

# National News

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## U.S. Health Gap Widened 1998-2001

The difference in median net worth between the 10% of families with the highest incomes and the 20% of families with the lowest, jumped by 70% from the second half of 1998 through the second half of 2001, according to the Federal Reserve's Survey of Consumer Finances, a phone survey of about 4,000 families conducted every three years, released on Jan. 22 this year. The gap between whites and minorities, grew by 21%. Net worth is the difference between assets (such as bank accounts, stocks, bonds, retirement accounts, houses, vehicles, and business equity) and debts (mortgages, credit-card debt, loans). Stated another way, the median net wealth of the top earners, about 12 times that of lower-middle-income families during the 1990s, in 2001 surged to 22 times as much as that of the lowest earners.

Specifically, the net worth of families in the top 10% of incomes, skyrocketed by 69%, to \$833,600, in 2001 from \$492,400 in 1998; while the net worth of families in the lowest 20% of income, according to the survey, rose by 24%, to \$7,900. Median net worth for whites rose 17% to \$120,900, but fell 4.5% to \$17,100 for minorities.

The biggest gain in asset ownership, was in direct stock holdings.

At the same time, more people in the lowest income level had credit-card debt, and trouble paying bills. For the lowest 20% of income earners, the share of families with credit-card balances increased 5.8% to 30.3%; while the percentage of low-income households at least 60 days past due on a debt, increased to 13.4% in 2001, from 12.9% in 1998.

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## Economy Spreading Mosquito Diseases

Contrary to the impression given in the media that "global warming" will cause more mosquito-borne diseases, a bi-national study of dengue virus in the contiguous cities of

Laredo, Texas, and Nuevo Laredo, Mexico, found that economic, not climatic, factors are responsible for the spread of the disease. A multi-authored article in the January issue of the Centers for Disease Control journal *Emerging Infectious Diseases*, reported that although the incidence of dengue was higher in Nuevo Laredo, the mosquito carrier, *Aedes aegypti*, was actually more abundant in Laredo. The researchers examined this paradox, and found that the presence of air conditioning, intact window screens, and a greater distance between neighboring houses were the important factors in Laredo that protected the population from the disease-transmitting mosquito.

From 1980 to 1999, there were only 64 locally acquired cases of dengue in Texas, compared with 62,514 cases of dengue in the three neighboring Mexican states.

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## D.C. Bucks Parties, Wants First Primary

With one year to go before the first Presidential primaries of 2004 get under way, Washington, D.C. has jumped into the fray, trying to move its primary date to Jan. 10, 2004—before New Hampshire's traditional first-in-the nation primary. District Council member Jack Evans introduced a bill this week to move up the D.C. primary; all 12 Council members have signed on to co-sponsor the bill, and it is backed by Mayor Tony Williams as well. Councilman Evans said the District's ethnic mix better resembles the nation's electorate than that of Iowa and New Hampshire, which are largely white, with more homogeneous population.

The D.C. proposal would violate national Democratic Party by-laws that set the first legitimate primary date as Feb. 3. Democratic National Committee (DNC) chairman Terry McAuliffe has already rejected the idea in a conversation with Evans, and DNC spokesman Guillermo Medeses has said that Washington could lose 30 of its 38 convention delegates if it violated that rule.

New Hampshire Secretary of State William Gardner said that New Hampshire

might have to respond to a Jan. 10 primary in D.C. by moving its own primary a week or two earlier. New Hampshire's state law requires that its primary be at least seven days before that of any other state. Gardner did note that because the District of Columbia is not a state, the New Hampshire law might not apply directly.

Over the past few Presidential elections, states have sought to push their primaries and caucuses earlier in the year, in hopes of gaining some of the lustre long claimed by Iowa and New Hampshire. Virginia is one state that may switch to a primary to draw more of the spotlight, according to the *Richmond Times-Dispatch*, which reported that the DNC will vote soon on moving the start of the nominating season to January 2004, the earliest in party history. The party "hopes that the Presidential candidate could be effectively chosen by the end of February [2004]," noted the newspaper.

What really could be making the DNC nervous, is that despite the front-loading, the first announced 2004 Presidential candidate, Lyndon LaRouche, could easily pull a significant vote in an early District primary, because of his visibility during the fight to save D.C. General Hospital, and because of expanded LaRouche Youth Movement organizing in the area. With the rest of the vote split between a crowded field of mediocrities, that could make LaRouche a front-runner, and change the geometry of the nomination.

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## U.S. Developing Nuke Plans for Iraq?

Columnist and military critic William Arkin reported in the *Los Angeles Times* on Jan. 25 that the U.S. Strategic Command, based at Offutt Air Force Base, Nebraska, is vigorously developing plans to use nuclear weapons against Iraq, supposedly against deeply buried underground bunkers, or if Iraq uses chemical or biological weapons against U.S. forces in case of war. Such planning, Arkin says, "represents a significant lowering of the nuclear threshold."

