

# EIR

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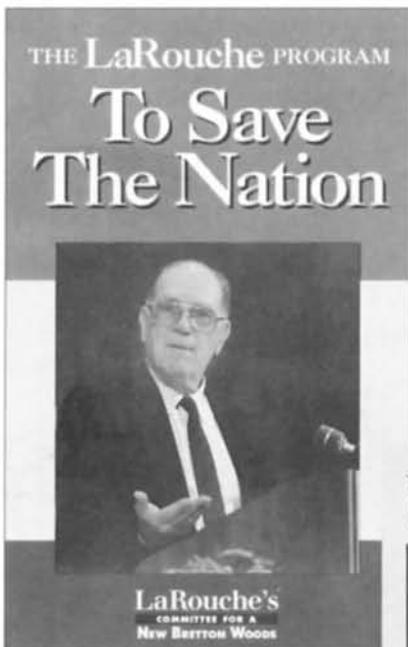
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LaRouche, in New York, warns of new 'Pearl Harbor'  
Seattle WTO flop is good news for humanity  
Congress probes drug-money laundering

**LaRouche: On the  
subject of education**



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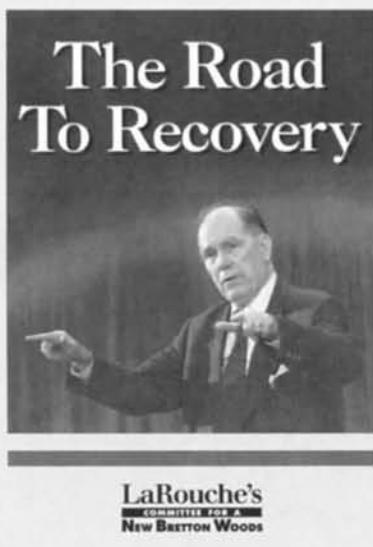
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Lyndon H. LaRouche, Jr.



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## From the Associate Editor

**T**he new video produced by *EIR*, “Storm Over Asia,” had its premier showing at the National Press Club in Washington on Dec. 9, before an audience of diplomats, journalists, and others, from many nations. It is now beginning to circulate through policymaking layers worldwide.

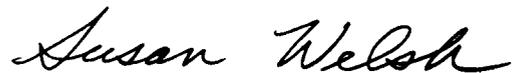
This is not an “easy” video; two hours and 40 minutes in length, it does not offer bite-sized solutions to the problems confronting our planet. Like Lyndon LaRouche’s articles in *EIR*, it is an intellectual challenge, and one whose mastery is well worth the effort required.

The film documents the strategic crisis now threatening Russia, China, India, Iran, and other nations, as a result of the insane policies of the British oligarchy and its henchmen in the United States. If Russia, a weakened but still well-armed power, is pushed to the wall, the military consequences are incalculable. And yet, as the global financial system disintegrates, the political friends of Margaret Thatcher and George Bush—fools!—are moving, every day, to push their conflict with Russia beyond the point of no return.

LaRouche counterposes to this lunacy, a brilliant foreign policy for the United States, based on creating “a hegemonic community of perfectly sovereign nation-state republics,” each committed to “defense of the general welfare, which is the cornerstone of our Federal Constitution.”

In our Editorial in this week’s issue, you will see a reflection and confirmation of LaRouche’s views, in the minds of well-informed European strategists.

Let me also call your attention to LaRouche’s campaign statement in the *National* section, “Lying and Racism by a Cabal Inside the Democratic National Committee: What Are the True Facts? What Are the Implications?” This document marks an important escalation in the war against the oligarchical, racist faction in the DNC, those who are attempting to rip up the 1965 Voting Rights Act, rather than allow it to be applied to LaRouche and his supporters. The statement puts all Democrats on the line, morally: Will they fight for what they profess to believe in, or will they “go along to get along,” with tragic consequences for their party, their nation, and the world?



# EIR Contents

## Interviews

### 11 Hartwig de Haen

Assistant Director General of the United Nations Food and Agriculture Organization's Economic and Social Department.

### 57 Natalia Vitrenko and Volodymyr Marchenko

Leaders of Ukraine's Progressive Socialist Party.

## Departments

### 80 Editorial

The strategic assessment.

**Photo and graphic credits:** Cover, page 75, EIRNS/Philip Ulanowsky. Page 5, EIRNS/Harley Schlanger. Pages 8, 9, 21, 72, 73, EIRNS. Pages 11, 12, EIRNS/Marcia Merry Baker. Pages 17, 28, 32, 36, 37, 57, 71, EIRNS/Stuart Lewis. Pages 29-31, www.arttoday.com. Page 46, EIRNS/Christopher Lewis.

**Correction:** In Claudio Celani's article, "Italy: The Acquittal of Andreotti and the Crisis of D'Alema's Government," *EIR*, Nov. 12, p. 38, an editorial error was introduced. The reference to "the most positive tradition of the Christian Democracy, that of Aldo Moro and the late industrialist and nation-builder Enrico Mattei," was inadvertently changed so as to refer to Giulio Andreotti and Mattei. We regret the confusion.

## Investigation

### 64 Congress takes up LaRouche challenge vs. drug bankers

The international drug trade, and black market criminality more generally, cannot thrive without institutional clout to launder the funds. As Lyndon LaRouche outlined 21 years ago, a serious war on drugs begins by going after the drug banks.

### 66 Senate hearings on money laundering highlight criminality of U.S. bankers

### 69 Rep. Waters asks: Will DOJ prosecute banks?

An open letter from U.S. Rep. Maxine Waters (D-Calif.) to Attorney General Janet Reno.

### 70 Congress drafts bills vs. money laundering

### 72 Dope, Inc.'s 'bankers above suspicion'

## Economics

### 4 WTO flop reflects resurgence of nationalist economics

European and Third World leaders, and core constituency groups in the United States, are reacting to the disintegration of the economy, with demands for protection for their industries and jobs. That is why the World Trade Organization summit in Seattle ended in failure.

### 6 Eco-fascists riot in Seattle

The hard core of the rioters at the WTO meeting in Seattle were trained in Canada and Great Britain.

### 7 Prince Philip's eco-terrorists

### 8 WTO offers poorest nations more looting

The Least Developed Countries need real development, and not this latest plan to sweeten the same bitter pill of colonialist looting.

**Documentation:** Excerpts from briefings at the WTO Seattle summit.

### 11 LDCs face 'chronic undernourishment'

An interview with Dr. Hartwig de Haen.

### 14 Business Briefs

## Feature



At a Schiller Institute class in 1993, violinist Seth Taylor gives a lesson to a student from Venezuela.

### **16 On the subject of education**

By Lyndon H. LaRouche, Jr. "The function of this policy-statement is, both, to define the goals which the Federal government must set for public education, and, also, define the means and methods which the Federal government, especially its Executive Branch, should employ to promote those goals which were implied in the Preamble of the Federal Constitution of 1789," LaRouche writes. "I emphasize a policy for education which is axiomatically consistent with 'the general welfare clause.'"

## International

### **50 Mideast talks must solve water resource shortage**

Underlying every Mideast conflict, recent past and present, is the lack of enough water for everyone. Peace must be based on cutting this Gordian knot, with the establishment of massive nuclear-driven desalination plants throughout the region.

### **52 Israel: Iran-Contra returns to haunt George Bush**

### **55 British fear losing Germany**

Hard economic realities have blown the "Third Way" ideology to pieces: The majority of the German political elite, with backing from most of the population, have felt compelled to intervene against Britain's pet policies—globalization and the free market.

### **56 Ukraine: a new President, and old, unanswered questions**

Guest commentary by Anatoli Voznytsa.

### **57 'Kuchma's election fraud is a time bomb'**

An interview with Natalia Vitrenko and Volodymyr Marchenko.

### **59 Al-Fayed: Prince Philip had Diana, Dodi killed**

### **61 President Clinton's North Korea initiative could prevent war**

### **63 International Intelligence**

## National

### **74 LaRouche, in New York, warns of new 'Pearl Harbor'**

"We're now in that kind of situation. Not that anyone at this moment is prepared to drop bombs on Pearl Harbor or New York City. But, nonetheless, we are on the verge of an experience, an emotional-psychological experience, a political experience, which very much resembles what happened on Dec. 7, 1941. In a sense, this has already begun to happen," Lyndon LaRouche said at a campaign appearance.

### **76 Lying and racism inside the Democratic National Committee: the implications**

A statement by Lyndon LaRouche.

## WTO flop reflects resurgence of nationalist economics

by Marcia Merry Baker and Harley Schlanger

Reams of scripts and brochures were printed in advance for the Seattle World Trade Organization ministerial conference on Nov. 30 to Dec. 3, to proclaim the new “Millennium Round” of three years of talks for yet more free trade, but it never happened. Not even a one-sentence communiqué could be agreed upon by the delegates from 100 nations present. The bandwagon for “free markets” has stopped in its tracks.

Before considering the reasons for this, be clear about one point: The dramatic riots and tear gas were *not* the reason why the WTO summit failed in Seattle. Just the opposite. Terrorism was deliberately deployed, by London-related networks, to create a helter-skelter effect in which the radical free-market agenda of U.S. Trade Representative Charlene Barshefsky and WTO Director General Michael Moore, a member of the British royal Privy Council, might better be bullied through. But, it didn’t work.

The underlying dynamic of the WTO failure in Seattle is that the revolt against free-market destruction of nations has reached a critical threshold. In the United States itself, the 30,000-strong march of labor unions, farmers, and others from around the country, is one expression. Third World delegations viewed this with happiness, to finally see some on-the-street protests by Americans against the harmful “free trade” swindles.

But the critical factor hitting Seattle came from Europe, especially Germany, France, and Italy, where recent actions and statements upholding national interests have run counter to free trade. Nothing about this appeared in the pre-packaged speeches. But at side-briefings, and from the behind-the-

scenes reports and headlines streaming into Seattle all week from abroad, the anti-free markets initiatives in Europe sent shock waves through the proceedings.

### **LaRouche: critical actions in Germany**

Lyndon LaRouche, at a New York City campaign event on Dec. 4, discussed the WTO failure that had concluded only 15 hours earlier. He stressed three critical factors in Germany, that threaten the continued existence of the country, and which have been met with a response to defend national interests, not placate “markets.” First, there is the attack on the German banking and credit system, coming from European Central Bank and London financial centers; second, there is the attack on German Chancellor Gerhard Schröder and his government for having intervened in November to save the Philipp Holzmann construction firm, and protecting more than 100,000 jobs directly and in feeder industries; and there is the predator attempt by the British company Vodafone PLC to conclude a hostile takeover of the German Mannesmann engineering firm.

LaRouche reported that at a certain point, Social Democrat Schröder, “with the support of the CDU [Christian Democratic Union], the CSU [Christian Socialist Union] leader of Bavaria, and others, acted to save Germany. They said, ‘To the devil with globalization! End globalization! We have to go back to rely on protection, and upon the sovereign nation-state as the only source of survival for Germany and for Europe.’ ”

LaRouche said, “This policy was supported by the Prime Minister of France, Lionel Jospin. It was also supported by



*A scene at the WTO summit in Seattle. The dramatic riots and tear gas were not the reason why the WTO summit failed in Seattle. Just the opposite. Terrorism was deliberately deployed, by London-related networks, to create a helter-skelter effect in which the radical free-market agenda might better be bullied through. But, it didn't work.*

key figures: the head of the Bank of Italy and others in Italy. So, what happened last week, with reinforcement this week, was that *Germany and France are now in a bloc to destroy the policies which the government of the United States shares with the government of Britain right now.*

“So therefore, what happened at the WTO conference in Seattle, was that the support for the sovereign nation-state, however qualified, by these governments—Germany, France, and others—and also by some developing sector countries, such as India and others, sank the WTO proposal of this crazy woman, the sort of minor [U.S. Secretary of State] Madeleine Albright, Charlene Barshefsky, the trade—the international globalization minister, or whatever you call her.

“That’s what really happened there. What happened was that the British, who had planned to do this anyway, deployed terrorist riots into Seattle, riots which were conducted probably by Americans but under British direction, and deployed out of British Columbia, from Vancouver down, as actual terrorists. And these are killer terrorists. Don’t kid yourself. They’re murderers. They’re trained to murder. They’re actually fighting terrorists, and they were deployed to create an atmosphere of *terror* around the WTO conference, in the hope that this would create some confusion that the discussion by the opposition to WTO proposals would not go forward. And that somehow, by some miracle, that Charlene Barshefsky

and Madeleine Albright would succeed in pushing through the WTO proposals.

“Now, forget what you read in the newspapers. What *really* happened, was that there was a mobilization of nations, especially yesterday, at the conclusion, when this Charlene Barshefsky proved what an ass she was. She alienated everybody so much with her tyrannical, Hitler-like posture, that that put the icing on the cake. They just walked away from it, and the WTO collapsed because of that.”

### **The scenario that failed**

The scenario for the WTO four-day Seattle summit, according to the U.S. position paper, the WTO head office in Geneva, and related London financial spokesmen, was for a final communiqué on Dec. 3, that would launch a new three-year round of negotiations among the 135 WTO member-nations, to further reduce trade restrictions, plus the creation of perhaps one or more face-saving “standing commissions” to deal with contentious issues, such as on labor standards, bio-tech engineered foods, and so on.

An additional centerpiece was to be a “Least Developed Countries Initiative,” to grant 48 poor nations the “right” to have duty-free access for their exports to rich nations, in the name of giving them an “opportunity” to prosper through free trade.

All of these failed, and the additional agenda items on

agriculture, mandated by the eight-year Uruguay Round of the General Agreement on Tariffs and Trade, became the topic for an open split between the United States and ministers from France and the rest of continental Europe, who refused to give away any concession on their national right to support their farm sectors.

The most conspicuous “has-beens” at the conference included the chairmen of many of the famous name global companies, such as Cargill, Enron, Chubb, and New York Life International, who were on hand at events alongside the WTO ministerial meetings to promote free trade. With them were their hangers-on crowd of Republicans and “New Democrats” in Congress, plus the Democratic Leadership Council, who also backed “Third Way” free trade.

### Reactions to reality in Seattle

The official mood in Seattle was one of determination to ignore reality. Typical was one among 2,500-person press corps, a transatlantic senior correspondent, who told *EIR*, “Darling, unless Schröder resigns or dies, it’s not relevant for this conference.” But the worries in London were mirrored on the eve of the WTO summit in the Nov. 29 *Washington Post* headline: “Germany Resists the New Economy; Globalization Imperils Traditions.” On that day, *EIR* raised the issue of the German anti-free-market actions at a briefing by U.K. Trade and Industry Minister Stephen Byers, head of the WTO British delegation. “I don’t want to hear about Vodafone and Mannesmann,” Byers said. He characterized German help for Holzmann workers as a mere “domestic” action, and stressed that Britain sees itself as the “bridge” between opposing interests everywhere. Britain will act especially on behalf of the poor, he said, to bring down all barriers to trade.

But the next day, after the conference opened, European Commission chief negotiator Pascal Lamy made diplomatic acknowledgment of the moves toward nation-state interest. When Harley Schlanger asked about certain recent pro-national interest statements by French Prime Minister Jospin, Bank of Italy head Antonio Fazio, and Schröder’s jobs-saving moves, and about the risks from a gigantic “correction” in the inflated Wall Street asset values, Lamy grinned visibly, but avoided addressing the latter issue. Replying at length on Europe, he said that he knew Jospin very well, and Jospin wants to “harness liberalism”; he is not against liberalism. He favors a “rules-based liberalism,” which he sees as a “win-win” position, Lamy said. He added that he also knew Antonio Fazio, and was sure he would not disagree with this view. On Schröder, Lamy would only say that his action was caused by conditions of the “internal market.”

At a briefing on Nov. 30 by U.S. Assistant Secretary of State for Business and Agriculture Al Larson, Marcia Merry Baker raised both the European national-interest moves, and the parallel sentiment in the United States, as shown by the 30,000-person anti-WTO march earlier in the day. Larson

replied only that he had accompanied Albright in a round of pre-summit meetings with American business, labor, farm, and local government interests, all of whom support free trade, and “those are the voices that we heard.”

As for hearing voices, the delegates were spared hearing Albright’s, the summit’s keynote speaker, because anti-WTO protests delayed the opening session by five hours, and she left town.

By Dec. 2, even more moves in Europe were playing into Seattle. Schröder and Jospin had met in Paris, and then went to Spain to announce a three-nation Airbus consortium. When Schlanger raised this at the EC daily briefing, pointing out that in WTO-speak, this would be called free trade “distorting,” laughter broke out. EC spokesman Falkenberg replied in earnest that, usually when we talk about “trade distorting” acts, we are referring to agriculture, “but I can see what you mean.”

Later that evening in Seattle, before the last day of the conference, the controlled agenda broke down almost completely, as Third World spokesmen said that they were being “marginalized” and would likely not vote up anything at all (see below). At the Dec. 3 closing session, Barshefsky was booed by African leaders.

## Eco-fascists riot in Seattle

by Harley Schlanger

The confrontation between demonstrators and police which initiated what some press dubbed the “Battle in Seattle” during the World Trade Organization (WTO) summit, broke out right in front of me, shortly after 9:30 a.m. on Tuesday morning, Nov. 30, when police moved in to clear the intersection of 6th and Pike, to ensure safe passage for press and delegates from the Sheraton Hotel to the Convention Center.

There were three actions which occurred simultaneously. As some demonstrators sat down and linked arms to block the intersection, police moved forward. At that moment, a group of 100-150 demonstrators, with black ski masks covering their faces, began throwing anything they could find at the police, who responded with blasts of pepper spray on those seated on the ground.

This pattern was repeated all day, as a small, highly disciplined group, intent on maximizing chaos in the streets, moved easily within a much larger group of peaceful demonstrators. This smaller group, which later broke windows of downtown stores and set bonfires in the streets, was largely ignored by police, who focussed exclusively on opening up intersections. It was only on Wednesday, Dec. 1, after a state

of civil emergency was declared, giving the police the back-up of National Guard troops, that mass arrests took place.

As the first battle unfolded on Tuesday, I saw a group of four scruffy-looking men break through police lines, waving what looked like press passes as they moved toward the Convention Center. As I heard them speak, at least two of them had British accents. When a policeman came over to check them out more carefully, he asked one of them what was causing the bulge under his coat.

He said it was a cell phone, but as he reached around to show the officer his phone, a cannister of some sort fell out, and the policeman grabbed him. His associates fled, but police caught two of them, while the fourth disappeared into the crowd.

### **British-trained terrorists**

This vignette is typical of the hit-and-run tactics employed by the highly organized and well-trained “affinity groups” of eco-fascists intent on wreaking havoc on the streets of Seattle. The vast majority of protesters were there to express opposition to the WTO, and they presented their case peacefully. In fact, it was quite an impressive sight to see the march of almost 30,000 trade unionists later Tuesday afternoon, who paraded with discipline and spirit down a path cleared by the police. Numerous delegates from developing nations later commented that they gained courage to resist WTO globalist looting schemes in part from seeing that there is significant opposition among U.S. citizens to those schemes.

As soon as the labor demonstration ended, however, the pitched battles between police and the violent core of eco-

fascists picked up again, with police soon escalating to use of rubber bullets in the attempt to clear the streets.

From direct observation, it was obvious that the police were poorly prepared for what they were facing. At one of the many press conferences held by Mayor Schell and Police Chief Stamper, they said they did not have enough officers available to make mass arrests on the first day, so they chose instead to adopt measures of “crowd control.” The Mayor defended their preparation, saying, “There was extensive planning for all contingencies and possibilities.”

But policemen told the *Seattle Post-Intelligencer* that preparations were completely inadequate, as was obvious from the view from the streets. One officer, Brett Smith, a ten-year veteran, said that they were assured by Assistant Chief Ed Joiner during a training session that they did not expect violent protests, that “there’s nothing to worry about.”

Smith added, “We heard that officials from Geneva, where the WTO had been held before (and where there had been violent demos) had offered to tell us what happened and how they dealt with it and the department said, ‘We don’t need your assistance, we’ve got it covered.’ ”

Naturally, the press highlighted the actions of the eco-fascist shock troops, and the police response to them, but that presented a distorted picture of what was the actual “Battle in Seattle”: the beginning of an awakening by many Americans to realization that submission to the WTO would mean the end of our nation as a sovereign nation-state, and the recognition among many delegates opposed to WTO dictatorship that they have allies within the United States, as the “Pearl Harbor effect” begins to hit these shores.

## **Prince Philip’s eco-terrorists**

Of the tens of thousands of protesters who converged on Seattle for the World Trade Organization conference, a hard core of anarchists and eco-fascists, estimated to number less than 1,000, were responsible for nearly all of the havoc, violence, looting, and burning. Many came from Canada and Great Britain, courtesy of Prince Philip and his World Wildlife Fund-centered funding and operations command-structure. A core of Pacific Northwest-based American eco-terrorists, associated with groups such as Earth First!, the Animal Liberation Front, the Ruckus Society, and the Rainforest Action Network, had been working for nearly a year with their British and Canadian counterparts, to ensure that Seattle was thrown into a state of siege.

Anyone wishing to track the planning and preparations for these days of rage could have done so on the worldwide web. Furthermore, in June of this year, nearly simultaneous urban riots were staged in the City of London and in Eugene, Oregon, by the same transatlantic terrorist apparatus. These riots were a dry run for Seattle.

According to West Coast investigator Barry Clausen, a month before the WTO summit, a terrorist training camp was established near Arlington, Washington under the auspices of the San Francisco-based Ruckus Society. Here, the British, Canadian, and American terrorists who surfaced on the streets of Seattle in black ski masks, went through their final paramilitary drills.

The events in Seattle were the beginning of what could emerge as a global eco-terrorist offensive, coinciding with the new millennium. Such a helter-skelter scenario will only be stopped if the eco-fascist danger is taken on from the top down — starting with the “millennium virus” himself, Prince Philip. — *Jeffrey Steinberg*

# WTO offers poorest nations more looting

by Marcia Merry Baker

At the Nov. 30-Dec. 3 World Trade Organization summit in Seattle, one of the proposed initiatives that failed — along with the overall failure to reach any agreement at all — was the “Least Developed Countries Initiative.” This proposal claims to act in the interests of 48 designated least developed nations, by proposing more free trade. In fact, the LDC plan is equivalent to prescribing poison to make a patient well.

The gist of the “LDC Initiative” proposal was twofold: the group of 48 LDCs should receive the right from the WTO

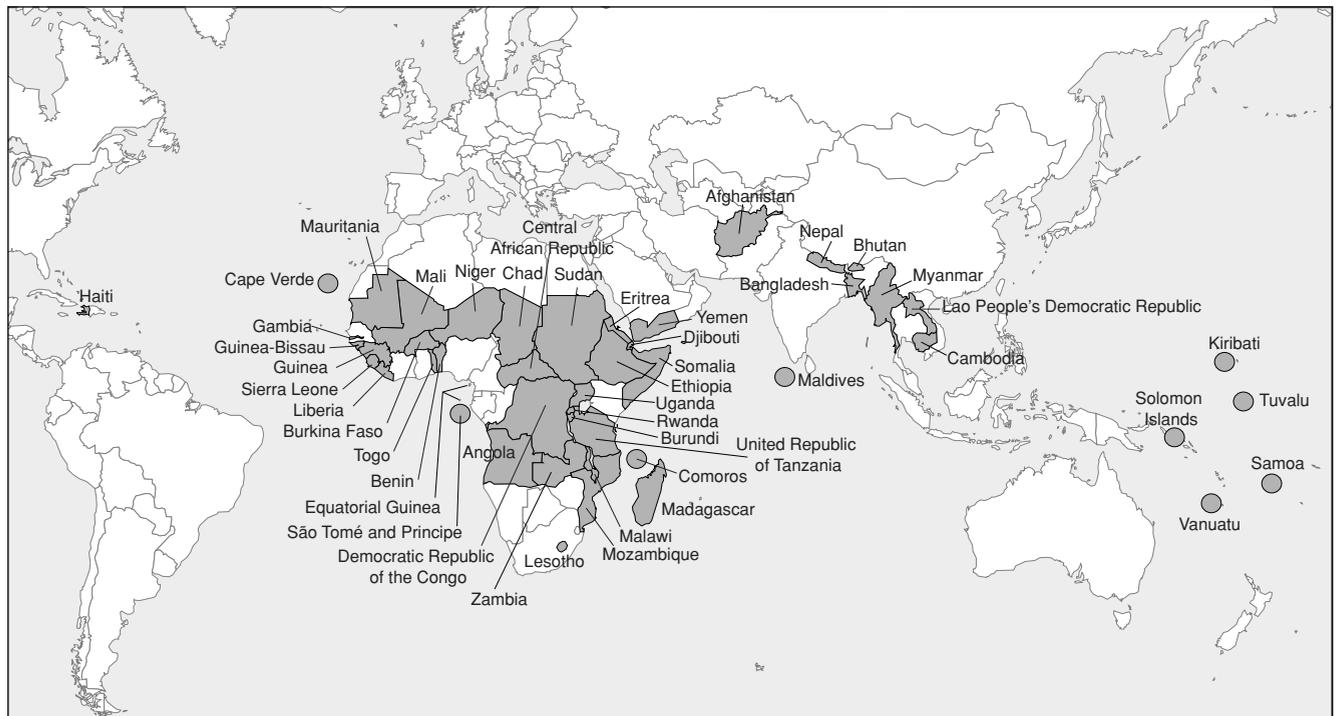
for their exports to enter duty-free into the industrialized, and all other countries; and the WTO should provide funding for “technical assistance,” to meet the needs in these 48 nations bearing on expediting their exports. This is to better their economic condition, so the argument goes.

In fact, these nations, whose populations total 600 millions of people, need real aid, not sham arguments. They require food and other humanitarian relief, and also economic development assistance. What is required are in-flows of goods, technology, and collaboration in fostering the build-up of domestic agriculture, industry, and infrastructure to meet the needs for basic existence.

This development policy-based trade would be in the mutual interest of developed and developing nations alike, providing jobs and building economic capacity. Government-to-government commitments, as in the 1950s Atoms for Peace program, are the model.

These kinds of efforts would flow naturally from regional economic development undertakings called for in different parts of the world. The most prominent example is the China “New Silk Road” approach, to run transportation-based development corridors across Eurasia, which would greatly improve prospects for the Asian least developed countries

FIGURE 1  
The 48 ‘Least Developed Countries’

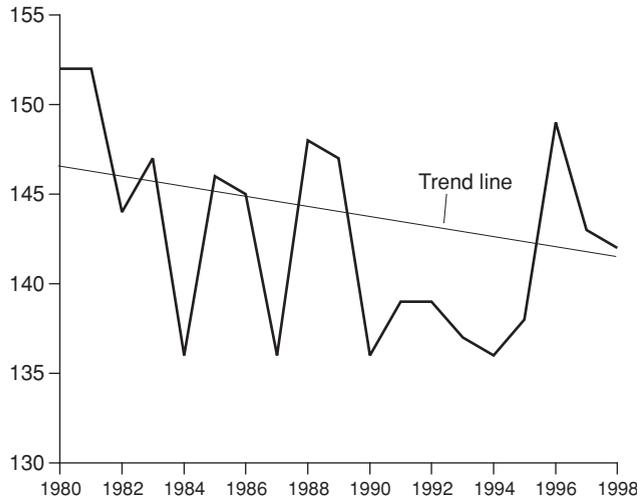


Source: UN Conference on Trade and Development, 1999.

FIGURE 2

**Decline and high variability in cereal production per capita in Least Developed Countries, 1980-98**

(kg/year)



Source: UN Food and Agriculture Organization, 1999

throughout the region—Afghanistan, Bangladesh, Cambodia, and others. This has been well-publicized as Lyndon LaRouche’s proposal for a “Eurasian Land-Bridge.”

Likewise, in the Middle East, mutual interest water, power, and transportation projects would raise up the economic base and livelihood for Arab and Israeli alike. At one briefing in Seattle, a member of the Israeli delegation said that this direction is their only hope for fair trade in the region, and one such priority project is water management and canals in the north Jordan region.

In opposition to this, the WTO “LDC Initiative” is based on modern-day British East India Company methods. The rhetoric doesn’t say this explicitly, of course, but what is proposed is that international cartel companies move in and set up plantations for agriculture or industrial goods in the LDCs, then ship the goods to markets abroad. At best, the LDC might get a little revenue to make payments on debts imposed by the WTO cohort agencies, the International Monetary Fund and World Bank. Technical assistance? In practice, this means some money to set up some infrastructure, such as phone lines and paved roads, so UPS can make shipments.

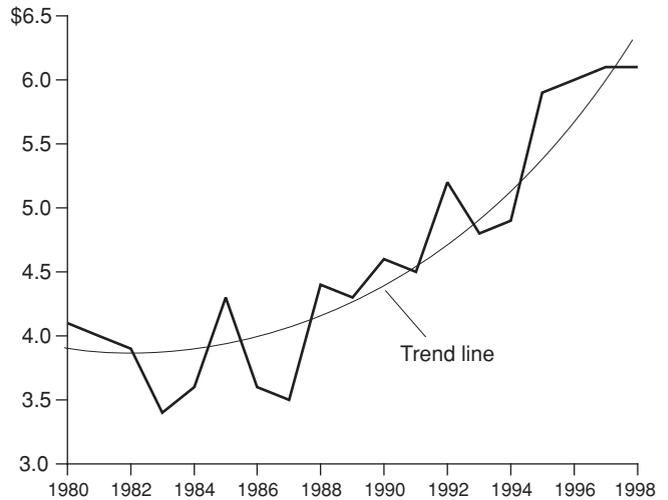
**Financial crisis hits trade**

Moreover, because the global financial system is disintegrating, international trade markets are blowing out. When

FIGURE 3

**Rise in costs of food imports (all types) into Least Developed Countries, 1980-98**

(billion \$)



Source: UN Food and Agriculture Organization, 1999.

this was raised by *EIR* at a WTO briefing on the LDC Initiative, United Nations Committee on Trade and Development (UNCTAD) Secretary General Rubens Ricupero agreed on the danger of financial turmoil to come. He said, “I fully agree about the danger of the financial crisis and new problems for the trade system.” He said that the “root causes have not been addressed.” He gave figures of decline in trade volume, saying that countries have been forced into “import compression.” While saying that Bretton Woods institutions were useful, he focussed on the problems of the volatility of the financial markets and the role of short-term, speculative capital. “There is no doubt that a new crisis will strike unless we do something,” he said.

UNCTAD released a 285-page handbook at the summit, entitled *Future Multilateral Trade Negotiations: Handbook for Trade Negotiators from Least Developed Countries*, which is intended as a resource for aid talks.

The chief sponsors of the LDC Initiative are British, in the direct tradition of empire. Through the wave of mergers, London-centered money and political power are now moving into controlling positions throughout global supply lines of critical economic goods—food, fuels, minerals, precious metals, pharmaceuticals, and so on. British Minister for Trade and Industry Stephen Byers told a press briefing in Seattle on Nov. 29, the day before the WTO opening, that the WTO, if it’s serious, will be “putting out a hand” to the LDCs. “If we do that, we will be doing more for them” than through aid. He

said that they will gain £12 through trade benefits, for every £1 they got in foreign aid. "All goods from the least-developed countries should be tariff-free—this will help more than all the aid," he said, pledging to work through the British Commonwealth to push this through.

The LDCs are also the most-discussed "cause" of Mike Moore, WTO Director General as of Sept. 1. Moore, from New Zealand, is a member of the Queen's Privy Council, and got the WTO post this year only after a behind-the-scenes scandal campaign was launched against Thai statesman Dr. Supachai Panitchpakdi, who had been expected to assume the WTO position. Supachai was given the second half of a six-year split term—an unprecedented arrangement, which reflected the intense intervention by circles connected to the British-American-Commonwealth banking networks, to see that one of "theirs" would take the office, especially as the financial disintegration, which began in 1997, intensifies.

Moore said at his Sept. 1 inaugural speech, "At our Ministerial Conference in Seattle it is vital that WTO member governments dedicate themselves to finding solutions to problems of the poorest countries."

**Figure 1** shows the location of the 48 nations: 33 are in Africa, 9 are in Asia, 5 are island nations in the Pacific, and

in the Western Hemisphere there is Haiti. The LDCs grouping was designated by the UN as least developed, based on various economic and other development characteristics. The LDCs' combined population was 600 million in 1997. The average annual per-capita income at that time was about \$233, ranging between \$90 and \$670.

### AIDS, food shock, genocide

The most immediate need is for international collaboration on the emergency AIDS and HIV crisis, especially in southern Africa, Haiti, and Asia. In 1998, the nine countries with the highest HIV prevalence in the world were in Sub-Saharan Africa. In Botswana, Namibia, Swaziland, and Zimbabwe, 20-26% of the adult population is HIV-infected. In the nine countries of southern Africa, HIV prevalence is 10% or higher. In Africa, half of all new infections occurred in people age 15-25. With infection rates at such high levels, these countries will lose almost an entire generation to the AIDS epidemic by 2010.

**Figures 2 and 3** show the crisis of basic food supplies. Figure 2 shows data from the UN Food and Agriculture Organization (FAO). Cereals (grains of different types) are the source of roughly 52% of the total energy supplies in the daily diet for the 48 LDCs. In terms of simple kilograms of grain produced per capita each year in the 48 countries, there has been, first, a significant *drop* during 1980-98; and second, the *variability* of grain output per capita is extreme. For 29 of the 42 cereal-producing LDCs, less grain is now produced per capita than 20 years ago.

The 600 million people are thus facing more reliance on imports—either food aid, or commercial purchases. In fact, grain aid has not been increasing internationally, while the need has risen. And, imports have become more costly.

Figure 3 shows that during 1980-98, the bill for food imports (grains and all other types of foods) has markedly gone up. The value of imports of food items for LDCs as a whole went from around \$4 billion in 1980 up to \$6 billion by 1998, more than a 30% increase. Most of the imports are cereals, averaging around 40% of the import bill.

At the same time as countries that are food import-dependent face rising prices for cereals, the amount of cereals they once received as food aid has dropped significantly. FAO figures show a drastic drop, from about 10-15 million tons a year in the mid-1980s, down to only 5 million tons a year in 1997-98, the same as when food aid programs first started up in the 1950s! There was a rise in 1998-99, but relative to need, the increase is inadequate.

What this simple profile documents is *food shock*. The conditions of existence in the 48 countries designated "Least Developed" show the need for an economic mobilization for real development, not a colonialist pitch for "duty free" exports.

## LAROCHE ON THE NEW BRETTON WOODS

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## LDCs face 'chronic undernourishment'

*During the Seattle World Trade Organization (WTO) summit, the UN Food and Agriculture Organization (FAO) maintained an information office, and held two briefings off-site, to provide details on the world food situation. On Dec. 2, Marcia Merry Baker interviewed Dr. Hartwig de Haen, Assistant Director General, FAO Economic and Social Department.*

**EIR:** At the WTO summit, there may be some part of a communiqué proposing that the 48 Least Developed Countries be allowed more duty-free "market access." But, in fact, these are the very nations that have food insecurity and need economic action.

**De Haen:** Yes, these countries are amongst those that have the highest share of chronically undernourished. They are highly dependent on food imports. They have difficulties in developing their own agriculture. These countries have been promised some help in the adjustment of the new international trading environment, in the so-called Marrakesh Decision on the negative effects of the reform process. This assistance has not been provided, partly because it is, in fact, difficult to prove, which part of their problem stems from trade problems, and which part from natural disasters, the Asian crisis, and so on. But this is, of course, let me say, rather bureaucratic argumentation. Because in fact, their import bills have risen very drastically in the last years.

**EIR:** About how much do you think it has risen during the last couple years of the financial turmoil?

**De Haen:** Well, I cannot give you a figure, but the increase is significant.

**EIR:** Is there one example that comes to mind of the situation—North Korea, or Indonesia, or somewhere—of the 35 nations where you have FAO missions? What shows the need for food?

**De Haen:** You have just said it. Thirty-five countries are currently in a situation of food emergency. This comes on top of the chronic hunger that we reported. These countries are mostly countries that have a severe political crisis. In fact, the major part have civil strife or war. These countries, of course, have, first of all, to get humanitarian aid, because many [of the hungry] are refugees and are totally devastated in terms of their support basis. And, on the other hand, the number of people in these countries that are directly affected by famine, are 52 million.

**EIR:** The total volume of food aid is declining internationally recently, is that correct?

**De Haen:** No, it has declined from the early 1990s, but it has recently increased. However, I must say that the increase is mainly because one particular country is now a huge recipient of food aid, and that is Russia.



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### From Summit Briefings

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## Cargill: 'We have far from a monopoly'

*On Dec. 2, a WTO summit off-site briefing was held on a new "Food Chain Coalition," formed by the Washington, D.C.-based Emergency Committee for American Trade (ECAT), which is run by Cargill, Inc. and other food cartel companies. Their ECAT policy demands include a new multilateral trade round to lower remaining barriers to free trade, stricter WTO rules for compliance with seed and other patents (intellectual property rights), and low taxes on foreign-source income. The coalition is a public relations effort to promote the fraud that free trade will feed people. On Dec. 2, a video was released on the "story" of the food chain, and speakers included U.S. Reps. Jim Kolbe (R-Ariz.) and Cal Dooley (D-Calif.), ECAT president Calman Cohen, and Ernest S. Micek, who is chairman of Cargill, Inc. and of ECAT.*

**EIR:** There are briefings this week by the UN FAO on world food shortages, in which the 48 Least Developed Countries stand out as having chronic malnourishment. FAO figures show that close to a billion people in these and other countries lack enough to eat. The grains they depend on for 40% of their diet, have gone way up in import-prices over the last three years. They are eating less. Still more "free trade" promises no help.

**Cohen:** I have not seen the specific statistics described, and an explanation for them. But I believe that, when you are



*Ernest S. Micek (right), chairman of Cargill Inc., spoke Dec. 1 and 2 in Seattle at WTO side events, promoting free trade. He stands in front of a poster put out by his new P.R. group, "Food Chain Coalition."*

talking about removing barriers to trade, whether it's in food, or in other items, you can't have a one-for-one translation between bringing the barriers down and what happens in one specific area. We are talking, I believe, as Congressman Kolbe was, about wealth creation, which will have ramifications that we in the room are not going to be able to describe at this point. It is our belief that there will be over time—and this might not be an adequate answer for you—but there will be over time, changes occurring in those economies around the world that will mean a better life for those people. We believe that what has occurred in the United States through more open trade, has benefitted all of us here. That is not to say that in any point in time, there may not be some negative consequences, and we cannot suggest that everything is going to be positive, but we believe that the *trend* is going to be positive, and it is going to provide a better life for those around the world.

**Micek:** Part of what you might be referring to is exchange rates in some of these countries, because as far as the United States is concerned, cereal grains and food grains [prices] are at 20- to 30-year lows. So, if they're buying food, their cereal and food grains, from the United States, what you just suggested does not follow. But we've had some very significant revaluations of currency since 1997, and that may account for part of it. But also, a number of these countries have internal barriers that set, or establish a price to the consumer that may also affect their cost. I haven't seen the numbers, or who it is

exactly, so I can't be more specific than that.

**Dooley:** Another central component of this food chain approach is the issue of food security, and Ernie [Micek] just talked about some of the internal barriers that some of these lower-income developing countries put in place. A lot of those internal barriers are put in place in order to try to promote greater food self-sufficiency in those countries. If we can adopt a policy of food security where the producing nations, the export-producing nations, commit to ensure that any country will always have access to the marketplace to secure the needed food supplies in times of short supply, as well as excess supplies, we also can give greater confidence to those countries to rationalize, and to reduce those internal barriers to trade, because they will have the confidence that there will always be the ability to access the market. . . .

**Q:** . . . What can the U.S. do for food supplies for other parts of the world? . . . What about monopoly?

**Micek:** First of all, we have far from a monopoly. In most cases, we have about 25% of trade on various products, that is not anywhere close to a monopoly. There are many, many other industries that have much higher levels of market share than we have. We are so closely connected to the farmer; we're also closely connected to weather. There are all kinds of factors that are involved which help make the food chain go. We don't impose unilateral sanctions, for example. Governments do that. We have nothing to do with unilateral

sanctions, and they have been used. In fact, I can tell you that I gave a presentation in Hong Kong in mid-May, and I addressed the open food system concept. I had a Japanese gentleman come to me, and he said, "Well, this is all very good, Mr. Micek, but we remember back in 1973 when the United States put an embargo on soybeans, and cut across contracts, and stopped shipping soybeans to Japan." He said, "You know, this is food [we can't do without]. We had to go elsewhere. We ended up having to go to South America." Now, if the people you talk to say we have a monopoly because we now can ship from Brazil to Japan, I think they are totally missing the point.

