical Pacific, the "ETP" for short. This is an area running from southern California to Chile and out to Hawaii. The ETP is approximately 8 million square miles of ocean.

FIGURE 1

## Purse seine showing the backdown maneuver and release of dolphins



Source: National Marine Fisheries Service

It produces about 25% of the world's canned tuna supply, and is the world's biggest yellowfin tuna fishery. About 80 to 100 large boats from eight to nine countries share this fishery.

**EIR:** How many dolphins are there in the eastern tropical Pacific, and what kind of impact does tuna fishing have on the ability of the dolphin population to reproduce itself?

**Platt:** There is a lot of data on the dolphin population. The fishery has been studied since 1949 by the Inter-American Tropical Tuna Commission (IATTC). The National Marine Fisheries Service (NMFS), of course, has also been involved, but having one country's group trying to manage the fishery doesn't work. The IATTC works with eight or nine different flags out there, and 13 countries depend on the fish.

The IATTC has a data base that goes back to 1949, and from the data you can see the results of El Niño weather patterns on fishing activity, and of political patterns on the fishing activity. The data indicate that there are around 9.6 million dolphins in the eastern tropical Pacific, and that the yellowfin tuna fishery has no negative biological impact on the dolphin populations.

**EIR:** Does the IATTC set tuna catch quotas for this fishery?

**Platt:** Yes.

**EIR:** What are the quotas?

**Platt:** Back in the 1970s the quotas were as low as 70,000

to 80,000 tons per year, and the Americans and the other fishermen who subscribed to this agreement lived by that. It was a very low quota. Of course, the boats were smaller, but they did hit that quota quite often. That was the quota for yellowfin. Skipjack tuna is not a resident, and it varies widely in its numbers.

**EIR:** Do you mean, the skipjack tuna is not a resident species of the ETP?

**Platt:** It comes and it goes. The quantity of skipjack harvested varies very widely in the fishery every year, so it's sort of an adjunct to what we catch, which is primarily yellowfin tuna. We now take about 300,000 tons of yellowfin tuna per year, and we haven't been shut down by a quota since the mid-eighties. The fishermen have been catching the tuna at just the right time in their life-cycles to keep the tuna population healthy.

Unfortunately, the point when yellowfin tuna in the ETP should be harvested is when they are quite large and swim in association with herds of dolphins. And if the tunaboat skipper and his crew don't know how to get the dolphins out of the net, you will have a high mortality rate for the intermixed dolphins.

**EIR:** For the benefit of readers who may not be acquainted with the technicalities of how purse-seine fishing for tuna works, could you give us a little background on this? For example, what are the specific procedures for reducing—

essentially eliminating—the dolphin mortality?

**Platt:** Tuna fishermen originally caught the fish with pole and line, which did harvest a lot of small fish and used a lot of bait to catch the fish. It was very labor-intensive and highly risky for the fishermen [such vessels are known as “bait-boats”]. It was not particularly effective, so they eventually moved to the purse-seine net. *Seine* is a French word for “a net which hangs,” with corks or floats along the top and weights along the bottom.

Using the purse seine, the tunaboat encircles the tuna (swimming in association with dolphins) with the net, and then closes or “purses” the bottom of the net, so that the tuna can’t get out. But when you do that, you get dolphin in the net, as well as tuna. How do you get the dolphin out?

Well, the purse-seine net was introduced [to this fishery] in 1957. The same year the tuna fishermen introduced a procedure known as “back-down” (**Figure 1**). They put the boat into reverse gear and drag the net through the water so that the net becomes elongated into a channel. This creates a “waterfall” effect at the far end of the net, and the dolphin escape that way. In addition to that, fishermen check the perimeter of the net for the dolphin, and pull any stragglers up to the surface and help them over the side of the net. Doing that effectively, you can release 99.8% of any dolphins caught.

**EIR:** What’s the approximate percentage mortality to the dolphin population now, due to tuna fishing in the eastern tropical Pacific?

**Platt:** There’s been plenty of scientific work done on this. The data from the early years of the fishery are just about worthless: There weren’t enough samplings, there weren’t enough cruises to determine what the stocks were. And that goes up to about 1972. The scientific community has rejected most of the early data on dolphins as useless.

From 1972-78, the sampling got a little bit better, and from those figures it looks like the tuna fishery may have been killing as many as 100,000 dolphins a year during the early period.

**EIR:** Out of 10 million?

**Platt:** Yes, so that’s still only at 1% of the dolphins. You have to look at their reproductive rate. Cetaceans, which are dolphins, porpoises, and whales, reproduce at anywhere from as low as 2% to as high as 9%.

**EIR:** Per year?

**Platt:** Yes—the births versus the deaths, natural mortality. So, if we take, conservatively, a figure of killing 2% of the dolphin population every year, there would be just as many dolphins next year as this year. The herd wouldn’t increase, but you’d have just as many. In fact, if you got too many, you might want to *increase* that take. So, just as you would do, say, in a field harvest on shore: If we have too many,

let’s take 20% this year, perhaps, just as with scientific range management with any land mammal; it’s no different.

**EIR:** But, in fact, fishermen were taking only 1% of the dolphin population, even before the IATTC education program went into effect?

**Platt:** Yes, in fact, it was 1%. You can break it down by various genetic stocks and say, “Okay, this one is going a little over 2%; we’ve got to bring the take down.” And they do that. They track the dolphin population by various genetic stocks, different species, and different breakdowns. The U.S. fleet dolphin mortality was down to about 20,000 in 1979, before this became an international problem. That’s 20,000 dolphin deaths a year out of a dolphin population of approximately 10 million.

The American tuna fishermen got more and more political pressure on this issue, and they started to explore the western Pacific skipjack fishery. In the early 1980s we had a bad “El Niño effect” in the eastern tropical Pacific, and a lot of the boats moved to the western Pacific; we just didn’t have any fish in the eastern Pacific. This became an international issue when foreign fleets entered the fishery. Mexicans, Venezuelans, Colombians all ran into the same dolphin problem, when they started fishing in the eastern Pacific. By 1986, their kill rates [for net sets on dolphins] were up to 130,000 dolphins a year. So, you had the whole process starting again. Immediately the scientists and the fishermen went back to the question, “How do we teach these people how to lower dolphin mortality?” The thing that could be said, is: “Look, there is a problem, we know how to get the dolphins out of the nets, we simply have to teach more people how to do it.”

**EIR:** But it’s been done?

**Platt:** Yes. Luckily, we had the international cooperation; we had the State Department there; we had the fisheries ministers from over a dozen countries; we had all these people who were addressing this problem. I have to admit that there was pressure to solve this problem, and we were lucky enough to get resources on the issue. We were also unlucky enough to get a smear campaign, too.

Over the years, with the help of the Inter-American Tropical Tuna Commission education program, much has been done. The scientists analyzed the problems which occur when freak currents would pull the net in one direction. Nature would come in, and all of a sudden the current would change, wind conditions would change, and the skipper would run into problems. On average, 1-3% of the sets, “problem sets” caused by freak wind and current conditions, were causing 30% of the dolphin mortalities. If you had a skipper who didn’t quite know how to respond to these freak conditions, he might lose eight dolphins in one set, whereas a good skipper, who did know how to respond, would lose only one.

So the IATTC analyzed what the tunaboats were doing,

and looked through all the old data to see how these people had responded to situations like this in the past. The IATTC then taught the fishermen how to respond to these situations. Immediately, the mortality rate plummeted: It was cut in half year after year. By 1991, dolphin mortality was at 27,000 animals for the *whole international fleet*; in 1992, it was 15,000; and, this year, it looks like it will be somewhere between 5,000 and 8,000. Fifteen thousand animals last year represented 0.16% of the stocks; 5,000 to 8,000—let's take 8,000—represents 0.08% of the stocks.

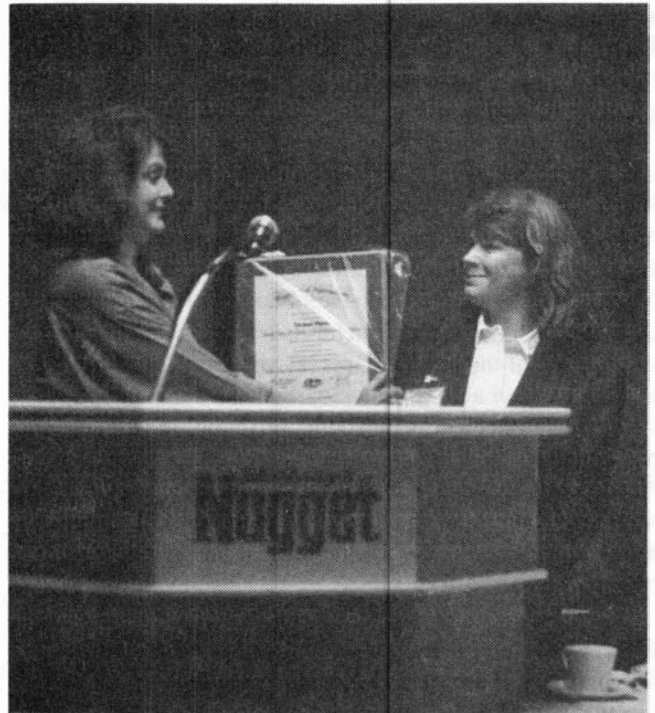
But, you know, getting the scientific data from all these different boats, analyzing it, developing a program, and taking that program to the various countries involved—and doing this with the various languages—taking it to skippers who are generally at sea fishing: Now that's an educational process that's difficult, and requires a lot of international cooperation.

**EIR:** So, the scientific evidence indicates that the yellowfin tuna purse-seine fishery in the eastern tropical Pacific has no negative effect at all on the dolphin stocks?

**Platt:** It's near zero. The National Academy of Sciences did a report on this subject—it took them two and one-half years and came out in 1992—and the National Academy report said exactly the same thing that we did, when we had already come to an agreement with the fishermen: Train your skippers better. That's the direction we went, and we put a lot of support behind the Inter-American Tropical Tuna Commission to move the educational program to fishermen in other oceans, even though they weren't members of the IATTC.

People were so pleased; despite the relatively small budget for something like this (\$2.7 million total for the IATTC annually), the program was actually working! And the program was very effective: The scientists [who conduct the training sessions with the skippers] were unbiased, they didn't make cultural judgments, they spoke the languages of the people they were talking to, they used good hard science, and it worked.

By February 1992, everybody said, "Let's move toward an international agreement for the management of the oceans." The National Academy of Sciences report had just come out, and it said that there should be an international approach, that one should use education, and should not outlaw encirclement: The report said that if you outlaw the encirclement of dolphins, you will force fishermen off big yellowfin tuna, and onto the small fish. There would be a reduction in production of yellowfin tuna by about 30-60%, and you would cause an environmental disaster. [The larger, more mature fish habitually associate with dolphins, while the younger, immature fish do not. Hence, if you set the net "on dolphin," the practical effect is the protection of the tuna stocks, by harvesting the adult fish; if you force the tunaboats to harvest the younger fish, you are harvesting these fish before they have had a chance to reproduce—ed.]



*Teresa Platt (right) of the Fishermen's Coalition receiving the "Wise Use Grass Roots Activist of the Year" award from Kathleen Marquardt, chairman of Putting People First, at the July 23-25 Wise Use Leadership Conference in Reno, Nevada.*

**EIR:** Then, if fishermen do what the environmentalists were demanding, they would actually be damaging the stocks of yellowfin tuna, as well as affecting other species which are not a problem with the dolphin encirclement procedure?

**Platt:** Exactly.

**EIR:** A film was circulated some years ago by an environmentalist group, which showed footage of large-scale dolphin mortality from a tunaboat "setting" its nets on dolphins. What's the story on that?

**Platt:** Environmentalists went aboard a Panamanian tunaboat and came back with a horror film of dead dolphins. I remember the American fishermen who saw the film saying, "We don't fish like that. Everybody knows we don't fish like that." Of course, everyone was outraged. We were outraged. We tried to get the people who owned the boat arrested, but we didn't have any luck. We tried to do that through the National Fisheries Service in Panama. . . . But anyway, that boat went out of business and that was the end of that.

But this film of this one boat continued to move—moved to Europe, where people were told we were killing between 300,000 and 1 million dolphins a year, completely out of control, with no observers on the boat.

**EIR:** In other words, the accusations made in the film were

a complete fraud?

**Platt:** Yes. We subpoenaed Earth Island Institute last year [regarding the film], and we've been trying for a full year to get discovery on them.

**EIR:** What's the real story behind the film's footage?

**Platt:** The boat in the movie was Panamanian. The United States had an agreement at the time with Panama, and, by the third trip, the boat would have had an observer aboard. The film was made on the boat's first trip. Panama, at that time, had no training program for its skippers. Panama didn't enforce any of the requirements (as you know, Panama was in the middle of a drug war). So, the boat went out with the wrong equipment and an inexperienced crew, and they didn't perform the back-down procedure. The captain on one leg of the trip was a Basque, with a cultural attitude toward dolphins where they ate them for dinner. They could kill dolphins, and then eat them—that's what they do in their part of the country.

**EIR:** In short, the environmentalists filmed a tuna set in which there was substantial dolphin mortality.

**Platt:** They filmed it and said it was representative of the tuna fleet in the eastern tropical Pacific, which was simply false. One scientist worked up the numbers and basically said that, if we all fished like that boat had, we would have killed 11 million dolphins per year, based on the tonnage of tuna that that boat caught! But the market took care of that boat a lot faster than any political movement could.

**EIR:** The boat went out of business?

**Platt:** It went bankrupt. They couldn't catch any fish. Nobody wanted to stay on the boat. It is no fun removing dead dolphins from the net. You want to be on a boat that runs right. You have to get these dolphins out of the net dead or alive, and it is easier to do it when they are alive. It also nets you more tuna, so, it's to your advantage. There are nearly 10 million dolphins (in the eastern tropical Pacific), and the take by tunaboats is minuscule.

**EIR:** Some years ago, Star-Kist began marketing what they called "dolphin-safe" tuna. Can you explain what this was, and the impact it had?

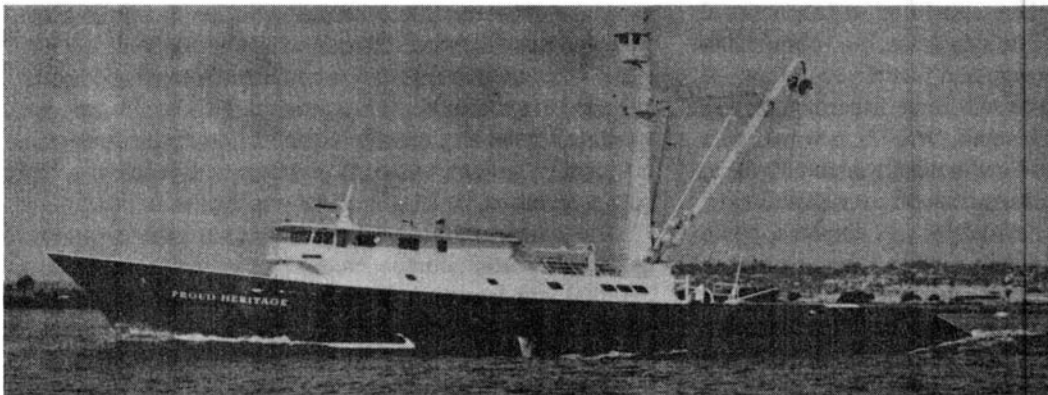
**Platt:** They adopted that in 1990, and it really came out of the blue. It was always sort of a "poison pill" for the rest of the industry. That's the way I heard one of the canners talk about it once. Star-Kist then basically "washed their hands" of the whole thing [the yellowfin fishery] and walked away from it. They said, "Forget it," because there was so much misinformation out there. The environmental groups used the issue because it was a real money-raiser, even though conservation-wise there wasn't a real problem with the dolphin population. For humane reasons, you want to get the kill rate down as far as possible, of course, but in terms of conservation there was no problem.

**EIR:** What happened when Star-Kist said that they were going to buy only "dolphin-safe" tuna?

**Platt:** Star-Kist said they would not buy tuna caught with drift nets over a certain length. [Drift nets are long, shallow nets which are set from the boat offshore, and literally are cast adrift, i.e., physically separated from the boat. The boat may set several or many such nets, and come back later to pull the nets and harvest the catch. There is no U.S.-flag drift-net fishery—ed.] The second part of the "dolphin-safe" definition, which Star-Kist helped to define and put into a labelling law, was that they would only buy fish caught in the eastern Pacific if there was an observer on board who said there was no encirclement of dolphins during the entire trip.

So most of the U.S. fleet packed up and went to the skipjack fishery in the western Pacific, where you don't generally find dolphins associating with tuna. But reports started surfacing from other areas [than the eastern tropical Pacific] about dolphin kills. The yellowfin tuna seem to associate quite often with dolphins. But how much, and how many dolphins were being killed, we had no idea.

Gill nets that are used in the Atlantic and Indian Ocean traditionally take maybe 2% of the marine mammal stock off the coastline. According to the Star-Kist and subsequent



*The tunaboat Proud Heritage, part of the U.S. fleet in the eastern tropical Pacific.*



TABLE 1

### Comparison of tuna sets on logs, on schools, and on dolphins

|                                  | Sets on logs | Sets on schools | Sets on dolphins |
|----------------------------------|--------------|-----------------|------------------|
| Modal size captured              | 50 cm        | 60 cm           | 100 cm           |
| Modal weight                     | 2.5 kg       | 4.2 kg          | 27.7 kg          |
| Yield per recruit                | very low     | very low        | close to maximum |
| Reproductive condition           | immature     | immature        | mature           |
| Avg. discard per set (all tunas) | 26%          | 2.5%            | <0.1%            |

*Industry sources explained to EIR that the optimal point at which to harvest yellowfin tuna is when the tuna are full-grown, or nearly so, and reproductively mature. Yellowfin tuna, at this stage, habitually swim in association with dolphins. Hence, to maximize the "clean" yield of mature yellowfin, the prudent skipper "sets" his purse seine "on dolphins": He encircles both tuna and dolphins with his seine, then uses the "backdown" maneuver to allow the dolphins to escape. It is also possible to "set on a school," in which the seine encircles a free-swimming school of tuna (without dolphins). This marginally reduces dolphin mortality, but massively increases the wasteful "by-catch" of other species and young, immature tuna. A "set on a log" or on other floating sea debris, in which the tuna are under the debris, has the same negative impact as the "set on a school."*

Source: Data from Inter-American Tropical Tuna Commission, Sept. 1993

labelling law definitions, that gill-net fish can go into a can and be called "dolphin-safe," while I can go into the eastern Pacific and encircle 40-50,000 dolphins in one trip, let them all go, with no mortality, and *not* be "dolphin safe," according to the labelling law.

**EIR:** It seems like the "dolphin-safe" label is a kind of consumer fraud, coupled with economic warfare against the yellowfin tuna fishery.

**Platt:** It was a simplistic solution to a complicated problem, and "animal rights" people were right there at the side of Star-Kist, trying to define the encirclement of dolphins to be obscene, saying that we shouldn't be near them, we shouldn't bother them. But you see, we do have observers on the big boats, and all this stuff goes into a data base. It showed up very quickly that the cost of being "dolphin-safe" was that we lost the presence of the United States in the eastern Pacific: The U.S. tuna fleet moved to another ocean. In the eastern tropical Pacific, the definition of "dolphin-safe" forced the fishermen to start fishing on smaller fish—"babies," really—fish that they used to pass up because they knew better, but that's what they were forced to put on board (see **Table 1**). In addition, we started experiencing a by-catch [incidental catch] of sharks, billfish, and all sorts of other species of fish

TABLE 2

### If we replace dolphin sets with sets on logs, the incidental mortality of dolphins is almost eliminated, but at the expense of other species

|           |   |        |                |
|-----------|---|--------|----------------|
| 1 dolphin | = | 26,000 | tunas          |
|           | + | 103    | mahi mahi      |
|           | + | 28     | sharks         |
|           | + | 24     | wahoo          |
|           | + | 0.6    | yellowtail     |
|           | + | 6.0    | rainbow runner |
|           | + | 1.2    | billfishes     |
|           | + | 0.2    | sea turtles    |

Source: Inter-American Tropical Tuna Commission, Sept. 1993

(see **Table 2**). We never had this problem before.

By adopting these so-called dolphin-safe fishing practices, you are forcing fishermen away from exactly what they should be doing for conservation. All this went into the data base, and the Inter-American Tropical Tuna Commission did a wonderful slide showing that one dolphin saved (through not using dolphin encirclement) equals 26,000 small tuna over the side, 1.2 billfish, 103 mahi mahi, 28 sharks, etc. So, very quickly the IATTC said that if the entire fleet fishes "dolphin-safe," it will reduce the production of tuna by 30-60%, and they had no idea what the impact would be on other species. "Dolphin-safe" tuna, by the current definition, is not sound.

I think "dolphin-safe" was a "good try" for Star-Kist: It had a lot to do with their hopes of increasing their market share of tuna sold, and hopes of great glory as being labeled as "the green company." The truth is that tuna sales were up 20% in the years prior to the "dolphin-safe" announcement. And now they've been steady—sometimes down—with no real growth. It caused a lot of confusion, and it put a label on the consumer's can that basically underscores the negative aspect of the harvesting process. It's not the best marketing plan they could choose.

What they should have done is to say, "We're going to buy fish only from boats where the fishermen use the correct gear and correct techniques, have an observer aboard, and are participating in the Inter-American Tropical Tuna Commission education program." In other words, they should have said, "We're going to buy only from vendors who are doing a good job."

The Fishermen's Coalition is now working on getting the "dolphin-safe" definition changed for the eastern tropical Pacific. Whenever the fishermen catch tuna and release all dolphin unharmed, this should be defined as "dolphin-safe." This definition lets the fishermen earn a living, and keeps the ocean healthy.

# Conserving the landed gentry's tax dollars

by M. Sexton

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## Good Dirt: Confessions of a Conservationist

by David E. Morine

Ballantine Books, New York, 1993

195 pages, paperback, \$9

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This "memoir" of David E. Morine's years as the head of land acquisition for the Nature Conservancy (1972-87), is intended to be a warm, fuzzy, amusing little book about the trials and tribulations of acquiring vast tracts of land throughout the United States and Canada, to save them from "development" and environmental degradation, while preserving "biodiversity" and whole eco-systems, the latter concept explicitly derived from the malthusian Paul Ehrlich, author of *The Population Bomb*.

While some of Morine's anecdotes are mildly funny, the more important aspect of his stories is that they once again show that the environmentalist movement is not really about "saving" the Earth.

The Nature Conservancy and groups like it are businesses that provide tax shelters for the rich, and help preserve the way of life of those for whom *property* is considered the measure of one's socioeconomic status. The Conservancy, headquartered in Virginia, is one of the largest and best-funded environmentalist land acquisition groups in the United States. To no small degree, groups like the Nature Conservancy are philosophically related to British land trust groups, such as the National Trust. For example, the National Trust has bought up much of the English countryside's large estates, and besides government funding, helps pay for their upkeep by renting them out as movie sets, allowing strictly regulated farming (if it contributes to the "viewscape"), and through tourism.

Such groups either buy land outright, or get the government to buy it. This takes land out of *private* hands, negating private property rights. Thus, land can be held as a nature "preserve," or its *use* can be strictly controlled—forbidding such activities as farming (including cattle grazing), mineral extraction, or human habitation. Incidentally, if the land is owned by the federal government, it also goes off the tax rolls.

Many of Morine's anecdotes center on the efforts to get

some rich people to sell property to the Conservancy, or make big donations. Those contributors are indeed motivated first by a desire for a tax break, and second, to keep land from being "developed." As Morine puts it, "The Conservancy's new strategy was to use private funds as a catalyst to stimulate public funding for conservation. We had initiated a program with the federal government, but many members of our board were hesitant to bet all our chips on the Feds. The Feds were too fickle."

The Conservancy, Morine says, had to go for making deals with those who might otherwise be considered environmentalism's enemies. In one instance, he describes acquiring the Pascagoula, Miss. Wildlife Management Area by making a deal with sportsmen:

"Working with the best legal and financial minds we could find, the Conservancy devised a totally new plan. The Conservancy would make a tender offer for 75% of the company's stock, implement a tax-free dissolution of the corporation, trade the patriarch 25% of the land for his family's stock, and sell the remaining 75% of the land to the state. We would use the state's appropriation to pay back the money we had borrowed to buy the stock.

"The patriarch approved the plan. It got him his land, tax-free. . . . The younger generation and the remaining stockholders were very pleased. Not only had they done something good for the state of Mississippi, they had turned a previously dead asset into some real money."

## The Virginia Coast Reserve

Morine also describes the Virginia Coast Reserve, "the Conservancy's greatest assembly" of land over 40,000 acres of barrier islands along the Atlantic coast. Failing to get federal funding, in 1984, Morine describes how the Virginia Coast Reserve got substantial new funding through a lawyer, "the principal creator and promoter of an innovative new technique of charitable giving. It was known as the 'charitable lead trust.'" The deal is to put assets, such as land, into a trust, tax-free. The lawyer is quoted: "The charity leads by getting the income during the life of the trust. When the trust expires, the assets go to the assigns. . . . Tax-free of course. It's a wonderful way to pass on money."

His description reminds this writer of the recent scandal of the Virginia Outdoors Foundation, a state agency that buys up land or acquires easements, to prevent real estate development. The foundation was recently caught selling land it had acquired at below-market prices to some of its biggest donors, who were from the Middleburg, Va. "Hunt Country" set, including members of the ultra-wealthy Mellon family. Hardly a surprise that the state Department of Natural Resources found no wrongdoing on the part of the Virginia Outdoors Foundation.

In Morine's book not all such sweet real estate deals came off, or if they did, it sometimes took a lot of finessing, and not a little brown-nosing. Morine describes an unnamed



Virginia's "Hunt Country" elite display a stuffed red fox on their picnic tables during a tailgate party at the races. The wealthy and ecologically concerned can sell vast tracts of land to the Nature Conservancy, thereby keeping it out of productive use, and avoid paying property taxes on it.

Charlottesville, Va. couple from whom the Conservancy sought a conservation easement: "The professor and his wife would get a substantial tax write-off, the university [of Virginia] could still make a bundle selling the property as a country estate, and our preserve would be protected in perpetuity." Morine lost the deal, when he showed he was afraid to get a wayward snake out of the couple's wine cellar.

In another instance, the Conservancy attempted to acquire land in Canada for a wildlife refuge that was controlled by "a group of Americans, all of whom had been born into the Social Register." Morine describes his search for the right wardrobe for visiting the owners' exclusive hunting club, claiming that the Conservancy's budget only allowed for clothes in the price range of "Attention K-Mart Shoppers." But according to *The Holes in the Ozone Scare*, by Rogelio Maduro and Ralf Schauerhammer, the Nature Conservancy has annual revenues in the range of \$254 million. One would be hard put to believe that its head of land acquisition were reduced to K-Mart scales of economy.

The rest of the story involves trying to hunt ducks from a duck blind, and only succeeding in bagging their limit with the aid of a drunken gamekeeper. But the Conservancy got the wildlife refuge.

Lest the reader think Morine (and the Conservancy) take the view that while man preserves nature, he should be also

able to enjoy it (albeit carefully), he favorably cites ecoterrorist Edward Abbey (founder of Earth First!). He also criticizes the National Park Service, but only for bureaucratic stupidity, not for mismanagement.

### Relations with Washington

He saves his anger for Ronald Reagan's Interior Secretary James Watt. While praising President Richard Nixon (under whose administration the National Environmental Policy Act, which set up the Environmental Protection Agency, was passed by Congress in 1969), Morine attacks Reagan, and especially Interior Secretary Watt, as a "strong backer of the Sagebrush Rebellion, which would have turned millions of acres over to his fat-cat political cronies" instead of buying more land for the Nature Conservancy. Watt effectively snapped shut the federal purse in 1984, by refusing to allow the federal government to purchase more land for "conservation."

So Morine must be mighty pleased with the Clinton administration, whose Interior Secretary Bruce Babbitt is not only saving, at taxpayers' expense, a California coastal "ecosystem" that contains an insignificant bird, the gnatcatcher, but is also taking the first steps to lock up millions of acres of federal land, by raising grazing fees that will begin to put western livestock growers out of business for good.

