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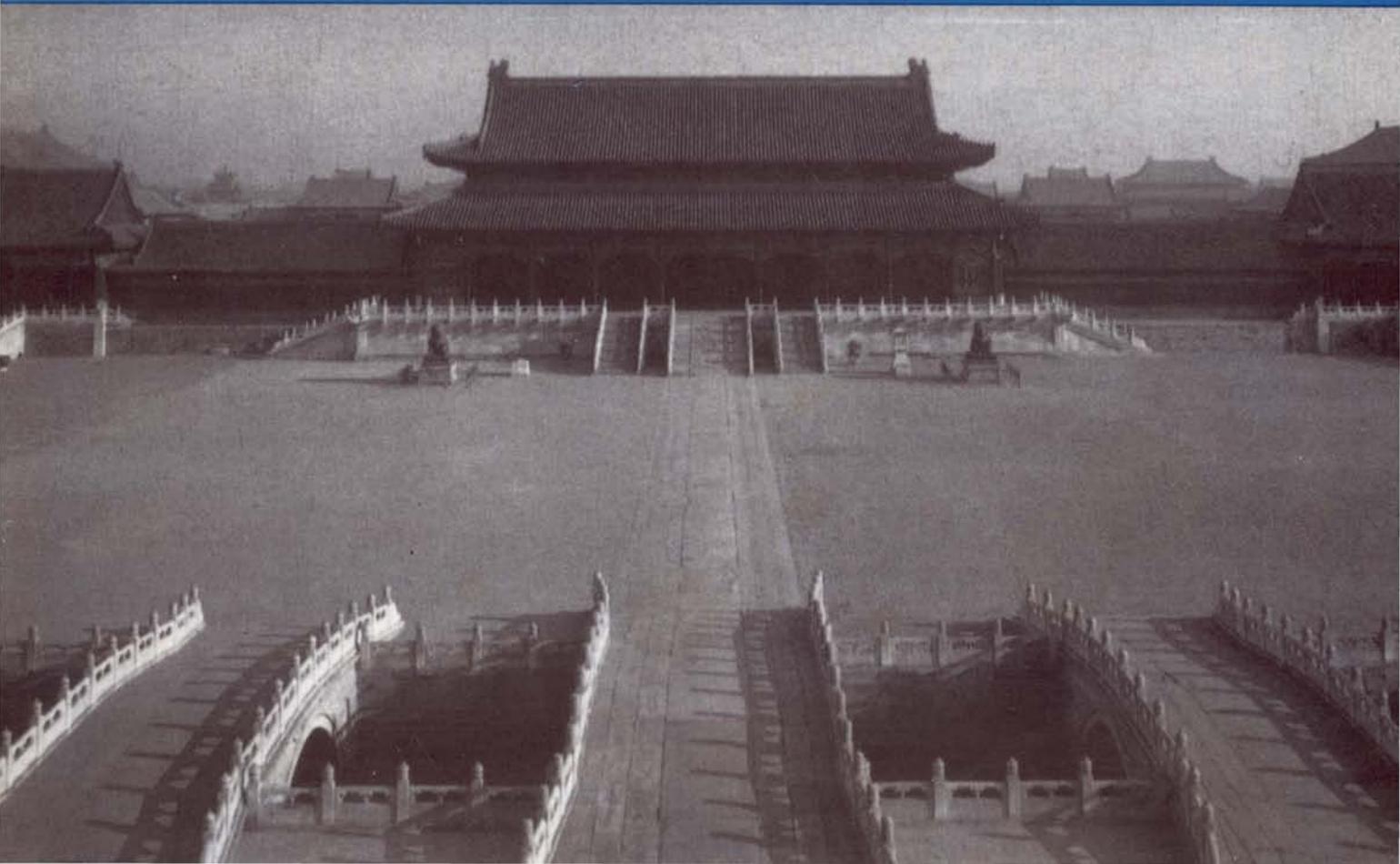
Executive Intelligence Review

June 10, 1988 • Vol. 15 No. 24

\$10.00

The Kremlin writes off Ronald Reagan
Soviets step up irregular war on Colombia
Stopping epidemics: the French military legacy

**Is China bringing back
the Middle Kingdom?**



The trail leads from Russia's KGB . . . to Shabtai Kalmanowitch . . . to Armand Hammer . . . to George Bush.

Now, for the first time, *EIR* tears the mask off Vice President George Bush's full and witting involvement in the Irangate scandal—and in Moscow's takeover of the U.S. intelligence establishment.

EIR

SPECIAL

REPORT

The Kalmanowitch Report:

Moscow's Moles in the Reagan-Bush Administration

with a preface by Lyndon H. LaRouche, Jr.

On December 23, 1987, some were shocked at the news that Israeli playboy and arms trafficker Shabtai Kalmanowitch had been caught working as a top agent for the Soviet KGB. But it was no shock to George Bush's "secret government," which had just finished brainwashing President Reagan into accepting Moscow's phony "peace" treaties.

For more than 20 years Moscow has been using the Israeli intelligence services as a conveyor-belt to place its agents high within the U.S. government. And although "little fish" Jonathan Jay Pollard was caught passing U.S. secrets to Israel—and from there to the KGB—the man who recruited Pollard still walks free at Tufts University in Massachusetts.

The threads of the Kalmanowitch story lead into the most sophisticated sorts of Soviet warfare against the West: from the brothels and casinos of Bophuthatswana in South Africa, to the burgeoning Russian mafia in the United States, to the "State Department socialist" Roy Godson, to Soviet agent Armand Hammer, and directly into the Reagan-Bush White House.

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Founder and Contributing Editor:

Lyndon H. LaRouche, Jr.

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European Headquarters: Executive Intelligence Review Nachrichtenagentur GmbH, Postfach 2308, Dotzheimerstrasse 166, D-6200 Wiesbaden, Federal Republic of Germany
Tel: (06121) 8840. Executive Directors: Anno Hellenbroich, Michael Liebig

In Denmark: EIR, Rosenvaengets Alle 20, 2100 Copenhagen
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From the Managing Editor

While the liberal press is hailing the Moscow superpower summit as a sign—in the words of NBC-TV's John Chancellor—that “the cold war is over, and we won it,” our coverage this week presents the gruesome reality to the contrary. The summit was an unmitigated disaster, and the U.S. Senate's ratification of the INF treaty will do nothing to bring “peace in our time.” See the *International* section (page 36) for Konstantin George's report on how the Kremlin humiliated the U.S. President, and Webster Tarpley's assessment of the damage in the *National* section (pages 64-65).

Our *Feature* this week (pages 24-35) is a remarkable report on developments in the People's Republic of China, exposing the folly of those Western factions who dream of playing a “China card” in their strategic games. China has no intention of being anybody's “card”! This analysis adds a new dimension to the strategic picture presented in last week's cover feature (“Suspected Soviet spy cell wrote Reagan's long-term strategy”), of Israeli intelligence's role in supplying false flag agents for the Soviet Union. China's role in the “Irangate” affair, its relations with Israel and Iran, are key to understanding the current shifting of international alliances.

Our coverage of the physical economy and developments in science and technology in this issue highlights the AIDS policy battle (pages 62-64) and maps out a perspective for stopping AIDS and other epidemics based on the model of France's 19th and 20th century Pasteurian military medicine (pages 19-49).

Finally, let me draw your attention to the interview with Mexico's Marivilia Carrasco, presidential candidate of the Mexican Labor Party and a collaborator of Lyndon LaRouche (page 42-44). As Mexico approaches its national elections on July 6, she defines the policy options facing the country—and other developing-sector nations as well. As we showed last week in our analysis of the electoral campaign of Cuauhtémoc Cárdenas, Mexico is at a crucial turning point, a great opportunity for nationalist republican forces to unify around policies that can reverse six years of servitude to foreign and domestic oligarchs.

Susan Welsh

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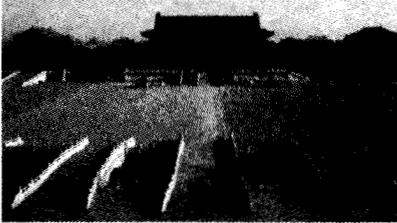
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Feature



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Correction: Due to an editing error, *EIR* misspelled the name of Dr. Friedrich Hoess, the Austrian ambassador to the United States, in the byline on his commentary on the Anschluss published in the June 3 issue on page 35. We apologize for this mistake.

A may-fly market rally for a June summit

by Chris White

The stock market ended what looked like its most successful week in quite a while on June 3, with an uptick of over 100 points on the Dow-Jones index. The bubble-brained, perhaps influenced by the sales lines of brokerage houses like Merrill Lynch to the effect that "the summer rally" is here, might now consider things poised to bust through the 2100 barrier again. They'd be crazy to do so.

Here we are, at the beginning of June, a few weeks away from the Toronto Economic Summit, which will bring together the heads of state of the Group of Seven Nations, namely, the United States, Canada, Britain, France, Germany, Italy, and Japan, with their economic and finance ministers, and the other camp followers and assorted retainers deemed vital for such international gatherings. The stock market uptick is quite closely related to the political-psychological warfare preparations for such gatherings. Since the custom is that the heads of state assemble to solemnly reaffirm their mutual faith in their own wisdom, and the efficacy of the policy prescriptions of themselves and their advisers, it wouldn't quite be the thing to have the proceedings wrecked by a repeat of what happened last October.

So speculative flows are being arranged to help keep up appearances for the next couple of weeks. The trickery and fakery are what one should expect from the sclerotic institutions which insist that their sacred policies need not be changed to address the worst financial crisis in human history, and that all blemishes can be brushed aside with the psychological warfare equivalent of the photographer's airbrush.

In the United States, the speculative uptick was fueled by the nonsense that the in-progress tightening of interest rates had peaked. Therefore, the hype went, investors who had

stayed on the sidelines were making a re-appearance in the rallying market. It mattered not an iota that even while this nonsense was being spread, the Federal Funds Rate, the rate at which banks lend to each other for overnight clearance, was being inched up, for the third time in as many months, to a new range of 7.25-7.5%. Nor that the bond markets, with ups and downs over the week, continued to see slippage, such that rates on Treasury bills and notes are now back to their highest levels since the October Crash.

The word was, "Rates have peaked," so peak they must have. That type of idiocy was singularly fed by the reports emanating from the Bush family compound in Kennebunkport, Maine. There, candidate George was meeting with a group of financial and economic advisers, including the incredible Martin Feldstein and others of that ilk. Coming out of the meetings, Bush told the press that he had "a lot of confidence" in the Federal Reserve, "but I would not want to see them step over some [line] that would ratchet down, tighten down economic growth."

In keeping with this transparently political expression of self-interest, the Bush group put forward their approach to dealing with the budget deficit. Excluded were tax increases. Instead, a "real dialogue" with Congress, from the start of the budget process, would prove that the deficit really would be cut, and a two-point reduction in interest rates would knock \$55 billion off the deficit.

These people are more crazy than those who are slated to be the suckers in the summer rally shell-game.

Speculative money flows

The market uptick was not internally generated, but trig-

gered by a British and Japanese shift of funds into U.S. markets in expectation of increased yields, i.e., higher interest rates, inside the United States. In Britain, the speculators' view is that there is more money to be made from being in the U.S. markets right now, so, it is said, British financial institutions wound down positions in Japan, and shifted to the United States. On the Japanese side, remarks by that country's central bank chief, Sumito, that "the dollar is now considered a high-yield currency, and that the recent commodity price rise is not believed to be sustainable," were supposedly the trigger for an outflow of speculative funds.

Behind the speculative money flows stand the outlines of a renewed agreement among especially U.S. creditors, to maintain the dollar at about current levels, through renewed interest rate tightening and cuts in domestic U.S. consumption. What is being discussed internationally is diametrically opposite to the bull that's being fed to the mickeys inside the United States. And, of course, the U.S. financial "insider" crowd is fully involved.

U.S. Treasury official David Mulford told a gathering of 1,300 foreign exchange dealers in Honolulu, Hawaii over the last weekend in May, not to speculate against the dollar in the run-up to the Toronto summit. He told conference participants that the Group of Seven nations were committed to stable exchange rates, and would continue to buy and sell the dollar to keep it within relatively narrow ranges, according to the London *Financial Times* of May 31. The same views were echoed during the week by the finance ministers of France and West Germany, Pierre Berégovoy and Gerhard Stoltenberg, during their get-together during the first week in June.

Slashing domestic consumption

The talk about currency stability is actually predicated on further increases in U.S. interest rates, to choke off domestic consumption, and help continue to slow the level of imports. This was the approach recommended in a report on the U.S. economy issued May 31 by the Organization for Economic Cooperation and Development (OECD). As regards expectations of where the United States is headed, the report is well-hedged. The deficit is either to be a permanent feature of the world economy, or it will disappear by about 1993. The economy will either "over-heat" in a resurgence of inflation, or will plunge into a recession.

If the ends are defined with such lack of clarity, the means to be adopted to achieve those ends are not. For the OECD there should be no further devaluations of the dollar. This, it is reported by the *Financial Times*, "would risk inflation inside the United States and recession in other countries, and would be dangerous given the present fragility of the financial markets." The deficit should be tackled by budget cuts and reduced consumer borrowing. In which connection it is recommended that U.S. authorities act to stop the use of home equity borrowing to finance consumer spending.

The conclusions of the report are in line with the prevailing international expectation, that far from having peaked, U.S. interest rates, driven upward by the gradual tightening of the Fed Funds rate, will soon hit 10% and, not so long afterward, 11%. Far, then, from a rally over the summer, this kind of approach is exactly what will exacerbate the instabilities that are already aggravating the worst financial crisis in history.

Inside the United States, pundits like Philip Braverman of Irving Securities are expecting the same, yields in the 10-11% range to choke off domestic consumer demand. Braverman asserts that such an interest rate tightening will not result in a recession for the economy until some time next year. As usual, the crazies don't know what kind of explosive mixture they are dealing with.

The significance of the current interest rate creep on one of the most explosive components of the U.S. credit system was highlighted by the *Wall Street Journal* on June 3. One of the "innovations" of the last years of financial insanity has been the proliferation of variable interest rates on a variety of the sources of consumer borrowing. An increase in interest rates to the 10-11% range will have dramatic consequences for the financial system as a whole. "An increase in the prime rate to just 10% would set off a ripple effect that could cost consumers more than the 20% base lending rate of 1980," says Paul Getman of the WEFA group in Bala Cynwyd, Pennsylvania. Anything beyond 10%, and we would be living on borrowed time, he says. And William F. Schuman of Insured Credit Services Inc. says, "People are in for a shock if rates rise to around 12%. There will be bankruptcies and delinquencies will increase."

The magnitudes involved are enough to help bring down everything—like \$70 billion of home equity loans, pegged to the prime rate and adjusted monthly. Where home equity loans used to function to consolidate borrowings, now the *Journal* reports, it is estimated that 60% represent new borrowings. And \$423 billion in adjustable rate mortgages, with the variable rate kind now accounting for 70% of new mortgage lending. Nearly \$630 billion of consumer installment credit is outstanding, an amount which has doubled since 1981.

Behind the figures stand the families and households that will lose everything as the demanded interest rate squeeze also translates into increased unemployment. But this seems to be exactly what the crazies who drafted the OECD report want.

Since the growth of especially consumer debt has papered over the actual decline in living standards within the United States, the collapse of the ability to service that debt will demonstrate what reduction actually has been brought about. Just like the 1930s, the attempt to maintain the speculative income from a bankrupt financial system is going to shortly become a horrendous depression. That's still the reality, despite Merrill Lynch's bull.

Malthusians' genocide exposed in British, Italian press

by Mark Burdman

In Britain's *Observer* newspaper May 22, there was a highly unusual attack on Prince Philip, Duke of Edinburgh and president of the World Wildlife Fund, for his frequent comments preferring the animal kingdom over the human kingdom. Columnist Richard Ingrams, former editor of the satirical magazine *Private Eye*, complained that the media in the U.K. tend to focus their attacks on the kooky Prince Charles, eldest son of Philip, while ignoring the father, although the latter's public utterances are "far more wild and weird. . . . The duke believes, as he made clear in yet another speech last week, that there are too many people in the world and that steps must be taken to stop the world's population growing."

Ingrams pointed out, "As president of the World Wildlife Fund (now to be known as the World Wide Fund for Nature), the duke is anxious to introduce population control in order to protect endangered species. There is a strong element of humbug in the duke's position. As a father of four, he is not best qualified to lecture the world on the merits of birth control. Nor can he be said to be the most appropriate friend of the world's wildlife, when he spends so much of his time gunning it down."

Ingrams likened Prince Philip's views to those of one John Aspinall. Aspinall is a degenerate British financier, who owns the largest private zoo in the world in Kent, and who has run casinos together with Sir Jimmy Goldsmith. Aspinall is a notorious advocate of radical population reduction policies. In its May 27 edition, *Private Eye* reviewed a new biography favorable to Aspinall, and comments: "His thugery is largely philosophical. He believes that humans are 'vermin.' He favours a policy of 'beneficial genocide.' He wants the population of Britain reduced from 58 million to 18 million. He also advocates 'a right-wing counter-revolution.'"

This is strong stuff. While neither Ingrams nor *Private Eye* are prepared to actually launch an in-depth attack on Anglo-Saxon malthusian ideologies and organizations as such, this form of press attack is characteristic of the media shadow-boxing that goes on in Britain, when policy issues are being fought out, confidentially, at a high level of the Establishment.

'A gallery of horrors'

For whatever reasons Ingrams et al. are choosing to launch such an attack, it is certainly the case that Prince Philip and his species are escalating their malthusian activity and propaganda on a global scale.

The speech that Ingrams refers to, was delivered on May 19, when Prince Philip called for a slowing-down of economic development worldwide, because this development was gobbling up the world's resources.

On May 15, the vice-director of the Italian branch of the World Wildlife Fund, Gianfranco Bologna, had proudly put forward Prince Philip's perspective, at a meeting held in a room of the Italian Parliament in Rome, co-sponsored by the Italian Association for Population and Development and the United Nations Fund for Population Activities (UNFPA). The theme of the conference was "Population and Environment."

During this conference, malthusians targeted two groups as constituting the central "overpopulation" threat in the coming period: the elderly, because of the relative aging of Western societies; and the populations of the Third World, because they are procreating too fast. Of the first, Bologna stated bluntly, "I think the problem of being old is not a real problem. With the people becoming old, the population will no longer destroy forests. Plus, many old people will die because of cancer, which is increasing." He also identified a simple solution: "not to permit the Third World countries to develop themselves as the Western nations."

Other speakers proposed "elimination of pensions" for old people and the legalization of sterilization in Italy and other countries. These comments were published in exposés in the Italian Catholic daily *Avvenire* May 17-18. They created quite a shock in Italy, because the malthusians had not been eager to have their criminality exposed to the light of day.

The featured document circulating at the Rome event, was the newest annual report of the UNFPA, which boasts about the success of sterilization efforts worldwide. Highlights of this report, which *Avvenire* labeled "a gallery of horrors," include the stated goal of sterilizing 60% of Indian couples by the year 2000; the UNFPA's management of 110

population-control centers in Pakistan that have sterilized 33,000 women (only 72% of what the UNFPA wants to achieve); and the UNFPA's deployment of 300 officials in Naples, Italy, to "inject contraceptives under the skin." This last practice, *Avvenire* stresses, has created a major health hazard.

Dr. Nafis Sadik, executive director of the UNFPA, boasted at the event that 65% of the organization's budget now goes for sterilization measures.

The international malthusians

Informed anti-malthusian Catholic circles in Italy stress that, as bad as this bunch is that gathered in Rome, the most active of the population-reduction movements, often working behind the scenes, is the International Planned Parenthood Federation in London. The IPPF grew out of the British eugenics movement earlier in this century and was created by the Anglo-Soviet "Trust" circles associated with birth-control activist Margaret Sanger.

EIR has determined that one special focus of the IPPF at this moment is an-depth study of the effect of the spread of AIDS on world population growth. Several IPPF researchers had hoped to discover that AIDS might become a "balancing-out" factor internationally, increasing the death rate so much, especially among age-groups key to the production of children and families, that the death rate would balance the birth rate, in a manner similar to the 14th-century Black Plague. So far, however, the results have been disappointing to the IPPF. As one official put it, "Each year, there are 85 million births. With AIDS, the estimate is that there are now 10 million infected with the AIDS virus. AIDS deaths are reaching the level of 200,000 per year. This is a small figure, and cannot balance out the birth rate. The disease would have to be much more widespread to do that, and by the time it becomes so widespread, it is estimated, a vaccine will have been found for the disease, and the spread will then slow down."

Both the IPPF and the UNFPA have been shifting political and conceptual focus in recent months, a shift implied in the "Population and Environment" title of the May 15 conference in Rome. From Feb. 1-10, the UNFPA's Nafis Sadik and the IPPF's president Bradman Weerakoon were together at a 10-day conference of the International Union for the Conservation of Nature (IUCN) in Costa Rica, which was one of the largest environmentalist get-togethers of the post-war period. Discussions were held on how to merge the "conservation of nature" and population-reduction movements into one tighter coordinating command structure. Sadik and Weerakoon spoke about how the IUCN could serve as the body through which, as they put it, the "population and conservation movements" might collaborate more closely.

The IUCN is the mother-organization of the international conservation movement, having been created in the late 1940s by the same Swiss and British families who created such

World Federalist organizations as UNESCO. The IUCN shares an office complex in Geneva with the World Wildlife Fund of Prince Philip, both being components of the Geneva nexus called the World Conservation Strategy. The latter is now preparing a document entitled "World Conservation Strategy for the 1990s," in which the perspectives for population-control and conservation of resources will, for the first time, be integrated into one overall malthusian conception.

The IUCN has established a special unit to carry out the project of Sadik and Weerakoon, called the "Population and Sustainable Development Program." According to an IUCN source, this unit is "working very closely with the UNFPA and the IPPF," and expects to receive funds from the UNFPA. The phrase "sustainable development" is central to the global malthusian project of the so-called Brundtland Commission, the World Commission on Environment and Development based in Geneva, which seeks to create a global East-West infrastructure for implementing population reduction. (See "Brundtland Commission proposes ecologists' fascist world order" and "Zero growers form unified command," *EIR*, Vol. 15, No. 11, March 11, 1988.)

The head of the IUCN's "Population and Sustainable Development Program" is Perdita Huston, who at one time worked with the Inter-Action Council of Former World Leaders, the group headed by former West German Chancellor Helmut Schmidt and former Japanese Prime Minister Takeo Fukuda. The Council is at the forefront of malthusianism. Schmidt has used it as a forum for demanding that population-reduction policies be adopted by Third World governments. East-West cooperation on controlling population was a feature subject at the May 16-19 Moscow meeting of the Council. In the spring of 1987, Inter-Action had held a meeting in Rome, to bring together "spiritual and lay leaders," in a dialogue on how population control could be more efficiently carried out, especially in Catholic countries. One year later, a follow-up meeting of this "spiritual-lay dialogue" was held at Oxford University. Co-sponsored by the World Parliamentarians for Population and Development, this gathering was presided over by former Peruvian Finance Minister Manuel Ulloa, a collaborator of those networks involved in expediting international drug-trafficking.

In April 1988, the Soviet magazine *New Times* lavishly praised a proposal by Inter-Action Council policy board member Maurice Strong for setting up a world commission, under the aegis of the World Federation of United Nations Associations, of "outstanding representatives of different countries with vast experience in politics, economics, public relations, science, and military, and other fields," to set up a new system of "global security." Strong is one of the most active patrons of malthusian movements, having funded or otherwise supported the Club of Rome and the Aspen Institute. Some European political insiders, indeed, consider Strong to have been the initiator of the global "environmentalist" movement.

Going into gold to avoid the crash

by Joyce Fredman

Since the "Black Monday" crash of Oct. 19, 1987, panic has continued to creep through the back rooms of Wall Street and its international associates. "Investors worldwide are clearly concerned about the stability of present international monetary arrangements and the outlook for world stock markets," said one expert in the gold trade. Bankers, businessmen, governments, and investors have shown an increasing inclination toward precious metals. Such is the current explanation for the rise in prices of precious metals and, in particular, for the massive increase in purchases of gold by Japan and Taiwan. Including orders from Taiwan's central bank, the two countries have imported as much as 317 metric tons of gold so far this year.