The other part of the food chain, and I don't want to get into this—I think that to pick on a link in the chain is unfair. We have customers, and those customers of ours have customers. The ultimate customer is the consumer. The facts are that, today, the United States, the margins that we get, or the farmer gets for the work, the value that we put into food, is very marginal. I suggest that the people who you are referring to need to start at the front end of the chain, and that is, say, with the retailer, and then go through and see where the margin is.

## Not another 'period of colonization'

*On Dec. 2, the evening before the WTO summit ended in failure, an impromptu briefing was held in the Convention Center media room, by African, Caribbean, and South American spokesmen, denouncing the way the conference had been proceeding.*

**Tetteh Hormeku**, *Third World Network, Africa Secretariat, Ghana:*

We did a lot of preparation for these meetings, on the basis of an organization which we've established for the regional negotiating agenda, and I think, after having prepared ourselves and come to Seattle, we are now very much disappointed, over the fact that coming from small economies, small developing states, we end up with a situation where we are now marginalized from the process, which has been virtually hijacked by the wealthier developed countries. I would not wish to name names, but you probably know who I am speaking about. I would like to say that many of our colleagues, at least two of our colleagues, have attempted to participate in what is called the "Green Room" process, which is a process which we are very much opposed to, because it smacks of the lack of transparency. And you know that a lot of people are talking about transparency, but when you ask them to practice transparency, it's another

matter. And this Green Room that's been established is creating tremendous problems of frustration and isolation. There is a lack of information. We don't know what's going on.

**Clement Rohee**, *Guyana Foreign Minister:*

There is a need for special and differentiated treatment for our countries. We have vulnerable economies; they are always battered by hurricanes and all kind of different natural disasters. Sections of our countries are not highly developed. We are still faced with one-crop economies, and we depend a lot on preferential market access to countries, especially in Europe. So now trade liberalization is moving, [but] we need time. We want to participate as equal partners in this process. We don't want another period of colonization to take place.

**Dr. Shridath Ramphal**, *Caribbean Community negotiator, and former Secretary of the British Commonwealth:*

I am a member of an organization [that represents many countries], and I am not consulted. I am not even invited to participate in the process by which a conclusion is reached. How can I be asked to concur? And if I do not concur, there is no consensus. And that is what will happen tomorrow.

**Q:** So you will vote everything down?

**Ramphal:** There is no question of voting everything down. One doesn't even know what there is to be voted down, yet! The participation is so flawed, that it is impossible to say at this stage, what Charlene Barshefsky will put before the meeting tomorrow as her conclusion for which she seeks consensus. Now, it is only then that one can say whether what is before us is so minimalist and so ineffectual that one can go along with it, or whether it is an attempt to force a view of others, which they do not share. If it is the latter, then, obviously, countries from the Caribbean, from Latin America, from Africa, from the Pacific, will say, "No."

**Q:** Labor and environmental issues?

**Ramphal:** Well, I am concerned, of course, about that. [But] I have a deeper concern. I am concerned that the real tragedy is being played out in Seattle in a very important area of internationalism. This should not be a game about enhancing corporate profits. This should not be a time when big countries, strong countries, the world's wealthiest countries are setting about a process designed to enrich themselves. The WTO was designed to create fair trading conditions for the whole world.

... I was at a meeting this morning of the central committee where the bangs on the table were so loud that they went all around the room. It wasn't even banging from one quarter. My colleague spoke just now. His was one of the voices raised in protest. And what he received was the applause of the entire room. Now, if that doesn't convey a message to the person who is sitting in the chair [the chairman], it is difficult to say what will reach the ears of the authorities of the United States.

# Business Briefs

## Middle East

### Israeli minister says, trade can promote peace

Peace requires economic development, and Israel wants to involve Jordan and Egypt in that process, widening new markets in the Middle East, Israeli Trade Minister Ran Cohen told reporters at the World Trade Organization meeting in Seattle on Dec. 1. Cohen said that Israel will open nine industrial parks in Palestinian areas, creating 50,000 jobs.

Earlier, Cohen had met an Indonesian representative to discuss opening Indonesian-Israeli trade, and Southeast Asia-Middle East trade more broadly. Israel, he said, favors foreign trade, but not the abuse of countries via trade, and favors protection of labor rights. Israel wants peace through development, rather than open trade which works against the interests of poorer nations. In a discussion with *EIR*, a member of the Israeli delegation said that the North American Free Trade Agreement reflected the arrogance of a country which thought it was "number one." Even if Israel becomes number one in the Mideast, we can't do that, nor should we, he said.

An Indonesian diplomat asked how the Israelis would address the fact that many Indonesian Muslims are more rejectionist than any Arab. The Israelis answered, that trade has no religious agenda.

## Asia

### Indonesian economy drowning in debt

Glenn Yusuf, chairman of the Indonesian Bank Restructuring Agency, outlined his agency's asset management plan for 1999-2004 on Nov. 26, the *Jakarta Post* reported. It lifted one corner of the veil on how totally bankrupt Indonesia is.

IBRA estimates that only 4% of the 267 trillion rupiah (\$38.1 billion) in problem loans taken over by IBRA from state banks since its founding in January 1998, will be recovered. The total value of assets taken

over by IBRA from closed, nationalized, and recapitalized banks is double the problem loans, or \$76.18 billion. Yusuf reported that only 3% of the \$3 billion in assets taken over from nationalized private banks would be recovered. His best estimate is that, eventually, 32.3% of the total would be recovered, but that estimate is based on a wildly optimistic projection of growth at 4-6% next year and 6-7% five years from now.

Yusuf said the total cost of recapitalization will be \$91.9 billion, which will be financed by issuance of government bonds. Of that, \$29.7 billion would be from recovered assets, but taxpayers would have to foot the \$62.2 billion difference. In addition, the government and taxpayers have to foot the bill for the \$30.3 billion in interest payments on treasury bonds *already issued* to finance the restructuring. Interest payments on government bonds for the current fiscal year, ending in March 2000, are estimated at \$4.86 billion. Interest costs over the next four years are estimated at: \$7.26 billion (2000), \$6.1 billion (2001), \$6 billion (2002), and \$6.1 billion (2003).

The composition of assets held by IBRA is 45% from manufacturing firms, 9% from hotels, 8% from construction and trading companies, 4% from real estate and agrobased firms, and 14% from non-bank finance companies. One solution, Yusuf proposed, is to lift restrictions on foreign ownership of property. He noted that IBRA owns nearly half of all buildings in the Kuningan area of Jakarta, home to many foreign embassies.

## China

### Xinjiang plans to develop infrastructure

Xinjiang Uygur Autonomous Region, China's far northwestern region, has plans to expand infrastructure development. Notable, is that the Turpan-Kashi rail line, which opened to traffic in May, is to be extended to areas bordering Kyrgyzstan, *Xinhua* reported on Nov. 29.

Xinjiang is to spend 180 billion yuan (about \$22 billion) on soil conservation, energy, telecommunications, transportation,

and other infrastructure facilities in the next five years, in line with China's policy to step up development of the west. This policy, put forward by President Jiang Zemin during his tour to Shaanxi in May, was recently reiterated by Prime Minister Zhu Rongji and Zeng Peiyan, Minister of the State Development Planning Commission.

Xinjiang will build two large water control projects in the north, and will plant trees and grass in the south. A 4,212 kilometer pipeline from southern Xinjiang to Shanghai will be built to stimulate the development of the natural gas resources in the Tarim Basin and ease the energy shortage in the Yangtze River Delta in eastern China.

The national government will help Xinjiang build a 300 km rail line from Jinghe to Helgus and extend the 1,451 km Turpan-Kashi rail line in southern Xinjiang, which opened to traffic in May, to areas bordering Kyrgyzstan.

## Eurasia

### New Land-Bridge segment completed

An additional rail segment of the Eurasian Land-Bridge, in western China, from a point just southwest of Urumqi to the town of Kashi, has been completed after six years of construction. The next phase is to extend this line to the Uzbekistan capital of Tashkent. In October, a 14-day seminar was held in the Land-Bridge cities of Xian, Lanzhou, Dunhuang, Ili, Urumqi, and Kashi, to accelerate the "Great Development of the Western Region of China." Participants included the Foreign Trade and Economic Cooperation Ministry of China's International Economic and Technology Exchange Center, the Global Infrastructure Foundation of Japan, and the Worldbridge Foundation of Taiwan.

A central part of China's next ten-year plan is the development of the western part of China, the promotion of cultural and economic exchange with the Central Asian nations through the construction of railroads, highways, and other infrastructure, to further the renaissance of the Silk Road. On Nov. 2, the conference took the participants to

**ITALIAN** Prime Minister Massimo D'Alema visited Libya in early December, the first western European chief of government to do so after the end of the embargo imposed in 1992. D'Alema said that "Italy will be Libya's door to Europe." Italy is Libya's number-one trade partner.

**AIDS** has orphaned more than 11 million children since 1981, of whom 10.7 million are in Sub-Saharan Africa, according to a recently released UN report prepared for World AIDS Day. It says that there will be 13 million AIDS orphans by the end of the year 2000.

**SCIENTISTS** from Lawrence Livermore National Laboratory in California and Russian scientists at the Joint Institute for Nuclear Research in Dubna, near Moscow, have generated chemical element 114, which contains 114 protons. The element was generated following the bombardment of a film of plutonium-244 by highly accelerated calcium-48 atoms for 40 days. Element-114 has a half-life of less than 30 seconds, but this is 100,000 times longer than the last new element generated, element-112.

**BRITAIN'S** Railtrack was condemned for "basic failures" in maintenance, by the British Health and Safety Executive, in its annual Railway Safety Report. Chief Inspector Vic Coleman has threatened to take legal action if there is not a response from Railtrack to the report. "Our report shows that the HSE has very serious concerns about the way the rail industry manages signals passed at danger, and about the state of the tracks on the national rail network."

**VOLKSWAGEN** spare parts delivery in eastern Germany has collapsed, because of computer chaos, i.e., the effects of Information Age production and delivery methods. Instead of the promised 24-hour service, customers now have to wait about six weeks for delivery. Some VW branches are dismantling new cars for parts—a method described by employees as "organ donation."

Beijing, where a memorandum was signed on starting Research Development Centers, with emphasis on the development of the western part of China.

## ***Political Economy***

### **Primakov lays out his perspective for Russia**

Russian former Prime Minister Yevgeni Primakov, who is running for President, discussed his perspective for the economy, in an essay that is posted on MSNBC's Internet website. A priority, he writes, is "to strengthen the role of the state in the economy. . . . I can't stop saying that the governmental control of an economy doesn't mean a rejection of a market economy. On the contrary, it is a condition of its existence. We know from our experience that a governmental withdrawal from a modern economy creates chaos—and not a market economy."

Governmental control, he says, "should be directed toward the development of a true economic sector: tax reduction, cheaper credits, attracting investment, and prohibiting unlawful capital flight, setting up real ways of returning already-exported capital, which at present contributes to foreign economies and not to ours."

Local policy, he says, should be aimed "toward industrial modernization, acquiring the latest technology, and support of local producers who most urgently need it."

To revive development in Russia and to increase market demand, Primakov advocates several measures: the restoration of per-capita income, and to provide the minimum cost of living for its people; to raise demand by increasing the efficiency of budget spending, and blocking the import of goods that are already produced in Russia; to stimulate exports by creating a system of credit for it, and guaranteeing and insuring it with political support; and an anti-monopoly policy, which shouldn't be targetted at the liquidation of natural monopolies, but rather against their abuses.

"The fifth means of raising market demand is to stimulate investment demand," he writes. "The state should compensate insufficient market development with infrastruc-

ture investment, starting with the creation of banks for economic development and ending with promissory notes issued by the Central Bank of Russia.

"Preparatory work has been done and this system can be developed quickly enough. It will not run contrary to private investment, but rather will support it until investments reach rates sufficient for Russia."

## ***Malaysia***

### **Controls will remain in place, says Mahathir**

Until a new international financial regime is devised that is safe for emerging economies, Malaysia's capital and currency controls will remain in place, Prime Minister Dr. Mahathir bin Mohamad said in his keynote to the Lima '99 Aerospace and Maritime International Conference, the state news agency Bernama reported on Dec. 2.

Although Asia is now healthier economically than in the past two years, "We are not out of the woods yet. There is still fear that the currency traders will be back," he said. The only people who will continue to lose as a result of Malaysia's controls are "unconscionable money traders and fly-by-night investors. We really do not care for them." As for the International Monetary Fund, he said that it is not inclined to do anything to curb currency traders, nor to make their actions transparent.

In response to a question, Mahathir said that "people are protesting against the WTO [World Trade Organization] because powerful economic forces want to spread their tentacles to take over literally the whole world and operate under a few very powerful companies." It is pure fiction that market forces could or would discipline themselves, he said. "Responsible governments cannot submit to such people." Developing countries are told to do overnight what it took Western nations 200 years to achieve. "These are the kind of rules which govern an anarchic society. Moving into the third millennium, it is not a compliment to the world that we are still in a very backward stage of our mental development."

## On the subject of education

by Lyndon H. LaRouche, Jr.

*The following was released by LaRouche's Committee for a New Bretton Woods.*

November 8, 1999

The function of this policy-statement is, both, to define the goals which the Federal government must set for public education, and, also, define the means and methods which the Federal government, especially its Executive Branch, should employ to promote those goals which were implied in the Preamble of the Federal Constitution of 1789. I emphasize a policy for education which is axiomatically consistent with "the general welfare clause."

Most of today's citizens appear to agree, that there has been an accelerating deterioration in the performance of primary and secondary education, since the middle of the 1960s. Unfortunately, many of the more popular, proposed remedies for this problem, are cures worse than the disease. More and more of our citizens have been lured, some out of desperation, into various kinds of "cure-all" "home remedies" and "patent medicines" for the ills of our schools. Any among such proposed changes would have the effect of destroying what little good presently remains among the shards of our nation's predominantly ruined primary and secondary education.

Among my duties here, I shall identify the folly of the more popular of the proposed types of "quick fix-it" remedies. However, my principal task is to define a national educational policy which reverses the terrible destruction wrought upon our public school systems, to uproot those combined, perverted novelties and ruinous budget-cutting measures, which

have been introduced since Club of Rome co-founder Dr. Alexander King's Paris OECD study of 1963.<sup>1</sup>

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### 1.0 Division of labor between Federal and state governments

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As your President, my budgetary approach to needed national reforms in education, will be modelled on the post-World War II successes which the Hill-Burton Act achieved in the area of hospital and related efforts of combined Federal, state, and local government and private enterprises.<sup>2</sup> This is the approach I have reported, repeatedly, in addresses and in published replies to questions from journalists and others.<sup>3</sup> Here, I describe those principles of education which this approach is intended to serve.

Although the principles of education must be those which educate a future citizen of our constitutional republic in a manner required by the nature of our Federal republic, the greater part of the day-to-day administration of the schooling of the population, should be administered either by the Fed-

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1. See Mark Burdman, "The NATO Plan To Kill U.S. Science," *Fusion*, September 1980, pp. 41-47.

2. "Why U.S. Health Care Must Return to the Hill-Burton Standard," *EIR*, July 29, 1994.

3. E.g., "Hill-Burton Health-Care Standards," *EIR*, March 15, 1996, p. 30; "LaRouche on Health Care," *New Federalist*, Aug. 23, 1999, p. 5; "LaRouche Conducts Campaign Dialogue with Legislators," *EIR*, Oct. 1, 1999.



*“If existing public educational programs are inadequate or otherwise defective,” LaRouche writes, “that condition should be remedied, not employed as a pretext for undermining the principled reliance upon public primary and secondary education for meeting the common requirements of educating a qualified citizenry.” Shown here, a youth orchestra in New York City.*

eral states, or under standards set by each of them for this purpose. Primary and secondary education is to be conducted chiefly by public institutions of the states and their localities; there, the majority of primary and secondary education should remain. If existing public educational programs are inadequate or otherwise defective, that condition should be remedied, not employed as a pretext for undermining the principled reliance upon public primary and secondary education for meeting the common requirements of educating a qualified citizenry.

That much is a matter of implicitly constitutional principles. From the beginning of our republic, even as early as the policies of education associated with the Winthrops and Mathers of the Massachusetts Bay Colony, or the circles of Jonathan Logan in the Commonwealth of Pennsylvania, our founders were guided by a federal principle: Ours is a nation composed, constitutionally and historically, of respectively sovereign Federal states, bound together as a single Federal sovereignty, bound so by common consent to submit to rule by a community of anti-oligarchical, republican principle.

This principle is sometimes falsely represented as a “social contract.” The notion of a “social contract” was rejected in the 1776 Declaration of Independence. The authors of that declaration adopted the specific language of Gottfried Leibniz, “life, liberty, and the pursuit of happiness,” echoing thus Leibniz’s attack on the immorality of John Locke’s pro-slav-

ery dogma of “life, liberty, and property,” the latter the same Locke dogma echoed in today’s use of the cult-phrase “shareholder value.” This pro-Leibniz, anti-Locke conception of natural law, was later affirmed to be the supreme and permanent constitutional law of this republic, in the Preamble of the 1789 Federal Constitution. The sovereign authority and responsibility for the rule of all of the land according to that principle, reposes in the Federal government; but, the implementation of the principle in local matters should be assigned, as much as is practicable, to state and local governing and administrative authorities, or left to the choice of the individual citizens.

In matters of education, as otherwise, the authority of the Federal government must protect the principled rights of the individual citizen, wherever and whenever the state government should be unwilling, or lack the means to secure those rights, including the right to a quality of education due to each and every citizen. However, whenever the state or locality has the means, competence, and disposition to care for such matters of principle, the accomplishment of that intended purpose, were better undertaken by local initiative.

As the relative success of Hill-Burton shows, the role of the Federal government in caring for matters of the general social welfare, should be first in readiness, but last in line. It must be prepared to ensure that principled objectives are realized, but must act as the strategic reserve deployed, used

only when needed. The best-functioning primary and secondary public education programs and institutions of the past, such as the Philadelphia high school established under the influence of Alexander Dallas Bache, are models of this, the same Bache who was key in the establishment of the U.S. Naval Academy, a Federal public institution of higher education, at Annapolis, Maryland.

On the level of colleges, universities, and other institutions of higher studies, we should continue the frequent practice of thirty years ago and more, to foster an assortment of Federal, state-directed, and private institutions established by and regulated under law. However, at all levels in education, both the Federal and state governments must continue to recognize the useful role contributed by those certain private primary and secondary institutions, such as parochial schools, which are willing to satisfy certain adopted common standards for a curriculum and classroom methods based upon Classical approaches employed for the purpose of fostering the cultivation of what I, among others, have defined as the creative powers of the individual student.

Notably, on this latter point, my policy is opposed to certain other Presidential candidates, such as Governor George W. Bush, in their expressed preferences for the kind of rote-learning better suited to training of either hamsters in spinning cages, or, for awarding university degrees to lazy and virtually illiterate young louts from the ranks of the idle and useless.

Thus, the challenge of rebuilding the shattered and decayed public and private educational institutions of our republic, presents the Federal government with a challenge, in the field of education, like that which the U.S. Congress addressed in the field of health care, at the time the Hill-Burton legislation was enacted.

The interdependency among the roles and efforts of sundry governmental and private educational institutions, parallels the challenge presented by our nation's hospital-care requirements institutions. The successes of Hill-Burton, prior to the catastrophic effects of the New York City municipal budgetary crisis of 1975, thus represent a model which may be the most appropriate administrative tactic for deployment of Federal budgetary resources in the rebuilding of not only our nation's shattered health-care system, but also the wrecked educational system of today.

Moreover, the functions of protecting and promoting our nation's labor force, protecting its health, and educating both our future and young citizens, are among the most closely related features of our Federal government's constitutional imperative for promoting the general welfare. All involve close collaboration among sundry public and private institutions. Usually, the method in which the Federal government should define its responsibility in these areas, should be either the same method, or nearly the same.

In such matters, an effective method to be chosen by the Federal government, requires, that in adopting laws and administrative procedures in aid of education, we must avoid

and abhor those evils of a radical positivist's mentality, which inhere in a snarled, precedent-ridden clutter of purely positive law. What is to be preferred, in all legislation, is clear definitions of applicable principle, definitions rooted transparently in natural law. In all matters bearing most directly upon the general welfare, we should take special care, that we craft both legislation and administrative systems and procedures in such a way, that each specification follows coherently from a clearly stated, governing, subsuming set of principled objectives. Hill-Burton, set forth in a few pages of clear, and demonstrably most efficient statement of intent, typifies such excellent design of primary legislation.

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## 2.0 How our educational systems were destroyed

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Make a simple test of the implicit, constitutional principle of education of our republic. How many recent graduates of U.S. secondary education, could understand the writings which won a majority of English-speaking North Americans to support both the 1776 Declaration of Independence and the 1789 adoption of our Federal Constitution? Many today could not even follow the words; more would have little or no comprehension of the issues which defined the American patriots' quarrel with the English tyranny of William of Orange, or the British monarchy of George I and his successors.

In a directly related issue: At the close of World War II, there was a trend toward increase of the amount of higher education per capita, for not only World War II veterans, but also their progeny. Unfortunately, that improvement was accompanied by a dilution of the quality of the higher education supplied; there has been, thus, an accelerating collapse in the quality of the content of public and private secondary and higher education, that even in the circumstance that the quantity and grade-level of education provided was increased. Thus, the secondary-school education of the 1930s and 1940s tended to become the university undergraduate curriculum of the 1960s and 1970s.

This erosion began with a corrupting simplification of the content of education, during the immediate post-war period. The influence of radical-positivist and existentialist instruction and textbooks, was already increasing during the late 1940s. The destruction of scientific competence which has led into the technologically catastrophic effects of "benchmarking" and scientifically illiterate doctrines of "mathematical modelling" today, established their grip on public and university education as early as the late 1950s. That and related changes in education, already being introduced during the late 1950s and early 1960s, laid the foundations for such effects as the "O-ring" catastrophe of the 1980s Shuttle program, and underlie the increasing pattern of technical failures in the U.S. aerospace field, generally, today.



*Beginning during the 1960s, “the poisonous spread of irrationalist existentialism, spread from the Germany of Bertolt Brecht, Theodor Adorno, Hannah Arendt, Karl Jaspers, and Nazi philosopher Martin Heidegger, or such Heidegger followers as France’s Jean-Paul Sartre and Frantz Fanon, struck both public and university education, with disastrous effects.”*

Thus, the disasters we introduce to the education of our students today, will haunt us twenty to thirty and more years down the line, if we allow them to continue to be inflicted upon the children and grandchildren of those who were childhood or adolescent students during the Eisenhower, Kennedy, and Johnson years.

Until the late 1960s, the erosion in the quality of public and university education, was disguised by a trend for increase of the quantity of education, notably at the so-called “multiversity” levels. From the middle through late “Vietnam War” 1960s, there was an acceleration of wildly anti-science radicalism among those university students most strongly influenced by the “rock-drug-sex youth-counterculture.” The poisonous spread of irrationalist existentialism, spread from the Germany of Bertolt Brecht, Theodor Adorno, Hannah Arendt, Karl Jaspers, and Nazi philosopher Martin Heidegger, or such Heidegger followers as France’s Jean-Paul Sartre and Frantz Fanon, struck both public and university education, with disastrous effects.

The effects of a 1971-72 change from a healthy form of the old Bretton Woods system, to the disastrous, “floating-exchange-rate” system of today, was followed, inevitably, by such effects as an erupting, permanent, and worsening budgetary crisis at the Federal, state, and local levels of government. Epidemic political-economic follies, such as “post-

industrial” utopianism, wildfire deregulation measures, the willful lunacies of Federal Reserve Chairmen Paul Volcker and Alan Greenspan, and wild-eyed ventures such as the Garn-St Germain and Kemp-Roth legislation, savaged the basic economic infrastructure of the U.S.A., and gutted the agro-industrial base upon which the earlier successes of our national economy and social-welfare systems, including the nation’s health and educational systems, had depended absolutely.

The rampant positivism and existentialism, as expressed in the “suburbanite” voting and public-opinion trends of the recent thirty years, combined with the effects of the savagery done to our national economy, during the same period, have produced a situation typified by a collapse in the quality of what had been our better educational institutions. That better quality, as represented in New York City and elsewhere during the 1960s, has been ripped out of the institutions. During the same period, the quantity of educational support provided to the children and adolescents of the nation has also been destroyed, in the greater part.

The physical collapse in both quantity and quality of education, is aptly typified by the recent decades’ elimination of competent courses in U.S.A. and European history from our secondary schools. The result is the victimization of the students, by the kinds of doctrines associated with the irrational-

ism of the Nazi philosopher Martin Heidegger, he the notorious, existentialist co-thinker of such avowed enemies of truthfulness as Hannah Arendt and Karl Jaspers.

Relative to the schools of thirty years ago, today's typical student is pushed out of civilized life, into a feral state of de-socialization, a state which Heidegger defined as "thrownness." The satanic quality of violence, which has lately erupted within so-called "white, middle-class" schools, as in the Littleton massacre, is the natural outgrowth of the influence of the kind of existentialist outlook, imported to the U.S.A. from the notorious "Frankfurt School" circles of Weimar and Nazi Germany.

In civilized society, Heidegger's doctrine is not to be fostered, otherwise it will not long remain civilized society. In civilized society, the humanity of all persons is located in the transmission of the individual experience of discovery of validated universal physical, and other principles, from past generations into the relived experience of the present generation. "Socialization," in any meaningful sense of the term, means a cultivated sense of the goodness existing in all individual persons, that to be recognized as a quality which sets each apart from, and above the beasts. That quality is the capacity to relive the discovery of validatable universal principles from the contributions of many generations of persons who have preceded us.

This definition of "socialization," as I shall clarify that here below, is the fundamental principle upon which the educational policies of the U.S. were based, in good times past, and which must be reassumed as governing policy, once more, today.

Most of us must be able to recall some moment during one's childhood, at which the idea of "death" was first impressed upon us. I mean the "idea of death," as distinct from the mere sense-perception of a death. It was a moment at which we first grasped that death was not a calamity which happened to strike some people, but that death is a virtually inevitable consequence of having been born. The idea of death is not a sense-impression, but, like all true ideas, a discoverable universal principle. It is a matter of principle, not mere sense-impression, to know that birth and death are equally part of individual life. If we were fortunate, our reaction to that saddening discovery of a universal truth, was not pessimism, not despair, but, rather, a higher form of optimism. The same optimism is characteristic of the moral benefits of good education.

In former times, until some point during the recent thirty-odd years, all happy children expressed their optimistic view of life in such forms of expression as a bright-eyed, smiling, "When I grow up, I am going to . . ." This idea was usually associated with the idea of education, either by reference to actual education, or an implicit reference to the gathering of knowledge by means of which the prospective adult profession might be achieved. Our optimistic view of such matters, even as children, was the fact that we had begun to relive

discoveries which had been bequeathed to us by discoverers who had lived long ago.

Good teachers helped. The good teacher was the one who made the deceased historic figure come alive in one's mind, prompted one to relive a moment of discovery by that historic figure. It was as if that moment from the living mind of that historic figure had been brought back to life in oneself. There were teachers like that, and there were knowledgeable people, family guests, or hosts, who shared the same kind of moment of knowledge with a child. I gobbled up such moments; they made me happy and optimistic about life and death, and mankind in general.

Once a child has recognized that he or she has relived living moments of discovery from each of many historic figures, especially discoveries of ideas which approximate a universal principle, the universe becomes a nice place in which to be born, to live, and ultimately to die. The connection to past and future, in terms of such ideas about universal principles, gives a sense of permanence to our brief visit to this thing we experience as human life. The New Testament parable concerning the talents, is especially attractive to the child who has come to view ideas in that way. You wish to become the visitor who passed through here, delivering some needed good in a timely fashion. Thus, one hears the child's voice: "When I grow up, . . ." Hearing that child's voice in that way, might inspire one to become a good teacher, or to become the discoverer who delivers the needed good in some timely fashion.

This optimistic view is fairly identified as "Socratic." That is especially so for our purposes here. Optimism respecting ideas, relies upon notions of truthfulness and justice. How may we be certain that a moment of historic discovery which we have re-experienced, was a valid contribution at the time that that discovery was made? Was that discovery a step forward toward truth for mankind, will it be justly viewed so still, generations beyond our time? Does it represent a contribution to the power of the human species in and over the universe as a whole? Does it represent a contribution to mankind's ability and impulse to cooperate in ways which bring about needed increases in mankind's welfare?

If those conditions are satisfied, then our view of all humanity is a loving one in the sense Plato gives to the Greek term *agapē*, the same sense which the Christian Apostle Paul emphasizes in Chapter 13 of his first letter to the Corinthians. That practiced view of humanity, past, present, and future, insofar as we experience that view within ourselves, is the basis for historical optimism respecting humanity in general, and our own existence as well.

What then, if we take that quality of optimism away — as the positivists and existentialists do? What if we introduce the pathological pessimism of Hobbes, Locke, Nietzsche, or Heidegger? What if we introduce Immanuel Kant's denial of the existence of knowable truth, as the existentialists Jaspers, Arendt, and Heidegger, among others, do. What if we accom-



*“Schools must not be places of learning, in the way a circus animal learns to perform. Schools must be places of knowing, as a qualified scientist knows, by reliving the experience of original discoveries represented by those experiments on which truthful definitions of universal physical principles depend.” Here, a performance by the Schiller Institute Chorus of Sonora, Mexico.*

plish this by ripping the principles of truthfulness out of education, and replace truth with the moral relativism of “sensitivity of feelings,” or simply the allegedly “democratic” authority of all differing opinion, instead? The result of such uprooting of the foundations of optimism, is to turn children into adolescent and adult beast-men. That has been the cumulative effect of the last two generations of systemic demoralization of our educational systems. Another generation continued in this same direction, would assure the at least temporary elimination of all we might fairly describe as “civilized life.”

Such is the aspect of education, on which the role of education in fostering the development of the moral character of the young individual depends. This is the vital aspect of U.S. education which has been virtually destroyed by the wicked changes which have evolved during the recent thirty-odd years.

It is to be emphasized again, that Nazi Heidegger’s notion of “thrown-ness,” is typical of the thinking of the “Frankfurt School” circles generally, and is expressed also in the bestiality of Bertolt Brecht’s “Silenus cries,” his dionysiac, left-Nietzschean poetry and drama. Heidegger’s theme is a variation upon the “each in war against all,” of Thomas Hobbes. Just as John Locke served the Confederacy as the philosopher of slavery, the same radical empiricism of Paolo Sarpi followers Francis Bacon, Thomas Hobbes, and John Locke, typifies that English-speaking variety of mind-set, which supplies the

fertile ground for the growth of the closely related traditions of Bonapartism, the Confederacy, and endemic American fascism. For such a mind-set the followers of Adorno, Arendt, Jaspers, and Heidegger have a natural affinity. In the educational systems of a republic, such fascist-tending mind-sets should be examined rigorously, as a medical student must study diseases, but not propagate them.

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### 3.0 Why Classical education?

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The dominant themes of public education, in all the good times and places of our national experience, have been, first, what a pro-Classical-Greek tradition defined as Classical knowledge in art and science, and, second, the study of history from that Classical standpoint in art and science. The two points, the Classical method and history, are closely related. The very name of public education, should mean nothing different than an education based upon such a union of these two.

To understand the present, a citizen must know the substance of our nation’s, and civilization’s past. Otherwise, the discussion of the so-called issues of the U.S. Declaration of Independence and Federal Constitution, becomes degraded to arbitrary, ignorant speculations, even meaningless banter. Without the kind of secondary education in history, which was once considered obligatory in respectable secondary

schools, the student's view of our nation's foundations, is degraded into the nominalist's illiterate interpretation of mere words and phrases, into a mere jumble of words spoken with little or no comprehension of what those words have meant in the sweep of U.S. history, from the early English-speaking colonies, to the present. More recently, the standard of literacy has departed the concern for truth, and has replaced truthfulness with so-called "sensitivity" to the irrational "feelings" of other persons.

Admittedly, the doctrines of historian Charles Beard were perniciously influential during my student years; but, at least, they were the kind of misinterpretation of history sufficiently imitative of rational thought, to impel me, as a secondary-school student, to reexamine the ground addressed by Beard and his like. Today, matters are far, far worse. In fact, most of what is currently written, in today's mass media and elsewhere, or even said in the U.S. Congress, about the history of the U.S.A., about the crucial issues of political conflicts among our population, is usually a pack of contemptible falsehoods, or even sheer spur-of-the-moment concoctions.

The most general goals of a desperately needed reform in U.S. public education, are the fostering of both even mere literacy and a literate knowledge of actual U.S. history, and of world history, from the standpoint of the European re-discovery of America, of the founding and the development of the English-speaking colonies, of the American Revolution of 1776-1789, and of the victory against the British monarchy's asset, the Confederacy, the victory led by President Abraham Lincoln during our Civil War. These are fairly identified as the basic prerequisites of the transition from child and adolescent, to adult U.S. citizen. Such literacy is the lawful prerequisite for the powers rightly entrusted to the individual adult citizen.

What I have just said, on the interrelated subjects of literacy, history, and citizenship, contains some specific and principled implications for U.S. policies governing the methods, as well as the content of public education.

First, equality in citizenship requires meeting those standards for all pupils; no child shall be deprived of access to a quality of education conforming to those standards.

Second, the pupil must be guided into knowing what that pupil himself, or herself is talking about. The pupil must not be encouraged in the delusion that the way to know the meaning of words, is to look those words up in a dictionary, or on the Internet. To meet that second requirement, schools must not be places of learning, in the way a circus animal learns to perform. Schools must be places of knowing, as a qualified scientist knows, by reliving the experience of original discoveries represented by those experiments on which truthful definitions of universal physical principles depend.

Today's greatest single obstacle to even rudimentary comprehension of the issues of educational policy, is that for most living adults in the U.S.A. today, the central issue of a competent educational practice, is not even known to exist.

That issue is the nature of the fundamental difference between mere learning and actually knowing. Usually, as in the educational proposals emanating from Texas Governor and Presidential pre-candidate George W. Bush, the incompetence of the would-be maker of educational policy, is rooted in blindness to his or her own ignorance of the subject-matter which he deludes himself into believing he or she is addressing.

Perhaps it would be an arbitrary assumption, to propose that the current popularity of a specific form of illiteracy known as belief in "mathematical modelling," is the source of the incompetence inhering in Governor Bush's declarations on the subject of public education. Whatever the source of the Governor's ignorance of that subject-matter, the ultimate effect of his blunder is about the same as if he were a true believer in the current cult of so-called mathematical modelling.

Once the citizen grasps the fundamental distinction between science and mathematical modelling, the citizen will at least have begun to grasp the nature and importance of the fundamental difference between what beasts can do, learn, and what beasts can not do: actually know. Only human beings are capable of knowing. Our children and adolescents are human, and therefore not properly subjected to the forms of training better suited to pets, cows, crows, and grizzly bears. The function of public education, is to cultivate the pupil's innate potential for knowing, rather than to induce the pupil to learn to perform mathematical or other mere tricks on command, as in periodic standard examinations.

Therefore, I focus now on the illustration supplied by a very elementary, but very important issue of physical science. This is an issue which should have been mastered by every graduate of a secondary school today: the discovery of the principle of "least time."

I use that case here, to illustrate what is meant by a validated universal physical principle. I then emphasize that that word, "idea," should be limited to identifying the class of notions which have the same character and authority as the act of discovery of a validated universal physical principle, such as "least time."

After that, I show that Classical art-forms, such as Classical poetry, Classical tragedy such as that of Aeschylus, Shakespeare, and Schiller, and Classical plastic art, such as that of the scientist-artist Leonardo da Vinci, represent true ideas generated by the same, Socratic method of actually knowing, as are validated universal physical principles.

The lie, that art is merely a matter of personal preferences in taste, or that artistic trends are reflections of the influence of some mysterious spirit of change, is a popular lie today, but a lie all the more. The Classical principle in artistic composition, is the principle of truthfulness. This means truthfulness in the same sense that validated discoveries of universal physical principles are truthful.

That much said, I indicate how the methods cultivated in the Classical science and Classical-artistic classrooms, are to

be applied, to cultivate those skills which are indispensable for qualified statesmen and qualified ordinary citizens alike.

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### 3.1 The principle of least time

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To illustrate the difference between mere mathematical modelling and real physical science, go back to Seventeenth-Century Europe, to the work of Johannes Kepler, who was the founder of modern astrophysics and original discoverer of the principle of universal gravitation. Then, from that standpoint, examine the work on the principles of “least time,” by later geniuses strongly influenced by the successive work of the scientific pioneers Nicholas of Cusa, Leonardo da Vinci, and Kepler, such as Desargues, Fermat, Pascal, Huyghens, Leibniz, and Jean Bernouilli.

Those discoveries led, in turn, to the related discoveries by Gauss, Fresnel, Ampère, Wilhelm Weber, and Riemann. That series of successive development of the principle of least time, which became known as relativistic physics, is a process of ongoing discovery, which continues on the frontiers of physical science today. The principle of “least time” is truly elementary, and also truly revolutionary in character. It is one of those ideas which can, and must be re-created within the mind of every secondary pupil in competent secondary schools today.

I have, therefore, chosen this example, both to illustrate what the standard of secondary education must be, and to illustrate what we should agree to recognize as the act of knowing an idea.

The crucial issue, then and now, is this. Does action in the universe naturally follow the pathway of the shortest distance, as a simple-minded, and wrong notion of geometry would suggest? Fermat showed an anomaly which indicated that light does not follow the pathway of the shortest distance, but rather of the shortest time. Huyghens, following Fermat, designed an experiment which showed that the quickest time of travel, under gravitation, from A down to B, is not the shortest, straight-line pathway, but a longer, curved pathway, a curved pathway corresponding approximately to a curve known as a cycloid. The same lawful pathway was proven, by Leibniz, Bernouilli and others, to determine the path of refraction of light according to a universal principle of least time.

Later, Fresnel made a discovery which destroyed the false theories on light by Isaac Newton, and also the still popular but foolish notions of such pro-Newtonian contemporaries of Fresnel as Poisson, Coulomb, et al. Fresnel collaborator Ampère made similar discoveries for electromagnetism. Gauss, Weber, and Riemann proved the validity of Ampère’s discovery. Weber’s experimental proof measured the first experimentally defined electromagnetic constant, within the range of the sub-atomic scale.

In the course of the Seventeenth, Eighteenth, and early

Nineteenth Centuries, this line of discoveries resulted from Leibniz’s original discovery of the calculus, based on the same principle of least time. Leibniz gave this discovery of principle a more general form, as his “principle of universal least action.” Gauss, whose work includes direct contributions to creating the U.S. Coast and Geodetic Survey, was, up to the present time, the world’s greatest modern mathematician, and a leader among the original discoverers of what is called a “non-Euclidean geometry,” or “hypergeometry.” Gauss’s student, Riemann, was the first to give a generalized form, freed of all arbitrary axiomatic assumptions of mathematical formalism, to hypergeometry. There, the frontiers of microphysics and optical biophysics lie, still, today.

All of these discoveries, including Leibniz’s discovery of the calculus, and Gauss’s revolutionary discoveries in the elementary principles of mathematics itself, were based on physical experimental evidence, not mathematical deduction.<sup>4</sup> No validatable universal physical principle was ever discovered, or could have been discovered, by the kinds of deductive methods used for so-called “statistical” and other kinds of simply mathematical modelling.

Now, contrast this standpoint in the history of modern physical science, to that of the so-called “mathematical modeller.” The basis for the education of all secondary pupils in the rudiments of competent modern physical science, depends upon making this distinction not only clear, but making that a matter of a discovery actually experienced by each such student.

The radical school of Twentieth-Century mathematical modelling today, is typified by the corrupting influence of Bertrand Russell and such Russell acolytes as Norbert Wiener, the putative co-founder of the cult of “information theory,” and radical-positivist mathematician John von Neumann. This cult has ancient roots, including the Eleatics and Sophists of ancient Greece’s culture, and the English empiricist school of such followers of Venice’s Paolo Sarpi as Francis Bacon, Thomas Hobbes, and John Locke. Competent secondary teachers should know these distinctions clearly, and be able to make those distinctions the actual knowledge of the secondary pupils.