# Leibniz, Cantor, and LaRouche on the human mind

by Gabriele Liebig

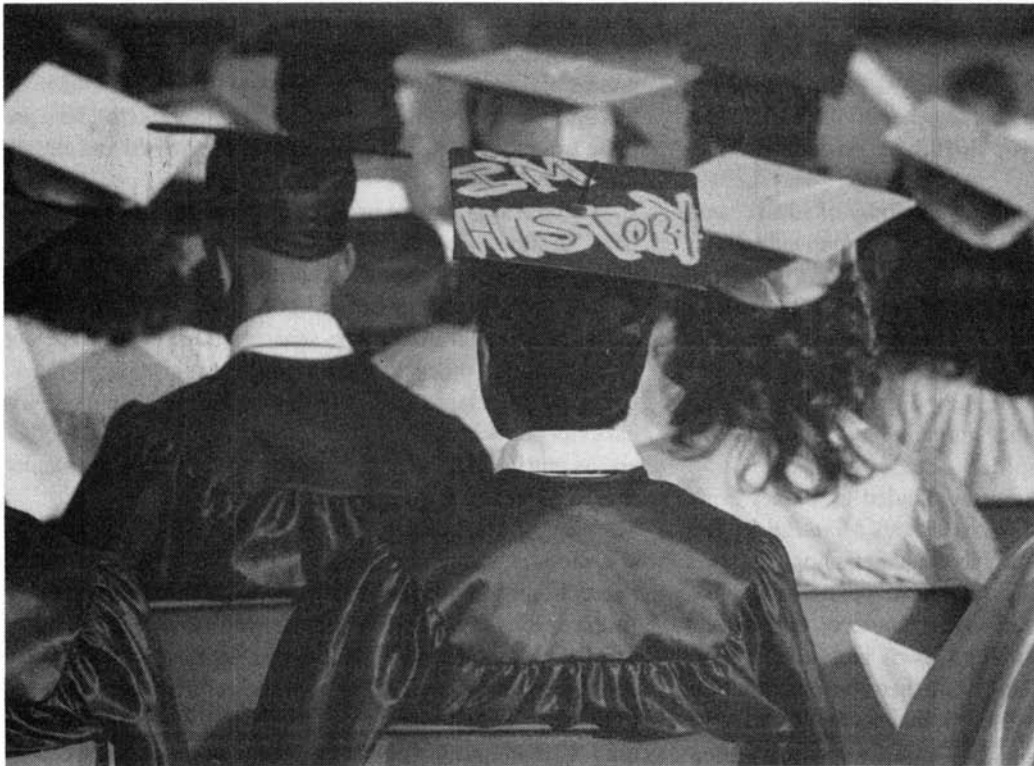
*The following has been abridged from a class presented to the International Caucus of Labor Committees in Paris, France, on July 31. Mrs. Liebig is a member of the ICLC European Executive Committee and editor-in-chief of the German newsweekly Neue Solidarität.*

We see around us a world day by day sinking deeper into crisis. Some time back, it was still necessary to list a lot of predicates, because people did not believe that there was a crisis. Today you can watch it on TV and read about it in the press.

Our international movement is organizing for a change in course, and has developed all the policies to get out of this crisis. But we would not have much hope of success, if we were not convinced of the power of ideas—that a certain kind of ideas can be an efficient cause for change in the political or physical world. This is the central topic of Lyndon LaRouche's latest writing, "History as Science," published in the Fall 1993 issue of *Fidélité* magazine: namely "the crucial role contributed by individual ideas and individual personalities in the shaping of history."

How can that be done, how can a devastating process of destruction be reversed, evil transformed into good? In "History as Science," LaRouche states: "It is by taking the *negation* of life, the conditions which must be changed, more or less promptly and urgently, that we are led to discover those among the implied axioms of presently prevailing opinion which must be uprooted," as a precondition to avert even worse consequences. And: "Ignorance, want, and suffering, become the goads which prompt the relatively noblest persons among us to develop the good which is technological progress, and to develop those anti-usury programs of economic development which are indispensable for conquering the evils of ignorance and want throughout our planet, and beyond."

We see an illustration of that in Bischofferode, Germany, where the hunger strike of 40 potash miners has focused the attention of the television-minded



About to receive a diploma, a high school graduate proclaims that he is "history." These students' link to the whole of human history is one thing the oligarchy wants to eradicate. Inset: G.W. Leibniz (1646-1716), a universal thinker who fought both the British empiricism of Locke and the French rationalism of Descartes.

population and the politicians on the intolerable consequences of the policy of deindustrialization of east Germany, where one-third of all jobs have been wiped out and 80% of all industrial jobs! Unionists and businessmen, and even some Christian Democratic and Social Democratic parliamentarians have finally been prompted—in part for opportunistic reasons—to attack this ruinous kind of privatization and “shock therapy.” The problem is that they tend to ask for Keynesian-financed job creation, which means more government debt. This is no solution, because public debts already amount to DM 27,000 per German citizen, and the debt service eats 25% of the budget. Nevertheless, there is a chance for people to grasp, that between the Scylla of shock-therapy and the Charybdis of Keynesian deficit-spending there is a real solution: infrastructure development in the Productive Triangle, financed by long-term, low-interest National Bank credits. This is the *idea* we put into the incipient mass strike ferment.

### Platonic ideas

Other ideas, too, tend to become stronger, once you see the results of denying them. Thus, amid deep and growing injustice the longing and striving for *justice* is swelling into a powerful social force, which eventually will sweep away those responsible for the denial of justice. Likewise, the idea of *freedom* shines brighter in the prison cell than in the all-too-liberal outside world.

The importance and actual meaning of the idea of *equality*

*of men* also becomes clear, if you are confronted with ethnic conflicts and racist ideologies seeking the identity of peoples in trivial or even only alleged differences. What does it mean: All men are created equal? It means, they are all created in the image of God, endowed with the potential of creative reason. Unfortunately, the dynamic of such conflicts, once injustices occur and blood flows, tends to increase popular hatred of the “different” enemy. But no matter what chauvinistic demagogues say, most human beings want to be human beings, and not single-minded racists.

Those ideas just mentioned—justice, freedom, and equality of men—belong to the special class of ideas called Platonic Ideas, which, as one of their characteristics, cannot be equated to any object. To understand that better, let us look at several different classes of ideas:

The lowest category is the *sense impressions*. John Locke and the empiricists describe the mind as a *tabula rasa*, like an untouched plate of wax, upon which one by one the things of the sensory world impress themselves. The signs they leave in the mind are the *nomen* or names of things (nominalism), which we can remember, connect with each other, etc. It is quite obvious that this is a description of the way certain animals think, like Pavlov's dog, which waters at the mouth if it sees a sausage. We can also call them *animal ideas*.

Second, there are *human ideas* of objects, new objects to be produced. The most developed of those are discoveries, like the wheel or Thomas Edison's light bulb. In a combined

form those ideas form, for example, the concrete projects of a certain economic program.

Third come the *Platonic ideas* such as justice, freedom, equality of men, without objects attached to them. You can attempt to define them, and you should, but no definition will be complete or sufficient.

On a still higher level in the “hierarchy of ideas,” you have what is called the *personality* of the human individual, or its *soul* or *spirit*. This is the whole edifice of Platonic ideas in the mind, including the totality of emotions that belong to them. LaRouche has pointed out that the mathematician Bernhard Riemann has called this *Geistesmasse*, while Leibniz called it “monad” or soul. Leibniz also distinguished between the “living soul” that animals have, too, and the specifically human soul or spirit.

Leibniz’s monads have been ridiculed as if they were obscure, windowless things. In reality his *Monadology* is a beautiful, far-sighted and highly truthful metaphor to express the otherwise inexpressible lawful ordering of multi-leveled, multiply-connected, always changing universe. The lowest are the monads or simple substances of inorganic matter, next the substances of organic life, then the animal souls and then the spirit of man. The original monad of all—the sufficient reason for the whole multiply-connected universe—the Necessary Being is God. Each monad reflects the macrocosm as a whole, although to different degrees.

“But the spirits are also images of divinity itself—or the very Author of nature. They are capable of knowing the system of the universe, and of imitating it to some extent through constructive samples, each spirit being like a minute divinity within its own sphere” (Section 83).

The “knowing” signifies *imago Dei*, the image of God, while the “imitating” signifies *capax Dei*, capacity for God.

This is one way to express the truth that ideas have material power.

### **The human mind: tabula rasa or innate ideas?**

Leibniz has written a whole book, *New Essays on Human Understanding*, a devastating critique in dialogue form of John Locke’s mistaken view of the human mind. It was written in French and appeared only in 1765, some 50 years after Leibniz died.

First, Leibniz demolishes the Aristotelean-Lockean conception of the human mind as a *tabula rasa* or empty slate. An empty slate as “image of God” is rather strange indeed (because Locke would not deny that man is in the image of God). Leibniz explains, that the human mind or “soul” rather includes from the beginning “innate ideas.” But these ideas are not to be misunderstood as prejudices, they are not even specific, fixed, pre-formulated ideas, but rather the inborn human potential for knowledge, including the deepest and most difficult sciences. He uses the image of a piece of marble, which is to become a beautiful sculpture. In the case of the human soul, the marble is not indifferent, but it has certain

internal structures which make it easier to discover the shape of the sculpture. Nevertheless it takes a lot of effort and concentration to discover the shape and to transform the marble into the sculpture. In other words, the innate ideas are there from the onset, but they must be discovered and clearly formulated.

Leibniz says that he uses the expression “innate” or “inborn” to signify that these ideas don’t come from the outside, through the senses, but they can only be found inside the human soul, by the sovereign, concentrated activity of the individual human mind. The senses are important, but not primary in that process. They give the opportunity to think, they lend the images to fill the “bare concepts.” And empirical evidence serves to cross-check the validity of an hypothesis, as one checks the correctness of an arithmetical calculation by calculating it a second time backwards.

While Locke denies any other mental activity than the conscious one, Leibniz introduces the “pre-conscious” mind. Perceptions don’t occur noun by noun, as isolated objects or facts consciously perceived. Perception mostly occurs in the form of very many small, unnoticeable perceptions—*les perceptions insensibles*. The pre-conscious mind always active, even when consciousness sleeps. People know much more than what they could instantly formulate, and often people act according to certain principles, without being consciously aware of them.

“The mind operates at every moment according to the principles upon which it is based, but it is not so easily able to unscramble them and represent them to itself distinctly and separately, because this requires paying great attention to its own activity, and most people are little accustomed to meditating on such matters” (*New Essays on Human Understanding*).

In this way the famous “intuition,” which is made responsible for so many discoveries, becomes intelligible and loses its magical sound: It just means a mental breakthrough, when suddenly the light of reason brings a momentary clarity to the inside of the mind, which soon sinks again into relative darkness. Anyone can observe this in himself while conceptualizing a difficult article or presentation: Ideas are sometimes slippery things, in one moment you think you have them, but then they slip back into the pre-conscious sphere of the mind, and it needs some concentration to fish them out again. This is no magic, but an ultimately intelligible process, and it can and must be trained.

### **Three levels of thinking**

Early in his development, LaRouche distinguished three levels of thinking:

1) Empirical thinking, the level of sense perception. Leibniz writes about it in the *Monadology*:

“Memory provides a kind of *connectedness* to souls which resembles reason but must be distinguished from it. For we see that animals which have a perception of something

that strikes them and of which they have previously had a similar perception expect, from the representation in their memory, that which has been conjoined in that previous perception, and are thus led to sensations similar to those they have had before. For example, when one shows a stick to dogs, they recall the pain that it has caused them and whine and run off. . . .

“Men function like beasts insofar as the connections among their perceptions come about only on the basis of memory, resembling empirical physicians who have mere practice without theory. We are all mere empirics in three-quarters of our actions” (Sections 26, 28).

2) Logical or deductive thinking. What you think or say, must not include contradictions. If it is contradictory it is regarded as untrue. This should not be despised as from a counter-culture point of view, arguing for example against learning arithmetic or algebra in school. But one should not regard it as the only possible way of rational thinking.

3) Creative thinking, which is not irrational but rather a higher form of rational thinking.

All three levels are included features of the human mind. Creative thinking supersedes but doesn't exclude logical thinking; deductive thinking is a priori in respect to sense perception, but doesn't exclude it.

On the first and second level of empirical and deductive thought rests the philosophy of a mechanical explanation of nature founded by René Descartes. In order to make the laws of nature simple and accessible to everyone, he wanted to reduce all observable processes to mechanical, algebraic functions, while he continued to believe in hypothesis. However his mechanical hypotheses were often quite absurd, especially in regard to the human body. He believed that the physical connection of soul and body was seated in the *epiphyse*—pineal gland—or that embryos would develop into females if a little piece of excrement prevented the embryo from growing male genitals.

Descartes founded a whole “new philosophy,” but the great new discoveries were made by others such as Christiaan Huygens, his youthful friend, who soon superseded the Cartesian method. These discoveries—about light radiation, a pendulum clock which “always” shows the correct time, etc.—were based on so-called non-algebraic curves. The simplest is the cycloid, which is constructed by rolling a circle on a line or another circle. They clearly exist in nature, but can't be simply expressed by an algebraic function. Hence the Cartesians rejected them as “unscientific.” Those non-algebraic curves or functions, including the Golden Section, represent a higher mathematics than algebra, but not the highest.

LaRouche points out in “History as Science” that there is a third and still higher level of mathematics represented by the transfinite numbers of Georg Cantor, also called “alephs.” As this is a major stumbling block for many in LaRouche's books, I want to explain it a bit.

## Cantor's alephs

We go back here to Cantor's *Grundlagen einer allgemeinen Mannigfaltigkeitslehre* (1883) and his *Beiträge zur Begründung der transfiniten Mengenlehre*.

He first explains the simple notion of *cardinality* (cardinal number) or *power of finite sets* or *series*. Example: You have a set of three objects. Its cardinal number is 3.

Of course, there exists an infinite number of sets with other cardinalities. You can order the totality of all cardinal numbers of finite sets of whole objects into the *infinite series* 1, 2, 3, 4, . . . *n*.

Now, Aristotle and his followers always claimed, that all infinite series are equally big. If you add 1 to the last number of an infinite series, it is still infinite. Galileo at least tried to check if this was true and asked himself, whether the square numbers in their totality were not a smaller infinity than all whole numbers, but he found that this was not true, because each square number belongs to one whole number:

$$1, 2, 3, 4, \dots n$$

$$1^2, 2^2, 3^2, 4^2, \dots n^2$$

However, Georg Cantor not only hypothesized, but proved, that there are several distinguishable infinities of different *power*. While the square numbers and even the fractions form an infinite series of the same power as the series of whole numbers 1, 2, 3, . . . *n*, decimal fractions (with non-periodic numbers after the decimal) form an infinite series with a higher power than the whole number series.

If there are infinite series of different power, they must also have a different cardinality or *ordering type*. These ordering types or cardinalities of infinite series are the famous *transfinite numbers* or *alephs*.

The smallest transfinite number or aleph zero ( $\aleph_0$ ) is the ordering type of the series 1, 2, 3, 4, . . . *n*. The ordering type represents the unifying concept of the whole series, uniting the *many* numbers into *one*. This unifying concept is at the same time the *generating principle* of the series. In the case of ( $\aleph_0$ ) it is “plus one.”

Cantor explains that the human mind creates numbers by two *generating principles*, a lower one and a higher one. The lower one is simple counting, like adding one. The higher one is finding the generating principle of a series, which was applied in finding the first transfinite number  $\aleph_0$ .

Using again the first generation principle of adding we can now generate the series  $\aleph_0, \aleph_0+1, \aleph_0+2, \aleph_0+3, \dots \aleph_0+m$ . Imagine  $\aleph_0$  is a crucial discovery and the series represents the successive consequences of the discovery. If  $\aleph_0$  is the discovery of the wheel, then  $\aleph_0+1$  could be the idea of the cart, representing infinitely many different carts, drawn by different sorts of muscle power. Then  $\aleph_0+2$  could be the idea of the steam-engine driven railway,  $\aleph_0+3$  perhaps the idea of the automobile, etc. Unlike the series of the order  $\aleph_0$ , which was an infinite series of *finite* series or their cardinal

numbers, this series is an infinite series of *infinite* series. Therefore it has a higher *power* and is ordered by the next higher transfinite number  $\aleph_1$ .

Likewise,  $\aleph_2$  would be an infinite series of infinite series of infinite series. And so forth.

Much of the concept is already included in Leibniz's *Monadology*, where he distinguishes between the realm of mechanics ( $\aleph_0$ ) and the realm of life and nature ( $\aleph_1$ ):

"Thus each organic body of a living being is a kind of divine machine or natural automaton which infinitely sur-

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*If we want to change the course of history and bring about a new renaissance, we have to be able to fight for the paradigm of a new Renaissance: the transfiniteness of the human mind.*

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passes all artificial automata. For a machine made by human artifice is not a machine in each of its parts. For example, the tooth of a brass wheel has parts or pieces which to us are no longer artificial things, and no longer have something recognizably machine-like about them, reflecting the use for which the wheel is intended. But the machines of nature, namely living organisms, are still machines even in their smallest parts, *ad infinitum*. It is this that constitutes the difference between nature and artifice, that is, between divine artifice and ours" (Section 64).

Cantor has started from here with his hypothesis about an infinite system of ordered manifolds (series) of ever higher power. He was convinced that the human mind is capable of making always totally new discoveries which generate new infinite series of infinite series of consequences.

LaRouche uses the "pedagogical series" of successively reached levels of potential relative population density, each determined by specific technologies, which he calls A, B, C, . . . . You could call them as well  $\aleph_0, \aleph_1, \aleph_2, \dots$ . Most interesting in this series is the "comma," what is in between A and B, B and C, etc. This discontinuity or singularity  $\overline{AB}$  or  $\overline{BC}$ , etc. corresponds in reality to the generation, transmission, and assimilation for broad practice of new crucial discoveries of the individual sovereign human mind.

I want to conclude this section with a quote from Cantor's *Grundlagen*:

"Quite often the finitude of the human *understanding* is adduced as a reason why only finite numbers are thinkable. . . . By 'finitude of the understanding' is tacitly meant that the capacity of the understanding in respect of the formation of numbers is limited to finite numbers. If it should turn out,

however, that the understanding in a certain sense is also able to definite infinite, i.e., *transfinite* (*überendliche*) numbers and distinguish them from one another, then either the words 'finite understanding' must be given an extended meaning, after which that inference can then no longer be drawn from them; or else the human understanding must also be granted the predicate 'infinite' in certain respects, which, in my considered opinion, is the only correct thing to do. The words 'finite understanding' which one hears on so many occasions are, as I believe, in no way on the mark. As limited as human nature may in fact be, *much* of the infinite nonetheless adheres to it, and I even think that if it were not in many respects infinite itself, the strong confidence and certainty regarding the existence (*des Seins*) of the absolute, about which we are all in agreement, could not be explained. And in particular, it is my view that human understanding has an unlimited, inherent capacity for the step-wise formation of whole number-classes which stand in a definite relationship to the infinite modes and whose *powers* are of ascending strength."

This is another way to express how ideas can change the world. No mathematical function, neither algebraic nor non-algebraic can represent this change. You can just metaphorically express it in the form of the aleph series  $\aleph_0, \aleph_1, \aleph_2, \dots$ . This is the "world line" of universal history. Ordering ideas (historical, physical, musical) in this way, is science and the precondition for new discoveries. The aleph-series is something like the self-developing measuring rod of the laws of the universe. It is the "innate ideas" Leibniz talks about. It is the essence of science and culture, and of being human. It is the paradigm for a new Renaissance. And therefore it should be obvious that it must be the central subject of education.

### Education or 'spiritual child molestation'?

If we want to change the course of history and bring about a new renaissance, we have to be able to fight for the paradigm of a new Renaissance: the *transfiniteness* of the human mind. And we have to create a conscious movement against the countervailing oligarchical paradigm preaching *finiteness* of the human mind, as U.N. General Secretary Boutros Boutros-Ghali formulated it in his speech in Rio de Janeiro last year.

This battle is being fought primarily on the field of education. The behaviorist- and Frankfurt School-inspired school reforms in all member countries of the Organization for Economic Cooperation and Development have had this purpose: to wipe out the paradigm of humanist education (which at least implicitly works in favor of the transfinite development of the mind). In order to make the oligarchical paradigm of human finiteness prevail, they have to cut out the idea of man and human reason as the *image of God* (which is common to Judaism, Christianity, and Islam as well as Confucianism). Second, they must cut out the primacy of the *education of the mind*, regarding this as less relevant than other aspects



like physical strength, sexuality, anti-authoritarianism, etc. Third, they must abolish *history* and *ancient languages*, in order to sever the individual's link with mankind.

Lastly, they must waste as much as they can of the pupils' time with subjects as learning specific activities, totally specialized facts, or, worse, courses of manipulative content as in all behaviorist or "outcome-based" education programs. All bad, discredited education schemes or "reforms" share those traits.

On wasting children's time nobody is more outspoken than French Enlightenment ideologue Jean-Jacques Rousseau, who writes in *Emile*: "May I dare now to outline the highest, most important and most useful rule of all education? It is not to gain time, but to lose time! . . . If you succeed to do nothing, and to prevent others from doing anything, if you could lead your pupil healthy and strong into his 12th year without his being able to distinguish his right from his left hand, then the eyes of his understanding would be open for reason from the first lesson on."

Rousseau rejected not only learning old languages and history, but reading books in general. Remember: The existence of written language enables human beings, and only them, to be connected with other human minds in past, present, and the future. But Rousseau states: "No book except the book of the world, no lesson except through facts! A child that only reads, doesn't think, it just reads." The same argument is used now by the "multiculturalists" in the United States, who are against teaching what "dead white European males" had to say.

Adolf Hitler had his own rantings against the idea of "equality of men," which he calls in *Mein Kampf* a despicable Jewish idea. In unspeakably brutish language, he opined that the most important outcome of all education should be "raising strong and healthy bodies. Only second comes the education of mental capabilities." The Frankfurt School's "anti-authoritarian education" project favors sexuality as the best-suited feature to compete with the mind in relevance. Most revealing in this respect is the book by A.S. Neill on *Summerhill: A Radical Approach to Child Rearing*, from which I cite two passages:

"Some time ago, I had a small boy who deluged me with questions. . . . I knew he was evading the big question that he wanted to have answered.

"One day, he came to my room and asked a string of questions. I made no reply, and went on reading my book. After a dozen questions, I looked up casually and said, 'What was that you asked? Where do babies come from?'

"He got up, reddening. 'I don't want to know where babies come from,' he said, as he went out, slamming the door.

"Ten minutes later he came back. 'Where did you get your typewriter from? What's playing at the movie theater this week? How old are you? (Pause.) Well, damn it all, where do babies come from?'

"I gave him the correct answer. He never came back to ask me any more questions."

Most revealing than is this quote from an interview at the end of the same book:

"Question: What should a teacher do when a boy plays with his pencil when she is trying to teach a lesson?

"Pencil equals penis. The boy has been forbidden to play with his penis. Cure: Get the parents to take off the masturbation prohibition."

This is why we charge people like Neill with "spiritual child molestation."

## Developing the mind

The fundamental paradox in education is this: Either the mind is a *tabula rasa*, and you have to put everything in, fact by fact, through education; or nature has made the human mind such, that no organized education is necessary, because the child would learn by himself what he needs, and should not be urged or influenced by authorities. Leibniz solved that paradox by his conception of "innate ideas" which are there as a potential, but nevertheless take some effort and concentration to discover.

It seems to support the anti-educators, that especially in the first three years of life, the child almost automatically unfolds his or her "innate" capabilities of eating, moving, talking, and thinking. He is "absorbing" the world around it, needing just a normal, loving surrounding for development. Then the conscious faculties of the mind awake, and they need "spiritual food." The child asks thousands of questions and still learns without much effort, but no longer automatically. The effort will be the smaller, the more the child is used to concentrate on something for an extended period. Usually it is necessary to give the effort to learn a little push. It would be criminal to be indifferent about whether a child wants to go to school in the morning. Adults have to give that push to themselves, in order to make their mind work, to concentrate on an intellectual problem for the appropriate period of time without getting distracted.

Three cases should be distinguished: In the first case you just have to formulate an idea, that you had already consciously thought before. It is right under the surface, you just have to concentrate, fish it out and put it on a piece of paper. No reason to be blocked.

In the second case you have to formulate a new idea, that you have not yet consciously thought. This means, the "innate idea" has still to be discovered by your mind, or as Riemann would say, the *Geistesmasse* has yet to be built. You just have to work on it until you have it.

The third case concerns the discovery of an idea, that not only you but *nobody else* has ever thought of. As it is in principle not so much different from case two, it helps a lot to study how great discoveries have come about in the past, using original texts where possible. That is what youngsters should be doing in school.

# Yeltsin dissolves parliament as Russia's crisis deepens

by Konstantin George

At 8 p.m. on Sept. 21, President Boris Yeltsin appeared on Russian television to decree the dissolution of the country's two legislative bodies, the Supreme Soviet and the Congress of People's Deputies, setting Dec. 11-12 as the date for early elections to the State Duma, or lower chamber of a new two-chamber parliament. Until the elections, and taking effect immediately, Russia is to be ruled by "decrees of the President and instructions of the government." Two hours later, Prime Minister Viktor Chernomyrdin appeared on television to declare the full support of the government for the Yeltsin decrees, adding that in accordance with the dissolution of the parliament, the government had taken over the control of the Russian central bank. Before he spoke, detachments of Interior Ministry troops had taken up positions around the central bank and the state radio and television facilities.

Lyndon LaRouche, commenting on the Moscow developments on Sept. 22, pointed out that Yeltsin's "flight forward" reflects "the fact that none of the policies which are currently popular with the U.S. press in Washington are going to work; as a matter of fact, they're coming to the end of their road." (See interview on page 35.)

The same evening that Yeltsin spoke, the parliament, under Chairman Ruslan Khasbulatov, declared the Yeltsin decrees null and void, and voted to oust Yeltsin from the presidency. Parliament voted to install Vice President Aleksandr Rutskoy as "Acting President," and then "appointed" as its "defense minister," Gen. Vladislav Achalov, and "re-instated" Viktor Barannikov, the man Yeltsin had deposed in July, as "security minister."

These actions by parliament were gestures that could not change anything fundamental. Whether intentionally or not, they served to undermine the popular credibility of Vice President Rutskoy, the one figure of national stature who could have challenged Yeltsin and the coup, by staying clear

of the Khasbulatov clique. The parliament's moves also served to bolster the imperial forces behind the coup process, by naming Achalov as "defense minister" on the eve of the Sept. 24 summit of the Community of Independent States in Moscow. Achalov, a loud-mouthed exponent of using military means to restore the U.S.S.R., and a leading August 1991 coup plotter, was, during the Soviet period, the Defense Ministry official responsible for the Baku massacre in January 1990 and the Vilnius television tower massacre in January 1991.

## Western illusions

The western powers, beginning with the United States, knew of the "Yeltsin coup" in advance. This was confirmed in statements by Secretary of State Warren Christopher and Foreign Minister Andrei Kozyrev; Kozyrev had held long talks with his American counterparts while he was in Washington for the Sept. 13 Middle East peace agreement signing ceremony. In the 24 hours following the Yeltsin television address, western leaders outdid each other in rushing to support Yeltsin, praising his coup—and his Sept. 16 appointment of shock therapy proponent Yegor Gaidar as first deputy prime minister—as a "victory for democracy." What western governments will not publicly say, is that they are supporting Russia becoming a dictatorship. The western leaders will receive a rude awakening, because the Russian dictatorship that is coming is not going to be what they think they are going to get.

Western heads of state and foreign ministers, beginning with President Clinton and Warren Christopher, have no inkling of reality. Russia, the nuclear superpower, is re-emerging to create in the coming months a new Great Russian Empire embracing nearly all of the territory of the former U.S.S.R. This transcends the issue of Yeltsin or any other

personality. An epoch-shaping, and very dangerous, historical process is under way. The West bears the main responsibility for this, through its promotion of two years of shock therapy policies in Russia, which sabotaged the hope of transforming Russia into a nation-state of the western type.

Only hours before Yeltsin made his television appearance, Foreign Ministry spokesman Georgi Karazin announced that Russia had annulled the Sept. 3 agreement on nuclear weapons reached with Ukraine at the Yeltsin-Kravchuk Yalta Summit. In that agreement, Russia, employing the blackmail threat to stop oil and gas deliveries to Ukraine, had forced Ukraine to agree to transfer all its nuclear weapons to Russia. Karazin grounded the annulment on the bogus charge that Ukraine had unilaterally inserted an amendment in the protocol signed in Yalta, after the meeting. Karazin declared that this amendment was designed to allow Ukraine to keep a part of the nuclear weapons on its territory. In response, the Ukrainian Foreign Ministry admitted that there was indeed an amendment providing for a phased transfer, but maintained that this had been presented to the Russians at Yalta, with no Russian objections then.