The above quote by George Milling-Stanley, author of the annual gold review put out by Consolidated Gold Fields PLC (a London-based international mining business) was by way of explaining that purchase, which amounted to an unprecedented 63% of quarterly supplies of gold in the first three months of this year.

Concern over the looming collapse of the present financial system is not limited to Japan and Taiwan, however. Nor is it solely reflected in gold purchases. At the end of April, De Beers Consolidated Mines, Ltd. announced that it was raising the average price of rough uncut diamonds 13.5%, because the market for them "is so buoyant." Quotes of the D-Flawless investment diamond have started to approach \$20,000 a carat, up from \$14,000 a carat last fall.

Platinum has now become known as "the powerhouse" among investors, referring to its role in driving up the price of precious metals. Here again, the Japanese have chosen a safety cushion. Japanese imports last year surged by about 70% to 1.7 million ounces, or 50% of total demand. Estimates are that in the first four months of this year, the Japanese imported 835,000 ounces. The futures market in precious metals makes the point. As of May 10, platinum for July delivery advanced \$12.90 an ounce (to \$539.50); June delivery gold gained \$3.50 an ounce (to \$448.80); and July delivery silver rose 9¢ an ounce (to \$6.5450).

Fears of inflation and the fragility of the monetary situation have motivated not only the large investor. Observers have noticed a growing variety of gold investment coins

available to the average worker, who may be a bit doubtful about putting his savings in the local bank.

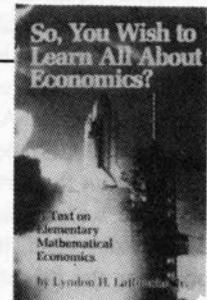
The irony in these gold-rushes, diamond-rushes, or what have you, is that precisely such activity, meant to buffer the purchaser from the impact of a depression, will serve to accelerate just such a disaster. This flight from paper only ensures a greater devaluation of currency.

The producers

There is another area of consideration in the economic nightmares plaguing the West. The production of these commodities, in particular gold, is of no small strategic consequence. The world's leading gold-producing nations, in descending order, are: the Republic of South Africa, the U.S.S.R., Canada, the United States, China, and Brazil. The first two dominate world production.

But recently, the gold industry of South Africa has taken a dive. In 1970, it produced 1,000 metric tons of gold. In 1987, it produced 605 metric tons—a 40% decline in 18 years. According to a report by two mining experts from South Africa, this is equivalent to having shut down their two greatest goldfields, the West Wits Line and the Orange Free State (whose combined production in 1987 was 395 tons).

Internationally, mine production grew 6% from 1986 to 1987, to 1,373 tons, the highest level ever recorded. South



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Africa's production dropped 6% that same year. To look at it a different way, in 1970, non-Communist world production was 1,274 tons; by 1986 it was 1,280 tons, nearly the same. South Africa's share of the production over that period, however, dropped 29%!

As problematic as the government policies in that country are, economic decline only exacerbates the political situation. As one expert noted, "Every episode of unrest in South Africa has coincided with economic setbacks. This applied to the Sharpeville disturbances of 1960-61, the mass strikes of 1973, the 1976-77 Soweto disturbances, the 1980-81 school unrest in Natal, and, of course, to the most recent massive unrest."

This has not gotten through to the liberal congressmen of the United States who have continued to pressure for more stringent sanctions against South Africa, despite the consequences for the population whose cause they claim to espouse, let alone any security considerations for the United States.

If production in South Africa were to continue to decline, the country in the best position to corner the market in gold is the Soviet Union. And in that case, whether one has gold hoarded in the basement or not would be of little consequence; the Soviets could flood the market or not, as they choose.

Until a new gold reserve system were established for the dollar, generalized flight into any of these metals will only accelerate the crash in the short term, and be of no use to anyone in the long run.

EIR estimate of bank failures now at 230

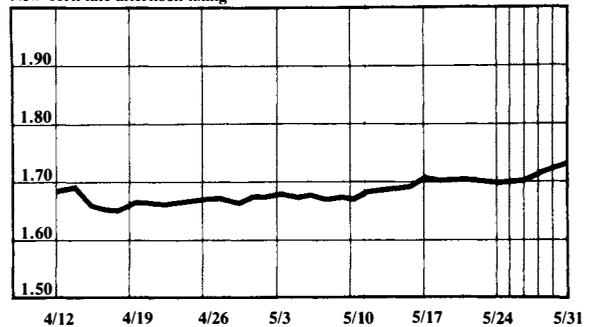
Banks known to *EIR* to have either failed, in the Federal Deposit Insurance Corporation's definition of "failure," or been the subject of an "assisted transaction," a failure by a different FDIC name, since our last report, are the following:

- May 18:** American State Bank, Yanton, South Dakota
- May 19:** National Bank of Texas, Houston, Texas
- May 20:** Federal Land Bank of Jackson, Jackson, Mississippi
- May 26:** Lone Star Bank, Bay Town, Texas
- May 26:** First National Bank of Kingwood, Houston, Texas
- May 26:** First State Bank of Rockwall, Rockwall, Texas
- May 27:** Sandy State Bank, Sandy, Utah

Currency Rates

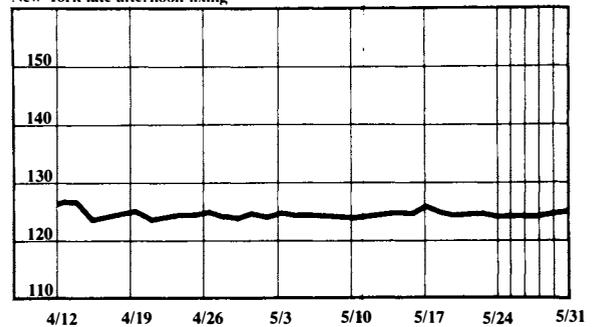
The dollar in deutschemarks

New York late afternoon fixing



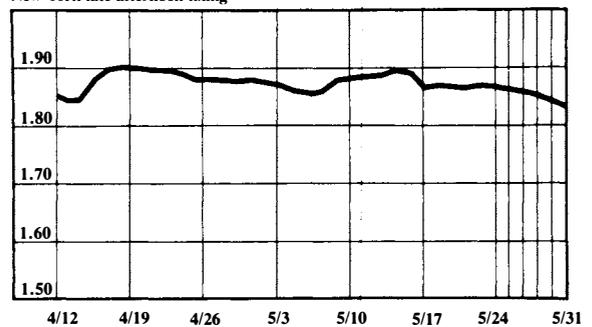
The dollar in yen

New York late afternoon fixing



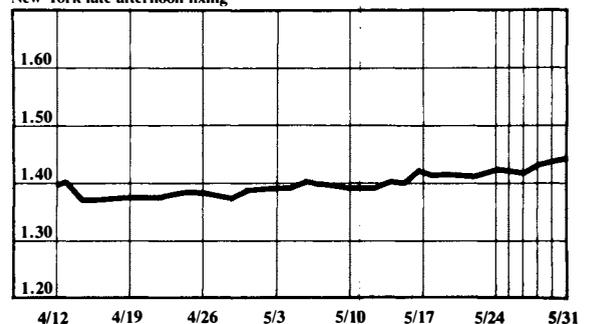
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



Farmers blamed for algae 'invasion'

by Poul Rasmussen

Coinciding with the admission by the European Commission that the so-called "surplus stocks" of the European Community's milk, butter, and grain no longer exist and that by the end of the year the EC might even have to import milk, a new assault on the hard-pressed European farmer has been launched throughout the European press.

Farmers are now being blamed for a "mysterious" invasion of yellow algae hitting the North Sea and the waters between Norway, Denmark, and Sweden, the Skagerak and the Kattegat. The story goes, that this invasion of algae is the direct result of the voluminous application of fertilizers by the farmers, causing massive nitrogen pollution of the Baltic and the North Sea.

Compounding the scare, an unusual number of dead seals has been found along the Danish and German Baltic and North Sea coastlines. The media has broadcast heart-rending pictures of dead baby seals, to fuel hysteria against the farmers.

The entire story is a hoax! The truth is, that a normal and natural phenomenon is being used by the international "green" lobby to once again attack modern European farming. This time, their propaganda is also hurting the fishing industry badly, thereby putting the entire European food industry in danger.

A few weeks prior to the scare story about the algae invasion, Danish television reported that a handful of seals had been found dead on the shores of the Danish Kattegat Islands, Laesoe and Anholt. Immediately, the media started the line about nitrogen pollution, oxygen deficiency, etc. One week later, Danish biologists firmly established that the seals had died from pneumonia caused by a herpes virus. The relatively high number of dead seals was entirely due to the dense population of seals in these areas. When the number of dead seals continued to increase, the biologists declared that this was a normal epidemic, and that nothing could be done about it.

Despite these scientific conclusions, the "high priests of environmentalism" from the Danish National Agency of Environmental Protection (NAEP) insisted that "maybe" this

viral pneumonia could have been precipitated by pollution of the waters. Then, the media restarted the scare story about the seals.

Nothing to do with pollution

The story about the seals was soon followed by a propaganda blitz about a dangerous invasion of algae. It has been known to generations of Danish fishermen that warm weather in the spring will produce voluminous flowering of algae. What kind of algae it will be, differs from year to year.

The yellow algae (*Chrysochromalina polypis*) that have flowered this year are *not poisonous*. The only problem that can be caused by this algae is when large concentrations of it hit a coastal fish farm. Trapped in the farm basins, the fish cannot escape, and if the concentration of algae is high enough, the fish will suffocate. This is what happened on the west coast of Sweden and later in Norway. That's all.

The yellow algae does not kill fish in the seas. It doesn't do any harm at all. Neither do the kind of algae that produce the soapy foam that has been shown on TV. And none of it has anything to do with pollution. The areas hit by the yellow algae are the least polluted waters in the Scandinavian area. Danish fishermen have told *EIR* that if pollution had anything to do with it, the flowering of the algae would have started in the Oeresund, the Baltic Sea, and the southern part of the North Sea, close to the mouth of the Elbe river.

Instead, the yellow algae started in the cleanest parts of the Kattegat, the Skagerak and the Norwegian North Sea coastline.

EC quotas kill fish

Swedish television has repeatedly illustrated their daily reports on the algae invasion with dramatic pictures of hundreds of dead fish lying on the Swedish Kattagat coastline. Contrary to the propaganda, these dead fish have nothing to do with the yellow algae. Rather, they are the victims of the biggest fish killer in the Kattegat and Baltic region: the EC's own fishing quotas.

Every day, Danish fishermen are forced to throw tons of dead fish overboard because of the EC quotas on fish. Obviously, fishermen cannot control what kind of fish enter their nets, and if the monthly quota has been met, the fishermen have to dump all they catch of that particular fish. If, for example, the monthly quota of cod has been met, Danish fishermen cannot land cod, and if they do, they will be fined. Therefore, whatever cod they catch that month, they have to throw back into the sea. Sometimes tons of fish are dumped, many of which are already dead after being hauled through the water for hours in the net.

Here lies the irony. First, the environmentalists cause the implementation of the fishing quotas, because of their ravings about the alleged depletion of fish stocks. Then, these quotas force the fishermen to throw the fish back into the sea, and when the dead fish hit the shores, the same environmentalists claim that it was the farmers who killed them.

ProDem versus Brazilian industry

Brazil's new "industrial" policy is a direct assault on the sovereignty of the dirigist state.

In Brazil, the state has become an obstacle to the country's development." With these words, addressed May 27 to the most important business circles of São Paulo, Finance Minister Maílson da Nóbrega summed up the spirit of the economic policy adopted by the government of José Sarney.

Following the "free enterprise" guidelines issued by the Project Democracy secret government from Washington, to expose South America's economies to a new phase of looting, Minister da Nóbrega and President Sarney himself are committed to imposing measures to completely deregulate the Brazilian economy, including the "internationalization of the Brazilian capital market." This will open the door to direct participation by international speculative capital in the Brazilian stock exchanges, and will make it easy for foreign exchange to flood out of the country.

In his document, "Modernization and Adjustment," da Nóbrega is even more precise in identifying the "dirigist state" (which happens to be responsible for Brazil's industrial stature) as the target of his new "industrial" policy: "Today, above all, the growth model based on state intervention in the economy shows clear signs of exhaustion. It is necessary . . . to reduce controls over foreign trade, and to impose a tariff system coherent with the goals of modernization. . . . In short, to abolish an out-of-date dirigism incompatible with the longings for freedom and development."

President Sarney pompously

chimed in with attacks on the vanguard role of the state in developing the economy: "Experience shows that the excessive controls and monopolism of the state do not yield healthy fruit, and belong to an era whose time has come and gone. . . . The Brazilian state, today, has no resources of any kind to invest. . . . Therefore, no one any longer expects the savior state, the messiah state, to resolve all."

Leaving no doubt that the Brazilian government has given itself over, lock, stock, and barrel, to the bankers' boys in Project Democracy, President Sarney greeted visiting French "economist" Guy Sorman with the salutation: "The liberal wave has arrived in Brazil." Sorman, one of the agents of the National Endowment for Democracy (NED), the "legitimate" front for the dirty tricks operation Oliver North dubbed Project Democracy, visited Brazil on invitation of the NED-linked Liberal Institute, to hawk his book, *The New Wealth of Nations*.

Not to be outdone, Amaury Temporal, businessman and president of the Confederation of Brazilian Trade Associations, celebrated the announcement of da Nóbrega's new "industrial" policy as a "Brazilian perestroika." Amaury Temporal was exposed by *EIR* for organizing a lobby to impose Project Democracy's policies on the newly drafted Brazilian Constitution.

What the Sarney government hopes to accomplish is to open up imports as a means of reducing inflation, currently running at 20% a month, or

600% a year. With domestic consumption drastically reduced by the government's wage-gouging policies, combined with high internal interest rates, the flooding of the Brazilian marketplace with foreign goods will have the same effect as in Argentina. There, former Finance Minister Martínez de Hoz reduced the customs tariffs, and drove major sectors of Argentine national industry into bankruptcy, while sinking the survivors into technological backwardness.

Worse still is that, with Brazil, Ibero-America would lose its only advanced capital goods sector, which is indispensable for continental economic integration. Thus, the dismantling of Brazilian industry is a priority of Project Democracy.

Aside from the political implications of these economic measures, they certainly will *not* lower the real inflation rate, just as they did not in Argentina. Rather, the Sarney government's current monetary policy will shoot inflation up beyond 1,000% a year. The International Monetary Fund has ordered the Brazilian central bank to promote a policy of high interest rates, allegedly to cut monetary issuance by half. In early May, the central bank auctioned off National Treasury Bonds (OTNs), offering an interest rate of 13% above the current 600% inflation rate! This will represent additional costs of \$400 million, which will increase still further the level of indebtedness, currently calculated at more than \$100 billion, or 30% of gross national product.

These new measures—contrary to stated intentions—will produce an increase in the public deficit due to a loss of tax revenue, which will result from unemployment and spreading industrial bankruptcies. If this model persists, the Brazilian state, the protector of financial speculation, will be bankrupted.

Business Briefs

Commodities

Soya prices skyrocket

Soya prices in the United States have soared 25% in the last few months, rapidly pushing up government indicators of inflation.

According to soya traders in London and elsewhere, the reasons for the price rise are the cumulative effects of "absurd" farm price policies on the part of the U.S. Department of Agriculture, and a severe drought.

"The U.S. government reserve stocks have now been all sold on the market to cut the deficit. The drought is a severe threat to this year's harvest. Between now and July will be key. If we don't get significant rain, it will be a catastrophe for the harvest. We are optimistic that prices will continue to rise. U.S. wheat stocks are about to do the same for the same reasons: selloff of government reserve stocks and severe drought," said a source.

Banking

FDIC to bail out some small-fry

The Federal Deposit Insurance Corporation (FDIC) plans to bail out four small Texas banks, in response to criticism that it only helps the big banks, reports the *Fort Worth Star Telegram* May 31.

"They're caving in to our criticism," said F. Hagen McMahon, executive director of the Independent Bankers Association of Texas, which has accused the FDIC of saving big banks while closing little ones.

"Up to now, the FDIC has been blowing hot air. It says open bank assistance is available to Texas banks of all sizes, but so far we've seen little action."

The paper reports the FDIC plans to prop up four banks with assets of less than \$100 million, but no names are mentioned. "We have always considered the program to be available to more banks," said Kenneth Walker, director of the FDIC's southwest regional office in Dallas. "It's just that there are more people now willing and able to put

together a deal involving private capital along with our assistance."

"I believe the economy has turned around in general," said Texas Banking Commissioner Kenneth Littlefield in late May, according to the *Houston Chronicle*. "Of course, the condition of the banks trails the general economy by 18 months, two years. The problem is that the status quo is not good enough. We need a substantial upturn to help the banks, and there is your chicken-and-egg situation."

The state's 1,710 banks lost \$1.7 billion in the first quarter of 1988, and nearly \$2 billion in all of 1987; First Republic Bank of Dallas alone lost \$1.5 billion in the first quarter. A total of 11.98% of Texas banks' real estate loans were non-performing in 1987, compared with just 1.27% in 1983, at the peak of the construction boom, according to Sheshunoff & Co.

Trade

West German carmakers in deep trouble

West German car makers are in deep trouble, with Volkswagen Corporation in the worst situation.

Volkswagen plans wage cuts and layoffs, to save 1.3 billion deutschmarks, a company spokesman said May 30, confirming recent media rumors. The troublesome condition of the company forces the management to reduce financial commitments considerably.

Apart from production cuts, workers' Christmas bonuses, and vacations will be cut, and wages frozen at current levels.

VW's 1.3 billion deutschmark streamlining program, which will largely affect the labor side of company operations, is just the tip of the iceberg. Other car producers, like Ford, Opel (General Motors), Daimler-Benz, and Porsche are also facing financial difficulties, mainly because of the collapsing value of the dollar and, therefore, their U.S. export market.

A secret study by McKinsey Corporation states that the workforce in the car-producing sector "will have to be reduced" by 10% over the course of the early 1990s.

Another study by the German Metal Workers Federation predicts mass layoffs in the range of 100,000-120,000 from 1990 on, creating an "explosive situation comparable to the one that developed in the steel sector over the past 10 to 20 years."

Development

Japanese announce aid package for Indonesia

The Japanese ambassador to Indonesia has announced a \$2.3 billion aid package for that country. It includes \$1.7 billion in grants and unrestricted loans, Agence France Press reported at the end of May.

Japan announced the package on May 28, to help Indonesia cope with uncertain oil prices and its growing foreign debt of \$50 billion, up from \$32.1 billion in 1985. Most of the debt increase is due to the collapse of the dollar, forcing up the yen-denominated debt.

The \$1.7 billion package, which will be made available this year, represents a break from traditional lending, where aid is tied to imports from the donor country.

The Japanese government will provide \$1.4 billion and the rest will come from Japan's Export-Import Bank, which will be used to finance local costs of development projects financed by the World Bank and Asian Development Bank.

Austerity

Coast Guard crippled by budget cuts

The U.S. Coast Guard's role in the so-called war on drugs has been severely hampered by budget cuts. Despite the additional demands being made on the Coast Guard under the "zero tolerance" program, budget cuts have lopped off half of the Coast Guard's capacity, the *Washington Post* reported May 30.

"On any given day, half of our fleet is laying idle," said Jim Simpson, spokesman

Briefly

for the Coast Guard district that covers the Florida and Georgia coastlines. "We used to be running patrols of between 6 and 20 ships a day. Now that's been cut in half . . . and [the drug smugglers] certainly know that."

The figures uphold Simpson's assessment. The Coast Guard made only 25 drug seizures between Jan. 1 and April 11—compared to 47 during the same period last year. About 29% fewer arrests of drug smugglers have been made—122, compared to 173 last year.

"I hate to say it, but we only catch the stupid ones," said Petty Officer Charles Smith.

Agriculture

Meat prices soar as shortages hit

U.S. Meat prices have risen to record levels over recent months, as shortages of beef make themselves felt across the country.

The limited supply of beef has resulted from ranchers cutting herds, and increased demand stemming from a \$25 million advertisement campaign promoting meat.

"We are about to go into the biggest shortage we have ever experienced domestically," said Bill Gary of Commodity Information Systems Inc. of Houston. "Next year, we'll go to the grocery store and there will be some cuts that just won't be there."

The U.S. herd is down 24%, from 130 million head in 1979 to about 98.8 million head today—largely the result of a deliberate policy of the U.S. Department of Agriculture.

Finance

1987 worst year for commercial banks

The year 1987 was the worst year for profitability of commercial banks since the Great Depression. Commercial banks earned only \$3.7 billion for the year—down a whopping

80% from \$17.5 billion in 1986, William Seidman, chairman of the Federal Deposit Insurance Corporation, told the Senate Banking Committee at the end of May.

As of April 30, he said, "There have been 59 failures and 13 'assisted transactions'—disguised failures—which, inclusive of the First City and FirstRepublic transactions in Texas, involve approximately 140 banks."

Seidman added that the number of "problem banks" is also near record levels. He warned that if there is any increase in interest rates, "the resulting impact on thrift earnings may well exacerbate the financial difficulties of that industry."

Markets

Wall Street firms called 'terrified'

Some two-thirds of stock trades on Wall Street are "not genuine buying and selling by investors, but paper-shuffling (usually for tax purposes) among the traders themselves. As such, it generates little or no net commission," reports the May 28 London *Economist*, under the headline, "Is Wall Street Bust?" The piece notes that Wall Street firms are terrified because of this situation.

"To talk of an economic slump is to be dismissed as a Cassandra, but it is true that America could not easily meet a threatened slump by trying to pump up its demand by a still larger budget deficit."

The article warns that rising interest rates could turn the Texas bank crisis into a national one, concluding that in any new U.S. crisis, two major problems are unanswered: How many tens of billions it will cost Congress to rescue America's many insolvent lending institutions; and whether, in fact, Congress would be prepared to raise the billions to bail out the banks, "when bankers are not so much loved."

It concludes, "Although America's economy is still growing healthily, its banking system looks horribly weak. And more people are saying that the blame for the October crash rests on that incorrigible villain, the truth."

● **12 STATES** in the United States have requested emergency drought relief from the U.S. Department of Agriculture. None of the requests has been granted. The states are Alabama, California, Georgia, Maryland, Michigan, New York, North Dakota, South Dakota, Oregon, Pennsylvania, Texas, and Iowa.

● **PHILADELPHIA'S** new austerity budget could mean the layoff of 3,000 city workers. Mayor Wilson Goode said that no department of the city government would be spared in meeting the terms of the just-approved budget, which carries \$82.5 million in tax increases.

● **THE COST** of treating one AIDS victim in Tanzania, typical for a black African country, is between \$200 and \$600 a day from admission to death—higher than the government's annual per capita health expenditures, according to a World Health Organization report whose only recommendation is to "counsel seropositive individuals and their families regarding safe-sex practices."

● **DEBT SERVICE** payments were 6.7 times higher than the Mexican government's total operating expenditures from January to March 1988, and 49.3 times higher than the government's total capital expenditures. 65.8% of the Mexican budget for this period was spent paying internal and foreign debt service, while less than 1% went for public works.

● **WEST GERMANY** plans to write off 2.3 billion deutschmarks (about \$1.5 billion) of foreign debt owed by 15 least-developed African countries. Germany's deputy minister for Third World affairs, Volkmar Koehler, told a meeting of Third World affairs ministers in Brussels that Europe's approach to Africa cannot be that of the IMF and World Bank. "We'll consult with the two Washington-based institutions, but won't sail along with them."

Stopping epidemics: the French military legacy

Garance Upham Phau, a Paris-based member of EIR's Biological Holocaust Task Force, looks at the pioneering public health work of 19th-century French scientists, a model for today's war on AIDS.

French military medicine is unique in world history. We may trace it back to the economic reforms instituted in France, by Jean-Baptiste Colbert in 1664. In more recent times, French colonial medicine fell into the hands of an extraordinary body of scientists, led by a student of Louis Pasteur's who worked at the Pasteur Institute.