That influence of Sarpi was continued under the direction of a nasty Venetian gentleman known as the Paris-based Abbot Antonio Conti. Conti, who died in 1749, created both the notorious Voltaire and the chiefly mythical English reputation of Isaac Newton. Conti orchestrated the Europe-wide, Eighteenth-Century, Romantic “Enlightenment.” It was professed “Cartesian” Conti, who prompted most of the anti-scientific

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4. Reference in Bernard Riemann, “On The Hypotheses Which Underlie Geometry,” *Über die Hypothesen, welche der Geometrie zu Grunde liegen*, Bernhard Riemanns *Gesammelte mathematische Werke*, H. Weber, ed. (New York: Dover Publications reprint edition, 1953), p. 288: “This leads us into the domain of another science, the realm of physics, which the nature of today’s proceedings [mathematics] does not allow us to enter.”

frauds which have persisted, as “generally accepted classroom mathematics” dogma, since Eighteenth-Century Europe, down to the many among the present-day secondary-school and university classrooms and textbooks. The root of that hoax known as popular modern theories of mathematical modelling, is to be traced, in modern times, to the influence of Sarpi, Conti, and the far-flung networks of intellectual salons which those two Venetian gentlemen established during their respective, ill-fashioned lifetimes.

In its simplest expression, the cult of mathematical modelling begins, with arbitrary blind faith in the belief, that geometry, and mathematics in general, must be based upon the assumption that all space-time is “self-evidently” extended in straight-line directions, and that a straight line is the shortest, and therefore the quickest distance between any two points in pure space-time. Added to this, is the false belief set forth by the notoriously thuggish Leopold Kronecker and elaborated in Russell’s *Principia Mathematica*, the delusion that mathematics can be derived from an elementary beginning in the simple comparisons made in terms of the counting numbers.

The cult of the so-called “new math,” as popularized in schools during the late 1950s and 1960s, is a reflection of such simple-minded—and also very destructive—forms of mathematical blind faith. These popularized delusions, are the assumed basis for the authority of the practice of “mathematical modelling” today.

Now, look at the simple classroom apparatus which was used to demonstrate Christiaan Huyghens’ original notion of the way gravity demonstrates a principle of “least time”<sup>5</sup> [Figure 1a]. Concentrate on the fact that this simple experiment confronts us with experimental evidence, demonstrating that a straight line is not the quickest distance between two points in a constant gravitational field. Already, with that experiment, the cult of “mathematical modelling” was in very deep trouble. After that work of Huyghens et al., no responsible, scientifically literate secondary school, or creditable university, could ever be excused for attempting to indoctrinate pupils in the “ivory tower” cult of linear “mathematical modelling.”

This experiment is not yet a conclusive and comprehensive demonstration of a universal principle of least action, but is already a warning to schools, teachers, and parents: never fall into the delusion that science is a product of mathematics. What this experiment illustrates, is the fact known to Classical Greece, from Thales and Pythagoras, through Eratosthenes, that competent mathematics is a by-product of physics, not the other way around.

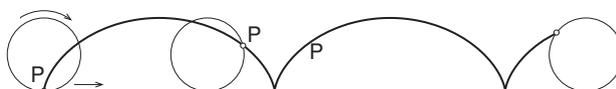
So briefly consider the experiment itself. The apparatus represented in both the photo and the diagram, is to be described as follows. The experimental apparatus presents us

5. Christiaan Huyghens, *The Pendulum Clock or Geometrical Demonstrations Concerning the Motion of Pendula as Applied to Clocks*, trans. by Richard J. Blackwell (Ames: Iowa State University, 1986).

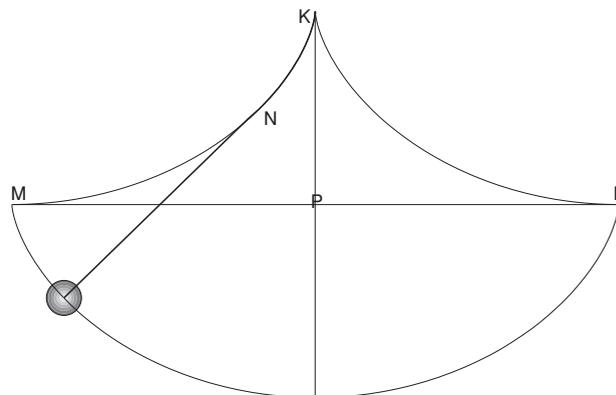
FIGURE 1



(a) A brachistochrone model built by Francesco Spighi in the 17th Century. A ball that rolls down the cycloidal track reaches the bottom faster than one rolling down the straight track.



(b) The cycloid is the curve traced out by a point on a circle, as the circle rolls along a line.



Huyghens used the cycloid to make a pendulum clock, because no matter how wide the swing, the time of the swing remains constant.

with two tracks, side by side; one track is a straight-line track, the other a curved track. Both tracks begin and end at common points. Thus, two balls, released simultaneously along each of the tracks, can be compared for the time each ball takes, to fall its constrained pathway of distance, from the top to the bottom of the apparatus. Always, the ball travelling the longer, curved track, reaches the bottom quicker. If this demonstration holds up for other tests of the same principle, then we have demonstrated, experimentally, that the universe does not operate according to a rule which assumes that a straight line is the quickest, or even the shortest distance between two

points within a real universe.

The curved track in that experiment corresponds to a curve known as a *cycloid*. You may generate a cycloid by placing a point on the outer edge of a circular wheel, and rolling the wheel along a straight surface [Figure 1b]. The cycloid is a curve which is companion to another curve known as a “sine wave”; Fresnel overturned Isaac Newton’s doctrine of light by showing, experimentally, that the normal pathway of propagation of light, is not in simple straight lines, but as transverse waves typified by sine waves. After the demonstrations of “least time,” for light, by Leibniz and Jean Bernouilli, Ampère’s, Gauss’s, Riemann’s, and Weber’s successive contributions to the establishment of the elementary principles of electromagnetism, are a continuation of the same principle of Leibnizean least action applied by Fresnel to refute Newton’s theory of light, by conclusive experimental demonstrations.

Actually, the pathways of quickest and least action in the universe are not simply cycloid pathways, but involve more complex considerations of what are known as non-constant curvatures, as such curvatures are typified by the Kepler-Gauss orbits of our Solar system. That takes us into the area of Gauss-Riemann hypergeometries. There lies the physical and mathematical significance of the notion of a “curvature of physical space-time.” In other words, that means the characteristic curvature of a pathway of least action in any designated, specific kind of physical-space-time manifold. Nonetheless, those complexities aside, the demonstration of Huyghens’ principle of his pendulum clock, when seen as precedent for the Leibniz-Bernouilli proof of the “least time” principle in refraction of light, is sufficient to illustrate the point I am making on education here.

That point is the following.

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### 3.2 Present-day follies in scientific education

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The point is, that experience often confronts us with evidence which contradicts some belief we had earlier assumed to be unshakeable. Among the simplest illustrations of the relevant principle of education, are experiments which show the absurdity of such habits, as believing that the universe operates “self-evidently” in straight lines.

In all such cases, the solution to the crisis of belief such experiments pose, can not be found by simple deduction, such as deductive mathematics. Deduction depends upon the mistakenly assumed universal validity of certain axiomatic beliefs, upon premises such as the false, and also wrongful assumption of Leonhard Euler, et al., that the universe is extended in infinitely long straight lines, lines defined as infinitely connecting infinitesimal points. By its very nature, deductive method is, intrinsically, a method of linear analysis, or what is also known as “ivory tower” analysis; therefore, it

does not correspond functionally to the real universe in which we exist.

Thus, it is in the devastating paradoxes of number theory, as shown by Carl Gauss, that a mathematics of the counting numbers shows itself to be everywhere-dense with ontological paradoxes, or, in fact, even many absurdities; Georg Cantor’s, like Gauss’s and Riemann’s appreciation of the significance of the so-called “sieve” of Eratosthenes, reflects this fact. The pathological element in “mathematical modelling,” is axiomatically rooted in the “ivory tower” cult of deduction.

Every truly crucial experiment, like the case of the extension of the Huyghens pendulum-clock, and other experiments, all of which led to the demonstration of a “least time” principle underlying both the refraction of light, and electromagnetism in general, overturns some part of those previously established beliefs upon which naive faith in the deductive method always relies.

Admittedly, science has often represented its knowledge, as acquired up to that point, in those terms of approximations which correspond to a linearized form of mathematical calculations. There is no fraud in the practical use of such approximations, as long as the fact that these are approximations is implicitly recognized. However, in every instance of a validated new discovery of a universal physical principle, the result is a radical overthrowing of the previously established, linearized forms of approximation practiced at the blackboard (or upon digital computer systems). In each case, as Georg Cantor appreciated the implications of Eratosthenes’ “sieve,”<sup>6</sup> and as Nicholas of Cusa’s work led to the discovery of transcendental functions, by Leibniz et al.,<sup>7</sup> the effect of a validatable discovery of any universal physical principle, must produce a revolutionary overturn of previously established, “generally accepted” classroom mathematics.

Simplified mathematical approximations are useful, even necessary, in their proper place. Yet, those who steer the progressive development of educational programs used in secondary schools and higher education, must be ever vigilant, never to overlook the implications of the point I have just stressed. The policy must be understood as follows.

For ordinary purposes of engineering, we usually reduce applied science to a mere approximation of truth. Frequently, thus, we use a mere approximation of truthful mathematical physics. In the practice of engineering by competent professionals, or managements of relevant government laboratories and private firms, the fact is never to be overlooked, that the

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6. The famous “sieve” of Eratosthenes (c. 284-194 B.C.), is the starting-point from which Karl Weierstrass and Georg Cantor et al. derived their specific revolutionary contributions to modern number theory.

7. See Lyndon H. LaRouche, Jr., “On the Subject of Metaphor,” *Fidelio*, Fall 1992; *Nicolaus of Cusa on Learned Ignorance*, trans. by Jasper Hopkins, pp. 52-53; Nicolaus of Cusa, “On the Quadrature of the Circle,” trans. by William F. Wertz, Jr., in *Toward a New Council of Florence* (Washington, D.C.: Schiller Institute, 1995), pp. 595-610.

mathematical models customarily used by engineers, are not science, but only a simplified approximation of the fruits of previous scientific work.

Whenever any change in technology is incorporated into design of products, or methods of production, competent professionals and managements insist upon the same kinds of experimental demonstrations which are required for validating a proposed new universal physical principle.

Similarly, public education, in its design of curricula and classroom methods, must never lose sight of the dangers inhering in a naive view of customary engineering practices.

Unfortunately, in the recent zeal for the Lockean cult of “shareholder value,” both the U.S. government and leading

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U.S.A. and European firms have departed the pathway of sanity, into linearized “mathematical modelling” instead of science.

This cult of “mathematical modelling,” was the standpoint from which the Mont Pelerin Society-controlled Heritage Foundation made a farce of what had been President Ronald Reagan’s well-conceived, original proposal for a Strategic Defense Initiative. Heritage Foundation spokesman, Lt.-Gen. (ret.) Daniel Graham, was used as a Mont Pelerin Society figurehead, for insisting that “off-the-shelf” technologies of existing military contractors, not science, be the basis of ballistic missile defense. Thus, although some scientists, greatly underfunded, are still studying relevant technologies today, the official U.S. government policy on ballistic missile defense continues to be the same, worthless, and troublesome boondoggle which the Mont Pelerin Society’s front, the Heritage Foundation, interjected in 1983.

Thus, today’s corporate department of “design engineering” has often been transformed into a deadly economic farce, also largely under Mont Pelerin Society and related, pernicious influences, at lately increasing rates, into the mother of product-design catastrophes, that by virtue of a form of anti-scientific incompetence known variously by such names as “benchmarking,” “out-sourcing,” or “mathematical modelling.”

Thus, the incompetence of the current Congressional pro-

posals for “ballistic missile defense,” is an example of the deadly strategic effects of simple-minded bungling in the design of products and military capabilities. It should be evident, that the incompetence shown by the recent pork-barrel programs for ballistic missile defense, reflects a toleration for incompetence in the Congress and elsewhere, a toleration which would not have been possible but for the effects of our increasingly corrupted public education systems.

For related reasons, in physical science, as in art, and in real-life history in general, the progress of human existence is always, essentially revolutionary in character. The progress of mankind’s increase of power in and over the universe, is always the result of the propagation of validatable, newly discovered (or, rediscovered) universal principles. This fact is typified not only by the case of universal physical principles, but, contrary to the empiricists, positivists, Immanuel Kant, et al., also valid forms of Classical artistic composition.

“Classical” so used, includes even those folkloric artistic compositions, such as the best among the U.S. Negro Spiritual, whose validity is often recognized by the most accomplished Classical artists, such as Antonin Dvořák. Such folklore has the same, or sometimes even greater degree of importance, as universal principles, than many leading discoveries of universal physical principle.

It is the practice of real-life history, according to the influence of Classical progress in knowledge of universal physical and artistic knowledge, which informs the practice of society, to the effect of enabling mankind to increase its per-capita power in and over the universe, and thus its power to improve the individual human condition in a universal way. That is the standpoint of the only conceptions which deserve the name of “political science.”

As the case of physical science’s progress illustrates, in all discoveries of validatable universal principles, whether as science or Classical artistic composition, every such discovery of principle occurs as a creative (e.g., non-deductive, cognitive) solution for what is definable as an “ontological paradox.” Such a paradox is typified by the case in which irrefutably existing evidence, overthrows the set of axiomatic assumptions underlying presently prevailing belief. In physical science, solutions to such paradoxes occur in the form of discovery of a validatable new universal physical principle. In art, as the radical discoveries in perspective, by Leonardo da Vinci, or the development of the well-tempered system of polyphony, by Johann Sebastian Bach, typify this, the notion of validatable Classical principle, is fully congruent with the notion of validatable universal physical principle in science.

All solutions to such paradoxes are generated solely by a method which is peculiar to the human mind; we call that method *individual cognition*. That method, otherwise known to Classical art and science as *reason*—as distinct from mere deduction, is the central principle of all competent policies and practices of education. Herein lies the key to recognizing the intrinsic incompetence of the recent decades’ prevailing

trends in public and higher education, and the often worse incompetence of what are currently proposed as remedies for the current state of education.

All competent education rests upon a grounding of the pupil's power for solving real-life problems, through re-experiencing, as faithfully as possible, the original act of discovery of a validatable universal principle, whether in science or art, a discovery effected by an original discoverer, usually one from the earlier generations, even the distant past. This aspect of public education is rightly viewed as "the cultivation of the cognitive powers of the individual pupil's mind."

Through this experience of re-enacting validatable original discoveries, the student learns to recognize, within the privacy of his, or her own sovereign powers of cognition, those non-deductive methods of thinking which occurred within the mind of the individual making some validatable discovery of universal principle, from the past.

This power of cognition, which sets the individual person apart from, and above the beasts, can not be programmed into a digital computer, can not be described at the blackboard, nor by any other expression of today's notion of "generally accepted classroom mathematics." It is known in a three-fold way.

1. It is known by re-enacting a validatable original act of discovery of a universal principle, as in reliving that experience from a creative genius of the past.

2. It is known by examining the relationship between the act of discovering, cognitively, the new principle, and the nature of the experimental, or comparable proof of the universality of the discovered, proposed new principle.

3. It is known by sharing the act of discovering and validating such an historically validated creative solution, with other persons, such as a small group of classmates and teacher. Thus, *the existence of the experience of that act of cognition, as demonstrated to exist in the mind of another person, and as shown to have a common physically-efficient expression as a result of its existence, becomes the means by which that act of cognition becomes a recognizable, and efficiently existing object of a social form of conscious knowledge.* All of the validatable discoveries of principle respecting Classical artistic composition, have the exact-same quality of certainty as socially cognizable knowledge.

This cognitive, creative potential, unique to the human individual, is not subject to observation by means of sense-perception, but it is known with certainty by the means I have indicated, nonetheless. In fact, what we know in this way, is known with a certainty which no rational person would ever ascribe to notions associated with mere powers of sense-perception of objects.

These discoveries, once known in that fashion, are what

Plato defines as "ideas." The use of the term "idea," should be limited to references to validatable discoveries in the generation and application of principle. These applications are chiefly matters of scientific and Classical-artistic principles, and a political-science of ongoing history, based upon the habits of a mind which has had its cognitive powers cultivated by means of a Classical form of scientific and artistic education.

The processes of public and higher education have, thus, the following predominant functions as contributions to promotion of the general welfare.

The general function of a Classical education in mathematics and physical science, is to re-create, within the mind of each individual pupil, the original experience of all of those validated discoveries of universal principle, from the past, upon which the best practice of society today depends. This achievement, induced within each pupil, constitutes the obligation of public education to develop cultivated powers of cognition and knowledge in the minds of each and all of the graduates capable of receiving such cultivation. Persons who have assimilated and who practice such cultivated powers of judgment, are to be recognized as reasonable persons, fully qualified thus to assume the adult responsibilities of citizenship.

All young people not only have a right to access to such qualities of public education. The republic has a right to educate them in ways which ensure the future general welfare of the republic and its posterity, an education which ensures that the future citizenship shall be one of cultivated minds.

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## 4.0 The necessity of Classical art in schools

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We do not do injustice to earlier cultures by insisting that European civilization, including that of the U.S. republic, originated within those developments in ancient Greece which are rightly distinguished as Classical today. This appreciation of the legacies of the Homeric epics, of Pythagoras, Thales, Solon, the "Age of Pericles," and of the tradition of Plato up to the time of Eratosthenes, takes into account Greek civilization's great debts to Egypt, to the Vedic, or pre-Vedic culture to which the roots of the Greek language are traced, and to the ancient transoceanic maritime cultures on which the foundations of Egyptian and Greek culture commonly depended. In speaking of Classical Greek civilization, as the founders of the U.S. republic did, we take important predecessors of Greek Classicism into account implicitly. Similarly, in speaking of the Greek Classic, we are implicitly seeking out those currents of ancient language and other heritages which we may owe to, or which we otherwise find replicated in places such as ancient China.

In all distinctions among cultures which we may find nec-



*“All Classical art, in contrast to ‘mathematical modelling,’ is based on avoidance of the untruthfulness inhering in a deductive, or so-called ‘literal,’ or ‘dictionary’ mode of argument.” Here, world-renowned baritone William Warfield and pianist Sylvia Olden Lee give a class to young singers, an event sponsored by the Schiller Institute and the National Conservatory of Music Movement, in Washington, D.C. on May 11, 1996.*

essary to recognize, we must never lose sight of the fact that each man and woman is made equally in likeness to the Creator of the universe, and therefore a bearer of such a quality of goodness innate to all new-born individual representatives of our species. Our concern, as citizens of our anti-oligarchical republic, is to find in ourselves that expression of goodness which will be a benefit to all past and future mankind. Our national interest in this, is as Secretary of State John Quincy Adams stressed in crafting the design for President James Monroe’s 1823 Monroe Doctrine: our interest as a national republic, lies in fostering a republican community of principle among the sovereign nation-state republics of this planet. All that pertains to that objective, defines our true national interest, both respecting matters internal to our republic, and in foreign affairs.

There is a quality of morality lodged within such education, which is lacking in all alternative forms of education, including most of what is often cloaked with the name of “religious instruction.” The cognitive reliving of an original act of validatable discovery of principle, is not to be equated to copying a formula. In a true such cognitive discovery of principle, the person who relives an original discovery is reliving a moment from the mind of the living person, perhaps now long deceased, who made the original discovery whose experience one is replicating as a student.

In reliving many such moments, from many original discoveries, over thousands of preceding years, that aspect of humanity’s past has come alive in oneself, and will be, hope-

fully transmitted from oneself, perhaps enriched, to persons not yet born. It is in precisely that cognitive connection of the living present to both living past and living future, that the moral quality of a cognition-centered Classical-humanistic form of education far surpasses all other modes of educational practice. Persons educated in that mode become, in principle, moral citizens; persons educated in different ways, probably not so. Not all of the criminal codes and related legal means concocted could provide even a bit as much moral persuasion of a population as such a universalized Classical-humanistic approach to a universal system of public education.

It is in this aspect of a Classical-humanist mode of universal education, that the principle of cultivation of the individual mind of the future citizen comes to the fore. I now define Classical art, and Classical forms of artistic composition (as distinct, for example, from “Romantic,” or “Modernist” art) from the vantage-point of the agreement between Classical artistic composition and Classical scientific method, as I have described the latter above.

In general, Classical artistic composition is to be recognized as a crucially important, integral part of that communication we know otherwise as a literate form of use of language. All Classical art, in contrast to “mathematical modelling,” is based on avoidance of the untruthfulness inhering in a deductive, or so-called “literal,” or “dictionary” mode of argument.

Generally, Classical art is customarily distinguished as of two general types, plastic and non-plastic. However, the underlying principles of composition of both are the same;

only the mode of expression differs. Like spoken literate language, all forms of art are intrinsically social, and subject to the same tests of truthfulness or falsehood as any spoken or written prose.

Classical art lies in the recognition that any statement intended to be heard or seen as a literal, deductive copy of the referenced reality, is intrinsically a false statement, that for reason of fallacy of composition, if not otherwise. In the general case, such intrinsic falseness is of the same origin as the form of lying known as “mathematical modelling.” I now present the case of Classical artistic composition from the vantage-point of defining what constitutes truthfulness in art.

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## 4.1 ‘Connecting the dots’ in art

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The greatest orchestra conductor of the Twentieth Century, Wilhelm Furtwängler, described his method of conducting, as “performing between the notes.” Leonardo da Vinci, centuries earlier, identified the principle of composition, in painting and plastic arts generally, to the same effect. The issue is the same I raised above, in summarizing the significance of the principle of “least time.” What we define as distinct sense-impressions, may each really exist as sense-impressions, but one must not make the mistake of “connecting those dots” in a simply deductive way. This warning, against deductive modes for purporting to “connect the dots,” applies as forcefully to art as it does to a mathematical form of physical science.

To make this point clear, it is indispensable that I introduce an autobiographical note of explanation here.

My own personal contribution to science came about during 1948-1952, as a result of my earlier, adolescent, pre-war attack on the *Critiques* of Immanuel Kant, that from the standpoint of the influence of Gottfried Leibniz in shaping my world-outlook.

Later, as a young man, shortly after the close of World War II, I first heard a recorded performance by conductor Wilhelm Furtwängler, while I was stationed temporarily at an army camp outside Calcutta, India. My recognition of the qualitative superiority of Furtwängler’s conducting, an effect which I later identified with his use of the phrase “playing between the notes,” had a profound impact, in its contribution to shaping my view of Classical artistic composition in general.

The distinctive feature of the effect of Furtwängler’s conducting, was instantly clear to me. How that effect might be located in terms of the principles of polyphonic composition, was not yet so clear. Even more than a half-century later, after an intensive comparison of differences in Classical performances, I am still discovering new things bearing on that matter. Then, except for the certainty of Furtwängler’s superiority over all known leading conductors, and certainty respecting the way this difference could be identified as a heara-



*Hermes, by the Classical Greek sculptor Praxiteles. “The difference between the deductive formalist and the Platonist, was always the difference between the corpse and the living, the difference between the death-like symbolism of Archaic art, and the sense of life in mid-motion, conveyed by great Classical sculpture and painting. . . .”*

ble phenomenon, the effect was to drive me into a more intense re-examination of music, Classical poetry and drama, and so on, in general, than to provide settled answers to the many questions implied by such inquiries. Always, the standpoint of my inquiries was my defense of Leibniz’s standpoint against the avowed irrationalism of Immanuel Kant and his like. The questioning itself bore me valuable fruit.

These and other experiences combined in effect to shape my reaction to an early 1948 reading of the Paris, paperbacked edition of Norbert Wiener’s *Cybernetics*. I recognized Wiener’s representation of “information theory” as a fraudulent, positivist concoction, in the same vein of axiomatic error as Kant’s *Critiques*. While I chose to refute Wiener from the standpoint of the economic effect of the discovery of new physical principles, I also contrasted Wiener’s lewd definition of “information” to the notion of Classical artistic ideas, as products of the same type of cognitive processes represented by valid Classical artistic principles of composition.

The outcome of my attack on the fallacy presented by Wiener, was not only my original discoveries in the field of physical economy, but my including, as integral, the notion

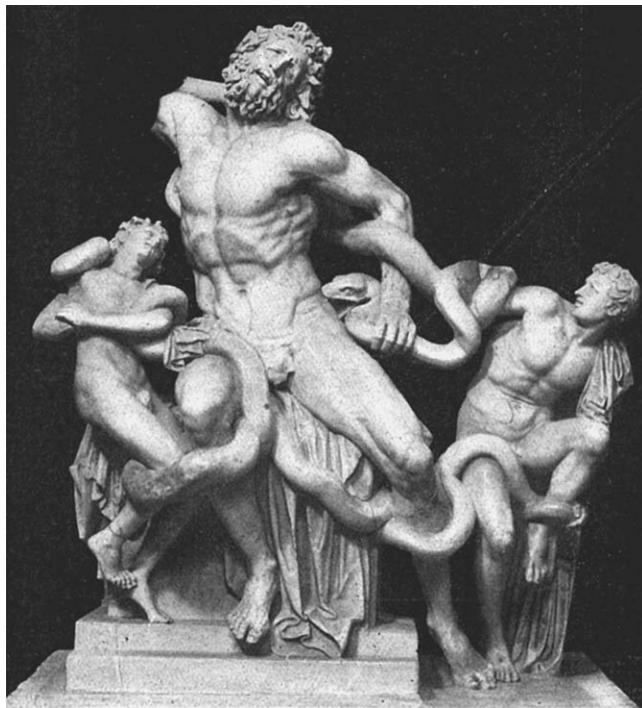
of Classical artistic principles as complementary to the discovery of validated universal physical principles. As I came to recognize that Bernhard Riemann's celebrated, 1854 habilitation dissertation, provided the key to analyzing the relationship between valid discoveries of universal physical principle and the increase of mankind's per-capita power in and over nature, I also recognized something additional. It was obvious to me, then, circa 1952, that the relations between man and nature are conditioned not only by discoveries of universal physical principles, but also the Classical form of artistic principles. That view became known later under the rubric of "The LaRouche-Riemann Method."

Nearly five decades later, those original results, of work conducted over the 1948-1952 interval, have been rather richly cultivated by aid of practical work in many relevant fields. That is the standpoint which is reflected, inclusively, in this report On the Subject of Education. Today, as then, that standpoint takes the act of cognition as the "fundamental variable," so to speak, which underlies all social processes. In my thus refined use of the term "Classical," it signifies the ordering of physical scientific and artistic thought according to an all-determining, underlying role of the action and development of the human cognitive, as distinct from mere learning processes.

The way in which I approached Classical artistic composition in general, was conditioned by exposure to the quality of difference between Classical Greek sculpture and the preceding Archaic modes of Egyptian and Greek composition. Although I had not yet acquired the use of Furtwängler's description, "playing between the notes," the superiority typified by the work of Classical sculptors such as Scopas and Praxiteles, over the Archaic and the later Roman sculptors, was for me clearly a matter of the same advantage I recognized in Furtwängler's conducting of a Beethoven, Schubert, Brahms, or a Tchaikovsky symphony. For purposes of defining the principled features of Classical art, I would prefer to begin with Classical Greek sculpture as the starting-point in pedagogy.

The central issue of this presentation, the focal point, is, "How should we connect the dots?" With that focus adopted, the congruence of Classical art and science is made, quite properly, as immediate as possible. The Classical Greek development in sculpture, as compared with the same principle better expressed in Leonardo da Vinci's *The Last Supper*, typifies the intrinsic non-linearity of the connections which Classical art, like science, makes among "the dots."

Even a preliminary sort of careful scrutiny of Classical sculpture, shows that the way in which such sculpture presents actual ideas, rather than non-cognitive forms of mere symbolism, is located in a certain irony. On the one hand, the Classical sculpture seems to portray a figure caught "off balance," and, yet, like the smile of Leonardo's *Mona Lisa*, or Rembrandt's powerful *Aristotle Contemplating the Bust of Homer*, an image of something alive, caught in mid-motion.



*This Classical Greek sculpture shows the Trojan priest Laocoön, wrestling with two sea serpents who kill him and his sons, after he warns the Trojans about the giant wooden horse, a gift that the Greeks have sent into their walled city.*

The same is most powerfully presented by Leonardo's *The Last Supper*, especially to a visitor walking within the chapel in which it is contained. On more careful scrutiny, "off balance" turns out to be a kind of ontological paradox, which more efficiently corresponds to the reality represented than any non-Classical form of plastic composition. In this one should begin to recognize how the standard of truthfulness applies to Classical artistic composition.

For the use of secondary classroom instruction, there are functionally usable reproductions of Leonardo's *The Last Supper* available. Also useful are reproductions of Classical statues which reflect the principle associated with Scopas and Praxiteles. Reproductions of *The Last Supper* are most useful for the classroom, for several reasons. After the students have worked their way through that painting, they should seek out the corresponding specificities of Classical sculpture.

The pedagogical advantages of *The Last Supper* are chiefly of two types: first, the effect of moving in front of the painting, as if walking within the chapel where the painting is located; second, the existence of extensive documentation, by Leonardo himself, of the principles underlying the design of this painting. This provides the teacher and students the advantage of experiencing this painting as a re-enactment of the discovery which Leonardo embodied in it. That makes the discovery itself a matter of the student's actual knowledge, rather than mere learning.



Leonardo da Vinci, *The Last Supper*. Careful study of this work, along with Leonardo's documentation of the principles underlying its design, "provides the teacher and students the advantage of experiencing this painting as a re-enactment of the discovery which Leonardo embodied in it. That makes the discovery itself a matter of the student's actual knowledge, rather than mere learning."

Then, the teacher and students are situated to point out to one another the related principles of composition embodied in Classical Greek sculpture.

Look then at the relevant paintings by Raphael Sanzio, from this standpoint. *The School of Athens* and *The Transfiguration*, are relevant cases. Look at the bust of blind Homer seeming to examine the sightless mind of Aristotle, in the Rembrandt painting: a kind of metaphor which could not be achieved by means other than the Classical method of painting and sculpture.

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## 4.2 Classical music

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Now, turn to music. Focus upon modern Classical thorough-composition, including the post-1782 work of Wolfgang Mozart, Josef Haydn, Ludwig v. Beethoven, Franz Schubert, Felix Mendelssohn, Frédéric Chopin, Robert Schumann, and Johannes Brahms, in contrast to their opponents, the Romantics: Rameau, Liszt, Berlioz, Wagner, Bruckner, et al. Classical thorough-composition was derived chiefly from the work and teaching of J.S. Bach. It was study of Bach's method of composition, from 1782 on, by Mozart and others, which generated modern Classical thorough-composition. Nor would pre-1782 Mozart have been possible without a Haydn influenced chiefly by a son of Bach, C.P.E. Bach.

Whence J.S. Bach—"The Bach"? The roots of Bach are very ancient, traceable from the time of Pythagoras and Plato's Academy. The proximate source of Bach's knowledge runs through the work on music by Leonardo da Vinci, who did rigorous scientific studies of vocalization, studies based on the most natural method of singing, the method associated with the Fifteenth-Century Florentine school of *bel canto* voice-training. This method, traced through Leonardo, defined implicitly six species of adult singing voices, each species characterized by a natural set of shifts in voice quality, a quality known as "registration."

The development of music, from Florence and Leonardo, shows an evolutionary development of the instruments as imitations of human singing voices and voice-registrations, and the emergence of choral polyphony and instrumental accompaniments based upon *bel canto* principles of singing. Bach's vocal and vocal-instrumental compositions, taken together with his organ works, and compositions such as his *The Musical Offering* and *The Art of the Fugue*, present us the standpoint from which Mozart launched what became modern Classical thorough-composition, as typified by Mozart's keyboard Fantasy K. 475.

To appreciate the real Bach, as distinct from performances sometimes heard today, focus upon the case of two Bach Passions, the *St. John Passion* and the *St. Matthew Passion*. Think of the actual performance of those Passions as Bach



*The Leipzig Thomanerchor, during a performance in Washington, D.C. on Feb. 7, 1998. To appreciate the real Bach, LaRouche writes, imagine how his great works were performed in his day, with master soloists, a rigorously trained children's chorus, and the audience singing the chorales as responsive readings—"a far cry from attending a St. Matthew Passion as if it were a spectator sport!"*

conventions required. We have instruments, which sing in their polyphonic imitations of specific registrations of human singing. There is a chorus of children, much like the Leipzig Thomanerchor of today. There are soloists. There is the singing congregation, singing the great chorales as responsive readings. The soloists are the masters, the children's chorus rigorously trained, the well-trained orchestra, and the audience which sings as most congregations today could not! All a far cry from attending a *St. Matthew Passion* as if it were a spectator sport!

It was in this social setting, within the context of this practice of the community, that Bach developed a rigorous standard of tuning; a study of those choral works with instrumental accompaniment leave no doubt that these works could not be performed competently, unless the tuning were a well-tempered one fixed at approximately  $A=430$  cycles.<sup>8</sup>

This precision provided Bach the palette on which to practice his distinctive method for composing fugues, composition based upon a principle of inversions readily demonstrated to even a musically semi-literate secondary classroom. The students will be instructed that it should be done because it is fun to do; progress toward even moderate success promotes a sense of happiness about the whole business. This refined palette gave Mozart the premise for carrying Bach's discovery forward into what became Classical methods of composi-

tion through the last great compositions of Brahms, notably featuring his Fourth Symphony and his *Four Serious Songs*.

Looking at this history of Classical composition in even that relatively restricted way, points us toward the way in which the standard of truthfulness arises in Classical musical composition: "You must not cheat!" Looking at the same matter a bit deeper, contrast Bach and the Classical composers, with so-called music which was composed like endless salami—or Germany's famous "curry sausage," such as the infinitely boring productions of Rameau: when one has already heard too much, chop it off! The characteristic of a Bach, or a later Classical composition, is that it has a natural beginning, and a natural ending—unlike the endless sausages composed later by Anton Bruckner. Serious composers were fussy about saying what they had to say: not more, nor less.

To understand how a Classical composition works, think of it as like a planetary orbit, as Kepler and then Gauss define the functional character of a planetary orbit. In both planetary orbits and Classical composition, the beginning and ending of the performance of the cycle is defined by a principle of development which is the characteristic of the orbit as an entirety. Bach's approach to the composition of fugues typifies this likeness.

The developmental principle characteristic of a Classical musical composition, is a nested set of ironies, which converge upon a single, pervasive metaphor. Each of these contrapuntal ironies, has the quality of a necessary dissonance to be resolved. One must see the dissonance in this case not as some arbitrary dissonance, but as reflecting the same principle

8. See "Keyboard Variations as Vocal Polyphony," John Sigerson and Kathy Wolfe, eds., *A Manual on the Rudiments of Tuning and Registration*, Book I (Washington, D.C.: Schiller Institute, 1992), pp. 232 ff.

of irony underlying the Classical method of sculpture associated with Scopas and Praxiteles, and Leonardo's *The Last Supper*. It is not dissonance in the sense of falseness, but dissonance in the sense of a true ontological paradox. Just as a validatable discovery of a universal physical principle resolves the valid dissonance we see as an ontological paradox, so a great Classical musical composition defines a subsuming musical-ontological paradox, whose solution is the identity of that composition taken as an indivisible whole.

Thus, a Classical musical composition should say that much, and not more.

One of the great difficulties standing in the way of successful musical composition, prior to Mozart's discovery, was a deadly ban on including what was termed "the Devil's Interval" — e.g., Lydian intervals — within a composition. The ban was, at best, silly superstition; but, although Bach developed the use of that banned principle, as he did in his *A Musical Offering*, for example, it was not until Mozart's so-called "Dissonant Quartet," and his prefacing of his K. 475 Fantasy to his K. 457 keyboard sonata, that this principle of Classical composition was openly stated as such. See Mozart's *Ave Verum Corpus* for a compact and beautiful example of this.

In the composition of Classical works, and in their performance, the crucial thing is to follow Furtwängler's rule of performance: "performing between the notes." Like keeping a planet safely on track, the essential thing in any Classical musical performance, is never to depart from submission to the developmental conception which is the pervasive characteristic of the composition taken as a whole. This requirement, as it is met in the conducting of Furtwängler, typifies the difference between the performer who plays the composer's music, rather than the pedant or bungler, who prefers to play the mere notes of the printed score. Think of notes as "dots." In Classical composition, the music does not lie in the dots, but in the connection which the dots are intended to reflect: hence, "playing between the notes."

The worst performers are those who treat the transitions in music as separations, like the links between the salami on a string. The artist treats these apparent separations as functionally connections, as the transitions which reflect the characteristic developmental ironies of the composition as a whole. Compare Furtwängler's recorded direction of a London performance of Schubert's Ninth Symphony with that of almost any other conductor; the difference is almost overwhelming!

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## 4.3 Music and poetry: The principle of the verb

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Although vision is the dominant sense, singing and hearing song are the dominant expression of social relations. Language which is sung, or, in other words, vocalized, is called poetry, but only under certain conditions. The characteristic

of Classical poetry is what is called metaphor, signifying ideas as I have defined the use of the term "idea" above. That much can be stated, and taught, with a large, and, indeed, profound degree of certainty. If one attempts to show the rules of use of language, but with reference to some ancient very-early development of language, much idle speculation tends to pollute the discussion.

Thus, review the nature of some of those difficulties which lure the incautious into wild speculations. Where shall we draw the line between arbitrary speculation and evidence, in efforts to trace the pre-historic development of what we know as language today?

There are certain difficulties in the way of attempting to trace the origins of even the presently known language families. Any attempt to assess the probable origins and functional characteristics of the early development of language, must rely on methods which might be less than obvious to the layman, but nonetheless permit us to draw certain firm conclusions concerning the lawful development and more effective forms of use of languages. In addressing the closely related aspects of poetry and music, the indicated difficulties must be taken into account.

The difficulty in assessing certain of the pre-historic origins, and presumed original characteristics of the principal known, historic language families, is that we have no reasonably precise date for the first appearance of what might be defined as a distinctly human species on this planet. One of the principal problems is, that for about 100,000 years or more of our past, a great part of the northern hemisphere of the planet lay under glacial ice, and the seas and oceans ranged between three and four hundred feet lower than during a recent period longer than 6,000 to 4,000 years, perhaps, as a reasonable rough estimate, as recently as a catastrophic set of developments dating, according to Plato's sources, from about 13,000-12,000 years ago.

Given the evidence, that regularly recurring ice ages have dominated the northern continents of our planet for about two millions years, at least, we would expect to find most early traces of the human species in those areas which were not under glaciation, and in what were coastal regions at times when the oceans' levels were hundreds of feet lower than during our present interglacial warming period, a period of perhaps about 21,000 years to date. For similar reasons, sites at which we might expect to find ancient traces of the human species would include Africa and South America, and the region between the Tropics of Cancer and Capricorn generally.

There is one most important fact which aids us in sorting out some of the most relevant evidence. Suppose an archeologist discovers bones which he or she wishes to classify as either early man or a forerunner of our species. What is the difference between such residues, which might seem to resemble "early man," and a well-defined human specimen?

The answer is: We must focus upon the artefacts we uncover. We are searching for artefacts which reflect the presence of a human mind. Take the throwing spears dated from

a site in Germany several hundred thousand years ago, for example.<sup>9</sup> Campfire sites associated with bones of animals, are an example. Similarly, we have in caves in France, examples of actually refined art, presently dated from tens of thousands of years prior to the melting of the last glaciation. The presense of such refined art, reflects a rather highly cultivated mind, which certainly had some form of written language 20,000-40,000 years ago.

Thus, we make a rule. When we say “human,” rather than “ape,” we should signify a species which shows the distinctive characteristic of human behavior: cognition, as I have defined cognition here. I mean to emphasize the distinction between learning, and transmission of learned behavior, which apes and others, such as dogs, can do, and a species which is capable of discovering and governing itself by validatable universal physical principles, or, in other words, ideas. Cognition, as I have defined it here, is the definition of man, and of specifically human behavior, including language.