The imperial message was also conveyed in the shooting down by Russian-backed Abkhazian separatists of two Georgian airliners over the Abkhazian capital of Sukhumi, killing over 100 people.

### **The incalculables**

There is no stability in the coup process at the top, and events could occur at any time that would transform the process in incalculable ways. The three key ministries involved in enforcing the "Yeltsin coup," the Defense Ministry, Interior Ministry, and Security Ministry, are committed to its success. Concerning the Army as an institution, this is broadly true for the higher ranks, the generals. What no one can predict, is what the middle-rank officers will do. This leads to the critical question: Will the coup process stay bloodless, or will it become violent?

These concerns are foremost in the mind of Defense Minister Pavel Grachev. He confirmed on Sept. 22 that "all the commanders" support "Commander-in-Chief" Yeltsin. This is what the western press quoted. They should have read on a bit further in his speech, where he announced that "special units" are being created to prevent any "terrorist acts" aimed at "provoking the Armed Forces." He added that tight security had been imposed at all military installations and facilities, including at the Defense Ministry and other key ministries in Moscow, and measures were being taken to prevent "attempts to split the Armed Forces."

The next day, Grachev warned again of "attempts to provoke" the Armed Forces, including the Defense Ministry, and declared: "The forces of the Interior Ministry are ready to intervene with all necessary force."

In sober contrast to the childish, giggling response of President Clinton to the events in Russia, the incoming chair-

man of the U.S. Joint Chiefs of Staff, Gen. John Shalikashvili, expressed the same concern to the Senate in hearings on Sept. 22: "The danger really is if low-level commanders, subordinate commanders, were to begin to change sides. That probably would be the sort of unravelling effect that ought to give us all great, great concern."

### **The consolidation of dictatorial rule**

What is falsely called a "Yeltsin coup" is in reality the opening of a coup process leading to dictatorship, where, concerning the short term only, Boris Yeltsin may or may not be its titular head. The coup process has been boosted, as noted above, by the antics of parliament chairman Ruslan Khasbulatov. Under Khasbulatov's leadership, parliament had never seriously addressed the country's ruinous economic-social crisis, but instead confined its challenge to Yeltsin and the government to an empty power struggle, while destroying its own credibility through endless hypocrisy. During the summer, for example, parliament voted to overturn Yeltsin's plans for sweeping privatization, only on the same day to pass a measure converting the government-supplied Moscow apartments of the parliamentary deputies into their own private condominiums.

Khasbulatov's response to the "Yeltsin coup" is only reinforcing the already strong conviction of many ordinary citizens in Russia that parliaments are inherently bankrupt as institutions.

Barring a policy "about-face" by the West, an abandonment of the ruinous shock therapy policy, the dictatorship will in all probability be in place either by late autumn or during the winter. It may come before the Dec. 11-12 elections. Why can such a prognosis be made?

In case anyone has forgotten, the devastating economic and social crisis is getting worse with each passing month. It will continue to worsen at an accelerated rate during October, November, and December. With winter coming on, and the parliament out of office, rising popular anger will be directed exclusively at Yeltsin and the government. Yeltsin's "popularity" existed only so long as the two Soviet-period chambers of parliament, the Supreme Soviet and the Congress of People's Deputies, existed. These were the two most hated institutions in the country, with the government coming in third. Now, Yeltsin and the government stand alone against the groundswell of legitimate popular anger.

Elections, if they are held at all, will be anything but a Yeltsin victory. The Lithuanian elections last year and the Sept. 19 Polish elections are ample enough lessons of what happens to once-popular Presidents after a long period of shock therapy. In Lithuania, Vytautas Landsbergis, once the hero of Lithuanian independence, was unceremoniously swept from power by the "former" communists. In Poland, President Lech Walesa survived only because the elections were confined to parliament. His electoral bloc received a humiliating 5% of the vote.

# 'Ex'-communists win in Poland

by John Sigerson

Riding a wave of popular revulsion over the West's refusal to help rebuild the country after decades of communist rule, a refurbished edition of the old Polish communist party was democratically voted back into power on Sept. 19. According to official results available so far, the Democratic Left Alliance (SLD), as the communists are now called, emerged with nearly 20% of the vote, allowing it to occupy one-third of the seats in the Sejm, Poland's lower house of parliament. The next-highest vote, with 15%, went to the Polish Peasant Party (PSL), which during what many now consider the "good old days of communist rule" were allied in a coalition with the communist party.

It is a foregone conclusion that the SLD and PSL will now form a coalition, the only outstanding question being whether or not any of the other parties represented in the Sejm can be induced to join as well. The third-largest winner, the centrist Democratic Union (UD) which won approximately 11% of the vote, has already formally declined to join, announcing that it would not lend its name to the future actions of the communist-dominated government. But there are rumors that the two dominant parties may open the door to the minuscule BBWR party of President Lech Walesa, which just squeaked by the 8% minimum vote required for parliamentary representation. Solidarity, the organization that Walesa founded which led Poland out of communist rule, did not even win enough votes to enter Parliament.

Western media sewers are generally playing down the significance of SLD victory, with Reuters commenting that western economists "do not expect a return to old-style communism under a leftist government. They also do not expect a big impact on returns in the short term, although these are likely to slow down."

But this entirely misses the point. With a communist-run parliament and a President still committed to carrying out the disastrous "shock therapy" reforms dictated by the International Monetary Fund and robber-barons such as George Soros, the political situation resembles that in both Russia, where things have reached the breaking point, and in neighboring Belarus, where a similar confrontation is shaping up. Walesa dissolved the Polish government on May 29, and since then has been using his status as Poland's virtual dictator to push a form of forced privatization which in the words of one Warsaw economics professor has been "worse than

Stalinism; Stalin at least built something!"

Once it is seated, the new Polish parliament will go about testing its own strength against that of President Walesa. Alexander Kwasniewski, the young chairman of the SLD party who is virtually certain of being chosen prime minister, declared in Warsaw on Sept. 21 that the new parliament will examine closely which powers Walesa is going to keep. Along with SLD party manager Jozef Oleksi, Kwasniewski reiterated his offer for cooperation with the President, but warned that the "imbalances in the Polish system" (i.e., Walesa's presidential powers) were in large part responsible for the political paralysis which the country has slipped into, and that a new parliament ought to have sufficient powers to allow the country to be governed efficiently.

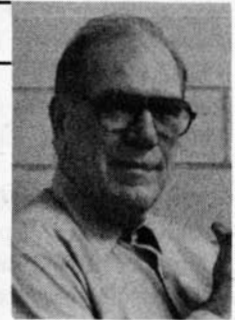
Meanwhile, Walesa is proceeding in exactly the opposite direction, putting hopes in adopting a "little constitution" which would extend his powers.

## No internal solution

But as has been the case for centuries, Poland's fate will be determined by what happens beyond its own borders, especially in regard to whether the West abandons its insane policy of supporting speculators such as George Soros to suck eastern Europe's economies dry as a spider drains its prey. Only this can explain why a political commercial aired on television by the small Samoobrona farmer-labor party—which did not even get enough votes to enter parliament—has created such a ruckus both inside and outside the country. The TV spot targeted Soros's Batorego Foundation as a leading "academic conduit" for promoting the economic crimes which are dismantling the country. The spot corroborates intelligence gathered by *EIR*, which reported on June 11 that the entire plan for privatizing Poland's state-owned enterprises had been arranged in the course of secret talks in 1989 between the Stefan Batory Foundation and the *communist* Rakowski government.

Responding to the advertisement, three Polish sociologists—Prof. Andrzej Rychard of the PAN institute, and Profs. Edmund Wnuk-Lipinski and Antonina Kloskowska of the Institute of Sociology—wrote a letter appearing in the Sept. 15 issue of *Gazeta Wyborcza* denouncing Samoobrona and jumping to Soros's defense as a great benefactor to Poland.

In Germany, Samoobrona came under attack from the country's leading liberal newspaper, the *Frankfurter Allgemeine Zeitung*. On Sept. 22, the paper said that Polish politics is in danger of being "lepperized"—a reference to Samoobrona leader Andrzej Lepper, who is now facing trial because of farmer protests he led this past spring. Lepper, similar to activists in another political formation, the Solidarity 80 trade movement, has been campaigning in opposition to the IMF, and has exposed the use of Israeli investment funds as part of the effort to ruin Poland's state sector economy—a stance for which he has been slandered as an "anti-Semite."



# Crisis in Russia reflects global breakdown crisis

Mel Klenetsky interviewed Lyndon LaRouche on the weekly radio program "EIR Talks" on Sept. 22.

**EIR:** On Sept. 21, Russian President Boris Yeltsin disbanded Parliament until elections are held on Dec. 11-12. What's going on?

**LaRouche:** The evaluation that I have from inside Moscow at a high level, is that Yeltsin is in, in military terms, flight forward. This obviously occurred with fore-discussion with the government of the United States and others; maybe not in all the details, but certainly a great deal of it was discussed. And it was immediately pre-qualified, to try to make it work, by getting an alignment of various governments on it.

The other aspect of this which has to be taken into account to appreciate the weight of it, is the Polish elections, which involved an estimated 40% abstention by voters . . . which produced a de facto communist return to power—maybe as a minority government, who knows what.

The point is that the shock therapy, the International Monetary Fund conditionalities, are producing an effect in Russia which we see forecast in the crisis developments in Poland and elsewhere. That's producing a social crisis. The efforts now are to implement political measures to put lids on the social and economic crises generated by this insane Sen. Phil Gramm- or Thatcher-type thinking. And this has produced a coup and an attempted counter-coup and who knows what else to come in Moscow.

This occurs at a time when the United States is running blind. Washington is saying the democracy policy is going to work, the economic policy is going to work, the Russia policy is going to work—well, none of them are going to work. But Washington *insists* on being optimistic about those results.

And so we have a pattern of governments and leading nations which are all ready to fall, not only in Moscow, in the former communist countries of eastern Europe, but in Germany, where the government is very vulnerable; Italy, of course; Spain; Greece; Britain; the Canadian government is going through an overturn; and the governments of South and Central America, including, ultimately, the Clinton administration if it continues on this track.

We have come to a turning point. The United States is whistling in the dark on military policy, saying that Russia is

only a regional military power. Russia is emerging again as a great thermonuclear global power; it's still exercising those military capabilities, albeit on a reduced scale. We have a crisis in China of undetermined magnitude. And Washington is whistling as it walks by its own graveyard—at least, that's the way things are going now. And the Russian situation reflects the fact that none of the policies which are currently popular with the U.S. press are going to work. These policies, as policy complexes, are coming to the end of their road.

**EIR:** Would you say that the return of Yegor Gaidar indicates a return to shock therapy economic policies?

**LaRouche:** That's what the U.S. press and official Washington will tend to say. But that's nonsense. Gaidar returned because he's popular among the western powers, because Yeltsin received a little pocket money from the United States, because the Russians are playing the situation for all they can; and so he is a *symptom* of Yeltsin's relationship with the government of the United States. That's all he represents. He represents *nothing* in and of himself. On the Russian side, he represents the fact that they have not decided what policy they're going to follow. But Washington has it completely wrong.

**EIR:** There is a struggle between Yeltsin and the Parliament. Some say there's a bigger struggle between the regions and the Moscow center. What does this indicate?

**LaRouche:** The crisis in Russia is a reflection of a global breakdown crisis, which, contrary to some complacent and foolish fellows in the United States, includes the United States. *The U.S. economy is collapsing.* The world economy is collapsing. I'm talking about physical economy. The growing magnitude of so-called GNP is measured largely in fictitious paper, that is, paper values which have nothing behind them, or an increase in paper values which has nothing behind it.

The real economy is collapsing. Employment is collapsing. Business is collapsing. The tax revenue base is collapsing in the United States. The per capita real purchasing power per family is collapsing.

The only thing that's increasing, is these so-called paper markets, speculative market values, a financial bubble. The

same situation is true in Europe. It's catastrophic on the continent of Europe. The same thing is true in China; China is headed toward a possible civil war, dissolution. Not that these will necessarily occur, but this is the direction in which things are moving. Japan is retrenching. Go on around the world the same way.

So what is happening in Russia, is a reflection of a general breakdown crisis of physical economy and also of political institutions around the world. This is accompanied by the fact that the so-called political class in leading European countries and others, is collapsing. Therefore, you have a crisis of indecision in Washington. The political class in Washington is disintegrating. We see a similar phenomenon in Germany. Since the Brandt education reforms of 1970, Germany has been going downhill in terms of renewing the leading political class and the economic and other intellectual cadres of the country.

France is similar, since 1963-68, with the educational reforms there, which led to the bringing down of de Gaulle, and then other problems—an erosive process.

Italy—a similar kind of process. The country is being disintegrated, partly from the outside. Britain—the political class is in a crisis. The continuation of the monarchy is in question; all kinds of things.

So we have a general breakdown crisis, a physical economic breakdown crisis, which is affecting everything; we're on the verge of the greatest financial blowout in history, at least in modern history in relative scale. In absolute scale, of course, in history as a whole.

The ruling political classes, institutions of countries, are disintegrating. That is, the group of powerful families, the Establishment and their foundation hangers-on, are disintegrating. So as you get to the age group under 50, and even under 60, you get to people who are no longer capable of functioning as those who are now either deceased or in their late 60s or 70s, say, my generation or older. We have a younger generation which is showing the effects of miseducation, disorientation, confusion, of the New Age policy. They simply just don't know how to handle these kinds of things, and they're not realistic. The ruling political class in all of these countries is showing the loss of power to govern.

You may have a turn on the Republican side to [Senate Minority Leader Robert] Dole. Dole is about 73 years of age. He is not the greatest genius in the world, but he is an old-style political-class figure; and you may find a popular turn, back toward people in the over-60, over-65 age group as a replacement political leadership of institutions in the United States, because the younger generation now in power doesn't seem to be able to handle the situation. And that's true all around the world.

**EIR:** Some western governments are looking at the GATT [General Agreement on Tariffs and Trade] and NAFTA [North American Free Trade Agreement] as a panacea for

their problems. Can this possibly help?

**LaRouche:** No, it cannot help. It can only make things worse. I see absolute insanity erupting from among circles which I used to think were quite sane. The insanity takes the form of the desperate effort to reconcile themselves intellectually with the idea that NAFTA and GATT are inevitable.

On the great sucking sound theme as such, Ross Perot is absolutely correct. We are shipping jobs and businesses out of the United States into developing sector countries, in search of cheap labor—essentially, slave labor. The argument is that this means that the goods that Americans consume, imported from Mexico, China, and so forth, will be cheaper than if those goods were produced in American firms in the United States by American labor.

The question is, where are the American firms, and where is the American population going to find the purchasing power to buy these goods? Where is the government going to find the tax revenue base to support even the existing levels of federal, state, and local budgets? If we do not have a tax revenue base which is generated primarily by agriculture, industry, and infrastructure, and other kinds of employment that benefit from that, we don't have the ability to support a country. If we do not provide skilled employment—technologically progressive skilled employment—where do we find the means to increase our productivity? To increase our purchasing power to meet our needs? To resist the attrition of old technologies? We don't.

The same thing is true for Germany or France or Italy. This idea of exporting jobs to places where the cost of labor is ostensibly cheaper is one of the greatest pieces of insanity ever conceived. The idea is to protect your national economy so that within your nation, you have national economic security in the sense that you either *produce* what you need for domestic manufacturing business and producers' consumption and households' consumption, or you produce a surplus of something which can be exchanged on the world market for some of the things you need for your market basket, such as, say, bananas for the breakfast table. We don't grow them much in the United States; we could, with hothouses and with a lot of potassium fertilization of the soil. But it's much better to get them from Nicaragua or Panama than it is to get them in the United States. So we ship something to Panama, Nicaragua, whatnot, to get our bananas—we are not violating national economic self-sufficiency. But if you export your jobs in general, if you make yourself dependent in net upon what you can steal from other parts of the world by monetary jiggery-pokery, then your nation is going downhill.

You see this in education, with this absolute lunacy of cutting education to eliminate the cognitive elements of education. Let me just give you an example of that. Suppose I were to insist, as President, that every teacher in the United States could not be federally certified as qualified to teach unless they could pass a basic examination, number one, in plane and solid geometry; two, unless they could pass an

examination in U.S. and world history, which would ask the prospective teacher to answer such questions as, for example, "What was the evidence which caused American officials to believe that the British government was behind British agent Booth's assassination of Abraham Lincoln?" Questions of that sort.

If a person could not answer such ordinary questions to such examinations competently, they would not be recognized as qualified for the teaching profession. If we were to do that, you would eliminate most of the teachers in the school systems today, which is merely a way of saying that most teachers in the school systems today are not qualified to teach—at least not in a general way.

Now they're shifting away from what they call cognitive education, that is, education of the mind, to brainwashing of emotional attitudes, which is called "outcome-based education," or "core curriculum," or "world class education." We are destroying our children. We are destroying our labor force. And that goes along with deindustrialization and shipping our work out to coolies abroad, and then training our people to be fit for nothing here, with our children and our grandchildren to be good for nothing but slave-labor coolies into the next century.

So that is the most stupid thing imaginable.

Now, we are coming up to a point where I think GATT is going to flop. NAFTA is certainly going to flop. We have a Canadian election coming up, and unless somebody puts some bayonets in there to force the voters to go against their inclination, the Campbell government, the pro-NAFTA government of Canada, is going to be out. GATT is virtually an unworkable, dead letter. It's being held together by baling wire and blow torches right now. But if the Canadian elections upset NAFTA, that will be part of a process which will ensure that GATT will blow up too. So everything on which the U.S. government is presumably *presently* premising the idea of a political consensus is about to go down the tubes.

**EIR:** In the 1970s, Henry Kissinger had a program for using food as a strategic weapon. Is this what the restructuring policy and GATT is all about?

**LaRouche:** That's only part of it. It's population control. Kissinger, of course, was for starving most of the people who have darker skin colors, or letting epidemic diseases take over the famine-ridden and cut down the numbers. There are people who are talking about reducing the U.S. population down to 130 million; there are those who are talking about reducing the world population to below 1 billion by methods of famine and epidemic disease. Kissinger is a leader in that, and that is very much international U.N. policy today. . . .

In the context of the export of jobs and things of that sort, there is a plan simply to use up the human race, for example, in Mexico or in China. Let's take China. We've mentioned this before in our discussions. You have about 400 million adult Chinese in the interior who may be considered actually

or imminently surplus with respect to agricultural production as it's now programmed. These people are being funneled in streams of millions of persons toward Guangdong, Hainan, Shanghai, and so forth.

It reminds me, with an awful sensation of *déjà vu*, of the cattle cars carrying the Jews from the Warsaw Ghetto to the slave-labor camps where most of them died. Perhaps the political and physical condition of Chinese coolies of this sort, going into Chinese *maquiladoras*, is better than that of the unfortunate victims of the Nazi ethnic cleansing policy, but the principle is the same.

We have people going to work at wages which, by and large, as in the Mexican *maquiladoras*, are below the cost at which a working adult can support a family—or even himself or herself—in an adequate standard of living by local standards. When we employ people so, we are effectively *melting down* living human bodies for whatever profit we can squeeze out of them—like squeezing lemon juice out of a lemon. We're talking about the scale in China of about 400 million people who face at least the prospect of that kind of population reduction. The same is true in most of the world. That is the basis for this notion of cheap labor outside the United States.

We're destroying the United States; we're destroying the interior of western Europe. We're destroying the possibility, possibly, of human life on this planet (at least as we have known it in the past 400-500 years) by these kinds of policies.

The solution is only to go back to what I have proposed and others have endorsed, which is paralleled by the views of some others, such as the Vatican.

We've got to go to a rule of this planet by moral natural law. And by natural law, I mean the demonstration that humanity is *distinct* from the beasts by the fact that humanity, through development of reason, can alter human behavior collectively, through individual scientific and related discoveries, to increase man's power over nature per capita and per square kilometer.

That is the way the human race has survived for the past 2.2 million years or so. And if we abandon that, we are not going to survive now.

Go back to the idea that the individual, by virtue of containing this potential for reason which no animal has, that the individual is in the image of God as Creator—the son of God in that respect—and that the family, which is the instrument of birth and nurture of these young individuals into and through adolescence, therefore must be an absolutely protected institution; that anyone who wants to come in from the outside and break up the family, or put it under the administration of a local school counselor under outcome-based education, that such people must be imprisoned or whatever is necessary, to keep them away from "messing with the families," as we'd say.

In order to have nations which function, we must have sovereign nation-state republics, constitutional republics,

which are committed to these principles of law, as our Declaration of Independence and the Preamble of our Constitution commit us; and that these states must have absolute sovereignty, and be the vehicle by which the people rule themselves through participation in their own national sovereignty; that we must have agreement among such sovereign nation-state republics upon this planet, to agree that those are the principles by which each nation may conduct its affairs, and those are the principles of natural law which should govern relations among states on this planet. Get rid of this New Age, satanic hocus-pocus, which is becoming so popular recently in the name of George Bush's and Margaret Thatcher's globalism.

NAFTA and GATT are simply instruments of globalism, which are aimed to destroy, in the name of democracy, in the name of free trade, the national sovereignty of states; to destroy the family, as outcome-based education, a concoction of Satanists working through the United Nations, typifies the attempt to destroy the idea of the individual as sacred.

**EIR:** President Clinton seems to think he has a program for health reform. Unfortunately, the program includes almost \$250 billion in cuts in Medicare and Medicaid. Can this program possibly fly, and if it does, what are the implications?

**LaRouche:** Fly or not, it's an Auschwitz program. The proposition is very simple. If I kill off the people who are over 65 years of age, which is a growing segment of the U.S. population and the part of the population which requires the highest per capita rate of health care; if I also kill off people who are over 40, over 50, or whatnot, who are severely chronically ill or severely incapacitated, then I will reduce the national health care cost per capita for the survivors of this genocidal program, and thus I may have the funds available for free band-aids or low-level medical care for the survivors.

But whatever the health plan is that's voted in—and it will be voted in with the idea of budget-balancing as part of the health care program (and some people have already said that the health care program must cut the federal budget)—if that goes into effect, it means that there will be a perceptibly increasing similarity between such a health care package and what Hitler did to the so-called useless eaters in Nazi Germany and in Nazi-occupied territories in Europe.

I don't care what they call it. If they are out to make these kinds of cuts in care for those who need it by trying to lop off the most costly part of health care, which is generally the chronically ill, seriously ill, and those over 60 or 65, while cutting down Social Security for the aged, you're going to increase the death rate among your parents and grandparents at a catastrophic rate, just as the victims, the so-called useless eaters, were killed off by the Nazis in the Nazi-occupied parts of wartime Europe. And morally, that's where it goes.

I don't know what is in Mr. Clinton or Mrs. Clinton's minds on this. They may have amiable intentions, but the

realities are such that as long as we are operating under this present New Age policy, however amiable the intention of the sponsors of the health care package, it is going to be a disaster unless we change fundamentally, and get away from this New Age post-industrial policy and GATT and NAFTA-like policies.

**EIR:** Tim Wirth, the counselor to the State Department, addressed President Clinton's new drug policy. He's talking about revising the policy from interdiction to going at the problem at the sources in terms of counseling. Is this part of this New Age approach to social problems?

**LaRouche:** Counseling is a completely worthless expenditure. Cut it out. Don't kid yourself. The counseling programs of which I know, will actually increase the propensity for use of drugs—or suicide. Because the counseling methods which are used, such as in the DARE [Drug Abuse Resistance Education] program, which is part of the same business, actually lowers the intrinsic self-esteem of the person. And if I lower the intrinsic self-esteem of the person, as these drug-counseling programs do, then I'm going to have a person who is weaker, who lacks will power.

I'll give an example of this. There's a case up in Washington of a guy who was suing in small claims court for something like \$1,300 from the tobacco company, which was the price of a cigarette rejection program, for kicking the habit.

Obviously, knowing what cigarette habits are, anyone who wishes to kick the habit of smoking a cigarette, can kick that on the instant. He looks at the cigarette, he crushes it, puts it out; takes the pack, crushes it, gets rid of it; and never takes a cigarette for the rest of his life.

If he wishes to do that, he can do that. If he can't do that, it's because he lacks will power. And I don't think it was right for a court to give somebody compensation for the price of a kick-the-habit cigarette course, because that simply indicated that they lacked the will power to do it themselves. And the cigarette companies are not to blame for their lack of will power.

The same thing is true generally in drugs. Yes, there is need for medical and other assistance in dealing with the aftereffects of a recreational drug habit; sometimes this is very severe. That's needed. But, essentially, the drug policy in the United States since about 1983 has been fraudulent. When I devised an anti-drug program, I devised first of all exposing the nature of the problem, how it came about. There was no drug problem in the United States prior to 1964. It was incidental; it was not a general cultural drug problem; it didn't exist. The drugs existed, but the problem didn't exist.

It was the New Age counterculture, the rock-drug-sex counterculture, and other things, that brought it in. So expose that: This is an attempt to destroy the nation by people who had New Age ideas. The way to deal with it otherwise is by interdiction, and by assisting countries which were the victims of the growing drug traffic.



# European leaders call for quick action to build infrastructure in Middle East

by Helga Zepp-LaRouche and Jacques Cheminade

*The following statement, titled "Franco-German Cooperation Is Urgent for Realizing the Vision of Mideast Peace," was issued jointly on Sept. 15 by Mrs. Zepp-LaRouche and Mr. Cheminade, leaders of the Schiller Institute in Germany and France, respectively.*

The agreement signed by the Palestine Liberation Organization and Israel on limited autonomy in the Gaza Strip and in Jericho, without a doubt represents a great historic opportunity. Indeed, it is not without reason that parallels are being drawn to the fall of the Berlin Wall in 1989. That comparison, however, is appropriate not only in a positive sense, in that it represents an irreversible process; it must also serve as a dramatic warning to us all.

It is a warning, because what was so scandalously ignored after 1989—namely, a comprehensive economic development plan for the entire East—must now be realized immediately in the Middle East, if we are to prevent the outbreak of a catastrophe similar to what is now shaping up in eastern Europe and Russia. Concretely, this means that within the next two weeks—i.e., before the end of September—many infrastructure and development programs which have long been on the drawing boards, must now be actually started. The dirt must now be moved, construction work must begin, unemployed Palestinians must be employed in these projects—in short, it must be made evident to all, including those still opposed to the agreement, that this is a dramatic turn, and that living conditions are now going to be fully and qualitatively improved for all people living in the region.

The worst case would be if the west or the Persian Gulf states prove incapable of rising above moral pettiness, preferring instead to first hold dozens of international conferences in order to secure all sorts of treaty guarantees. With such a shopkeeper's attitude, we would surely lose all the momentum which now exists.

It is nice that the European Community commissioner for development emphasizes that economic development represents the sole guarantee for stability in the region; but the EC is promising a paltry \$85 million per year over the coming five years—and that, only provided that the EC member states agree to it.

It's time to wake up. In all probability we have only a few precious weeks to prove in the Middle East that it is

possible to turn around even such an apparently hopeless situation as this one, and in the course of joint economic development to establish the higher level of Reason which alone can make peace possible. From that standpoint, the future of the Middle East has much to do with developments in the Balkans and in the territory of the former Soviet Union.

We must also quickly learn the lessons of the botched historic opportunity of 1989. Let us recall people's hopes and rejoicing when the Berlin Wall fell and the borders which had so unnaturally divided Europe were opened. At that moment, it would have been possible, and indeed relatively easy, to establish completely new relations between East and West, and for the first time in this century to have economic cooperation develop on the Eurasian continent on the basis of the peaceful coexistence of all peoples and nations.

American economist Lyndon LaRouche, who at that time was already a political prisoner of the Bush administration, laid out a grand vision of how this would be put into effect: the "Paris-Berlin-Vienna Productive Triangle," as the centerpiece of an all-Eurasian infrastructure program, which could have become the locomotive for the entire world economy.

But that precious moment was lost. It is certainly "politically incorrect," but nevertheless true, to say that the Anglo-Americans, faced with the possibility that a reunified Germany could assist in the economic reconstruction of the East, immediately relapsed into their old geopolitical mind-set, which had already characterized their thinking during the years leading up to World War I. The assassination of Deutsche Bank chairman Alfred Herrhausen, the Persian Gulf war, and the Anglo-Americans' de facto support for the Serbian aggression in the Balkans—all these were crisis-management measures taken in order to hamstring Germany.

Instead of developing the East economically, the German government in Bonn left the formulation of economic policy entirely up to the representatives of Anglo-American geopolitics: International Monetary Fund conditionalities, shock therapy, the "Polish model," trade liberalization at any price—all these measures were never intended to develop the East, but rather were aimed at weakening the "Eurasian heartland" to the advantage of the "Atlantic rim countries."