In January 1890, by a decree of French President Sadi Carnot (nephew of the great Lazare Carnot of the Ecole Polytechnique), the "Corps de Santé Coloniale" (Colonial Health Corps) was formed, as a veritable army of scientists. Its members were trained at the Pasteur Institute, which was associated with the Bordeaux Naval School of Health, and the Marseille Pharo (military) School, and then deployed throughout Africa and Asia.

Youths enlisted for a seven-year program in which they got a Pasteurian multi-disciplinary training before deploying into tropical climates: First came training in chemistry and physics, followed by many-faceted medical training, which included general medicine, microbiology, laboratory techniques, routine surgery, emergency "big" surgery, and especially obstetrics. Final examinations involved "practical demonstration." The teachers were field military physicians who had spent years in Western or Equatorial French Africa.

They taught for five years and then returned to the field.

The young graduate doctor in military health was deployed immediately into the jungle for one to two years, where he had to do everything from organizing prevention and screening to presiding over births, and treating villagers for disease. After two years, he could settle in a coastal colonial town.

Léon Lapeyssonnie, a French epidemiologist, has just

written an excellent book, *La Médecine Coloniale (Colonial Medicine)*, in which he points out the quality of the men involved: scientists "thirsty to learn and thirsty to teach" and totally devoted to mankind's development. For example, the Pasteurian Jamot organized the fight against sleeping sickness in Africa, and also planned the development of cattle raising in Cameroon. Many of these Pasteurian doctors were also scientific farmers.

As Lapeyssonnie puts it, this "military tropical medicine" combined "the three pillars of operational wisdom: unity of doctrine, agreement in execution, and follow-up on operations." No other colonial power organized its physicians into an *army* of scientists against disease.

The Corps de Santé later gave birth to the Agency for the Coordination of the Struggle against Endemic Disease in Central Africa (OCEAC), and OCCGE, the agency for French West Africa. Lapeyssonnie rightly compares the efficiency of the Corps de Santé with the inefficiency of today's World Health Organization (WHO). Initially, WHO was controlled by French military doctors, only to degenerate at a later point to its present state. He writes, "There have been two World Health Organizations. The first had the ambition of gathering the best experts in the world, many of whom had had colonial experience, which included specific technical knowledge and specific tasks. On the whole it was a success. . . ."

"The deterioration of WHO occurred progressively, even though it is not possible to give a precise date as to when this profound change took place. We can chart the transformation of WHO from an emphasis upon technical activities, to a social, philosophical, and then political, orientation. The physicians, veterinarians, engineers, chemists, epidemiolo-



United Nations

Dr. B. Zuiderhoek, a WHO leprologist from the era when WHO's personnel were selected by their technical knowledge, is seen here working with Burmese colleagues examining schoolchildren in Mandalay in 1968. Burma's leprosy control program was launched in 1952, when the number of cases under treatment was 4,600.

gists, and biologists who staffed the WHO in its initial years, were replaced by socio-anthropologists, statisticians, policy planners of all types . . . until, during the past decade, it has become impossible to recognize in today's WHO, the WHO of earlier times. . . .

"Even if it wanted to, WHO could no longer go to work and become a technical agency again. The rigid criteria for use of 'equitable geographical distribution' of employment, has cast aside many a Western expert. . . . The sclerosis of a body of functionaries whom nothing incites to action, because action is always full of perils, means that, among other reasons (of which the worst is the scattering of credit and projects), one can no longer expect much from that organization except ecumenical talks." General Lapeyssonnie is himself a "WHO expert."

He concludes his book with a vigorous call for the formation of official panels to study specific medical and agro-industrial projects, that would bring together government officials from the West and developing nations to agree on 5- to 10-year projects and then jointly act to bring them about—in the best Pasteurian tradition.

A military-style emergency program

No infectious disease has ever been successfully defeated except by a combination of improved economic conditions and battlefield epidemiological deployment.

Rightly understood, epidemiology is the art of fighting a disease in its totality, its epidemic, or endemic, existence as a "living being." An epidemic evolves, undergoes mutations, and combines itself hostilely or in symbiosis with another epidemic.

Charles Nicolle established the principles of epidemiology in his famous lectures at the Collège de France, in 1937: "Disease has the characteristics of life," he said. "Therefore, it utilizes the least potential to perpetuate itself." "The existence of a disease has three forms: historical, collective, and individual." Nicolle added that the "mechanistic method" used in ordinary physics was "inadequate to the life sciences. . . . If any moment in a life process might be reduced to physical-chemical reactions, the secret of life lies in the capacity for transformation from one of those moments to the next."¹

The present breakdown in world health, as shown by the AIDS pandemic, and the resurgence of infectious diseases in the Southern Hemisphere, can be ascribed to a severe deterioration in standards of living, and the concomitant failure to pursue the epidemiological practices first elaborated by the followers of Louis Pasteur.

Recently, the government of Chad stated that an epidemic of chagas, a disease caused by trypanosomes which affect the visceral organs, had affected 10,000 people in the southern part of the country. Health authorities have set up tents in the countryside to treat the sick, but should the epidemic spread to neighboring regions, the authorities said, the health services would be totally overwhelmed and "help from the international community would be required" to stop the spread of the disease.

The situation in this crucial region of Africa points to a breakdown in screening procedures and insect control. It speaks of the abandonment of epidemiological control, which has become characteristic for the African continent as a whole, as well as for other parts of the underdeveloped sector, such

as Ibero-America. This is no fault of the governments concerned, but is a failure on the part of the international community, and especially the richer Western nations, to stick by the fundamental tenets of natural law in political and economic practice. Usury, invariably disregarding the most precious riches of our civilization, human lives, leads to plagues, as Nicolle warned.

The Pan-American Health Organization (PAHO) estimates that 24 million people in Ibero-America have chagas disease. *Trypanosoma cruzi* is transmitted by one kind of bed bug. It is estimated that 65 million people are exposed to this bug, that is, are prospective carriers of the disease. Two million people have chagas in Mexico, and 20% of the blood supply is contaminated. The WHO says that the incidence of the disease is greatly underestimated in Africa today, and that only occasional dramatic outbreaks get reported.

The WHO 1986 publication on trypanosomiasis in Africa says that today, there exists the danger of an unstoppable epidemic across the continent, as was seen at the turn of the century, of the type that would wipe out the population of entire areas.²

But if we do not know the number and location of people infected, or the number of carriers, we shall be helpless before the outbreak of the disease in tens or hundreds of thousands of individuals at the same time, something which Jamot, in his legendary war on sleeping sickness, understood well at the turn of the century.

A similar situation exists in regard to leprosy, which also strikes Central Africa in a most severe fashion today. The Knights of Malta publication, *Acta Leprologica*, warns that the number of lepers has been growing exponentially over the past five years, with a doubling rate every year, reaching an estimated 11 million cases worldwide as of mid-1987.

The number of infected persons would have to be growing ever faster. They ascribe this meteoric rise to the abandonment of *specialized* screening in villages, as an untrained doctor or most often a public health paramedical assistant, has *not* been trained to test for leprosy, for example, by examining the soles of the feet of peasants for signs of anesthesia, indicating that the nervous system has been affected. Undetected and hence untreated, leprosy evolves toward the irreversible disfiguring, mutilating tissue, and neurological damage so well-known. By the time the visibly sick peasant gets medical attention, his suppurating wounds have been contaminating others either through direct contact or through flies, which act as a mechanical vector. Detection and treatment of leprosy before the later contagious and mutilating phase is a necessity to stop the epidemic.

In the same part of the world, we find a breakdown in screening for tuberculosis. TB, like leprosy, is a disease of poverty, which flourishes under conditions of immune deficiency, and in turn induces autoimmune response. We find today a marked correlation between AIDS and tuberculosis, the latter becoming the first manifestation of AIDS in as many as 50% of the patients in Central Africa, Guyana, and Haiti.

Furthermore, recent studies³ indicate that the TB mycobacterium could be a correlating factor predisposing an individual to contract HIV.

The world malaria situation is also deteriorating rapidly. We see the rapid spread of resistant strains of *Plasmodium falciparum* in Africa today, as well as in Brazil, in the same regions most affected by AIDS.

We also witness the dramatic correlation between insect control programs and malaria. The PAHO figures for Ibero-America speak for themselves. PAHO as of September 1987 reported the following in *Health Conditions in the Americas 1981-84*: In 1959, there were 3,202 cases of malaria and 6,560,183 fumigations done in Mexico, while in 1984, there were 85,501 cases of malaria reported, while fumigations were down to 338,538.

In Venezuela, there were 1,210 cases in 1962, and 540,069 fumigations that year, while in 1984, the number of malaria cases reported had risen to 11,128, while only 179,645 fumigations were done. The situation is similar in Colombia. In 1959, there were 4,172 malaria cases and 2,357,627 fumigations were done, and in 1983, 105,360 malaria cases reported, but only 380,043 fumigations were done.

For lack of early detection and treatment, a growing number of children in the Third World are reaching hospital care (when they do!) in a severe anemic condition, and require blood transfusions. It is estimated that hundreds of children in this condition were transfused with HIV-contaminated blood in the past few years in Kinshasa's Mama Yemo Hospital alone,⁴ and the blood banks throughout Africa are to this day contaminated, except for a few leading medical institutions.

So far, U.S. authorities and relief organizations have been more eager to distribute condoms to these countries than ELISA tests, lab testing facilities, or even new syringes!

Cholera affects 80% of the African continent today, and the old schistosome, bilharzia, continues to inflict damage on 200 million people or more.

What of AIDS screening?

Mass screening for HIV-I and HIV-II has been strenuously resisted by the U.S. Centers for Disease Control, WHO, and all advanced countries' health ministries and authorities generally—this under the specious argument that since no treatment exists, universal screening would only afflict those found carrying the virus!

It ought to be remembered that Jamot conducted his war on sleeping sickness throughout Western Africa to fight the disease *epidemiologically*, before having the means to efficiently treat the individuals infected, and that the Pasteurian Thiroux in Senegal, heading the first Pasteurian laboratory in Africa at the beginning of this century, was not afraid to institute a segregated village of those with sleeping sickness next to his in St. Louis du Senegal, to isolate the sick from the healthy, so as to reduce the spread of the infection in the villages, and provide the best available medical care to the

sick.

Furthermore, the way in which Albert Calmette, who trained the Pasteurians going to Africa, conducted the war against TB beginning in 1904, in the impoverished laboring population of Northern Europe, remains exemplary. The universal screening, sanitary laws, and prophylactic measures to stop *the epidemic* were taken fully 20 years before he invented the BCG vaccine to cure the sickness.

If we proceed blindly today, in the face of the rapid spread of AIDS and the concomitant rise of other diseases generally,

There have been two World Health Organizations. The first had the ambition of gathering the best experts in the world. The physicians, veterinarians, engineers, chemists, epidemiologists, and biologists of its initial years were later replaced by anthropologists, statisticians, policy planners of all types. . . . It is impossible to recognize in today's WHO, the WHO of earlier times.

we shall find ourselves helpless in the near future. The argument in favor of *laissez faire* is a thinly disguised argument for the elimination of the "colored races," as indicated by the call for African population reduction put forth by former West German Chancellor Helmut Schmidt's Inter-Action Council, during its meeting in Nairobi, Kenya in March, and the financial community's decision to cut off all credits to the continent.

'Opportunistic infections'

AIDS ought to convince us of the gravity of the situation today. One of the crucial and generally overlooked aspects of AIDS is the pattern of associated bacterial, parasitical, and viral diseases.

Under the label "opportunistic infections," there is the underlying assumption that each disease associated with AIDS is a fixed, separate, "mechanical" entity, as it were, an argument that Nicolle had put to rest in 1937, in showing the nonlinear interaction of diseases, and stressing the importance of studying this interaction. The structural assumption that a variety of diseases just happen to take advantage of the immune deficiency is so simplistic as to be misleading.

It has been misleading in the sense that it fostered the

belief that the neurological aspects of AIDS were merely clinical manifestations of "opportunistic infections," whereas, without going into detail here, the neurological damage may precede the immune problems by years, and be due to HIV itself, even if, later, the by-then-immunodepressed patients develop additional neurological disease such as that from cytomegalovirus (CMV).

It has also been misleading, insofar as looking at AIDS in the tropics is concerned. So much so, that the U.S. CDC plays games with its definition of AIDS, including "dementia" under the category of clinical evidence of AIDS in July 1987, but simultaneously reducing the number of opportunistic diseases defining AIDS in Africa from 12 to 4, with the excuse that the definition had to fit the meager public health capabilities of the countries affected.⁵

The result is that the medical profession is forced to fight to include this or that disease (the latest being salmonella) in the definition of AIDS, as if the presence of HIV combined with any severe disease were not a sufficient and obvious diagnosis. TB, except for the extra-pulmonary form included in the AIDS definition last July by WHO, is still only part of so-called AIDS-related complex (ARC), which is such a "complex" category as to defy statistics, a very convenient way of minimizing the apparent extent of this pandemic.

Such definition games have been blinding, as all medical researchers and clinicians accustomed to working with diseases affecting the tropical and semitropical regions point out when they insist on the importance of studying co-factors: arboviral infection, TB mycobacterium presence, etc.

Universal screening for all major diseases, plus evaluation of immune status, would be of prime importance in giving us leads on the prevalence of AIDS, and is at present the only efficient means of rolling back the spread of epidemics. *Efficient epidemiological deployment* entails obtaining intelligence estimates on the spread and location of the main diseases by region; on co-factors or correlation of different infectious diseases; and on the state of environmental conditions, such as water and insect status, including the menacing locust hordes.

The brothers Edmond and Etienne Sergent, who pioneered epidemiological studies with Nicolle in Northern Africa, laid great emphasis on what they called the "danger threshold" of a disease, which depends on the number of asymptomatic carriers, the number of sick people, and the number and type of insects for a given area. The existence of endemic diseases and the evolution of endemicity toward an epidemic in the initially invisible form of the asymptomatic carriers, was most essential to grasp, they said.

To find out, track, uncover, treat, or isolate the carriers was to them the first and greatest responsibility of the epidemiologist. Screening should never be done haphazardly, but rather required the most precise technologies. What in Sergent's time was a blood test under a microscope, today entails lumbar puncture, cerebrospinal fluid testing, blood testing, x-rays, electrocardiograms, nuclear magnetic resonance

(NMR) imaging, etc.

The lumbar puncture is needed to precisely evaluate the infection of the cerebrospinal fluid (CSF) by bacillus or parasite, notably for TB and trypanosomiasis. The blood test must include the search for antibodies to HIV and viral infections common to an area.

The blood test should also include an immunological test. A stool examination needs to be conducted in all cases of diarrhea, not just parasitological and bacteriological study, but also *in situ* sample-taking and biopsies must be underlined, which necessitates endoscopic digestive explorations.⁶

Further tests ought to be performed that for the moment can only be done in city hospitals in Africa, though, as we envision a real mobilization for good health care, those ought to be accessible everywhere and to everyone. The electrocardiogram is crucial after a positive TB test, for example, to refine the diagnosis and identify cardiac damage.

Finally, NMR is required to identify even minimal lesions in the brain due to HIV⁷ not otherwise detectable. Neither scanner nor NMR imaging are on hand in most of Africa today, as was pointed out in the just-concluded First International Congress on Neurological Tropical Diseases, in Paris's Bégin military hospital.

Such a program would provide a map of viral, parasitical, and bacterial epidemic diseases, endemic diseases, and singular outbreaks; a map of the immune status of populations; and a beginning evaluation of the often-overlooked neurological health, or lack thereof, of the population.

Requirements

Where do we stand today in terms of facilities available? Where could we be in a matter of weeks? What steps—infrastructure, training, financing—must be taken toward the speediest implementation of the full-screening epidemiological control program?

The OCEAC study is an example. The Agency for Coordination of the Struggle against Endemic Disease in Central Africa estimated in 1986 that only 30% of the people infected with tuberculosis in Central Africa were identified. In 1983, the decision was taken to develop only one network of basic laboratories, which would screen for both leprosy and TB.

They decided upon a rapid evaluation of the equipment in national laboratories necessary for bacilloscopies, upgrading of all the regional and provincial labs, which were to play the role of reference centers, yearly upgrading of all labs, and creation of new screening centers.

Evaluation was completed for Cameroon in 1984. The objectives were to get a functional map of all labs, evaluation of personnel, and evaluation of needs defined by local health officials. The second objective was to calculate for each province four sanitary indicators: the number of microscopes per 100,000 inhabitants; the number of leprosy-trained TB nurses per 100,000 inhabitants; the number of bacilloscopies per health worker in 1983; and the number of bacilloscopies



A Pasteurian approach in Africa would train school children in the major diseases affecting their areas, such as understanding the schistosome replication mechanism. Pictured is a Filipino child suffering from an advanced stage of schistosomiasis, which afflicts over 200 million people in the world today.

per 100,000 population. The conclusion of the study was that the equipment was greatly underutilized: 85 bacilloscopies on the average per year and per agent (variations between 20 and 185). Fifty-six percent of the labs needed stains, reagents, slides, small equipment, etc. There was no repair or upkeep of microscopes. There was a decline in the technical skills of personnel.

The main decisions were to improve the supplies to the lab, mostly a logistical, sometimes a financial question; to get training for the personnel for testing for TB and leprosy, to upgrade theoretical knowledge, to teach laboratory techniques; and to reequip existing labs. For Cameroon, 10 microscopes would be needed to get to the minimal 1 microscope per 100,000 population. For a 1.5 level, 25 microscopes would be needed. The basic price is about \$900 per microscope.

This extremely useful and intelligent analysis emphasizes that the program must be sped up and realized, which is not a small concern if we examine the rapidity with which the old diseases are spreading, or the fact that *most doctors and nurses in Africa do not as yet have clean needles or disinfectant*, which are minimal necessities to fight the spread of AIDS. In fact, the new and rapid development of AIDS in Central Africa makes this OCEAC program already obsolete:

We must screen for AIDS as well as TB and leprosy. We must restore to the continent *specialized medicine*. Otherwise, we shall fight this war with the technologies and strategy of the last.

We can envision a three-level program which would speed up the OCEAC program, to upgrade local laboratories and create new ones. At the same time, it would enlarge and equip existing hospitals in Africa, providing those facilities with NMR machines and spectroscopic equipment, circular intensity differential scattering (CIDS), etc., necessary not just for clinical purposes, but also to foster the creation of fundamental research centers in Africa.

New hospitals must be created where needed. There is also an evident need for sophisticated mobile labs, in order to increase the efficiency of epidemiological control and mass treatment, vaccine distribution, etc. French Army capabilities already in existence, such as those deployed with the Bioforce—including mobile lab/hospital airplanes⁸—show the way. I believe that we ought to use the extraordinary capabilities of our space program in the United States and in Europe to devise a mobile “lunar type” surface vehicle, which could be of several different types equipped for different types of terrain, which could carry equipment necessary for all tests, screening, and/or vaccination.

The air-surface craft combination might be the best solution. This is food for thought and ought to be discussed with those scientists working on the Mars colonization program, because they would likely already have the best ideas on the subject.

There is another consideration which I wish to introduce here. Pasteur said that the quality of a nation is given by the quality of the scientists it is capable of generating. Equally, the quality of scientific health care of a nation is the yardstick by which it will qualify either as a great nation that promises to contribute wonders to humankind, or a nation on the way to disintegration. That is not a fixed status, but rather a question of direction, of culture, of applied epistemology.

The recommendation of the Norwegian Red Cross and the Panos Institute that “family planning” personnel are best equipped to fight AIDS in Africa (e.g., sexual talks and condoms) is worse than insulting, it is fundamentally evil, and the resistance to such sexual lectures by the urbanized African population is well taken. There must be a national purpose to increase population capacity, increase the number of nationals, and increase the productivity and creative abilities of all.

Time is short in light of the dangers. We shall either provoke, foster, initiate a renaissance, or we shall fall into the collective hysteria of Sodom and Gomorrah, as often accompanied epidemics such as the bubonic plague in the past.

A Pasteurian suggested to this author, recently, an interesting approach to education: African children going to school would greatly benefit from a solid grounding in the study of

the major diseases affecting their areas, such as the understanding of the schistosome replication mechanism. Schistosomes affect over 200 million people today. A national and continent-wide project around conquest of disease would be a very worthwhile endeavor for the short and long term.

The immediate goal would be: to interest children in science through the study of life mechanisms in their environment, and to seek to generate future great scientists in that way; to make school curricula more focused around the study of the ways and means by which man transforms his environment, from the knowledge of living processes to the study of machines, from an historical and live (e.g., direct construction and experimentation) standpoint; to retrain teachers to that effect and assign new ones; to bring children to the area's labs; to make schools into laboratories, bringing to the secondary education level the concept of the mixed training and research facility, and possibly include a medical outpatient treatment center, too; combine that with training in animal husbandry; then, to train and deploy specialized physicians into each and every district, under whom nurses, youth volunteers, and others could deploy to screen, do lab exams, or in the last case, distribute questionnaires or bring medicine to distant villages.

Television could play a very useful role by orienting programming toward the learning of technologies and the science of life. Hence, the young, like the old, would be usefully entertained and educated at the same time, sparing them our “modern” junk, such as Dallas, Cicciolina, and all other degrading programs.

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Anti-science mob in action: food irradiation pioneer Welt indicted

by Marjorie Mazel Hecht

The technology of food irradiation could nearly double the world's food supply, simply by preventing the spoilage of existing crops by insects, rodents, and mold. Needed protein—meat, fish, and poultry—could be sealed in plastic bags, irradiation-sterilized, and shipped without refrigeration to areas of famine where there is no infrastructure to protect perishables like meat. Yet, instead of promoting this life-saving technology, the U.S. Justice Department is prosecuting—and even jailing—its promoters. This witchhunt against nuclear technology and those who would benefit from it is carried out under the banner of the anti-science mob and their New Dark Ages policies—protecting the people from big, bad science.

Dr. Martin Welt is a victim of these anti-science crusaders. A nuclear physicist who pioneered the technology of food irradiation and has worked to commercialize it for the past 25 years, Welt is now under federal indictment in the state of New Jersey for "crimes" allegedly committed while he was president of Radiation Technology, Inc. A trial date is set for June 27.

The case against Welt is purely political. Usually when there are minor and even major infractions of Nuclear Regulatory Commission safety regulations, there are reprimands or fines. The weekly news releases of the NRC, in fact, are full of instances of such fines.

In Welt's case, the state's "environmental crime coordinator," Jacqueline Wolff, announced that she wanted Welt jailed. Wolff, a federal prosecutor, was appointed as environmental crime czar in March, just after she handed down the indictment against Welt. As quoted in the *Newark Star Ledger*, Wolff said, "Environmental crime shouldn't be treated as anything less than any other type of crime. . . . I think they'll [industrial corporations] be more concerned about being incarcerated than about paying fines," she said. "It's easy for a corporation to pick up the fine. It's not so easy for them to pick up a jail term."

Welt, 55, was trained as a nuclear reactor specialist and started off working for the Atomic Energy Commission in the 1950s. He is the first to assert that special care has to be taken and regulations followed when nuclear power is con-

cerned. One of his first jobs, in fact, was to commission a nuclear reactor and set up the safety regulations governing its use.

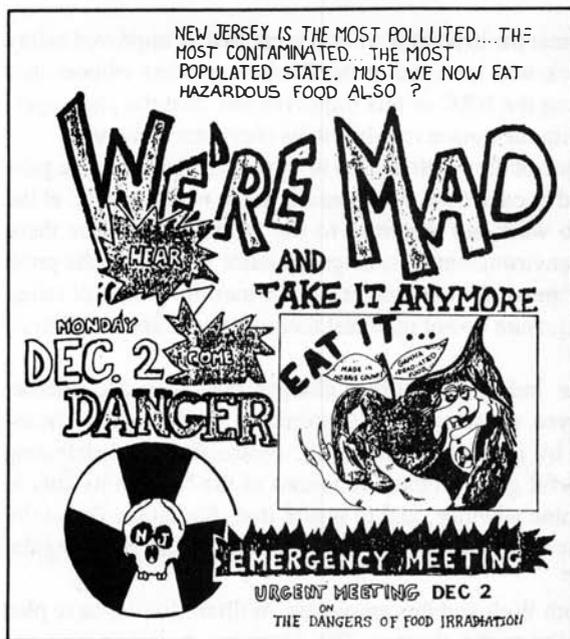
Welt got into the area of food irradiation in the 1960s, because he saw the potential of the then-young technology and he wanted to see it developed and commercialized as quickly as possible. In large part, that any commercialization has taken place is due to his efforts, promoting the technology and pushing the federal agencies involved to approve the use of it for spices, herbs, enzymes, vegetable seasoning, and pork.

