

Business Briefs

Agriculture

Cattlemen try to stop slaughter of herds

Lawyers for U.S. cattlemen's associations have stepped up efforts to halt the slaughter of dairy cattle under a government program, and are awaiting a federal judge's ruling on a request for a temporary injunction, UPI reports.

The suit, filed in early April by the National Cattlemen's Association, the Texas Cattle Feeders Association, the Texas and Southwestern Cattle Feeders Association, and seven individuals, asks the court to halt the dairy buyout program until federal officials present a plan to stagger shipments of dairy cattle to slaughter.

The program, designed to trim milk surpluses by paying some dairy farmers to get out of business, was approved in December as part of the 1985 farm bill. During the first week of the program, cattle prices fell sharply, and cattlemen have lost \$25 million in expected revenue from cattle sales.

The Debt Bomb

García maps recovery strategy

In an interview with the Mexican daily *El Día* published on April 29, Peruvian President Alan García Pérez discussed his government's battle against the financial warfare measures of the International Monetary Fund, and his plans for achieving economic stability and growth.

Concerning Peru's debt to the IMF and credit banks, García stressed, "We never said we were not going to pay. We said: We will pay what it is in Peru's interest to pay and what we can pay."

García emphasized that Peru will continue to run its economy on a sovereign basis, contrary to the wishes of the IMF. "The Monetary Fund," he said, "lacks the authority to make itself the supervisor of the world economy, and, thus, it is necessary to pre-

vent it from continuing to manipulate the economies of Latin America. Fortunately, time is in our favor and, in the end, this grave debt problem is going to point us all to the same path of will and action."

Concerning the economic difficulties facing Peru, the President admitted, "We haven't been able to break our financial dependency, our industrial dependency, our food dependency on foreign countries. It is impossible to do that in eight months. We have not been able to redistribute the national income in the manner we wanted, although we've achieved something, and though we have tried to help sectors never before taken into account by the State."

He told industrialists that they would just have to get used to making a profit by producing huge quantities of goods at low prices, rather than small quantities at high prices. "What we have proposed is to link initiative to the social goals of national development. This disturbs many theoreticians of liberalism . . . but the proof is that despite this theoretical discomfort, they have not sought to profit . . . from the economic reactivation we are having."

War on Drugs

New edition of 'Dope, Inc.' released

EIR is pleased to announce the publication on April 30 of a new edition of its book *Dope, Inc.: Boston Bankers and Soviet Commissars*. The publication date was chosen in honor of anti-drug fighter Rodrigo Lara Bonilla, the Colombian justice minister who was assassinated on April 30, 1984 by the drug-runners.

Does the British aristocracy run drugs? Yes, but there's more to it than that. The expanded second edition of *Dope, Inc.*, written by an investigative team under the direction of Lyndon H. LaRouche, Jr., takes up the role of the International Monetary Fund and the Soviet Union, with explosive new material on the drug traffic in Ibero-America, in particular. It exposes the U.S. banks that launder much of *Dope, Inc.*'s

\$500-billion annual intake. It documents the role of White House Chief of Staff Donald Regan, and the company he headed for 12 years, Merrill Lynch, in opening up the financial system to the laundering of drug dollars.

Dope, Inc. was first published in 1978; its Spanish edition appeared in January 1985.

LaRouche, in a new introduction entitled "Yuri Andropov Put the Soviet KGB Into the Narco-terrorism Business," demonstrates that narcotics traffic has existed for hundreds of years, and that the English fought two opium wars against the Chinese in the 19th century to protect it. But between 1967 and 1969 there was a shift in the management of narcotics trafficking, as the Soviet Union and Bulgaria began large-scale involvement in the drug trade, finally achieving control over narcotics traffic and terrorism as instruments to destroy the West.

Other highlights from the table of contents:

- The IMF Recolonizes Ibero-America;
- The Nazi-Communist Mafia;
- The Bronfman Gang;
- The Kennedys: Organized Crime in Government; and,
- The Anti-Defamation League: *Dope Inc.*'s Public Relations Firm.

The Invisible Hand

Dept. of Energy opposes oil tariff

The Department of Energy came out flatly against an oil-import tariff, in a report issued by the Department's Energy Information Administration on April 25.

"Lower oil prices mean a lower price level overall and a general improvement in the economy, which more than outweighs losses associated with a depression in the domestic oil and gas industry," the report claimed.

"The imposition of energy taxes would take away some of these gains. The oil import fee is by a wide margin the most damaging of the taxes considered," the report said, adding that the "degree of harm" that

would ensue "is so large that the damage-compensating transfer payments nearly cancel the additional tax receipts."