As a direct consequence of this insanity, which has already brought us two world wars in this century, a new war

in the Balkans is now threatening to expand into missile warfare which could drag large parts of Europe in as well, while on the territory of the former Soviet Union, we see the threat of a much more terrible catastrophe than in Croatia and Bosnia. As the result of our inability to seize Europe's great opportunity of 1989, we are now threatened with horrors which are beyond the imagination of most people today.

If these unfortunate events of the past four years will have had any positive significance, then it will only be because people decided not to repeat those same mistakes in the

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*It's time to wake up. In all probability we have only a few precious weeks to prove in the Middle East that it is possible to turn around even such an apparently hopeless situation as this.*

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Middle East. If this region is rapidly developed economically, and if living conditions are perceptibly improved, then not only can a century of agony be put behind us, but a new period of economic and cultural flourishing can now begin. If this improvement remains undone, however, it can start a new war.

Already back in 1976, Lyndon LaRouche proposed a comprehensive development Middle East program, which, because of the special importance of developing water resources, was dubbed the "Oasis Plan." At that time we were in discussions both with the Peres government and with representatives of the PLO, and later also with Nahum Goldmann [the late president of the World Jewish Congress], on the principles of this plan.

The watchword of LaRouche's concept was that there can be no lasting political solution, and thus no independent Palestinian state, in the absence of economic development, since this would simply continue the poverty and create new tensions and violence. On the other hand, from within the capitals of the former colonial powers—especially in the Arab Bureau of the British Foreign Office—the opposite thesis was promulgated, that a political solution must take priority, with the result that the region remained a playground for proxy wars conducted by these very same powers, while all the hard-fought U.N. resolutions were largely ignored.

The decisive breakthrough in the Israeli-PLO talks occurred because both sides finally realized that political and economic progress are completely interdependent, as Laila Shahid, the PLO's representative in Paris, emphasized later on. Only by recognizing that each side's respective interests actually coincided in this way, did it become possible to overcome the "anomaly" in the Madrid talks, in which political and economic questions were still being handled separately.

Peace in the Middle East can only come about if *all* parties realize that the maximum development of Arabs' labor productivity is in everyone's interest. It must be conceded that the Arabs, and the Palestinians among them, have a right to flourishing oases in the desert, and to industrial development with advanced technology.

But there is also the question of the relationship between the West and Islam—a relationship which has sustained enormous injury over the past two years. The revolting fact that for almost two years now, the West has looked on with almost complete passivity as the genocide has proceeded in Bosnia, has provided the Islamic world with gruesome evidence to bolster their conviction that the West is "the enemy."

But if the West now decisively proves by its actions that it is helping to lay the economic basis for peace in the Middle East, we may not be able to reverse the deaths of hundreds of thousands of people in Bosnia, but we certainly can prevent a "war of two civilizations."

It is therefore of the utmost urgency, that the Middle East peace plan is also elevated to the plane of an ecumenical dialogue between Jews, Christians, and Muslims. The present initiative will ultimately succeed only if it dedicates a central position to the inviolable sacredness of all individuals as they are in the image of God. Only when all efforts revolve around man in his inalienable human dignity, anchored in Natural Law, are there grounds for hope.

When after World War II there was a reconciliation between the Germans and the French—and after two world wars, their relations were no less antagonistic than those between Israelis and Arabs today—they started out with an agreement on steel and coal as the basis from which the European Community later grew. Today there are useful parallels to be drawn not only with the Franco-German reconciliation, but also, as Shimon Peres has correctly pointed out, with de Gaulle's policies in Algeria.

The prospects for development in the Middle East offer a very special opportunity for France and Germany. Whereas during recent times, the Franco-German relationship—so immensely important for maintaining peace in Europe—has degenerated into petty bickering over monetary questions, and has even drifted into dangerous waters over their opposite policies toward the Balkans, now there is the possibility of collaborating in a joint mission in the Middle East.

Germany and France should cooperate in developing infrastructure there. For example, they could immediately begin to extend the old Orient Express from Turkey via Damascus to Eilat. Now is the time to demonstrate even more convincingly that de Gaulle was right when he said that the French (and, we might add, the Germans) are not cows standing in the field chewing grass, but that France (and, once again, Germany) has a world mission, and must contribute to the world's development.

There is no time to lose. If we miss this second chance, Nemesis is on the way.

# India and China decide to shed hostility, sign historic accord

by Ramtanu Maitra and Susan B. Maitra

In a well-calculated move, both the Indian and Chinese leadership, increasingly feeling pressured by various control regimes imposed by the post-Cold War unipolar world order, have decided to institutionalize peace and tranquility on the Line of Actual Control, the scene of fierce skirmishes in the 1960s between the two countries. Since the buildup of the border dispute between India and China surfaced in the 1950s and erupted into a full-fledged Chinese invasion across the Himalayas in 1962, catching India unaware and humiliating the Indian Army, hostility between the two nations over territorial claims has kept them apart and the region has remained a potential hot spot, with both nations' large army contingents staring at each other all along the Himalayas.

During a historic four-day (Sept. 6-9) visit to China, Indian Prime Minister P. V. Narasimha Rao, and his Chinese counterpart, Li Peng, directed the Joint Working Group, which was set up following the late Indian Prime Minister Rajiv Gandhi's visit to Beijing in December 1988, to step up its work to find an early, fair, and reasonable solution to the boundary question. The landmark agreement, signed by the two prime ministers on Sept. 7, 1993, lays down the framework for the two sides to resolve the boundary question. They have also undertaken that neither side shall use or threaten force against the other. Pending a boundary settlement, India and China have agreed to respect and observe the Line of Actual Control (LAC). Where there are differences on the alignment of the LAC, experts from the two countries will jointly check and determine where the LAC lies.

## The agreement

Under the agreement, the two sides have also agreed to undertake a series of confidence-building measures, including the reduction of military forces deployed along the India-China border. India and China have agreed to keep their military forces in areas along the LAC in conformity with the principle of "mutual and equal security." The extent, depth, timing, and nature of reductions will be worked out through mutual consultations. The agreement also calls for prior intimation of military exercises above thresholds mutually decided within mutually identified zones.

The accord specifically states that references to the LAC do not prejudice the respective position of the two countries on the boundary question. Details regarding the implementa-

tion of the agreement will be worked out by diplomatic and military experts under the Joint Working Group. The experts will also help the group in devising effective verification measures.

In addition to the landmark agreement, the two countries also signed a protocol on extending border trade by opening a point at the Shipki Pass, and two agreements on environmental protection and on radio and TV cooperation.

About Tibet, the Chinese Foreign Ministry spokesman, Wu Jian Min, said the Chinese side had reiterated its known position and India responded that it regarded Tibet as an autonomous part of China, as stated in the early 1950s. However, while India will not allow any anti-China activities by Tibetans on Indian soil, at the same time, it regards the Dalai Lama as the spiritual and religious leader of the Tibetans and would be treated as such. India also urged China to recognize Sikkim, an independent mountain kingdom till 1975, which joined the Indian union as part of India. Beijing's response in this regard has been reported as "constructive and objective."

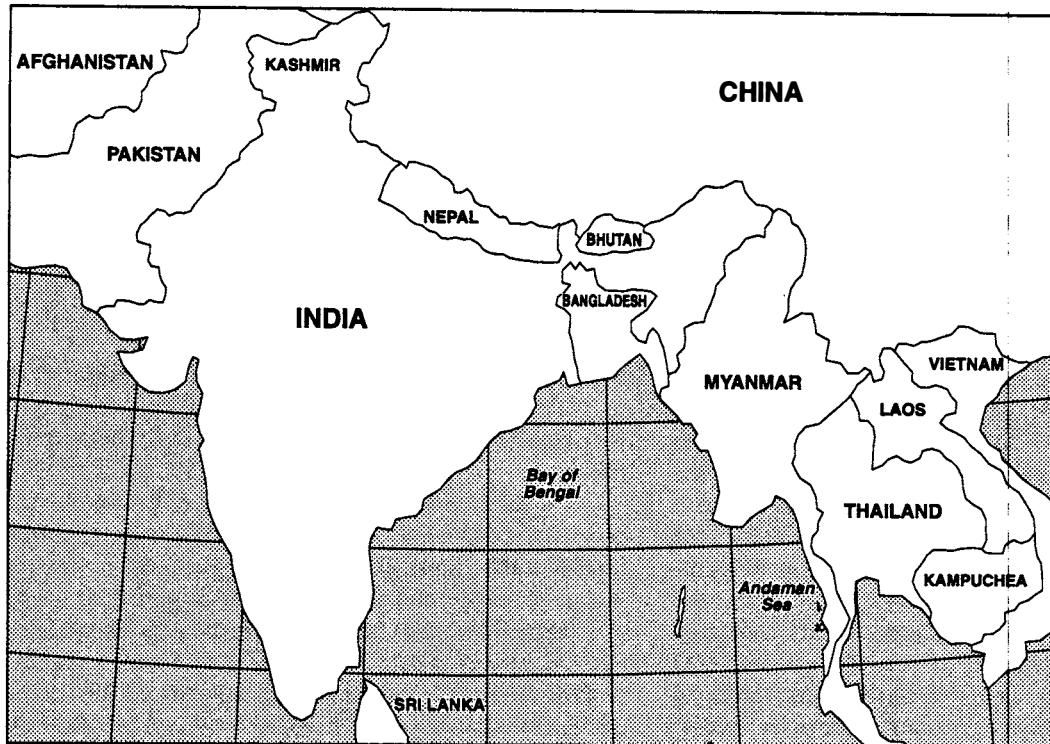
## Shift in China's attitude

Although the various confidence-building measures have been hailed by the analysts here in Delhi as highly significant, the linchpin in the whole set of agreements was the agreement to maintain lasting peace and tranquility along the LAC in the border areas.

Indian Prime Minister Rao has effectively built upon the earlier visit of Rajiv Gandhi when China, for the first time, showed an inclination to move ahead on the border issue for a peaceful solution. The Chinese supremo Deng Xiaoping, then 84 years old, had told the youthful Rajiv Gandhi, "Welcome, so welcome my young friend. Starting from your visit, we will restore our relations as friends. We will be friends between the leaders of the two countries. The countries will become friends. The people will become friends. Do you agree with me?"

The motor behind the present agreement was Deng's keenness to discuss the "bigger issues" with the Indian prime minister. In a 90-minute meeting, which Rajiv Gandhi had recounted partially in a press conference, the two leaders also discussed world problems of deterrence philosophy, the creation of blocs as security measures, the economic disparities that still remain, and the economic exploitation which is

## India, China and their neighbor states



effectively still taking place, and how India and China could counter these.

### New initiatives

Unfortunately, the political chaos that descended in India following the electoral defeat of the Congress (I) and the assassination of Rajiv Gandhi in 1991 had put the Sino-Indian rapprochement on the back shelves. However, the Beijing leaders, who had participated in the Cold War geopolitics by siding with the United States to exert strategic pressures on the Soviet Union, have been signaling interest in normalizing relations with India. China's envoy to India, Cheng Rui-sheng, speaking at a public forum about ten days before the Indian prime minister set off for Beijing, said that the emergence of three important factors augured well for Sino-Indian relations: "The end of the Cold War, leading to unipolar polity in international affairs; liberalization in the economic scene within both the neighboring countries; and the realization amongst the leaders to depend upon each other in building bridges of peace and amity, leading to development for the good of the people of the region," envoy Cheng said.

He also pointed out on that occasion that China was prepared to provide launch facilities for Indian satellites from its soil, given the sophistication of its space technology. "We are already committed to providing technology to Indian friends in the area of steel manufacturing and hybrid rice cultivation," the Chinese ambassador noted.

Less than a week before Prime Minister Rao's visit began, the United States had re-imposed sanctions on China

and Pakistan for missile technology transfers from the former to the latter. China, which adheres to the 23-nation Missile Technology Control Regime (MTCR), run by the Group of Seven countries, was accused of violation of the MTCR regime. Beijing had reacted angrily to it. At the same time, the United States was demanding that the Chinese ship *Yinhe*, which was destined for Iran, be allowed to be inspected, since Washington was "aware" that the Chinese ship was carrying chemicals which are banned under the chemical warfare agents ban. The ship was later inspected in Saudi Arabia, in the presence of the Saudi authorities, after the Americans had trailed it for a month; it was found not to contain said chemicals.

During Prime Minister Rao's visit, India made it clear that it would not be raising the Pakistan missile transfer issue and prefers to accept the Chinese explanation that the arms supply does not upset the regional power balance; that it is meant to bolster defense capability; and that it is not used to interfere in the domestic affairs of any other nation. During their talks, the two prime ministers noted with dismay the "serious cases of hegemonism, power politics, and naked interference in others' internal affairs."

However, efforts were afoot to torpedo the Indian prime minister's visit. On Sept. 8, it was reported that the U.S. Congress's Foreign Affairs Subcommittee on Asia and the Pacific had said in a report that China's sales of M-11 missiles to Pakistan appear to be a part of a strategic initiative to keep India off balance. The Chinese strategy, as the subcommittee surmised, is to force New Delhi to focus its attention and

resources on its neighbors to the west, as well as to the north.

At the same time, Washington had informed India that the United States does not approve India's deployment of short-range battlefield missiles, the Prithvi, which were developed indigenously, and further testing of India's medium-range missiles, the Agni, also developed indigenously. By re-imposing sanctions on the Chinese transfer of missiles to Pakistan, Washington implied that the Indian argument that the missile development is for ensuring its own security, is valid no longer.

### **Border quagmire**

The steps to resolve the Sino-Indian border issue are crucial to resolving Sino-Indian relations. While the Chinese rest their case on the pretensions of their imperial predecessors, India rests its case too rigidly on the interpretation of the British legacy. The 1914 Shimla Agreement to demarcate the border between China and India, under the British tutelage, was never ratified by the Chinese. Moreover, there are ample documents available to prove that the British demarcation of the border, particularly in the northwest, was not based upon any rigorous survey. In the east, the much-maligned McMahon Line represents a broad enough band within which interests of both sides can be adjusted. The cumbersome disputes over watershed must also be resolved. The late Indian Prime Minister Jawaharlal Nehru's embracing of the position that the survey maps are non-negotiable, had only helped force a confrontation.

Kashmir will also figure in demarcating the Sino-Indian boundary. On March 2, 1963, a few months after the Sino-Indian border clash, Beijing had signed an agreement with Pakistan on the boundary between Xinjiang province of China and Pakistan, in which occupied Kashmir was described euphemistically as "the contiguous areas the defense of which is under the actual control of Pakistan." Then-Chinese Foreign Minister Marshal Chen Yi had urged the Indian government "to look forward, bear in mind the whole situation, change its lines, and respond positively to the peaceable proposals of the Chinese government." This position of Beijing has not changed, and according to an Indian estimate, the Sino-Pakistani agreement had helped China to gain 2,500 square miles of Kashmir in addition to 1,600 square miles which Pakistan was not effectively controlling. Although this agreement is provisional, pending the final outcome of the Kashmir dispute, it does pitch China into the Kashmir imbroglio. On the Kashmir dispute itself, China had supported the Pakistani stance all along, and it is only recently, perhaps out of fear of its own Uighur Muslim population demanding a similar solution as the Kashmiris are seeking, that China has begun to tread softly on the issue, urging India and Pakistan to resolve the dispute through negotiations, as determined by the India-Pakistan Shimla Agreement of 1972.

Beside Kashmir, India has reasons to be cautious about China's intentions. In Burma (now Myanmar), China has

aggressively supported the present military junta and is responsible for an unprecedented increase in Burma's military strength. There are also signs that with the help of its control over Myanmar, China is establishing a beachhead on the Andaman Sea, thus making a direct entry into the Bay of Bengal and the Indian Ocean and getting a direct access to Bangladesh, India's eastern coastlines, Thailand and Malaysia's west coastlines, and straight to Indonesia's largest island, Sumatra.

All these, and China's past policy to back the ethno-tribal movements in India's sparsely populated northeast, bordering Myanmar, Bangladesh, and Tibet, have made New Delhi wary of China's hegemonic policies toward the subcontinent. China's efforts to update and modernize its military in all three areas—land, air, and water—have also been noted in Delhi.

### **Asian dominance**

Indian press reports make clear that Beijing is becoming increasingly aware of the new threats posed by the *diktats* of the new world order, and India cannot be considered a partner of the new alliance. China also wants to have much broader socio-political, as well as economic, contact with the rest of the Asian countries.

In Pakistan, for example, the Sino-Indian agreement has caused concern within a narrow band of geopoliticians, who in Pakistan had always played the "China card" ostensibly to contain India. Washington, a major factor in Pakistan's politics, had okayed that policy without reservation. A recent article in the Karachi-based English daily, the *Dawn*, considered the most conservative of Pakistan's news dailies, said that "with the Chinese strengthening their southern flank by smoothing their ties with India, international politics should become somewhat less unipolar," which would mean the emergence of Asia as a region of pre-eminence in world affairs. Another news daily, *Frontier Post*, published simultaneously from Lahore and Peshawar, said that by signing the accord, "India had taken a decisive step forward in tackling perhaps the most formidable external security threat that has dogged it for more than three decades since its disastrous 1962 war with China."

Similar articles have appeared in the Indian media forecasting the emergence of Asian dominance as a consequence of the Sino-Indian détente. However, such speculations will remain unfulfilled promises, unless India and China tackle the more important issues. These issues will center around strategic and economic cooperation, by helping each other in the breakthrough areas of science and technology. Both India and China have a wealth of manpower and a sound foundation in nuclear and space research. In the coming days, many other areas have to be identified and full-fledged research and development cooperation will be necessary to translate the agreement into potential economic tools for "the good of the people of the region."

# China faces breakup, internal report warns

by Mary Burdman

An astonishing internal report, printed by the Academy of Sciences, is now circulating in China. The report warns that, after the death of Deng Xiaoping, China could break apart as did Yugoslavia, unless the central government moves rapidly to halt the rise in regionalism, according to Agence France Presse, which has obtained a copy. The report warns of a power struggle between Beijing and the provinces, and among the provinces, after the death of Deng. The 86-page report, "Strengthening the Central Government's Leading Role Amid the Shift to a Market Economy," was written by two members of the academy, Wu Angang and Wang Shaoguang. The report was distributed to "government leaders and senior lawmakers," AFP stated, who are already relying on its analysis and putting suggestions into effect. According to Hong Kong observers, parts of the report, which first came out in May, which focus on the financial problems of the central government, have already been published by the official Xinhua news agency, although Xinhua blacked out the authors' starkest warnings.

## Another Yugoslavia

The report states that "until now, policymakers have not realized the danger of the central government's rapid decline of power, or they have, and have come up with no effective way to halt the trend. If a 'political strongman' dies, it is possible that a situation like post-Tito Yugoslavia will emerge. In years, at the soonest a few and at the latest between 10 and 20, the country will move from economic collapse to political breakup, ending with its disintegration."

The report contends that the weakening of Beijing's economic control is the "fuse" for the crisis in China, rather than ethnic divisions such as those which supposedly divided Yugoslavia, AFP reported. So much state revenue is being withheld from Beijing by the regional and local governments, that China now has a "weak center, strong localities" situation. Despite the growth of the Chinese economy, by the year 2000, state revenue would account for only 11.3% of Gross National Product, about one-third the amount it was in 1978.

Most astonishing is that Wang and Hu contend that Beijing has given too much power to the provinces since the

reforms which were initiated by Deng in 1978, and especially since the all-out drive toward a market economy began last year. This analysis amounts to a direct criticism of Deng, who personally initiated the move to the market in his famous trip to the "model" Special Economic Zone, Shenzhen, in January 1992.

"A market economy," the authors wrote, "does not mean an end to government interference."

There is no question of the report's authenticity, or its accuracy. The Chinese press has been warning for the past several years that the central government is facing bankruptcy due to both loss of regional financial support and the shrinkage of state sector industry.

Chinese banking officials, according to AFP, report that Executive Vice Prime Minister Zhu Rongji has admitted that the central government was on the verge of bankruptcy before he imposed his economic control program in early July. "Zhu said in a recent speech that at the worst moment, the central coffers had only tens of millions of yuan left. It was to the point where Beijing did not even know if it could pay wages," the officials said.

The report calls on Beijing to overhaul fiscal policy, especially the "severely flawed" taxation system, which is causing Beijing to lose more than \$17 billion a year in revenue. Every year, Beijing has to negotiate how much of the tax revenues it gets from the provinces. The report calls for separate national and local taxes, which would greatly reduce local financial power.

An article published in China's *Economic Daily* recently outlined the severity of Beijing's problems. From 1981 to 1992, China's deficit has risen *tenfold*, from \$442 million to \$4.1 billion—and that figure does not take debt into account, *Economic Daily* reported. This would push the deficit up to \$16 billion, or 3.8% of GNP in 1992, "much higher than the deficit in many industrialized nations in the West." Vital national functions are being curtailed because of the financial problems, including in the areas of defense, development of infrastructure and transport, education, public health, and science and technology. In addition, the ability of the central government to "macro-regulate" the economy "has become fragile," the article states. The key to this crisis is the taxation and financial system. The article contrasts the Chinese government's share of national revenue with Japan, where the central government financial department's proportion of the country's total revenue is 70%.

## Is Deng still there?

The very fact that the report exists raises another important question about China: In what condition is Deng Xiaoping? Every indication is that something like the "rule" of former Soviet leader Konstantin Chernenko in 1984 is now occurring in China. Deng, who turned 89 on Aug. 22 without appearing in public, has not been seen since his appearance in Shanghai in January. Deng had also not made the annual

pilgrimage made by all of China's top leaders to the seaside resort of Beidaihe this year. There were a few newspaper references to his birthday; instead, the activities of President Jiang Zemin were prominent on the front pages that day. In addition, his daughter, Xiao Rong, has just published a much-touted biography of Deng, with accounts of his associations with other Communist Party leaders and international figures, which is being distributed throughout China. Publishing such a biography of a living leader is tantamount to sacrilege in Chinese Communist practice. Xiao Rong, during a reception in Hong Kong for the local publication of her book on Sept. 17, made a point of stating that Deng is "in good health and wishes to visit Hong Kong" after China resumes sovereignty in 1997.

Deng is not the only "disappeared"—nothing has been reported of Chen Yun, 90, his most prominent conservative opponent among the "Gang of Ancients," for many months.

### China's unity

Whoever is ruling, or attempting to rule China, national unity is of top priority. British strategists have been publishing books predicting the breakup of China for a century, yet Chinese unity has survived the British Empire. Even during the brutal "warlord" period of the 1920s and early 1930s, every warlord of any power at all asserted that it was his mission to unify China; Chiang Kai-shek was only prevented from doing so by the Japanese invasion and 12-year war against the then-Republic of China. The Chinese are closely watching the situation in Russia and the other former East bloc nations, knowledgeable observers report. Since the dissolution of the U.S.S.R. in 1991, internal Chinese papers have focused on how to prevent disintegration in China.

If it was Deng's mission to maintain Chinese unity, however, he has failed. Convinced that the Soviet Communist Party had been too far divorced from both the Army and business interests, Deng took measures attempting to prevent similar developments in China by allowing CP officials to set up businesses. However, rampant corruption among party officials has been so bad that the attempt has backfired, and forced the party to launch a nationwide drive against corruption in an attempt to hold on to power. CP control over the military, the fundamental basis of communist power both before and after the 1949 revolution, has apparently been maintained, Chinese observers state, although it is difficult to tell what will happen in the future.

In the face of Deng's failure, his critics have another proposal. Wang and Hu, who were reportedly both educated at Yale University, call for China to adopt a U.S.-type federal system that would enable the central government to deal with the provinces, and to create a legal framework for handling conflicts of interest between Beijing and the provinces. The provinces should be allowed voting rights and veto power to participate in central government policy, but Beijing should retain final veto power, they proposed.

## NATO in Balkans would be a disaster

by Srecko Jurdana

*Srecko Jurdana, journalist and military specialist for the two main Croatian daily newspapers, Vecernij List and Slobodna Dalmacija, made the following remarks to EIR's Paolo Raimondi on Sept. 22. Jurdana is known in Croatia for his precise analyses of the geopolitical moves behind Serbia's war of aggression, and for his criticisms of the political and military decisions taken by the government of President Franjo Tudjman since July 1991. See EIR, Feb. 19, 1993, p. 36, and June 25, 1993, p. 27, for some of Jurdana's previous analyses.*

The recent military operations in the field in Croatia have demonstrated the weakness of the Serbian army, an army which is poorly motivated, ill-prepared, and structurally weak. They have good weapons and artillery, but they lack people. As I predicted before, they would not have been able to resist a systematic, simultaneous offensive both in Croatia and in Bosnia. And this is also relevant as a proof, because it is clear that a one- or two-week-long air attack from NATO forces, if they had intervened in that way, would have produced the same result. The recent operations [between Serbia and Croatia] were just a half-offensive, just an artillery exchange on an equal basis, and have already produced a total Serbian defeat in two days. Had we been able to continue the operation, also with the deployment of infantry, we would have won back our territories currently occupied by the Serbs—definitely the Knin and Krajina regions, but maybe not eastern Slavonia, directly on the border with Serbia.

But as it has happened before, the U.N. Security Council promptly prevented the Croatians from continuing. All of Serbia's allies put pressure on Croatia, and allowed the Serbs to maintain the occupied territories under the pretext of the Vance plan, which has produced the presence of the Unprofor [U.N. peacekeeping forces] in Croatia—a ridiculous plan which has only protected the Serbs.

Should Croatia obey the U.N.'s orders and retreat? Note the speed with which the 500 Canadian U.N. troops have been sent into Lika: It took only about 24 hours, proving that they can deploy very rapidly when they want to. The French commander of this contingent immediately allowed the Ser-

bian militia to take control of the area abandoned by the Croats. It was only this amazingly quick deployment of the U.N. that saved the Serbs from total defeat. The U.N. does not want Croatia to have legal authority over these areas, nor do they want to have a Croatian national state in the Balkans, because that would make it impossible for the Serbs to establish Greater Serbia. Thus, defeating the Serbs is militarily possible, but the international community continues to protect the Greater Serbia concept, which is based on genocide.

### **Spreading the conflict into Europe**

The second thing I want to speak about, is the replacement of Unprofor with NATO troops. Within the past few days, the Croatian President has urged NATO to take over the Unprofor's tasks, i.e., to allow the refugees to go back to their homes and to create a Croatian juridical system in these territories. But I do not see why NATO should do that, after the U.N. has refused to do it. NATO is a military alliance; this means that the conflict will be brought into NATO states, since in an indirect way the conflict involves a Franco-British entente against Germany. This in turn could mean the direct occupation of Croatia by French and British troops. The U.K. forces are already calling for the outright occupation of the port of Ploce, under the pretext of securing a corridor to supply Bosnian Muslims.

The British military, you must understand, is heavily involved in Bosnia. They are constantly killing Croatian soldiers—about 19 in the past months, the last two in the non-conflict area of Duvno. This is the Owen plan: a NATO occupation of Bosnia to secure a Greater Serbian state; events are going in this direction.

At the present time, it appears that the division of Bosnia is almost inevitable. This is the Owen scenario: first the partition, and second, 50,000 NATO troops to secure the partition—i.e., to secure Greater Serbia; at the same time, a partition of Croatia and a deployment here of 20,000-30,000 NATO troops, which will fix the division of Croatia—i.e., once again, securing Greater Serbia. In other words, about 10 NATO divisions are to be sent into the Balkans to secure the existence and the survival of the Greater Serbian state, which will be the gendarme of the British, the French, and the Russians in the Balkans and in Europe. If NATO enters into this situation, both for Croatia and Bosnia the partition will become irreversible.

The Croatian army is in a position to retake the occupied territories, because Unprofor will not be able to prevent it; but with the NATO troops it will be totally different. The U.N. sees the danger that the Serbs cannot exist by themselves and hold onto the territories given to them by Britain's Lord Peter Carrington; this is why there is a direct military threat against Croatia. Because for political reasons it is not possible to become directly involved on the side of the Serbs, there is tremendous pressure on Croatia, and no one opposes this process on the strategic level.

The vice president of China visited Zagreb recently. This is an indication that the Chinese may see the danger of direct Russian influence in this area, and they may be looking for some counter-action. But so far, Croatia has received only warnings from its allies, saying, "You must accept a peaceful solution." This was also the message brought by China and Germany.

What is the meaning of this "peaceful solution," if it means the partition of Croatia and Bosnia? This is only the rewarding of genocide and the elimination of two independent, sovereign, and internationally recognized states. Time is not on Croatia and Bosnia's side: If the territories are not reconquered in the next few months, then it will be a victory for Greater Serbia.