It was Welt's radiation-sterilized meals that the astronauts ate up in space, and Radiation Technology had also filed petitions to allow radiation-sterilization to be commercialized. Welt had also established plants that irradiated chicken and fish for export, since those products had not yet been approved by the Food and Drug Administration for U.S. consumption. When he left Radiation Technology under Nuclear Regulatory Commission pressure, Welt formed another company, Alpha Omega Technology, Inc., and designed an irradiator specifically geared to be operated in a developing nation. His new company also provides consulting services to hospitals and laboratories to monitor radiation use.

Anti-nuclear takeover

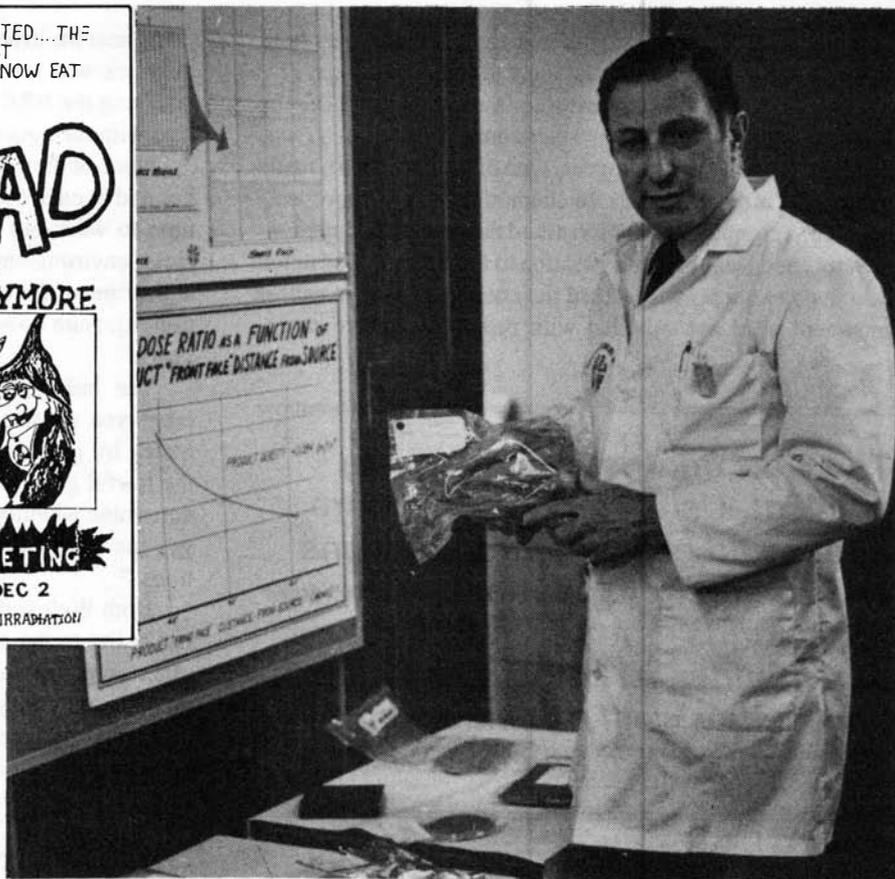
The only way to understand this case is to see it in the context of the anti-nuclear takeover of the media and U.S. policy over the past two decades. In the paranoid world of the anti-nuclear activist, the nuclear industry is just a plot to make money, and anyone who is pro-nuclear must be so because they are on the take. To these anti-nukes, nuclear power is inherently bad and dangerous, and poor little human beings cannot possibly tame this monster. To this anti-nuke, "they," are out to get "us," and "they" must be stopped. The same follows for any other big industry that uses modern technology.

In the state of New Jersey, such a mentality is now institutionalized in the office of Jacqueline Wolff. It would be interesting to document how much Wolff has relied on the propaganda provided by local anti-nuclear environmentalist



A New Jersey environmentalists' leaflet, distributed in 1987, was used to stir up hysteria and stop Welt from opening more plants in New Jersey.

Dr. Martin Welt in his laboratory in New Jersey in 1984, demonstrating the technology which could double the world's food supply.



Smart Lewis

groups. Equally interesting would be how often she checks with reputable scientists to determine what constitutes an actual environmental danger to the public.

But the case against Welt did not begin with Wolff. Because Welt aggressively pursued the commercialization of food irradiation and spoke out on behalf of nuclear power, publicly debating the leading anti-nukes, and because he would not cater to the environmentalists and baby their fears about the nuclear monster, he has been a prime target of the anti-science mob in New Jersey. In fact, part of Welt's decision to export the technology to the developing sector, where it could vastly increase the food supply simply by stopping the spoilage now due to insects and mold, was that the local environmentalists would attack every move he made in the state with lawsuits and leaflets to stir up as much hysteria as possible (see illustration of a New Jersey leaflet issued in 1987) to try to stop Welt from opening more plants in New Jersey.

Food and water

One such anti-nuke is Wally Burnstein, an osteopath, who founded an activist group called Food and Water. In a recent telephone interview, Burnstein bragged about the environmentalists' activities against Welt, claiming responsibility for the indictments. "We made the situation so hot," he

said, "that the NRC would have been embarrassed not to go after Welt and prosecute him."

To Burnstein, scientific facts don't matter. Burnstein is a bully. He told me that he had never talked to a reporter or public official or anyone not connected to the nuclear industry whom he did not convince that food irradiation was dangerous and should be stopped. When I said that I guessed I would be the first, he decided that he didn't want to talk to me anymore! So much for reasonable discussion.

Burnstein, like the other activists campaigning against food irradiation, repeats the same allegations over and over, and the same pathetically unscientific references against food irradiation by "quacks." One of these so-called experts on food irradiation, whom I met at congressional hearings on food irradiation legislation, is a Ph.D.—in "holistic medicine" with a mail-order degree from an unaccredited California college where the number of degrees you accumulate is limited only by the amount of money you spend to purchase them.

These environmentalists and their experts repeat a litany against modern science: "They" are doing something to our food that "poisons" it. "They" would have to experiment for 50 more years to make sure it is safe. Of course, 50 years from now, no matter what scientific proof the scientific community produced, Burnstein and his fellow travelers would

be wailing for 50 more years of research, because they hold valid no scientific basis for making a decision, just fear.

Interestingly enough, Burnstein's medical practice, the Roxbury Medical Group, in Succasunna, New Jersey, was recently struck by its employees. One of the complaints made by the staff is that materials for chemotherapy are improperly handled, a complaint the union asked the federal Occupational Safety and Health Administration to investigate. The union said that the nurses who mixed the chemicals used in cancer treatment were not supplied with proper protective equip-

The case against Welt is purely political. Usually when there are minor and even major infractions of NRC safety regulations, there are reprimands or fines. In Welt's case, "environmental crime coordinator" Jacqueline Wolff announced that she wanted Welt jailed.

ment. Other complaints concerned the x-ray procedure. So much for Burnstein's real concern about safety.

But Burnstein and company's bullying tactics have taken their toll. In January, the New Jersey legislature passed a bill that would have banned the distribution and sale of irradiated food in the state. Fortunately New Jersey Gov. Thomas Kean, refused to sign the bill, and instead took the advice of the state health commissioner, who said that there was "insufficient evidence to warrant an absolute ban of irradiated food in the state."

Burnstein's response to the veto typifies his worldview. He told the *Star Ledger*, "The Department of Health's action in regard to this issue has been scandalous. Through their inaction and totalitarian science, they have placed the people of this state in jeopardy."

The indictment

The case against Welt bears resemblance to other political cases inspired by the Department of Justice Criminal Division and waged as vendettas against public figures: both the charges and the press coverage are maximized as much as possible. In addition, some of the evidence—a computer tape of Welt's office memos and correspondence—was seized by investigators and then "disappeared."

The indictment against Welt centers on charges that he allowed the irradiator at the Rockaway plant to be operated without the safety interlock in place, which keeps staff from

going near the irradiator when it is on, that an improved safety interlock was installed at the Rockaway plant without first notifying the NRC of this improvement, that the plant operated without a maze monitor in its computer console.

None of these infractions involves any danger to the public, and in each case, Welt was in touch with the NRC at the time to work out solutions to the problems. Despite these facts, environmental crime coordinator Wolff told the press at the time of the indictment that the harmful effects of radiation exposure do not manifest themselves for about "10 to 20 years."

The indictment further charges that Welt and another employee subsequently conspired to "defraud the United States by impeding, impairing, obstructing, and defeating the lawful governmental functions of the NRC in its duty to determine whether, and to insure that, Radiation Technology, Inc. was complying with its license and NRC regulations."

Both Welt and this employee, William Jouris, have pled not guilty to the charges. The company, however, and one other employee pled guilty to the charges. To answer the question why they pled guilty would shed light on how the NRC investigators, the greenies, and the Justice Department have worked behind the scenes to remove Welt from his role as a leader in commercializing this technology.

Why the NRC would join such a witchhunt is a complicated question. There are obviously technically competent people at the NRC, but there is also a "head-hunter" section, the Office of Investigation. This is headed by someone whom a former NRC commissioner termed "the loosest of 20 to 30 loose cannon" at the NRC. Reportedly, this office shops around among various U.S. Attorneys throughout the country to find one whose "personal agenda" agrees with the witchhunt target. Perhaps this is how Wolff entered the Welt case.

At stake: the future of nuclear power

As Welt goes to trial, there can be no dispute that the future of nuclear power, and with it the quality of life in this country, is on the line. In neighboring New York State, the anti-nuclear governor has forced the abandonment and bulldozing of a fully completed nuclear plant, creating what is admitted to be an immediate energy crisis with brownouts and possibly blackouts, unless people cut back severely on energy use during the hot summer days.

The future of food irradiation is also on the line. The anti-nuclear groups are salivating at the prospect of "getting" a leading pro-nuclear monster, and have geared their propaganda accordingly. And while prosecutor Wolff pursues her policy of jailing environmentalist criminals who offend her definition of the public good, how many people in the world will die of starvation, whose lives could have been saved by the commercialization of a technology that could double the world's food supply?

More on Italy's C-256 'scientific tuning'

Last week, EIR published excerpts of the 1884 decree of Italy's Ministry of War establishing middle C at 256 full cycles per second as the standard pitch (diapason) for all military music. We continue here our publication of documents from the discussion at that time, which has become a lively issue today in Italy because a petition is being circulated, signed by many world-famous singers, asking Parliament to reestablish the "Verdi tuning." An advanced discussion of the reasons for setting the standard at C-256 was printed in this section by Jonathan Tennenbaum in the May 6, 1988 issue, under the title: "C = 256: The Foundations of Scientific Tuning."

Verdi to the government commission

The great composer Giuseppe Verdi's letters on the new diapason were included in the pamphlet circulated by the War Ministry in 1884. Translated excerpts follow:

Since the standard diapason was adopted in France, I advised that the example should be followed also by ourselves, and formally asked the orchestras of several cities of Italy, among others that of La Scala, to lower their tuning fork bringing it into uniformity with the French standard. If the Musical Commission instituted by our Government believes, for mathematical reasons, that the 870 vibrations (A-435) of the French tuning fork should be reduced to 864, the difference is so small, almost imperceptible to the ear, that I associate myself most willingly with this.

It would be a grave, extremely grave error to adopt, as is proposed by Rome, a diapason of 900!!! (A-450) I am of the opinion, with you, that the lowering of the tuning fork takes nothing away from the sonority and vitality of the performances; but it gives, on the contrary, something nobler, fuller, and more majestic which could not be given by the shrieks of the overly high tuning fork.

For my part I would like one single tuning fork to be adopted in the entire musical world. The language of music is universal: Why then should the note which is named A in Paris or in Milan, become B-flat in Rome?

. . . We have faith that France, persuaded by irrefutable reasons that point to our tuning as the only scientifically universal one, will abandon the three excess vibrations [A-435] which are perhaps the primary cause of the lack of practical results which the proclamation of their international tuning fork had. . . . Nevertheless, to complete the work

begun by the War Ministry, the effective involvement of the Ministry of Public Education is needed; and moreover, it is to be wished that before long, the same Ministry accepts and adopts for all music schools the standard diapason of 432 double vibrations, which will thus be the official Italian tuning, and soon will become the universal tuning as well.

The physicists' pitch

Archimede Montanelli, "Empiricism and Science" (reply to an article by S. Perone on the Unified Diapason, Musical Gazette of Milan, Sept. 20, 1891):

Most convincing arguments and reasons were brought to the Congresses, printed in books and pamphlets, and original theories, or those of others, developed or reproduced, which fortunately were in accord on the essential principles from which were deduced the C (index 3) = 512 and the A (index 3) = 864 simple vibrations (C-256 and A-432 double vibrations), nor could it have been otherwise, since there is *only one truth*.

The studies on the determination of the relations of the intervals of the scale date from the era of the Greek Golden Age, and one may consult on this matter the most valuable *History of Music* of Padre Martini, vol. I. Is he credible, or can one only think that Pythagoras, Archytas, Aristoxenes, Eratosthenes, Ptolemy, and among the moderns, Renaud, Fetis, Liagre, Tully, Derutte, Collongues, Cronschi, Retter, Cavailles-Coll, Van Poucke, and Meerens had wasted their time occupying themselves in laying the physical basis for a total system of music? It seems not; these studies have saved us immense labors, facilitating for us the way to better know phenomena which, being mathematically or physically proved, rendered innumerable services to art. And art is subordinated to all the laws of nature which science reveals. . . .

It should be added to this that in the physics laboratories, the various C's which have been adopted have, for reasons of simplicity, this natural base; for which reason, by adopting A-432 (here we speak of double or full vibrations) we would place music practice in agreement with laboratory practice: an advantage of a certain consequence, when one considers the continuous and incessant relations which pass between music and acoustics. . . .

It is no wonder then, Mr. Perone, if the physicists, the psychologists, and the music masters of world fame, such as Verdi, Pedrotti, Bozzini, Lauro Rossi, Faccio, Boita, Gomes and many others, preferred, far from diplomatic pressures, to adopt in Italy the "432" diapason, which so well links science to practice in art, far better than "435," which is scientifically incorrect. . . .

Why do we not want to believe that all that moves, all that unfolds on the face of the earth, is harmonic, is ordered as are the bodies of the planetary system? Why couldn't the A-432 diapason have serious relations with the mechanism of the human voice? . . .

Is China bringing back the Middle Kingdom?

by Linda de Hoyos

The April 1988 report that the People's Republic of China was selling dozens of its 3,000-mile CSS2 ("East Wind") missiles to Saudi Arabia has brought to the fore the fact that after a long hiatus, China is again looking to project its imperial presence in the world.

The Chinese deal with Riyadh inserted a new twist into the negotiations between Moscow and Washington on the Intermediate-Range Nuclear Missile Treaty. With the CSS2 sale, Saudi Arabia will possess a battery of potentially nuclear-tipped missiles capable of hitting strategic sites in the Soviet Caucasus, Afghanistan, and Iran.

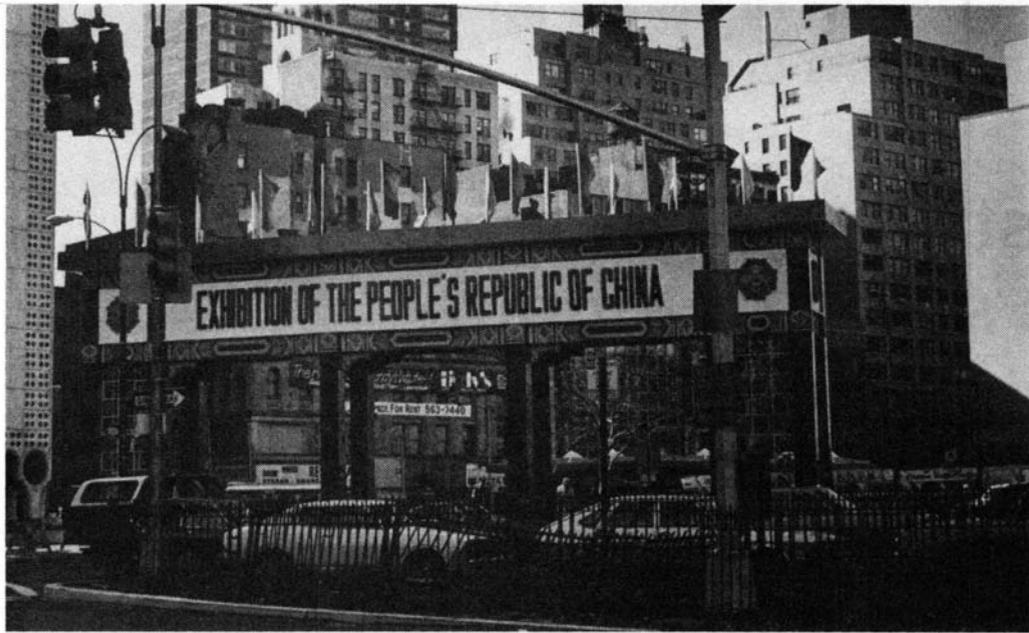
There are two dominant Western reactions to China's more aggressive foreign policy which betray the misvaluations of China that afflict the NATO countries.

On the one hand, various U.S. and European factions opposed to the INF and related U.S.-Soviet regional deals are euphoric over the CSS2 deal, foolishly believing that they can "play" the P.R.C. as a wrecker whenever it might be handy. Some of these factions, centered on Wall Street and in London, foresee the creation of a new Chinese Empire, expanded to include Taiwan, Singapore, Hong Kong, and Macao, with military dominance in the Far East. In this utopian outlook, such an empire, in alliance with Islam, it is hoped, would serve—in the famous words of China card player Zbigniew Brzezinski—as a "bulwark" against Soviet expansionism.

Other factions see China as the "ultimate threat" to the United States, using this depiction to justify a U.S.-U.S.S.R. "Great White Brotherhood" against the Orient.

Both views reflect an overblown evaluation of China's current policies, and will lead to strategic follies. Western analysis of China has been consistently blind-sided, a blindness caused by three interrelated factors. First is political ambitions—the rush, as represented by the manic Mr. Brzezinski to see in China a tool against the Soviet Union or others, forgetting that the cultural differential between China and the United States makes such dreams of strategic alliance impossible.

Second, Western analysis is blinded by racism. Despite in-depth knowledge



In Deng Xiao-Ping's "open door" policy since 1980—reflected in this pavilion built that year near New York's Columbus Circle—Kissinger and his financial backers deluded themselves that Western powers could loot China as they did in the 19th century, and that China was moving toward Friedmanite "free enterprise."

Laurence Hecht

of China among State Department and associated academics, many of whom lived in China as the offspring of missionaries, such knowledge flounders on practical assessment of China's intentions. As Japanese "China hands" put it, Western analysts overread and overinterpret events in China, overlaying their own assumptions onto China's policies and goals.

Third, Western analysis is blinded by simple greed. In Deng Xiao-ping's "open door" policy since 1980, Henry Kissinger and his financial backers believe they see a revival of the heydays of the 19th century, when foreign powers pried open China and looted its population and economy. They delude themselves that China represents a huge market open for goods dumping and quick profits, and that China's economic and property reforms represent moves toward Milton Friedman-style free enterprise. They believe that a China that moves toward the "capitalist road" is a China that will naively open its arms to the West for exploitation again.

A review of China's foreign policy reveals a different metric. China has never been, and does not intend to be used as the "card" for any foreign force, but evaluates its maneuvers strictly from the standpoint of its own perceived state interests. In its foreign and domestic policy, China is carrying out a shift in its self-conception and internal organization toward the re-emergence of the great China Middle Kingdom, the idea that China and its culture represent the center of civilization on the planet, with the global power and rights appropriate to it.

This is not a short-term policy, hurriedly worked up for the next election. The idea of the China empire dominating a wide circle of tributary states and exerting its influence globally is not expected to be realized until the second to third

decades of the 21st century. In this century, China's posture will remain defensive, with the exception of immediately contiguous areas such as Indochina. As one Asian expert remarked, "A dog should be noisy and aggressive around the house, but be careful not to wander too far, lest it be clawed by other dogs." But, as China's operations in the Middle East show, Beijing fully expects to be included even now as a major partner in U.S.-Soviet global crisis management.

Internally, the re-emergence of China as the Middle Kingdom implies the revival of the Confucian state. Yet, the Beijing leadership faces the problem that the traditional imperial state structure must be revived while simultaneously retaining the preeminence of national Communist Party leadership. Second, imperial China is to emerge in a modern world, in which required scientific discovery and rate of assimilation of new technologies imply a conception of the individual that is at odds with imperial Confucianism. Third, it must attempt to make this remarkable comeback in the context of a rapidly deteriorating world economy, in which China will find few, if any, partners to aid it.

These are the parameters of the problems the Chinese leadership faces, along with one-fifth of the world's population. In the not-so-long run, China's attempt to become an imperial power will doom it. Given the economic timebomb in China today, the chances of the Red Dynasty's lasting are less than any of its predecessors. China's survival will depend upon a reversal of the current strategic catastrophe along with new policies emerging from especially Japan and the United States, which seek to reverse China's potential economic holocaust while blocking its geopolitical ambitions with a rim of economic and republican cooperation stretching from Islamabad to Seoul.

China's strategic game: cautious steps to empire

by Linda de Hoyos

The pattern of China's foreign policy over the last 18 months shows that China does not harbor plans to enter into a strategic alliance with any major power in the near future. Rather, as Huan Xing, chief executive of the State Council's International Problem Study Center, entitled a speech delivered Dec. 25, 1987, China wants to see itself operating in a framework characterized by "One World, Two Systems, Political and Economic Multipolarity, and Competitive Co-Existence."

With his role in Zhao Ziyang's State Council and the prominence his statements are given in the state newspaper *People's Daily*, Huan Xing is a near-official foreign policy spokesman. His world surveys, presented in an interview with the *People's Daily* Dec. 31, and his speech of Dec. 25, provide a fair assessment of China's view of its imperial potentials.

The basic premise for China's own position is what Huan Xing sees (hopes) as the growing weakness of the two superpowers, the United States and the Soviet Union. The signing of the INF treaty and Moscow-Washington summitry, Huan Xing indicates, might create a more lasting "détente" precisely because of this weakness. "First of all," he says, "both the U.S. and U.S.S.R. are conscious of their own economic difficulties, and so both sides need to sit down and talk and take a breather and to switch their attention to straighten out their economies. . . . In addition, following economic setbacks, the conservative forces in the United States have tended to weaken and disintegrate, and the majority of people cannot insist on arms expansion and a hard line toward the Soviet Union as in the past. The Soviet Union, too, feels economically exhausted after attaining nuclear parity with the United States, and feels that this situation can hardly be sustained."

The decline of the two superpowers, Beijing hopes, creates "a tremendous increase in the probability that such a [nuclear superpower] war will not break out."

And precisely because China sees both superpowers as declining, it will tend not to strategically align itself with either. "With regard to the triangular relationship between China, the United States, and the Soviet Union, Sino-U.S.

relations have been relatively stable in recent years, but factors that may lead to instability have emerged in recent months [Tibet, etc.]. . . . Sino-Soviet relations have improved, but the three main obstacles have not yet been eliminated. I estimate that for years to come, following the U.S.-Soviet détente, no dramatic changes, which are expected by certain people, will occur in Sino-U.S. and Sino-Soviet relations."

In the case of the Soviet Union, Huan Xing believes the relative military decline of the two superpowers has already resulted in economic power becoming a preeminent determinant of state power. For this reason, Huan Xing believes, the Soviet Union is losing out in the Pacific region (despite the 1986 Vladivostok speech of General Secretary Mikhail Gorbachov). He says, "At present it is difficult for the Soviet Union to accomplish much in the Asia-Pacific region, because it has no economic impact there, nor can it have any great economic influence there for quite a long time to come; its sole influence is the Pacific fleet and its military bases in Vietnam. However, given that a world war cannot break out, this military influence cannot play a great role."