President Reagan, in an interview with *Oil Daily* on April 27, stated, in response to warnings from industry and the governors of energy-dependent states, "Given present conditions, our current level of domestic oil production does not pose a national security threat, but we must be vigilant to be sure this does not happen. . . . I am also concerned about any efforts that would take us back to government tampering with the energy marketplace."

Banking

First Fidelity loses again in court

Lyndon LaRouche's 1984 presidential campaign committees won a second partial summary judgment motion against First Fidelity Bank of New Jersey on April 28, as Judge Harold A. Ackerman dismissed the bank's claims that the committees had conducted "malicious interference with business." He also denied a First Fidelity summary judgment motion, which would have held the committees liable for over half a million dollars in alleged credit card "chargebacks."

In 1984, First Fidelity seized \$200,000 in campaign funds belonging to Independent Democrats for LaRouche and The LaRouche Campaign. IDL and TLC sued the bank; the bank counter-sued, charging libel against the bank and its president Robert Ferguson, and claiming that IDL and TLC were involved in fraud.

Last year, the court found that the bank had illegally broken its contract with IDL and improperly seized \$170,000 in campaign funds.

Judge Ackerman's rulings represent a severe blow to First Fidelity, which is already smarting under the committees' exposure of its links to organized crime, particularly the Resorts International casino and drug interests. These charges were confirmed when the *Wall Street Journal* published a series of articles earlier this year,

documenting the bank's role in a \$22 million mafia insurance fraud scheme, involving convicted extortionist Richard Mamarella.

First Fidelity's lawyer, Albert Besser, argued that these charges had nothing to do with the case. But, he added, "Even if they prove that Resorts is linked to drugs and money laundering, that doesn't prove that we are linked to drugs and money laundering. . . . The only link is that we loaned Resorts International \$12 million, and we have a continuing, ordinary commercial relationship with them."

Judge Ackerman reserved judgment on the libel issue.

On the role of Assistant U.S. Attorney from Boston Daniel Small, who had been ordered by the court to explain why he had refused to provide IDL and TLC documents in his keeping which were required for the First Fidelity case, Ackerman found that Small had acted with "some indifference" toward the committees' requests for documents, but did not accept the committees' claim that Small had lied in his testimony and been an "obstructionist."

Malthusianism

Red Chinese leader: no population growth

Chinese leader Teng Hsiao-Ping told a Japanese delegation visiting Peking the week of April 21 that curbing the population was "in line with China's vital interests," and that his aim was to hold China's population, now over 1 billion, to 1.2 billion by the end of the century.

Teng said that "certain people abroad" who opposed his plans "were secretly hoping China would stay poor forever." The campaigns of U.S. anthropologist Steven Mosher, who lived in a Chinese village in Kwangtung province, are particularly disturbing to the Chinese, according to a report in the April 26 London *Times*. Mosher reported in a paper distributed to the U.S. Congress, that "unauthorized" babies are often killed by poison injections in the womb or strangled at birth in South China.

Briefly

● **ALABAMA** Governor George Wallace has filed a lawsuit against Agriculture Secretary Richard Lyng and the Farm Credit Board, in order to halt the foreclosure of loans to Alabama farmers. The

federal government is discriminating against farmers by foreclosing on farm loans, while extending loans to foreign countries and banks. It demands a permanent injunction to stop the Federal Land Bank from charging 12.25% interest on farm loans and to stop the FmHA from foreclosing on loans.

● **RESORTS** international has received the go-ahead to build two gambling casinos in the Canary Islands. President Jerónimo Saavedra, who recently returned to the islands after a prolonged trip to the Soviet Union, intervened with the government of Spain, which has nominal control over the Canary Islands, to lift restrictions on investments to make possible the entry of Dope, Inc.-linked Resorts International, reported the Spanish daily *El País*.

● **THE WEST GERMAN** firm Mannesmann Ltd., the leading steel pipe producer, plans a 20% reduction in its work force, reflecting the collapse in Soviet orders for West German wide-diameter seamless steel pipe for oil and gas pipelines. The news was reported by the trade union I. G. Metall in late April.

● **GRAMM-RUDMAN** will cause an estimated 300,000 college-bound students to lose some or all of their federal aid this fall, college administrators warned in late April, according to UPI. "It will be devastating," said Gene Miller of the Western Association of Student Financial Aid Administrators. "It's going to hurt the students who need the money most."

● **CHEMICAL BANK** of New York City has withheld a \$1 billion loan to Colombia announced in late 1985, on the grounds that some Colombian state entities are late in repaying other loans.