Unprofor's mandate expires at the end of September. There might perhaps be an agreement to withdraw the U.N. and replace it with NATO; then we will have the Owen plan. The point is: What would the political and military mission be of the NATO troops sent into Croatia: to protect Greater Serbia, or to return the territories occupied to Croatian juridical control? I would be the first to welcome NATO if they are deployed for the survival of Croatia, and not for Greater Serbia. But right now I see NATO as the extension of the Unprofor mission.

### **British play geopolitics again**

Concerning the recent negotiations on the British aircraft carrier *Invincible*, it is humiliating for the Croats to hold discussions on the British ship, and it is repugnant that the Croatian leadership had to accept the measures imposed. You must know that the British consider Croatia and Bosnia to be part of the British sphere of influence. They know what they want, and the story of the aircraft carrier proves it.

Concerning the role of Russia and its relation with Belgrade, they are mainly exerting pressure internationally to lift the sanctions against Serbia. Serbia has come into difficulties, and life under the U.N. sanctions is impossible. It is curious that a quick solution in Bosnia is the precondition for lifting the sanctions, and that it is demanded that Croatia be involved in the game of accepting the division of Bosnia. If Croatia accepts a quick agreement in Bosnia, then Serbia will be freed from the sanctions.

Croatia is being offered a ridiculously small portion of territory in Bosnia: Two-thirds of the Croatian population live outside of the territories offered in the partition deal. Croatia is also being asked to give Adriatic Sea access to the Bosnia Muslims and to the Serbs. At the same time, Croatia is being prevented from liberating its own territories. This is a ridiculous position. The only sensible objective for Croatia would be to *delay* the partition of Bosnia and to completely withdraw from the negotiations, as I already suggested several months ago. Unfortunately, the Croatian government was not clever enough to follow this recommendation, and we are now in a mess.



# Franciscans issue appeal on Balkans

*In the name of 1,400 Franciscans in Croatia, Bosnia and Hercegovina, and Slovenia, the message excerpted here was sent to the United Nations, the U.N. Security Council, and the European Parliament. Dated Sept. 16 from Zagreb, Croatia, it is entitled " 'Might Is Right' Principle Confirmed: A Threat to the World." The statement was issued by the Conference of Southern Slavic Franciscan Provincials, and is being circulated by the Christian Information Service in Zagreb.*

Dear Sirs:

As Franciscan provincials who have witnessed with abhorrence the death of hundreds of thousands, who have seen millions driven from their homes and thousands detained and tortured in prison camps, we feel it our duty, in the name of some 1,400 Franciscans, to lift up our voice in protest against these terrible crimes committed in Croatia and Bosnia and Hercegovina. We have also a deep sense of responsibility for the future well-being of the people with whom we have lived for centuries in these regions, and, moved by our Franciscan charisma, in addition to what we are doing ourselves, we wish to urge that same sense of responsibility on all involved that they may, according to their conscience, do everything they can to bring peace to these regions and that they might begin with patience and courage to lay the foundations of trust and mutual respect between all groups here for the sake of their future life together.

1) It appears to us that with the passage of time the real cause of this war and all the suffering it has produced, namely the Serbian expansionist aggression directed toward Croatia and Bosnia and Hercegovina, is increasingly forgotten. That this is the real cause is confirmed by U.N. resolutions and sanctions imposed on Serbia and Montenegro, and by various actions culminating in the threat of aerial attack against Serbian positions. From this initial cause a second has emerged, and Bosnia is now being divided by violence, genocide, ethnic cleansing, rape, and expulsion on all sides.

2) This cruel aggression of the Serbian invader, who has managed to seize huge quantities of arms belonging to former Yugoslavia, is the root cause of the conflict, carefully planned over a long period; it has succeeded in drawing Bosnian Croats and Muslims into a mutual conflict they should never have entered. One of the real causes of this

conflict, we believe, is the ineffectiveness of the international community and its willingness to sanction territorial gains achieved by mass killings and by the expulsions of Croats and Muslims from the homes they have lived in for centuries. Both Muslims and Croats suffered in these unscrupulous attacks.

3) In the conflict between Muslims and Croats, caused in part by the violent partition of the country, an ever increasing number of Croats are becoming victims. . . .

4) In the bloody settling of scores in Bosnia and Hercegovina, more Croats have been driven out than any other group. Many churches, monasteries, and other sacred edifices have been razed to the ground. Much of our priceless cultural heritage has been destroyed. Two dioceses (Sarajevo and Banja Luka), as well as both the male and female monastic orders, have been reduced to a symbolic remnant. . . .

5) In view of these facts we appeal to you and to all institutions competent to decide these matters not to recognize territories taken by force as a *fait accompli*, for this would be tantamount to legalizing war crimes. The most basic principles of justice demand that what has been seized must be returned, whether in Bosnia or Croatia. Failure to do this will mean that the aggressor has been rewarded and that the immoral "might is right" principle has been confirmed. If these territorial acquisitions are accepted as a *fait accompli*, this act will be a source of future unrest not only here but in other parts of the world as well. International institutions will be seen to be incapable and ineffective in their task.

6) In accordance with the above, we appeal to you to ensure the peaceful and safe return of all refugees and displaced persons to their homes, as required by the U.N. Charter of Human Rights and by frequent U.N. resolutions made during the course of the war, and to annul all *fait accompli* gains obtained by invasion, plunder, killing, expulsion and the like.

7) In the name of truth, justice, and a better future for the world, we appeal to you to bring to justice all war criminals that they might answer for their crimes.

8) Inspired by the irenic spirit of our founder, St. Francis of Assisi, we are ready, after all these atrocities have ceased, to do all we can so that with patience, courage, and perseverance we might build bridges of trust between people of various nationalities, religions, and creeds, and help them to live together in peace. Even now in the atmosphere of hate and evil that reigns here, we are endeavoring to awaken and foster a spirit of forgiveness, reconciliation, and mutual consideration. We are encouraging our people to help build a common future for people of all nationalities.

In the words of the prophet Isaiah (2:4) inscribed in the U.N. palace, we beseech you to do all in your power that swords might be beaten into ploughshares and spears to pruning hooks, finally and forever.

We greet you respectfully with our Franciscan greeting, Peace and Godwill.

# Argentina a battering ram against Brazil

by Cynthia R. Rush

After Argentine President Carlos Menem met with U.S. President Bill Clinton in June, both military and civilian sources in Brazil expressed the fear that their Southern Cone neighbor would be increasingly willing to serve as an instrument of Anglo-American geopolitical interests directed against their nation.

That has effectively happened, both through a series of provocative joint U.S.-Argentine military exercises on the Brazilian border, and a number of Argentine policy statements indicating the Menem government's increasing commitment to the United Nations' supranational agenda. In early August, U.S. and Argentine army personnel carried out military exercises in Misiones, the northeastern Argentine province which borders Paraguay and Brazil. On Sept. 3, eighty American troops arrived in Buenos Aires, prepared to participate in another round of joint maneuvers with Argentine Army troops, first in the province of Córdoba and then again in Misiones.

All of this is occurring at a time when the Clinton administration and international bankers are demanding that Brazil align itself with Anglo-American economic and strategic policies. In an attempt to dispel growing tensions between the two countries, President Menem traveled to Rio de Janeiro in early September to participate in official Independence Day celebrations, and both he and Brazilian President Itamar Franco emphasized the warmth of their relationship.

But statements made at almost the same time by Argentine Defense Minister Oscar Camilión, in an interview in the Sept. 4 issue of *Página 12*, provided scant reassurance of Argentine intentions. A former ambassador to Brazil as well as a member of the Inter-American Dialogue, a Washington think-tank, Camilión underscored that Argentina "is aligned with the international system defined by the United Nations and with the guidelines drawn by the Security Council. I think that the real international options are to work . . . to elaborate a world system. . . . There is going to be a system in which the United Nations will play a very important role. . . . Argentina will have a contribution to make" to this system.

It is precisely this type of thinking which has caused Brazilian military leaders to warn of threats of the "internationalization" of the Amazon and of encirclement of the

country by U.S. military actions in neighboring countries.

Nor is Camilión alone in this policy orientation. In a commentary published in the Sept. 13 *La Prensa*, analyst Rodolfo Pandolfi rabidly attacked the Franco government for not adequately protecting the Amazon's Yanomami Indians, and warned that the Declaration of the Rights of Indigenous Peoples, which the U.N. expects to promulgate in 1995, will have "supra-constitutional" powers, provided that Brazil subscribes to it. That is, foreign powers will have the right to intervene in Brazil to enforce the U.N.'s resolutions. Pandolfi ranted that military charges of threats to the Amazon and foreign attempts to limit Brazil's sovereignty are "grotesque," and insisted that military leaders are only saying this in order to obtain a larger defense budget. To financially reward "those who are violating U.N. resolutions" on protecting indigenous populations would be tantamount to attacking the Indians themselves, Pandolfi concluded.

Rear Adm. Julio Juan Bardi (ret.) authored a similar commentary in the Sept. 13 *El Cronista*. Although he clothed his remarks in political science jargon, Bardi nonetheless warned Brazil's Armed Forces to "redefine their entire strategy in light of new international tendencies toward globalism of the economy, finances, the environment, security, and domestic and international peace."

## What about sovereignty?

The domestic corollary to Argentina's destructive regional role is the fact that it has completely abdicated its own sovereignty in the area of technological development. Out of respect for what Foreign Minister Guido Di Tella calls the country's "carnal relations" with the United States, the Menem government shut down the Air Force's Condor II intermediate-range missile project and forcibly retired several highly trained physicists and engineers who worked on it, including top scientist Commodore Miguel Guerrero. Moreover, the government intends to make public all the files on the Condor project so that allegations that the Air Force illegally transferred technology to Iraq can be investigated.

Yet this groveling is not good enough for the Anglo-American crowd. In an interview in the Sept. 4 *Página 12*, former Bush administration National Security Adviser Brent Scowcroft, also of Kissinger Associates, thuggishly responded to remarks by former Air Force Chief of Staff Brig. Juan José Juliá, who suggested that the Air Force possessed the "human resources" which would allow it to relaunch the Condor at any time. "That's an unfortunate statement," Scowcroft said. "Argentina has made enormous efforts in recent years and Argentines should be proud of the way in which they changed their economic and political profile. That statement is a throwback to a time which Argentina has left behind."

In the past, Henry Kissinger has killed to punish nations or leaders who aspired to technological independence. Are his friends willing to do so again?

# Brazil's new minister would surrender Amazon

by Valerie Rush

Brazilian President Itamar Franco's appointment of Rubens Ricupero to head the newly created Ministry of the Environment and the Amazon produced its first predictable confrontation with the country's Armed Forces, when it was learned that the new executive post gave Ricupero, a former ambassador to the United States and a favorite of the Anglo-American Establishment, security oversight for the resource-rich Amazon region. Ricupero's first announcement included plans to discuss security concerns for the region, the role of the Armed Forces in the area, border issues, and the expulsion of wildcat Brazilian goldminers from the controversial Amazon territory demarcated as a Yanomami Indian reserve.

Numerous high-ranking military officers drew the obvious conclusion that the new ministry would be interfering with the national defense mission of the Armed Forces and declared in no uncertain terms: "This is unacceptable." Within 24 hours, Provision 350, which established Ricupero's cabinet post, was modified in an attempt to calm military tempers.

However, the conflict is far from ended, since it was *precisely* to enforce the "limited sovereignty" agenda of the Anglo-American Establishment that a Ministry of the Environment and the Amazon was foisted upon the Brazilian government under international pressure. Further, it is hardly accidental that Ricupero was chosen for the powerful post, given his intimacy both with Anglo-American circles of influence represented by the Trilateral Commission and the Inter-American Dialogue, and with Brazilian Finance Minister Fernando Henrique Cardoso, a Dialogue member "on loan" to the Brazilian government.

The appointment of Ricupero occurs at a time when tensions over the Amazon have been at their highest. In mid-August, a diplomatic clash nearly occurred between Brazil and the United States, when accusations by high-level military officials that the United States was attempting to encircle Brazil through a combined series of military maneuvers and construction of military bases along Brazil's borders hit the front pages of most of the national media. At the same time, an alleged "massacre" of Stone-Age Amazon tribesmen was played up worldwide by the international human rights lobby—despite the fact that not a single corpse was ever turned up, and that it was subsequently admitted that the incident in question occurred across the border in Venezuela, and not in

Brazil at all—and led to charges of Brazilian "inability" to protect its own human and natural resources.

## Internationalizing the Amazon

And yet, in his first press conference with foreign reporters, Ricupero declared that he saw no threat of "internationalization" of the Amazon, as the Brazilian Armed Forces have repeatedly charged. He announced that a "National Forum" would be convened to formulate policy on the Amazon. The forum would be made up of representatives "of state governments, non-government organizations, religious organizations and universities." He declared that as for environmental policy, his office would pay great attention to indigenous affairs and would support a policy of "sustainable development," the green lobby's euphemism for back to the caves.

Ricupero also announced that one of his priorities would be to lobby for the release of at least \$1 billion in international funds from several foreign lending agencies which have been earmarked for a series of 10 Amazon projects, such as developing "eco-tourism," defense of the native populations, and research into "bio-diversity." Those loans have allegedly been held up because of Brazil's inability to match the credits with funds of its own.

Brazilians should stop being so "defensive" about the Amazon, Ricupero added. Rather than seeing enemies out to steal our land, we should take advantage of the millions ready to pour in. "We should see the Amazon as an asset, not a disadvantage. . . . International interest [in the Amazon] could be very positive and could serve to channel resources and create opportunities for the country to solve its problems." Of course, he added, "International cooperation would concentrate on those aspects of interest to the industrialized countries and the major international financial agencies."

Minister Ricupero has had nothing to say about the urgent need to bring transportation, communications, and energy infrastructure into the Amazon, nor how he is going to provide the Amazon's largely impoverished 16 million inhabitants with the technology, education, and jobs that could bring them into the modern era.

The next major confrontation that is brewing with nationalist forces—both military and civilian—could center on the Yanomami reserve issue. According to the 1988 Constitution establishing 900 million hectares (an area the size of Portugal) to shelter about 10,000 Yanomami tribesmen), the demarcation of the area is to be concluded by Oct. 5, 1993. Furious opposition has been expressed to excluding such vast and mineral-rich territory along the border with Venezuela from economic exploitation as well as from the jurisdiction of the national defense forces.

According to late reports, Justice Minister Mauricio Correa has announced that the Oct. 5 deadline will not be met, since "the Itamar Franco government has neither the human nor material resources" to accomplish this.

## Interreligious dialogue and Mideast peace

*Three hundred and fifty leaders of the religions of the world gathered in Milan, Italy Sept. 19-22, on the invitation of the Community of St. Egidio, to continue the ecumenical dialogue initiated by Pope John Paul II in the Italian city of Assisi eight years ago. One issue dominating the talks was the recent breakthrough in the Middle East and the role of religious dialogue in this process. Muriel Mirak-Weissbach spoke to two protagonists of the dialogue between Islam and Christianity. Below are some of the remarks of Msgr. Michael Fitzgerald, secretary of the Pontifical Council for Interreligious Dialogue.*

**EIR:** Can you describe the ongoing dialogue that you have between Christianity and Islam?

**Msgr. Fitzgerald:** There is the Al Beit Foundation, which has a Royal Academy for Islamic Civilization Research, which is under [Jordan's] Crown Prince Hassan. As part of the activity of this academy, he wanted to be in dialogue with Christians. Being a prince, he thought he should address himself to a prince, and so he started dialogue with the Anglicans of the Royal Chapel of Windsor in England, of Prince Philip. So there is an ongoing dialogue between Muslims and Anglicans; and, in fact, in that dialogue, some Jews were brought in, which is quite courageous, considering this was some years ago. On the Muslim side, it's not just Jordanians, but people from different countries, who take part in their discussions—small discussions, of 20 to 30 people a side.

Parallel to the dialogue with Anglicans, the Royal Academy started a dialogue with the Orthodox, in Geneva: Again they bring together Orthodox and Muslims from different parts of the world. They also have brought in young people, so as to train them in openness, for the future. I took part in one of those, because they always invite a Catholic into the Orthodox delegation. I took part in the last meeting, which took place in Amman in July, on tolerance, the challenge of the modern world, and how to face up to these.

The prince wasn't satisfied with that: He wanted dialogue with the Roman Catholic Church, so he addressed himself to the Vatican. Who better than the Vatican? Our council accepted the invitation, but on the condition that the local Catholics would also be involved. We have done this with the Latin Patriarchate of Jerusalem, Patriarch Sabah, who has always been involved in our meetings, and his auxiliary, who is in Amman, and together with local Christians. We felt that it was very important that the dialogue should not be with the

Vatican just at the top level or with people whom we would choose, but also with the Christians who were on the spot. We have discussed religious education, rights of children, women and society; and the next one will be religion and nationalism. Each time we select a theme by common accord.

**EIR:** What are the implications of the breakthroughs in the Middle East for the dialogue? Are you going to be extending the dialogue to the realm of economics?

**Msgr. Fitzgerald:** That is not our concern as a Council for Interreligious Dialogue, in the sense that we are concerned with religious dialogue, but it is the concern of local churches to cooperate, so the economic side will come in. I took part in a meeting in May which our council helped to facilitate with the World Council of Churches and the World Lutheran Federation—Christians, Muslims, and Jews on the spiritual significance of Jerusalem, with the main participants coming from Jerusalem or the Occupied Territories. It was not an easy meeting, but we did manage to come to common conclusions, and I think we've been overtaken by events—happily overtaken by events—but such a dialogue is important, because we are at the beginning of negotiations, of changing attitudes. When people have been separated for so long, they have to come together and have confidence in one another, and to build something up together is quite difficult. There's a lot of work to be done there.

**EIR:** What is the conceptual, philosophical basis for the dialogue? Jews here have referenced Maimonides. What about from the Catholic side, Raymond Lull, and Cardinal Nicolaus of Cusa? The Schiller Institute has just issued an English translation of many of Cusa's works which were hitherto not available. I'm thinking particularly of his *De Pace Fidei*, a brilliant work for ecumenism. To what extent do works like these play a role in your dialogue?

**Msgr. Fitzgerald:** Well, they don't; they could do. It depends on what you're choosing and the style of the meeting. There could be a meeting where you decide on that text, and you discuss it, but that's not the sort of style that we've had. We've had people writing their own papers without a great deal of reference to that.

But there is a place for that, for looking at what the contributions of history are, and seeing what we can learn from these positions taken in the past, which at that time, I think, must have seemed fantastic. People must have asked, "Who is this Nicolaus of Cusa who is writing like this?" . . .

**EIR:** What is the intellectual foundation, what kinds of thinkers do people in the Vatican look to for guidance today?

**Msgr. Fitzgerald:** We've been working from our own tradition on how we can open to Islam and other religions. In the last document that we produced, which was "Dialogue and Proclamation," the first part is a more open attitude toward religion, based on the Vatican council, which was not theological in its approach to other religions, but it tries to show how

Scripture and tradition lead to openness to other religions. . . .

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## Interview: Sen. Kamel Al-Sharif

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# There is a genuine desire for peace

*Muriel Mirak-Weissbach interviewed Sen. Kamel Al-Sharif of Jordan, at the Milan conference on religious dialogue. Senator Al-Sharif has previously held ministerial and ambassadorial posts in the Jordanian government. He is currently the editor of Ad Destour, and secretary general of the International Islamic Council for Daw'a and Relief. He was the special envoy of His Highness Bin Talal, Crown Prince Has-san of Jordan.*

**EIR:** How do you view the dramatic developments in the PLO-Israel accord?

**Al-Sharif:** We are witnessing a worldwide trend toward peaceful solution of all these standing problems and a genuine desire to build a new world on the basis of just peace. This is a general trend. We are living in a small world, which is too much interlinked now, and any event which takes place in one part of the world affects the others; we are interdependent. So what happened in the Soviet Union and other parts of the world dramatically affects the situation everywhere, especially in the Middle East, because the international political situation and the equation of the balance of power has been dramatically disrupted. All these elements combined have led to the same trend in the Middle East. And then all the parties perhaps agree that things cannot go on forever in this manner and that insistence on power and occupation, denial of the others' right is not the solution: It would generate clashes over a period of time.

So everybody realizes that the peaceful solution is inevitable, if we want to avoid destructive conflicts. There are other elements which came into play, like the disposition of the Americans to solve these problems one by one, and to show that their leadership in the world is beneficial to every party. All these elements combined have led to this development.

Of course, it's early to say whether things will succeed in the end, because there are still many obstacles. The real intentions are not yet known. There is also a big margin for maneuvers—for all parties. But we are optimistic, we think that our hope is based on the realities of the situation, the reality that nobody can dominate the other, nobody is immune to internal problems; the discovery that people can find solutions whereby they can live and cooperate. Our hopes

are not imaginary or fantastic, but I think, based on reality. But sometimes it is difficult to predict how the human mind functions, and there is always the possibility of unpleasant surprises; and we are waiting, waiting to see.

**EIR:** One of the most important things will be to see whether the economic projects agreed upon will be implemented quickly, giving people on both sides reason to believe that the agreement will work.

**Al-Sharif:** We can't, at this stage, expect huge, massive projects to link the different parties before a final political settlement; you can't really have a genuine, final economic settlement without a political arrangement in the area. But keeping in mind that the recent accord is limited to certain areas and that the whole arrangement is provisional, some political arrangement could be arranged within these areas. If the Palestinians manage to solve the problems of Gaza and the enclave of Jericho in a proper manner, [and have] something they can show to the people and from there influence the economic situation of the people inside the Occupied Territories, who are the majority, from that base they can influence the events inside; this will be a great encouragement, no doubt about it.

But for big projects, which link, for example, Jordan, Israel, and the Palestinian state regionally, it's early to think of that, before the remaining issues which are vital to the solution—what is the fate of the Occupied Territories, what is the fate of Jerusalem, touchy sensitive issues—these are questions which have to be settled, so that we can stand on solid ground with more hope, more confidence.

**EIR:** In Jordan initially there was hesitation in welcoming the accord.

**Al-Sharif:** Jordan—I am not in the government at present—Jordan was surprised, like many parties. It was something which came against the established current of bilateral and multilateral negotiations. We were not aware of the secret negotiations between the Palestinians and the Israelis. But after the shock, the government said that if the Palestinians agreed, they are free to choose their way; the government gave its support. Of course, the attitude of the people is different from the government, because the government has its measures and criteria, its relations with the rest of the Arab world, international relations, coordination with the Palestinians, and it stems from basic premises which had been recognized before, that the Palestinians are free to choose their destiny and to solve their problems the way they like. The people are different. They have their own emotional and ideological outlook.

**EIR:** In reference to the conference here, what do you think the role of Judaism, the Church, and Islam can be in truly forging a peace?

**Al-Sharif:** Doubtless the religions have a vital role to play in the confidence-building process—in the whole world, not

just in the Middle East. As it was stated in the U.N. Charter, war and peace are on the minds of people; this is a zone where religion can influence. . . . If we accept the idea that religion has a role to play, Islam can contribute to this process, because it is a religion which recognizes other religions, respects their scriptures, and calls for friendship with them, which means contact based on dialogue and persuasion.

And, of course, the religious establishment everywhere has a moral strength and spiritual power which could be applied and could influence events and the policymaking process. Now, we have to pass this stage of just meeting and talking and discovering each other, to more tangible and bolder steps. This is why I called, in one of my speeches, for the establishment of a religious committee, a fact-finding committee, which can reconcile and mediate in various issues and give an opinion [from the standpoint of] religion in some of these things. I think we have reached this stage, that something should be done. We mean really to talk with the policymakers and statesmen and influence their decisions.

Now, to come to the Middle East. I believe it's still early to talk of the role of religion in the process, because, as we see it now, it's easier to talk with the Christians, because we don't have an outstanding problem which separates us. This is not the case with Judaism; we still have an occupied territory, we still have an oppressed people, we still have occupied Jerusalem. Of course, the stand of Islam toward Judaism is no different than its stand toward Christianity. The relation-

ship is based on respect for Judaism, we have maintained good relations with the Jews throughout history, so it's a political issue.

Unfortunately the political movement within Judaism has overtaken the spiritual side—Zionism—so, we don't find a trend which is neutral, which you can talk to. Religion has been exploited in this Zionist movement, that has been justified by religious connotation, making it somehow difficult to start a dialogue. But again, we don't lose hope. If the outstanding political issue is solved, or it becomes clear that it is on the way to resolution, then the dialogue, even of the religious establishment, could not be far away, could not be excluded.

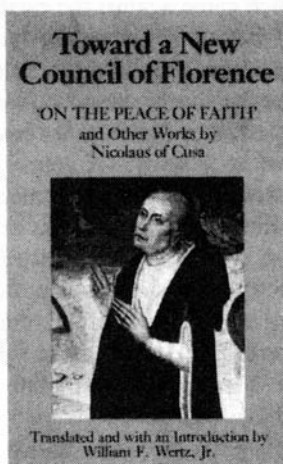
**EIR:** How do you evaluate the impact of these developments on the democratization process within Jordan?

**Al-Sharif:** I think it will strengthen the process. Jordan has adopted the democratic system. It has embarked on it genuinely in the last few years: Through its practice, it has proved to be beneficial. It has contributed to dissipating many negative aspects of public life. We're facing the future with more confidence, and we believe that democracy is the only solution to our problems. The people are convinced; we have political parties which are convinced; everybody knows where he stands, and everybody has expressed his loyalty to the constitution and to the monarchy; so I think we are sailing with a fair wind, and the future is very promising indeed. *Inshallah* [God willing].

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### Germany and its 'instead-of' elites

*Elections in Hamburg and Munich highlight the deepening crisis of the nation's policymaking establishment.*

Almost three years after Germany was reunified on Oct. 3, 1990, the functioning of the nation's politics proves daily that it is not yet a sovereign nation. So many violations of the national interest are being committed by senior politicians, and so many concessions made to other powers in the West and the East, that it is justified to have doubts whether this nation's elites are at all capable of running the country.

This ranges from the Bonn decision in late 1990 to bankroll George Bush's Persian Gulf war with a respectable 18 billion deutschemarks at a time when the economic recovery of eastern Germany needed that money urgently, to the government's inaction in the case of Bosnia, to the absurd worshipping of that "debt god" which has bequeathed the German government with a lethal heritage of DM 400 billion of accumulated debt from the books of the pre-1989 communist regime of East Germany.

Those who made these mistakes come from the established political parties that have shaped and also dominated western German society since 1945: the conservative Christian Democrats (CDU), the leftist Social Democrats (SPD), the liberal Free Democrats (FDP), and from the late 1970s on, the radical ecologist Greens.

The shallowness of these parties became strikingly obvious in the process of the German reunification, and then in the inability to halt the deepening economic depression. More and

more voters have lost their confidence in these parties. Close to 40% of the electorate stay away from the polls, and of those who do vote, some 20% vote for the Greens or other small parties. This means that the three "traditionalist" parties, CDU, SPD and FDP, have a joint share of only 50% of the electorate.

This also means that the next German chancellor, who is to be elected in October 1994, will be voted in with a percentage not much greater than the 25-26% that recent U.S. Presidents have commanded. In Germany's better times, in the 1960s and 1970s, and to some extent still in the early 1980s, fully 80% of the nation's electorate would come out to vote on election day.

The results of two municipal elections, in Munich on Sept. 12 and in Hamburg one week later, indicate where the country is heading if new elements are unwilling to enter the political system—or are prevented from doing so. Of all new parties in the German political landscape, associates of American economist Lyndon LaRouche, who are now campaigning as the Civil Rights Movement Solidarity (BBS), have been the only ones so far with a comprehensive programmatic approach going beyond the usual one- or two-issue platform of other "protest" parties.

In Munich, Germany's third-largest city with a population of 1.25 million, the BBS was on the ballot and had a remarkable programmatic impact that won grudging respect

even from its adversaries. In Hamburg, on the other hand, which is the second-largest city with 1.75 million, the BBS did not field candidates, and the scene was left to the usual "established" and "protest" parties.

The absence of program became evident when the two big parties, the SPD and the CSU (the quasi-autonomous Bavarian state section of the CDU), ran their Munich campaign with the slogans, "So that Munich stays in good hands" (SPD mayoral candidate Christian Ude) and "So that it gets better" (CSU candidate Peter Gauweiler).

The only aspect that distinguished the campaign in voters' memories, was BBS candidate Elke Fimmen's insistence that there is indeed a "patent recipe" for solving the crisis, on the condition that "production comes before speculation."