Translated into the events that appear in the morning newspapers, China will continue to play its cat-and-mouse game with the Soviet Union. This includes increasing trade relations, while refusing to accept Mikhail Gorbachov's invitations for a summit. And while China will continue to publicly advocate "nuclear-free zones" in the Pacific and Southeast Asia as per Gorbachov's 1986 Vladivostok speech, Beijing will continue to mock Moscow's calls for an Asian Security Pact.

As for the United States, China, as all other governments, must deal with the conflicting signals coming from Washington. China undoubtedly prefers the policy views of Zbigniew Brzezinski, who reiterated the China card in an interview with the *Chinese Liaowang Overseas*: "I believe that on major geographical and strategic issues, we share common interests. Under such circumstances, to continue to develop Sino-U.S. economic relations will certainly help to further strengthen the overall relationship between China and the U.S."

A key proponent of this view appears to be George Bush,

who personally invited Chinese Vice Premier Tian Jiyun to Washington in April in a visit mostly concerned with trade issues.

On the other side, China has expressed extreme irritation, even accusing the U.S. of "hegemonism"—an epithet usually reserved for the Soviet Union—over the U.S. Congress's interference on human rights issues, Tibet, and its protests against China's arms sales.

To be sure, China views the United States as a weakening power. An article in the April 13 *People's Daily* on Paul Kennedy's book *Is America In Decline?* cites the fact of "America's astounding economic decline." And as Huan Xing remarked in his Christmas speech, "Now the presidential candidate nominated by the Republican Party will either be Bush or Dole. But judging from what they have been doing, we do not think that they have an effective prescription for invigorating the U.S. economy."

Therefore, China will seek to gain whatever it can from the United States in technology transfer and trade to earn foreign exchange, with no illusions that the United States will sustain China as a strategic ally.

The middle way

Given superpower weakness, China is operating in a world framework of "multipolarization." China will occupy a middle position between Washington and Moscow, where it "no longer yields to pressure from either superpower," as stated by Chung Mingqun, director of the National Defense Institute, last year. From the vantage of dealing with both superpowers, China hopes to find new partners, including a possibly neutralized "Mittel Europa." As Huan Xing explains, "The decline in the strength of the superpowers means that their control over their allies is also weakened, with the result that the existing political and economic multipolarization of the world will develop still further. . . ."

"The trend for Europe to rely on its own strength to organize its defenses will grow. This is bound to cause increased political and military independence of Western Europe. . . . With the Soviet controlling influence over Eastern Europe weakened, there will also be an increase in political independence of Eastern Europe. For a short period, five years by my reckoning, the United States and the Soviet Union will still be able to maintain their present positions in their military blocs, but after that, it is hard to say."

In steering along the middle course, China will naturally tend to find itself operating in the cracks between the intelligence services of both East and West—the interface between those agencies that defines the Trust, the interlock that ensures superpower coordination. Hence, as will be seen, China is deeply involved in Iran, an asset of both the U.S. and Russian Trust networks; and has found itself involved in the Israeli-Iran Contragate arms deals run by Trust operatives in the United States and Israel. China is the Trust's natural

cooperating partner in such anomalous ventures. In addition, we shall find that such Trust operatives as Armand Hammer and George Soros are among the Western industrialists and businessmen eager to open up China who are most celebrated by Beijing.

This "middle position" should not be confused with that of the Non-Aligned Movement, China's alleged commitment to the Bandung Principles notwithstanding, since China has no principled commitment to the national sovereignty of any country save itself. Nevertheless, China will continue to put itself forward as the protector of underdeveloped countries—particularly in Africa and Asia—who are victimized by both the U.S. and U.S.S.R. This diplomatic effort was encapsulated by Deng Xiao-ping's remarks to visiting Zambian President Kenneth Kaunda in March, "Hegemonism still exists today and the superpowers' hegemony is threatening world peace. When China, a nation with one-fifth of the world population, shakes off poverty, there will be a better guarantee of world peace."

Deng's statement does not imply Chinese pacificism, but directly its opposite. If China does not foresee war in this century, it is committed to be prepared for nuclear wars in the next. An article appearing in the *People's Daily* April 24, 1987, stated bluntly, "When forecasting the international situation between 2011 and 2020, our national defense development strategy should be based on fighting major wars and fighting nuclear wars. Under this premise, we should also be prepared for fighting small-scale wars. . . . By the end of this century, more than 30 countries in the world will possess nuclear weapons. . . . We should realize our national conditions. Our country is in the Asia-Pacific region, which is a very sensitive hotspot region, and our peripheral situations are extremely complicated. We are situated in the crevice of the rivalry of the two superpowers. This also determines that our strategy must be based on fighting a major war."

Imperial ambitions: Asia

The very concept of the Middle Kingdom implies that China is the primary power in Northeast and Southeast Asia, those countries where its culture and population have spread. This view of China's historic rights in the region did not change during the Maoist era. The Maoists attempted to stake their claim through insurgency in targeted countries. Now, Beijing's emphasis is on diplomacy and power politics.

The first step, however, is security of its own immediate periphery. This includes three targets:

- Reunification with Taiwan, a goal to be accomplished by the turn of the century.
- Build-up of Hainan province. A key experiment in the goal of reunification is the development of China's strategic island of Hainan, situated in the South China Sea. Beijing, which has recently given Hainan extra freedoms, plans to

turn the island into a "second Taiwan." Hainan is being built up not only as an investment haven for foreign capital, but also for Taiwanese capital. Hainan will be developed to prove to Taiwan that it is safe to reunify with Beijing under the "one nation, two systems" slogan.

For China's own security, it is noteworthy that Hainan, which is situated directly opposite Haiphong, Vietnam, and with possibilities for becoming a deep-sea port, is also the site of a military base.

● Spratly Islands. Flare-ups with Vietnam over these strategically situated islands in the South China Sea, which are the site of major oil deposits, indicate Chinese assertive efforts for full control of the Spratlys, which are also partially claimed by the Philippines and Malaysia.

China's secondary concern in Asia is asserting its power in Southeast Asia. On this count, China's consistent supply and sponsorship of the Khmer Rouge in Kampuchea represents a trump card in the settlement of that "regional conflict." The Soviet-backed Vietnamese occupation of Kampuchea handed China the golden opportunity to link up with the non-Communist ASEAN countries. As a U.S. withdrawal from its strategic bases in the Philippines appears imminent, China will attempt to fill the strategic vacuum. In April, the briefing paper that provided the basis for talks with visiting Philippines President Corazon Aquino prominently included the warning, "Any unprejudiced person would know that the main threat to the region is coming from the massive build-up of Soviet forces and the prospects for its further expansion."

Fears of the 'co-prosperity sphere'

Perhaps the primary threat that China sees in the region is Japan. Although Japan is China's biggest trading partner and China relies substantially on Japan for infrastructural development, since 1985, the Chinese have struck a consistent theme of complaints against alleged Japanese militarism and attempts to take advantage of China economically. The Chinese government's cooperation with Italian communist Bernardo Bertolucci's "The Last Emperor" film with its anti-Japanese themes, is one sign of China's increasingly adversarial view of Japan, a sentiment Moscow openly encourages.

China believes that in the long term, it cannot rely upon the U.S.-Japan Security Treaty to restrain Japan's ambitions and power in the region. In fact, in November, the Chinese military newspaper *Jiefangjun Bao* complained that because of the weakening of the United States, Washington is looking to Japan to take over some of its security responsibilities in Asia, "Of late, some people in the U.S. are dreaming of the prospects of 'U.S.-Japanese hegemony'. . . . This is wishful thinking on the part of the U.S. Why? Japan is the largest creditor nation in the world, and the U.S. is the largest debtor nation. It is hard to say whether the debtor will have the creditor at its beck and call. Second, the reason why Japan

aims to strengthen its military might is due to its own strategic needs. . . . Japan's goal to beef up its military strength is far from being confined to becoming a U.S. agent in Asia."

In February, this line became tactically active with a Chinese protest in the *People's Daily* to suggestions that Japan patrol the Indian Ocean. "The Japanese press has reported that two U.S. Navy officers recently proposed unofficially to Japan that the scope of the sea lanes under Japanese protection be extended from the Pacific into the Indian Ocean," the article noted. "Henry Kissinger has predicted on many occasions recently that Japan will become a great military power. . . . A decision that Japan's status in U.S. global strategy should be expanded from the Pacific into the Indian Ocean can only mean luring Japan into becoming a great military power. There is no reason why Japan should follow the U.S. in acting ostentatiously in the Indian Ocean . . . [but] since the question has been posed, the peoples of Asia must be concerned about what the answer will be."

In his closing remarks in his Dec. 25 speech, Huan Xing openly asserted China's fears that it could be surrounded by a Japan-sponsored new "co-prosperity sphere." In Asia, he notes the necessity of looking at "Japan's attempt to develop its economic influence in the Asia-Pacific region. For example, Japan has invested capital in the Taiwan region and South Korea, in the northeastern part of Asia. In the meantime, it is trying to draw in ASEAN and to enter the Indochinese peninsula in order to establish an ASEAN and Pacific economic system with Japan as a center. . . . By the end of this century, in addition to the 'four tigers,' a fifth, or even a sixth tiger might emerge in Asia."

Therefore, from Beijing's standpoint, although the "weakening" of the two superpowers has opened up to China a grand opportunity to assert its own imperial rights, the emergence of Japan as a geopolitical power and China's own economic difficulties pose a major threat to those ambitions. Huan Xing closed his Dec. 25 speech with an urgent warning to the Beijing leadership:

"Assessing the world situation and the situation in the Asia-Pacific region, we might discover that the situation is favorable to us. But we are also facing a grim situation. As far as technological transfer is concerned, both the U.S. and Japan are imposing restrictions on us. It is obvious that they are not willing to see great development in China. The U.S.S.R. might not be happy either when China has truly become prosperous and powerful. Under such circumstances, if we still act unhurriedly and behave in a lax, undisciplined way, and turn a blind eye to excessive consumption, great difficulties, and poor economic results at home, other countries will surpass us one after another in the coming 10 years. This is very dangerous. We should have a sense of crisis, eagerness, and urgency. . . ."

From this standpoint, the modernization of China's impoverished economy is Beijing's highest strategic priority, and the ultimate measuring rod for crafting its foreign policy.

China in the Irangate affair: the silk route revisited

by Joseph Brewda

China's sale of dozens of its intermediate-range CSS2 ("East Wind") missiles to Saudi Arabia is but one indication of China's extension of its influence into the Middle East, a relationship that harkens back to the days of China's influence through the "silk route," the trade route that brought Chinese spices, silks, and porcelains from Beijing to the Mediterranean. Today, arms and military goods are the primary commodities China is sending West over the same route.

- Over recent years, China has become the largest arms supplier to the Islamic Republic of Iran and is capturing increasing numbers of its political leaders as assets. China's sale of Silkworm tactical missiles has given Iran a capability in the Persian Gulf it would otherwise lack. Consequently, any effective U.S.-Soviet deal on the Persian Gulf, without Chinese agreement, would be difficult.

- The Chinese agreement to sell the CSS2 to Saudi Arabia reflects China's view that Saudi Arabia will be the predominant Muslim imperial power of the 21st century, with which it must form an understanding. The sales were negotiated during a secret visit by a Saudi prince to Beijing in November 1987, a few weeks prior to the Reagan-Gorbachov "New Yalta" summit. One consequence of the missile deal is that Riyadh is ending its extensive ties with Taiwan, cashing them in for a channel with Beijing.

- An Israeli team visited Beijing concurrent with the Saudi delegation and signed a lucrative contract to provide the People's Republic of China (P.R.C.) with advanced missile guidance systems for the upgrading of the CSS2 missiles sold to Saudi Arabia. Israel, with encouragement from the Irangate protagonists in the United States, including Oliver North, has served as a bridge for Chinese arms to Iran.

These operations place China, especially China's relations with Israel and Iran, right in the middle of the "Trust" nexus that carried out the arms-for-hostages Irangate operations in the United States.

Retracing the silk route

The silk route was a continent-wide caravan route stretching from Beijing to Antioch, Syria. One branch traversed halfway across China and then down to Rangoon, Burma. Another continued to cut across Soviet Asia, linking up with a route from Nepal, which in turn linked up to Calcutta. A third branch of the route came in from Bombay and Karachi

to the north, across the Khyber Pass into Iran and then Syria.

Today, all of these areas, including Nepal, Pakistan, Iran, and Burma are being diplomatically cultivated by China. The geopolitical drive behind the silk route also helps explain why China views Afghanistan as so important. Before the 1979 Soviet invasion, China's embassy in Kabul was one of its largest in the world, and since 1979, China has been a major supplier to the Afghan mujahideen. Second, Tibet, which the Chinese adamantly claim and occupy as their own territory, is also a strategic linchpin for the domination of Central Asia. Implicit in the silk route's revival, as the map shows, is Chinese penetration into Soviet West Asia. According to Japanese sources, Beijing is attempting to transfer sections of the Chinese population into the underpopulated areas of western China, including Xinkiang, and build up regional trade and penetration operations into Soviet Asia.

Relations with other countries of the Middle East have also improved. China re-established relations with the Syrian Ba'ath Party in June 1986, and sent a delegation to Syria in 1987. Libya is also a focus of diplomatic attention.

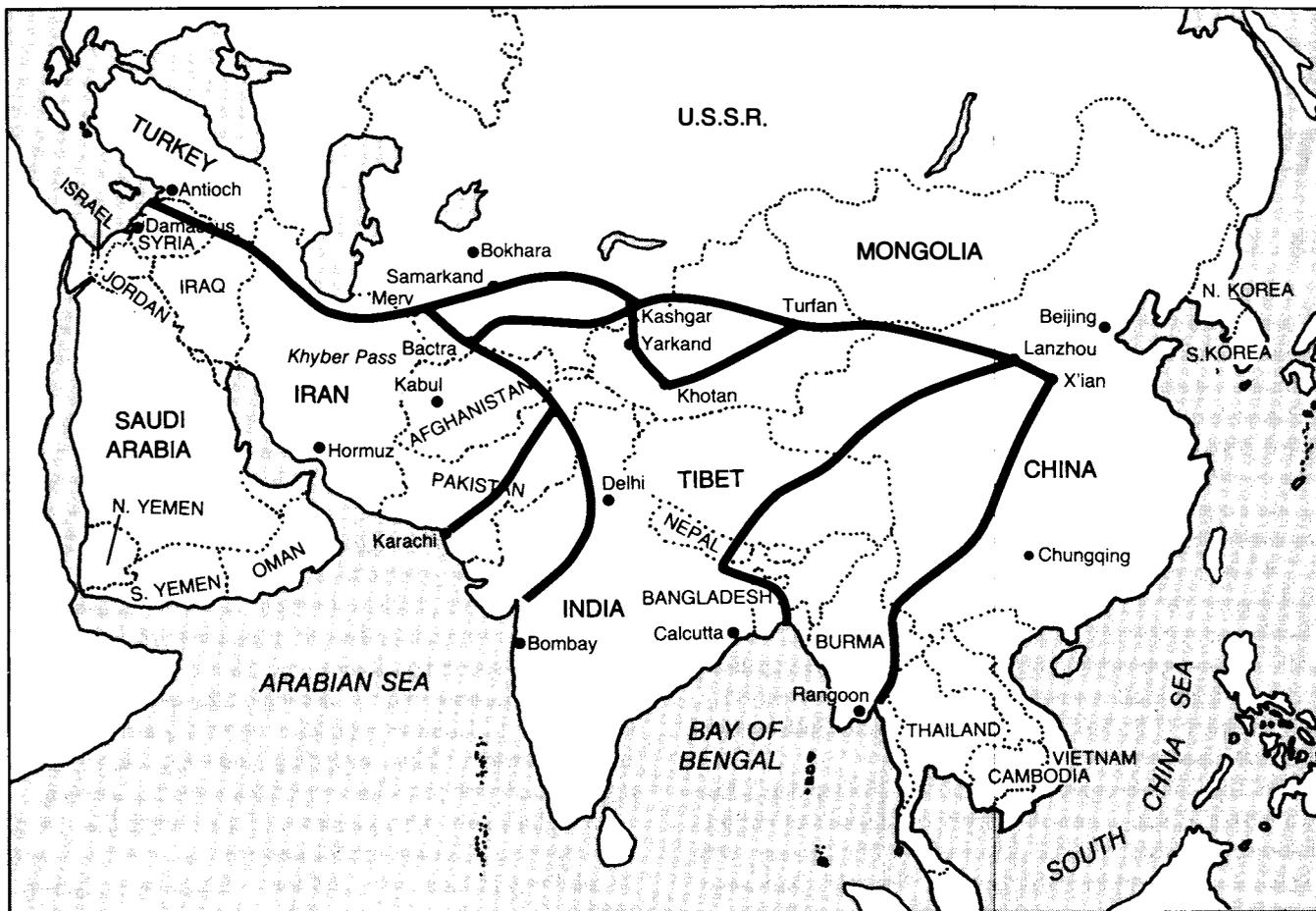
With Afghanistan knocked out of the arena of China's immediate domination, Beijing has targeted the two countries contiguous to it: Pakistan and Iran. China's military ties with Pakistan are extensive, beginning with likely Chinese aid in the creation of the "Islamic bomb." China, not the United States, has been the key sponsor of Islamabad's position on Afghanistan.

Less well known are China's direct government-to-government ties with Iran, which have reached the level of a "special relationship." China no longer requires a visa for visiting Iranian nationals.

Ties with Iran were built up throughout 1987. In February 1987, Iranian Deputy Foreign Minister Larijani went to Beijing as a special envoy, meeting with State Council head and Vice President Wan Li, and also with then-foreign minister We Xueqian. According to the China News Agency, Afghanistan and the Iran-Iraq war were key features of the discussions.

By May, China and Iran were signing extensive trade agreements. These included agreements by which China was to build four military factories in Iran's Kerman region, lease tankers to Iran, and set up joint companies for fishing and oil exploration. China also transferred to Iran the capability to

The overland silk route



build its own Silkworm missiles. In return, Iran pledged to supply China with 4 million metric tons of oil a year. There was also agreement to launch a Chinese satellite so that Iran could transmit Islamic guidance programs to areas beyond the Gulf. In August 1987, Chinese Commerce Minister Liu Yi arrived in Teheran with a 12-man delegation. The two countries agreed to cooperate in technical and scientific research, manufacture of heavy building machines, electronic industries, and thermal power stations.

Since then, China and Iran have been involved in more extensive personnel and cultural exchanges. According to some reports, there are now 700 Chinese technicians in Iran.

However, China's friendship with Iran has not stopped it from financial deals with its enemies. China has also emerged as a major supplier to Iraq.

China's penetration of Iran may in part be designed to counter the Soviet presence there, and some U.S. sources have gone so far as to assert that the March 8 attack on the Soviet embassy in Teheran may have been orchestrated by elements in the Iranian leadership who lean toward an alliance with China, as opposed to increasing ties with Moscow. The *Washington Times* April 1 speculated that the "Chinese

faction" in Iran is led by Speaker of the House Mousavi Rafsanjani. The cultivation of Iran, the *Times* said, is part of Beijing's efforts to link up with the Islamic world with the design of drawing a "bamboo-Koranic curtain" across Asia.

Beijing and Ollie North

In late 1984, Lt. Col Oliver North, then one of CIA Director Bill Casey's throw-aways at the National Security Council, was deployed to meet with the Chinese defense attaché in Washington. The subject: a proposal that the Chinese supply arms to the Contras and Iran. Around the time of the meeting, North was sent on a tour of Asia, visiting Singapore, Manila, Jakarta, Hong Kong, and Taipei. According to informed Asian sources, the purpose of the tour was to replace U.S. intelligence in the region with Mossad "proxies," as similarly applied elsewhere.

Within a year of the North tour, Beijing was beginning to open up secret ties with Israel, with Chinese-born Shaul Eisenberg acting as godfather. The stated purpose of an August 1985 trip to Beijing by a delegation from the Israeli agricultural ministry, a political stronghold of Ariel Sharon, was to oversee Chinese "crop development." Within a month

of the delegation's trip, Eisenberg's former Mossad Iranian desk protégé, Reuven Merchav, reopened Israel's consulate in Hong Kong, which had been closed for 10 years.

Simultaneous with these negotiations of semi-official Chinese-Israeli relations, Gen. Jack Singlaub's firm, GeoMiliTech (with offices in Washington, Miami, Tel Aviv, Frankfurt, and Seoul), dispatched a memo to North at the NSC. The Oct. 29, 1985, memo proposed a U.S.-sponsored, three-way arms alliance, between China, Israel, and Iran.

The memo, which was released by the Senate Iran-Contra panel, shows how China has successfully played the "dumb America card."

According to the memo, authored by Singlaub partner Barbara Studley, the proposed three-way alliance was intended to "create a conduit" for funneling weapons to "freedom fighters," bypassing an "increasingly unpredictable and uncooperative" Congress. Studley asserts:

"China is capable of producing an ongoing supply of Soviet-compatible arms. China is, at the same time, trying desperately to upgrade their own military forces and equipment.

"Israel would like to sell to China, but Israel's economy is not capable of supporting long-term credit or barter arrangements. As such, the United States is the key in the successful three-way trade.

"The United States is able to provide Israel with desired high-technology equipment and information."

Singlaub's firm specifies: "Israel receives credit toward the purchase of High Tech from the U.S. Israel delivers military equipment to the P.R.C. P.R.C. delivers arms to be channeled through Trading Company. Trading Company disperses arms to Afghanistan, Angola, Nicaragua, and Cambodia." Iran, the main recipient of the weapons, is discreetly left off the list.

The key to the three-way deal is the Beijing-based Shaul Eisenberg, the patron of every significant Mossad operative active in the weapons trade to Iran exposed in the Iran-Contra affair. This relationship of arms and espionage is key to understanding the relationship of China to such regimes as Iran and Israel, in particular.

An Israeli-Austrian national, Eisenberg was raised in Munich and then pre-war Shanghai, China. It is there that Eisenberg may have been picked up by Soviet intelligence operatives like the Richard Sorge spy network of the 1930s, which operated out of Shanghai with operatives of the Institute for Pacific Relations. Like his sometime-partner Armand Hammer, Eisenberg is best characterized as an operative of "The Trust."

One of the few Jews active in Japan during the war, Eisenberg married the heiress of Japanese Airlines. He later emerged as a top jobber for the U.S. military during the Korean war, in partnership with Britain's Lord Pilkington. In 1968, Israeli Finance Minister Pinchas Sapir decreed the notorious "Eisenberg laws," which offered Eisenberg tax-

free operations in Israel if he would move to that country. Since that time, Eisenberg has spent a few months a year in Israel. His business empire, now legally based in Israel, has vastly expanded.

One of Eisenberg's Israeli protégés is David Kimche, the former Mossad deputy director and foreign ministry director general who oversaw the Israeli side of the Iran sales. When Kimche officially left government in 1987, he went to work for Eisenberg. Other Eisenberg protégés and partners include Yacov Nimrodi, the former Mossad station chief in Iran who ran the Iran-Contra sales under Kimche; Al Schwimmer, the founder of Israeli Aeronautics Industries who oversaw the Iran sales with Nimrodi and Kimche; and Reuven Merchav, another former Mossad station chief in Iran, currently Israel's consul general in Hong Kong. Merchav oversaw the recent Israeli missile technology sales to China. Merchav was appointed to the Hong Kong post at Eisenberg's request.

In December 1978, just two months prior to the Ayatollah Khomeini's declaration of an Islamic Republic of Iran, Eisenberg moved to Beijing, where he has since resided for at least six months a year. In 1979, Eisenberg sponsored the first important Israeli delegation to China, led by then-Foreign Minister Moshe Dayan. Significantly, the delegation also visited Nepal, the Mossad station for the subcontinent, and one of the P.R.C.'s main dope transshipment points. Eisenberg's first major infrastructural development plan in China, announced in 1980, was a \$6 billion coal development scheme for China's southern Yunnan province. China's richest opium-producing region, Yunnan is not noted for its coal. The Yunnan deal was followed by similar deals with China, all involving Eisenberg, and various partners including Armand Hammer and European companies.