Look at the cave paintings in France again. Cave sites are among the most important archeological sites for human finds—wherever human artefacts do occur. Such caves are among the likely places for either dwellings or burial sites. The evidence of language-behavior we seek in such sites, is of two types: art and symbolism. By art, we mean art as Classical Greek sculptors would tend to classify the artefact as art. The use of counting slashes associated with crude representations of animals, we would tend to view as a form, or approximation of a written language.

Granted, the evidence is sparse, but amid all of the uncertainties, certain kinds of conclusions can be, and must be adduced. More important than the few firm conclusions to be allowed, are the crucial questions which we can not put aside easily. All of those crucial questions arise when we examine the shards of ancient human existence, from the same standpoint we are obliged to apply to distinguish classroom behavior which represents mere learning, from classroom behavior which represents knowledge-in-the-making: cognition. Whatever must be said of ancient languages and proto-languages, all that is distinctly human, is that which pertains to the discovery of validatable forms of universal principles, of ideas as Plato defined ideas.

Thus, the ancient Sanskrit philologist Panini insisted, not nouns, but only verbs are real. Thus, when we hear speech in which the stress is habitually on the nouns, we are confronted with the use of language which is coincident with illiterate mental behavior. In literate mental behavior, we hear the emphasis usually placed upon the verb, or what we may distinguish as the “verbal action.” The issue, once again, is “connecting the dots.”

Nouns are “dots.” Nominalist behavior, such as that of

the English empiricists and the continental Enlightenment, presumes a deductive connection among the dots. The real connection, the functional relations which the dots express, are always in the non-linear form of verbal action, as Kepler and Gauss defined planetary orbits. Verbs pertain to the non-linear, e.g., non-deductive, mode of transformation associated with the characteristic form of action indicated by reference to a specific form of verbal action.

In other words, we must adopt a Riemannian view of the distinction between nominal forms of “dots,” and characteristic forms of transformations within the manifold in respect to which the whole argument is made. Nouns are the domain of formalist mathematics; verbal action, especially transformations from a domain corresponding to one manifold, to a domain corresponding to a higher-order manifold, is the domain of change which corresponds to physical reality.

Compare literate speakers from earlier during this century, to speakers representing the succession of victims of post-war education and related enculturation. Look at the television set; listen to the radio. Hear everyday conversations. More and more, our population is losing the power of literate speech, is speaking an intrinsically illiterate kind of Orwellian run-on, which is fairly described as television-screen “teletypewriter,” or, worse, “informationspeak.”

In former, more literate—more intelligent—times, a knowing speaker spoke and wrote in ways which communicated literate ideas. The parts of his, or her paragraph were uttered, or punctuated, in ways which set the elements of composed statement ideas into their proper separation and relationship. All of this was uttered with emphasis upon the relevant verbal action. From his, or her statement, for example, one could write the corresponding formula, nicely sorted out, on the blackboard.

As Carl Zuckmayer described a demonstration by the actor Werner Krauss, a professional actor could conceal his face behind a Grecian mask, and make that mask itself appear to smile, or weep with sadness from the way the voice and movements from behind the mask imparted such notions to the audience. Those among us who learned something of the Classical poetry tradition, including Shakespeare, Keats, and Shelley in English, used what we learned from such great actors, to increase our ability to communicate ideas with a resulting improvement in the ability to impart far more profound and impassioned ideas than could be expressed in crude, illiterate street-corner speech. Now, the stage is silly, and the voices of the great actors are gone from that ruined place where the great actors fought, and lost their last great battles for the ability of audiences to impart and receive important ideas.

As Shelley said: we must seek a time and condition when there is an increase in the power of receiving and imparting profound and impassioned ideas respecting man and nature. That is what secondary education must do with the domain of poetry and song.

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9. Hartmut Thieme, “Lower Paleolithic Hunting Spears from Germany,” *Nature*, Feb. 27, 1997, pp. 807-810; Robin Dennell, “The World’s Oldest Spears,” *Nature*, Feb. 27, 1997, pp. 767-768.

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## 4.4 Poetry and metaphor

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The first step in secondary education in poetry, is to make clear that Aristotle's false definition of metaphor is to be rejected. Also, Thomas Hobbes' hateful view of metaphor, is not only to be excluded from the definitions of use of language. Against both Hobbes and Aristotle, the choice of Plato's use of metaphor is required, if competence is to be maintained in the classroom. For the relatively more gifted student, the presentation of Plato's *Parmenides* dialogue, as a powerful demonstration of the axiomatic folly of Aristotle's mis-definition of metaphor, as also the follies of the Eleatics and Sophists, is strongly recommended.

By metaphor, we must understand that that term signifies, in the general use of language, or in art, the same kind of conception as the posing of an ontological paradox within the domain of physical-science practice. A legitimate ontological paradox, or metaphor, is one which confronts the hearer with evidence which overthrows the assumption which the hearer may be presumed to bring to the subject matter of the poem, or other artistic composition being presented. The proof that this apparent contradiction in terms, is a valid one, forces the mind of the hearer to reconsider that, his or her view of the subject-matter within which the opening of the discussion was situated. Making this connection clear, is an essential task of secondary education in language and Classical art. A classroom discussion of the topics of William Empson's *Seven Types of Ambiguity*,<sup>10</sup> taken in light of my argument here, is a recommended feature of the curriculum. Examples from Shakespeare, Keats, and Shelley, and from the German Classical poetry of Goethe, Schiller, and Heine, are typical of appropriate topics of that discussion. English translations of the German Classical poetry should be designed to conform with underlining the specific metaphors and other ironies within the original German.

In other words, a metaphor is of the same nature, as to form, as the ontological paradox which obliges the thinker to discover a validatable new universal physical principle.

In a Classical poetic composition, or any analogous artistic composition, the composer uses a succession of ironies. For example, in simple strophic forms, each strophe may add an irony to an accumulation, such that the final metaphor is reached as a kind of crescendo of idea-ferment, toward which each preceding strophe has been leading, one after the other. Often, the recognition of this function of the successive strophes must be supplied to the hearers by the singer of the poem, or Classical song; it is implied in the written composition, but, to be heard, it must be recognized by the singer in such a way that the audience hears it, and recognizes its validity, too.

In the German Classical song, as first defined by Wolf-

gang Mozart's famous *Das Veilchen* and *Abendempfindung*, and as typified by Beethoven, Schubert, Schumann, and Brahms later, there is a relatively unique refinement of poetic composition, which can, with some difficulties, and patience, be presented to English-speaking secondary pupils. A good secondary program will make clear why the Goethe who defended the composer Reichardt's relatively dull, but well-crafted settings of Goethe's poetry, was wrong, relative to Friedrich Schiller, on the issue of poetic musicality. Since Reichardt's compositions are available, a secondary teacher qualified in the German can present an English-language lecture and discussion of these issues, that in ways which are accessible to a non-German-speaking classroom.

On this issue, Goethe disapproved of Mozart's settings of Goethe poems, and Schubert and Beethoven supported Schiller's view of the matter against Goethe. Similarly, Heine and Schumann rejected the Romanticism into which Goethe was lured, during the period after Napoleon's victory over the Prussians at Jena-Auerstadt. The Classical musical setting of Classical poetry, in the mode introduced by Mozart's *Das Veilchen*, provides, unfortunately only within the bounds of German, a relatively unique insight to the musicality of Classical poetry in general. Shakespeare, Keats, and Shelley were better understood as poets by taking this implication of the German Classical song into account. That tactic for song-composition, affords the secondary student a more efficient insight, into not only all Classical poetry, but also effective modes of speech in general.

Look at such Classical song-settings in the light of C. Zuckmayer's reference to an incident with the actor Werner Krauss. The function of a Classical musical restatement of Classical poetry, is not to "set the poem to song." The object is to bring forth from the poem, something otherwise usually missed about the idea-content of the poem. In other words, the function of the Classical song-setting is to make the intended poetic utterance apparent to the hearer.

Again, the common error to be overcome, is the tendency of the miseducated novice to "connect the dots," to perform what passes for a "standard" recitation, and super-imposed interpretation, upon the poem, or the musical score: the tendency to sing the notes, instead of the music. One must utter Classical poetry (and song) as Furtwängler conducted: one must not recite the text, either from the written copy, or from memory of the written text as such. One must deliver a "re-composition" of the experience of the original composer's final version of his, or her original composition. This means that one must speak, and sing, not from mere memory of the "interpreted" text: one must unleash those cognitive processes which are reflected in the original composer's composition of the poem or song. The singer of the poem must become, for himself or herself, and for the hearers, the living cognitive process of composing that poem.

Recall my earlier reference to the cognitive experience of re-enacting an original discovery of a validatable universal

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10. William Empson, *Seven Types of Ambiguity* (Middlesex: Penguin Books, 1961).



*Bassoonist Mindy Pechenuk gives a demonstration of how her instrument can be made to “sing,” like the human voice, at a conference of the Schiller Institute and International Caucus of Labor Committees on Sept. 5, 1999.*

physical principle. One must think, similarly, of re-creating the act of composing a poem, or song, not reciting a learned text upon which one has superimposed a stylized or otherwise contrived “interpretation.” One should note that the great Classical conductors were usually trained *bel canto* singers, who utilized that voice-training as an integral part of their conducting. Also, such conductors did not merely know the entire composition they directed; they had often, as in the case of Furtwängler, re-enacted the process of the composer’s original composing of the work. Thus, the performance flowed not from mere learning and superimposed interpretation of a memorized score, but was a reliving of the experience of the cognitive process of composition of the original work. Indeed, the best Classical musical performers were those who were driven to improve their cognitive reading of the works which dominated their performance repertoire, even several times over, even many years later.

The significance of this point is difficult to impart to the student, without some painstaking attention to what today’s typical student (and younger adult) has usually lost: the recognition of the inherent musicality of literate forms of speaking of prose. This loss usually cripples speakers and hearers, alike, seriously, respecting their ability to communicate important classes of ideas through the spoken—and also the written—word. The issue is not whether the student appreci-

ates poetry competently; the issue is whether the student’s mind is cultivated, through poetry and music, to the degree that that student’s powers of speaking prose are developed to the level of rationality which the tasks of modern social life require.

Without a mastery of the Classical musical-poetical requirements of literate composition and hearing of speech in general, modern functional literacy in communication of important ideas, can not be achieved.

Too typically, the student in modern schools tends to understand poetic recitation as a kind of chiefly monotonous, but often inappropriately colored sing-song. What is needed, is a mastery of the notion of the use of Classical forms of poetry, and poetry’s inherent musicality, to accomplish the transmission of impassioned important ideas even in speaking simple prose.

It might be useful to have an accounting report composed and read in a translation which serves as a caricature of today’s commonly practiced—and awful!—poetic sing-song. This clinical demonstration could afford the pupils a memorable example of what poetry is properly intended to accomplish, to what purpose, and to make clear what subject-matters, such as ordinary accounting, are, by their nature, most ill-suited to poetry.

The general function of the pupil’s obligatory mastery of Classical poetry and song, in secondary education, is not to produce either professional poets and singers, or professional critics of such works. The purpose of including this education as a standard requirement, is to cultivate better minds, minds more capable, as Shelley wrote, of “imparting and receiving profound and impassioned conceptions respecting man and nature.”

Passion? This brings us to the matter of coloration in speech. It is sufficient, for our purposes here, to point out certain among the more basic devices of coloration available in vocal and instrumental composition and performance. I limit myself to those aspects of musical, and musical-like coloration, which are indispensable for poetry, and also required for literate speaking (and writing) of prose.

There is tempo. In musical notation, we have various forms of “Allegro,” as “Allegretto,” “Andante,” “Adagio,” or “Largo.” Contrary to devotees of the metronome (which Beethoven, for example, was not), these notations do not signify stop-watch speeds; in Classical tradition, they correspond to a mood, or, “modality.” These notions of tempi are properly applicable, as forcefully, to spoken prose, as to formal musical performances. They represent a way of coloring an utterance to impart a state of mind.

Among the better, matured professional musicians, the work of serious composers is never addressed with a specific metronomic reading in mind.<sup>11</sup> The secondary student should

11. For example, the metronome readings for the first and last movements of Beethoven’s keyboard sonata, Opus 106, are wrong. With Beethoven, for example, one never performs fugues “too fast.”

re-enact the discovery of the principle governing choice of tempo, in speaking prose, respecting the quality of idea-material being presented at that stage of an argument. The student should then consider the relevance of that to the tempo (and use of rubato and caesura, e.g., written commas) in oral presentation of poems.

There are six possible, trainable but natural, general types of singing voice, and of speaking voice. These are defined by the Florentine style of *bel canto* voice-training, each defined in terms of what is called “register shift” (“voice registration”). These types are multiplied by different qualities of voices of the same registral types.<sup>12</sup>

There are different qualities of voice-coloration defined by vocalization (e.g., darker versus lighter vowels). There are the effects of consonant-vowel combinations on coloration.

There are also superimposed other modes of voice-coloration, which might lighten a darker vocalization, or darken a lighter one, as the music requires this.

These matters of registration, various types within each registral type, vocalization, and other coloration, are built-in features of the composition of Classical polyphony. Indeed these are virtually the definition of the basis for Classical polyphony. These are also essential features of the singing of poetry, or of speaking in prose modes, as by the best Classical actors.

By use of this repertoire of means available, the poet, or speaker of a poem, or prose, is enabled to color utterance both to indicate the voice of different speakers, and to indicate a shift in mood within the mind of any among those speakers, including the poet’s own autobiographical voice.

The secondary student will better understand such matters, when he, or she is freed from the unfortunately popular delusion, that “instrumental music” is to be differentiated from singing, within the domain of Classical composition.

In addressing the problems posed to the orchestra, the conductor has two alternatives. One, a popular one, is to homogenize the “orchestral voice.” The other, which often meets strong resistance among today’s instrumentalists, is to recognize that the instruments of the Classical orchestral palette were developed as imitations of the human singing voice.

The accomplished professional wind instrumentalist does not “blow” into the instrument, but, more emphatically, sings into it, as all the best oboists, for example, do. With the string instruments, a shift from one string to another, has the effect of a register-shift. Thus, a change in fingering may be the means by which the violinist, violist, or ‘cellist “sings” in one human singing-voice registration, or another. Or, the mastery of bowing permits the musician to effect a register-shift through a change in coloration.

In well-tempered counterpoint, where the dissonance generated from inversions is key to the developmental process of the composition, vox-humana-like voice-registration is indis-



*The late Eliane Magnan, one of the great ‘cellists of the Twentieth Century, and a friend of LaRouche and the Schiller Institute. “A change in fingering,” LaRouche writes, “may be the means by which the violinist, violist, or ‘cellist ‘sings’ in one human singing-voice registration, or another. Or, the mastery of bowing permits the musician to effect a register-shift through a change in coloration.”*

pensable. If homogenization is superimposed, the awkwardness of a purely instrumental approach to performance may be obscured, but the idea-content of the counterpoint is lost. In major choral works with orchestra, failure to treat the orchestra as a chorus subject to human singing-voice definitions of registration, may produce either ugly effects, or fake the ensemble’s way through the composition, through a dehumanizing homogenization.

If voice-registration and coloration are respected throughout, the quality of the final outcome will lie in the approach the conductor and performers take, toward bringing out the developmental continuity of the work performed. What are otherwise either sausage-string-style discontinuities, or ugly dissonances, vanish, as dissonance of various sorts dissolves into developmental transitions—as a proper performance of the fugue from either Beethoven’s Opus 106 or Opus 110, typifies the case.

The purpose and meaning of the presentation of music, so

12. *A Manual on the Rudiments of Tuning and Registration*, op cit.

composed and performed, to a lay musical audience, such as average secondary pupils, should be made clear in the educational program. This clarity is to be achieved, by leading the pupils to the recognition, that the social function of mastering Classical poetry and Classical musical composition, in these respects, is to cultivate the ability of all of the pupils to speak and write intelligently, through application of these features of musicality to prose utterances, as the best Classical actors have done. The mastering of speaking, writing, reading, and hearing prose from this poetical-musical vantage-point, is the quality of communication indispensable to the cultivated mind of every citizen.

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## 4.5 Passion and thinking

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Listen to the Orwellian “teleprompterese” and “informationspeak,” which pollutes the traffic in both mass-media and private intercourse today. Be reminded of other marvelous novelties of our times, such as a so-called university education lately liberated from study of the works of “dead, white, European males (DWEMs).” Such are the marvelous novelties which have been lately dropped from the tree of “value-free education.”

The Orwellian newscast’s interviewer speaking “informationspeak”: “How did you feel about watching the slaughter of your children, Mrs. Jones?” is, like the executioner “Just doing my job,” a true example of “value-free” behavior. Like the worst kind of Federal bureaucrat, no mass-murderer is so criminal as the one who plies his cruel profession with the cold logic of “I can feel your pain, ma’am; but, I’m just doing my job.”

In the way some people, like TV newscasters, utter Orwellian today, we experience the sheer bestiality of those who have been educated to speak and act like “Third Wave” robots, trained to speak and act without a flicker of conscience. Only in reply to a sensed affront to the bureaucratic machine which has programmed their behavior, do they exhibit what passes, among them, for expressions of sincere indignation. They have been programmed, not to think, but only to calculate according to currently approved statistical, sociologists’ formulas. “I’m just connecting the dots, ma’am. Nothing personal.”

The trouble is, that as the mass media has assumed the trappings of an Orwellian god, foolish little people find a sense of self-importance, in feigning styles which imitate, like suggestible children, the “teleprompterese” and “informationspeak” of those media celebrities whom they regard as the authorities who are to be imitated.

Such types do show passion, at times. Like the fabled “Lord of the Flies,” today’s value-free veterans of the 1960s campuses, often find a substitute for honest passion, in showing homicidal indignation when someone breaks their currently concocted rules for winning the game, such as those

current fads of “cutting the social welfare budget,” which their crowd just made up. They are very angry at times, even sadistically cruel, but never moral, always value-free. It is not a matter of morals; like a lunatic desire to become an “alpha dog,” it is their transiently current “thing.”

Until these Orwellian times, since Plato’s best-known writing, known as *The Republic*, civilized representatives of European civilization had located morality in a commitment to truthfulness and justice.

The notable exceptions to morality have included the ancient pagan Romans, and the modern empiricists, Kantians, positivists, and existentialists. All these, like Immanuel Kant and his existentialist followers, have defended their errant beliefs and policies on the presumption that truth, and therefore justice, are unknowable; they find a substitute for truth in what they currently consider, collectively, to be convenient for their own purpose. For them, justice is delimited to the more or less arbitrary decisions of law and other traditions, which their crowd, such as the Wall Street crowd of bankers and lawyers, just made up.

That latter view was the dogma of England’s Thomas Hobbes, John Locke, Bernard Mandeville, Adam Smith, and Jeremy Bentham. It is the current, radical-positivist, and often frankly racist wave of judicial policy-shaping, under the Rehnquist U.S. Supreme Court. It is through the latter trend in U.S., as in British notions of so-called “rule of law,” that our own and other nations have been gripped, increasingly, by the Orwellian nightmare of “teleprompterese” and “informationspeak.”

### A passion for truth

Put aside the formalist’s cult of putatively unimpassioned deduction; where does passion lie in Classical art, and what values does that passion express? The answer to such questions lies, axiomatically, within the domain of cognition.

The essential passion of civilized life, is that zeal for truth and justice which Plato associates with the Greek term *agapē*. This is the same quality of passion which the Christian Apostle Paul underlines so famously in Chapter 13 of his First Letter to the Corinthians, the Chapter from which Johannes Brahms excerpts the text for the fourth of his *Four Serious Songs*.

This is the same passion we experience summoned within us, when we muster a stubborn, effective form of cognitive exertion, for discovering a cognitive solution for the type of ontological paradoxes which are characteristic of the discovery of validatable universal physical or artistic principles. Such is the passion of cognitive action; such is the verbal action which transforms our axiomatic world-outlook, our so-called mind-set, from a relatively inferior to a superior condition.

The cultivated mind, or, if you prefer, the civilized individual mind, reacts with the greatest mustering of passion, to issues of what it believes to be validated universal principle,

principles of Classical art as much as universal physical principles. These principles serve as the axioms of our decision-making. The defense of such a principle, or, in the alternative, its necessary supercession by a higher principle, is the location of the noblest mustering of passion respecting what may be termed moral issues. Here, as nowhere else, lie the life and death issues of civilization itself. Here lies the central task and purpose of public education. Here lies that passion which is the motive power of both scientific discovery and valid Classical-artistic composition. Here lies the passion of that moral faculty which sets actually moral persons in opposition to the like of empiricists, Kantians, positivists, and existentialists. This passion is the substance of ideas.

This connection is shown most dramatically in terms of the functions of irony and especially metaphor, in all Classical art. It is precisely that quality of passion, which sets true Classical art, and morality generally, apart from what passes generally for both entertainment and education today. The person who speaks Orwellian “teleprompterese” or “informationspeak,” is to be seen as symptomatic of a profound, essentially sadomasochistic — e.g., “bi-polar,” moral degeneration permeating both the educational systems and other dominant features of so-called mass culture today. In such affected, intrinsically inhuman, currently popularized, styles of speaking, there is the stench of violence, which the speaker has done to his, or her mind, a brutish wont for imitative conformity to one’s masters, like those victims of Nazi concentration-camps, who sought to restyle their prison garb in likeness to the uniforms of their captors.

As one of history’s greatest tragedians and historians, Friedrich Schiller, put the point: the function of the Classical tragedy is to bring audiences from the theater better people than they had entered it. Such is Shakespeare’s use of the history of Richard III; such is Hamlet; such is Schiller’s history-based account of the principle of the self-destruction of the true-life Philip II’s Spain, in *Don Carlos*. In each case, the power of the stage has been used, to evoke from the members of the audience a sense of the tragic folly lurking generally in themselves, while also showing that audience its power to seize effective alternatives to such pathetic outcomes. This brings joy and optimism. It does so, by calling up the cognitive powers within the member of the audience, the power to resolve that ontological paradox from history, which the greatest artists present as tragedy, on stage.

On the same account, the poet Shelley pointed out the role of poets as the true legislators of mankind. It is the lessons of principles of the human mind, which are conveyed by the medium of Classical artistic composition, which elevate a people’s capacity to muster those forms of cooperative relations, by means of which the real-life problems of life are mastered in a cooperative way. So, the masterful development of polyphony by Bach, and by such followers as Mozart, exemplifies the way in which great Classical art brings people together joyfully — in passion — to cultivate those habits of

mind, by means of which daily life and moments of crisis are set upon upward paths.

Underlying all that, there is the passion called *agapē*, the passion, the emotional impetus, which is the natural verbal action of cognition.

The difference between the deductive formalist and the Platonist, was always the difference between the corpse and the living, the difference between the death-like symbolism of Archaic art, and the sense of life in mid-motion, conveyed by great Classical sculpture and painting, the difference between a dead man composing, the notorious Rameau, and the vibrant breath of life permeating the compositions of a Bach and Mozart. Deductive argument is like death walking. It is the action manifest as a directed principle of change, as Plato’s argument typifies the meaning of change, which distinguishes the human being from the beast,

It is that mental activity, through which validatable discoveries of universal principle are generated, through which man’s power in and over the universe is increased, which, alone, represents knowing. It is the passion which underlies and permeates those transitions, permeates change in that sense, which is the essence of all Classical artistic and scientific knowledge. Deduction, by contrast, is nothing better than a corpse walking.

This brings us to the role of a science of physical economy, as the higher vantage-point from which to know the deeper purpose and underlying method required for the needed reform of U.S. secondary and higher education today.

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## 5.0 Art and economy

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Among the nobler cleansing actions awaiting today’s secondary and higher education institutions, is the eradication of the fraud of teaching bookkeeping under the misleading label of “economics.” Ask yourself: “Do you know why that must be recognized, and widely, publicly condemned, as a fraud?” Considering the importance of economy in the life of virtually every household, knowing why that kind of teaching is a fraud, ought to be considered as about as essential a qualification for citizens reaching voting age, as the elements of personal and public hygiene. There are also other, urgent reasons for denouncing it publicly and widely wherever policies of education are under discussion.

However, the importance of nothing less than bare literacy in economics among graduates of secondary education, is merely one among the important reasons the issue of the cited fraud must be raised here. As I shall now show you, now, this goes far beyond the daily work of managing a family household’s financial affairs, or managing a business enterprise.

Unfortunately, what has been usually taught, lately, under the heading of “economics” in most secondary and higher education, during the past fifty-odd years, is not even honest

bookkeeping.<sup>13</sup> Most among today's professors of economics, claim, with aid of computer technology, to account for almost everything, excepting the sometimes terrible consequences for our nation, and the world, of their own militant ignorance of how economies actually work over a period as long as a generation or more.

The actual cause-and-effect for the crucial trends in real economies, does not lie within the domain of those kinds of "connect-the-dots" statistics, which simply compare the price-tags attached to (usually) countable objects. The real causes for increases and decreases of the physical productivity of national and world economy, per capita and per square kilometer of the Earth's surface-area, lie in the domain of physics, not bare-bottomed mathematics as such.

The real causes involve studying the way in which the discovery and application of new physical principles pre-determines the potential level of productivity in economies. It requires study of the ways in which such scientific progress, based on fundamental scientific research, is variously used, neglected, or misused. Just as we measure the orbits of planets in compound cycles, each of up to 100,000 or more years, the physical-economic effects of chosen investment policies, must be measured over the span of a half, single, or several generations. For purposes of planning for the effects of investment and related policies, and also education policies, a dozen to twenty-five years or so ahead, is a minimal period. The time from birth to maturity of each generation, is the minimal base-line for competent investment forecasting, and related policies. Looking at the effects of investment, or non-investment, in scientific progress three generations ahead, is the general basis for competent long-range policy-decisions of modern economies considered in their entirety.

This does not mean that economics consists of forecasting what might probably happen a generation or so from now. Competent economics defines the actions which must be taken, beginning now, to prevent undesired results a decade, or one or more generations ahead. What you fail to do this year, will cause the unpleasantness you will have caused by today's negligence, as much as a decade, a generation, or more later. In agriculture and manufacturing of modern products, the results of today's investments or negligence show up over a period of cycles as long as a dozen years to a generation. The effects of failing to make today's needed public improvements in basic economic infrastructure, may come back to haunt you for as long as two generations yet to come.

The long-term trends in real economy, of a generation or more, can be adequately understood, only by understanding what is meant by what the greatest modern mathematical

physicists, such as Gauss and Riemann, defined as a *characteristic physical-space-time curvature*. To understand how technology shapes the future of the real economy, the Gauss-Riemann notion of such curvature must be applied to study of economies as physical-economic processes. The physics standard for understanding such long-term trends, is therefore what is properly termed *the Riemannian curvature* of physical-economic processes. It is that "curvature," and changes in that "curvature," which actually generates the observed pattern of observable "dots."<sup>14</sup> This use of the term "curvature," corresponds to the Kepler-Gauss definition of planetary orbits, as Gauss showed this for both geodesy and for the special case of the Keplerian orbits of the principal asteroids, and also for the case of the general principles of the curvature of physical space-time. If that connection is not competently understood, then no scientifically competent judgment of a modern nation's long-range economic, and educational policies, can be provided.

Neither the teacher, student, nor layman should be frightened by what may seem, to many, to be unfamiliar terminology. Economics is, predominantly, a branch of physical science, which can be mastered, on various levels, as any other science can be mastered in secondary and higher education. One requires nothing but the appropriate education and related experience, to make the subject-matter clear in a practical way. Happily, the rudiments of such competence are within the reach of any competent secondary education program for today.

So, today's commonplace misunderstanding of how economies work, presents us, once again, with the same issue, of the nouns versus the verbs, which confronts the student in the classroom's science and Classical art.

For example, the famous Keynesian Professor Joan Robinson, of England's Cambridge University, spoke fairly when she described today's still-popular quack economist, Professor Milton Friedman, as a devotee of "*post hoc, ergo propter hoc*" superstitions.<sup>15</sup> Now, as then, Friedman's continued appeal to his dupes, has been that he fit his ignorance to suit the prejudices and fantasies of greedy and simple-minded, so-called "mainstream opinion." The intrinsic absurdity of Fried-

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13. Typical is the way in which the U.S. government, fraudulently, added \$249 billions of additional GDP for 1998, out of nothing but a bookkeeping trick which would have been considered fraudulent among old-fashioned, competent CPAs (see "It's Time To Dump GDP as a Measure of the Economy," *EIR*, Dec 10, 1999).

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14. In former times, twenty years and more ago, competent production management in the U.S.A., Germany, Japan, and so on, based its practice in the design of both products and productive processes, on the same kind of thinking and practice which the designer of machine-tools used: the methods of experimental physics, as applied to designs and testing of products and processes. The mathematical doctrine which applies to such competent production-management practice, is to be found in the principles of Bernhard Riemann's *Über die Hypothesen, welche der Geometrie zu Grunde liegen* (1854): in *Bernhard Riemanns Gesammelte mathematische Werke*, H. Weber, ed. (New York: Dover Publications reprint, 1953). The LaRouche-Riemann Method in economic analysis, is based upon the addition of Riemann's discovery to solve a problem which had been posed by an original economics discovery by me.

15. Joan Robinson, *Economic Heresies* (New York: Basic Books, 1971).

man's teaching, is his adoption of the fallacy of substituting mere nouns for verbs: his use of arbitrary linear statistical methods, instead of accounting for the principled character of the processes which transform choices of expenditures and investments, into measurable changes in the physical-economic productivity of the economy as a whole.

Moving from the relatively simple-minded chatter of Professor Friedman and his devotees, to the "ivory tower" world of today's wild-eyed Wall Street gambler, the "mathematical economics" of John von Neumann's followers, only carries the commonplace ignorance of a Professor Friedman, to the outer limits of linear fantasy-life. Very little more than a handful of mathematical complications has been added to today's so-called "mathematical economics," since von Neumann proposed publicly, about 1938, that every economic process could be reduced to a matter of solutions for simultaneous linear inequalities.

As the August-September 1998 crash of Wall Street's Long Term Capital Management (LTCM) attests, the way in which LTCM's Nobel Prize-winning Black-Scholes formula nearly sank the Wall Street system,<sup>16</sup> shows that von Neumann's techniques differ chiefly from Friedman's, in that von Neumann's influence has the power to create bigger financial cataclysms than Friedman had ever dreamed. Experiences such as the LTCM scandal are also to be seen as a condemnation of those, such as Federal Reserve Chairman Alan Greenspan, who have insisted in practice, that, in such matters, exuberantly bigger is necessarily better.

The question here, is not of the type usually discussed in today's classroom and textbook. Economics comes into design of educational policy, as it does here, when we ask the question: How might we measure the performance of different policies proposed for secondary and higher education? On this point, we are not limiting the economic effects of educational policy to the effects of education in economics itself. I mean the economic impact of the whole of secondary (and also higher) education, including education in physical science, Classical artistic composition, and history, on the future physical-economic productivity of the entire labor-force.

In other words, how do different choices of educational policies effect desired, or undesired changes in the future physical-economy productivity of the average graduate? If

we examine the functional relationship between Classical-artistic development and economy, the notion of education's performance as a relatively measurable magnitude, becomes clearer than could be shown in any different way. This means defining the subject of economics in a different way than has been generally done in schools and universities of recent times.

The currently ongoing, 1991-1999, terminal phase of the thirty-year downturn of the world's present financial and monetary system, is to be seen as the result of a systemic incompetence in the policy-making of leading governments, that over that period of about thirty years or longer. The presently escalating world financial crisis, if looked at from the standpoint of comparing physical market-baskets, rather than simply money prices, shows that the economies of Europe and the Americas (in particular), have been in general decline throughout those recent thirty years, most clearly since August 1971.

This decline has been the result of increasingly defective economic and related policies of both governments and supra-national institutions. However, the true cause for the pattern of decline, taken as a whole, lies in those post-1966 shifts in cultural outlooks, including changes in the cultural standpoint of secondary and other educational policies, which have caused the population to prefer those trends in successive changes in economic policies, which latter have had the relatively worst effect on these nations and the world at large.

The fact that the most powerful combination of the world's governments, has tolerated the folly of such a failed set of policies, for so many decades of erosion in the physical economy of their nations, reflects a Classically tragic quality of cultivated ignorance among that majority of the citizens, which has either elected, or simply tolerated the political authorities responsible for those trends in policy-shaping.

There is that to be considered, but also much more: much deeper issues of education in general are involved. In fact, as I shall show now, it is no exaggeration to say, that a competent understanding of real economy, is the point of reference from which to judge what education as a whole must be. The student could never begin to understand either real economy, or the related standards for adjudging the relative success of educational policies, until certain corresponding highlights of ancient and modern history were made clear.

## Economics as history

If one means by "economics," the study of the means by which mankind's per-capita power in and over the universe is improved, then, the evidence of the currently accelerating world-wide financial crisis shows, that most of the medicine currently purveyed as academic economics, as at MIT or Harvard Business School, for example, is the disease most urgently to be eradicated.

As I have already stated here, contrary to most such academics, economics is essentially a branch of physical science.

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16. In 1997, the Royal Swedish Academy of Sciences awarded the Nobel Prize for Economics to Robert Merton and Myron Scholes for developing "a pioneering formula for the valuation of stock options." Their work, the Academy stated, "generated new types of financial instruments and facilitated more efficient risk management in society." At the time, Merton and Scholes were partners in Long Term Capital Management, which placed trillions of dollars in derivatives bets based upon their prize-winning formulae. In September 1998, LTCM failed spectacularly, forcing the Federal Reserve to orchestrate a bailout of the firm to keep the global derivatives market from collapsing, and taking the entire global financial and monetary system with it.

This science emerged during and following the Fifteenth-Century, so-called “Golden,” Renaissance. There is no mere coincidence in the fact, that this was the same Renaissance which gave birth to the founding of modern experimental physical science, by Cardinal Nicholas of Cusa and his collaborators and followers of the middle through late Fifteenth Century. Leonardo da Vinci was among the most outstanding of such students of Cusa’s founding of modern physical science. Born at Florence, economics took on the attributes of national economy, first in Louis XI’s France, and then in Henry VII’s England.

At that time, this practice of political economy represented a body of practice intricately linked with the revolutionary upsurge of a new kind of institution in Europe, the modern, sovereign nation-state. In principle, this new kind of state had nothing in common with the laws, or the conception of the human individual in ancient Babylon, the Roman Empire, or with feudalism. The new kind of state represented the notion of government as based entirely upon that same principle, of the general welfare, which was later set forth in our 1776 Declaration of Independence and the Preamble of our 1789 Federal Constitution.

These Renaissance novelties of statecraft were associated then, and thereafter, with the greatest rate of improvement in the physical and other conditions of life among affected populations. Until the recent downturn in the economy of Europe and the Americas, since 1971-1972, the model of the modern, sovereign nation-state economy, sparked the greatest rate of demographic and related progress in all known human existence up to that time. No known form of society has been able even to approach the level of improvement of the human condition, which has been accomplished under the umbrella of that modern sovereign nation-state which was born in Europe during the Fifteenth Century.

Our United States was created as a nation founded upon those constitutional principles, created so at a time when the old feudal traditions prevented that form of republic from being consolidated in any part of old Europe. With all of our failings, and despite the nests of evil in powerful positions within our nation, we were, in our best times, the best of all republics.

The developments in Europe, from the Council of Florence through Louis XI’s France, Henry VII’s England, and Isabella I’s backing of Christopher Columbus’ use of Toscanelli’s maps, by aid of which he rediscovered the Americas, brought about a profound, but always imperilled revolution in the nature of government and of the notions of public law. Prior to these Renaissance, revolutionary changes in law and general practice, the prevailing feudal notions of law and of statecraft, were rooted in the doctrine of imperial law, the imperial tradition of “world government,” of Babylon, ancient Rome, and feudalism. The Venice-directed Welf League’s launching of its ruinous wars against the Emperor Frederick II, which resulted in the Fourteenth Century’s

“New Dark Age,” are typical of both the Roman imperial tradition and of Romantic feudalism. That wicked set of old ideas of “world government,” is today the new, wild-eyed utopianism, by means of which the present-day enemies of the sovereign nation-state are determined to degrade human existence, throughout our planet, that as quickly as possible.

In broad terms, all of today’s competent teaching and practice of economics, is consistent, in fundamentals, with Gottfried Leibniz’s standard set for national physical economy, as set by economists such as U.S. Treasury Secretary Alexander Hamilton, and such followers of Hamilton as Mathew and Henry Carey, and Germany’s Friedrich List.

The opponents of that American System, those who teach bookkeeping in the name of “economics,” represent a tradition copied from the British East India Company’s Haileybury School tradition. That British tradition, in turn, was chiefly a copy of schemes drawn up by earlier, Venetian advocates of merciless population control. These latter included such predecessors of Haileybury’s Rev. Thomas Malthus, as Giovanni Botero and Giammaria Ortes. Hence, among English-speaking ideologues, the tendency to adopt policies which promote genocide, or related crimes against humanity, is typified by the work of Bernard Mandeville, by Jeremy Bentham’s fellow-ideologues of the Haileybury School, and the modern followers of Mandeville, the Mont Pelerin Society, which gave the world the kinds of disasters, at Paddington railway station and elsewhere, propagated by Mont Pelerin’s screeching U.K. Prime Minister, Margaret Thatcher.

Under the pre-Renaissance tradition of Babylon, pagan Rome, and European feudalism, the state was the personal property of an emperor, or of an oligarchy controlling the functions of a Mesopotamian or Roman emperor. This arrangement was known generically, notably since the time of Aristotle’s teacher, Isocrates, as “the oligarchical model.” The state, as it existed under that model, was implicitly the personal property of that government, and law itself was defined by a notion of “reason of state,” consistent with the same oligarchical model famously enshrined in the brutish Magna Carta.

The people ruled over by that oligarchy, were either simply the slaves of, or otherwise treated as the human cattle, as subjects of the property-title represented by that form of state. Nearly fifteen centuries must pass, from the time of the Roman Emperors Augustus, Tiberius, and Nero, until the first approximation of a modern form of sovereign state — President Abraham Lincoln’s government of, by, and for its people, would emerge, in the aftermath of the Fifteenth-Century Council of Florence.

Thus, the first attempt to regulate the performance of the state according to the continuing improvement of the condition of all of the people, had to wait until the emergence of the first approximations of the modern nation-state, that of France under Louis XI, and the establishment of Louis XI’s model in England, under Henry VII. That Renaissance change

from such precursors of modern nation-state economy, as those predecessors established under Charlemagne, the influence of Peter Abelard, and the Hohenstaufen Emperor Frederick II, was the birth of the teaching of a scientific form of economics.

The significance of the Fifteenth-Century change in the definition of the state, is clearer, if we look at the trend of the recent thirty-odd years, a trend toward a return to the kind of imperialism, sometimes called “world government,” or “globalization.” “Globalization” today, is essentially an attempted revival of the old imperial system which had once dominated European political, legal, and social institutions, under the Roman Empire and medieval feudalism. Typical of that recent trend, are the assigning of an axiomatic value to “free trade” as such, and the spread of an even more wicked, radically Lockean version of the same dogma, “shareholder value.” The essential, axiomatic difference between the American System and the British monarchy’s “free trade” system, lies in the American System’s notion of “general welfare,” or what emergent modern nation-state civilization indicated by the use of the English term “commonwealth.”

The old, pre-Fifteenth-Century political model, under the Babylonian, Roman, and medieval systems, was the same model so crudely and shamelessly professed, later, by fanatical defenders of the Confederacy and its system of African-American chattel slavery. Those moral degenerates who apologized for the Confederacy’s system of slavery as “a peculiar institution,” insisted that slavery had enabled “The South” to produce a class of (self-esteeming) “genteel” parasites, the latter esteemed, by these parasites, as of a nobler culture than Yankee industrialists and other louts.<sup>17</sup> That is typical of the Roman imperial tradition, the Babylonian-Roman tradition of the state as the property of a ruling class of oligarchical “shareholders,” and the subjects of that state, as Vice-President Al Gore’s *Earth in the Balance* argued, as virtually classes of expendable “human cattle,” “human cattle” to be nourished, fattened, milked, and slaughtered at the pleasure of the gentry which owned them. Such is today’s revival of the Nazi-like doctrine, that human beings are just other animals, with the same rights, and lack of human rights, as beasts of the farm, forest, and brushlands.