Until the war on terrorism, StratCom was focused on the use and effects of nuclear

**IRAQ OIL** fields can be taken over and run by the United States, claimed the *Wall Street Journal* on Jan. 29, but then admitted: 1) "A tribunal after World War II found that Japan breached international law by aggressively exploiting occupied oil fields in the Dutch East Indies and using the oil to fuel its own war needs"; and, 2) "The State Department, irked about Israel's occupation of Sinai oil fields after the [June 1967] Six-Day War, wrote: 'An occupant's rights . . . do not include the right to develop a new oil field.'"

**BISHOPS** of the Church of God in Christ, a conservative African American denomination, sent President Bush a letter on Jan. 25, objecting to the push for war: "We must confess that we fail to see the rush to war as a rational expression of the compassionate conservatism that you promised to the country at the beginning of your administration."

**LAROCHE** Western states campaign spokesman Harley Schlanger was invited by a bipartisan group of members of the South Dakota House and Senate to brief them on the state of the U.S. and global economy, and Lyndon LaRouche's "Super-TVA" alternative to the debate over budget cuts and tax increases, which otherwise would occupy their whole session. Schlanger and LaRouche activists spoke to more than 40 legislators prior to the meeting.

**THE GENERAL** who commanded U.S. forces in the 1991 Gulf War, is skeptical of an Iraq invasion, and highly critical of Defense Secretary Rumsfeld. Norman Schwarzkopf told the *Washington Post* on Jan. 28, "When he [Rumsfeld] makes his comments, it appears that he disregards the Army. There are guys at the Pentagon who have been involved in operational planning for their entire lives, okay? And for this wisdom acquired during many operations, wars, schools—for that just to be ignored, and in its place have somebody who doesn't have any of that training, is of concern."

weapons, but not on the whys. However, "Entrusting major policy reviews to tightly controlled, secret organizations inside the Pentagon is a hallmark of Defense Secretary Donald Rumsfeld's tenure," a tendency which bypasses dissent within the Pentagon. The current planning, Arkin writes, is being carried out at StratCom by small teams in the Pentagon and at Vice President Dick Cheney's "undisclosed location," in Pennsylvania. Arkin further reports that a "Theater Nuclear Planning Document" for Iraq has already been prepared for the Administration and Central Command.

CBSNews.com reported on Jan. 25 that the Iraq war plan calls for launching 600-800 cruise missiles during the first two days, based on a concept developed at the National Defense University called "Shock and Awe." This utopian idea is that a barrage so psychologically destructive will make the enemy give up, rather than see the destruction of his military forces. "You have this simultaneous effect, rather like the nuclear weapons at Hiroshima, not taking days or weeks, but in minutes," claims Harlan Ullman, one of the co-authors of the "Shock and Awe" concept.

## California Senator Introduces Re-reg Bill

On Jan. 21, State Sen. Joe Dunn (D) introduced a bill to eliminate the California Independent System Operator (ISO)—established by the 1996 law which deregulated California's electric utilities, with the mandate to control the state's electric grid system. The ISO has been accused by Dunn of allowing power traders to manipulate the market, mismanage the grid, and force unnecessary blackouts. Dunn is the Chairman of the Select Committee to Investigate Price Manipulation of the Wholesale Energy Market in the State Senate. The full legislation is still being prepared, and will detail steps to re-regulate California's electricity system.

The ISO's job was to arrange and buy short-term power; its Board's members were mainly pro-deregulation non-utility operators, who had been appointed by the previous

Republican governor, Pete Wilson. The only oversight of the ISO was by the Federal Energy Regulatory Commission (FERC), which did nothing while California's energy crisis drove the state into bankruptcy and blackouts.

Former State Sen. Steve Peace, who drafted the 1996 deregulation law, but two years ago admitted it had been a mistake, said that if the ISO were shut down, and the utilities again controlled their own transmission systems, they would theoretically again fall under state regulation. But he noted that it is not that simple. In 1996, California surrendered regulatory jurisdiction of its "market" to FERC. If the ISO is voted out of existence, Peace believes, FERC would legally oppose the transfer of assets back to the utilities and re-regulation by the state Public Utilities Commission. California is still in a court battle with FERC to recover the \$8.9 billion power marketers stole from the state during its energy crisis.

## 'New Palmer Raids' By Atty. Gen. Ashcroft

The FBI has ordered its field offices to count the number of mosques and the number of Muslims in their districts, to construct quotas for the number of terrorism investigations and warrants which should be initiated from each office, the *New York Times* reported Jan. 28. A senior FBI official, Wilson Lowery Jr., Executive Assistant Director of the Bureau, told a closed Congressional hearing, "If the numbers don't compute, that will trigger an automatic inspection from headquarters, to figure out why they're not living up to that," according to a senior Congressional aide familiar with his presentation.

When this became public, FBI Assistant Director Cassandra Chandler denied it. She did not deny, however, that the FBI has asked field supervisors for the numbers of mosques and Muslims in their districts; this was first disclosed in *Newsweek*. She would not say how this information is to be used, nor what other information was demanded in an internal six-page questionnaire sent to all 56 field offices earlier in January.