In Hamburg, scandal-mongering among the various candidates prevailed. One of the biggest scandals of all was that a group of mostly CDU dissidents was allowed to be on the ballot under the name of STATT—a play on words which means "instead of." The party has no program, and its leaders openly declared they didn't even want to have one, but that they were just there for the protest—and they entered the Hamburg municipal parliament with 5.6% of the vote. The CDU lost 10%, ending up with 25%, while the SPD lost 8%, keeping 40%. The FDP did not even reenter the parliament. Voter participation was 31%.

Instead of a program, the parties kept on fishing in their rival's scandals. STATT, which especially media people present as "something new," just brings to the extreme what the other "established" parties are anyway: "instead-of" parties; and as long as they dominate the scene, Germany won't be able to overcome the economic depression.

# International News

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## **Israel, Vatican move toward diplomatic ties**

Israel and the Vatican are on the verge of establishing full diplomatic relations as a result of Israel's recognition of the Palestine Liberation Organization (PLO), according to World Jewish Congress sources cited by Reuters.

The sources said Israel and the Vatican made great progress in talks the week of Sept. 13, and could establish full relations within "a few weeks." Vatican officials said they saw the accords signed between Israel and the PLO as accelerating the recognition process. They said the first stages of recognition were possible by the end of the year. A visit to the Holy Land remains one of the few unfulfilled wishes of 73-year-old Polish Pope John Paul II, but no such trip is feasible in the absence of diplomatic ties between Israel and the Holy See.

An Israel-Vatican commission was established last year to negotiate the question of normalization of relations between the two states. A special meeting of the commission was held in Israel on Sept. 13, while Israeli Foreign Minister Shimon Peres signed the peace accord with the PLO in Washington.

An official at Italy's National Conference of Catholic Bishops said that the peace accord would have an important impact on the church's relationships with Israel and Islam.

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## **Serb soldiers demand resignation of Karadzic**

A group of 300 Serbian soldiers, which later swelled to 1,000, mutinied in the Bosnian city of Banja Luka on Sept. 10, blockading the city with tanks and taking over the town. They demanded the resignation of Bosnian Serb leader Radovan Karadzic, the arrest of racketeers who have made fortunes during the fighting, and the convening of early elections. Banja Luka is the second largest Bosnian city, after the capital of Sarajevo.

The soldiers' demands, reported by the

Bosnian Serb news agency SRNA, were included in a list of 20 conditions for their return to barracks.

The leader of the group is Maj. Ostoja Zec. "Karadzic is declaring his own kind of war on us. He thinks that if he puts us off long enough, we'll give up," Zec told Reuters.

Karadzic arrived in Banja Luka on Sept. 12, and a standoff ensued. The soldiers insisted that Karadzic meet them at the crisis committee headquarters, but Karadzic declined.

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## **Moscow police official tells of mafia power**

In an interview with the Moscow daily *Izvestia* on Aug. 6, Col. Sergei Dontsov of the Moscow mayoralty said that the authorities cannot succeed with a direct crackdown on organized crime, but have to make deals with it. He outlined how Moscow is home to mafias in the classic sense, "groups which have divided up territories, and merged to some extent into the state apparatus." Dontsov met with Azerbaijani mafia bosses to ensure the bloodless transfer of the Danilovsky market to the Union of Cossacks. There are also "Georgian," "Armenian," "Chechen," "Slavic," "Christian," and "Islamic" mafias, he said.

According to Dontsov, the frequent shootings at Moscow casinos and other enterprises are due to the lack of a strong leadership in the mafia apparatus, which would prevent petty criminals from taking violent actions against each other. Mafia representatives have demanded that leading mafiosi be returned to the city, to reestablish tranquility. As they put it, "Bring back Slava Ivankov, bring back 'Yaponchik' to Moscow. He'll restore order. . . . And you'll know whom you're dealing with: one strong *padrone*."

Without approving that plan, Dontsov says that the mafia cannot be eliminated, and "some forms of contact with them should be regularized." No matter what law enforcement might try to do, he concludes, "Strong mafiosi are going to emerge. They already

exist. . . . It's a different question, who will regulate the problem of the big mafia: they themselves, or should the government be involved? We need to think about this. . . . In the absence of a law on the struggle against organized crime, abetting this crime by semi-legalizing the return of its leaders is not an approach to the problem. If the state, being incapable of fighting them, were to eliminate smaller groups with their help, this would lead to even worse consequences."

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## **Bosnia, Croatia agree to cease hostilities**

For the first time in many months, the Presidents of Bosnia and Croatia, Alija Izetbegovic and Franjo Tudjman, on Sept. 14 in Geneva signed a Joint Declaration in which they agreed on "an immediate cessation of all hostilities and military conflicts" between the two countries, and an effort to "create conditions for a long-lasting peace on the territories of Croatia and Bosnia and Hercegovina."

The Joint Declaration stresses the necessity of economic development as the basis for peace between the two countries. In particular, it states the need for negotiations on a new Bosnian port city on the Adriatic as a "joint interest of development." The governments of Germany and France have expressed their readiness to participate in construction of such a port.

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## **Lebanon's Aoun speaks out on Mideast deal**

Syrian President Hafez al-Assad has been substantially weakened by the Israeli-Palestinian accord, and that might help relax the Syrian vise upon Lebanon, former Lebanese Prime Minister Gen. Michel Aoun told the French daily *Quotidien de Paris* of Sept. 16. Aoun was deposed by the Syrians in 1990.

General Aoun, living in exile in France, is happy about the Mideast accord, although worried that in the diplomatic discussions up to now, "the Lebanese people have been



## Briefly

absent from the process." Now, however, the Syrian government has been "taught a lesson," that it is not as necessary to the "peace process" as it thought it had been. Assad doesn't have Lebanon as his "trump card," as he thought he did. So, Assad may now have to negotiate: "I think, therefore, if international pressure is applied to make Assad aware that he is not as strong as he thinks he is, he will have to negotiate on Lebanon."

Aoun, however, discounts the success of any strategy of offering Assad a deal over the Golan Heights, in the anticipation that he would relinquish control over Lebanon in return. Since Assad runs a "Stalinist regime" in Syria, said Aoun, he will continue to act on the premise that he can "have both" the Golan and Lebanon, unless he is disabused of this idea from outside Syria.

### ***Abba Eban attacks opponents of accord***

Abba Eban, the former Israeli foreign minister, criticized Jews of "American origin" who are attacking Israel's peace agreement with the Palestine Liberation Organization. At a forum on Sept. 13 in Washington, Eban underlined that the accord must be seen as a major breakthrough.

"Nothing is more corrosive to Israel than one nation ruling another, and without allowing the other to have an identity," said Eban, referring to Israel's occupation of the West Bank. Eban pointed to a number of factors which he felt created the basis for a peaceful resolution of the Middle East crisis: the Persian Gulf war and destruction of Iraq as a major military power; the fall of communism, which destroyed the backers of Syria and the PLO; the Egyptian-Israeli Camp David agreement; and a more amenable Syria, now without Soviet or Egyptian support.

Eban pointed to the stability of the Egyptian-Israeli agreement as giving the lie to the argument that the two cultures (Jewish and Arab) were "irreconcilable." Commenting on the statements of Likud party leader Benjamin Netanyahu attacking the agreements, Eban

said, "It's interesting to see the youngest Likud leader expressing the most antiquated doctrine [about Greater Israel]. There is a great wave of support for Netanyahu, and it is of American origin. Read the op-eds in the *Washington Post* and *Commentary* magazine, talking about the dangers of entering this agreement." "The consequences of rejection would be worse," said Eban. "The field would then be dominated by savage fundamentalisms," a situation which he characterized as "outrageous."

Eban also attacked the ideology of British aristocrat Arnold Toynbee, who predicted that the nation-state would wither away. Eban stressed that the nation-state still provides the necessary underpinnings of social and economic life.

### ***'Palestinian state is not biggest danger to Israel'***

The biggest danger facing Israel is not that there could now emerge a PLO-run Palestinian state, but rather that such a state would *not* emerge, wrote columnist William Pfaff in the *International Herald Tribune* on Sept. 17.

Pfaff took issue with those "conservative Israelis" who raise the bogeyman that "a PLO state" will now emerge. He stressed that "Israel needs the PLO to make this agreement succeed. If Gaza and Jericho are not effectively governed, chaotic conditions persist, the PLO's authority is lost, and Hamas and the other fundamentalist and radical factions flourish, then Israel will well and truly be threatened."

Pfaff argued that the PLO, ultimately, is a group whose ideas are European in origin: "Because the PLO's nationalism is based on western ideas of the state and economy, it is, in principle, capable of collaboration or integration with the Israeli state." This would not be true of an autonomous or sovereign Palestine ruled by a Hamas-type government. "Thus Israelis have every cause to want a PLO Palestine to succeed. The country's present leaders understand this. . . . The PLO is Israel's unwelcome but inevitable ally."

● **ITALIAN** Defense Minister Fabio Fabbri once again denounced U.N. operations in Somalia, after two Italian soldiers were killed there in September. "What is needed immediately is an incisive correction of an approach that has shown itself to be fruitless and wrong," Fabbri told Parliament. He said he did not believe the murder of the Italians was premeditated.

● **EDUARD SHEVARDNADZE** appealed to Russia and the world community on Sept. 19 for help in Georgia's conflict with the Abkhazian rebels. "The world cannot go on leading a serene, comfortable life while death threatens a nation, even if it happens to be the smallest one," said the Georgian President. Georgia has repeatedly accused Russian troops of helping the rebels.

● **UKRAINIAN** Foreign Minister Anatoly Zlenko told a conference in Brussels in September that Ukraine wants to be included in plans to expand NATO: "We only hope that NATO's enlargement, if it takes place, would not stop at the western border of Ukraine," Zlenko said. But he also recognized that the alliance was not yet prepared to take on Ukraine, which is locked in disputes with Russia.

● **THE SLOVAKIAN** government daily *Smena* on Sept. 8 published a full-page article by foreign policy editor Jaro Matyas on the cases of U.S. political prisoners Lyndon LaRouche and Michael Billington. Matyas interviewed Billington's wife, Gail, during her recent visit to Bratislava.

● **IRAQ'S** ruling Baath Party daily paper, *Al Thawra*, denounced the Israel-PLO peace accord on Sept. 20, calling for the formation of a new Palestinian leadership. The front-page editorial said the agreement violated "the sanctity of the Palestinian cause" in the eyes of Arab rulers and people, and that "the leadership of Yasser Arafat" was to blame.

## Clinton's drug policy will increase illegal drug flows

by Ronald Kokinda

The Clinton administration signalled a dramatic change in U.S. drug policy on Sept. 13. But if President Clinton or anyone in his administration claims that this policy change was developed on the basis of an agenda of fighting drugs, it's a lie. The political agenda behind the shift in drug strategy is not to wage a war on drugs, but has as its aim to accelerate the destruction of nation-states, and to weaken the nation-building commitment to continuing economic and technological progress.

According to State Department Counselor Tim Wirth, who previewed the change in an address to a conference of international journalists convened by the U.S. Information Agency in Washington, the interdiction of drugs will no longer be a priority. "On the specific issue of counternarcotics policy, the United States government and this administration is . . . changing its strategy . . . away from a predominantly interdiction effort," i.e., reducing drug flows by capturing drugs before and after they enter the United States, he said. Wirth's speech reflects the results of a just-completed study of U.S. drug policy carried out by the Clinton National Security Council. The NSC review is designed to support a directive that is to be signed by President Clinton shortly, and announced as part of a new administration drug strategy to be unveiled by national drug policy director Lee Brown.

It is virtually certain that, by junking interdiction rather than mounting a *competent* interdiction campaign, there will be a huge increase in cocaine, heroin, marijuana, and other harmful and addictive substances coming into the United States.

Law enforcement agencies such as the U.S. Coast Guard and Customs Service are justifiably furious over the Clinton administration's shift in policy. It will deprive them of needed Defense Department equipment and backup. "The Customs and Coast Guard are going nuts over this," the Sept. 16 *Washington Post* quoted one administration official. "It's a pitched battle."

Instead of interdiction, Wirth said, the administration will focus its drug-control efforts primarily in two areas: reducing the demand for drugs at home, and beefing up the U.S. military presence in drug-exporting countries, particularly in Ibero-America.

The administration's proposal to shift U.S. Defense Department resources from interdiction to more direct interventions in Ibero-American and other drug-producing countries is a recipe for mischief. While the ostensible purpose of this change is to assist foreign governments in dismantling their home-based drug cartels, it will be used instead to extend Washington's political and economic tentacles into these countries, and to provide a justification for U.S. military invasions of countries, such as the U.S. intervention against Manuel Noriega's Panama, which resist the so-called new world order.

Wirth said the intention is "to work very carefully with the host country to develop a series—a set of institutions that will benefit not only our goal of lowering the level of narcotics leaving countries . . . [but] will also further our goal of advancing democracy."

This outlook complements the administration's recently unveiled so-called "Bottom-Up" strategic review, which identifies colonial-style policing operations in Third World "hot spots" and "democracy building," i.e., subversion of national institutions, as the major area for future U.S. military deployments (see *EIR*, Sept. 17, p. 63). As Morton H. Halperin, Clinton's nominee to be Assistant Secretary of Defense for Democracy and Peacekeeping, argued in the Summer 1993 issue of *Foreign Policy* magazine, if Americans saw that U.S. policymakers "were promoting democracy around the globe, they would be more likely to support American policy with financial commitments and *military action* when necessary to accomplish" foreign policy objectives (emphasis added).

The Drug Enforcement Administration's recent announcement that it will pull out from Peru by the end of September because of budget cuts sends the message that, in reality, the pathetic amounts of aid which U.S. allies were receiving under the rubric of fighting drugs, will now be cut. "We feel obligated to pull our agents out of Peru at the end of this month because we have no budget," DEA head Robert Bonner said.

Wirth opened the speech by praising the new President of Bolivia, Gonzalo Sanchez de Lozada, calling him a "quite remarkable individual." Sanchez is an open advocate of drug legalization, and, as Bolivia's finance minister from 1985-87, instituted the Jeffrey Sachs-authored "shock therapy" program, which led to a huge boom in the country's drug trade. Wirth held up Bolivia as a model for drug-fighting efforts throughout the continent. It was a "very moving event to see this kind of breadth of democracy in Bolivia, and very, very impressive," he said, detailing how the administration's so-called "democracy" programs will be used to reorganize justice and police systems and provide military training.

### **A real war on drugs**

There is no doubt that the Reagan-Bush "war on drugs" was a failure. But as *EIR* has documented repeatedly (see *EIR*, July 30, 1993), the Bush administration's drug-interdiction effort was deliberately conducted in such a way that it *would* fail, and thus laid the basis for rejecting all interdiction attempts—the policy which underlies the Clinton administration's policy reorientation.

Wirth claimed that a major component of the policy will be to "develop economic alternatives . . . so that the people who are growing drugs have an alternative way of making money for themselves and their families." But as statesman Lyndon LaRouche has emphasized, a serious war on drugs must prioritize economic development and an economic policy which relieves the burden of usurious debt, provides long-term, low-interest credits for productive investments and infrastructure, allows access to advanced technology, and ensures a fair price for the producer. Similarly, a serious war on drugs must dry up the drug-money flows into the banking system. Nothing of the sort has been forthcoming from the Clinton administration.

The Ibero-American Catholic Bishops Conference in Mexico City reflected some of these concerns in a Sept. 13 declaration. The U.S.-inspired war on drugs is a total failure because it doesn't hurt the real powers in the narco-business, the bishops said, according to *EPD*, the German Lutheran Church's news agency. The anti-drug "war" is only hurting the small dealer and planters, while the big fish are continuing their dealings totally unhampered, and the way the United States is conducting this war has been to the disadvantage of the security and sovereignty of the states of Ibero-America, they charged. They called for aid programs that help farmers to turn to normal agriculture and defy drug cultivation, and

said that the injustice of the present world trade system must be corrected to allow Ibero-American farmers to sell their agricultural products at acceptable prices.

### **Shift in foreign aid**

The anti-nation-state agenda which the Clinton team has put forward in its drug and defense policies, is also reshaping foreign aid policy to eliminate even the pretense of nation-building assistance. An administration interagency team, under NSC direction, has proposed a radical overhaul of foreign aid programs that would abandon country funding. Instead, 10 national goals, such as "transition from communism to democracy" and "nonproliferation and arms control," would be defined, and money would be allocated toward the goals, rather than to countries. Within these goals, managers would approve specific programs and choose between competing groups seeking to operate them. These groups would include U.S. government agencies, United Nations non-governmental organizations, and international voluntary organizations.

"We're no longer, in our foreign policy or international policies, defined by relationships between nations as much as we are by ideas and events . . . population, narcotics, the idea of democracy and free governments, the environment, terrorism," Wirth said. "The old constructs had Washington as the center hub with spokes going out to various nations and our foreign policy was defined by the relationship between capitals. That is no longer the case."

Under the new approach, the Executive branch rather than Congress would decide which projects would be funded in which countries in line with the congressionally approved goals. The plan has been presented to cabinet officers, and National Security Adviser Anthony Lake must now decide what to recommend.

### **Moving toward decriminalization**

The Clinton policy shift fits into the blueprint for drug legalization of the Drug Policy Foundation and other pro-drug advocates. An investigation carried out by *EIR* earlier this year revealed that the advocates of drug legalization were hoping that Clinton would change U.S. drug policy in exactly the way the NSC proposes, arguing that this would lead, if not to outright legalization, at least to the "de-demonization" of drugs.

Last spring, when Clinton initiated the NSC study, the *Economist*, the City of London magazine which has advocated drug legalization, hailed the new administration for doing "what no American administration has dared do in living memory—set the scene for a proper debate" on legalizing drugs. When a top administration official such as Tim Wirth welcomes the election of a drug-legalization proponent as President of a drug-exporting country, one tends to conclude that the "proper debate" initiated by the Clinton administration has resulted in a new drug policy that de facto favors "free trade" in drugs.

# Top international delegation tells Congress: 'The world needs LaRouche'

Leading lawmakers and dignitaries from around the world were in Washington, D.C. the week of Sept. 20-24 in order to meet members of Congress and federal departments and press the case for the freeing of American statesman Lyndon LaRouche, now entering his fifth year of incarceration in federal prison.

The delegation came at the invitation of the Commission to Investigate Human Rights Violations, which was founded in 1987 following a series of illegal government actions aimed at stopping the activities of the LaRouche political movement in the United States.

The delegation included:

- Congressman Rufino Saucedo, member of the Human Rights Committee of Mexico's Chamber of Deputies and of the ruling Institutional Revolutionary Party (PRI);
- Josef Miklosko, the first Vice Prime Minister of the post-Communist Republic of Czechoslovakia;
- Oswaldo Lima Filho, former Brazilian congressman and former Minister of Agriculture;
- Congressman Janos Denes of Hungary;
- Dr. Tibor Kovats, officer of POFOSZ, the organization of former Hungarian political prisoners;
- Prof. Kurt Ebert, Dean of the Institute for Austrian and German Legal History at the University of Innsbruck in Austria and a well-known expert in questions of international law.

Two leading Russian officials, Vitaly G. Urazhtsev and Viktor Kuzin, had planned to be part of the delegation but were unable to come because of the leadership crisis in Moscow. Urazhtsev is a member of the Congress of People's Deputies of the Russian Federation, Senior Coordinator of the "Reform of the Army" group of deputies, was a prominent leader in the overthrow of the Gorbachov regime, and is a founder and chairman of the Shield military reform organization. Kuzin is a Moscow city councilman and chairman of its Judiciary Committee.

The members of the delegation said they had extensively studied the U.S. prosecution's case against Lyndon LaRouche, and had concluded that it was politically motivated. They are representative of much larger numbers of distinguished lawmakers who have signed on to an open letter to President Bill Clinton, asking him to free LaRouche. The names of over 300 of these legislators and constituency leaders internationally were published in the Sept. 23 *Washington Post* in an advertisement by the Commission to Investigate Human Rights Violations (see below).

## Free 'America's dissidents'

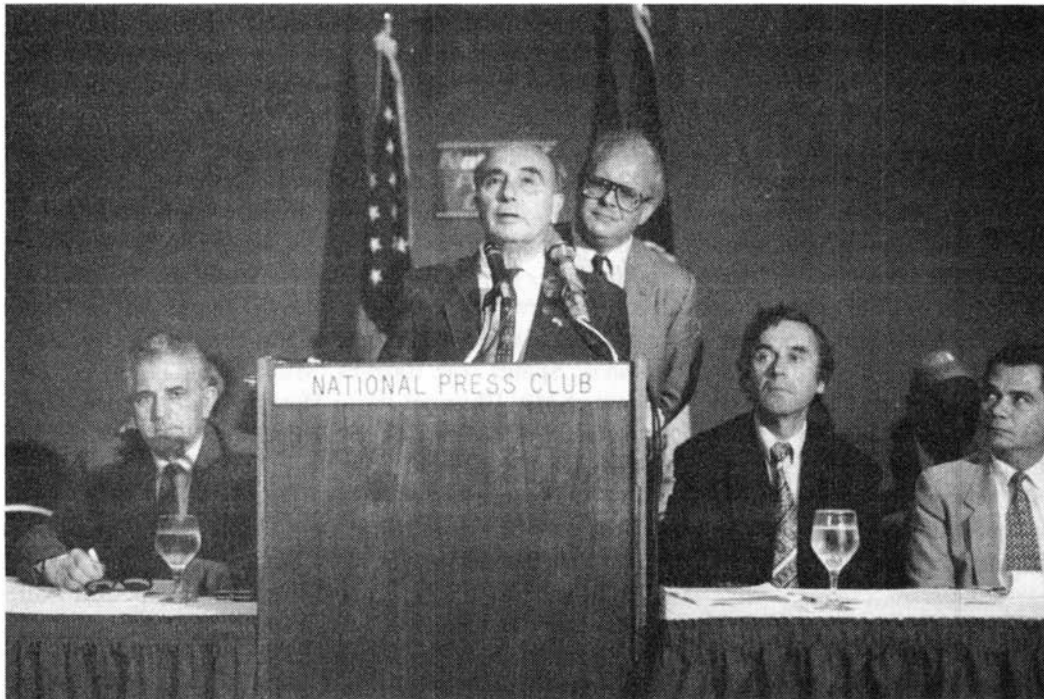
The delegation members spoke about their reasons for coming to the United States at a press conference on Sept. 22 at the National Press Club. Former Brazilian minister and congressman Oswaldo Lima Filho pointed to LaRouche's key role in opposing the International Monetary Fund and its "devastation" of Ibero-America. As a result of that, he said, George Bush and Henry Kissinger "conspired" to put LaRouche in jail. I am here, Lima Filho said, to "ask the U.S. to set him free."

Dr. Tibor Kovats, leader of the Hungarian political prisoners' organization, said he himself had spent 17 years as a political prisoner, and had been interested in the LaRouche case for some time, and that while he does not intend to interfere in America's justice system, it is part of the bylaws of their organization to take active concern about human rights abuses in every country of the world. That is his reason for coming to the United States regarding the LaRouche case, and to urge that LaRouche be released from prison.

Congressman Janos Denes, also of Hungary, cited LaRouche's warnings about the destructive shock-therapy policies in eastern Europe, and said that LaRouche is known and respected all over the world. As a former political prisoner, he said, he knows what it is like to be incapacitated, and it is his experience that the U.S. press is not letting the people know the real story about LaRouche's incarceration.

Austrian law professor Dr. Kurt Ebert castigated the U.S. government for its failure to submit to international organs which have been set up to have oversight over human rights abuses. In the LaRouche and related cases, he said, two human rights abuses are clear: the failure to conduct a fair trial, and his treatment in a degrading manner. The jury system, Dr. Ebert stressed, was developed before the advent of television and mass media, and presumes that citizens have objective judgment, which is not the case today. He related the problem to the popularity of the death penalty in the United States, a practice which, he said, has been virtually abolished in Europe. Dr. Ebert concluded that the delegation was here to demand that the United States "live up to its own demands" on other countries with respect to human rights.

Mexican Congressman Rufino Saucedo, a member of the ruling PRI party, stated that he was in Washington as an official representative of the Human Rights Committee of Mexico's Chamber of Deputies to investigate the situation respecting human rights violations against LaRouche and his



Members of an international delegation of dignitaries speak at a Sept. 22 press conference in Washington, D.C., calling for freedom for political prisoner LaRouche. Left to right: Congressman Janos Denes, Hungary; Dr. Tibor Kovats, Hungary, officer of the Association of Former Hungarian Political Prisoners; translator Webster Tarpley of the Schiller Institute; Prof. Kurt Ebert, Austria, University of Innsbruck; Congressman Rufino Saucedo, Mexico.

political movement. He said that they had found irregularities in the trial of LaRouche, as well as his treatment in prison, including the fact that he has been denied the use of books. He called on members of the U.S. Congress to intervene with the parole board, to grant LaRouche early parole.

The final speaker was Josef Miklosko, who said he was still vice prime minister of the post-Communist Republic of Czechoslovakia when he first learned of the LaRouche case. He said that after studying the case, he was certain that LaRouche is innocent, and was confirmed in his judgment after meeting LaRouche in person. LaRouche is "entitled to be free," he said. America helped our dissidents, Mr. Miklosko said, and "we are here to do the same for America."

Moscow City Councilman Viktor Kuzin, whose trip was prevented by the recent developments in Russia, sent a statement to be read on his behalf at the press conference, which reads in part:

"The circumstances of the last few days . . . unfortunately made it impossible for myself and People's Deputy Vitali Urazhtsev to take part in a series of activities, organized in the framework of the campaign to free the political prisoners Lyndon LaRouche, Michael Billington, and Rochelle Ascher, and to bring about a review of the long sentences of imprisonment imposed on them and their friends.

"The inalienable rights of man are not only the right to freedom, but also the right to live in dignity and personal security. As it is said in the U.S. Constitution, 'life, liberty and the pursuit of happiness.' . . . Therefore the old slogan of the human rights movement is appropriate here: '*Za vashu i nashu svobodu!*' ('For your freedom, and ours!')."

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## Documentation

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### Legislators worldwide call on Clinton to free LaRouche

*The following is the text of a half-page ad in the Washington Post signed by some 350 members of parliament, former government officials, and religious, civic, labor, and political leaders to set Lyndon LaRouche free from prison. We include a selection of the signers.*

On Sept. 13, the Fourth Circuit Court of Appeals in Richmond, Virginia denied the *habeas corpus* motion for freedom for political prisoner Lyndon H. LaRouche, Jr., despite six volumes of new evidence. The appeal brief of LaRouche's defense attorneys, former U.S. Attorney General Ramsey Clark and Odin Anderson, documented "lying," "subornation of perjury," other "witting use of perjury," and "massive suppression of exculpatory evidence," making the prosecution of this case a total "fraud upon the court" by the government.

From his prison cell in Rochester, Minnesota, where he has served almost five years of a 15-year sentence, Mr. LaRouche called the decision "a complete fraud." "Without

even a hearing on the new evidence, the panel has treated a very serious matter of international concern without consideration, respect or due process," he said.

That international concern is the result of Mr. LaRouche's well-known and respected leadership on global strategic issues. Thousands of leaders internationally, including nearly 300 legislators from 26 nations, have signed appeals to President Clinton to "take prompt and resolute action to repair this injustice, by immediately freeing Lyndon LaRouche." On Jan. 20 and on June 30, 1993, the Commission to Investigate Human Rights Violations published, in paid advertisements in the *Washington Post*, the names of some of those who have called on President Clinton to act.

Now that virtually every avenue of judicial relief has failed, we reprint a selection of those names to urge you, President Clinton, to right the wrongs begun under your predecessor. The world awaits your action.

(Titles for identification purposes only.)

#### AFRICA & MIDDLE EAST

**Gabon:** Joseph Minko, African Reconstruction Forum, **South Africa:** H.G. Ward, Governor, Internat'l Policy Forum; **Jordan:** Laith Shubeilat, MP

#### ASIA & AUSTRALIA

**India:** Basu Deb Acharia, MP; Chitta Basu, MP; Saifuddin Choudhury, MP; **Malaysia:** Ibrahim Ali, MP; Dr. V. David, MP; **Pakistan:** Prof. Khurshid Ahmad, Sen.; **Taiwan Republic of China:** Gao-Jeng Ju, MP; Chen-Jei Lin, MP; Shou-Shan Lin, MP; Mu-Ming Yok, MP; **Australia:** Denis Collins, MLA, N. Terr.