The same perverted viewpoint of the old Confederacy was continued, with a certain slyness, by fanatical “post-bellum” Anglophiles of the “Nashville Agrarian” type, such as Robert Penn Warren and Harvard Professor William Yandell Elliot. All of these sundry expressions of oligarchism, saw the only

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17. The 1993 Nobel Economics Prize winners Robert Fogel and Douglass North shamelessly advocated slavery as an economic model. Fogel co-authored (with Stanley Engerman) *Time on the Cross: The Economics of American Negro Slavery*, which claimed that the plantation-slavery model was superior to the family farm. Gary Becker, the winner of the 1992 Economics Prize, has publicly called for setting up a market to trade in body parts, to allow those who can afford it to buy organs for transplant.

meaning for even the very existence of the victims of oligarchical rule, to lie within the sundry classes of services and amusement which a suitably obedient class of stupefied “human cattle”—a virtual class of rutting, babbling “Yahoos,” as Jonathan Swift used that term—provided a ruling, aristocratic, class or race.

As any secondary-school graduate should know real-life history, for the Roman and feudal systems, as for the evil system of Babylon, earlier, the subject classes and “races” were viewed as justifying their existence only to the degree this suited the convenience, and the whims of the ruling oligarchy. The same oligarchical view of the populations of Africa, South America, and Asia, has been lately expressed by the Club of Rome, in Vice-President Al Gore’s *Earth in the Balance*,<sup>18</sup> as Professor Elliot’s former protégé, National Security Advisor Henry A. Kissinger’s 1974 *National Security Study Memorandum 200*,<sup>19</sup> and the outgoing Carter Administration’s *Global 2000*<sup>20</sup> and *Global Future*<sup>21</sup> expressed the same Malthusian doctrine.

As long as the imperial Code of Diocletian cast its brutish shadow legacy on both the Roman Empire in the east, and the feudalism of western Europe, there was no basis in government for the idea of measuring the performance of government, by the conditions government established for the benefit of the entire population and its posterity. If the oligarch was challenged to address the conditions of life and development of the people in general, his Christian conscience, such as he might have professed it to be, turned away from the conditions of the living, to slavemasters’ unctuous references to “rewards to be harvested by the slaves in the next life.”

The modern nation-state, and the very idea of a modern national economy, rests entirely upon the idea that the legitimate authority of government, is limited to that government’s efficient concern for the general welfare and improvement of all of the people, and all of the land-area, and that for both the living and their posterity. That is the principle upon which the United States was founded, as the 1776 Declaration of Independence defines the natural right of the U.S.A. to that independence. For the Babylonian, Roman, and feudal oligarchy, as for the monarchy of Britain’s George III, as for Prince Metternich, the republican notion associated with the then recently established U.S. republic, was an idea to be crushed

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18. Al Gore, Jr., *Earth in the Balance: Ecology and the Human Spirit* (New York: Houghton Mifflin, 1992).

19 “National Security Study Memorandum 200: Implications of Worldwide Population Growth for U.S. Security and Overseas Interests,” Dec. 10, 1994. For excerpts, see *EIR*, June 9, 1995, p. 18.

20. The White House Council on Environmental Quality (CEQ) and the U.S. State Department, *Global 2000 Report to the President*, 1980. For an analysis and excerpts, see “The Haig-Kissinger Depopulation Policy,” *EIR*, March 10, 1981.

21. The White House Council on Environmental Quality (CEQ) and the U.S. State Department, *Global Future*, 1980.

at birth.

Such was the crux of the political revolution finally unleashed by Europe's Fifteenth-Century Golden Renaissance. The growth of population and improvement of productivity and demographic characteristics of populations since, attests to the emergence of rates of improvement of the general welfare of the peoples of modern nation-states, of a degree never found earlier in any part of history or other evidence. Indeed, until very recent decades, the great yearning of the peoples of South America, Africa, and Asia generally, was to secure the right to conduct their affairs, as sovereign peoples, to the same demographic advantage seen in the best periods of history of modern Europe and the U.S.A.

Thus, modern economy, from its birth in the Fifteenth-Century emergence of the modern form of sovereign nation-state, produced a form of society committed to the principle of continuing progress in mankind's power in and over the universe, and of corresponding improvements in the condition of human life generally. The function of modern economy, was not to measure the rate of profit of individual enterprises, nor of the mere collection of such enterprises, but to adopt policies which ensured those forms of increase of the physical productive powers of labor, and related fertility of land-area, which would result in those improvements in the general welfare—for all of the population and all its posterity—which could be estimated and measured in terms of relevant effects.

Granted, that goals consistent with such effects are found, in germ, within parts of the history of the culture of ancient Greece. Granted, that Christianity was committed, from the beginning, to the universality of the human individual, not merely one language group, or religious party. To get out of the dark age which had benighted the Mediterranean region, since the rise of the power of pagan Rome, required a struggle of nearly fifteen centuries, until the first approximation of the modern sovereign nation-state, in the monarchies of France's Louis XI and England's Henry VII.

Thus, not only was the Fifteenth-Century Renaissance the beginning of the practice of new, pro-Christian standards of law and government in Europe, but it would not have been possible for modern economy to come into existence, without the introduction of a new form of government. The new form of government, as every literate, decently educated U.S. patriot knows, is the modern, sovereign nation-state republic, a republic whose nature is typified by President Abraham Lincoln's view of its governing principle and mission. Without the Fifteenth-Century Renaissance, that form, modern political-economy, would never have come into being.

Even the opposing modern systems of so-called "political economy," were not concocted until after the establishment of the first modern nation-states. This opposition came entirely from the far-flung financier oligarchy of Sixteenth- and Seventeenth-Century Venice. It was these Venetians, the same financial predators who had orchestrated the hundred years

of warfare leading into what became known as the Fourteenth-Century European "New Dark Age," who created what became known as the Eighteenth-Century British model of political-economy. Their method in science, politics, and morals, that of Galileo and his student Thomas Hobbes, John Locke, Bernard Mandeville, Adam Smith, and Jeremy Bentham, simply "connected the dots." Their system interpreted everything in political economy from the same standpoint of the system of double-entry bookkeeping which had been invented by the most notorious of such Venetian assets as the notorious "Lombard" banking house of Bardi.

As the economic dogmas of Mandeville, France's Dr. François Quesnay, and Adam Smith show, these empiricists never considered any active physical principle as the cause of the pattern of behavior of their "dots"; each and all of these wildly superstitious, oligarchical lackeys—these virtual "Leporellos," assumed that there existed some magical principle, which caused the dots themselves to interact mechanically, and always to such an effect, to bring about the best result through a very large number of unfathomably mysterious, but purely mechanical interactions among these dots themselves.

That, as every one among today's rare, competently educated secondary school graduates knows, is the history of the birth of the controversy between what became known as the American System of political-economy, and its leading enemy, the British "free trade" model which Professor Milton Friedman, Friedrich von Hayek, and John von Neumann, each and all reduced to the absurdity of random mechanical interactions among mere "dots in themselves."

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## 5.1 Physical economy: man and nature

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As every qualified graduate of a competent secondary education would know, the earliest known traces of scientific thinking began, with society's observation of the apparent regularity of the movements of the stars. The earliest known forms of the Zodiac, are simply that. From pre-historic times, we have evidence of calendars based on the calculations of regular cycles of change in the relationship of a point on the Earth, to the Zodiac, over not only the period of an equinoctial cycle, but the orbitally determined, regular ice-age cycles of as long as approximately 100,000 years.<sup>22</sup> This appeared in

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22. For a currently estimated two millions years, the Earth has been dominated by recurring "ice ages." These are chiefly periods of massive glaciation on the land masses of the northern hemisphere, alternating with shorter, interglacial warming intervals, during which the ice-freed land-areas of the northern hemisphere have been approximately those of the interval from 4000 B.C. to the present day. Thus, the level of the world's oceans prior to the current warmer phase, was about 400 feet lower than today. These ice-age cycles are, predominantly, associated with a long-wave periodicity within the Earth's solar orbit. The world is presently in a long-term cooling phase, headed

forms of combined astronomical calendars, and related systems of transoceanic navigation dated from long before historic times.

These calendars and related navigational systems avoided the error of assuming that there existed some direct, mechanical sort of “action at a distance” relationship among the “dots” in the sky. The early long-cycle calendars measured the angular displacement among the apparent movements of the dots, not what empiricists, such as Galileo, have crudely, and wrongly presumed to be a factor of pairwise distance between the intervals of observed movement of the dots themselves. The successive work of Kepler, Huyghens, Leibniz, Gauss, and Riemann, has confirmed that the system of Solar orbits is of the Kepler-Gauss, or so-called hypergeometric form of curvature.<sup>23</sup>

The re-creation of that experience of mankind during prehistoric and ancient historic times, ought to be an integral, and crucial part of the activity of the pupils, even at pre-secondary levels. Rather than attempting to interpret the mere words used to describe astronomical patterns, as today’s superstitious believers in the cult of astrology do, the students should share the experience of the individual pupil’s direct observation of the night sky, as ancient man first adduced the idea of fixed universal laws from such observations. The idea of *validatable universal physical principles*, has been developed in known history, chiefly as a by-product of the development of empirical astrophysics, into the direction of the conceptions established by the successive development of astrophysics by, chiefly, Kepler and Gauss. Physics means, chiefly, the search for the same quality of validatable universal physical principles in the very small, as astrophysics defines universal principles empirically in the very large. The study of such principles operating at those extremes, is the standpoint of reference for the literate use of the term “universal laws” in all fields of inquiry.

There are four classes of observed effects, which taken together, form the evidentiary basis for all notions of objective, experimental scientific inquiry. These four classes of effects, and their adducible correlations, provide the foundations for all competent policies of science education in secondary and higher education today.

One of these, is experienced, as I have just emphasized, on the scale of astrophysics. A second, is experienced on the scale of microphysics. A third, is the clinical evidence of a qualitative, categorical difference, between living and non-living processes, even when the contrast is between observed

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in the direction of a new ice age. Only profound and sweeping changes in prevailing economic policies, toward forced-draft investment in fundamental scientific progress, could prevent the world from being plunged into a new ice age during the few thousands years ahead.

23. The terms “hypergeometry” and “multiply-connected manifolds,” are used interchangeably in the so-called “non-Euclidean” geometries of Gauss and Riemann.

processes composed of what are ostensibly virtually the same chemical materials. The fourth, is the difference between the mind of the human individual and the behavior of the beasts. The issue of the way in which living processes serve as the medium in which the development of cognition has occurred, is the key challenge for all the fundamental issues of modern scientific knowledge.

The definition of modern science, should be restricted to the study of the validatable discovery of those principles, which are equally valid in each of all four of these domains of observation. Principles which meet that qualification, are justly defined as validated universal principles of science and Classical artistic composition.

However, there is something more. The study of the history of man’s increase, and failures to increase our power in and over the universe, per capita and per square kilometer of the Earth’s surface, must be conducted in the light of those universal principles of science and Classical artistic composition. That study constitutes the foundation for a rational study of the principles of history. When we define the nature of the human individual’s cognitive processes from the standpoint of such a science of history, and only then, do we begin to develop scientific knowledge of the universal principles which define man in the universe: man defined in terms of our species’ unique capacity to increase its power in and over the universe.

That latter study defines the basis for *the science of physical economy*, the field of my professional concerns and special competencies. The proper purpose of educational policy, is to contribute an indispensable part to the cultivation of that unique potential which is lodged within the individual newborn member of the human species. The measurement of the performance of educational policies, is to be addressed from that standpoint of measurable performance.

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## 5.2 The mind of God

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The crucial fact of history so defined, is that the unique ability of the human species, to increase man’s power in and over the universe, is accomplished only in a combination of two ways.

First, there is man’s discovery of validated new, universal physical principles. Without the application of these fruits of cognition produced as universal physical principles, man could not increase our species’ power in and over the universe.

Second, there is man’s discovery of universal principles of a Classical-artistic form, including the principle of national economy first introduced during Europe’s Fifteenth-Century Renaissance. These principles provide man the power of cooperation, through which the discovery of new physical principles is promoted, and through which society defines those principles of cooperation upon which the adequate social application of universal physical principles, is accomplished.

Whenever mankind employs such discovery of universal principles, mankind increases our power in and over the universe. This is the fundamental principle of all scientific economics. No other species has this capability. This principle permeates all of Kepler's most important and absolutely revolutionary discoveries, upon which all effective modern astrophysics, and other modern physics is based. Repeatedly, as in his *The New Astronomy*, Kepler refers to the principle of *Mind* as the fundamental principle of astrophysics.<sup>24</sup> At this point, I am not presuming to describe the Mind of the Creator of our universe, but simply showing the implications of Kepler's use of "Mind," as in referring to "the Mind of the Sun," or that "Mind" of the planet expressed by its orbital characteristics. Kepler's use of the concept of "Mind" in this way, coheres with the reality of all competent trends within modern scientific thought.

Whenever mankind self-governs its own behavior according to validated discovery of universal principles, mankind's power in and over the universe tends to increase, as this may be measured per capita, and per square kilometer of our Earth's surface. This principle is otherwise known as the Classical definition of *Reason*. This notion of Reason coheres with Kepler's use of the term "Mind," as in his *The New Astronomy*. This same notion of Reason corresponds to the best usage of "The Will of God," in Christian theology, for example. When mankind acts according to Reason, so defined, mankind's power in and over the universe, is increased.

This power of Reason is, of course, what I have described as *cognition*, as the principle of metaphor in Classical artistic composition, as knowing must be contrasted to mere learning, as I have done in earlier portions of this report.

The notion of Reason which I have just described, appears in a significant approximation in even pagan Greek Classical thought, as Plato, and followers of Plato such as Eratosthenes, best exemplify this. It appears as the notion of the universe as founded, not in fixed forms of matter, but, rather, in a permanent principle of change, as Plato and other writers attribute such a notion to Heracleitus. Plato states his argument for Heracleitus' principle, in the form of an ontological paradox, in his own *Parmenides*.<sup>25</sup>

24. For this purpose, I have relied principally on the relevant original works of Kepler and Gauss. My studies have been premised, initially, on the German translations by Max Caspar; I have, more recently, compared the Caspar texts, including the *Weltharmonik*, with the English Donahue translation. The reader of this report is referred immediately to Kepler's use of this concept of "Mind," in his *New Astronomy*, trans. by W.H. Donahue (Cambridge, U.K.: Cambridge University Press, 1992), pp. 122-129.

25. The foolish, but commonplace pedantry respecting the reading of Plato's terminology, is to be viewed as a product of the mind-deadening effects of substituting mere learning for knowledge. In that defective, but all too widespread habit of the pedantic mind, laborious glosses on the sundry uses of terms, are used as a substitute for scientific method. In other words, to understand a report of a scientific discovery of principle, the student, or scholar must reconstruct and relive the experiment as implicitly described. The ideas to be adduced from important works, such as the writings of Plato,



Statue of Johannes Kepler in his birthplace of Weil der Stadt, Germany. "Repeatedly, as in his *The New Astronomy*, Kepler refers to the principle of Mind as the fundamental principle of astrophysics."

This permanent principle of change, has nothing to do with the mystical charlatanism of G.W.F. Hegel. It is known to every competently educated secondary student, the one who has actually re-experienced many validatable original discoveries by minds from earlier generations. The cognitive power of both discovering a true ontological paradox, or true metaphor, and solving that paradox by means of a validatable discovery of universal principle, is the universal principle of change known to the human mind. This is the principle of axiomatically non-linear change referenced by Plato, and in Leibniz's notion of a *monadology*.

Thus, it is only in those cultivated qualities of cognitive action, by means of which validatable discoveries of universal principle are generated, as solutions to either ontological paradoxes of science, or true metaphor, that the activity of the individual human mind corresponds to the Mind of the universe, as Kepler employs the use of "Mind" in *The New Astronomy*.

are those conceptions which can be validated as discoveries of universal principle. Once one has discovered that one's own mind has thought, cognitively, in this matter, as Plato describes the case, and only then, does one know that one's understanding of Plato's argument is coherent with Plato's own. All contrary pedantic glosses can then be relegated to the arcana of a modern academic Dr. Faustus.

Admittedly, once we have gone that far in comprehending the fundamental principles of empirical scientific work, we are lured into what must seem to many as a “religious” assumption. If the universe created a being, cognitive mankind, whose characteristic activity, cognition, has the power to command the universe in ways consistent with the design of this universe, one is lured into asking: Perhaps the universe has worked to produce that special being, mankind, to be the companion and servant of the Creator? For any scientific mind, that is a very tempting thought. It is also a useful thought, inasmuch as it locates the human individual’s efficient existence within what the best theologians have regarded as “the simultaneity of eternity.” This is, indeed, the moral standpoint of an effective general policy of secondary and higher education.

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### 5.3 The philosophy of education

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Once we have located that principle of change, so situated, in respect to the role of validatable universal physical and Classical artistic principles, the science of physical economy becomes the location in which the performance of educational policies is to be measured.

What is being measured is the correlation between the effect of increasing the number and application of new discoveries of those principles, to the resulting increase of man’s power to exist within the universe, per capita and per square kilometer of the Earth’s surface. Since the root of this beneficial result is cognition, as I have defined that here, the efficient content of education, and its benefit for mankind, are defined accordingly. We do not measure education as learning; we measure it as the cultivation of the cognitive activity of the individual, in respect to both universal physical and Classical-artistic principles. We measure, thus, the relationship between the cultivation of that cognitive activity, and the development of man’s power in the universe. We measure that relationship in physical terms, as a physical process of cooperation among the members of society.

This beneficial effect occurs to the degree that society wills that result to occur. This occurs to the degree that society is able to predetermine such a result over spans of successive generations. It does not occur as the result of an accumulation of local actions in the short term.

Thus, the development of society, as Solon’s reform at Athens typifies this, and, more emphatically, as the development of the modern sovereign nation-state republic best typifies this, has been the key development in bringing about the greatest rates of improvement in man’s power to exist, per capita and per square kilometer. That latter advantage occurs only as the society as a whole, its government, assumes the responsibility for promoting the development of the individual person and land-area to this intended effect.

Since this process must be measured in terms of the span

of generations, the beneficial result tends to occur, to the degree that the combined progress of public development of infrastructure and private economic initiative, work as the notion of “indicative planning” as defined by the de Gaulle Fifth Republic illustrates the point, and as the American System of Hamilton, the Careys, et al. defined this principle. This is shown most dramatically, by examining the way in which the U.S.A., as prompted by President Abraham Lincoln, led the world in the development of the modern agro-industrial revolution, during the interval 1861-1876. The effect of the U.S.A.’s first centennial exhibition, in Philadelphia, in launching the modern agro-industrial development of Germany, Russia, and other European nations, and the role of the American, Benjamin Franklin, in personally directing the beginning of the mid-Eighteenth-Century agro-industrial revolution inside England, are crucial demonstrations of the principle sometimes called “indicative planning.” The study of the doubling of the economy of France, under the leadership of France’s King Louis XI, is also of crucial importance for those who wish to see this in an appropriate historical perspective.

Those historical cases help us to recognize the folly of defining education as the student’s learning of that which will, principally, qualify the future adult for obtaining and holding employment. That folly is to be traced to such origins as the same Code of Diocletian whose legacy misshaped the history of feudal Europe. That folly is characteristic of the oligarchic, as opposed to the republican view of society and the human individual.

Naturally, for the adolescent and adult who lacks a place of gainful employment, securing and holding such employment may become for him a very painful want. That pain may mislead him into being willing virtually to sell his soul to gain such employment, or more suitable employment. Often, that person does just that. Often, entire communities do the same, out of related motives.

The result, unfortunately, necessarily tends to be an inhuman one. The delusion, that the purpose of education is to qualify persons to hold employment, even improved quality of gainful employment, is one of the principal sources of the moral corruption gripping the ruined economy and people of the U.S.A. today. The resulting trend is to define actual people as we define cattle, as individuals to be taken from their stalls, out to work, and slaughtered when their work-contribution is no longer desired. The spectacle of people arising daily to commute to their assigned stall, and home again to do chores, to sleep, and perhaps enjoy a short period of mere entertainments at the close of the waking day, is not far from the transformation of a population of human beings, into the kind of human cattle which oligarchical power has always preferred.

My own personal experience is relevant. In what I do, I am a “driven workaholic.” Sixty to seventy hours a week at work, is customary for me. I am relatively very good at my work. Most of it is centered around cognitive activity. Most of my life, my income has been at or near the poverty level,

often most decidedly so; this has been the case, because of my devotion to what I recognize as the importance of my work, and the implied obligations I have incurred to my fellows on this account.

My life has become, thus, like that of a professional soldier, a patriot who plies his craft not for the pay, but because that is his profession. On this account, I am perhaps among the happiest of all professionals in the world today, as Leibniz, for example, defined happiness, and as our Declaration of

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*The auditing of the educational achievement of both the student and the relevant educational institution, must be based upon the cognitive principle. The areas of inquiry for this purpose, are the validatable form of universal physical principles, universal Classical-artistic principles, and a principled knowledge of history. . . . No other kind of test, has any durable merit, or reliability as a standard.*

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Independence copied Leibniz on this matter of policy. I would wish that others enjoy a similar kind of personal happiness, although I would insist that they should also be paid well enough to maintain what is considered a normal, more or less self-sufficient personal life.

The objective of education must be to produce the cultivated mind of a future happy professional. If that student is developed as a cultivated mind, as I have outlined that development's principled features here, that student will come to typify a population which can do anything for which its present level of cultural development has prepared it. On this account, there should be no cattle-herding of the students in public or higher education. There must be the development of the individual pupil's mind, up to the level corresponding to the present accumulation of both universal physical and Classical-artistic principles, and history. It must be a student who has, in large part, relived the enactment of the great discoveries of principle up to the present time. It must be the development of cultivated minds who embody the living experience of the development of the cognitive side of culture, up to that time.

Employment policies in our society must be attuned to the employment of persons whose minds and hands have been cultivated in that way. Employers should return to the practice

of employing persons who will be able to adapt to the tasks represented, and to develop in a progressive way, to higher levels of productive and related capabilities. Admittedly, one size will not fit all, but one educational cloth will provide the garment of useful employment for each. Policies of employment must be thus adapted to coherence with republican, rather than oligarchical conceptions of the role and requirements of the employee and professional in society.

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## 5.4 The issue of standard testing

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Few worse follies have been imposed upon education, than the presently increasing, morbid obsession with computer-scorable varieties of "standard tests." Any political figure who supports such foolish policies, either has not learned to think, or knows virtually nothing about education, or is displaying a kind of contemporary political opportunism, which is currently about as popular as it is disgusting.

The auditing of the educational achievement of both the student and the relevant educational institution, must be based upon the cognitive principle. The areas of inquiry for this purpose, are the validatable form of universal physical principles, universal Classical-artistic principles, and a principled knowledge of history. The mode of the audit must be prompting the student to re-enact such cognitive discoveries in terms of some relevant, paradoxical topic with which the student was likely not to have been familiar earlier. No other kind of test, has any durable merit, or reliability as a standard.

Specifically, any standard testing based on mere learning, can yield faked results, and under competitive conditions among institutions and teachers, is likely to do so. The degree of cheating by the institutions, in institutions' preparing students for competitive examinations in learning, will naturally tend to exceed, by a very large margin, all of the cheating done among the students themselves.

Ask yourself a relevant question. If you were proposing to test George W. Bush's qualifications for President of the U.S.A., what kind of an examination would you design, which George might actually be capable of passing?

Actually, most of today's schools have already flunked any possible competent forms of testing, precisely because of the incompetent way in which learning is being defined and conducted currently. The proposals for use of competitive testing will only make the results of education worse.

The essence of the quality of performance of a good teacher, is the ratio of cognitive development to mere learning, conducted in the classroom and related personal study by the student. Largely as a result of the so-called cultural paradigm-shift which struck the students in secondary and higher education during the 1964-1972 interval, the attrition of time has brought about a disastrous lowering of the quality of education in the classroom and educational systems as a whole. What is being taught today, is, relatively speaking,

induced cognitive illiteracy, as preparation for advanced degrees in rabid irrationalism.

What is needed is the uprooting of “home remedies” and other “patent medicine” for education. The emphasis must be on cognition in the classroom and personal study. To this end, the emphasis must be on a combination of the kinds of remedies which were likely to be accepted, still, among the best teachers in the best schools from the 1960s. Typical are reduction in class size, increase of the ratio of preparation to classroom work of teachers, increased pedagogical-laboratory and related programs, shift to emphasis on cognitively oriented Classical education, and the enrichment of schools with a newly developed elite of what might be called “beacon teachers.” Federal assistance to public education should focus upon these improvements.

The latter will be teachers, qualified and increasingly self-skilled in cognitive approaches to education of pupils. Such a program of “beacon teachers,” should be modelled upon the design of the original, pre-Napoleonic Ecole Polytechnique of Monge and Legendre, and also the Humboldt program of Classical Humanist education for Germany. The pilot reform introduced to Philadelphia secondary education by Alexander Dallas Bache, is also a model of reference.

Individual schools should be seeded with numbers of persons selected and trained to function as “beacon teachers.”

The emphasis in the selection, training, and assignment of these teachers, will be on Classical education and pedagogical-experimental programs. The standard lesson-planning and testing used in training and deploying “beacon teachers,” will be the cognitive approach to education and auditing of students, with strong emphasis on pedagogical-laboratory approaches to providing the students familiarity with the notion of experimental validation of hypothetical principles.

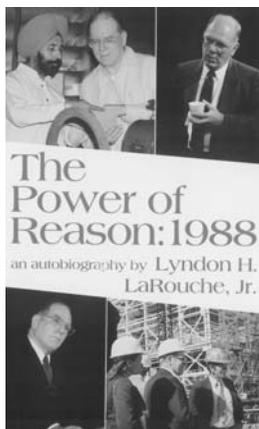
Bringing back U.S. public education to the levels of competence commonplace during the 1960s, is a mammoth work. Retraining most teachers for that, will not be feasible during the short term. The feasible approach is to infect public education with cognitive influences, and let the success of cognitive methods spread the infection.

The fact that the existing, recent decades’ trends in policy of practice have produced such a terrible result in so many aspects of national life, brings us to the kind of crisis-point referenced by Percy Shelley in his “Defence of Poetry.” This is a time of crisis, when the population is ripe for a great increase of “the power of imparting and receiving profound and impassioned conceptions respecting man and nature.” The institutions, and the general population are now ripe for sudden and profound reforms. Government must foster the emergence of the kinds of leadership needed within the pores of relevant public institutions.

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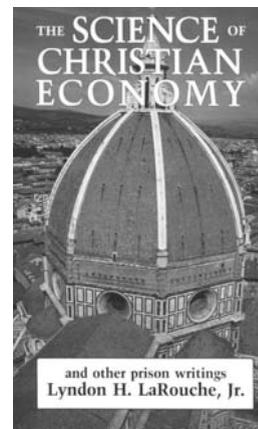


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## Mideast talks must solve water resource shortage

by Muriel Mirak-Weissbach

The news that peace talks between Israel and Syria would commence in Washington the week of Dec. 14, was greeted with legitimate optimism by President Bill Clinton and Israeli Prime Minister Ehud Barak. "Peace has long been within our sight," Clinton said. "Today it is within our grasp and we must seize it."

There are reasons to be optimistic, foremost among them, the fact that the entire arrangement has been handled by the White House, not the U.S. State Department. Barak is to travel to Washington with a small delegation that will include Foreign Minister David Levy, his Chief of Cabinet, Danny Yatom, and the head of the negotiations team, Uris Saguy. The Syrian side will be headed by Foreign Minister Farouk Shara, rather than President Hafez al-Assad, who is believed to be in poor health. The affair is to be coordinated by the White House staff, and following separate meetings of the delegations with President Clinton, National Security Adviser Sandy Berger, and Secretary of State Madeleine Albright, they will meet together.

There has been much speculation about the Golan Heights, which Israel occupied in the 1967 war, and which Syria demands be returned. What no one is discussing openly, however, is the real issue underlying the Golan Heights: *water*. Unless this issue is tackled from the standpoint of economic development criteria, nothing will be accomplished. Barak may well achieve what he says is his aim, to replicate the "Jordanian model" with Syria. This means that he hopes to have, first, an agreement on a "declaration of principles," in effect an agreement to end the state of war that has existed between the two countries. This would have repercussions on the Lebanese track, in that Syria has supported the Hezbollah movement in the south of Lebanon, which has been waging the war.

And, the two sides may well agree on the non-negotiable

issues: Israel would make national security demands, which include early warning stations on the ground, and Syria would demand a return to 1967 borders.

But here, the vital issue of water would emerge. The cease-fire line is different from the line drawn in 1947 in the United Nation's partition plan, which included a thin strip of land along part of the coast of Lake Tiberias, inside Israel. Syria has not recognized this as a border, as Syria has not recognized the existence of Israel. After the 1948 war, the cease-fire line showed Syria bordering on Lake Tiberias on the northeast. In 1967, Israel occupied the Golan Heights, thus depriving Syria of its access to the lake and its precious waters.

Thus, defining the borders will be a major point of conflict. No matter how that conflict may be solved, if at all, any mere territorial agreement, even including a water-sharing agreement (like the one Israel signed with Jordan in 1994) will be worth very little, since the water available is simply not enough.

### The strategic role of water

It has become commonplace to state that the next wars in the region (indeed in the world) will be fought over water, not oil. This may be true enough, but it is also the case that water has played an important role in the wars that have already been fought in the Middle East. Furthermore, every remaining issue to be settled in the peace process relates directly or indirectly to water.

While the many wars in the Mideast during this century have been sparked as a result of British-orchestrated geopolitics, it is economic issues, including the issue of water, that have allowed festering conflicts to be brought to the boiling point. As *EIR* has long emphasized, without an economic recovery program for the region—dubbed by Lyndon

LaRouche "The Oasis Plan"—no durable peace is possible. The potential for such a program emerged as part of the Oslo Accords, and during later summit meetings in Casablanca and Amman; but it was always blocked by opposition from the British, the U.S. State Department, the International Monetary Fund, and the World Bank. Now, the opportunity again exists for a breakthrough to be made.

A careful look at a map, makes obvious that the 1967 war, in which Israel occupied the West Bank and Golan Heights, was a war fought in significant part over water. The water distribution system of Israel, the National Water Carrier, which services its coastal cities and as well as its settlements in the Occupied Territories, takes 20% of its supply from ground water from the western part of the Occupied Territories, another 20% comes from Israeli coastal ground water, and the rest from Lake Tiberias, as well as water from the eastern side of the Occupied Territories, which is from the Jordan River. The water for Lake Tiberias, Israel pumped out of the Yarmuk River. Prior to the 1967 War, Israel had taken 80% of its water through drilling and wells. After the war, it accessed the new sources, and issued laws preventing Arabs from drilling wells. In the last days of the 1967 War, Israel also destroyed a dam on the Yarmuk, which Syria and Jordan were building together. Israel's occupation of the Golan Heights, meant that a plan developed in 1964 by Syria and Lebanon, to re-route the Jordan waters into the Yarmuk, and onto Jordanian territory, was definitively killed. Arab sources say that 67% of Israel's yearly water supply is taken from areas outside the 1948 borders, 35% from the West Bank and 22% from the Golan Heights.

Israel's control over southern Lebanon also means securing possible access to water sources from the Litani River. Israel's deepest penetration into Lebanon in 1982, would have given it access to most of the Litani River. In this context, if one considers Israel's strategic support for the Sudanese People's Liberation Army (SPLA) of John Garang, who is fighting against the Khartoum government, it becomes obvious that control over the southern part of the country would include control over the flow of the precious Nile River waters. And, Israel's military alliance with Turkey, carries with it the possibility of sharing some of Turkey's vast water resources.

Considering these facts, one can better appreciate what lurks behind the most radical Zionist claim to a "Greater Israel," which would stretch "from the Nile to the Euphrates."

As a result of the wars in the region, and the takeover of water sources, there has been a deterioration of water supplies to the non-Israeli populations. Jordan, which signed a peace treaty in 1994 containing clauses on sharing the water from the Jordan and Yarmuk rivers, is going through the greatest water crisis of its modern history. The combination of Israel's water expropriation policies, the increased water need in Jordan due to the influx of 300,000 refugees from the Gulf War, and severe drought over the past years, has left Jordan dry.

The Palestinians are experiencing severe deprivation.

Compared to the 1,000 cubic meters per person of water which the Israeli settlers enjoy each year, the 1 million-strong Arab population, had 137 cubic meters per person, back in 1993. Now the situation has gotten worse. Gaza is dependent on ground water, which is increasingly saline. Diseases linked to dirty water are twice as frequent there as in the other territories that had been occupied in 1967.

The issue is not limited to Israel. Disputes over water continue to characterize relations between Turkey, and Iraq and Syria. Without water, none of the nations in the region can survive. Israel has sought to ensure its water requirements by military fiat. Yet even the water sources it has taken over would not satisfy the needs of its growing population. On Nov. 21, Israeli state radio reported that Foreign Minister Levy had urged Prime Minister Barak to import water from Turkey. Levy said that the water crisis had reached dangerous proportions and was threatening agriculture. The level of the main reservoir on Lake Tiberias had dropped to record 50-year lows.

Thus, if there is to be peace, there must be adequate water supplies for all the peoples of the region, and on an equitable basis.

According to a plan drawn up in 1953 under the Eisenhower administration, the river waters were to be shared, but the quotas were not respected. Were a similar plan to be set up today, considering the water available and the requirements of each population, it would become evident, that there is not enough water to satisfy those requirements.

Where is the water to come from?

One proposal, made years ago, by the Turkish government, has been to build a pipeline from Turkey, to pump water from the Ceyhan and Seyhan rivers near Adana, or from the Ataturk Dam, and re-route it, away from its course into the sea, through pipelines through Syria, to Israel and the Arabian peninsula, with branch lines taking water to Jordan and the Palestinian Authority. Syria would perhaps agree to the transit, if the Golan Heights were returned. But this approach is an expensive one, estimated seven years ago to cost \$21 billion. It would transport water, but would otherwise not change the technological level of the economies in the region.

### **A crash program for nuclear desalination**

Looking at the rivers and lakes is missing the forest for the trees. The most abundant supply of water, which no one is talking about, is sea water, of the Mediterranean and the Red Sea, to start with. One is reminded of Samuel Taylor Coleridge's ballad, the "Rime of the Ancient Mariner," who, lost at sea, is dying of thirst. "Water, water everywhere, and nor any drop to drink," is his lament.

With desalination, all the water, everywhere, becomes many drops to drink.

The most efficient, technologically advanced, and equitable way of solving the water crisis, is to build nuclear-powered water desalination plants throughout the area, to provide access to fresh water to every urban and agricultural area. As

LaRouche proposed decades ago, canals between the Mediterranean and the Dead Sea, and from the Dead Sea to the Red Sea, should be dug. Along these canals, floating nuclear plants, high-temperature, gas-cooled reactors, should be placed, to produce the highest energy yield. With four nuclear modules, each 350 megawatts, a dual purpose desalination electricity plant would provide power for a multi-effect distillation system. This could provide a volume of fresh water of 401,500 cubic meters per day, and 466 megawatts net electrical power output.

Such an “island” of four nuclear modules, as the nuclear engineers call them, could provide 145.6 million cubic meters per year. Just four of these islands, would provide 650 million cubic meters. Twenty plants, half of them lining the new canals, would provide 2,920 million cubic meters of water per year, which would more than double the available water for Israel, the Gaza Strip, the West Bank, and the Golan Heights. The availability of abundant fresh water, would make it possible to develop around each of these nuclear islands, new urban centers, with agricultural and industrial production.

Desalination technology is nothing new to the region. Saudi Arabia, a country which is largely desert, has become the world’s biggest producer of desalinated water, producing 520 million gallons per day, from 25 stations, which covers 70% of the potable water in the Kingdom. On Nov. 15, as reported by the Saudi Information Ministry, the governor of the Saline Water Conversion Corporation, Dr. Fahad Balghunem, announced that three new desalination plants are under construction in al-Khobar, Jubail, and al-Shoaia, and five delivery systems, which will bring the total length of water pipelines up to 4,155 kilometers, serviced by 29 pumping stations. His corporation is studying the possibility of installing “20 more plants, with a daily production capacity of 2.6 million cubic meters of water, in addition to 12 water delivery station projects, with a total length of 2,640 km.”

There is no reason why this could not be done elsewhere in the Middle East as well; indeed, there is no reason why it could not have been done in 1993, when the Oslo Accords had been signed. The most promising aspect of the Oslo agreement between Israel and the Palestinians, was, in fact, the economic annexes, which spelled out areas of cooperation, focussed on water development. In those annexes, not only bilateral water development plans were laid out, but also, a regional perspective, which explicitly included the Dead Sea-Mediterranean Canal, and explicitly identified desalination as the means to create new water sources.

The program—the only economically viable approach—did not go through at the time, due to the objections posed by the World Bank. If this perspective were introduced into the Israeli-Syrian talks, as well as those between the Palestinian Authority and Israel, and later with Lebanon, it would radically redefine the parameters of the conflict around water, solving it once and for all. If President Clinton were to facilitate such an approach, he could fully justify his expressed optimism.

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## Israel

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# Iran-Contra returns to haunt George Bush

by Dean Andromidas

Israeli police have discovered secret documents concerning the Iran-Contra affair in the home of a man accused of being hired as a hit-man for Ofer Nimrodi. Ofer Nimrodi is the son of the arms dealer Ya’acov Nimrodi, who had been a key player in the Iran-Contra affair, and served as the Israeli intermediary between U.S. representatives—in particular National Security Council consultant Michael Ledeen—and the Iranian regime. It was the senior Nimrodi who brokered the first round of the arms-for-hostages deals which were at the center of the Iran-Contra affair, which broke out in public in 1986.

The key man at the center of Irangate was not, of course, Oliver North or Nimrodi, but former U.S. President George Bush, who as Vice President in the Reagan administration, headed the Special Situation Group in the National Security Council. It was under Bush’s direction that the NSC staff apparatus became literally a parallel secret government that ran the illegal Contra supply operation, and hatched the idea of selling weapons to Iran in return for securing the freedom of American hostages, and then illegally transferring the proceeds earned in the transactions to fund the Contra supply operation. Bush later told the world that he was “out of the loop” on this affair, and escaped prosecution following a secret campaign of death and intimidation which has been detailed in the October 1996 *EIR Special Report*, “George Bush and the 12333 Serial Murder Ring.”

### **Bush very much ‘in the loop’**

According to Israeli press reports, the documents that were found by Israeli police included a report detailing financial irregularities concerning the various arms deals. According to the daily *Ha’aretz* on Dec. 6, the report was a censored version of a secret document written by Raphael Vardi, that not only detailed the financial irregularities, but also detailed the fact that then-Vice President Bush was well informed on the entire operation. The censored version, omits mention of Bush “so as not to injure his reputation,” according to the Israeli daily. This censored report was given by the Israeli government to the Congressional committee which investigated Irangate in 1987.

Israeli authorities believe that there is at least an indirect connection between these documents and the ongoing criminal case being pursued against Ofer and Ya’acov Nimrodi,

which includes conspiracy to murder. Their discovery led to a search of the senior Nimrodi's office and home where police discovered other documents. Nimrodi claims that the documents were not secret, and that he was preparing a book on his role in Iran-Contra.

Nonetheless, the discovery of the documents has sparked new interest in the Iran-Contra affair, especially given that several unsolved issues in the case affect Israel directly.

Speaking on Israeli TV on Dec. 5, former Prime Minister Shimon Peres told an interviewer that in 1985, he, as Foreign Minister, along with Defense Minister Yitzhak Rabin and Prime Minister Yitzhak Shamir, approved the request by the Reagan administration to arrange the sale of weapons to Iran in order to secure the release of American hostages in Lebanon in 1985. Peres revealed that, while the request came from U.S. security agents, he personally discussed the deal with President Ronald Reagan, and had no idea that Reagan's Defense Secretary Caspar Weinberger and Secretary of State George Shultz were not fully informed about the operation. "I didn't know there was a dispute among them," Peres said, no doubt tongue-in-cheek. "It was the surprise of my life when I later found out that Shultz and Weinberger didn't know."

It should be remembered that Weinberger disclaimed any specific knowledge of the Iran arms transfers, as did Bush. It was a denial that did not prevent independent counsel Lawrence Walsh from indicting Weinberger in late 1992 for perjury. He never went to trial because George Bush in effect obstructed justice by pardoning him, in one of Bush's last acts as President.

The Israelis never tried to deny their role as intermediaries, because no Israeli laws were broken, and it was done as a result of a formal request from Israel's principal ally. Nonetheless, there continues to be a long list of unsolved mysteries concerning the Israeli side of the affair.