Eisenberg is not the only Israeli operative with key links to China. In October 1985, Jonathan Pollard's wife, Anne Henderson Pollard, secured a job at the Chinese embassy in Washington to "teach communication skills." Now imprisoned for Israeli espionage, the Pollards had been caught red-handed at the door of the Israeli embassy in November 1985, with hundreds of classified U.S. documents. Among the papers later found at the Pollards' apartment were lengthy top-secret CIA reports on China. Interestingly, Pollard's father, Dr. Morris Pollard, is one the few foreign members of the Chinese Academy of Sciences.

Through Eisenberg's networks, Israel has emerged as a key trading partner of China, even though there are no diplomatic relations between the two countries. In April, the Israeli paper *Ma'ariv* stated that there is trade in irrigation systems, chemicals, fertilizers, agricultural technology, phosphates, etc. These deals go through Hong Kong, but the Netherlands is also used as a go-between, *Ma'ariv* reported.

But the key deals revolve around arms. In July 1986, the director of Israeli Military Industries (IMI) traveled secretly to China, where it was agreed that the Israelis would develop the Lavi jet in China. The Israelis have reportedly already

given the Chinese the blueprints for the Lavi, the advanced version of the U.S. F-16.

In November 1987, the Israelis clinched their multimillion-dollar deal for the supply of an advanced missile guidance system to China. The deal was made during the Nov. 23 trip to Beijing by five representatives of IMI. The secret visit had been arranged by Israeli Consul General Merchav. The middleman for the deal was Zvi Gafni. A month later, Gafni was arrested by the Hong Kong police for trafficking in heroin.

The narco-connection

China is, and has been, one of the world's largest producers of opium, operating as part of the Golden Triangle production center of Yunnan province in China, northern regions of Burma, northern Thailand, and Laos. Israel has long been the world's most important middleman in the dope trade. This is one of the secrets of the Chinese-Iranian-Israeli combination.

Gafni was arrested on Dec. 19 as he was about to flee to the Portuguese colony of Macao. He had previously been convicted of drug trafficking in Hong Kong in 1984. Asian police sources believe that Gafni's ring does not restrict itself to heroin smuggling, but also deals in Medellín, Colombia cocaine, which it smuggles into the United States through Mexico. Gafni has also been involved in smuggling Western computers to Warsaw Pact countries.

The main front company which Shaul Eisenberg used to set up the recent Israeli-Chinese arms deal is Gafni's Liberian-registered, Hong Kong-based, Dubia. No ordinary firm, Dubia's staff includes the adopted son of a member of the Chinese Communist Party politburo, and a son of another senior Chinese state official. Dubia works particularly closely with the Chinese North Industries Corporation (Norinco), one of China's largest arms producers, and Poly Technologies, Inc., the largest P.R.C. arms firm with family ties to the leadership of the People's Liberation Army.

Intelligence sources stress that China's meager holdings of foreign exchange would be grossly inadequate for the recent multimillion-dollar purchase of Israeli equipment. These sources believe that the purchase is being financed by joint Israeli-Chinese dope sales, or simply by bartering opium products with the Israelis.

Reportedly, the Chinese intend to expand this particular arms-dope connection through the commercial development of Hainan Island in the south, which is slated to be the site of luxury hotels, casinos, and other money-laundering and transshipment facilities. According to sources, China will develop the island in cooperation with the West, in particular with Anna Chennault, widow of famous OSS Gen. Claire Chennault and owner of Flying Tigers airlines. Anna Chennault is also, not coincidentally, the liaison to Beijing for George Bush, the United States' first diplomatic representative to the People's Republic of China.

Inside Beijing's Forbidden City

by Linda de Hoyos

By contrast with the Maoists at Harvard University, the ruling majority of the Chinese leadership has realized that the Maoist years of radical nihilism brought China to near total ruin.

The Great Leap Forward and the communalization process of the 1950s destroyed the fabric of Chinese rural life. The Cultural Revolution of 1966 to 1976 represented not only a xenophobic assault on all forms of Westernization, including science and technology, but was an attack on China's ruling class—the intellectuals who comprised the mandarin scholar-class of the government bureaucracy. A new Chinese study of Mao, "Mao Tse-tung's Thought and the Chinese Cultural Tradition," notes that the Cultural Revolution was in part inspired by Mao's study of ancient Taoism—the nihilistic doctrine traditionally found in the peasant overthrow of dynasties from which the "mandate of heaven" has been withdrawn.

If China is to re-emerge as a world power, such doctrines must be overthrown. The end of ideology and the reassertion of China's historical pragmatism was summed up in Deng Xiao-ping's famous quip, "It doesn't matter if the cat is white or black, as long as it catches mice."

The crux of this turn away from the ideological obsessions of Maoism is the construct, "Socialism with Chinese characteristics." In practical terms, this translates into "socialism"—that is, the retention of power by the Communist Party leadership in Beijing—with "Chinese characteristics"—as much freedom, primarily economic, as will bring back into play the Chinese family's trade and entrepreneurial talents.

Revival of the farming family?

Stephen Mosher's 1982 book *The Broken Earth* graphically described the way in which the standard of living of most Chinese farmers fell drastically during the Maoist years. Whereas in old China, since families always hit upon hard times, each family was permitted as best as it was able to build up a certain surplus in the form of luxury goods or accumulation of land. The Mao years destroyed this familial-based surplus completely. The attempt to give this right back to the farmers—comprising 800 million of China's 1 billion population—is the heart of the reform program.

In 1980, Deng began the process of dismantling the communes, with an eye to ending the dampers placed on China's agricultural productivity. From 1949 to 1956, China had full private ownership of land, when the land seized from the landlords and gentry was divided among farm families. Col-

lectivization took place in 1956. Under Deng, in 1980, land was again divided among farm families, but ownership remained with the state, with tenants having contracts for up to 15 years. Nevertheless, this step created a leap in agricultural productivity, especially in 1984-85, when the farmer was given control over sections of the land for his own use and profit. The communal straitjacket, which had produced conditions in which commune members worked less than five hours a day, had been lifted. This process was further advanced with the April 12, 1988 amendment to the Constitution permitting transfer of the use of land from one family to another. Beijing is now entertaining the possibility of full private ownership of land.

Deng and Co. are also attempting to transfer the same principle from the countryside to the city. This year, managers or technocrats were given control over enterprises, with power to circumvent or supersede the local party bureaucrat. This measure, associated with Zhao Ziyang, was sustained even in January 1987 and the so-called left-wing turn that resulted in the ouster of general secretary Hu Yao-bang. This measure is a major political challenge to the party bureaucracy of 40 million "cadre," many of them illiterate or semi-literate.

In addition, the government is moving to execute plans for reviving home ownership; national public bidding in infrastructural construction; and other such measures, including the lifting of price restrictions and subsidies. Most of these reform measures are primarily social, not economic measures.

Furthermore, the Chinese central government has continued its assault on the family with its continued enforcement of the one-child-per-family law. This law, which hits at the institution Chinese culture holds most precious, cannot but continue to instill deep distrust of the central government and a sense of cultural pessimism. The campaign has already had its effects, with new reports that young people are co-habiting, sharing partners, and defying the strict Chinese norms of marriage. According to some Chinese press, the policy has been nearly given up in the rural areas, with families permitted to have two children, particularly if the first is a girl. Nevertheless, party cadre continue to call for "strict" enforcement of the ruling.

Mandarin revival?

The Chinese cultural matrix, Japanese experts report, revolves around the trinity of family, money, and power. Money resides with the family, which has no power in its own right. Power resides with the state, which must devise ways to gain a certain portion of the money to sustain itself and the government. The Maoist years represented an onerous crushing of the family and its productive capabilities by the awesome power of the central government. Now, if national leaders are to revive the processes of financial accumulation which reside with the families, they must also seek

to maintain their part of the equation. To this purpose, the government is cautiously attempting to revive the mandarin-scholar bureaucracy.

In April, the central government announced that it would reorganize its bureaucracy, cleaning out 20% of its personnel. Targeted will be party members who do not make it into the "technocrat" mold epitomized by Zhao Ziyang's State Council and its spinoff think tanks.

Mao's death and the end of the Cultural Revolution in 1976 began the process of "rehabilitation" of the nation's intellectuals. But 12 years later, there remains bitter controversy over this issue, as the student protests in December 1986 and again in February 1987 demonstrate. China's press is rife with articles complaining of low pay and inadequate utilization. An article in Beijing's *Sports Daily* in March claimed that 60% of Chinese intellectuals now suffer from differing degrees of illness because of poor living conditions and heavy workloads. The article asserted that China's intellectuals are on average dying at an earlier age than the rest of the population, citing a statistic that half of the intellectuals who died in recent years were aged between 40 and 60—below the national average.

The rehabilitation of the intelligentsia, however, is producing a surprising side effect: The overall educational level is declining. The number of high school graduates dropped precipitously from 7.2 million in 1979 to 1.96 million in 1985, with the number of high schools declining from 192,152 to 93,221 in the same period. A census taken in 1982 found that 236 million of 1 billion people were illiterate or semi-literate. China ranks 132nd out of 149 nations in per capita spending for education, according to UNESCO. These figures reflect not only China's financial squeeze, but the reversal of Maoist egalitarianism as the mandarin-elite is rebuilt.

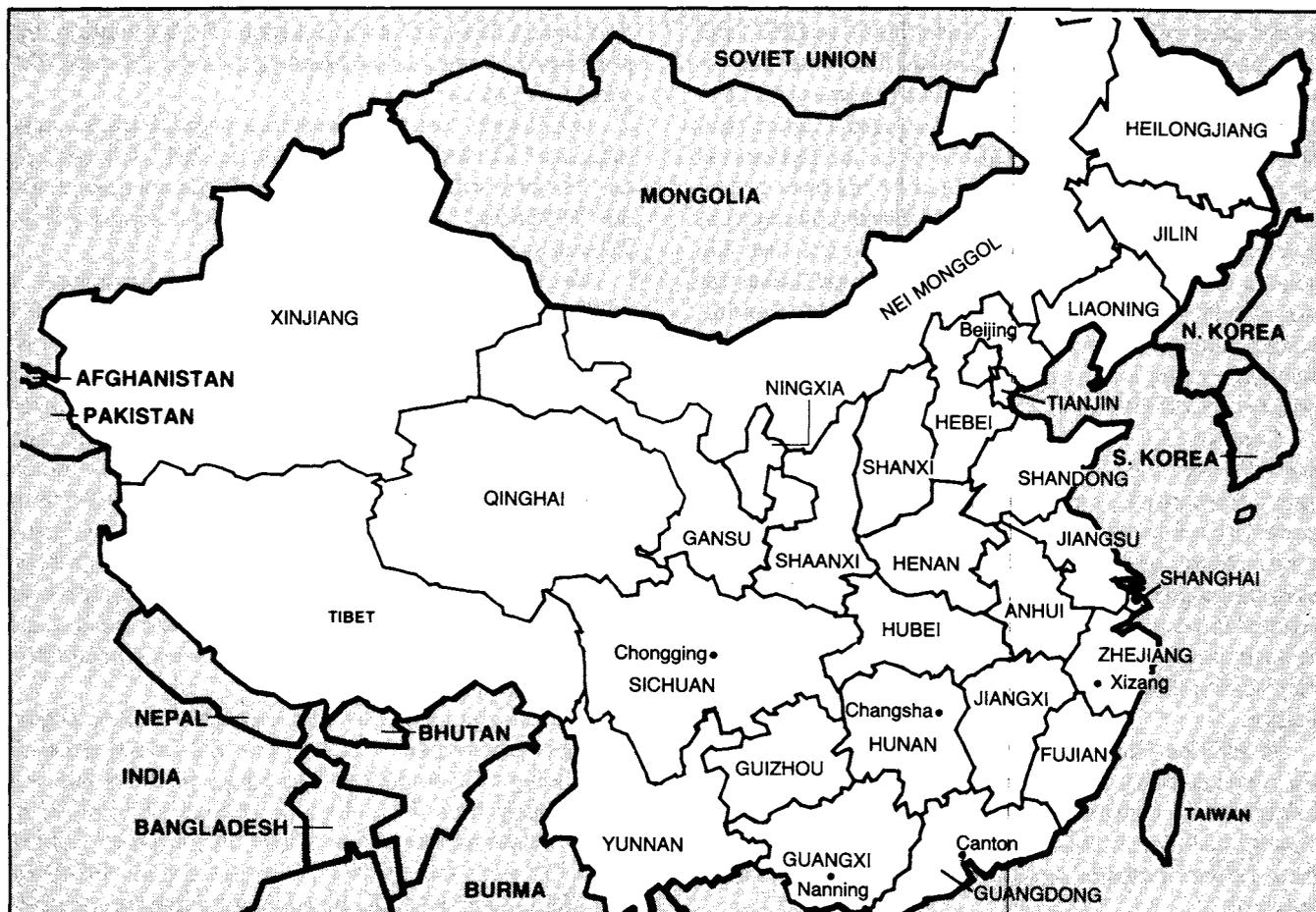
Factions in flux

"There are three intellectual forces interacting on the Chinese scene," stated Chinese Academy of Social Sciences Vice President Zhao Fusan in an interview in the French daily *Le Figaro* on Oct. 27, 1987. "First, traditional Chinese thought, principally Confucian; then, Marxism; and last, Western non-confessionalism, liberal democracy. These three currents overlap and will determine the course of future development."

The Marxist group has taken the back seat for the moment in Beijing, after an apparent brief resurgence in the aftermath of the January 1987 ouster of Hu Yao-bang as general secretary of the Communist Party. The October party congress resulted in the removal from the Central Committee of Deng Liqun, the leading spokesman for the "campaign against bourgeois liberalization" and the 1983 "campaign against spiritual pollution." A benchmark for the freezing out of this group is the final dismantling in April of *Red Flag*, the party theoretical journal.

From the other side, the Confucianists would appear to

The provinces of China



be under assault by the “liberal democrats” whose most outspoken proponent is Fang Lizhi, the internationally known astrophysicist who was expelled from the party for his role in fomenting the December 1986 student protests. A summary statement of the ideas of this grouping was given by Su Shaozhi, former director of the Institute of Marxism-Leninism-Mao Tse-tung Thought, in the *People's Daily* March 8, 1988: “China’s recent experience proves that, without a competitive and healthy market system, it is very hard to stop administrative interference and arbitrary and bureaucratic decisions and for firms and entrepreneurs to make full use of their potential.” The communist-Chinese system “was created in a revolutionary war and in a period of setting up socialism. Mandatory control got stronger and stronger through mass movements. This is not suited to economic, political, and cultural modernization in a period of peacetime.” Su calls for more elections, rotation of posts, separation of powers, and measures to protect civil rights.

Within this last faction, there are likely two trends, just as there were in the 19th century. One looks to Western democracy, and is regularly featured in the Western liberal press as Soviet dissidents have been.

The other tendency may look to Japan—a nation which has adapted, but not rescinded its culture, and emerged as a

modern nation. In April 1988, Geng Yunzhi, of the Institute of Modern History of the Academy of Social Sciences, declared, “The tendency to negate the ‘New Culture’ Movement which developed after 1919 and revive Confucianism is absolutely unacceptable. Many suggestions have been heard in recent years to revive Confucianism, and some people have even recommended it as a way to China’s modernization. . . . The earliest attempts [since the 1911 Revolution] toward the country’s modernization were made by criticizing Confucianism and smashing the trammels of Confucian political and ethical theories.”

Then Geng points to Japan as a model, an unusual reference in the Chinese press these days. “Some cite the example that the Japanese have succeeded in improving their enterprise management by Confucian ethics. . . . Could Japan build up a top-rate modern economy merely by Confucian ethics without progress in its political and economic systems?”

This is a pointed question, implying correctly that China cannot survive by merely reviving the imperial methods of the past. The past will not provide the answer for the economic timebomb China faces today.

Next: China's economic crisis

SPETSNAZ



SPETSNAZ

In the Pentagon's "authoritative" report on the Soviet military threat, *Soviet Military Power 1988*, the word *spetsnaz* never even appears. But *spetsnaz* are Russian "green berets." Infiltrated into Western Europe, *spetsnaz* have new weapons that can wipe out NATO'S mobility, firepower, and depth of defense, before Marshal Nikolai Ogarkov launches his general assault.

ELECTROMAGNETIC PULSE WEAPONS

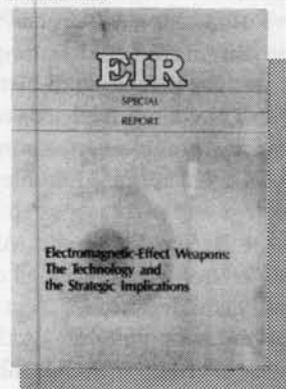
At least the Pentagon report mentions them—but only their "defensive" applications. In fact, they can be transported by *spetsnaz*, finely tuned to kill, paralyze, or disorient masses of people, or to destroy electronics and communications. With EMP, as strategic weaponry or in the hands of *spetsnaz*, the Russians won't need to fire a single nuclear missile to take Europe.

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Moscow writes off Reagan as military moves to the fore

by Konstantin George

In the midst of the "living theater" of the Moscow summit, one devastating jolt of reality broke through. The Kremlin has announced to the world that it has given Ronald Reagan the Neville Chamberlain treatment—milked him for all that his appeasement and capitulations were worth, and now, written him off. On May 31, on a Soviet live television broadcast of Reagan's appearance at the House of the U.S.S.R. Writers Union, a Kremlin script demolished President Reagan before the entire Russian nation.

The humiliation of Reagan is the most sensational indication of emerging policy shifts in the Soviet Union on the eve of the June All-Union Party Conference. Other signs of the shift in the weeks leading up to the summit included:

- The placing of Soviet-American arms control negotiations directly in the hands of the Soviet military. The Soviet working group on arms control at the summit was directed by Marshal Sergei Akhromeyev, Marshal Nikolai Ogarkov's protégé and successor as chief of the Soviet General Staff.
- Before the summit, Akhromeyev gave a May 26 press conference where he ruled out any Soviet gesture to unilaterally withdraw troops from Eastern Europe: "I see no reason for any troop pull-out." Akhromeyev's statement came one week after U.S. officials, ablaze with pre-summit euphoria, were "confidently" predicting a unilateral Soviet withdrawal announcement at the summit.
- A message to Gorbachov by the military in the May 21 edition of the Defense Ministry's daily, *Krasnaya Zvezda* (*Red Star*). A full-page feature honoring the late Admiral Kuznetsov, the head of the Navy until 1955, was used to declare that Nikita Khrushchov had been dumped in 1964 as general secretary because his policies had sabotaged Russia's military build-up. The article revealed a *secret* leadership session "shortly after the October [1964] Central Committee

Plenum" in which Khrushchov was overthrown, where then-Defense Minister Marshal Rodion Malinovsky, and Politburo ideological czar Mikhail Suslov denounced Khrushchov. Malinovsky was quoted charging Khrushchov with having "conducted a crusade against aviation and tanks," and blocking the planned naval build-up.

Economic preoccupations

The Soviet leadership is preoccupied with far more important questions than the summit, that require policy answers soon. For Moscow, the absolute priority is dealing with the economic breakdown crisis in Eastern Europe and its spillover effects on the Soviet civilian economy, and ensuring the uninterrupted progress of the Soviet military build-up.

In addition, the Kremlin must soon act to halt the continuous eruptions of national unrest. The Transcaucasus has again exploded, and on a scale greater in scope than in February. While the summit theater was under way in Moscow, 50,000 people were demonstrating on the streets of Yerevan, the Armenian capital on Sunday, May 29, and 300,000 on Monday, May 31. During the entire course of the summit, the general strike that began May 23 in Nagorno-Karabakh, the Armenian region of Azerbaijan, continued unabated. Any time now, mass counter-demonstrations in the Azerbaijan capital of Baku could erupt, as they did May 16-18, when 100,000 protested against the Armenian demonstrations.

Late May also marked a renewal of pro-independence protests in the Baltic Republic of Lithuania. Poland, which exploded in late April and early May, is expected to erupt again sometime this summer. Neighboring Yugoslavia (see story, next page) is also close to explosion.

Soviet policy viewed the Reagan-Gorbachov Moscow

summit as a last chance to extract the maximum possible in further strategic concessions from the Reagan administration. Moscow also used the summit to start building the institutional "dialogue" for the New Yalta process into the next administration, taking into account that the next administration need not occur first in January 1989. Reagan's faculties and physical health have markedly deteriorated; his removal from office before then, letting George Bush assume the presidency, cannot be ruled out.

Writers Union ambush

On May 31, Reagan went to the U.S.S.R. Writers Union for a live, televised talk with heads of the various Soviet cultural and artistic unions. This wasn't just a broadcast, it was an ambush.

Elem Klimov, head of the Soviet Film Makers Union, rose to address the smiling President. Klimov sarcastically cited Reagan's addiction to astrology. Then, as Soviet TV cameras zeroed in and maintained throughout a close-up of Reagan's face, Klimov escalated:

"Our own astrologers here venture the prophecy that the 21st century will be the century of the Soviet Empire. I myself don't always trust these sort of prophecies, but perhaps, in spite of that, it wouldn't be such a bad idea, if you, Mr. President, would endorse a proposal, that the government of the United States and the Soviet government set up joint commissions of astrologers, who could exchange their knowledge."

The President's face during this part switched from Hollywood smile to a petrified look, which in turn flipped into ever stronger looks of intense anger. After the following statements from Klimov, he became ashen white, almost giving the appearance that the face had vanished. If Klimov's blow at Reagan's astrological "solar plexus" sent him to the ropes, the next lines were the knockout punch.

Klimov mockingly reminded Reagan his term as President ends in January 1989. "You will very soon have the opportunity, Mr. President, to join the army of unemployed in America. And if really, in Hollywood, a role can no longer be found for Ronald Reagan, then just come here to us, we'll find a job for you."

While Klimov's demolition of Reagan was the most dramatic, other examples are available. In the June 1 *Financial Times* of London, Georgi Arbatov, head of the U.S.A.-Canada Institute and Central Committee member, is quoted on the summit, "What our side had in mind was really not to let the process be broken up because of the poor state of the presidency in the U.S. at the moment. We want to get as much as possible done with this administration and ensure continuity."

The story Western media missed

Vladimir Karpov, head of the powerful U.S.S.R. Writers Union, and host to Reagan's "last stand" on Soviet TV, was

also enjoying himself at the expense of the President, and for that matter, Gorbachov. At the Writers Union event, Karpov quipped to Reagan, "If I were an icon painter, I would paint an icon with Jesus Christ in the middle," flanked by Reagan and Gorbachov. There is more to this remark than meets the eye.

On May 23, the Soviet Central Committee held its crucial pre-conference plenum. These important proceedings were all but blacked out of the Soviet press, which simply listed who spoke and announced the one and only personnel change at the plenum. Vladimir Karpov was promoted from candidate to full membership in the Central Committee. This one line, printed in big black letters, front page in the May 24 *Pravda*, and not deemed "newsworthy" by any Western newspaper editors, was a signal of the first magnitude on the direction affairs are taking in Moscow.

In late April, Karpov had achieved seeming notoriety for having refused to issue and sign a Writers Union "letter" to be printed in *Pravda*, denouncing the March 13 *Sovetskaya Rossiya* "Opposition Manifesto" which had stridently called into question Mikhail Gorbachov's *glasnost* and *perestroika* liberalization policies. The heads of all the other cultural and artistic unions signed such "letters," which were duly printed in *Pravda*. Karpov was hauled before Soviet television to "explain" why he had not authorized a letter, and declared he "would draft one" in support of Gorbachov, but never did so. On May 9, Victory Day in Russia, Karpov, closely linked to the military, was viciously attacked in a "letter" to the local *Moskovskaya Pravda*.

Five days later, the tide turned. The May 14 *Moskovskaya Pravda* carried a letter signed by several Soviet war heroes, bearing the clear imprimatur of the Soviet military, denouncing the newspaper for having allowed, above all on Victory Day, a letter "slandering . . . a writer hero" like Karpov. *Moskovskaya Pravda* printed a full apology by its editors. Nine days later, "writer-hero" Karpov, who had ostentatiously refused to supply his voice to the April *Pravda* "letter" chorus defending Gorbachov, was promoted to the Soviet Central Committee.