#### EUROPE

**Armenia:** Haik Babookhanian, Yerevan City Parl.; Hrant Kachatrian, MP; **Austria:** Prof. Dr. Hans Klecatsky, former Justice Minister; Prof. Dr. Mesrob Krikorian, Archbishop, Patriarchal Delegate; **Croatia:** Prof. Dr. Zvonimir Paul Separovic, former Minister of Foreign Affairs, President, Croatian Society of Victimology; Slavica Bilic, past President, Mothers for Peace; Srecko Jurdana, journalist; **Czech Republic:** Prof. Dr. Jiri Hajek; **England:** Prof. Dr. Norbert Brainin, violinist; **France:** Msgr. Joseph Rozier, Bishop of Poitiers, National President, Pax Christi; Roger Garaudy, writer; Haroun Tazieff, volcanologist; **Germany:** Brig. Gen. Paul A. Scherer (ret.), former Chief, West German Mil. Intell.; **Hungary:** Janos Denes, MP; Dr. Ivan Geza, MP; Dr. Janos Gojak, theologian; Miklos Hasznos, MP; Janos Hercsey, MP; Mihaly Iszo, MP; Jozsef Istvan, MP; Keri Kalman, MP; Gabor Kovacs, MP; Dr. Tibor Kovats, Bd. Mem., Assn. Former Political Prisoners; Josaf Mozs, MP; Dr. Gyoeirivanyi Sandor, MP; Rudolf Szauter, MP; **Italy:** Msgr. Luigi Bettazzi, past Pres., Pax Christi; Emma Bonino, Gen. Sec., Radical Party; Roberto Formigoni, MEP; Cardinal Edouard Gagnon, Vatican; Maria Magnani-Noya, V.P., MEP; Carmine Mancuso, Dep.; Carlo Palermo, Dep.; Flaminio Piccoli, Sen.; Msgr. L.M. Tulaba,

Vatican; **Poland:** Prof. Jozef Balcerek, adviser to Solidarity 80 Union; Marek Edelman, survivor Warsaw Ghetto; Prof. Dr. Stefan Kurowski, former presidential adviser; Prof. Alexander Legatowicz, former MP; **Russia:** Y. Chernichenko, Dep.; Viktor Kuzin, Chair, Human Rts. Comm., Moscow Soviet; Vladimir Matveev, Coord., Dem. Union, Moscow; Prof. Dr. Taras Muranivsky, Rector, Ukrainian Univ. in Moscow; Sergei Pavlov, Dep., St. Petersburg Soviet; Alaxei Pogorilyi, Dep., Moscow Soviet; **Scotland:** Rt. Rev. Michael Hare-Duke, Bishop; **Slovak Republic:** Dr. Jozef Miklosko, first Vice Premier of post-communist Czechoslovakia; **Spain:** Juan Bandres, MEP; Maria Teresa Esteban, former MP; **Ukraine:** Pavlo Movchan, MP; Dmytro Ponomarchuk, Kiev City Council; Volodymyr Shovkoshitny, MP

#### IBERO-AMERICA

**Argentina:** Arturo Frondizi, former President of Argentina; **Bolivia:** Eduardo Paz, Dep.; Andrés Solíz, Dep.; **Brazil:** Dom Manoel Pestana Filho, Bishop of Anapolis; Roberto Saturnino Braga, City Council, Rio de Janeiro; Col. Pedro Schirmer (ret.), Editor, *Ombra Ombro*; **Colombia:** Ernesto Amezcua, Pres., Nat'l Trial Lawyers Assn.; Jorge Carrillo, former Minister of Labor; Apolinar Garcia, Sec'y Gen., Nat'l Agrarian Fed. (FANAL); **Mexico:** Enrique Cantu Rosas, President, PARM; Dep.; Cecilia Soto, Dep.; **Panama:** Manuel Solís Palma, former President of Panama; Elmo Martinez Blanco, former Minister of Industry & Commerce; Miguel Bush, Member, Nat'l Assembly; **Peru:** Roger Caceres Velasquez, Rep., Chair, Human Rts. Ctte.; Josmell Munoz, former Sen.; Msgr. Alfredo Noriega Arce S.J., Aux. Bishop, Lima; Juan Rebaza Carpio, former Minister of Fisheries; **Venezuela:** Gabriel Nino, Dep.; Roseliano Ojeda, Dep.; Casto Gil Rivera, Dep.

#### NORTH AMERICA

**United States:** *U.S. Congress:* Henry Helstoski, former U.S. Rep., N.J.; *State Legislators:* Ralph D. Abernathy III, State Sen., Ga.; John W. DeCamp, former State Sen. Ne.; Theo Walker Mitchell, State Sen., S.C.; William P. Robinson, State Rep., Va.; *Other:* Milton B. Allen, Judge (ret.), Baltimore; Francis Boyle, Prof. of Law, Univ. of Illinois; Joseph Dickson, Publisher, *Birmingham World*; Justice William C. Goodloe (ret.), Wash. State Supreme Ct.; Isador Hampton, Pres., UAW Local #835, Mi.; Ron Hampton, Nat'l Dir., Nat'l Black Policeman's Assn.; Clifford Kelly, former City Councilman, Chicago; Rev. Eugene Lumpkin, San Francisco, Ca.; Dr. Abdul Alim Muhammad, Min. of Health, Nation of Islam; Rev. Reginald Pitcher, Pres., Baton Rouge SCLC; Rev. Marshall Shepard, Past Pres., Prog. Nat'l Baptist Conv.; John Shike, Ed./Pub., *Voice of Freedom*, Houston; Rev. Wade Watts, Past Pres., Ok. NAACP; Rev. Hosea Williams, DeKalb Cty Comm., Ga.; Nadine Winters, former City Council, Wash., D.C.; **Canada:** Most Rev. Basil Filevich, Bishop of Saskatchewan; Josip Gamulin, Pres., Croatian Ctte. for Human Rts., Toronto; Alex Kindy, MP

# Virginia prepares to jail four more LaRouche associates

Four associates of Lyndon H. LaRouche, having lost all judicial appeals, will soon begin serving decades-long prison sentences in Virginia. Donald Phau, Anita Gallagher, her husband Paul Gallagher, and Laurence Hecht are facing sentences of between 25 and 39 years after being convicted for alleged violations of a Virginia securities statute, used in their cases for the first time to prosecute political activists. Two of their co-defendants are already serving outrageous sentences on similar charges. Michael Billington is in Nottoway Prison on a 77-year sentence and Rochelle Ascher is serving a 10-year sentence at Goochland Women's Prison.

The barbarity of the sentences is clear. All four are non-violent offenders with no prior criminal record, yet their sentences are longer than those handed out to violent repeat offenders. Junk bond swindlers convicted of stealing billions of dollars received far shorter sentences. Michael Milken, who pleaded guilty to federal charges of securities fraud involving billions, received a sentence of 10 years, which was subsequently reduced to approximately three years by Judge Kimba Wood. Ivan Boesky was sentenced to three years, and served fewer than two.

In addition to these outrageous sentences, the trials of these defendants were tainted by biased judges, a politically motivated prosecutor, and juries that had been inflamed by reams of hostile media coverage of the cases.

The political nature of these cases was so blatant that the *Richmond Times-Dispatch*, the leading daily in the state capital, in an extraordinary series of editorials in December 1991, accused then-Virginia Attorney General Mary Sue Terry of a "political power grab" in the LaRouche cases. When Terry countered by bragging about the harsh sentences meted out to "LaRouche" defendants, the *Times-Dispatch* editorialized, "At one point she brags about Virginia juries having handed down sentences like 86 years and 77 years to LaRouche associates for securities fraud, an offense that could be pursued against a political organization only after a special ruling from the State Corporation Commission. Meanwhile, Ivan Boesky of Wall Street infamy was sentenced to three years and served two for massive securities fraud. We don't doubt that prosecution was in order for fraud-

ulent practices associated with LaRouche fund-raising. But there is a question of proportionality here. And also a question of prosecutorial bias."

## Biased judge

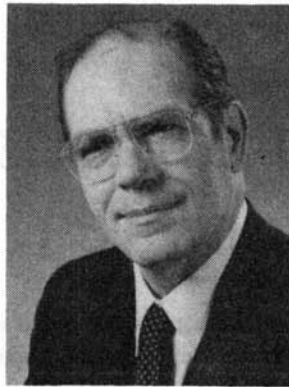
Defendants Donald Phau, Anita Gallagher, Paul Gallagher, and Laurence Hecht are expected to ask Judge Clifford R. Weckstein to reduce the sentences at hearings scheduled for Oct. 25. They were tried in the Roanoke Circuit Court before Weckstein, because their cases were transferred there from Loudoun County, where the charges were originally brought, because of enormous pre-trial publicity. Weckstein, however, was no impartial jurist, and Roanoke was not a neutral venue. Weckstein is associated with the Anti-Defamation League of B'nai B'rith (ADL), a long-time political adversary of LaRouche and a partner in the prosecution. The ADL is currently under investigation by the San Francisco District Attorney for running an illegal spy network and being in illegal possession of confidential law enforcement information. The ADL's role in the prosecution of the LaRouche associates was well known to Weckstein. He had previously ruled that no juror could sit on a "LaRouche" case if that juror was affiliated with the ADL.

But Weckstein did not apply the same standard to himself. Instead, Weckstein concealed his ties to the ADL until lawyers for Richard Welsh, another defendant, pressed for Weckstein's recusal because of his obvious bias. It was only under this pressure that Weckstein finally disclosed that he was in regular contact with ADL officials Murray Janus, a high-priced Richmond lawyer, and Ira Gissen, the director of the Virginia ADL. After persistent pressure from Welsh's attorneys, Weckstein revealed a series of letters between himself and Janus and between Janus and Gissen concerning the "LaRouche" cases, while they were pending before him. The ADL even tried to bribe Weckstein by promising him their support to make him the first Jewish judge on the Virginia Supreme Court.

Furthermore, Weckstein's brother-in-law, Bob Eure, is the political editor of the *Roanoke Times and News World*, the daily newspaper in the area. The *Times and News World*

## American political prisoners

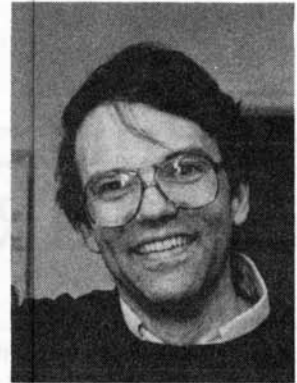
### In Jail



*Lyndon LaRouche: age 71, has served 1,700 days of a 15-year federal sentence.*



*Rochelle Ascher: age 42, has served 470 days of a 10-year sentence in Virginia state prison.*



*Michael Billington: age 48, has served 1,140 days of a 3-year federal sentence and a 77-year Virginia state sentence.*

### Facing Imminent Jailing



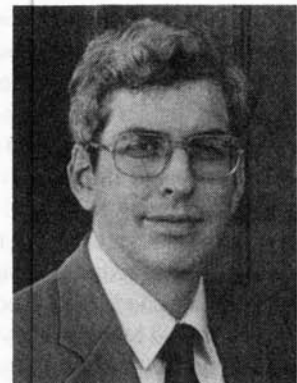
*Anita Gallagher: age 46, sentenced to 39 years in Virginia prison. All appeals denied.*



*Paul Gallagher: age 49, sentenced to 34 years in Virginia prison. All appeals denied.*



*Laurence Hecht: age 47, sentenced to 33 years in Virginia prison. All appeals denied.*



*Donald Phau: age 43, sentenced to 25 years in Virginia prison. All appeals denied.*

has published more libelous articles against LaRouche and the defendants than almost any newspaper in the country. This libelous onslaught helped create a highly prejudiced jury pool.

Despite this obvious actual bias and the clear appearance of bias, Weckstein refused to remove himself from these cases.

Weckstein's bias was visible throughout the trials, beginning with that of Michael Billington, the first LaRouche defendant to appear before him. On the eve of Billington's trial, his lawyer, Brian Gettings, suddenly turned against

Billington and tried to have him declared mentally incompetent for asserting his right to be tried by a jury. Weckstein went along with Gettings, ordering Billington to undergo a psychiatric examination. When Billington then tried to replace Gettings as his attorney, Weckstein would not allow it, forcing Billington to go to trial with a hostile lawyer. After a four-week sham trial, in which Billington was effectively unrepresented, the jury returned a guilty verdict and recommended a 77-year sentence. (Virginia is one of the few states in the country to have a system of jury sentencing.)

Weckstein, showing his bias, then upheld this barbaric



sentence.

In all the trials he has presided over, Weckstein repeatedly let the prosecution introduce highly inflammatory and prejudicial evidence, while prohibiting the defendants from presenting evidence on their behalf.

### **A political railroad**

All the Virginia prosecutions of LaRouche's associates were nothing more than a political vendetta run by Virginia Attorney General Mary Sue Terry, from the beginning. Terry coordinated her prosecution with other politically motivated prosecutions of the federal government and other states. These prosecutions occurred at precisely the time that the political influence of the LaRouche movement was growing most rapidly in the United States. The Reagan administration had adopted LaRouche's proposal for a Strategic Defense Initiative, which brought demands from the Soviet government of Yuri Andropov and then Mikhail Gorbachov for a U.S. government crackdown against LaRouche. Additionally, LaRouche candidates were winning elections in Democratic primaries in many states, notably Illinois, where they won the primary race for lieutenant governor and secretary of state.

On Oct. 6, 1986, the state of Virginia joined over 400 law enforcement officers in a pre-dawn raid on the offices of several companies run by political supporters of LaRouche in the town of Leesburg, Virginia. The raiding party was accompanied by fixed-wing aircraft, armored personnel carriers, helicopters, and SWAT teams. Several truckloads of documents were seized.

On Feb. 17, 1987, sixteen Virginia defendants were charged with failing to register as securities brokers, and selling of unregistered securities with intent to defraud. The so-called securities brokers were political activists raising money for campaigns and publishing activity in support of Lyndon LaRouche and his movement. They had never represented themselves as anything else. Never before had political loans been considered "securities" in Virginia.

It was only after the 16 associates of LaRouche had been indicted and arrested in a nationally televised roundup that the State Corporation Commission determined that political loans were "securities." In hearings held just days after the arrests, the chairman of the commission, Elizabeth Lacy, said that "this is a case of first impression" in Virginia. Terry's prosecutions depended on a favorable ruling from Lacy. After she gave the go-ahead to Terry's railroad, Lacy received an appointment to the Virginia Supreme Court.

Terry made the "LaRouche" cases a major campaign issue, bragging about her prosecutions during her 1989 reelection campaign. Terry's motivations were so transparent that even the FBI, in a September 1986 memo, characterized Terry as "politically motivated."

In 1992, some of the illegal activities of Mary Sue Terry's

## **International outrage**

The "LaRouche" cases have become an international human rights scandal, while the Virginia judicial system in general has drawn harsh criticism from abroad, because of the arbitrary application of the death penalty and the cursory nature of judicial proceedings.

As of Jan. 20, over 270 parliamentarians from around the world had signed a letter to President Clinton protesting the incarceration of LaRouche. The case has also been addressed as a human rights violation with the United Nations Human Rights Commission in Geneva.

On Aug. 16, 1993, the International Progress Organization, an Austrian based non-governmental organization, presented the Virginia case of Michael Billington and his co-defendants as a human rights violation before the Sub-Commission on Prevention of Discrimination and Protection of Minorities of the U.N. Commission on Human Rights.

Gail Billington, the wife of political prisoner Michael Billington, has addressed human rights leaders and legal scholars in Thailand, India, the Czech Republic, Slovakia, Denmark, France, Germany, and Mexico. John Ascher, the husband of political prisoner Rochelle Ascher, has addressed similar groups in Colombia.

prosecutions began to come to light. It was then that former Loudoun County Deputy Sheriff Don Moore, who was a chief investigator for Terry's railroad, came under investigation by the FBI for conspiracy to kidnap Lewis du Pont Smith and his wife Andrea Diano Smith, both financial and political supporters of LaRouche. Moore had teamed up with Galen Kelly, a kidnapper with the Cult Awareness Network, and E. Newbold Smith, Lewis du Pont Smith's father, in the kidnap plot. An FBI undercover informant secretly tape recorded more than 60 hours of conversations among the conspirators.

On those tapes, Moore admitted to committing crimes on behalf of Mary Sue Terry in order to "get" LaRouche and his associates. After reviewing the tapes, attorneys for some of the defendants filed a 40-page "Omnibus" motion, documenting that Moore had engaged in illegal breaking and entering, illegal searches and seizures, illegal wiretaps, tampering with witnesses, and suborning perjury (see *EIR*, May 7, 1993). When this evidence was brought before Weckstein, he wouldn't even grant the defendants a hearing on the matter.

# ADL spy scandal just won't go away

by Jeffrey Steinberg

Despite a no-holds-barred arm-twisting and public relations campaign by Anti-Defamation League attorneys, media apologists, and power brokers, the San Francisco ADL spy scandal which came under investigation by law enforcement authorities last January just won't disappear.

Throughout the summer, according to sources close to the office of San Francisco District Attorney Arlo Smith, a battery of ADL lawyers—all former U.S. Attorneys—attempted to strike a plea agreement that would avert felony indictments against senior League officials on charges ranging from illegal possession of confidential government data, to tax evasion, to foreign espionage. In May, a co-conspirator in the case, former San Francisco Police Inspector Tom Gerard, was indicted on five California state felony counts, and the indictment specified similar criminal acts by longtime ADL undercover snoop Roy Bullock. Neither Bullock nor ADL officials Irwin Suall, Mira Lansky Boland, Richard Hirschhaut, Judge Bruce Hochman, and David Lehrer have been indicted yet, although all have been identified as key players in the West Coast spy ring, and Assistant San Francisco District Attorney John Dwyer told reporters earlier this year that the ADL's Fact Finding Division, headquartered in New York City, was at the center of the criminal conspiracy.

In fact, sources close to the San Francisco probe report that the "mother lode" of illegally obtained spy data is maintained at the ADL's national headquarters in New York City, where there is reportedly a large file room containing microfilm copies of data on over a million American citizens.

On April 8, 1993, simultaneous with the raids on ADL offices in San Francisco and Los Angeles, the San Francisco Police Department released over 700 pages of documents, including copies of computerized lists of more than 950 organizations found in the personal computers of Bullock and Gerard. Among the groups spied on by the ADL were such diverse outfits as the National Association for the Advancement of Colored People (NAACP), the Rainbow Coalition, the National Lawyers Guild, the United Auto Workers, the United Farm Workers, *EIR* magazine, the Liberty Lobby, the gay rights group Act-Up, and the American Civil Liberties Union (ACLU). Dozens of Christian churches were list-

ed, as were a number of members of the United States Congress. Subsequently, former ADL employees came forward to confirm that the ADL had routinely spied on the late Dr. Martin Luther King, Jr., whom the ADL despised as a "loose cannon" who would allegedly make trouble in the Deep South.

## Plea negotiations at a standstill?

The Sept. 3, 1993 issue of the bi-monthly *Jerusalem Report* indicated that plea negotiations between District Attorney Smith and ADL lawyers had broken down over ADL demands that the tens of thousands of files seized in raids on ADL offices in Los Angeles and San Francisco in December 1992 and April 1993 be returned to the League. Assistant DA Dwyer reportedly told ADL lawyers that those files constituted key evidence in several ongoing civil litigations against the ADL, and that he could not in good faith return the material, knowing that the ADL would attempt to conceal it from the civil plaintiffs to avoid fines and damages that could amount to tens of millions of dollars.

San Francisco police have reportedly sent out letters to 30 police and sheriffs' departments across the United States informing them that confidential material from their files was found during the raids on the ADL California offices.

As the result of the breakdown in the plea talks, ADL attorneys and top officials are confronted with some very difficult decisions. As the *Jerusalem Report* noted, a felony trial could last for as long as four years and would do irreversible damage to the group. The ADL could lose its cherished and wholly unlawful tax exempt status with the Internal Revenue Service. What's more, there are growing indications that some of the 30 other jurisdictions where ADL theft of classified police data is alleged, are carrying out investigations that could open up new prosecutions.

In Los Angeles, Police Chief Willie Williams has promised that he will fully disclose the results of the LAPD probe of possible ADL theft of data. Recently, the *Los Angeles Times* reported that an investigator with the city's Police Commission, Robert Bauman, was suspended for ten days for stealing hundreds of computer files. Among the people whose confidential data were tapped by Bauman were White Aryan Resistance (WAR) head Tom Metzger and Hollywood actor Arnold Schwarzenegger. Schwarzenegger recently successfully sued a London publication that accused him of being a Nazi sympathizer.

ADL attorneys were put on notice by Assistant San Francisco District Attorney Dwyer on Sept. 10 that the clock is running out on their plea negotiations. At a hearing before Superior Court Judge Lenard Louie to set guidelines for the release of files seized from the ADL offices in December 1992, Dwyer told the court that his office is near completion of its review of the criminal investigation. Dwyer informed the court that he expects to make a final decision by Nov. 9 on whether to hand down further indictments. Nov. 9 is the

date that the next grand jury is impaneled in San Francisco. In controversial cases like the ADL spy probe, the district attorney has the prerogative of taking his evidence to a grand jury to obtain a true bill. Normally, a DA will simply issue a criminal complaint, which is then automatically reviewed by a judge before any felony case goes to trial.

Should the ADL drop its demand for the return of the seized files and accept a plea bargain, it will still be confronted with at least two major civil actions, in which its officials stand to be exposed for their illegal spying and dirty tricks against their "political enemies."

### **McCloskey suit in discovery phase**

The California state class action suit filed last April against the ADL by former congressman Paul N. McCloskey, Jr. (*Audrey Parks Shabbas, et al., v. Anti-Defamation League of B'nai B'rith et al.*, No. 951031) is now moving into the pre-trial discovery phase. On Sept. 13, McCloskey filed a 25-page memorandum in opposition to the ADL's efforts to avoid production of documents and witnesses on the grounds that the ADL is a "news organization" protected by California's shield law.

The McCloskey filing pointed out that even under the most liberal interpretation of the shield law, criminal conduct is not protected. Furthermore, McCloskey documented a number of cases in which ADL espionage and "fact finding" were not intended for publication, but rather at covert dirty tricks which in some cases resulted in loss of jobs, physical threats, and damage to professional reputations of individuals.

Six of the plaintiffs in the case submitted affidavits which were appended to the pleading. In each instance, the plaintiffs detailed harassment that they personally had suffered at the hands of the ADL.

● Audrey Parks Shabbas, the wife of Baba Shabbas, former president of the Arab-American University Graduates and a consultant on Arab culture, was hired by the San Diego Museum in March 1984 to organize a workshop for teachers on a Smithsonian Institution exhibit on "Traditional Crafts in Saudi Arabia." She was asked to hire a number of local professors to deliver a series of lectures. On the eve of the exhibit and the workshop series, she was abruptly informed that the entire program had been cancelled. What Shabbas did not know at the time is that two of the professors she had hired for the lectures appeared on a confidential "black list" prepared by the New England office of the ADL, identifying individuals and organizations in northern California that had "mounted campus campaigns against Israel." That black list had been presented to the chairman of the museum by an ADL activist, who threatened that the program would present "a problem in the Jewish community." Eventually Mrs. Shabbas successfully sued the museum and the ADL.

In November 1984, Audrey Shabbas was scheduled to give a lecture at the annual meeting of the Middle East Studies

Association in San Francisco. The lecture was cancelled after ADL Education Program Executive Frances Sonnenschein met with the board of directors of one of the MESA-sponsoring organizations and demanded that she be removed, because "we should not have people sympathetic to the Arab point of view on any panels."

In March 1988, a similar lecture by Mrs. Shabbas at the California Council for Social Studies was cancelled at the last minute after Marjorie Green of the ADL's Los Angeles office pressured board members. A week after the meeting, the ADL launched a letter-writing campaign directed at the principal of the Castro Valley public school where Shabbas was teaching. Her contract was not renewed for the next school year.

● Helen Hooper McCloskey, wife and former press assistant to ex-Representative McCloskey, discovered in 1984 that the ADL had written an internal memo to all regional offices on March 1, 1983 instructing them to monitor all public speaking engagements by the congressman. The ADL memo included a number of statements by Representative McCloskey that were wildly misrepresented as "anti-Israel diatribes." At many public appearances, the ADL organized picket lines, and on a number of occasions, the ADL managed to have speaking engagements cancelled.

Mrs. McCloskey learned in March 1993 that, among the documents seized by the San Francisco police in raids on the ADL offices, were reports on her travels in the Israeli-occupied West Bank during the early 1980s. The reports were apparently provided to the ADL by Israeli government agencies.

● Colin Edwards, a longtime San Francisco Bay Area radio commentator, did a series of documentary broadcasts on the Middle East situation for KPFA in Berkeley in 1970. Within days of their airing, the studios were shot up, Edwards received five death threats, and his car was riddled with bullets.

In June 1992, Edwards was fired from his weekly news commentary broadcast on KALW-FM, a public radio station owned by the San Francisco Unified School District. He subsequently learned that his firing was the result of a several-week-long campaign by the ADL's Bay Area office, led by Assistant Director Nancy Diner, to have him removed after he aired several commentaries criticizing the \$10 billion in proposed U.S. loan guarantees to Israel and questioning the appropriateness of California State Sen. Quentin Kopp's service in the Israeli Defense Force Reserves while serving in the California legislature.

A hearing is scheduled for Oct. 6 in San Francisco, where a decision is expected on whether the ADL's motion for a protective order against discovery will be upheld. On Oct. 1, Judge Louie will spell out procedures for the unsealing of some of the documents seized in the ADL and Bullock raids. By that time, a new federal civil rights suit is expected to have been filed against the ADL in federal court in Los Angeles.

# OBE in action: a day in a Michigan school

by Lisa Morency

*On Sept. 14, Lisa Morency of Livonia, Michigan attended her child's classes in public elementary school for two and a half hours, to get a first-hand view of what is taking place there, in view of the national controversy raging over outcome-based education (OBE) and related New Age "reforms." The Livonia Public Schools are implementing a curriculum guided by the Michigan State Model Core Curriculum Outcomes. Lisa's son is in what is called "third/fourth split." "It's worse than I had read about or thought it would be," Mrs. Morency concluded. Here is her report:*

The first thing I noticed is that there were *no textbooks*. The principal told me that there are no textbooks in any of the classes. This is the new education, the principal said, all smiles. The teachers work from a manual.

My son is in a program called Alternative Classroom for the Academically Talented (ACAT). This is supposed to be for accelerated learning students who have achieved a 95% or above reading and math score in a test given at the end of the second grade. I noticed one student who could not do simple arithmetic, even though this was supposed to be a class of high achievers.

At 8:30-9:00 a.m. the students were involved in solving a "Poser." They were given a problem and told that there are many ways to get answers to problems that are not simply mathematical answers. The question of the day was, "How do you get a toad out of your pocket?" The students were encouraged to work the problem out together. Many of them appeared bored and distracted. Students weren't even listening to the teacher most of the time, but the teacher did not acknowledge this.

## 'Doing your own thing'

The next activity was "Math Lab," from 9:00-10:30 a.m. The students had several choices. They could choose a game called Mini-Computer Math Game, which did not involve computers. Second was a game called S/Math, a game like Scrabble, but using math instead of letters. The third one was playing with blocks broken into units; the children were to add up how many of the different types of blocks were in each unit. This method of counting is called "Math Manipulative," which means having the physical objects in your hand as you count them. It may be useful for students at a much younger age, but most of these students should have already surpassed

that stage. Most of the children paid no attention. Many wandered into the halls to get their lunch boxes and started eating at 10:00 a.m., and the teachers said nothing about this.

The scene was truly one of everyone doing their "own thing," with no one feeling obligated to answer or follow through on even what they had allegedly chosen to get to work on. One student came up and told the teacher he didn't think any of this was worthwhile, which forced the teacher to assign him to one of the activities.

Then from 10:30-11:00 a.m. was "Quiet Reading Time." You can read wherever you want to. One of the students decided to crawl under the teacher's desk and spend his "Quiet Reading Time" there. This was perfectly acceptable to the teacher. She moved a box that was there to "make him feel more comfortable" while he was there. Needless to say, the "quiet" period was not very quiet. The teacher proceeded to put on an audiotape of a flute with birds chirping in the background. Very little reading went on among the 27 students. Again, many wandered unchallenged into the halls to eat or hang out, with no objections raised.

At 11:00 a.m. the students went to lunch. The lunch room was noisy and chaotic. After lunch was recess and then "Family Time," which included third, fourth, and fifth grade classes brought together for half an hour of "getting to know each other's activities." After this was gym class, which was exercises accompanied by rap music on a loudspeaker.