In its coverage of the discovery of these documents, the Dec. 2 *Jerusalem Post* recounted the mysterious death of Amiram Nir, who replaced Nimrodi as the key liaison with North and Bush when Peres became Prime Minister in 1986. The *Post* wrote how Nir died in a plane crash in Mexico just as the Iran-Contra scandal broke, and how the Central Intelligence Agency was suspected as causing the crash. They write that North had wanted Nir to take the entire blame for the Iran-Contra diversion scheme, but Nir refused.

The *Jerusalem Post* then mentions the role of George Bush: "The deals took place during the administrations of former U.S. President Ronald Reagan and Vice President George Bush. At the time both denied any knowledge of Nir's activities, however Bush met with Nir at the King David Hotel in Jerusalem three months before the scandal became public and at one point Reagan wrote to Peres expressing his gratitude for the efforts being undertaken by Nir."

There were also suspicions that Ya'acov Nimrodi arranged for the death of Nir, presumably as a favor to Bush. In addition, Nimrodi has been accused of illegally siphoning off \$2 million from the arms sales which became the seed money

for his latter rise to become an Israeli billionaire.

The possibility that these earlier cases may be reopened could have unpredictable consequences for former President Bush's continued quiet retirement, not to mention the election hopes of Texas Gov. George W. Bush. In fact, these revelations come at a time when there is an ongoing fight within the Israeli government over whether to release all the documents related to Israel's role in Iran-Contra, and illegal arms sales to Iran during the 1980s Iran-Iraq War.

### **Profile: Ya'acov Nimrodi**

Ya'acov Nimrodi was born in Iran and immigrated to Israel as a boy. In the 1960s and 1970s, he was the Israeli military attaché in Tehran, and then a private businessman conducting arms and business deals. He was also reputed to be an agent of the Mossad; some say he was Mossad station chief and was involved in training the Shah of Iran's Savak secret intelligence services.

After the overthrow of the Shah, he resumed his role, now brokering secret arms deals between Israel and Iran. In 1985, Michael Ledeen, a Mossad mole on the U.S. National Security Council, proposed that Nimrodi act as intermediary in making contacts with Iran for the arms-for-hostages deals which later became part of what was called "Iran-Contra." Nimrodi worked with Al Schwimmer, founder of Israel Aircraft industries, and David Kimche, who was director of the Foreign Ministry and sometime Mossad agent. It is no secret that the arrangement was approved by the leaders of both the Labor and Likud parties, which were in a coalition government at the time. But, when Peres became Prime Minister in 1986, he had Nimrodi replaced by Nir. (Around the same time, Ledeen's role was taken over by North.) While many say that the Americans did not trust Nimrodi, it is also said that Peres did not trust him either.

Working in cahoots with Saudi arms dealer Adnan Khashoggi, Nimrodi became one of the many former Mossad and Shin Bet (domestic intelligence) agents, along with retired military officers, who could parlay their "professional skills" with both Israeli and international business interests that straddled the fine line between big business and organized crime.

In 1988, with the millions earned in his arms deals, Nimrodi gained control of the Israeli Land Development Company, which controlled valuable tracts of property throughout Israel. He used this as a base to enter the entertainment, insurance, and communications sectors, but he never left the arms business. It is well known that he sells weapons throughout the Caucasus, Central Asia, and Africa. Nimrodi's latest project is an effort to open up a casino in the Negev Desert. Although he has yet to receive a government permit (casino gambling is still illegal in Israel), it is rumored that Nimrodi is a secret partner in the Jericho Casino inside the Palestinian National Authority.

Under the Likud governments in the late 1980s and early 1990s, and later under former Prime Minister Benjamin

Netanyahu, Nimrodi flourished. As the current investigations of Nimrodi show, these tycoons maintain a parallel government that has corrupted the most important institutions of the Israeli government. This secret government has the capability to destabilize or sabotage the elected government, and run terrorist operations. As in the case of slain Prime Minister Yitzhak Rabin, the potential target of this apparatus is no longer merely Arabs and Palestinians, but Israelis themselves.

### Ofer Nimrodi conspires to murder

In November 1991, Robert Maxwell, the British media tycoon, disappeared from his yacht off the coast of Spain. His body was later found, and an incredulous public was told that he committed suicide. Known alternately as an MI6 and Mossad agent, he also enjoyed strong ties to the Russian mafia. The bankrupt Maxwell communications empire owned the major Israeli daily, *Ma'ariv*. Nimrodi bought it in 1992 and made his son, Ofer, editor-in-chief.

In 1995, a major scandal broke out when it was discovered that Nimrodi was illegally wiretapping journalists and editors of his two major competitors, *Ha'aretz* and *Yediot Aharonot*. By the time the police investigation went to the point of indicting Ofer Nimrodi, it was revealed that he was wiretapping government officials, including the police, Defense Ministry officials, the Shin Bet, leading politicians, and even the President of Israel. After Ya'acov Tsur, one of the private detec-

tives whom Nimrodi had hired to do the wiretapping, became a government witness, Nimrodi ended up facing charges of wiretapping and obstruction of justice, including bribing police officers and witnesses. Pleading guilty, he received a light sentence of eight months, of which he only served four.

Then, earlier this year, a private investigator who had worked for Nimrodi in the wiretapping affair, confessed to police that he had been hired by Nimrodi to organize the murder of state witness Ya'acov Tsur. Also targeted was Amos Shockan, the owner and editor-in-chief of *Ha'aretz*, and Arnon Mozes, owner of Israel's largest circulating daily, *Yediot Aharonot*. By the time Nimrodi was arrested, the charges against him included attempted murder, bribery, obstruction of justice, and falsification of evidence. In addition, several senior retired and active duty police officers, as well as two of his lawyers, had also been arrested for conspiring in these crimes with Nimrodi.

As the case proceeded, it has revealed depths of corruption and criminal activity that has frightening implications for the "rule of law" in Israel.

Judge Aryeh Even-Ari, in his denial of Nimrodi's petition for bail on Dec. 4, said, "Even if we begin with the assumption that half of the evidence arrayed against the petitioner has not yet been established, there was enough investigative material to make the court lose sleep. We're talking about a difficult and complex investigation that includes not only the investigation of civilians but also a person in public service."

As of this writing, Ya'acov Nimrodi has also been arrested for his participation in the conspiracy. Although Ofer Nimrodi remains in jail, Ya'acov has been released on bail.

Is there a connection between this current case and Iran-Contra, and therefore George Bush? Is this part of a major political struggle inside Israel over the peace process?

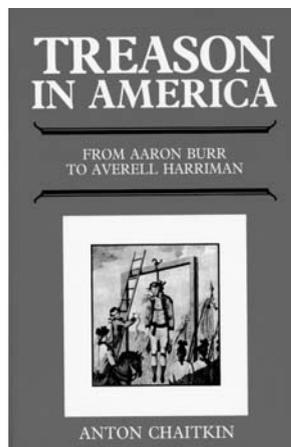
In answer to the first question, one must recall the death of Amiram Nir. His widow has been publicly outspoken about the fact that the official cause of his plane crash was labelled an "accident." She happens to be the sister of Arnon Mozes, the editor-in-chief of *Yediot Aharonot*, whom Nimrodi is accused of conspiring to kill.

The senior Nimrodi is not the only Iran-Contra veteran. According to sources who had been involved in the Contra supply operation, Oded Ben Dov, the alleged hit-man in whose house the police found the Iran-Contra secret documents, is well-known as a player in the Central American arms deals in that period. There are, no doubt, others. Under the threat of prosecution and imprisonment, such figures have been known to speak out.

On the second question, it is important to note that the wiretapping case started during the brief prime ministership of Shimon Peres, yet was concluded when Benjamin Netanyahu became Prime Minister, and Nimrodi was given a light, four-month sentence. The current murder conspiracy case began earlier this year, shortly after Labor Party Prime Minister Ehud Barak took over the government from Netanyahu. Our readers can draw their own conclusions.

## Treason in America

From Aaron Burr To Averell Harriman



By Anton Chaitkin

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# British fear losing Germany

by Rainer Apel

British Prime Minister Tony Blair's "special relationship" with German Chancellor Gerhard Schröder has fallen to record lows. Hard economic realities have blown the "Third Way" ideology to pieces: The majority of the German political elite, with backing from most of the population, have felt compelled to intervene against Britain's pet policies—globalization and the free market—in several situations that threatened to destroy core sectors of German industry.

The revival of national interests include: a strong spirit of defense of Mannesmann, a leading machine- and pipeline-manufacturing firm, against hostile takeover by Britain's Vodafone; Schröder's intervention to save the Philipp Holzmann construction company from a default that had already been decided on by the creditor banks; the commitment to renew and intensify cooperation with France; the threat to go for a national capital gains tax, should Britain continue to veto it in the European Union (EU). All these developments since mid-November have put Germany into confrontation with the free-market dogma, and notably, it is British media that have most appropriately assessed the disaster of Blair's Germany policy, in a daily stream of articles that can all be summed up under the question: Who lost Germany?

The Dec. 4 London *Daily Telegraph*, for example, reported on remarks by Schröder in the German parliament the day before. The Chancellor pointed to the British blocking of the planned EU-wide capital gains tax, which would end the tax-free status of exclusively financial transactions that are not linked to real investments. The Blair government rejects the tax, on grounds that it would interfere with the free flow of capital, violating long-standing British financial policy. "I make no secret of the fact that I have little understanding for such blocking tactics," Schröder said. Should the British continue to veto the tax, he warned, Germany will go for the tax on its own: "If necessary, we should consider a national solution." And he made clear that Germany has allies. "Contrary to what one may read from time to time, Franco-German cooperation is constructive and, above all, it works," he said.

The *Daily Telegraph* characterized Schröder's remarks as clear evidence of the "rift in Anglo-German relations." It stated: "Tony Blair's dream of exporting his New Labour vision across Europe, suffered a serious setback yesterday, when the German Chancellor blamed him for the collapse in the value of the euro and signalled that his country was now closer to France than Britain."

The Dec. 6 London *Times* concluded that for the time being, Anglo-German relations must be put on hold, because Schröder has fallen back into German policy paradigms that pre-date Blair's inroads (from the spring of 1997 on) into German politics. "Has Gerhard Schröder turned his back on Tony Blair? Has the Anglo-German axis on the Third Way broken down?" the daily asked. "There is not much left of the spirit that inspired Peter Mandelson and Bodo Hombach to compose their charter for social democracy: the way forward for the liberal Left in Europe. The limits of this political friendship have been reached. Herr Schröder's Friday speech on Europe had the clunking prose of Helmut Kohl and Kohl-ian intent: to make plain British isolation" on the capital gains tax.

"The pattern is familiar. [Former Chancellor] Helmut Kohl would travel to Paris ahead of a European summit and, back in Germany, would express, in German, French dismay about Britain," the *Times* said. It added that Schröder must have been aware that his remarks would make a deal at the Dec. 10 EU summit in Helsinki "less, rather than more, probable."

"But the truth is that Herr Schröder does not much care. He has to fight his way through a Social Democratic Party conference this week [Dec. 7-9], and he expects a barrage of criticism from the Left about his readiness to embrace the Blairite Third Way. The past fortnight of activity has to be read in this light: the Chancellor's theatrical (and potentially, very expensive) rescue of the Philipp Holzmann building company; his defense of Mannesmann against predatory Vodafone; his sudden intimacy with the French."

## 'One cannot just cut and run'

The Holzmann rescue was again defended by Schröder in his speech to the Social Democratic Party (SPD) national convention in Berlin on Dec. 7. In yet another slap against Blair's dogma, Schröder said: "One cannot just cut and run and leave workers to clear up the mess others have made." The honored foreign guest at the convention was Socialist French Prime Minister Lionel Jospin, who had been an outspoken critic of Blair's "Third Way" already at a time when Schröder was still attracted to Blair's doctrine. In his address, Jospin emphasized the importance of close Franco-German cooperation.

Jospin was not talking in a vacuum: The SPD party left, notably the party's youth organization, the Jusos, had filed motions with the party executive that denounced the "Schröder-Blair paper," which was published in London in June, as "incompatible" with the tradition of the German Social Democracy. A motion by the SPD district of Giessen attacked the Blair policy as a "second-hand version of Margaret Thatcher's neo-liberalism." The Jusos added a call for intensified SPD cooperation with Jospin's French Socialists. A long-overdue Social Democratic policy debate, which Blair and Schröder had managed to suppress between June and December, has finally begun.

# Ukraine: a new President, and old, unanswered questions

by Anatoli Voznytsa

Ukraine's Nov. 14 Presidential elections have produced a new "old" President. Virtually all of numerous political commentators, politicians, and other experts who had issued their prognoses, were proven right this time: Incumbent President Leonid Kuchma "convincingly" proved his superiority over the other candidates. Someday in the future, the "Kuchma phenomenon" will doubtless be the object of scientific investigation, because in him, as in a mirror, we can see a reflection of the entire complex history of Ukraine's transformation from a republic under Soviet Russia, into an independent state.

Indeed, Kuchma has shown proven himself to be a conscientious, and conscious executor of the orders he has received from abroad. Like all highly placed Ukrainian officials over past centuries, he has a pathological fear of developing and presenting any concepts on his own, that might be in the country's national interest.

And so, after more than five years under his rule, one of Europe's largest countries continues to vegetate, without aim or purpose.

## **An unparalleled fiasco**

Neutral analysts have pointed out the unparalleled fiasco of all aspects of Ukraine's domestic and foreign policy. Production has continued to decline, even though many had thought it had nowhere to go but up. The debt burden has also continued to grow, and in the year 2000 alone, Ukraine will have to pay \$3 billion to foreign creditors. The situation with payment of pensions and wages is catastrophic, with delays ranging up to 18 months. In some communities, for years now, people have been receiving their wages in the form of (overpriced) consumer goods and services. Ukraine's currency, the grivna, has lost two-thirds of its value over the past three years.

On top of this, are Ukraine's foreign policy failures: complicated, and occasionally strained relations with neighboring Russia, and virtually no serious foreign investment into Ukraine's domestic economy. The popular mood is

grim. Criminality is running amok, and citizens feel utterly defenseless against it.

This makes it seem all the more incredible, that a man who only a few months ago enjoyed the support of a mere 10% of the population, could be re-elected President. Indeed, two years ago, when Kuchma first announced his intention to run for office again, he himself admitted that his main electoral rival was the nation's economy.

## **Growing lawlessness**

Any reasonably unprejudiced eye can see that during Kuchma's administration, non-compliance with the law has now become the law of the land. The just-concluded Presidential campaign is the clearest confirmation of that assertion.

During the election campaign, the powers that be took countless measures to both directly and indirectly pressure citizens into casting their vote for Kuchma. "We've got what we've got," was a favorite saying of our first President, Leonid Kravchuk. "Only a blind man could fail to recognize our success!" was Kuchma's oft-repeated statement throughout the year leading up to the elections.

And the Ukrainian people, echoing the wisdom of their second President, have replied, "Yes, we're all blind, so it seems."

Where do we go from here? What can be done?

As the elections have just shown, only those who already had power, had any real chance of winning. The effort to push aside Kuchma's most dangerous rivals, such as Socialist Party head Oleksandr Moroz, former Premier Yevhen Marchuk, and Progressive Socialist Party head Natalia Vitrenko, went remarkably well.

Lesser known, young political leaders, whose time is not yet come, must now learn from these experiences and failures, so that their time will come more quickly.

The next test is already near at hand: The parliamentary elections in 2002 will test whether "the people have all hands on deck," as one opposition figure put it recently.

## 'Kuchma's election fraud is a time bomb'

*At the end of November, Anatoli Voznytsa asked Ukrainian Presidential candidate and Member of the Supreme Rada (Parliament) Natalia Vitrenko and her fellow Rada colleague Volodymyr Marchenko about the perspectives for Ukraine following the remarkable elections on Nov. 14.*

**Voznytsa:** Mrs. Vitrenko, first of all, I would like to congratulate you and your party for your success in the Presidential elections. You came in fourth in the first round. Congratulations.

**Vitrenko:** Thank you.

**Voznytsa:** How do you see the election results in general?

**Vitrenko:** When we won approximately 1 million votes in the parliamentary elections, it was a surprise for many of our opponents. This time, we had hopes for even greater success, and the fact that we won nearly 3 million votes in the Presidential elections testifies to a growing confidence of Ukrainians in our party, and in me as its chairman.

On the election results on the whole: Leonid Kuchma won



*Parliamentarian  
Volodymyr  
Marchenko:  
"I believe that  
Ukrainians will  
reject the IMF quite  
consciously, and  
that our work will  
bear fruit."*

15 million votes in the second round. This figure alone tells you that 23 million voters did *not* support Kuchma and his reforms. They either voted for [Communist Party head Petro] Symonenko, or they did not vote at all.

But what happened in Ukraine cannot by any means be called "democratic elections." The entire world should know that. There was a veritable crusade of violence, recrimination, and slander against the main rivals of the ruling President. The real victor in the elections is the injustice of what happened. The abuse of state power ensured that 15 million ballot slips miraculously turned up in the election boxes for Kuchma. According to our analyses, at most 3 million people actually and consciously voted for Kuchma.

That means that, in reality, 35 million people are against him. That is a time bomb. Ever larger parts of the population understand that the policies of the International Monetary Fund are destroying the foundations of the state. The IMF is not only forcing Ukraine to pay debts and thus fulfill the conditionalities which are to its own advantage. By virtue of the fact that it is also interfering in our legislation, the IMF is changing the basic functions of the state, and is ruining its foundation.

A shell of a state still seems to exist formally, but in reality Ukraine no longer performs any of the essential domestic and foreign policy functions—political, economic, social functions, and so forth. That is because everything is dictated by the IMF. The policies which the IMF has imposed are threatening the sovereignty of Ukraine. Increasingly greater numbers of people are coming to understand that, and the battle against the IMF will continue.

The elections have solved no problems, nor have they brought about a stabilization and calming of the population. As I already said: It is a time bomb.

**Voznytsa:** How do you see the work of your party in the time up to the parliamentary elections in 2002?

**Vitrenko:** The situation in Ukraine resembles that in Russia. People pretend there are only two camps: on the one hand, the democratic reformers, and then the conservatives, who only want to restore the past. Everything is squeezed into this model. If you are for reforms, you are for the future; if not, you'll pull us back into the past.

Our party was founded and created as a party which fights for progress in society. We do not want to return to the past. We want real reforms, and that means only such reforms which serve our people and again create a strong state.

During our campaigns for the parliamentary and also the Presidential elections, there was a slander campaign against us from all sides. I was persecuted as a proponent of a "third way," because I was a danger to the current regime. Had I had the opportunity to have a direct, open, and honest debate with my opponents, and to explain to voters what I really want, then there would hardly have been anyone who was still convinced that the regime is carrying out real reforms and cares at all



During the Ukrainian Presidential election campaign this fall, candidate Natalia Vitrenko's campaign poster featured Lyndon LaRouche's "typical collapse function" schematic, to show the fate of Ukraine's economy under current policies. The graph shows financial and monetary aggregates growing hyperbolically, while physical production collapses.

about the future.

But even the representatives of the old *nomenklatura* of the communists are against us, because they based their election strategy on the protest vote. They claimed that it was Kuchma himself who created our party, in order to weaken and divide the voting potential of the left. Everywhere they trumpeted that Vitrenko would go with Kuchma in the end, and that she would give him her votes in the second round. They spread this lie all over the country, at all their meetings and assemblies with voters. This lying propaganda cost me many votes—the votes of millions of people who do want progressive changes, but not under the leadership of Kuchma and the IMF.

The election showed which of the parties threw themselves at Kuchma's feet: [former Prime Minister Yevhen] Marchuk as well as the two "Rukhs" [in February, the Rukh party split into factions—ed.] (under [former Foreign Minister Hennadiy] Udovenko and [former Environment Minister Yuriy] Kostenko), as well as the Greens, [United Family group leader Oleksandr] Rzhavsky, and others. We refuted all the slanders thrown against us.

But the election also proved something else. Symonenko and [Socialist Party head Oleksandr] Moroz always loudly proclaimed their intention to change the course of the reforms. But to change this course without taking a distance from the IMF, is simply impossible. Moroz claimed a long time ago that he does not want to put up any resistance to the IMF, and before the second round of elections, both Moroz and Symonenko—i.e., the socialists and the communists—openly said that they had no intent to break ties to the IMF.

Of all the parties represented in Parliament and which put up Presidential candidates, we were and are the only ones in sight—maybe someone else will surface tomorrow?—who are saying a clear "no" to the agreements with the IMF.

We will break ties with the IMF, free ourselves from its dictates, and create a real independence. We will ourselves decide what, when, and how things should be done in the country, and in what way the reforms are to be carried out.

In the immediate future, we want to increase our activities. Many people are coming to us, and we are convinced that there will be more and more.

Our members are by no means demoralized or saddened. On the contrary, we see a growing "demand" or approval in society for our party. People are looking for a force which can give Ukraine a clear perspective, for the development of the country, for the construction of a new, socially just society.

We are now preparing a new issue of our newspaper, and we are having many meetings with the party rank and file. More and more people—not only the members of the party, but also the uncommitted, the "de-ideologized" people—feel that we have to pull our forces together.

**Marchenko:** I would like to add that there were not only the various "dirty tricks" in the election campaign, or the usurpation of all of the mass media by people acting on behalf of the reigning President.

Physical attacks against Natalia Vitrenko were organized and carried out to get rid of her, kill her. In this case, we saw that the interests of international capital and our own domestic capital interests are closely linked and intermeshed.

I believe that Ukrainians will reject the IMF quite con-

sciously, and that our work will bear fruit. We are going to continue to work to build a society with real independence, where reason and social justice will prevail.

**Vitrenko:** We already see the President not keeping his election promises. This pertains, in particular, to the recurrent electricity blackouts all over the country, the continuous rise in prices, and the delays in payment of wages and pensions. The population is going to notice that. We expect we will have a growing number of followers.

**Voznytsa:** As concerns the horrible bomb attack against you [on Oct. 2—see *EIR*, Oct. 15, 1999], I would like to recall that this caused concern among broad layers of the world public. You received many telegrams from all over the world. How are the investigations of the bombing proceeding, which caused so many injuries to so many people?

**Vitrenko:** A few days ago, an attack was carried out against the mayor of Vinnitsa, Dmitro Dvorkis. He was severely injured, and is now lying in a hospital. Following that attack, all the roads were blockaded, and all police forces, not only from the regional capital, but from the entire region, were deployed to find the perpetrators. When the attack was carried out against me on Oct. 2, and 47 people were wounded by hand-grenades, not a single road was blocked, and the suspect, Ivanchenko, was able to comfortably disappear from the Kryvy Rih and the region of Dnipropetrovsk. He even managed to leave Ukraine! There was another attempt on my life on Oct. 8. We were assaulted by another vehicle at a crossroads as we were driving with three cars through the Donetsk region. The last car, which is where I usually sit, was struck. The man who sat in my seat was severely injured, and he has been in the hospital since then. The police began an investigation, but no one has any interest in it any more.

**Voznytsa:** The well-known American economist and politician Lyndon LaRouche is running for President of the U.S.A. Like you, he is for a fundamental change in the world financial system. What recommendations and wishes would you like to address to him?

**Vitrenko:** I wish that he continue, with success, his relentless battle against the IMF. I know Mr. LaRouche very well. We have discussed many issues at various conferences and meetings. I used LaRouche's well-known "Typical Collapse Function" during my own election campaign meetings. It was always impressive when I showed where Ukraine today finds itself on this Triple Curve graph. LaRouche's followers in the U.S.A. must not tire of showing that the IMF is working against the interests of the entire world, and also of the U.S.A. itself.

I wish LaRouche success, much enthusiasm, and strong health. I understand myself quite well what a Presidential election campaign is really like, and I hope he does not have to deal with the "dirty tricks," and for sure not with attempts on his life. And, most especially, I wish him victory.

## Al-Fayed: Prince Philip had Diana, Dodi killed

by Jeffrey Steinberg

Once again, Mohamed al-Fayed has publicly accused Prince Philip and the British secret intelligence services, MI5 and MI6, of having been behind the murders of Princess Diana and al-Fayed's son, Dodi Fayed, on Aug. 31, 1997. He has also named the editor-in-chief of the Hollinger Corp.'s *Sunday Telegraph* as an MI6 asset, who has participated in the cover-up of the Diana-Dodi murders by running a smear campaign against al-Fayed in the *Sunday Telegraph* newspaper.

Princess Diana and Dodi Fayed were killed, along with their driver, Henri Paul, in a Paris car crash, shortly after midnight on Aug. 31, 1997. French magistrate Hervé Stephan conducted a two-year investigation into the causes of the crash, and the circumstances surrounding the failure of the French emergency medical team to get Princess Diana, who was alive at the crash site, to a hospital for nearly two hours after they had arrived.

In September of this year, Stephan signed off on a recommendation from the Paris prosecutor to drop all charges against ten paparazzi who had been detained at the crash site and investigated for possible manslaughter and failure to obey France's strict "Good Samaritan" laws. By determining not to bring charges against any of the paparazzi, Stephan also suppressed public release of his own 6,000-page investigative report.

Following the Stephan decision, Mohamed al-Fayed filed an appeal in the French court, to order Stephan to reopen the probe, and pursue a number of important investigative leads:

- Several U.S. intelligence agencies, including the Central Intelligence Agency (CIA), the Defense Intelligence Agency (DIA), and the National Security Agency (NSA), have all acknowledged, in response to Freedom of Information Act suits, that they possess classified files related to Princess Diana. Al-Fayed argues that the investigation cannot be considered closed, until the contents of those U.S. documents have been reviewed.

- Numerous eyewitnesses have come forward with reports that the Mercedes carrying Diana and Dodi was targeted by other vehicles, including a still-missing Fiat Uno, and at least one motorcycle. Surveillance cameras in and around the Paris Ritz Hotel, where Diana and Dodi dined just prior to the fatal car ride, showed at least seven suspicious men surveilling the hotel, from the time the couple arrived there, until moments after their departure.

• Magistrate Stephan, in an interim report in August 1998, had acknowledged that there were disturbing anomalies in the blood tests done on Henri Paul. Based on initial tests, French authorities had proclaimed that Paul was drunk and had traces of two prescription medications in his system at the time of the crash. But subsequent, more rigorous tests revealed that Paul had near-fatal levels of carbon monoxide in his blood as well. Were these tests accurate, Paul would have been unable to get behind the wheel of the car. So, the blood tests, which were the sole basis for the claims that the crash was the result of drunk driving by Paul, are fatally flawed.

Adding to the possibility that the deaths in Paris were the result of a high-level murder plot, was the fact that, at the time of the crash, the British Royal Consort, Prince Philip, the Duke of Edinburgh, had ordered MI6 to conduct an operation against Dodi Fayed. The day of the crash, the *Sunday Mirror* had reported that Prince Philip was in a towering rage at the couple, and was to convene a meeting of the Way Ahead Group, the senior advisory group to the Crown, to receive a briefing from MI6 and then decide how to deal with the problem.

Adding further credibility to the *Sunday Mirror* report, which was never denied by the royal household, was a subsequent report by two prominent British investigative journalists, that members of the royal family had earlier connived with officials of the Thatcher Cabinet to arrange an assassination of Mohamed al-Fayed.

Al-Fayed has vowed that he will not rest until the truth about the Paris crash has been unearthed; and he has publicly stated his belief that the death of his son and the Princess was the result of a sophisticated murder plot, carried out at the behest of the royals.

## A court appearance

The latest charges against Prince Philip and the secret services came on Nov. 22, during sworn testimony by al-Fayed at a libel trial in London High Court. The suit was filed by former Member of Parliament Neil Hamilton, who was accused by al-Fayed, the owner of Harrods Department Store, in a Channel 4 television interview, of seeking bribes from him, in return for raising parliamentary questions about the Harrods takeover battle between al-Fayed and the late entrepreneur Tiny Rowland.

During cross-examination from Hamilton's attorney, Desmond Browne QC, al-Fayed was accused of spreading "conspiracy theories" and maligning the good reputation of Prince Philip. "Did you not say that Prince Philip had master-minded it because he has . . . Nazi views?" Browne grilled al-Fayed.

The answer came back: "I have the right to say what I feel and what I believe. . . . Let Prince Philip sue me. Let MI5 and MI6 sue me. . . . They know they are above the law." Al-

Fayed later added, "I have the right to believe everything. I have the right to find out how my son has been killed."

## Hollinger Corp. named

Al-Fayed also stunned the British media elites by singling out the Hollinger Corp., Her Majesty's favorite propaganda agency, for running the cover-up of the Diana and Dodi murders on behalf of MI6. Asked about the book-length cover-up of the crime by Hollinger/Channel 4 TV journalist Martyn Gregory, al-Fayed responded, "He worked for the *Sunday Telegraph* and the Telegraph group, and they supported him. The editor of the *Sunday Telegraph* definitely worked for MI6, his brother-in-law worked for MI6, he is one of the journalists who is hired again for the intelligence services cover-up."

Al-Fayed charged that the *Telegraph* executives also see themselves as operating above the law, in running a vendetta against him.

Gregory, he charged, "worked closely with Dominic Lawson [editor-in-chief of the *Sunday Telegraph*, who has been publicly exposed as a leading asset of MI6]; his brother-in-law is a leading agent for MI6 and MI5.

"They are above the law, they can do anything. Let Prince Philip sue me," he reiterated. "Let MI5, MI6 sue me; they are above the law, they killed my son."

Al-Fayed also denied that Henri Paul was drunk. Rather, al-Fayed asserted, the blood sample taken from Paul after he was killed in the crash, was tampered with. "His blood was changed in the mortuary. Henri Paul was in MI6 files for three years."

Indeed, several sources have alleged that Paul was receiving regular cash payoffs from French, British, and also Israeli intelligence services, to provide information on the VIP guests at the Paris Ritz Hotel, also owned by al-Fayed, where he had worked for years as the assistant security director.

Al-Fayed informed the court that he had taken all of these issues directly to British Prime Minister Tony Blair. "I submitted three letters," he told the court. "One to the Prime Minister, telling him all the points, one to the Foreign Secretary, one to the Home Secretary. I am expecting the answer. If they don't answer, I'm going to take them to judicial review to show the evil power which rules over us."

The libel suit is expected to continue for several months, and will likely produce more bombshells. Al-Fayed is also awaiting the results of his appeal of the decision by French Magistrate Stephan to close the probe of the crash without bring charges against anyone. A French appeals court is reviewing the investigation to determine whether there are further leads that must be pursued before the case is closed.

## Meanwhile, across the Atlantic . . .

As reported above, among the further leads being explored by Mohamed al-Fayed are the thousands of pages of

U.S. intelligence files on Princess Diana. A Federal court judge in Washington, D.C. has ordered the CIA and the DIA to release files to al-Fayed's lawyers.

And, in another bizarre twist on the affair, on Oct. 28 a Los Angeles County judge issued a summary judgment, removing entertainment industry attorney Keith Fler from a multimillion-dollar fraud and emotional distress civil suit filed by al-Fayed. This suit was an outgrowth of a \$20 million extortion and forgery scheme, targetting al-Fayed, with the promise of secret CIA documents that would allegedly prove that the British intelligence services, the Mossad, and the CIA had plotted to murder Princess Diana and Dodi Fayed, at the behest of the British royals.

A man later identified as a con artist, Oswald LeWinter, had contacted al-Fayed, via Fler, in March 1998, offering to sell the secret CIA documents. Fler's credentials as a well-known, wealthy Hollywood attorney, who had had prior contact with one of al-Fayed's American lawyers, had been vital to the scheme. Ultimately, al-Fayed became suspicious, and sent his security director, John MacNamara, to meet with the FBI, the CIA, and the U.S. Attorney in Washington, D.C. A sting was arranged, and, on April 22, 1998, LeWinter was arrested in Vienna, Austria, as he met with MacNamara to arrange the exchange of documents for cash. The documents were, indeed, forgeries, but to this day, LeWinter claims that they were derived from genuine CIA secret files.

U.S. Department of Justice officials had assured al-Fayed that all of the parties to the criminal scheme would be arrested; but, 15 months later, with no further action by the U.S. Attorney, al-Fayed filed the civil suit, naming Fler, LeWinter, two other individuals, George Williamson and Pat McMillan, and 15 John Does.

On Oct. 28, 1999, Los Angeles Superior Court Judge Brett C. Klein held a hearing, at which Fler argued that his name should be removed from the suit. David Kendall, the attorney for al-Fayed, argued that Fler was essential to the conspiracy, and that there were no grounds for his removal. In an incredible breach of the law, it emerged that the U.S. Attorney's office for the District of Columbia had provided Fler with confidential documents about the LeWinter sting, even though there is supposed to be an ongoing criminal probe into the co-conspirators.

At the end of the hearing, Judge Klein granted the defense motion, claiming, incredibly, that "no reported court decision that I have been able to find in any state of the United States or in any federal jurisdiction of the United States has ever recognized a cause of action for damages on facts similar to those alleged in the complaint . . . so I need to make up my own mind. . . . That question is not a difficult one for me. It is an easy one. There is no such cause of action known to judicial taxonomy. I will sign the order . . . of dismissal."

Al-Fayed's lawyers are appealing Judge Klein's ruling.

## President Clinton's North Korea initiative could prevent war

by William Jones

Speaking at the Woodrow Wilson Center on Nov. 29, Dr. William Perry, President Clinton's Special Assistant for U.S. Policy toward the Democratic People's Republic of Korea (D.P.R.K., North Korea), expressed guarded optimism regarding the possibility of preventing a nuclear missile buildup on the Korean Peninsula, and for the gradual normalization of relations with that highly secretive and extremely volatile nation.

In 1994, North Korea began unloading spent fuel from its five-megawatt graphite-moderated nuclear reactor, which would have provided plutonium for several nuclear devices. The Clinton administration, concerned about such a development, began a series of talks with North Korean officials in Geneva, seeking to come up with some solution that would prevent North Korea from becoming a nuclear power.

In August 1994, the two parties signed an agreement in which the North Koreans would put a freeze on their graphite-moderated reactors in return for the United States providing new light-water reactors, which would help meet North Korea's energy needs. The light-water reactors produce no weapons-grade fissile material. A consortium, the Korean Peninsula Energy Development Organization (KEDO), consisting of the United States, Japan, and South Korea, was formed, and given the prime responsibility of financing and building the reactors. During the interim while the new reactors were being built, the United States would provide heavy oil for heating and electricity production in North Korea.

North Korea, which had reached the point economically by the 1990s where agricultural production had virtually collapsed, was faced with the threat of massive starvation. Concomitant with the nuclear agreement, the Western countries provided grain supplies to the international aid organizations, which began a major program of feeding the starving masses in North Korea.

### The Taepo Dong missile launch

New tensions arose in August 1998, however, when the North Koreans launched a space delivery vehicle, of the new

Taepo Dong type, over Japan, in what appears to have been a failed attempt to launch a satellite. This launch triggered a great hue-and-cry in Japan, with many in the Japanese Diet (parliament) calling for a revocation of the earlier 1994 Framework Agreement with the North Koreans. The missile launch also led to repeated calls by several Republicans in the U.S. Congress, for the United States to pull out of the KEDO consortium, and for the development of a Tactical Missile Defense system for Northern Asia.

This latter demand, as was clearly foreseen by its proponents, caused severe strains in U.S. relations with China, one of the key nations with any real influence over North Korea.

There was also another construction site detected by U.S. intelligence in North Korea, at Kumchangni, of such a dimension that fears were raised that perhaps the North Koreans were starting up nuclear processing at another site. Given the increased tension in the area, President Clinton therefore called for an extensive review of U.S. policy toward the D.P.R.K. The President named former Defense Secretary William Perry to head that review.

Perry was eminently qualified for the task. Even before his service as Secretary of Defense in the first Clinton administration, Perry had served in a variety of positions in the Defense Department, and had built up a sizable network of contacts among the Chinese People's Liberation Army hierarchy. If there were to be any success in influencing the opaque decision-making of the North Korean leadership, China would have to play a major role.

In May 1999, Perry and his team visited Pyongyang, the North Korean capital, for direct discussions with the North Korean leadership. In the course of their meetings, the team obtained from the North Koreans a continued commitment to nuclear restraint. Perry also requested permission to visit the suspect site at Kumchangni, in order to verify that this was not being used to process nuclear fuel. The permission was granted, and Perry was able to confirm that this site was not being used for such a purpose.

When Perry left Pyongyang, the North Koreans had made no commitment with regard to their testing of long-range missiles, but they had agreed to further discuss the issue with the United States. There followed a number of meetings in Beijing and in Geneva, all of which were inconclusive.

### **Moratorium on long-range-missile tests**

Then, in October, the two sides met in Berlin to discuss what would be required in order to normalize relations between the two countries. They concluded that a precondition for such talks would be, on the U.S. side, a lifting of some of the sanctions which had been in place since the Korean War, and, on the North Korean side, a moratorium on further missile launches. At the meetings in Berlin, the North Koreans indicated to their U.S. counterparts that they would commit to a moratorium on any further missile launches while talks

with the United States were in progress. President Clinton, after discussions with Perry, then lifted some of the sanctions on North Korea. Shortly thereafter, on Sept. 25, the North Koreans officially announced the moratorium on long-range-missile tests.

Perry indicated that on the issue of a long-range-missile test moratorium, China had also brought its influence to bear on the North Koreans. The North Koreans have made a commitment to send a delegation to the United States for further discussion, although no firm date has been set.

### **The House Republicans' agenda**

As the Perry group was issuing its report in mid-October, House Republicans were mobilizing to counter the recommendations of Perry's review. Benjamin Gilman (R-N.Y.), chairman of the House Committee on International Relations, had set up his own North Korea Advisory Group, which came out with its recommendations on Oct. 29. To the surprise of no one, its conclusions were diametrically opposed to those of Perry and his colleagues. The Gilman group included Rep. Chris Cox (R-Calif.), who chaired the Cox committee which issued a scientifically incompetent report that ran China through the ringer on a diverse array of allegations, aimed at creating a new "Rosenberg spy case" out of false allegations against a Chinese-American physicist at Los Alamos National Laboratory.

Dredging up the well-worn list of alleged North Korean violations, including its alleged sales of Nodong missiles to Pakistan and Iran, its massive buildup of its conventional war capability, as well as its attempts to develop nuclear weapons, the Gilman Advisory Group argued that only U.S. assistance is sustaining the North Korean government, drawing the conclusion that such U.S. assistance should cease.

All this is occurring simultaneously with the British-inspired Republican campaign to undermine the U.S. relationship with China. Speaking at the Woodrow Wilson Center, Perry gravely warned against ill-founded illusions about any imminent demise of the North Korean regime. "North Korea is undergoing terrible economic problems, including widespread starvation," Perry said. "But—but—this regime is not about to collapse. We concluded that the United States and its allies must deal with the North regime as it is, not as we wish it to be."

More significantly, as Perry himself noted, the North Korean initiative has been a joint effort with two of the U.S.'s chief allies in the area, Japan and South Korea. It has also served to bring China into a strategic relationship with this tripartite grouping in an attempt to deal with a potentially very threatening regional problem. If the "berserkers" in the Republican Party succeed in sabotaging this initiative, thereby provoking North Korea into a more belligerent stance and alienating China from this important diplomatic interplay, they could well provoke the very strategic crisis, about which they have so vociferously declaimed.

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# International Intelligence

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## *Indonesia's Wahid makes state visit to China*

Indonesia's new President, Abdurrahman Wahid, chose China as the country to which to make his first state visit, although he has travelled to 13 countries since his election on Oct. 20.

On arriving in Beijing on Dec. 2, Wahid received a red-carpet and 21-gun salute welcome in Tiananmen Square, followed by a 90-minute meeting with President Jiang Zemin, who expressed his appreciation that Wahid chose China, which selection "fully demonstrates Your Excellency's attached importance to developing Indonesian relations with China." Jiang declared support for the efforts of Wahid's government "to safeguard the unity and territorial integrity of Indonesia. Indonesia's stability and prosperity is beneficial to the region's peace and development."

According to Foreign Minister Alwi Shihab, Wahid told Jiang that, while enmity against ethnic Chinese may exist in a small segment of Indonesian society, it is not shared by the majority nor endorsed by the government, and the perception of such enmity should not affect bilateral relations.