The next phase

Astute Western observers of the Moscow summit theatre summarize the events in Moscow as follows: "Ronald Reagan licked the shoes of the Kremlin leadership, and they spat in his face." (For details of the summit's outcome, see article on page 64). The only thing Reagan did not give away or promise while in Moscow was the Strategic Defense Initiative, which he regards as his single achievement in office.

As for the Soviets, the All-Union Party Conference in late June is likely to end in stalemate. At that time, or in the not-distant future, Mikhail Gorbachov is slated to become the scapegoat for an economic crisis which cannot be postponed. The events in Armenia, Lithuania, Poland, and Yugoslavia are the handwriting on the wall.

Yugoslav crisis heads for autumn showdown

by Luba George

A three-day national conference of Yugoslavia's communist party ended on May 31, with the party deeply factionalized along regional lines. The conference marked the beginning of the demise of the postwar federal system based on muddling through with compromises between the different ethnic republics that make up the country. The economy is a shambles, with a foreign debt of over \$21 billion, a raging hyperinflation of over 200%, a 20% unemployment rate, and a record strike wave.

The conference proceedings drew the battle lines for an autumn showdown between two forces: 1) the party of Serbia, the largest of the republics, and the Serb-dominated military leadership who wants to impose an iron-fisted rule over the country, and 2) the western republics, led by Slovenia, who with equal force are demanding large increases in regional autonomy, and hinting at secession as an option if the crisis worsens.

The coming showdown emerged at the conference when the Serbian party presented the government with an ultimatum. The military-linked head of the Serbian party, Slobodan Milosevic warned that the Belgrade leadership has until the summer to turn around the economic crisis. He then issued the ultimatum, "If by the autumn the reforms haven't succeeded, a new leadership should be elected at an extraordinary party congress." With that statement, an extraordinary party congress becomes inevitable. Given the present government's vicious austerity policies, the economic situation will worsen over the summer.

The party conference only reflected an irreconcilable conflict between the western republics of Slovenia and Croatia, and the eastern bloc of Serbia, Montenegro, Bosnia, and Macedonia. The Croats and above all the Slovenes are demanding a "market economy," which would end the system of state subsidies, drawn in large part from western Yugoslav revenues, to large enterprises, mostly located in the "east." Such a policy would create unemployment of 30% and higher in the "east" and plunge the country into a complete economic breakdown.

The split in the Yugoslav party along east-west lines was shown by Milosevic's and party leader Bosko Krunic's denunciation of these market economy demands as "counter-revolutionary." Slovenian party head Milan Kucan declared that "without market economy . . . self-administration remains a torso, and a mere political slogan." He then dropped

a separatist hint, that "the communists of Slovenia have decided" that their "common existence with the other Republics of Yugoslavia" must be based on "economic success and political democracy." Kucan also called for the party to "depart from its monopoly on power," and for the "elimination of political domination over the economy." How far Slovenian secessionist trends advance in the coming months remains to be seen. What is very clear, given the May 29 passage of the Branko Mikulic government's latest austerity package, is that "economic success," Slovenia's stated precondition for maintaining "common existence" with the other republics, is out of the question.

The measures, passed as part of a vicious IMF-dictated program of "economic liberalization," include: wage cuts of up to 30%; raising gasoline prices by 40%, and similar price hikes for coal, rail fares, and postal services. The general "price freeze," instituted last November (even so, inflation climbed to a record 200%), was lifted, and will generate a 60% average price increase for most items, propelling inflation well above the 200% per annum rate. In a further capitulation to the IMF, the Yugoslav dinar was devalued by 24%.

The desperation behind these measures was also seen in Yugoslavia's willingness, declared shortly before the party conference, to put up its gold reserves with the Bank of International Settlements (BIS) as security in exchange for an urgent short-term bridge loan. Belgrade "urgently needs about \$400 million and most probably it will have to deposit the gold it holds in the BIS for security in exchange for the credit," a senior Yugoslav banking official was quoted by the *Financial Times* of London. At the beginning of June, the IMF is expected to approve a \$280 million standby loan; another \$120 million from the World Bank, however, is "not expected to reach Yugoslavia for a while," the Yugoslav bank official added.

According to a 107-page government report assessing the Mikulic government's performance over the past two years, the government held 242 sessions with 5,348 points on the agenda and adopted 216 laws, 6,006 resolutions, 216 decrees, 970 decisions, and 752 solutions. Talk is cheap, Yugoslav prices aren't. In the same two-year period, prices rose 366%, and the dinar was devalued against the deutschemark by 342%.

The Belgrade government has been living on "borrowed time." By ruthlessly implementing the IMF-dictated measures, it has guaranteed its demise and, quite possibly, the country's.

No sooner were the May 29 austerity measures introduced, than some 400 striking Yugoslav miners arrived in Belgrade from Bosnia to protest against pay cuts. This is but the most spectacular incident. A new strike wave is brewing. The catastrophic loss in purchasing power caused by wage cuts and hyperinflation guarantees a very hot summer, to be followed by an autumn showdown. Yugoslavia will emerge from that showdown decisively transformed.

Colombian kidnaping signals Soviet escalation of irregular warfare

by Valerie Rush

Former Colombian presidential candidate and Conservative Party leader Alvaro Gómez Hurtado was kidnaped by five heavily armed individuals, and his bodyguard murdered, just as he was leaving church services Sunday, May 29. Unconfirmed reports have it that Gómez was wounded in the attack. The kidnaping of Gómez, a spokesman for the hard-line anti-guerrilla elements of the Colombian military, represents a major escalation on the part of Soviet irregular warfare forces to destabilize Colombia and to capture the entire Andean region.

Gómez, director of the Bogotá daily *El Siglo*, is the son of former Colombian President Laureano Gómez, and brother to former Ambassador to France Enrique Gómez Hurtado. Enrique Gómez rocked the Colombian nation in January of this year when he wrote an open letter to Colombian President Virgilio Barco, urging the declaration of a one-year state of emergency under which to pursue a full-scale military war against the narco-terrorism ravaging the nation.

In mid-May, Alvaro Gómez wrote a public letter to Barco insisting that "the presence of the authorities throughout the country should be reinstated. The proven incompetence of any law should lead to its overturning. . . . Colombia must be a nation without guerrillas. The civilian and military authorities should recover the initiative in management of public order. Today there exists a unilateral state of war, in which on the one side are the terrorists and insurgents in a state of belligerence, while the forces of order are in a defensive situation, without the use of the powers that a state of law provides them in case of internal chaos."

Chaos and confusion

The rumors as to who is holding Alvaro Gómez are many, and all remain unconfirmed as of this writing. Initial reports were that it is the "Extraditables," the name assumed by the fugitive kingpins of the cocaine-trafficking Medellín Cartel, who allegedly seized Gómez in order to demand the release of convicted drug smuggler Carlos Lehder in exchange. A communiqué issued by the "Extraditables" has since appeared in the Colombian press, denying responsibility for the Gómez kidnaping, but threatening "a just military war" if the Barco government does not abandon all anti-drug efforts.

The latest rumor blames the Gómez kidnaping on the National Liberation Army (ELN), a Castroite guerrilla force known for its working alliance with the drug trade. The ELN, whose multiple assaults on Colombia's oil and gas pipelines have caused multimillion-dollar losses to the Colombian state in recent years, has most recently been active in bloody ambushes of military patrols and in organizing "anti-military" peasant marches. In March, the ELN carried out a "propagandistic" wave of kidnapings of foreign and local journalists and businessmen.

Despite the decision by both the Barco government and the Gómez family to keep all conjecture about the kidnaping out of the press until information is officially confirmed, at least one prominent media personality has more than contributed his share to the chaos and confusion surrounding the case. Edgar Artunduaga, director of Todelar Radio and formerly the director of the drug mafia-owned Grupo Radial Colombiano, claimed to have received several calls from Gómez's captors, and presented authorities with the tape of one such call which purportedly included the tormented words of a dying Gómez. Todelar then broadcast a promise of "terrible news" to come. Later communications from the alleged captors denied that Gómez's wounds were serious.

Artunduaga was forced to resign from the Grupo Radial Colombiano in 1984 by Betancur government, which was investigating the newscaster's reputed complicity in setting up Justice Minister Rodrigo Lara Bonilla for assassination. In response to Artunduaga's latest panic-mongering, the Barco government ordered a three-day suspension of his broadcasts.

Destabilizations

The Gómez kidnaping occurs at an especially tense moment in Colombia. At least six major provinces have been rocked by "civic strikes" and peasant marches numbering in the tens of thousands, the majority of them organized by communist and guerrilla organizations. The demands of the protesters range from military withdrawal from guerrilla-infested regions to pleas for such basic services as sanitation, health, education, and housing.

In the capital city of Bogotá, 300 neighborhoods called a

24-hour civic strike to protest the lack of drinking water for some 2 million inhabitants. In the major petroleum center of Barrancabermeja, a 24-hour strike was called to protest the murder of a prominent labor leader; buses were burned, a gas pipeline bombed, and the residence of Attorney General Serpa Uribe stoned.

A march of some 30,000 peasants toward the key port city of Bucaramanga turned into a bloody showdown May 30, when terrorist infiltrators in a feeder march from Santander province opened fire with automatic weapons on army personnel. Violence in the department of Arauca, bordering Venezuela, led the interior ministry to order a curfew and dispersion of peasant marches there by army troops.

Simultaneously, bombings and confrontations with police have shaken the National University of Bogotá, and a bombing spree against major shopping centers in the city of Cali was only partially averted by discovery of 10 explosive devices. The Mexican embassy in the capital city was seized by 40 members of the M-19 guerrilla group. Bullet-riddled bodies have begun to turn up in isolated areas of Bogotá, stamped with the symbol of the "Black Hand" death squad.

Reports now say that people have begun to arm themselves in anticipation of a revival of the *Violencia*, the civil war of the 1950s, which claimed half a million lives.

The only clear voice is coming from the Armed Forces. In an interview with Radio Cadena Nacional (RCN), Armed Forces Commander Gen. Jaime Guerrero Paz declared that his forces were in a fight to the death with the forces destabilizing the country. He echoed a statement by Defense Minister Gen. Rafael Samudio Molina the previous day. "This is not a problem of the guerrillas against the Army, but of the guerrillas against the government."

Declared Gen. Guerrero Paz, "The Colombian army today is, as the defense minister announced yesterday, 100% committed to fulfilling its task of reestablishing and maintaining public order, so that the country can develop peacefully, without the threat of a demented subversion, of a rampant drug traffic, of organized crime that threatens the lives, goods, and honor of our citizens.

"It is true that we lack resources, we haven't the resources. The government has made a gigantic effort to give the military forces the resources it requires to fulfill its task. But until now, this very day, we have not received the first pair of boots, the first bullets. However, with this limitation of resources, the military has not spared a single effort. . . . The Colombian army at this moment finds itself in the north and south, east and west, in the fields, in the hills, in the jungles, in the plains, in the mountainous wild, to fulfill our task."

It is a fact known in Colombia that the drug traffickers and their guerrilla allies possess weaponry which, in both number and quality, is superior to the military's. The weapons are purchased with the proceeds of the drug trade, and by "protection money" paid by companies like Occidental

Petroleum, owned by Moscow agent Armand Hammer.

During his interview, Gen. Guerrero Paz responded to RCN's inquiry about a mooted "military solution" to Colombia's crisis. "I have declared categorically: our military forces are trained to defend the country, not to govern it. Political problems are for politicians to solve, economic problems for the technicians. . . . It is for we in the military to defend the nation. . . ."

A vacuum of leadership

Aggravating the crisis is the fact that President Barco, on a several-nation, 14-day tour of Europe and the United States, has refused to come home to take control of the situation. In a statement to the press from Madrid, Barco lamented the Gómez kidnaping, but insisted, "Now, more than ever, my presence on this tour of Europe and the U.S. is necessary, to explain to the world the reality of what is happening in Colombia." Interior Minister César Gaviria Trujillo, serving as Acting President during Barco's absence, told the nation that the situation in the country is "delicate," but under control.

Political analyst Juan Añez responded in the daily *El Tiempo* May 31, "In this atmosphere of crisis, the continuation of the presidential trip may have its effects abroad, but within the country it can have other connotations, with risks to the government. The idea of a vacuum of power. . . The absence of Foreign Minister Londoño and Communications Minister Cepeda, leading figures in the present government, accentuates the disquieting impression that the masters of the house are on a trip while the curtains are starting to burn."

Conservative party leader and President Misael Pastrana has called publicly for President Barco's immediate return to the country. He described the nation as "in flames" on all sides, and requiring the leadership it elected. The opposition Conservative Party issued a communiqué defining the need for public order as the highest priority of the State. "Therefore, the Conservative Party patriotically demands, with all due consideration to the person of the President. . . his return to the country."

There is no small tendency toward capitulation among leading strata in Colombia. Liberal Party executive Santofimio Botero has insisted on the need for "dialogue," with both the guerrillas and the drug mafia, in order to "have peace." Even the Church continues to insist on the need for a "dialogue of reconciliation" with the guerrillas. A communist-inspired campaign to discredit the military around alleged "human rights" violations, continues to be echoed in the columns of all the major national dailies.

The daily *El Tiempo* devoted a major portion of its Sunday supplement May 29 to favorable coverage of the push for drug legalization in the United States. And, according to rumor columns in several newspapers, the political "godfather" of the drug mob, former President Alfonso López Michelsen, is maneuvering to replace the sickly, frightened Barco for the remaining two years of his term.

Panama: U.S. seeks Ibero-American figleaf

by Robyn Quijano

Days after Secretary of State George Shultz announced that all negotiations with Panama were off, and George Bush declared he would consider military intervention or "clandestine activity" to oust Panama Defense Forces Commander Manuel Antonio Noriega, a new operation was put into place to "Latinize" operations against that Central American nation. For months, there has been an effort to organize a "Latin American figleaf" to cover a U.S. military invasion "to impose democracy" on Panama. Now, after the latest diplomatic debacle, the administration is attempting to rerun the Philippines-style destabilization started three months ago, this time with a cast of Ibero-American characters.

But Panamanian President Manuel Solís Palma and Noriega have received so much support from both the military forces of the region, and the continent's trade union movements, that any mediation by Ibero-Americans must take into account the general Ibero-American perception that this is flagrant U.S. aggression. Any Ibero-American leader that overtly takes the U.S. side against the Panamanian government would risk being tossed out of his own country as a traitor. The U.S. economic warfare, including the seizure of bank accounts, airplanes, and other assets, which has caused unemployment, hunger, and economic chaos, is seen as a precedent for aggression against any nation that halts debt payments.

Carlos Andrés Pérez, ex-President of Venezuela, has been offering his good offices to mediate for the administration. On May 31, Pérez and Daniel Oduber, ex-President of Costa Rica, both exposed by *EIR* for their links to fugitive drug financier Robert Vesco, met with President Solís Palma and Noriega. State's Elliott Abrams told Reuter's May 29, that he prefers mediation by Central American countries "more susceptible to U.S. influence." After meeting with Pérez, Abrams hailed Guatemala and Venezuela for their cooperation.

Pérez delivered a veiled threat from Abrams to Solís Palma. I am "terrified" by the the new official position of the U.S. not to negotiate, directly or indirectly, he said. "They are practically telling us that measures of force are coming, that military intervention has not been rejected as an option."

While Pérez "Latinized" the negotiations for Abrams, he differed on one key issue with the U.S. "offer." He accepted the legitimacy of the Solís Palma government, since it has

massive popular support despite the harsh economic crisis, and is recognized by every Ibero-American government.

While Pérez is playing it carefully, Guatemalan President Vinicio Cerezo sent his personal representative to "mediate" the crisis, accompanied by Allen Weinstein of the U.S. Center for the Study of Democratic Institutions. Weinstein told the Defense Forces' Strategic Council that Cerezo's offer to mediate was backed by Costa Rican President Oscar Arias. Arias had requested on June 1, that Pérez, the Latin American secretary of the Socialist International, mediate along with Cerezo, who is the highest level Christian Democrat in power in the region. The weight of the two international parties is to create the muscle to force Noriega into exile.

Weinstein was head of the AID-funded "Democracy Project" of the American Political Foundation set up in 1982 to draw up plans for what became the National Endowment for Democracy (NED). In 1985, Weinstein personally headed up the "independent observer" team, sent by the NED to monitor the Philippines elections, which led to the U.S. imposition of Corazon Aquino.

Unfortunately for Weinstein, the NED is very well known in Panama for its role in the Philippines destabilization. U.S. embassy official John Maisto, whom Noriega has charged with running the destabilization of Panama, has been reported in the Panamanian press as having run the destabilization of the Philippines. His links with the NED's Project Democracy have been documented in Panama's press.

The Panamanian daily *La Critica* on June 1 published the text of an alleged National Security Council briefing paper marked "secret/sensitive," prepared for an April 8, 1986 NSC meeting on Panama which President Reagan attended. *La Critica* published a facsimile of the document which states that the main issue is "to guarantee U.S. control over the interoceanic waterway," after the year 2000. Under the Torrijos-Carter Treaties, the U.S. is scheduled to relinquish control over the canal on Dec. 31, 1999. The U.S. needs "a policy directed to assuring our control over the canal, beyond 2000. Reports of corruption in high levels of the PDF offer an opportunity to unleash a campaign to destabilize Panama, and legally abrogate the treaties." Whether or not the document is authentic, it describes what most Ibero-Americans believe is the truth.

The indictment against Noriega is also widely believed to be a political ploy. Should you believe the DEA, who has praised Noriega for years of collaboration, or two convicted drug runners whose testimony is the basis for the indictment? On June 1, a ring of U.S. Army and former Army personnel, based in the Canal Zone, were arrested for shipping cocaine through the military mail system. Noriega, who helped the U.S. arrest gangster Meyer Lansky, also helped nail this gang. DEA officials announced that one of the suspects was arrested by the PDF at the DEA's request. "The Panamanian Defense Forces have never ceased to cooperate with this agency," DEA spokesman Bob Feldcamp said.



'My campaign inspires the patriots' of Mexico

by Hugo López Ochoa

In the course of her eight-month presidential campaign, Marivilia Carrasco has traveled through most of Mexican territory. Ever since the leader of the Mexican Labor Party (PLM) launched her candidacy in October 1987, half a million copies of her manifesto, "Do You Really Want to Know What to Do?" have moved the country. Weeks before last October's "Black Monday," Marivilia Carrasco warned that "we are on the edge of the greatest financial collapse of human history." Her campaign themes—debt moratorium and an Ibero-American Common Market; universal testing for AIDS; quarantine for AIDS sufferers and implementation of a high-level scientific program to combat the disease; the necessity of nuclear energy; and the need for a cultural and moral renaissance—are defining the voters' discussions in many parts of the country.

No doubt, the greatest impact of her campaign has been in the states of the interior. "A fluent speaker with witty answers," commented a columnist of *El Sol del Centro*, in the state of Aguascalientes, upon interviewing her. "She is a unique candidate," and he added: "Marivilia knows no borders, from the U.S.S.R. she flies to Colombia . . . taking advantage of an enviable memory for dates, names, and circumstances."

Another columnist, Carlos Moncada, of *Diario del Yaqui* in the state of Sonora, commented, "Mrs. Carrasco . . . pleasantly surprised us by her clear and intelligent focus on national problems." And Alfonso Valencia Ríos, of the magazine, *El Dictamen*, in Veracruz, writes, "With extraordinary fluency, but above all with a profound knowledge of world economic problems, she warned that we are on the brink of financial collapse."

Interviewed by the local television stations of Tijuana, Ensenada, Mexicali, Hermosillo, Ciudad Obregón, Aguascalientes, and Oaxaca, her impact has been important in the northern states.

"The people need hope," she told *Diario del Yaqui*, in a tour through Sonora, "and that is what my campaign represents." Among the seven parties contending for the presiden-

cy, the Mexican Labor Party campaign is the only one which does not have official party registration.

EIR interviewed Marivilia Carrasco at the end of her second campaign tour of the northwest states, which included Baja California Norte, Sonora, and Sinaloa, on May 20.

EIR: You are running for President on the Mexican Labor party ticket, and as I understand it, this is the first time in its 12-years history that the PLM has run for this office. Why are you running?

Carrasco: Well, to be precise, in these 12 years we became, for many Mexicans, the "party of the moratorium" on the debt, and of Ibero-American economic integration. My campaign has turned into a source of inspiration for patriots, on what has to be done. Within and without the government, in various parties, in the trade unions, among youth, a noble and higher response is expected from us.

We are a political and philosophical force which many patriots take as their reference point. Our programs and ideas do not need to be registered with the Secretary of the Interior; we have demonstrated that we can move the country, despite the pettiness which reigns in national politics. For example, our mobilization in defense of Panama's sovereignty. We succeeded in getting the main trade unions to raise their voices in defense of Panama; together with our fraternal organizations throughout the continent we have contributed to holding back the invasion, at least for the time being, and we turned the crisis ignited by the State Department and the White House into a hope for Ibero-American unity. The defense of Panama has been turned into a point of reality which intrudes uncontainably into Mexico, to call into question, as never before, those who have decided to crawl on their knees before the International Monetary Fund and the bankers.

We turned into a beautiful and noble cause, something which many nationalists considered a "practical" question of national security, which they did not want to get too mixed up in. It is on this level of program, that we are the leadership

of the present mass ferment. Many ask: "But you are not going to win, because you are not a registered party." "Well," I tell them, "our candidates' movement is not just for July 6, it is a permanent effort; it is not a movement that promises things, it is a movement that does now what the government and the other institutions are not doing. Perhaps we won't win the elections, but we will win the country."

I was very close to the two previous Presidents before the current one, and I grasped that power, real power, rests upon ideas, and not on the presidential chair or in the congressman's seat, in itself. I lived through the crises of 1976 and 1982, in which power was forcibly taken away from the President. Who took it? Power was in the hands of the ex-bankers, the television networks, the promoters of the drug traffic who controlled the minds of the citizens and convinced them that the Presidents of Mexico were thieves. This is the oligarchy which held power at those times and which has kept it for the intervening six years. So I ask myself, how will we get the power back? We will recover power with ideas. We will make sure that these ideas rule, before we are seated in the presidential chair.

The water programs

A regional expression of this method was the result of the last stopover of Marivilia Carrasco in the state of Sonora, where the Mexican Labor Party's program has had the greatest influence, ever since it was founded in 1976, with a program of moratorium on the foreign debt, an Ibero-American Common Market, the building of the Northwest Water Plan (PLHINO), and of course, nuclear energy to desalinate seawater. Her regional tour coincided with that of the candidate of the National Democratic Front, Cuauhtémoc Cárdenas, whose campaign has "been joined by patriots with whom I sympathize," Mrs. Carrasco stated on Radio XEDM in Hermosillo, the state capital, on May 11. No wonder then that "Cuauhtémoc," as he is popularly called, came out in favor of the PLHINO water plan. Cárdenas numbers in his ranks such outstanding regional political figures as Patricio Estévez, a National Democratic Front candidate for the Mexican Senate, and Cecilia Soto de Estévez, who is running for the local assembly on the same ticket. They jointly founded, with the Mexican Labor Party, the Pro-PLHINO Front.

On May 12, Marivilia Carrasco held a conference in Ciudad Obregón, another of the chief cities in Sonora, entitled "Political Leadership and the Program which the Nation Requires," before about 50 leaders of the PLM, the PARM (Authentic Party of the Mexican Revolution, one of the components of the National Democratic Front), and the ruling party, the PRI (Revolutionary Institutional Party). At the end of the meeting, the participants decided to publish an advertisement announcing the formation of the Northwest Section of the National Committee (CNDEN). This ad was published in the statewide newspaper *Diario del Yaqui*, under the headline "Not One Step Backward in Laguna Verde!"

"It gives an example of the programmatic mobilizations which citizens can undertake, independent of their party affiliation," observed Mrs. Carrasco. The ad stresses that "the possibility of broadening the agricultural frontier in the case of the northwestern regions of Mexico depends not only on the conduiting of water from the south to the north, but fundamentally on the desalination of sea water. The only affordable procedure to desalinate sea water is nuclear energy."