After this was half an hour of "Journal," which is supposed to be a true and personal account of an appropriate topic related to the child's thoughts and personal experiences. My son was uncomfortable, because he did not want to tell the teacher about his personal feelings. In the teacher's written explanation of this program that was sent home to the parents, a "Rubric" is attached which outlines the skills and behavior teachers will observe as the child engages in journal writing. The main emphasis of the "Rubric" is on whether the child is "consistent" or "inconsistent." It will also be determined whether the child has a "positive attitude" or not.

In conclusion, let me add that I saw no American flags at all in the school. The flagpole outside is bare, and there are no flags in the classrooms. The only flag I saw was a large DARE (Drug Abuse Resistance Education) banner in the gym, which is also the lunchroom.

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## Documentation

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*According to literature published by the Livonia, Michigan Public Schools, the curriculum for gifted children is based on Barbara Clark's Integrative Education Model (IEM). Clark is a professor at California State University, where she is coordinator for graduate programs in the area of Gifted Education. She is the author of Growing Up Gifted, a book whose foreword was written by Marilyn Ferguson, the editor and publisher of Brain/Mind Bulletin and the author*

of *The Aquarian Conspiracy* and *The Brain Revolution*. According to Ferguson, Clark's book "describes the emergent discipline known as transpersonal education, a cutting edge of the dynamic model of intelligence; it explores the relevance of biofeedback training, sensory awareness, accelerated learning techniques, 'centering' activities, and research in states of consciousness."

With this program, the exploration of "states of consciousness," introduced into the United States by Aldous Huxley and the rock-drug-counterculture movement, has entered the public school system.

Here is how the Livonia public schools' literature describes the program that Lisa Morency saw in action (grammatical and spelling errors in the original text have not been corrected):

Clark uses recent knowledge of the brain and its functioning to suggest strategies to optimize learning for children. The following are basic to our classrooms:

I. *The Responsive Learning Environment*. This component requires that the environment be viewed as a support for optimizing learning. Within this component is a concern for both the social-emotional environment and the physical environment. The teacher, the parent, and the student are seen to be a team in achieving effective learning.

II. *Relaxation and Tension Reduction*. The human brain processes more and retains information longer when tension is reduced. Strategies for reducing tension are important tools

for both teachers and learners.

III. *Movement and Physical Encoding*. The use of the physical/sensing function of the brain provides support for learning by increasing understanding and retention of concepts, thus movement and physical encoding strategies are considered an important part of the teaching process.

IV. *Empowering Language and Behavior*. The brain uses emotions to trigger the production of biochemistry to enhance or inhibit the thinking functions. IEM encourages the use of language and behavior that empowers learners; between the teacher and the learner, and among learners. This component includes strategies which build community and positive interpersonal and intrapersonal communication.

V. *Choice and Perceived Control*. Choice and perceived control play an important part in the success and continued achievement of the learner. Strategies that build skills of decision making, ability to align personal and school goals, and foster alternative thinking and self-evaluation are encouraged. The teacher must include choice in the environment and in the learning experiences if optimal learning is to be achieved.

VI. *Complex and Challenging Cognitive Activities*. Because there are at least two ways to process thinking, opportunities must be provided for learning that allows use of both linear, rational and spatial, gestalt processing. By providing novelty, complexity, variety, and challenge in the classroom as the standard for each lesson the education process becomes more brain compatible.

## Stop the cult of 'political correctness'

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## Congress must act to open PLO office in Washington

The U.S. Congress must act before the Palestine Liberation Organization (PLO) will be able to re-open its offices in Washington, State Department spokesman Michael McCurry reported on Sept. 17. "There is current legislation on the books which prohibits the establishment of a PLO office in the United States," said McCurry, referring to a law passed by Congress in 1990 which ordered the closing of offices the PLO maintained in Washington and New York.

In order to permit the White House signing of the PLO-Israel agreement on Sept. 13, President Clinton authorized renewal of official U.S. contacts with the PLO. According to McCurry, a State Department analysis of legislation dealing with the PLO had turned up six laws that bar PLO operations in the United States. McCurry said that the administration indicated that it was "willing to address those restrictions in a way that would allow us to continue a dialogue that would be valuable to the peace process." Since it involved legislation passed by Congress, however, McCurry added, there "does have to be a formal addressing of these issues by Congress itself." McCurry said that the administration would be "consulting" with Congress on this matter.

## Clinton sold out Bosnia, McCloskey charges

In hearings on Sept. 15 before the House Foreign Affairs Committee, Rep. Frank McCloskey (D-Ind.), one of the prime advocates in the U.S. Congress of action to halt Serbian genocide against Bosnia, lambasted Assistant Secretary of State for European and Canadian Affairs Stephen Oxman for the Clinton administra-

tion's sellout of Bosnia.

McCloskey queried Oxman as to how the United States could reward Serbian war criminals for their aggression in Bosnia by supporting the "dismemberment and partition of Bosnia." McCloskey said that this was a contradiction of explicit U.S. policy during the entire Bosnian crisis and a violation of "all of our treaty obligations and principles."

Oxman attempted to defend administration policy by claiming that it had steadfastly supported a "negotiated settlement" and had "strongly urged" the Serbs and Croats to show greater flexibility in responding to Bosnian demands for more territory and access to the Adriatic Sea. Oxman whined that the administration could not "take a specific position on specific map issues or specific territorial issues" since "this is not our negotiation."

In fact, while the administration has formally claimed it supported the "territorial integrity" of Bosnia-Herzegovina, it has continually backed away from providing any military support to the Bosnians to defend that "integrity" as the Serbs (and later the Croats) began devouring the territory of the Bosnian state. McCloskey scored the administration for refusing to label the systematic killing of Bosnians and expropriation of their homes as "genocide." U.S. policy, McCloskey said, "is putting a gun to [Bosnian President Alija] Izetbegovic's head to accept this non-settlement that will be the death of his country."

## Black Caucus, NOI agree to closer collaboration

The Congressional Black Caucus and the Nation of Islam, led by Minister Louis Farrakhan, announced that they were establishing a more formal

working relationship, at the conclusion of the Congressional Black Caucus's (CBC) Legislative Weekend in Washington on Sept. 16. Farrakhan was a guest speaker at the Caucus-sponsored town hall meeting entitled "Race in America."

"We want the word to go forward today to friend and foe alike that the Congressional Black Caucus, after having entered into a sacred covenant with the NAACP [National Association for the Advancement of Colored People] to work for real and meaningful change, will enter into that same covenant with the Nation of Islam," said CBC Chairman Rep. Kweisi Mfume (D-Md.).

The Nation of Islam in Washington, D.C. has gained a well-deserved reputation for their effectiveness in cleaning up housing complexes overrun by the drug trade, generally recognized as the number-one threat to the black community, and has also played a prominent role in the fight against AIDS. In a declaration of unity that brought a standing ovation from the 3,500 people in attendance at the meeting at the Washington Convention Center, Mfume said, "No longer will we allow people to divide us." CBC membership increased 50% in the last election.

## Gephardt comes out against NAFTA

House Majority Leader Richard Gephardt (D-Mo.), after giving qualified support to the North American Free Trade Agreement (NAFTA) up to now, despite heavy pressure from his trade union base, announced on Sept. 21 that he couldn't support the treaty in its current form. Gephardt had wanted assurances that the administration would implement a job retraining program in exchange for his

support for the treaty.

President Clinton put the battle for the agreement with Mexico into high gear on Sept. 14. This followed entreaties by free-trade Republicans facing constituents enraged over the threat of losing their jobs, who complained that Clinton was not doing enough to fight for a treaty which he supported.

In Lansing, Michigan on Sept. 18, Ross Perot, Sen. Donald Riegle (D-Mich.), Rep. Marcy Kaptur (D-Ohio) and Rep. Helen Delich Bentley (R-Md.) called on Congress to reject the accord. Michigan was chosen because of the threat to the automotive industry. Riegle, who is facing a tough reelection campaign next year and has a predominantly blue-collar constituency, urged voters to reject for reelection any congressman who votes for NAFTA.

## Simon pushes 'balanced budget amendment'

Sen. Paul Simon (D-Ill.) is again pushing a "balanced budget amendment" to the U.S. Constitution, attempting to rally the 67 Senate votes needed for passage. The proposal is a popular "solution" to the nation's budget deficit which would entrench into the Constitution the very same foolish policies which caused the deficit to go out of control.

When a coalition of Republicans and conservative Democrats tried to pass similar legislation last year, the measure lost by only nine votes. However, an influx of freshmen congressmen has supposedly increased chances for passage this year.

A number of senators are beginning to feel that support for such an amendment might garner them some sympathy from angry voters. Simon says that he has a commitment from

Senate Majority Leader George Mitchell (D-Me.) to let the measure come to a vote before the scheduled October adjournment.

## Gonzalez wants more laws against red-lining

Rep. Henry Gonzalez (D-Tex.), chairman of the House Banking Committee, is proposing the enactment of anti-red-lining legislation for non-bank financial institutions. Red-lining is a banking practice which defines a poor area and says, "We're not making any loans here."

In a speech to a Federal Reserve Bank of Dallas conference in San Antonio on Aug. 24, Gonzalez called for the law, which currently affects banks and thrifts, to be amended to include credit unions and other non-bank banks such as mortgage and insurance companies, according to an *American Banker* article printed in the Aug. 30 issue of *Investor's Business Daily*.

"Why should other credit-granting institutions be exempt" from the anti-red-lining provisions of the Community Reinvestment Act (CRA), he asked.

"As part of any consideration of banking reforms, Congress ought to consider expanding the scope of CRA to bring these institutions under its umbrella. . . . As major providers of credit, I believe these institutions have an obligation to help meet the increasingly critical needs of distressed communities," Gonzalez said.

Gonzalez urged banks to look at such legislation as a useful self-policing mechanism. "Not many banks currently see CRA as a process of useful self-examination," he said. "Most see it as a pestilential requirement to have so many community meetings and document such and such outreach effort—a kind of file-stuffing require-

ment." Instead, he said, the act should be "a little watchdog on the corner that reminds us all that the cornerstone of sound banking is the humble, hard toil of working with your neighbors to see how best to serve the community."

## Tsongas, Rudman push cuts in entitlements

A couple of Senate has-beens, Paul Tsongas and Warren Rudman, have hit the campaign trail, calling for scaling back Social Security and Medicare benefits. The campaign of the less-than-dynamic duo was launched on Sept. 20 in Washington before a clock allegedly recording the increase in the budget deficit.

At the same time, their Concord Coalition issued a budget plan and report which advocates a balanced budget by the turn of the century. Reducing entitlements to middle- and upper-income people, according to the report, is "the only realistic way to get control of the deficit." The report claims that "means testing" and other entitlement changes would save \$118 billion between now and the year 2000. The plan also calls for \$7 billion of additional defense savings; eliminating \$19 billion in domestic programs, including the space station and the superconducting Super Collider; limiting mortgage interest deductions; and \$71 billion in additional tax revenue.

The coalition is beating the drums as Congress begins to discuss the administration's national health care proposals and considers other spending cuts to supplement the anti-deficit package approved in August. Although entitlements have been off-limits until now in the "slash-and-burn" deficit reduction debate, the Tsongas-Rudman team would like to make this a target for gouging.

# National News

## Calls renewed for Mars colonization

In a *New York Times* commentary on Sept. 18, S. Fred Singer, director of the Science and Environmental Policy Project, called for sending manned space probes to Mars, in the wake of the failure of the scaled-down, unmanned Mars Observer probe. Citing Space Station Freedom as the key, Singer said that its main justification should be to prepare for the exploration of Mars. After a manned space lab orbits Mars for weeks or months, the data gathered could be used to determine whether the moons of Mars can be mined for raw materials.

Singer concluded: "Inevitably, manned exploration and habitation of the red planet would follow. There are even plans afoot for 'terraforming' the Martian atmosphere to make it livable for earthlings. It would be tragic if the setbacks and mistakes of the last 20 years dampened the Senate's enthusiasm for the great human adventure of space exploration."

The colonization of Mars also received surprisingly favorable coverage during Cable News Network coverage of the Shuttle space walk. When a caller asked reporter John Holliman how long it would take to get to Mars, Holliman breezily revealed that he had discussed the matter with Vice President Dan Quayle, when Quayle was also head of the National Space Commission. The vice president said he had planned to have a man on Mars by 2025, and that it would only take four months to get there if spacecraft used an atomic-powered rocket engine.

## Nat'l Symphony refuses to cross picket line

The strike of the Washington, D.C. Opera Orchestra against the Kennedy Center management entered a new phase, when the members of the National Symphony Orchestra refused to cross the picket line in mid-September. With NSO members now walking the picket line every night, NSO General Manager Stephen Klein announced

Sept. 13 that the official opening of NSO season Sept. 16-18 was being cancelled. "There's not going to be any live music at the Kennedy Center until this strike is settled," Opera Orchestra spokesman Melanie Mattson said on Sept. 16. The Boston Ballet and San Francisco Ballet, due to open Oct. 12 and 19, are expected to honor the picket line. "They're going to have rather strong feelings about dancing 'Swan Lake' to nothing but a tape," she said.

Management in many other cities are also making demands that unionized orchestras be phased out. The Philadelphia Orchestra is on the verge of a strike; the Milwaukee Symphony is already on strike, as is the Honolulu Symphony. Strikes are also likely at the San Antonio Symphony and the St. Paul Chamber Orchestra in Minnesota, musicians report. The Kennedy Center strike "appears also to be a dry run for a major management attempt to bust the orchestra unions in New York City by forcing a long strike on Broadway," a union source stated. Local 802 of the American Federation of Musicians is now in negotiations with the League of American Theatre Producers over the contract with orchestras at all Broadway theaters. Management let the "All-Broadway" master contract expire Sept. 12, and a "cooling-off period" expired at midnight Sept. 18.

## OBE programs picketed as schools opens

Activists who have vowed to shut down "outcome-based education" (OBE) programs in American schools picketed selected schools in Virginia and Pennsylvania where these programs are being imposed. A key weapon in the growing national opposition has been a pamphlet issued by *New Federalist* newspaper, "Will You Allow Your Child To Be Spiritually Molested?" which includes an introduction by Lyndon LaRouche. Many programs, under names such as "Atlas" or "Cozi," operate with corporate or foundation backing, as local education budgets evaporate.

• Five people picketed Norview High School in Norfolk, Virginia to protest the "Atlas" project at its home base. One parent,

who had fought against sex education six years ago, reported to protesters that her children come home and tell her, "We don't have to listen to you anymore, we have our own values."

• Protesters at nearby Bowling Park Elementary were told by a local reporter that the school principal is saying that they may have to modify the Common Core curriculum but they will never give back the grant money, or terminate the "Cozi" program.

• The Ambridge, Pennsylvania school board's September meeting was picketed by activists, who exposed the fact that next year's curriculum includes instruction in so-called extra-sensory perception for the fifth grade.

• The school board meeting in Phoenixville, near Philadelphia, was also picketed, where activists briefed parents on Virginia Gov. Douglas Wilder's declaration shutting down some of the state's OBE programs.

## Report terms Holtzman 'grossly negligent'

A New York City investigation reported that City Comptroller Elizabeth Holtzman committed "gross negligence" when her 1992 campaign for U.S. Senate took a \$450,000 loan from Fleet Bank; she later approved the bank as the underwriter of New York City bonds. Holtzman, as U.S. congressman in 1978, wrote the legislation establishing the so-called Nazi-hunting unit of the Justice Department, the Office of Special Investigations.

Holtzman blocked the release of the city's Department of Investigation report until the last minute. The report was finally released on primary election day, Sept. 14. Assemblyman Alan G. Hevesi, who narrowly defeated her in the primary, faces Holtzman in a runoff on Sept. 28.

Holtzman continued to lead the fight to have the U.S. Justice Department prevent OSI victim John Demjanjuk from returning to the United States, after the Israeli Supreme Court acquitted him of Nazi war crimes. Demjanjuk has been an innocent target of the OSI for 16 years.



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## American Jews back PLO-Israel accords

Among the great majority of American Jews who support the PLO-Israel agreement, Rabbi Alexander Schindler, president of the Union of American Jewish Congregations, wrote a "Memo to a Hawk" opinion page column in the Sept. 17 *New York Times*, admonishing neo-conservative Norman Podhoretz to get on board. He tells Podhoretz, the editor of *Commentary*, who has vehemently denounced the accord: "You backed Begin. Now, back Rabin. . . . From American Jews [Israeli leaders] deserve fervent prayers at the very least—not muttered curses from those who, within the safe haven of these shores, still deify land over life."

In the same issue, columnist Anthony Lewis reported that American Jewish Congress head Robert Lifton just returned from Israel, where he found that friends of his, conservative businessmen who had voted for the Likud party in the last election, are now excited about the economic potential of peace.

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## Farmers continue milk lift for Iraqi children

A group of American farmers announced on Sept. 17 from Sioux Falls, South Dakota that they were sending a fifth shipment of non-fat dry milk powder to children in Iraq, who are still being starved by the continuing United Nations embargo. The shipment is being organized by local grain farmer Ronald Wiczorek.

The farmers' "milk lift" started in October 1991, as an alternative to ineffective farmer protests against low prices, such as dumping milk. The milk lift is intended to save the lives of innocent children and to protest the use of food as a weapon, as well as to dramatize the desperate economic condition of independent farmers in the United States.

The milk lift is being coordinated by the Committee to Save the Children in Iraq,

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founded in 1991 by His Beatitude Raphael Bidawid, Patriarch of the Chaldean Catholic Church; Helga Zepp-LaRouche, founder of the Schiller Institute; and Dr. Hans Koechler of the International Progress Organization.

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## Du Pont Co. attempting to break coal strikers

Consolidation Coal (Consol), the de facto leader of the Bituminous Coal Owners' Association (BCOA), is moving toward bringing in scabs to break the four-month-long strike against them and a handful of other companies by the United Mine Workers (UMW), according to sources in southwest Virginia. Action to replace the 1,000 striking miners at Consol's three mines in Buchanan County would greatly heighten tensions in this area.

Efforts by governors of the states where the strike is occurring have succeeded in restoring bargaining, but brought no resolution of the issue which led to the strike: BCOA's violation of agreements to hire a certain percentage of laid-off union workers at non-union mines.

Day-long sympathy strikes for the miners were held at mines in South Africa and Australia in August. Independent gubernatorial candidate Nancy Spannaus has called for international support for the UMW strikers.

UMW head Richard Trumka just completed a tour of the striking areas, seeking to rally the miners, but warning against any outbreak of violence on the picket lines, if scabs begin to cross the lines.

The impetus behind the union-busting effort must be laid at the door of the Du Pont Co. which owns 50% of Consol, and the leading power within Du Pont, Edgar Bronfman. Under Bronfman, the Du Pont group is on a deindustrialization tear throughout the United States. Hundreds of layoffs have been announced at the company's Virginia factories, in addition to the assault on the coal miners' union. Bronfman, who lives in the Charlottesville area and is the international chairman of the organized crime-linked Anti-Defamation League (ADL), has given \$10,000 directly to Democratic candidate Mary Sue Terry in the Virginia gubernatorial election.

## Briefly

● **THE ASBESTOS SCARE** in New York City schools was described as a "needless" worry that detracts from more serious problems, according to a report issued on Sept. 17 by the Environmental Health and Safety Council of the American Health Foundation. UPI quoted council director Dr. Gary Williams that "issues such as environmental asbestos exposure are of little significance compared to the important consequences of disrupting the education of children."

● **FORMER CANCER** patient Gregory Maas, the chief executive of incurably ill For Animal Research (i-FAR), visited Houston in September to organize support for the use of animals for medical research. He spoke to about 200 doctors, nurses, and patients at the M.D. Anderson Cancer Center about the need to counter the propaganda of the animal rights movement. "We have a silent majority, and we are being defeated by a very vocal minority," Maas told them.

● **'MORTAL KOMBAT'** is the name of the latest violent video game released on Sept. 13 by Sega. The children's game, being promoted for the Christmas holiday, allows the winner to shoot an electrical jolt into the loser, making his head explode; ripping out the loser's beating heart; or pulling off his head, with the spine attached.

● **VIRGINIA'S EXECUTION** of Joe Louis Wise on Sept. 14 set a new U.S. record for executions in a single year, bringing the 1993 total to 32. More than 10 executions are scheduled between now and November in Texas alone.

● **CIVIL RIGHTS** activist Roy Perry has filed an official complaint with the Virginia State Corporation Commission against the Anti-Defamation League of B'nai B'rith. Perry is demanding the SCC remove the ADL's charter on the basis that its illegal spying and activity against Lyndon LaRouche contradicts its official purpose as stated in the charter.

## Editorial

### No 'free-market' health care

There's no doubt that Americans must have decent health care, but the plan which President Bill Clinton unveiled on Sept. 23 after a week of "bread and circuses" media hype, spells disaster for this country's health care system. While there are plenty of problems with today's health care system, most of the reform proposals which have been floated in recent years, including Clinton's, would pervert traditional care based on individual medical needs, and those defined by public health, into a system that would *institutionalize a fiscally derived and driven health care system*. And since the United States is now plunging into the deepest depression of this century, the plan would merely ensure that depression-driven "free-market forces" act with even more brutal efficiency to eliminate those who are deemed "unfit to survive."

Have no illusions about the significance of the huge proposed cuts in Medicare and Medicaid, which are supposed to help foot the bill for the plan. The "savings" will come through massive expansion of hospice death-camps as a substitute for intensive medical care, and through eliminating "futile treatment" to those whom we ought to have a moral commitment to try to save. Indeed, First Lady Hillary Clinton told radio talk show hosts that she has not told her husband yet, but she intends to include the so-called Living Will in the basic benefits package. These aspects, pioneered by the Nazi engenicists, far outweigh the proposed new Medicare prescription plan and long-term home care provisions, which were doubtless thrown in in order to secure the support of the American Association of Retired Persons.

Some basics of the Clinton plan:

*Aim:* Bring the rate of growth of health care costs down to that of the Gross Domestic Product by 1997, through "increasing competition, reducing administrative costs, and imposing budget discipline." So, if the economy is comatose, federal and state funds will be cut, much like what is happening in Canada and Britain.

The National Health Board, the President's seven hand-picked cronies, are to enforce whatever brutal

spending caps are necessary to bring health care costs into line with the GDP rate. This powerful board will enforce basic requirements for state plans, set the basic benefits package for the country, calculate premiums, and oversee state compliance with the budget. They can have all federal health appropriations withheld if states do not comply.

*Employer-based coverage:* All employers must provide coverage for employees, paying 80% of the premium cost of a basic package; the employee pays the rest. Employers' share is capped at 7.5% of payroll; companies with 50 or fewer workers will get subsidies if the average wage is below \$24,000 per year; the self-employed pay 100% of premiums. Companies of 5,000 or more employees can self-insure or join an alliance.

*Universal access:* Everyone is supposed to be guaranteed health care coverage with a basic package of benefits; everyone will pay something for that coverage. Everyone must enroll in a plan offered by the state-approved "health alliances" consisting of consumers and business (but not doctors), who negotiate prices with health care plans (made up of cartels of insurers, hospitals, doctors, nursing homes, etc). The alliances will rate and choose several managed care or HMO plans, and, if allowed, a fee-for-service plan for the area.

The basic benefits package costs the same for everyone, but an expanded package costs both individuals and employers more, and the employer is taxed if he provides it. No one can be turned down because of previous illness.

Some of that might sound nice to you, but it just won't work in a depression. There is simply no way that close to 39 million uninsured, 20 million underinsured, and 63 million temporarily uninsured are going to get decent treatment from a health system driven by the prevailing fiscal budget-cutting mania.

Our advice to our U.S. readers: Don't get emotionally caught up in the details of this media-orchestrated debate. Concentrate rather on getting everyone back to productive work, so that we can have an *expanding* tax base which can sustain a truly *human* health care system.

# SEE LAROUCHE ON CABLE TV

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## ALASKA

- ANCHORAGE—ACTV Ch. 40  
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## ARKANSAS

- LITTLE ROCK—Storer Ch. 18  
Tuesdays—9 p.m.  
Thursdays—8 p.m.

## CALIFORNIA

- E. L.A. to SANTA MONICA—  
Century Cable Ch. 3  
*Execution of Africa, Part 2*  
Thurs., Oct. 7—4:30 p.m.
- E. SAN FERNANDO VALLEY—  
United Artists Ch. 25  
Sundays—3:30 p.m.
- LANCASTER/PALMDALE—  
Jones Ch. 3  
Sundays—2 p.m.
- MODESTO—Access Ch. 5  
Thurs., Oct. 14—6:30 p.m.
- MTN. VIEW—MVCTV Ch. 30  
Tuesdays—4 p.m.
- SACRAMENTO—Access Ch. 18  
2nd & 4th Weds.—10 p.m.
- SAN FRANCISCO—  
CitiVision Ch. 51  
Fridays—8:30 p.m.
- SANTA ANA—Comcast Ch. 20  
Sundays—4 p.m.

## DISTRICT OF COLUMBIA

- WASHINGTON—DCTV Ch. 25  
Sundays—12 Noon

## FLORIDA

- PASCO COUNTY—TCI Ch. 31  
Tuesdays—8:30 p.m.

## GEORGIA

- ATLANTA—People TV Ch. 12  
Fridays—1:30 p.m.

## IDAHO

- MOSCOW—CableVision Ch. 37  
Wed.—7 p.m. (thru Oct. 27)

## ILLINOIS

- CHICAGO—Access Ch. 21  
*The Case of John Demjanjuk*  
Thurs., Oct. 7—9 p.m.  
*Stop U.N. Plans for One-World Govt.*  
Tues., Oct. 12—10 p.m.  
*America 2000?*  
Fri., Oct. 22—8:30 p.m.
- QUAD CITIES—Cox Ch. 4  
Mondays—9:30 p.m.

## INDIANA

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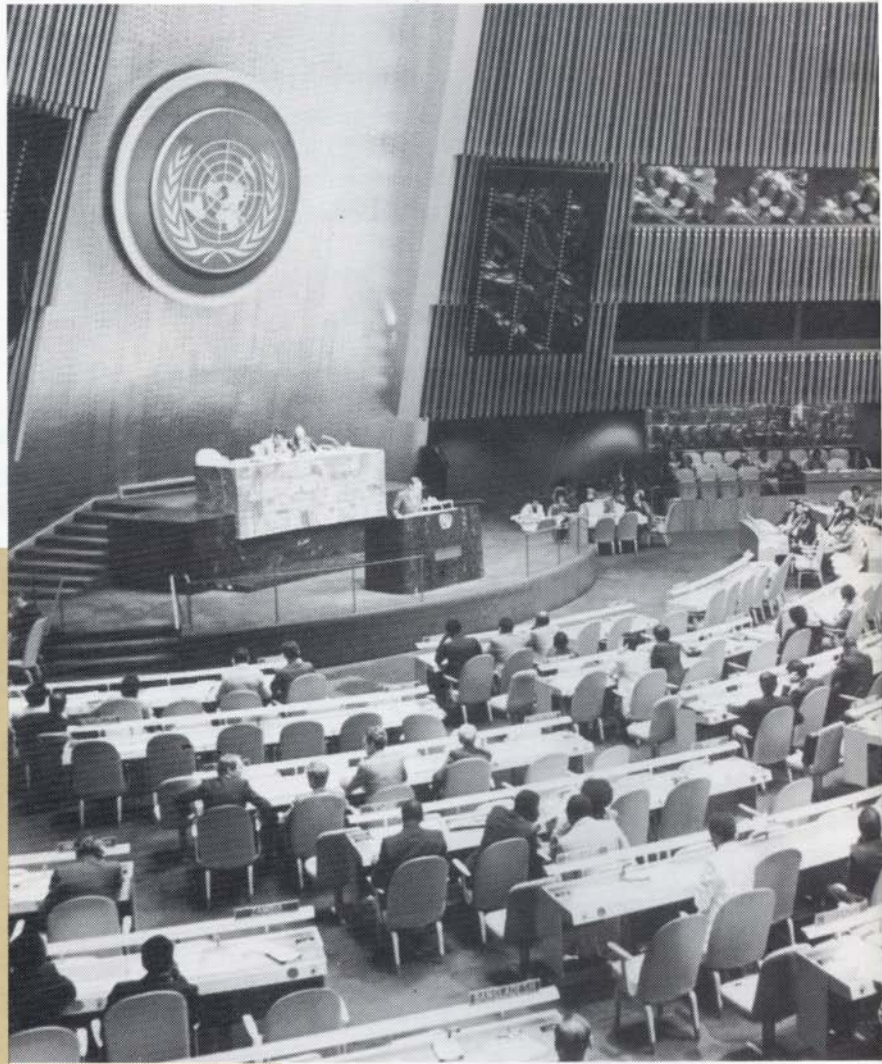
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