Wahid was accompanied by his wife, six ministers, and an entourage of 90 Indonesian businessmen, each of whom paid \$2,000 for the privilege. Among them are several prominent Indonesian Chinese businessmen. Economic Coordinating Minister Kwik Kian Gie said that the two leaders agreed that a branch of Bank of China should be opened in Jakarta.

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## *Book exposes Prodi's 'invisible government'*

A new book by former Italian prosecutor Ferdinando Imposimato reveals the depth of corruption of former Prime Minister Romano Prodi, who is now president of the European Union Commission. *High-Speed Corruption: Travel in the Invisible Government*, which Imposimato co-authored with G. Pisauro and S. Provvisionato, takes its departure from EIR's exposé of the *Britannia* plot—hatched in 1992 among British and Italian influentials aboard the British

royal yacht off the coast of Italy—to wipe out traditional institutions and politicians, which stood in the way of privatizing Italy's state sector, through phony "corruption" scandals and prosecutions.

According to *High-Speed Corruption*, the two front-men for this operation, run by Prince Philip's Transparency International, were Prodi and Milan "Clean Hands" Prosecutor Antonio Di Pietro, who, in order to overthrow the postwar anti-fascist party system, made direct deals with the Mafia. The analysis and the new revelations in the book are important, not least because the same process is now being unleashed against Germany's Christian Democratic Union and its former Chancellor Helmut Kohl, through the CDU "black funds" scandal.

The aim of the so-called Clean Hands anti-corruption offensive in 1992-93, Imposimato writes, "was to restructure the political system . . . and a parallel restructuring of the business system, to the advantage of . . . large capital and financial speculation, and to damage the specific form of our economy based on small and medium-size industry." He continues: "The takedown of political parties has not eliminated, but rather has strengthened corruption, inefficiency, waste, and patronage." This new power now controls public funds, as Imposimato documents with episodes involving Prodi.

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## *Schröder, Chirac seek Euro intelligence agency*

British Prime Minister Tony Blair's proposal that Europe set up a rapid reaction force was discussed at the Dec. 10 European Union summit in Finland. Prior to the meeting, German Chancellor Gerhard Schröder and French President Jacques Chirac alarmed the British by insisting that such a force must have its own united European intelligence agency. In a declaration signed at their Nov. 30 Paris summit, Schröder and Chirac said, "As far as intelligence is concerned, which is a core element of the European Union's independent assessment and decision-making capacity, we are determined to federalize the existing or future means, including in the space field, in order to create common European capacities."

The British line against such a Euro-in-

telligence agency, is that it would undercut Britain's special intelligence relationship with the United States—meaning, it would undermine British intelligence operations *against* the United States, as well as against other countries, including EU members. The London *Sunday Times*, on Dec. 5, quotes spy novelist, Conservative Member of Parliament Rupert Allason, that the Europeans are living in "Cloud Cuckoo Land," and blustering: "In no circumstances would we want to confide with the French on the level of success achieved by the U.S., for example, in reading President Milosevic's private faxes. It is unthinkable that we would want to compromise our special relationship with the U.S. by enhanced cooperation with others."

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## *Basque ETA terrorists say cease-fire at an end*

On Nov. 28, the Basque terrorist organization ETA announced in its paper *Gara*, that its cease-fire, in effect since Sept. 18, 1998, would end on Dec. 3, and that ETA would then have its "new operative commandos" ready for action. ETA claimed that its decision was taken to protest "the repression" by Spain and France (Basque country spans their Pyrenees border region). ETA's leadership, most probably still hiding in France, was to decide on Dec. 3, when its commandoes were to resume the armed fight for a Basque state, independent of France and Spain.

In a press conference, Spanish Prime Minister José María Aznar reiterated that Madrid will not give in to any of ETA's demands. The interior minister, as well, underlined that ETA had only used the cease-fire to reorganize its commando structure. There were major protests against ETA throughout Spain, as well as in the European Union headquarters in Brussels. Full support for cooperation against the terrorists came from French Prime Minister Lionel Jospin and German Chancellor Gerhard Schröder, who were in Madrid to sign an aerospace agreement between Aérospatiale, DASA, and CASA.

During the cease-fire, ETA supported itself by bank robberies, kidnappings for ransom, and extortion.

## Congress takes up LaRouche challenge vs. drug bankers

by Jeffrey Steinberg

In 1978, *EIR* founder Lyndon LaRouche commissioned the magazine's staff to conduct a thorough investigation into the worldwide illegal drug trade. LaRouche, who was preparing his 1980 campaign for the U.S. Presidency, was convinced that the burgeoning drug plague represented the greatest threat to U.S. national security—a threat greater than Soviet ICBMs. LaRouche's view of the issue was in stark contrast to the official policy of the Trilateral Commission-dominated Jimmy Carter administration, which openly advocated the legalization of marijuana, and even cocaine, as official White House policy, courtesy of the President's chief drug policy adviser, Dr. Peter Bourne.

After interviewing scores of anti-drug specialists from governments all over the world, after reviewing thousands of pages of historical archives and contemporary crime blotters, the *EIR* team reached a number of conclusions that were, by 1978 standards, startling. First, the *EIR* team found that the annual revenues of illegal drug sales worldwide had already passed the \$200 billion mark; and it further concluded that such vast sums of cash could not be managed without access to the international banking system, at the highest levels. In short, *EIR* was the first institution on record to show that major international banks were up to their eyeballs in drug money-laundering.

At the time, the role of the major U.S., Canadian, and British commercial banks in drug money-laundering was barely on the radar screen of the law enforcement community. This author, and scores of *EIR* colleagues who helped produce the first edition of the book-length exposé, *Dope, Inc.: Britain's Opium War Against the United States*, met with leading anti-drug officials from the United States, western Europe, and Ibero-America during 1978-80, presenting the evidence against the leading banks. Many senior officials expressed

disbelief that “our bankers” could be wittingly involved with drug mafias, thus failing to see that the worldwide drug cartel operated *from the top down, not from the gutter up*.

Even as the final editing was being completed on *Dope, Inc.* in the winter of 1978-79, the notorious Hongkong and Shanghai Banking Corp. (“HongShang,” now known as HSBC) was making a major attempt to establish an “onshore” presence in the United States, through the takeover of Marine Midland Bank, the eighth-largest bank in New York State. In large part, through the efforts of *EIR*, New York State Banking Commissioner Muriel Siebert made the courageous decision to block the HongShang takeover. Not to be deterred, the HongShang lawyers went to the U.S. Federal Reserve Board, and sought to have Marine Midland's charter transferred from New York State to the Federal government. The Fed quickly complied. Public hearings, however, occurred before the Federal Reserve Board in Washington, with *EIR* providing evidence of HongShang's 150-year tradition as the central bank of the British opium trade in the Far East, from the time of the two British Opium Wars of the 19th century.

The Fed ultimately approved the HongShang takeover, and Congress, too, contributed to the onrush of the “dope decade,” by deregulating the American banking system, and opening the country up to an invasion of offshore dirty money that began flooding into Wall Street and the big New York commercial banks from British offshore financial centers.

### George Bush's ‘dope decade’

The 1980s were, indeed, George Bush's “dope decade” (see *EIR*, Nov. 26). By 1981, cocaine had replaced marijuana as the “drug of choice” of the Colombian drug cartels. The Contra wars in Central America drew corrupt elements of the



Twenty-one years after the LaRouche movement began to expose the role of the big banks in laundering drug money, the U.S. Congress has decided to look into the matter. Shown here are a few of our many books and magazines exposing Dope, Inc.

intelligence community, deployed into the drug trade under the Bush-Oliver North White House “secret parallel government” as part of a criminal guns-for-drugs enterprise. The Afghanistan War, launched after the Soviets invaded in 1979, by Trilateral Commission geostrategist and Carter National Security Adviser Zbigniew Brzezinski, mushroomed into a massive operation, with much of the funding for the Afghansi mujahideen coming from the burgeoning opium and heroin trade in the Afghanistan-Pakistan “Golden Crescent.”

The “Bush team” at the White House played a direct role in assuring that the U.S. commercial banks were instruments at the disposal of the drug cartels. William Weld, a member of the extended Bush clan, and a political protégé of the Vice President, became head of the Criminal Division of the Department of Justice. His credentials for the job: As U.S. Attorney in Boston, he had covered up a \$1.2 billion money-laundering operation by the Bank of Boston, and had then turned around and launched a bogus criminal prosecution of Lyndon LaRouche, America’s leading anti-drug crusader.

The Bank of Boston case, which ended with a \$500,000 fine, and with no indictments of any bank officials, had also involved a string of Swiss banks, led by Crédit Suisse, a notorious money-laundering bank where Oliver North and Richard Secord maintained their Iran-Contra secret accounts. The Afghansi heroin bonanza had been a boon to another bank that now occupies a place of infamy: the Bank of Credit and Commercial International (BCCI), which became a clearing-house for the Afghansi dope funds.

Before the end of the 1980s, Merrill Lynch, an old-line

brokerage firm, had been linked to the “Pizza Connection” heroin smuggling ring. Senior bank officials had personally provided door-to-door service to drug-money couriers, who regularly flew in from Switzerland to the Waldorf Astoria Towers, where the Merrill Lynch executives would personally pick up cartons full of cash. The Philadelphia office of Shearson/American Express had also been caught laundering drug proceeds. E.F. Hutton, another white-shoe “venerable” financial house, headed by the brother of Barbara Bush, had been busted for similar activities.

Yet, even as *EIR*’s warnings about the role of the big financial houses in the dope business were being driven home time and again, the steamroller of deregulation made it more and more difficult to send any bankers to prison.

### LaRouche weighs in, again

In February 1985, U.S. Drug Enforcement Administration agent Enrique Camarena, and his Mexican pilot, were kidnapped and tortured to death by Mexican drug lords. Their bodies were found at a ranch near Guadalajara. It would later come out in public trials that one of the masterminds of Camarena’s death, Ramón Mata Ballesteros, a Honduran drug trafficker who had linked up the Colombian cartels with the Mexican mafia, was actually on the payroll of the U.S. State Department, and the Bush-North “Enterprise,” at the time of the Camarena killing. Mata Ballesteros’s private cargo airline, which smuggled tons of cocaine and marijuana into the United States during the Bush dope decade, had been contracted by State Department official and Bush-North intimate

Elliott Abrams to deliver “humanitarian aid” to the Contras.

On March 9, 1985, weeks after Camarena’s body was found and as *EIR* was preparing the release of the second, expanded Spanish edition of *Dope, Inc. (Narcotráfico, S.A.)*, Lyndon LaRouche convened an international anti-drug conference in Mexico City, where his proposal for a comprehensive hemispheric war on drugs was presented for the first time. The 15-point plan included this prescient warning: “The greatest political threat to democracy in Venezuela, Colombia, Peru, and other countries, is the use of the billions of revenues held by the drug traffickers to fund terrorist armies, and to bring corrupted military officers into right-wing coup plots. . . . It is impossible to break the ominously increasing political power of the drug traffickers in Mexico, Colombia, Venezuela, and other countries, without capturing the billions of dollars of drug-revenues run through corrupt banking institutions.”

Within the 15-point plan, LaRouche underscored the need for a “system of total regulation of financial institutions, to the effect of detecting deposits, outbound transfers, and inbound transfers of funds, which might be reasonably suspected of being funds secured from drug trafficking.”

### **Addiction is skyrocketing**

Today, the illegal drug trade has passed the \$600 billion a year mark, and may be already beyond \$1 trillion per annum. Figures on skyrocketing drug addiction in the former Soviet bloc are hard to come by, but in impoverished regions, such as Afghanistan, Pakistan, and South America, drug abuse is now epidemic.

It is no longer a secret that the major American, British, and continental European commercial banks are running the money laundering for Dope, Inc. Several years ago, when Raúl Salinas, the brother of former Mexican President Carlos Salinas de Gortari, was arrested on murder charges, evidence came to light that he had several Swiss bank accounts, where enormous amounts of ill-gotten cash landed, after passing through his private account at the New York City headquarters of Citibank.

The Salinas case became a paradigm for the problem as a whole. Motivated, in part, by the looming prospect of Ibero-American nations falling like dominos to the drug cartels and their narco-terrorist armies, a number of members of Congress, as well as President Clinton’s Director of the Office of National Drug Control Policy, Gen. Barry McCaffrey (ret.), at long last appear ready to tackle the financial side of the drug trade.

In November, the Senate Permanent Investigations Subcommittee (SPIS) held two days of hearings on the involvement of Citibank in several hot-money scandals, including the Raúl Salinas case. Bills are pending before both Houses of Congress, which begin to redress the decades of protection for America’s big narco-bankers. Perhaps, 21 years after the fact, LaRouche’s call to action is being heeded.

# Senate hearings on highlight criminality

by Suzanne Rose

On Nov. 9 and 10, the Senate Committee on Governmental Affairs, Permanent Investigations Subcommittee (SPIS), chaired by Sen. Susan Collins (R-Me.), held hearings on the vulnerability of the U.S. private banking system to criminal money laundering, an industry estimated by one witness at \$500 billion to \$1 trillion a year, half of which comes to the United States.

On the first day, Sen. Carl Levin (D-Mich.), the subcommittee ranking member, at whose request the hearings were convened, gave a powerful opening statement: “We can’t condemn corruption abroad—be it officials taking bribes or looting their treasuries—then tolerate American banks making fortunes off that corruption,” he said. Rather than just an exposé of “corruption,” what emerged in the two days of testimony, was a chilling picture of bankers acting with stone-cold disregard for the moral issues confronting the nation—especially as it relates to drug-money laundering. According to *EIR* experts who have exposed, since 1978, the methods of U.S. banks in aiding and abetting money laundering, those with the biggest need for money-laundering services are drug traffickers, who seek to hide more than \$1 trillion a year in proceeds.

### **A report on Citibank/Citicorp**

The SPIS hearing focussed on the findings of a year-long investigation conducted by subcommittee staff into the activities of Citibank, America’s largest bank. The SPIS report, which centered on four cases in which Citibank/Citicorp “services” were used to launder money for wealthy clients, was released to the press on Nov. 8.

The most egregious of the four cases was that of Raúl Salinas, brother of the former Mexican President Carlos Salinas de Gortari, who laundered \$80-100 million through Citibank. A Swiss court, which ordered the seizure of more than \$100 million from Raúl Salinas’s bank accounts in a civil proceeding, determined that the funds were tainted by drug trafficking. Yet, to date, no indictments have been brought against any banker implicated in this affair, a fact that has angered members of Congress such as Rep. Maxine Waters (D-Calif.) (see her letter elsewhere in this section).

The hearings also provided a rare glimpse into the workings of “private banking,” something which the American public knows little about. Through the mouths of the wit-

# money laundering of U.S. banks

nesses, all top officials of Citibank's "private banking" division, the Senators and the public heard about the outrageous procedures used, which are all *legal* under the deregulated U.S. banking laws. For example, a wealthy foreign client can count on Citibank's "private banking" division to take his or her money, in chunks of millions of dollars. From there, the "personal banker" will set up a fully registered company, complete with a board of directors (completely unknown to the depositor) in a designated location, usually an island haven where the taxes are low and the banking secrecy laws ensure that the bankers *will not disclose* the identity of the depositor—even ignoring subpoenas from U.S. government agencies!

Called to testify at the hearings were top figures in this business: Amy Elliot, Raúl Salinas's "private banker" at Citibank; Alain Ober, vice president, Citibank private bank; Albert Misan, Mexican country head of Citibank private bank; G. Edward Montero, Western Hemisphere head, Citibank private bank; Antonio Giraldo, former Citibank private banker, currently in Federal prison for money laundering; and John Reed, CEO of Citicorp/Citigroup. Also testifying were Ray Baker, an expert on money laundering from the Brookings Institution; Richard Small, Assistant Director, Division of Banking Supervision and Regulation, Federal Reserve System; and Ralph Sharpe, Deputy Comptroller for Community and Consumer Policy, Office of Comptroller of the Currency, Department of the Treasury.

## A 'bank within a bank'

The hearings brought to light the extremes to which Citibank and other banks will go to hide the funds of wealthy customers, in what is called the private banking system. This is a "bank within a bank," which is not subject to the rules and regulations of other commercial or retail accounts. Testimony revealed that the private banks are the second most profitable division, after credit cards, earning a rate of return in excess of 20% for Citibank. Citibank has 40,000 such accounts. It is estimated, according to the committee report, that the assets of the private banks worldwide are \$15.5 trillion.

A customer must be able to deposit at least \$1 million to be accepted into the private bank. In return, the customer acquires his own private banker, to be his advocate within the system, to arrange for his accounts to be shrouded in secrecy,

and, presumably, to evade the tax and regulatory laws of both the United States and his country of origin. In the case of Salinas, this involved setting up a shell corporation (called a private investment corporation, or "pic"), through which the funds are deposited in a jurisdiction, such as the Cayman Islands, Netherlands Antilles, or Switzerland, which has secrecy laws against divulging information about the account. The ownership of the corporation is disguised, even from bank personnel. The private banker does not even keep the name of the customer in connection with the accounts. Under such arrangements, even subpoenas from U.S. law enforcement agencies will not be honored.

In the case of Salinas, the Cititrust branch in the Cayman Islands activated a Cayman shell corporation, called Trocca Ltd., for his funds. Salinas's money was moved out of Mexico, through what are called "concentration accounts," into the secret accounts established for him by his Citibank banker. In the concentration accounts, the money to be laundered is commingled with other bank funds, so that it cannot be traced. Citibank used three Panamanian shell companies to serve as the board of directors, officers, and shareholders of Trocca. Citibank owned all of these companies, which established a trust, identified only by a number, to own Trocca. Raúl Salinas's name appeared nowhere in any of the records of the bank. Trocca accounts were established for Salinas in London and Switzerland. Cashier's checks, deposited by Salinas's fiancée under an assumed name, were deposited into Citibank accounts in Mexico, then wired, through concentration accounts, into the Trocca accounts.

Salinas's banker at Citibank, Amy Elliot, admitted that she did not do a background check on Salinas, or his source of funds prior to opening the account, in violation of written bank procedure. Instead, she relied on the Salinas name, on the fact that his brother was the President of Mexico, on his reputation for wealth, and his association with other prominent political figures, including President George Bush. When asked why she ignored the rules, she said, "President Salinas was a hero, a Harvard-educated reformer, a guest of President Bush at the White House. He worked with Bush and Clinton on NAFTA [the North American Free Trade Agreement]."

Only after Raúl Salinas was arrested in 1995 for the murder of his brother-in-law, did Elliot comply with bank regulations requiring that a written client profile be kept on record.

After Salinas's fiancée was arrested attempting to withdraw money from his Swiss accounts, a conversation among Citibank personnel was recorded on the bank's taping system, and accessed by the committee. The exchange suggests that the Salinas money be transferred from Citibank's London accounts to Switzerland, but then concludes that it is too late to hide the paper trail!

After the arrest of Salinas's fiancée, Elliot filed a suspicious activity report (SAR), as required under U.S. money-laundering law, but she *failed* to report the existence of the

Trocca accounts. Another tape, of a conversation between Elliot and Pedro Homan, records Elliot stating that the highest levels of the bank management knew of the Salinas transactions. This excerpt was presented to the subcommittee:

March 1, 1995 1:59 p.m.

**Elliot:** Uhm, everybody was on board on this.

**Homan:** Yeah.

**Elliot:** I mean this goes. [unintelligible] (The ah) in the very, very top of the corporation this was known, okay. . . .

**Homan:** Yeah.

**Elliot:** . . . on the very top Pedro.

**Homan:** Okay.

**Elliot:** You and I are little pawns in this whole thing okay?

On the second day of the hearings, Antonio Giraldi, a former banker at Citibank, who is now serving a 10-year sentence for a money-laundering offense, gave lurid details about the lengths to which private bankers will go to hide money for their clients. He told the panel that bank managers would give them lists of people to call “cold” in pursuit of new customers, indicating that the managers approved of the names on the list. Money-laundering services provided to customers included making loans against money which the bank held for them in their trusts, so that they could set up legitimate businesses in their home countries and pay back the loans with more dirty money. He testified that private bankers travelled incognito, as tourists, to the countries in which their clients were located, so that the authorities would not be alerted to possible capital flight.

### **The banks have not reformed**

Throughout the hearings, top officials, including Mexican private bank head Albert Misan and Citibank CEO John Reed, testified that the bank had stringent regulations against money laundering, and that the problem was only that it “took a while” to get bank personnel to comply. However, the Senators were not buying the idea that Citibank has reformed itself.

Senator Collins pointed to the number of audits which the private bank division had failed during 1990-96. Bank officials replied that Citibank had introduced new, more stringent regulations in 1996-97, and that compliance had improved. But, it was pointed out by the Senate committee that the stricter enforcement had come about only because it had been set as a precondition for Citibank’s 1997 merger with Travelers Life Insurance.

Furthermore, testimony was elicited which demonstrated that Citibank continued to knowingly launder money even after its self-policed “reform” in 1996-97. The case of former Gabon President Omar Bongo, whose account was managed by Citibank through 1998, was illustrative. The source of funds for his \$111 million account was designated in Citibank records as “the Gabon budget,” even after the account was reviewed by Federal Reserve regulators.

Reed was questioned extensively by Levin on why the

bank set up branches in jurisdictions outside the reach of regulators, which left the bank the opportunity to launder money. Reed replied that his bank would set up operations only where regulators *had* approved. “If there was something about the legal structure that precluded our regulators from doing an adequate job of regulating us, they wouldn’t let us be there,” Reed claimed.

A heated exchange followed between Senator Levin and Federal Reserve representative Small, in which Levin concluded, based on his questioning of Reed, that even if other countries would not be bound by requirements excluding secrecy, and even if business was lost as a result, so what? But, as seen from Small’s replies in the following excerpt, the Fed and the bankers see it differently:

**Levin:** I’m not satisfied with that answer. Reed said if secrecy were a problem, the regulators would have told us. Our banks profit from dirty money. You should not tolerate this. Citibank said it was no problem if you said this. Why do we allow banks to operate in secrecy jurisdictions?

**Small:** We are getting access and we don’t see the same problem as in the past. We would hear an uproar if we tried to shut access to offshore accounts.

**Levin:** Why don’t you recommend that the regulators must have access?

**Small:** We have to evaluate this and get back to you.

### **Systemic changes needed**

Following the hearings, Levin introduced legislation to strengthen money-laundering laws. However, it was clear from the hearings, that Levin’s legislation could not cure the system of its defects. The laundering of drug money is already an offense under the current money-laundering statute, enacted in 1986. However, there have been no money-laundering indictments as yet for the vast sums involved in the Salinas case. Levin’s bill proposes to add two more predicate crimes: bribery and corruption of foreign governments. This merely points the finger at so-called corruption in government, the latest whipping boy for the globalists, who deregulated the banking system, leading to the speculative financial bubble which depends on dirty money to sustain itself.

The second problem pointed to in the hearings—the fact that branches of American banks are located in secrecy jurisdictions, where the sharing of information about a client’s accounts is forbidden—is not really addressed in the legislation, except to require that the name of the account’s beneficiary be on file in the United States. To eliminate the practice of American banks locating their branches in offshore, unregulated jurisdictions, would require a political mobilization to end the globalization of the financial system, and reregulating it under the control of sovereign governments.

This solution was inadvertently raised by Citibank’s Reed, who said that the problems of the banking system being used to launder huge sums of illegal money didn’t exist until recently, because before then, nations had capital controls.

# Rep. Waters asks: Will DOJ prosecute banks?

*On Nov. 12, U.S. Rep. Maxine Waters (D-Calif.) sent a blistering letter to Attorney General Janet Reno, about the possibility that the Department of Justice (DOJ) would allow the statute of limitations to run out before prosecuting bankers for their role in laundering drug proceeds. Waters is also the author of legislation to make bankers accountable for laundering funds for criminals through their offshore branches.*

*The following are excerpts of Waters's unusually frank letter to Attorney General Reno. A subhead has been added:*

I have written to you on January 22, 1998, April 9, 1998, April 22, 1998, and October 1, 1998, about the investigation of Citibank/Citicorp in the Raúl Salinas [brother of the former President of Mexico, Carlos Salinas de Gortari] case. The response I received from your office stated that the "investigation of allegations of involvement by Raúl Salinas and Citibank in money laundering is ongoing" and that your office was unable "to comment beyond what is in the public record." To date, there has been no announced action from your office.

On November 9th and 10th of this year, the Senate Permanent Subcommittee on Investigations which is chaired by Senator Susan Collins [R-Me.] and Senator Carl Levin [D-Mich.], held hearings which focused on Citibank/Citicorp and money laundering. Their staff presented a comprehensive report on . . . Raúl Salinas and other Citibank/Citicorp cases involving alleged money laundering.

I believe that Citibank/Citicorp is attempting to excuse itself from possible criminal action by blaming weaknesses in the private banking system. Citibank/Citicorp is also alleging that the many problems in their private banking division have been cleared up. Citibank's attempt to shift responsibility to the private banking system and to highlight the improvement in their internal controls, does not negate the fact that Citibank/Citicorp may have violated the law of the land by being an accessory to drug money laundering.

At this point, I am extremely worried that there may be an effort to excuse Citibank/Citicorp by Federal banking regulators, the Department of the Treasury, and the Department of Justice. There is suspicion by myself and others that Citibank/Citicorp is "too big to fail."

I have attempted to draw your attention to the seriousness of Citibank/Citicorp's private banking operations in Mexico,

and now in Africa and Pakistan, and to get a strong legal response from the Department of Justice, whose mission it should be to indict criminals even in very high places. It appears you have cooperated with the Department of Treasury in developing legislation and rules that would create new penalties for future money laundering activities but you have failed to answer whether Citibank/Citicorp was involved in illegal money laundering activities.

## **Drug enterprises depend on money laundering**

Attorney General Reno, this administration is responsible for the prosecution of low-level crack dealers who receive mandatory minimum sentences of five years for five grams of crack cocaine. . . . Many of these low-level drug dealers are first-time offenders and are mostly minorities. . . . I bring this to your attention because the drugs that are on America's inner-city and suburban streets are there because of the great profits that big-time dope dealers can reap from selling drugs. I hope you realize that if . . . drug traffickers were unable to launder their drug money, then they would be unable to create drug enterprises.

. . . Maybe you are unable to see the connection between the alleged money laundering at Citibank/Citicorp and these young, poor, and mostly minority men and women who are filling America's prisons, but I see it and feel it deeply, and I will not go away.

I am today demanding a response from you about the so-called investigation of Citibank/Citicorp and their alleged money laundering, particularly as it relates to Raúl Salinas. It is clear that Raúl Salinas . . . deposited not legally earned money, but drug money into Citibank/Citicorp's private banking system.

I am further demanding that you do not allow the statute of limitations to run out on this case. According to the report released by the Senate's Permanent Subcommittee on Investigations' Minority Staff,

In the United States, the U.S. Attorney for the Southern District of New York initiated an investigation into whether the Citibank private bank or any of its employees should be charged with money laundering in connection with the Salinas accounts. No indictments have been brought and the five-year statute of limitations may soon bar any prosecution of these matters.

If you allow the statute of limitations to run out without answering how Citibank/Citicorp is able to set up fake companies and wire transfer drug money offshore through their private banking system, then you are just as guilty as the drug dealers who are devastating America's communities, including the 35th district of California that I represent.

I am releasing this letter to the press and I challenge you to publicly respond to my concerns.

# Congress drafts bills vs. money laundering

by Michele Steinberg

On Nov. 4, when Director of the Office of National Drug Control Policy Gen. Barry McCaffrey (ret.) was asked about the problem of money laundering at a press conference in Washington, he named New York, Miami, and Los Angeles, along with Bogotá, Colombia, as locations that are “high-risk money-laundering areas.” Like illegal drug cultivation and processing, money laundering is no “foreign affair.”

Since August 1999, when news of the investigation into the Bank of New York’s illegal handling of accounts for Russian bigwigs—from top “reformers” like the International Monetary Fund and London Mont Pelerin Society favorite Konstantin Kagalovsky, to mafia thugs like Semyon Mogilevich—broke into the press, the U.S. Congress has devoted weeks of hearings to the ins and outs of money laundering. But after years of investigations, and hundreds of hours of testimony in Congress, the Bank of New York investigation is

bogged down, with indictments only of low-level operatives. Some Washington observers report that the simmering backlash against the bankers’ privileged role in avoiding prosecution has never been so intense.

One thing is clear: There has *never* been adequate legislation to prosecute bankers for money laundering. And where there has been clear legislation, such as the penalties provided under the Bank Secrecy Act passed in the 1970s, which requires banks to report cash deposits of \$10,000 or more, the Justice Department has historically *refused* to prosecute banks that failed to fulfill that reporting requirement.

In 1985, when leading U.S. banks, including Bank of America, Citibank, Chase Manhattan, the Bank of New England, and the Bank of Boston, were found to have systematically *ignored* Federal law regarding the reporting of cash deposits of \$10,000 or more, a general “amnesty” was arranged, and these banks only had to pay a small fine. Each of the banks named admitted having violated the law more than 1,000 times, and some of them, on 2,000 separate occasions. Word was out: Money laundering is not considered a crime in the United States.

## Is the party over?

But, on Nov. 9 and 10, an unprecedented record of willful involvement by top bankers in America’s largest bank, Citibank, was put before the public in hearings held by the Senate Permanent Investigations Subcommittee (SPIS) (see article, p. 66). Immediately afterward, on Nov. 12, U.S. Rep. Maxine Waters (D-Calif.) challenged Attorney General Janet Reno, on whether the Justice Department would, this time, prosecute bankers.

The SPIS report and the hearings apparently generated significant political heat on Reno and other top administration officials. On Nov. 10, the Department of the Treasury and the Department of Justice put out a joint press release, announcing, “Administration Submits Money Laundering Act of 1999.” However, as of this writing, a sponsor for the bill in Congress has yet to be identified.

This administration bill, which is still reportedly under review, is the latest in a long line of legislation that has been “kicking around” the 106th Congress since early 1999. The list includes: House Resolution 2896, entitled the “Foreign Money Laundering Deterrence and Anti-Corruption Act,” commonly referred to as “the Leach bill,” after Rep. James Leach (R-Iowa) who chairs the House Banking Committee; House Resolutions 1426, 1471, and, the latest version, 2905 (the “Integrity in Banking and Money Laundering Prevention Act of 1999”), known as “the Waters bills,” after primary sponsor Representative Waters.

On the Senate side, there is Senate Bill 1920, the “Money Laundering Abatement Act of 1999,” known as “the Levin Bill,” after its main sponsor Carl Levin (D-Mich.); and Senate Bill 1663, the “Foreign Money Laundering Deterrence and Anti-corruption Act,” sponsored by Charles Schumer (D-N.Y.) and Paul Coverdell (R-Ga.), which is the Senate version

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Left to right: Rep. Maxine Waters (D-Calif.), Rep. Charles Shumer (D-N.Y.), and Sen. Carl Levin (D-Mich.) have all put forward bills before Congress calling for curbs on money laundering.

of the Leach bill.

There are serious measures to be found in these bills, but the good is confused by paeans to free trade and deregulation.

However, the measures described in the “Summers-Reno” press release of Nov. 10 which accompanied the administration’s bill, are a joke. For example, the administration bill would make “smuggling of more than \$10,000 out of the United States a crime.” In the 1960s and 1970s, every gangster knew that it was a crime to smuggle \$5,000 out of the country. So, the Summers-Reno bill is a retreat. Other measures described, completely leave operators like Citibank’s Amy Elliot and her superior off the hook. For example, the Reno-Summers bill would “expand the list of foreign crimes that serve as a basis for money-laundering prosecution—to include fraud, official bribery, misappropriation of public funds, arms trafficking and crimes of violence.” The key phrase here is “crimes that serve as the basis for money-laundering prosecution,” because money laundering per se is *not* a crime in the United States. But, what guarantee is there that these new “underlying crimes” would result in prosecution of the bankers, when money laundering of proceeds proven to come from drug trafficking has not been prosecuted?

Focussing on *foreign* money laundering also smacks of the 1920s “Palmer Raids,” which terrorized immigrant populations in the United States, and set a propaganda tone that “foreigners” were the cause of all crimes and ills in the United States.

### Some have wised up

There are some clear signs, however, that some members of Congress have wised up, and are determined to hold the banks accountable. But a critical fight remains to get the law enacted and enforced. The following findings, excerpted (and paraphrased) from the bills now before Congress, are ex-

tremely useful observations. The measures, if enacted, would be significant political achievements and aids for law enforcement in the war against drugs:

- The money laundering amount is in excess of \$500 billion a year in the United States. (H.R. 2905)
- The existence of “offshore financial centers” (nations, regions, zones, and cities that in many instances have virtually impenetrable financial secrecy laws) facilitates global money laundering, and new centers have been rapidly proliferating. (H.R. 2896)
- Money laundering by international criminal enterprises challenges the legitimate authority of national governments, endangers the financial and economic stability of nations, and routinely violates human rights. (H.R. 2905 and H.R. 2896, and S. 1663 and S. 1920)
- The high profitability, intense competition, and confidentiality make private banking vulnerable to money laundering. As private banking grows, money-laundering legislation should be extended to all financial institutions, including such entities as securities brokers and dealers. (H.R. 2905)
- There are gaps in the law that allow money laundering to flourish in the private banking system. (H.R. 2905)

The bills also have many co-sponsors, indicating that there is a serious working environment in Congress to tackle the problem. However, no single bill incorporates all of the best features mentioned above, and *none* of these measures would be effective under the existing global regime of “free trade” and the *casino mondiale* that thrives on drug money and cancerous financial speculation.

Only full-scale banking regulation, and assertion of sovereign nation-state control over banking institutions, such as the system outlined by Lyndon LaRouche’s campaign for a New Bretton Woods monetary system, could actually stop the disease of money laundering.

# Dope, Inc.'s 'bankers above suspicion'

by Jeffrey Steinberg

In the July 26, 1996 issue ("Britain's Dope, Inc. Grows to a \$521 Billion Business"), *EIR* provided a road map of the worldwide trade in illegal narcotics, showing that, in 1995 alone, Dope, Inc. generated \$521 billion in illicit business. Including the dope trade, the overall black market—including illegal gun trafficking, commodity contraband, illegal gambling and prostitution, flight capital, and tax evasion—generated nearly \$1.1 trillion in revenues in that year alone.

In a survey included in that issue of *EIR*, economics writer

Richard Freeman provided a road map of the money-laundering infrastructure that serves this vast and growing black economy of dope, weapons, and strategic raw materials.

Freeman revealed: "The actual command and control over world money laundering today resides in Great Britain. A large chunk of today's offshore laundering centers are officially governed by Britain's Queen Elizabeth II, as their head of state and sovereign. Officially, the Queen's Privy Council is the ultimate authority in a legal system that permits bank secrecy and minimal regulation, and is governed by British law. Or else, these countries are ruled by allied Dutch-Swiss networks. It is not an exaggeration to say that nothing significant occurs in these money-laundering dives without the Privy Council's approval. If the Privy Council wanted to shut down money laundering, it could do so; it set it up in the first place. The same holds for the Queen herself.

"In addition, while some money laundering goes through small, obscure banks, most of it goes through the extended British Commonwealth network of 40 commercial banks and 20 investment banks. The drug money flow is so large, that no smaller entities could handle it. . . . This requires financial

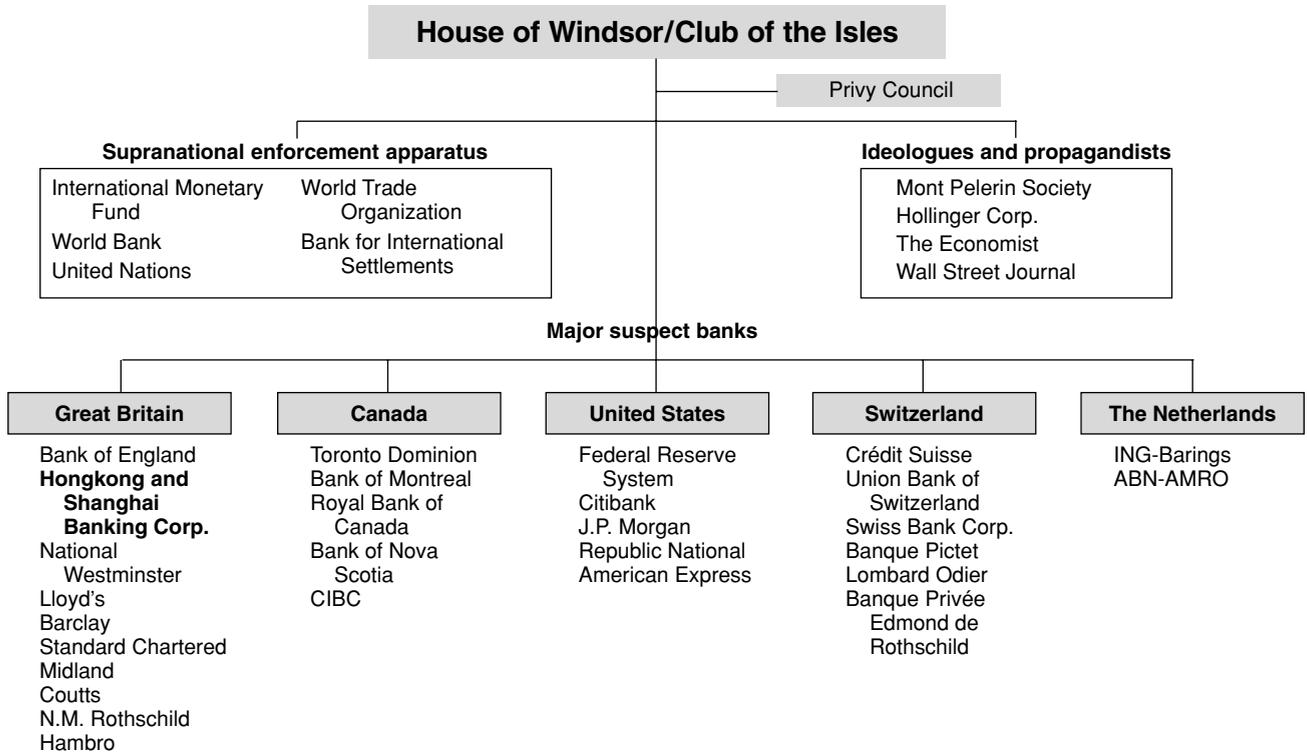
MAP 1

## The Caribbean: the Anglo-Dutch monarchy's money-laundering lake



FIGURE 2

**The Dope, Inc. money-laundering apparatus**



sophistication and tremendous political pull.”

Freeman “named the names.” “The list of major banks to be investigated for possible drug- and hot-money laundering includes: The British clearing banks Standard and Chartered, Lloyds, and Barclay; private British banks such as Coutts and Rothschilds; the Canadian clearing banks, led by Scotia Bank (formerly Bank of Nova Scotia), Bank of Montreal, Toronto Dominion, and the Canadian Imperial Bank of Commerce; the big three Swiss banks, Crédit Suisse, Swiss Bank Corp., and Union Bank of Switzerland; some of the exclusive Swiss private banks, such as Banque Pictet and Lombard Odier; the Dutch banks ING-Baring and ABN-Amro; the British-controlled American banks Citibank, Morgan, and Republic National Bank.

“Then there is the special institution, the linchpin of the drug money-laundering, the \$350 billion-in-assets Hongkong and Shanghai Banking Corp. The HongShang, as it is called, was formed in the middle of the last century, specifically to finance Britain’s opium trade with China. The HongShang is still the primary bank of issue for the British Crown Colony and money-laundering center of Hong Kong [now reverted to Chinese sovereign control—ed.]. But the HongShang also spans the globe, owning the powerful Midlands Bank in England; the Bank of the Middle East; Marine Midland bank in the United States; Mocatta Metals (through Midlands bank), one of the five banks that sets the world gold fix. It is active in the Caribbean. With its headquarters moved to London, it

still possesses markers of its past: On its board are the Swire, Keswick, and other old-line families, which ran the China opium trade during the last century.”

The two charts, taken from the 1996 *EIR* study, illustrate that the hub of world money laundering is the British/Dutch-dominated Caribbean region, where, for example, the Cayman Islands is the domicile for \$480 billion in hot money at any given moment; the Bahamas shelter \$100 billion, the British Virgin Islands holds \$90 billion, Curaçao \$60 billion, and the Turks and Caicos Islands \$30 billion.

The tightly knit command structure of international lending and regulatory institutions, banks, and free market think-tanks and propaganda shops underscore the fact that the worldwide Dope, Inc. money-laundering machine is run, top down, with the approval and active participation of the British Crown and the City of London financial oligarchy.

As Freeman observed, “To succeed in the fight against money laundering, start at the top. Go after the John Reeds [Chairman of Citicorp], the Alan Greenspan [Federal Reserve chairman], and the controlling layers of the Anglo-Dutch-Swiss financier oligarchy and the British Commonwealth political establishment, who run drug- and criminal-money laundering as a worldwide integrated enterprise and one of the most profitable businesses on earth. . . . Put some of these top bankers and the British financier oligarchy in jail for 30 years. Watch the drug-money-laundering trade start to shrivel; watch the drug-trafficking trade collapse.”

## LaRouche, in New York, warns of new ‘Pearl Harbor’

by Debra Hanania Freeman

**FLASH!** Please see the statement released by Lyndon H. LaRouche, Jr. on Dec. 9, on p. 76.

After less than two weeks since his return to the United States, Lyndon LaRouche, who is seeking the Democratic Presidential nomination, has delivered a political barrage that is reshaping the terrain on which the battle for the top spot on the Democratic ticket is being fought. Soon after returning from Germany, where he was recuperating from an illness, he travelled to Baltimore, Maryland, to deliver a historic address before the nation’s leading constituency group representing African-Americans: the National Black Caucus of State Legislators (NBCSL) (see *EIR*, Dec. 10).

On Dec. 4, the Presidential candidate travelled to New York City, where he spoke to about 550 citizens at a town meeting that was broadcast live on his increasingly popular campaign website ([www.larouchecampaign.org](http://www.larouchecampaign.org)).

LaRouche’s New York speech began with a discussion of what he has referred to as “the Pearl Harbor effect”: the profound and fundamental change that swept the people of the United States, when the “unthinkable”—the Japanese bombing of Pearl Harbor—occurred.

LaRouche told his audience, “We’re now in that kind of situation. Not that anyone at this moment is prepared to drop bombs on Pearl Harbor or New York City. But, nonetheless, we are on the verge of an experience, an emotional-psychological experience, a political experience, which very much resembles what happened on Dec. 7, 1941. In a sense, this has already begun to happen.”

The Presidential candidate and physical economist went on to survey the full scope of the global strategic and financial crises, and their immediate impact on the lives of Americans. “Contrary to the conventional lies with which most people are saturated, this country, in terms of 80% of its personal

households’ income, today earns less in physical income—50% less—than it earned at the end of the 1960s.”

Hospitals, schools, and every aspect of the nation’s infrastructure is in far worse shape than they were 30 years ago, he said. “We’re going to hell, and it is getting worse rapidly. Now, the reason it is getting worse, is because the citizens are getting worse. The citizens have become more and more despondent, more and more pessimistic. They don’t search for the truth. They search for what to be overheard saying, which might be to their advantage, or not to their grievous disadvantage.”

LaRouche asserted that the situation outside the United States is “a nightmare,” a situation increasingly dominated by the outbreak of war, and of genocide.

### ‘A sudden change in values’

But, he told the gathering, things are beginning to change. “One day soon, this system is going to collapse. And then, if it’s not too late, the American System will react. The American people will react to the collapse of the financial system as they reacted to the bombing of Pearl Harbor. There will be a sudden change, a sudden change in values, in political values, in behavior, based on the recognition that what the American people have believed, what they have condoned, what they have gone along with all these years, especially the past 30 years, was a terrible mistake, and we’ve got to go back to things which, in our earliest national experience, worked.”

LaRouche cited recent events in Germany where, during November, demonstrations swept that nation, as citizens demanded that the Schröder government act to save one of that nation’s largest construction firms—and with it, some 70,000 jobs—from bankruptcy. Despite loud protests from the British, and others, Chancellor Gerhard Schröder did what his people demanded. “At that point, the German Chancellor ac-

ted to save Germany. What they did, is they said, ‘To the Devil with globalization! End globalization! We have to go back to rely on protection, and upon the sovereign nation-state as the only source of survival for Germany and for Europe.’ LaRouche explained that it was that same impulse—the impulse to save the sovereign nation-state—that sank the World Trade Organization summit in Seattle.

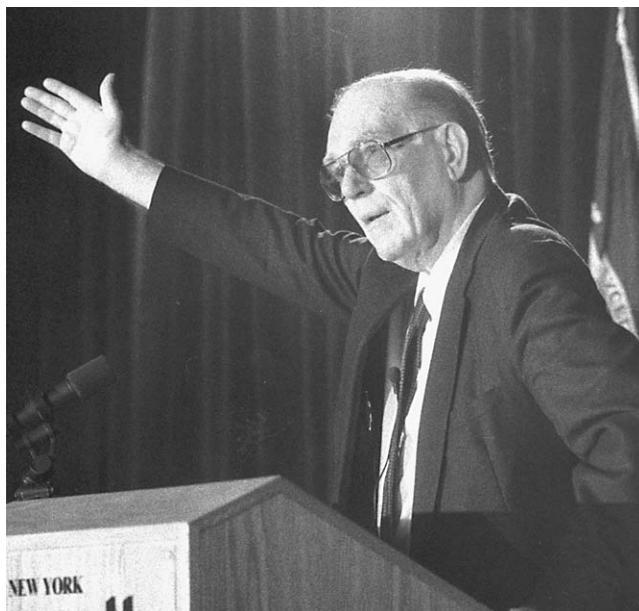
LaRouche made an impassioned appeal to the audience to do what they have, up to now, been unwilling to do. “It’s called thinking,” LaRouche told them. He asked people to think of themselves “in the endless span of eternity, or the eternity of human existence . . . representing a continuity, a timeless moment in eternity.

“If we can think of ourselves living so, then we can achieve true happiness, and we can think as being citizens in the highest sense,” he said. “To be a nation, which among nations, is making that kind of continuing contribution, throughout all of eternity, both in honor of generations past, and for the active benefit of generations to come: That is thinking.” LaRouche concluded that if people are willing to join with him in doing that, in organizing others to do that, then “we can win what people would have thought impossible a few years ago. Let’s try.”

LaRouche also set a new standard, one that most commentators doubt the other candidates will even attempt to respond to, with the long-awaited release of a two-and-a-half-hour videotape, “Storm over Asia,” produced by *EIR*, and directed and narrated by the Presidential candidate. The tape is described as a detailed assessment of the present proliferation of crises, from the Caucasus, to the Balkans, to the Indian subcontinent, which, unless resolved, could bring about a general war. LaRouche provides an in-depth historical appreciation of the best tradition of American foreign policy, dating to the period of John Quincy Adams, and goes on to outline how a revival of that American System of diplomacy can provide us, today, with the key for war avoidance.

### **Uphold the Voting Rights Act**

All of this occurs while LaRouche is engaged in a ferocious battle against a policy of racism and lying by a section of his own party’s Democratic National Committee. That racist wing of the DNC, that refused to admit duly elected LaRouche delegates to the Democratic National Convention in 1996, and which would like to exclude LaRouche from the 2000 Presidential race if they could, has been thrown into a defensive frenzy, as LaRouche delivers on his vow to drive them out of the party. Beginning on Dec. 7, an Open Letter, authored by former South Carolina State Senator Theo Mitchell, and signed by more than 350 elected officials and civil rights and labor leaders, demanding that the DNC repudiate an ongoing effort to nullify the 1965 Voting Rights Act (see *EIR*, Dec. 10, p. 69), began appearing as a paid advertisement in African-American and Hispanic newspapers across the nation. The ad’s appearance, and the fight against any rollback of the achievements of the civil rights movement, dominated much



*Lyndon LaRouche addresses supporters in New York York City on Dec. 4.*

of the discussion at the NBCSL convention in Baltimore.

As the uproar increased, rather than acting to nullify the position taken by DNC attorney John Keeney, Jr., advocating overturning what most consider the greatest achievement of Martin Luther King’s movement, the DNC’s top bureaucracy has sought to cover up those racist actions through what LaRouche has referred to as “a bodyguard of lies.” Until very recently, those lies were circulated via oral communication. But, following the first appearance of the ads featuring the Mitchell letter, a limited, largely private, circulation of these lies, in the form of a DNC memorandum, began. Sources close to the DNC say the memorandum was never intended for publication. But, on Dec. 5, the Virginia Democratic Party, and a notorious figure of the local Loudoun County Democratic Party—its outgoing chairman, David Whitmer—released the lying statement both via their websites, and via a mass e-mail, and in Loudoun County, via a direct-mail campaign. Whitmer, true to his past reputation as a pathological liar and LaRouche-hater, added what LaRouche’s campaign committee has identified as “lunatic filth of his own” to the DNC’s lies.

So far, despite the fact that a majority of DNC members were never made aware that arguments against the Voting Rights Act were made in their name, and despite the fact that most have admitted that they find the action reprehensible, they are, in effect, condoning what they know to be both the racism and the wild lies of a small faction of the DNC behind these actions, by failing to move quickly and publicly to repudiate them. And, there is a growing fear among Democratic leaders across the nation, that if this doesn’t change, and change quickly, the end result will be catastrophic—both for the Democratic Party, and for the United States.

# Lying and racism inside the Democratic National Committee: the implications

by Lyndon H. LaRouche, Jr.

*This statement was released by LaRouche's Committee for a New Bretton Woods. The full title is "Lying and racism by a cabal inside the Democratic National Committee: What are the true facts? What are the implications?"*

December 9, 1999

On August 6, 1999, attorney John Keeney, Jr., the son of the U.S. Department of Justice's most notorious Deputy Attorney-General, Criminal Division czar John "Jack" Keeney, demanded that the Voting Rights Act of 1965 be annulled. This proposal was made on behalf of a cabal, of former Democratic National Chairman Don Fowler et al., operating under the cover of their positions within the bureaucracy of the Democratic Party's National Committee (DNC).

When my campaign's website informed DNC and other circles of Keeney's racist action, on November 3, 1999, the news of this action shocked many DNC members who had not been consulted, or even informed of this plainly racist pleading by Keeney. However, despite that widespread disgust with Fowler, Keeney, et al., the DNC itself has not yet taken any action, to date, to publicly repudiate Keeney's racism.

Rather than acting to nullify the position taken by Keeney et al., the DNC's top bureaucracy has sought to defend its racist actions by a bodyguard of lies. With its bare face hanging out, as the man said, the authors of Keeney's racist argument are lying, orally and in written communications, despite the fact that the Federal District Court Record for the District of Columbia [C.A. No. 96-1816; August 16, 1999] shows them to be lying in their attempted cover-up of their actions. Until recently, those lies circulated from the DNC were limited to oral communications. On November 23, 1999, my campaign issued a release identifying the lies which were then circulating orally from Washington, D.C. offices of the DNC.

Subsequently, following the appearance of a paid advertisement exposing Keeney's racist pleading, in the November 30, 1999 edition of the Philadelphia *Tribune*, a limited, private circulation of the DNC bureaucracy's lies among inquiring party officials, was allowed by the party's leader-

ship, but broader publication of such statements was not otherwise authorized. Nonetheless, on December 5, an odious figure of the local Loudoun County, Virginia Democratic Committee, out-going Chairman Whitmer, released that lying statement from the DNC, through his private website. Whitmer, true to his known character, or lack thereof, added some lunatic filth of his own to what he represented as the DNC's lies.

So, as the saying goes, "the cat is now among the pigeons." Unless the DNC's racist and lying actions are soon disavowed and corrected, the Democratic Party could, even probably, suffer a virtual general rout nationwide, in the coming November 2000 general elections.

The fact that the DNC's relevant actions have been indisputably both racist and lying, is easily proven. My Democratic Presidential campaign has already documented evidence which proves both points beyond doubt, simply as a matter of official court transcripts of the case. What many will find it more difficult to understand, is the danger to the nation itself, if the DNC is allowed to continue to mislead the national Party into the November 2000 rout which the party bureaucracy's minestrone of racism and lying portends.

Now, turn to a summary of the bare facts of the case. Then, after that, focus upon the danger these actions portend for the future of our nation.

## 1. The bare facts of the Keeney case

This shameful case grew out of violations of the 1965 Voting Rights Act, violations which had been perpetrated during the course of 1996 by then Democratic National Chairman Don Fowler. Fowler had relied upon wildly outrageous, lying defamation of me, as a political smokescreen for his intentional violation of the Act. On August 2, 1996, I filed suit against both Fowler and relevant others, under the enforcement provisions of the 1965 Voting Rights Act. After a series of intervening developments, that case came before the Federal Court once again, during the course of 1999. The declaration of overt racism by the DNC's attorney, was first made in open court on August 16, 1999.

On that date, DNC attorney John Keeney, Jr. addressed Federal Judges David B. Sentelle, Thomas P. Jackson, and

Henry H. Kennedy: “. . . The Dissent [see *Morse v. Republican Party of Virginia*, 116 S. CT.1186 (1996)] is going to put into question the Constitutionality of the Act [the 1965 Voting Rights Act]. And that’s a different question than the statutory interpretation of the act itself.” The transcript makes it painstakingly clear, that Keeney was demanding a nullification of the Voting Rights Act of 1965, not merely spinning a misinterpretation of that statute. Keeney argued strenuously, that if the case were to come before the U.S. Supreme Court now, the majority of those justices, led by Justices Rehnquist, Scalia, and Thomas, would nullify the statute. Keeney was not merely attempting to lure me into prompting such an action by the majority of U.S. Supreme Court justices; he laid that scenario out in great detail during his August 16th argument.

Then, read the echoes of Keeney’s argument for nullification of the Act in the November 1, 1999 opinion of Judge Sentelle: “But while the Act is unarguably a statute of importance . . . it should not be read to extend coverage that would interfere with core associational rights; specifically here, internal national party rules as followed by state parties in a covered jurisdiction.” In other words, Sentelle’s opinion is being read by the DNC bureaucracy as stating, that it is not a violation of the Act for the national party organization, as a private club, to direct state organizations to perpetrate a violation of the law. Did Sentelle intend to suggest, that perhaps the DNC should be prosecuted under RICO: for conspiring to cause state party organizations to violate the law? The forked-tongue faction of the DNC bureaucracy appears to wish to read Sentelle’s argument so.

Indeed, the specific violation which Fowler perpetrated in 1996, was his demanding an unlawful change in the rules of the relevant state Democratic Party organizations. This was the complaint initially presented to the District Court by me, on August 2, 1996. This was the issue before the three-judge panel on August 16, 1999. Thus, both Keeney and Judge Sentelle’s ruling were in plain error; if the court refused to consider Fowler in violation of the law, by his issuing that order, then, the other side of the issue remained: As I complained in 1996, and again before the three-judge panel, certainly the relevant state Democratic Party organizations were in violation of the statute in following Fowler’s order. The same applies to new orders specifically targetting my candidacy, and my candidacy alone, recently issued by Fowler’s DNC successors.

There is no margin for denying that Keeney’s argument is nakedly racist. As Keeney, Judge Sentelle, and the DNC are fully aware, the 1965 Voting Rights Act was enacted, with support of President Lyndon Johnson, as a direct result of a series of scandalous incidents during the 1964 Democratic National Convention. During this convention, leading Democrats, including such ostensibly pro-Civil Rights figures as Joe Rauh and Walter Mondale, adopted and enforced a racist ruling of the Party Convention, against Fannie Lou

Hamer and the Mississippi Freedom Democratic Party. Fannie Lou Hamer was heaved out of the Convention premises.

The shocked reaction to those disgusting proceedings of the 1964 Democratic Convention, led to the subsequent adoption of the 1965 Voting Rights Act. This act was supported by President Lyndon Johnson. That Act addressed not only the follies of the 1964 Convention; the included target of the 1965 Voting Rights Act, was the former use of the argument that the Democratic Party is a “private club,” and thus exempt from law otherwise applicable to electoral proceedings. This former practice of clubby racists within the Democratic Party, is the same doctrine which Keeney foisted upon Judge Sentelle.

At that 1964 Democratic Convention, Mondale et al. noted, that, despite personal regrets for their taking their outrageous actions against the Mississippi Freedom Democratic Party, the Convention felt itself obliged to do this racist act, to ensure Party unity with the uncivilized elements within the national Democratic Party. So far, in the matter of recent actions on behalf of Fowler et al., the DNC as a whole, has turned back the clock to the follies of the 1964 Democratic Party’s National Convention. Worse, it has not only condoned such racist actions, but the DNC as a whole has now created a bodyguard of lies to protect the DNC’s unity with the avowed racists in its own ranks. All moral Democrats will now move to have that bodyguard of lies disbanded.

The DNC as a body has now been presented with conclusive evidence, that Fowler et al., acting through their legal representative, John Keeney, Jr., Esq., have perpetrated a racist action against the 1965 Voting Rights Act. In the light of the circumstances which led to the enactment of that 1965 law, there can be no doubt that the relevant actions of Fowler, Keeney, et al., were not only racist in content, but also in their clearly expressed intent.

The case poses the related question: are the sins of the father, the Justice Department’s “Jack” Keeney, being visited upon DNC attorney John Keeney, Jr., his son?

The father, long a top-ranking permanent bureaucrat of the Justice Department’s Criminal Division, has presided over a decades-long history of overtly racially motivated targetting of elected African-American officials. This operation, as run through the FBI in part, is notorious as “Operation Fruhmenschen,” a racist dogma which argues that African-Americans tend, racially, to be morally incompetent to serve as public officials. During this period, Presidents and appointed Justice Department officials have come and gone, while old “Jack” Keeney continues to sit on top of this racially motivated legal lynch-mob run under his supervision. The official court transcript of August 16, 1999 attests, that old “Jack” Keeney’s son, meanwhile, pursues kindred ends on the streets, and in the gutters of civil practice.

Thus, the DNC’s choice of John Keeney, the son, as DNC attorney for a sensitive Civil Rights case, was itself an act of grave indiscretion, at the very least. That young John did

follow in the racist tracks of “Operation Fruehmenschen.” in the Fowler case, was the result of a piece of DNC bureaucratic folly which reached far beyond mere opportunistic foolishness and indiscretion.

In light of those indicated considerations which prompted the enactment of the 1965 Voting Rights law, the actions of both Fowler et al. and attorney Keeney are plainly racist. In his argument before Judge Sentelle, as the official court transcript shows, Keeney explicitly proposed, and argued for

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*It is a time to speak plain facts, even if many will protest that we are impolite in publicly stating inconvenient truths which they consider hurtfully insensitive to their personal feelings and collateral arrangements.*

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the nullification of the law. That Keeney appeal to the earlier anti-Civil-Rights, dissenting minority opinion of Chief Justice Rehnquist on a related matter, does not ameliorate, but aggravates the character of Keeney’s own racist impulses: Rehnquist is on record, from his Arizona practice, as a long-standing, unimproved opponent of voters’ Civil Rights as subsequently defined for today, by the circumstances, the substance, and letter of the Voting Rights Act.

All of this is now fully apparent to the Democratic National Committee as a body. However, despite the evidence that a majority of DNC members were not only unaware of the racist actions of Fowler and Keeney, but most now privately deplored Keeney’s pro-racist pleadings, the DNC members generally, have, so far, repeated the folly of Joe Rauh and Walter Mondale at the 1964 Democratic National Convention: they have, so far, decided “to go along, to get along,” even at the price of making themselves complicit in lies and racist actions. These Democrats must seize the present opportunity to redeem the honor of their party and themselves.

So far, many among them prefer to declare factional solidarity with the racist elements in the DNC, tolerating outrageous lies issued from within the DNC, thus hoping to be able to pretend that they stand united in denying the undeniable, that Keeney’s pleading constitutes an outrageously racist action by Fowler et al. They remind us of those, sometimes called “swivelheads,” from Hitler days, who did not wish to know what that nearby smokestack represented. Most of these persons do not intend to be actually evil; but, these skittish folk do tend to look the other way, rather than face an uncomfortable reality.

So, until now, too many Democrats, who are not racists themselves, are, so far, professing their faith in that bodyguard of lies which the party’s racists use as pretext for solidarity with what they should know to be both the racism and wild lies of the faction of the DNC behind Keeney’s argument. They are behaving, at best, as what the New Testament would instruct us to see as veritably spewable, “lukewarm” Democrats.

## **2. The danger to the nation**

It is a time to speak plain facts, even if many will protest that we are impolite in publicly stating inconvenient truths which they consider hurtfully insensitive to their personal feelings and collateral arrangements.

The painful truth is, that the “Emperor Bush” has no clothes. In other words, the truth is, that a pack of Wall Street’s political ventriloquists are running the worst nationally recognized dummy available, Texas Governor George W. Bush, for the Republican Party’s 2000 Presidential nomination. Similarly, at the same time, on the Democratic side, the putatively leading, but failing candidate, is an intrinsically unelectable, dishonorable man, who has shown himself, while Vice-President, by his crude thuggishness, by his backstabbing against the incumbent President, by his published writings, and by his stated policies, to be emotionally, morally, and intellectually unfit to serve in that office.

Those scandalous facts only scratch the surface of the issue. When we consider both the nature of the world crises now descending upon us, the survival of our nation now requires a President with the kind of patriotic outlook and concern for the general welfare which we recall from the greatest Presidents of the past, such as the Franklin Roosevelt of the Great Depression and war-time years.

We have come into a time in which the world is dominated by an explosive mixture of looming and escalating global and national crises, worse than anything experienced during the Presidencies of Herbert Hoover and Franklin Roosevelt. Therefore, what must we say of political machines and voters who propose to elect, as our next President, a person known, at his best, to be a poor, pathetic figure, such as either of those two “bozos” have shown themselves to be?

Admittedly, the excuse which sundry Republicans or Democrats offer in defense of their support for such candidates, is the customary rule of “go along, to get along.” In short, the leading supporters of such candidates are supporting these bozos, despite the evidence that neither candidate is fit to serve as President. The commonplace apology which those supporters offer in their own defense, is that they are doing this, because that is the way one plays “the traditional rules of the party game.” “Lord of the Flies, behold!”

Such is the way each “pays the dues” which define him or her as an acceptable player in the party as a political game. Such substitutes for truthfulness and justice have heretofore

generally defined the understood rules of politics as “closed-membership party clubs.” It is past time to shuck such traditions and their damnable rules.

The simple truth is, that too many Americans — and others around today’s world — are letting other people, such as the mass media, do their thinking for them. Inside the U.S.A. itself, as few as thirty percent of the eligible voters are often determining the outcome of local and statewide elections. Worse, in the U.S.A. itself, this thirty percent is currently dominated — usually — by voting blocs drawn from the upper twenty percent of the family-income brackets. That control over many elections by voting blocs from the upper twenty percent of the income-brackets, is key to understanding what Vice-President Al Gore and his co-thinker “Dick” Morris had defined as their “centrist,” “triangulation” policies.

The fact, that the upper twenty percent of the nation’s families, by income-bracket, claim half the total national income currently, is, even by itself, a shameful spectacle, a spectacle which, in effect of practice, makes a farce of even the bare names of “democracy” and “representative government.” That is only the most superficial aspect of the political and moral disease lately corrupting our nation’s electoral processes and law-making generally.

This same shift in patterns of income-brackets has much to do with the recent quarter-century trend toward reversing the 1960s and earlier gains of Civil Rights movement, and the rising incidence of increasingly overt displays of racism by our nation’s judicial system. As the radical change to “post-industrial” utopianism, has sent our industrial and agricultural sources overseas, and as agricultural and industrial production vanishes from our national economy, the farmer and industrial operative, and their families, together with our senior citizens, have been pushed more and more into the categories of unwanted eaters. The trend is, that senior citizens should not burden us with their propensities for unduly prolonging their lives, and that the families of former skilled industrial and agricultural operatives should be content with working three or more jobs, for a total real income far less than what they used to gain with one or two.

The shift in sources and composition of national income associated with post-1971 long-term policy-making trends, toward “post-industrial” utopianism, has produced a vicious kind of class society, a society divided, economically, socially, and politically, between an upper twenty percent and a lower eighty percent. The increasing concentration of electoral power in the hands of the upper twenty percent, is a reflection of that gradual degeneration of our nation, from a republic, into the kind of oligarchical society which the founders of our constitutional republic viewed with revulsion, as the depraved state of affairs in the United Kingdom.

In this state of affairs, we should not be surprised to see the relatively worst choices of candidates as a trend fostered

by the Wall Street bankers and lawyers who tend to control not only the major news media, but both the major parties, and also the top layers of the permanent bureaucracy in entire sections of the Federal government. That cabal of oligarchically-minded, parasitical bankers and lawyers in the Teddy Roosevelt and Woodrow Wilson tradition of racism, does not wish Presidents who can actually think, but rather those who will do as such dummies are told to speak and act by the ventriloquists who own them. Nor should we be surprised, that such candidates will tend to represent a more or less outrightly racist attitude toward those “lower classes” which comprise the lower eighty percent of today’s income-brackets.

The ability of this republic to survive, now depends upon the ability of the lower eighty percent to secure its constitutional rights to a government which promotes the general welfare. That can be accomplished only by a union of the overlapping organic leaderships of African-Americans, Hispanic-Americans, labor, farmers, senior citizens, and relevant others, to take over the control of the Democratic Party, and as much as possible of the Republican Party, too.

The present danger is, that in the collapse of the world’s hopelessly bankrupt financial system, the financier oligarchy, supported by a desperation-ridden upper twenty percent of our income brackets, will attempt to foist what is in effect a fascist tyranny upon our United States and the world as well. There are immediate, rational, Franklin Roosevelt-style solutions for the world’s financial crisis, but these mean that the financier oligarchy must accept a massive write-off of its present, nominal financial wealth; it means that that oligarchy must submit to government-directed, Franklin Roosevelt-style, financial reorganization of all salvageable financial and related institutions. It is that conflict between the desperado faction among oligarchical financier interests and the Franklin Roosevelt precedent, which is the battlefield on which all real politics will be fought out within the United States during the year 2000.

If the oligarchical faction could succeed in terrorizing the African-American constituents into tolerating the racist actions of Keeney et al., that intimidation of the African-American would tend to prevent any effective alliance of so-called minorities, labor, farmers, and senior citizens from taking back power in the national Democratic Party. If we can bring that coalition together today, we will be able to re-create the kind of response to crisis which President Franklin Roosevelt typifies in the party’s memory. That is the only real chance we have, to save this nation under present conditions.

To make that kind of coalition work, we must have the kind of leadership provided by Presidential candidates who can actually think, as Governor George W. Bush can not, and Vice-President Al Gore so clearly will not. The fate of our nation and much of the world, too, depends upon it.

## *The strategic assessment*

While there is nothing new in the following assessment, received in early December from certain European representatives of the best of the older establishment of the Adenauer-de Gaulle period, what is new is the fact that, despite minor, secondary, or merely tertiary differences between the sources' points of reference, and that which Lyndon LaRouche summarizes in *EIR*'s "Storm Over Asia" videotape, nevertheless, these very-well-situated sources have an overview which coincides in all general strategic considerations with LaRouche's own.

All significant U.S. domestic as well as international leading issues, must be situated from this determining standpoint of reference, as that is summarized in "Storm Over Asia," in LaRouche's report to the National Black Caucus of State Legislators, and in remarks included in his New York town meeting of Dec. 4. Tear up any contrary strategic and national assessment scripts accordingly. These sources report:

"First, within the trans-Atlantic establishments, there is one first commandment, which comes ahead of *everything else*: It is that *the financial system must be kept going, no matter what*. Because if the financial system goes, everything goes. This is being pursued with an almost psychotic determination,

"However, there is indeed a paradox, identified by LaRouche, that the very means—liquidity pumping—with which the meltdown has repeatedly been postponed, has itself created an antinomy, whereby the means to postpone the meltdown, might themselves detonate the system in an inflationary explosion. That antinomy is what the central banks, governments, and financial experts, so-called, are really worried about.

"Second, in terms of the global strategic situation, regarding Russia, Central Asia, and the Caucasus: Yes, the old British 'Great Game' operatives are at work. But there is another dimension to the problem, not limited on the U.S. side to [Secretary of State Madeleine] Albright and [former National Security Adviser Zbigniew] Brzezinski: the emergence of what one may call a new Carter Doctrine.

"The Caucasus, and more broadly, the Caucasus-Central Asia region, is defined, in effect, as the Persian Gulf of the 21st century. The energy and other raw material deposits there, are defined as of vital importance for

the U.S. and the West as a whole, into the 21st century. Access and control must be assured. The line is, 'You Russians can live with it. With your own vast resources in Siberia, you don't depend on Central Asia/Caucasus the way we do.'

"Third, that therefore, the two previous points are connected to a dynamic toward a Cold War. This should also be seen as a contingency option for the financial situation getting out of control. For that Cold War, you need the new *Feindbild* (enemy image). For that, the two candidates are obviously China and Russia. Russia's behavior in respect to Chechnya, is exactly the way the *Feindbild* is desired to emerge.

"Fourth, the trend toward an authoritarian, dictatorial regime in Russia is accelerating. It's a dictatorship on unstable economic/financial ground, but with a strong 'Third Rome' thrust. If IMF-World Bank funds are cut, which is likely, then the war will intensify economic/financial problems within the next three to five months, including a new inflation wave.

"War in Chechnya is going to last, but Russia may present a sort of victory in the short term, by destroying the Chechens in the cities and lowlands, while protracted guerrilla war continues in the mountains. A likely result will be targetting of Russian pipelines, in and beyond the Caucasus, severely affecting energy exports and revenues.

"Fifth point: The U.S. election process is incalculable; the situation is completely fluid in an unprecedented way. The only thing that seems certain is that Gore is finished. Everything else is in motion, and the view that things will be clearer by April, when basically all the important primaries are over, is questionable. The result of the primaries will not necessarily be the result of the elections. Even the conventions must not be seen as determining, because there are so many incalculables, that even a seemingly safe candidate of either party may drop out, or be shot down, even after the conventions—but certainly into the conventions.

"In conclusion, the situation in coming months is to be described as unprecedentedly chaotic, with incalculable, dramatic shifts, and anyone who does not take this as the basis for assessing the situation, and tries to rely on a false sense of certainty, is going to see nasty surprises."

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- ST. LOUIS PARK—Ch. 33  
Friday through Monday  
3 p.m., 11 p.m., 7 a.m.
- ST. PAUL—Ch. 33  
Sundays—10 p.m.
- ST. PAUL (NE burbs)\*  
Suburban Community Ch. 15

## MISSOURI

- ST. LOUIS—TCI Ch. 22  
Wed.—5 p.m.; Thu.—Noon

## MONTANA

- MISSOULA—TCI Ch. 13/8  
Sundays—9 pm  
Tuesdays—4:30 pm

## NEVADA

- CARSON CITY—Ch. 10  
Sun.—2:30 pm; Wed.—7 pm  
Saturdays—3 p.m.

## NEW JERSEY

- MONTVALE/MAHWAH—Ch. 27  
Wednesdays—5:30 p.m.

## NEW MEXICO

- ALBUQUERQUE—Ch. 27  
Wednesdays—10:30 p.m.

## NEW YORK

- AMSTERDAM—TCI Ch. 16  
Fridays—7 p.m.
- BROOKHAVEN (E. Suffolk)  
Cablevision Ch. 1/99  
Wednesdays—9:30 p.m.
- BROOKLYN—BCAT  
Time Warner Ch. 35  
Cablevision Ch. 68  
Sundays—9 a.m.
- BUFFALO—Adelphia Ch. 18  
Saturdays—2 p.m.
- CORTLANDT/PEEKSKILL  
MediaOne Ch. 32/6  
Wednesdays—3 p.m.

- HORSEHEADS—T/W Ch. 1  
Mon. & Fri.—4:30 p.m.
- HUDSON VALLEY—Ch. 6  
2nd & 3rd Sun.—1:30 p.m.
- ILION—T/W Ch. 10  
Saturdays—12:30 p.m.
- IRONDEQUOIT—Ch. 15  
Mon. & Thurs.—7 p.m.
- ITHACA—Pegsys Ch. 78  
Mon.—8 pm; Thu.—9:30 pm  
Saturdays—7 p.m.
- JOHNSTOWN—Ch. 7  
Tuesdays—4 p.m.
- MANHATTAN—MNN  
T/W Ch. 34; RCN Ch. 109  
Sun., Dec. 26: 9 a.m.  
Sun., Jan. 9, 23: 9 a.m.
- NASSAU COUNTY  
Cablevision Ch. 80  
Thursdays—5 p.m.
- NIAGARA FALLS  
Adelphia Ch. 24  
Tuesdays—4 p.m.
- N. CHAUTAUQUA COUNTY  
Gateway Access Ch. 12  
Fridays—7:30 p.m.
- ONEIDA—T/W Ch. 10  
Thursdays—10 p.m.
- OSSINING—Ch. 19/16  
Wednesdays—3 p.m.
- PENFIELD—Ch. 12  
Penfield Community TV\*
- POUHGKEEPSIE—Ch. 28  
1st & 2nd Fridays—4 p.m.
- QUEENS—OPTV Ch. 35  
Wednesdays—6 p.m.
- QUEENSBURY  
Harron Cable Ch. 71  
Thursdays—7 p.m.
- RIVERHEAD—Peconic Ch. 27  
Thursdays—12 Midnight
- ROCHESTER—GRC Ch. 15  
Fri.—11 p.m.; Sun.—11 a.m.
- ROCKLAND—T/W Ch. 27  
Wednesdays—5:30 p.m.
- SCHENECTADY—SACC Ch. 16  
Tuesdays—10 p.m.
- STATEN ISL.—T/W Ch. 57  
Wed.—11 p.m.; Sat.—7 a.m.
- SUFFOLK, L.I.—Ch. 25  
2nd & 4th Mondays—10 p.m.
- SYRACUSE—T/W  
City: Ch. 3; Burbs: Ch. 13  
Fridays—8 p.m.
- UTICA—Harron Ch. 3  
Thursdays—6 p.m.
- WATERTOWN—T/W Ch. 2  
Tue: between Noon & 5 p.m.
- WEBSTER—T/W Ch. 12  
Wednesdays—8:30 p.m.
- WESTFIELD—Ch. 21  
Mondays—12 Noon  
Wed. & Sat.—10 a.m.  
Sundays—11 a.m.
- WEST SENECA—Ch. 68  
Thursdays—10:30 p.m.
- YONKERS—Ch. 37  
Saturdays—3:30 p.m.
- YORKTOWN—Ch. 34  
Thursdays—3 p.m.

## NORTH DAKOTA

- BISMARCK—Ch. 12  
Thursdays—6 p.m.

## OHIO

- COLUMBUS—Ch. 21\*
- OBERLIN—Ch. 9  
Tuesdays—7 p.m.

## OREGON

- CORVALLIS/ALBANY  
Public Access Ch. 99  
Tuesdays—1 p.m.
- PORTLAND—Access  
Tuesdays—6 p.m. (Ch. 27)  
Thursdays—3 p.m. (Ch. 33)

## RHODE ISLAND

- E. PROVIDENCE—Cox Ch. 18  
Sundays—7 p.m.
- STATEWIDE—Ch. B (14/50)  
Rhode Island Interconnect  
Tue., Wed., Fri.—2 p.m.  
Dec. 21 thru Jan. 12

## TEXAS

- AUSTIN—T/W Ch. 10/16\*
- EL PASO—Paragon Ch. 15  
Wednesdays—5 p.m.
- HOUSTON—Access Houston\*

## UTAH

- GLENWOOD, Etc.—SCAT-TV  
Channels 26, 29, 37, 38, 98  
Sundays—about 9 p.m.

## VIRGINIA

- ARLINGTON—ACT Ch. 33  
Sun.—1 pm; Mon.—6:30 pm  
Wednesdays—12 Noon
- CHESTERFIELD—Ch. 6  
Thursdays—5 p.m.
- FAIRFAX COUNTY  
Cox Ch. 10  
Tuesdays—12 Noon  
Thursdays—7 p.m.; Sat.—10 a.m.
- LOUDOUN COUNTY  
Adelphia Ch. 59  
Thu.—7:30 p.m. & 10 p.m.
- P.W. COUNTY—Jones Ch. 3  
Mondays—6 p.m.
- ROANOKE COUNTY—Cox Ch. 9  
Thursdays—2 p.m.
- SALEM—Adelphia Ch. 13  
Thursdays—2 p.m.

## WASHINGTON

- KING COUNTY—Ch. 29/77  
Thursdays—3 p.m.
- SPOKANE—Cox Ch. 25  
Wednesdays—6 p.m.
- TRI-CITIES—TCI Ch. 13  
Mon.—12 Noon; Wed.—6 p.m.  
Thursdays—8:30 p.m.
- WHATCOM COUNTY  
TCI Ch. 10  
Wednesdays—11 p.m.
- YAKIMA—Falcon Ch. 9  
Sundays—4 p.m.

## WISCONSIN

- KENOSHA—T/W Ch. 21  
Mondays—1:30 p.m.
- MADISON—WYOU Ch. 4  
Tue.—2 pm; Wed.—8 am  
Fridays—11:00 p.m.
- WAUSAU—Charter Ch. 10  
Thu.—9:30 p.m.; Fri.—12 Noon

## WYOMING

- GILLETTE—TCI Ch. 36  
Thursdays—5 p.m.

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# What's behind all the hysteria against China?

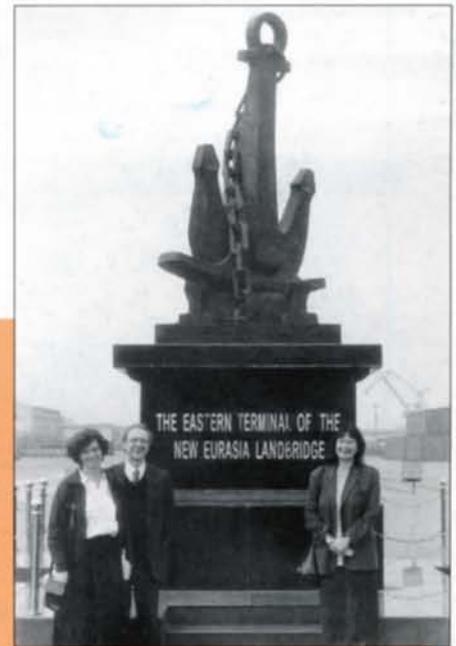
China wants to buy *trillions of dollars* worth of U.S. capital goods, for the great infrastructure project of the 21st century, the Eurasian Land-Bridge. But the British-led financier oligarchy, determined to prevent such collaboration at any cost, has unleashed its mad dogs in Congress, to wreck President Clinton's efforts to forge a mutually beneficial partnership with China.

## The Eurasian Land-Bridge

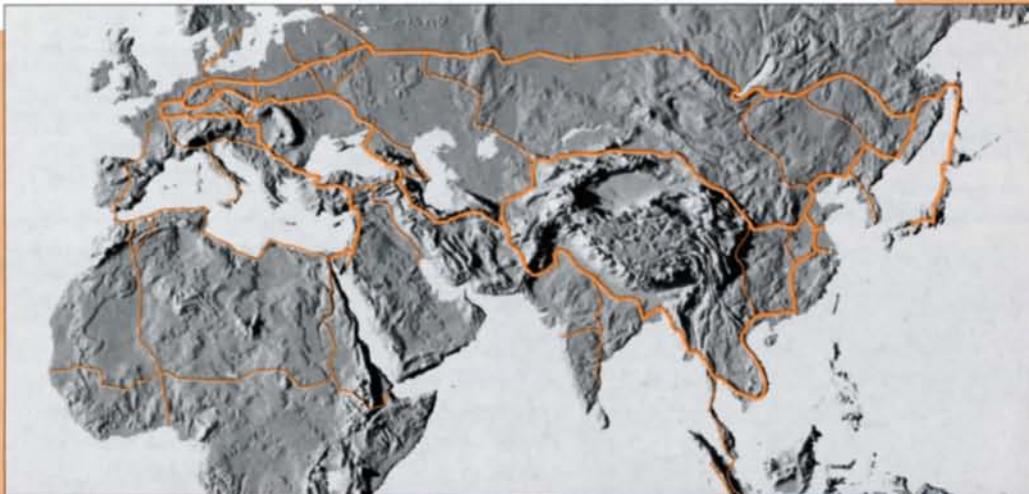
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Helga Zepp-LaRouche (right), known as "the Silk Road Lady," has played a major role in organizing worldwide support for the Eurasian Land-Bridge. She is shown here with Schiller Institute associates at Lianyungang Port in China, October 1998.



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