Among those making up the Northwest Section of the CNDEN are (affiliations for identification purposes only): Alfonso Gaxiola Cota, treasurer of the Northwest Peasant Alliance (CNC-PRI); Rafael Acosta Arvizu, local legislator (PARM); Ing. Carlos Gastelum Bejarano, candidate for mayor of Ciudad Obregón (PARM); Dr. Jesús Tirado Valdez, senatorial candidate for Sonora (PARM); Ignacio Mondaca Romero, senatorial candidate for Baja California (PLM); Juan Manuel Martínez, senatorial candidate for Baja California (PLM).

The CNDEN was founded in 1987 and is a nonpartisan organization which includes among its members university professors, scientists, and technicians from all over the country. Its national president is Cecilia Soto de Estévez, PARM candidate for the local legislature in Sonora.

Marivilia Carrasco met also with leaders of the Cárdenas Committee from the "Comarca Lagunera" agricultural region between Durango and Coahuila, where the PLM also has a great deal of influence, thanks to its program in favor of building the Gulf-North Water Plan (PLHIGON), to bring water from the southeast of the country up to that region, otherwise doomed to perish for want of water. "With your program, Cuauhtémoc [Cárdenas] will win the elections," the peasant leaders told her. "My campaign exists so that your hopes for water will not end in disappointment," Carrasco replied.

Ferment among students

Another key aspect of the Marivilia Carrasco campaign is her work among students. In Veracruz on the Atlantic coast, Oaxaca in the south, Nuevo León which borders Texas, Sonora, the Federal District where Mexico City is located, and Baja California in the far northwest, audiences of 100-300 students have gathered to hear her, and some of these have become campaign workers. At a conference at the Tijuana Technological Institute, previously addressed by the candidates of the National Action Party (Manuel Clouthier), the Mexican Socialist Party (Heberto Castillo), the Revolutionary Workers Party (Rosario Ibarra de Piedra), and the National Democratic Front (Cuauhtémoc Cárdenas), the student representatives stated that "none of the other candidates gave answers as broad and deep as you have," and above all that none had "made us think the way you did."

In Veracruz, an FM radio announcer used Mrs. Carrasco's statements given to the station weeks earlier, to grill the

environmentalists who appeared on the same program. In many parts of the country, activists of the ruling PRI party arrange for the Mexican Labor Party candidate to address their local base.

This is even seen in the ranks of the National Action Party, the PAN. In 1985, Mrs. Carrasco's PLM published a crucial book for that time, *The PAN, the Party of Treason*. Hundreds of former PAN sympathizers have discovered that it is a Nazi-communist outfit, contrary to its pretensions of Christian principles. The Augustinian philosophical perspective of the PLM candidate has been an effective antidote which attracts true Catholics formerly drawn toward the PAN.

This expression of political ferment in the country prompted us to ask the PLM candidate:

EIR: Given that the PRI has controlled the presidency for decades, do you think any other political party has a chance? Isn't the PRI seen by the population as the core of Mexico as a state?

Carrasco: The PRI which is running in these elections is not the PRI of past decades. The traditional Mexican system is a shambles. This is not only seen in the schism led by Cuauhtémoc Cárdenas, but in the universal repudiation of (President) Miguel de la Madrid's economic policies.

Despite the publicity campaign around the "success" of the last anti-inflationary shock program imposed in December 1987 under the euphemistic Economic Solidarity Pact, the truth is that the elections will take place in the middle of the devastating effects of this savagely recessionary program, designed in the image and likeness of the economic program of Hitler's Economics Minister Hjalmar Schacht, as its own defenders admit.

This is the first time that the results of a PRI administration are measured by the degree of regression, and not of progress, achieved. Wages have been depressed to the levels of 20 years ago; food production levels are at their lowest in 15 years; the nutritional level resembles that of the 1930s; employment is measured in the increase in the jobless rate. All this has cut the traditional support base of the government to shreds.

Still, we know that there is a deal between the national and international oligarchy to keep the PRI in power. In fact, spokesmen of the rotten feudal caste of Mexico like ex-bankers Agustín Legorreta and Juan Sánchez Navarro boast that they are already co-governing with the PRI and that, in fact, they have taken the reins of fundamental decisions, including the reorganization of the government after the elections, to cede positions to the free-trade sector of private business and its National Action Party.

We are dealing here with the same forces that under the aegis of Plutarco Elias Calles (1924-28), with the aid of the British Fabian Society and the Socialist International, tried to impose a national-socialist state in Mexico between 1924 and 1933, precisely in the framework of the Great Depression

of those years. The demented aim of Plutarco Elias Calles to fulfill the scheme of Teddy Roosevelt to eradicate Catholicism—what they call replacing the Age of Pisces with the Age of Aquarius—led the country into its second civil war of the century, the Cristero War. And now they intend to eradicate the Cárdenas-Juárez tradition from the established institutions. For sure, whom the gods would destroy, they first make mad. What they are doing is creating the conditions for a new civil war. Because if the PRI wins, it will win with the lowest vote of its history. I want to be precise in this: The most powerful nationalist machines are still inside the PRI. It is an open secret that they hope to gain "political space" with the votes which go to Cuauhtémoc Cárdenas and the pro-moratorium parties. In this sense, also, my campaign is catalytic.

Only if the international financial Armageddon occurs before July 6, will Cuauhtémoc Cárdenas have a chance to win the election. If the financial collapse is later, but before the change in power on Dec. 1, President de la Madrid will have no choice but to adopt my economic program, or face the irreparable shattering of the institutions. It is in these circumstances that my program is a program for national unification.

EIR: What is your program for Mexico, and how is it being received?

Carrasco: My program is centered on regaining the country's economic sovereignty. My first act of government would be to abrogate all the decrees which this government has made since December 1982 and to restore, with some variants, the decrees of Sept. 1, 1982, when José López Portillo nationalized the banks, set exchange controls, and lowered interest rates. These points have been part of the governing program of the PLM throughout its 12 years of existence. Other candidates now agree with me on them.

The unique aspect of my program is that I am the only candidate who proposes an economy based on Mexico's incorporation into the nuclear era. This means, in immediate terms, that I am the one candidate who demands the immediate opening of the nuclear generating plant at Laguna Verde, Mexico's only such nuclear plant, while all the other candidates are rabidly against bringing it on-line. I am pleased to say that the plague of environmentalists has not spread as much among the Mexicans as the mass media want it to. In my speeches before hundreds of students, for example, a unique enthusiasm and fascination has presented itself for the Mars colonization project and the development of optical biophysics to find a cure to the threat of AIDS.

My campaign is to bring about the rebirth of cultural optimism and to crush the malthusian culture of the new Harvard and Sorbonne technocrats, and it can be summed up in the slogan which will circulate in my campaign poster during the last month of the elections: "Welcome, 120 million Mexicans by the year 2000!"

Iran suffers setback in Gulf war, growing discontent at home

by Thierry Lalevée

The de facto truce in the eight-year-old Gulf war between Iran and Iraq during the Ramadan month of fasting, has brought to the surface a seething political instability inside Iran itself. The period following the May superpower summit is likely to be a turbulent one in the Gulf.

As soon as the month of fasting was over, Iraq launched a series of air and ground attacks with significant success. On May 23, its air force struck directly at Larak Island in the Strait of Hormuz, hitting and setting fire to one of the largest tankers in the world, which has been used by Iran to stockpile its oil reserves.

In the days following, Iraq launched an air and ground offensive in northeast Iraq, retaking some of the ground held by the Iranian Pasdarans (Revolutionary Guards) and their Kurdish allies. On May 28, it launched an offensive in the southern region around Basra, following up on its earlier victory in the Faw Peninsula by driving the Iranians out of the Fishlake area north of Basra.

Except for renewed attacks against foreign tankers in the Strait of Hormuz, and the holding of what it called the "largest naval maneuvers" ever in the Gulf of Oman on May 24, Iran has been unable to retaliate against the Iraqi drive.

Among the Iranian prisoners seized by the Iraqis on May 28 were 12-year-old boys. Among the dead, the average age was between 14 and 16 years. Most obviously did not belong either to the regular army or the Pasdarans, but to the Baseej units, untrained groups of youth sent to the front as cannon-fodder with the duty of becoming Shahid, martyrs to Khomeini's glory.

Among the reasons for its setbacks, despite propagandistic claims, Iran has not met its goal of producing at home the kinds of weapons it needs. Over the last few months, there have been claims that Iran was going to produce its own jetfighter, the Al Fajr (Dawn). Although one may have actually flown, Iran is nowhere near the mass production it badly needs. Its home-made missiles, mostly produced from Chinese technology with the help of some 700 Chinese technicians located in the Kerman area, have proven to be remarkably inaccurate, and have had little impact on Iraq. Deprived of an effective air force and air defense capability,

Iran has had to rely on obsolete battlefield weapons with fewer and fewer tanks. On May 28, Iraq seized five British-made Chieftain tanks; they had never been used.

Paying the price of the defeat in Faw, the Iranian chief of staff was replaced in late April by Brig. Gen. Ali Shahbazi. Perhaps an indication of the kind of strategy he is expected to follow, IRNA, the Iranian news agency, placed much emphasis on his background and special training in guerrilla warfare operations. This could indicate that over the next few months, the Iranian forces may deliberately shy away from the main battle fronts, and instead concentrate on guerrilla warfare in northeastern Iraq, involving the deployment of its special Kurdish units as well as the Badr 9 unit made up of Iraqi Shi'ites belonging to the Supreme Assembly of the Islamic Revolution in Iraq.

A heavier focus on guerrilla warfare has other implications; it means that Pasdaran units could be deployed in the rest of the Gulf, and be ready to strike, in particular, at Saudi Arabia during the late-July to early-August period of the Mecca pilgrimage. There, Iran could score the kinds of spectacular success that it has been deprived of on the Iraqi battle front.

The battle for power

Iranian leaders well know that, ultimately, what is just as lacking as weapons is good morale, both within the army and in the population. There are confirmed reports of mass demonstrations in several Iranian regional centers since early March, in protest over a collapsing standard of living. While during the early phase of the protests, the Pasdarans were ordered not to react, to avoid provoking bloodshed, lately the repression has been ferocious.

The reason is that the early demonstrations in March, which started as economic protests, by April and May had merged with active political demonstrations, coinciding with the hard-fought parliamentary elections of April 15 and May 13. Both rounds of elections were severely criticized by the Council of the Guardians of the Constitution, as heavily rigged. However, an intervention by Ayatollah Khomeini personally, and by the renowned maniac Sadiq Khalkhali,

who was general prosecutor in the immediate post-revolution period, ordering tens of thousands of executions, forced the "Guardians" to retract their criticism, days before the second round of the elections.

What seemed likely after the first round of elections was confirmed in the second round: An entirely new parliament will convene on June 7. With younger parliamentarians, its main characteristic will be radicalism. This has been Khomeini's personal wish, and his answer to Iran's economic plight and military setbacks. In the days prior to the first round, Khomeini and his advisers launched a series of all-out attacks on more conservative religious elements in the national Association of the Struggling Clergy (ASC). Most were accused of advocating an "American-made Islam." Instead, Khomeini demanded that future parliamentarians be dedicated to "the Islam of the poor, of the oppressed and disinherited."

Not surprisingly, this became the name of a parliamentary list headed by Khomeini's son Ahmed; the Coalition of the Oppressed and the Disinherited. Under the same sponsorship, a radical splinter-organization of the ASC was created only a few days before the first round, with almost the same name.

Toeing Khomeini's line, the radicals are advocating an all-out war against Iraq, and a resumption of the "human wave tactics" of the war's early days. The events in the Fishlake area show that this is in process of implementation.

Domestically, the radicals are advocating a "socialist economy, tempered by Islamic considerations," according to an April 15 declaration by Habib Shirazi of the board of governors of the Iranian central bank. This implies a new round of land reform, and also the nationalization of all major industrial activities, in particular, import and export industries. The radicals are also advocating a major increase in taxes on all major businesses. Immediately targeted is the business class or Bazaaris, who have protested, but have not yet hinted at any retaliation.

To compensate for this economic package, which could be voted as early as June, the government has taken some measures of liberalization on other fronts. For example, in recent months, a most unpopular measure had been the decision that all airline tickets must be paid for in dollars, at an inflated rate. This effectively shut down more than 60% all foreign travel, rich and poor alike. Recently, this measure was repealed.

That won't be enough to avoid continued troubles at home. After the first round of elections, several major demonstrations protested the obvious vote fraud in Qom, Mashhad, Tabriz, and Isfahan, as well as in smaller towns where the population was treated to the rare spectacle of local imams preaching against the government.

One of the remaining grand ayatollahs who hierarchically ranks above Khomeini, Ayatollah Golpeyagani, sent an open letter to the ayatollah in the first week of May. Citing the

hardships imposed on the Iranian population by the Gulf war, and what he described as the "total inability of Iran to ever win this war," he advocated an immediate cessation of hostilities. Khomeini's well-publicized answer was to state that if Golpeyagani wished an end to the war, "you should pray to the Almighty for Khomeini's death."

Afterward, as active as ever, Khomeini gave speech after speech on the need to pursue the war. On May 27, he warned that the "biggest sin [for the mullahs] would be to desert the revolution now." "Satanist elements" were trying to force Iran to end the war, he ranted. Iran's President Khamenei said much the same, defining Iran's present agenda as one of "resistance, sacrifice, further belief in God . . . until the final victory."

But disturbances have not abated. In the small southern town of Aghajari, one of the recently elected radicals in parliament was mobbed by the local population; the Pasdarians intervened by cutting off the ears of those demonstrators they could catch!

Nevertheless, the radical new parliament is expected to create a new and more radical government. Though this is unlikely to affect the position of Prime Minister Mir Hussein Moussavi, who has also benefited from Khomeini's support, other ministries will be affected. Foreign Minister Velayati is rumored to be on the way out, perhaps to be replaced by Deputy Prime Minister Ali Reza Mo'ayyeri, a former ambassador to Paris, or Ali Besharati, who is now the acting foreign minister. Besharati was only the third deputy minister a little over a year ago, but he is a rising star.

The power of General Prosecutor Mousawi Khomeini, an election winner, and an East bloc-trained mullah, are expected to be widened. More power may also go to Interior Minister Ali Akhbar Mohtashemi, who is considered a potential prime minister after the presidential elections in October. Mohtashemi has been the front-man for Khomeini's radicalization campaign. Having appointed his own assistant, Morteza Tabatabaie, mayor of Teheran last October, Mohtashemi was in a position to rig the elections. He has been close to the Khomeini family since the early 1970s, when all were living in exile in Iraq. He then became a liaison between Khomeini and Palestinian leaders George Habash and Yasser Arafat, as well as Syria's President Hafez al Assad, and organized the training of Iranian commandos in Palestinian and Syrian camps. Later, he helped build the Pasdarians, and masterminded the "strategic relationship" between Iran and Syria. During his several years as ambassador in Damascus, he created the first terrorist squads of the Islamic Jihad and of Hezbollah.

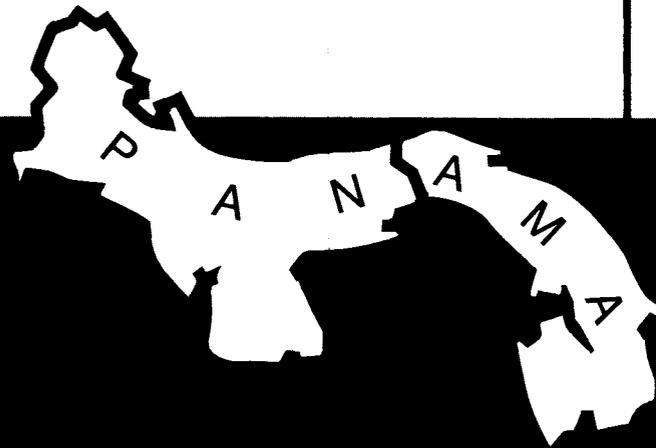
It is impossible to predict how long this crowd will be able to maintain itself in power. However, it is a safe bet that the coming months will witness both a radicalized Iran and increased domestic disturbances, with plenty of meddling by both superpowers.

EIR has commissioned this White Paper to bring the truth of the developing Panama crisis to American citizens and lawmakers, so that decisive action can be taken to stop this campaign before the United States faces a new strategic crisis on its Southern Flank.

NEW EDITION
DECEMBER 1987

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SPECIAL REPORT

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Anti-Western clique runs key state

In January 1988, three trucks loaded with uranium hexafluoride arrived in Lübeck, West Germany, to transfer their cargo of wastes from German nuclear plants to other vehicles for transport to Sweden. The trucks remained in the city a full week without unloading, while the Social Democratic Senate of the city flatly prohibited its port authority from unloading or loading the "toxic wastes." A court order that annulled the Senate decision was no help. Protesters blocked the trucks for a week.

Shoulder to shoulder with radicals from the "Black Block" of Hamburg's Hafenstrasse counterculture district, Social Democratic Party (SPD) senators and party members blocked the transport. Some chanted, "Down with the Barschel Nuclear State," in reference to the late Uwe Barschel, the Christian Democratic minister president of the state of Schleswig-Holstein, who was forced from office by media scandal-mongering, and who then turned up dead under mysterious circumstances in a Swiss hotel last year.

The trucks only escaped the demonstrators by driving through Brunsbüttel, a town far to the west.

Schleswig-Holstein's new minister-president is Björn Engholm, and his Social Democrats will no longer allow transport of nuclear materials through the state. Moreover, there are rumors that the Social Democrats in Kiel are planning to close the ports and even the North Sea Canal to NATO vessels armed with nuclear weapons.

In short, the coming to power of the SPD government under Engholm on May 31 was a further step toward West Germany's strategic decoupling from the United States, and tilt toward the East bloc.

Now, any trade union member who attempts to defend jobs in Schleswig-Holstein's three nuclear plants is told that he is a relic of the Barschel era, suffering from a neurotic striving for power. Any plans to solve the high unemployment in Schleswig-Holstein—through economic growth, high technology, effective agriculture, modernized infrastructure—are immediately smeared with accusations of corruption.

Engholm, who likes to think of himself as the vanguard of the SPD, formulated models six years ago that anticipated the most avant-garde wage policies of the SPD left today. As he proudly reported to the radical newspaper *Tageszeitung*, the time has come to understand "that there will be working

for a living not only in the classical industrial sense. It is senseless when a union member objects to me that I am forgetting the labor force. Twenty percent of people today have a completely different conception of work." In 1987, for the first time, those employed in the service sector in Schleswig-Holstein exceeded the number of productive workers.

The new Economics Minister, Franz Froschmaier, is familiar with the economy only from the point of view of his position as a technocrat in the European Community headquarters in Brussels. Since 1958—and, thus for 30 years—Froschmaier was in the EC administration, responsible for the EC Commission's information policy—to market the brutal quota policy of this commission in Europe. "The EC Commission has been kicked around more than it deserves," Froschmaier said. As economics minister, he now intends to transplant to Schleswig-Holstein what he learned in Brussels. The plans of the EC to carry through, under the slogan Europa 92, a monstrous cartelization of the European economy at the expense of the middle class in general, will certainly make it possible for Froschmaier to find a place for the cartels in Schleswig-Holstein. A new economics think tank, initiated by Engholm and to be led by Froschmaier, is supposed to bring union members and entrepreneurs to democratically decide, using proven corporatist methods, on the victims to be destroyed in such a restructuring.

The "democratic dialogue" in agriculture is also supposed to convince farmers to voluntarily transform their farms into nature appreciation areas. Minister of the Environment Berndt Heydemann's soon-to-be-established academy for nature and the environment will take care of that. Heydemann, a notorious environmentalist and a colleague of Prince Bernhard of the Netherlands in the World Wildlife Fund, recently characterized farmers as the principal cause of all environmental problems. His announced soil protection program, which is supposed to remove from cultivation half the intensively farmed areas, fits perfectly with the EC policy to eradicate agriculture. Catastrophic consequences are feared for industry and agriculture as a result of the shutdown of nuclear energy, which Engholm intends to complete within, at most, eight years. What will the minister of the environment then say to the many, many coal-driven power plants that poison the air of Schleswig-Holstein, the tourist paradise?

But that's not all! The future Minister of the Interior, Hans Peter Bull, formerly the Bonn protector of the privacy of personal data, made a decisive contribution to crippling the national investigation of terrorist activities. In Schleswig-Holstein, fundamental rights are to be again respected, Bull said, and, for that reason, members of the German Communist Party are already applying in Kiel for teaching jobs who would not be employed in any other German state. And Bull, who straightway intends to do away with the law against hiring extremists in certain professions, promises to hire them all. But what will he do with all the power poles that will be sawed down?

Pope names new German cardinal

A sea-change is under way in the German Church—Catholic as well as Lutheran—against the IMF and satanism.

On May 29, the pontifical office announced that the list of newly appointed cardinals included Franz Hengsbach, the bishop of the Essen diocese. Pope John Paul II's decision is a gesture of immense political weight in the framework of Vatican relations with the German Catholics.

Hengsbach was the official host during the Pontiff's May 1987 tour of Germany's industrial region of the Ruhr, during which the Pope emphasized his conception of the "value of labor for man." Since the "labor diocese" of Essen was founded in 1957, Bishop Hengsbach has been the head of it, and his work with the parish included, from the beginning, a strong commitment to the Third World.

In 1961, he launched the first collection of money for special Church projects in Ibero-America, laying the basis for the Adveniat program of the German Bishops Conference, which to this date, has collected over 2 billion deutschemarks for aid projects and schools in the Third World.

Hengsbach later became head of the international affairs department of the German Catholic Church. He was the one to present, on May 16, the new official document of the Catholic Bishops on Third World debt, which contains a harsh verdict on the International Monetary Fund's (IMF) austerity policies.

Hengsbach's commitment to Third World development is one of the prime reasons that the Pontiff has made him cardinal. Being in Rome more often now, Hengsbach will help to shape the Vatican's activities in the developing sector. He will oversee the mobilization of the Catholics in Germany on

the debt issue, and also coordinate with the Lutherans, who are getting active on the same issue.

The May 16 attacks of the German Catholics and Lutherans on the IMF and the debt servicing system caused embarrassment among those financial interests who fear the political pressure built by this mobilization of the churches. Deutsche Bank, for example, had a spokesman declare, on May 17, its view that "the churches had better worry about religious affairs, and leave the finances to us who know the job."

On May 25, a representative of the German Banking Association restated the creditors' view that the Third World "debt shall be paid, not written off," charging the churches with "unauthorized interference" in financial affairs. "The old principle of giving the emperor what is his, and leaving to God what is his, should be respected by the churches," he said.

Meanwhile, several hundred events at churches all over Germany are debating the debt issue every weekend, to the point that a Christian mass movement against the IMF is developing. This is what makes the bankers nervous.

The two churches also launched a public debate on the "New Age" cult movement. Among the Catholics, the mobilization is led by Joseph Cardinal Ratzinger, prefect of the Vatican Congregation for the Doctrine of the Faith. In their May 21-22 Pentecost weekend sermons, the Catholic bishops in Germany took on the New Age movement directly. Chairman of the Bishops Conference Karl Lehmann (Mainz), for example, spoke of "moth-

eaten old rags from human history which they call new religion."

Bishop Oskar Saier (Freiburg) listed the "New Age" current among the three great threats to mankind: "the reeducation programs of materialistic communism, reckless liberalism, and the new hits of New Age and spiritism." All three aim at "making God expendable, by replacing him with so-called new gods," and in this sense, they are the same "heathen enemies Christ had to fight against in his lifetime," said Saier. His words reflected the Pontiff's May 1987 address in Munich, which warned of the "reality of Satan in this world," who is "confusing and misleading Christians in the disguise of many modernist and secular shapes." Pope John Paul II called on the Church to "revive its mission to the world."

There is an effort among the Catholics now, to define a new "Church culture" that can make the millions of Church members immune to cults and communist subversion. This also includes an effort to define a sound Christian ethic for the world of business and finance, as well as for the labor movement, which has, over the past 20 years, dropped its traditional Christian impulse, turning more socialist and pro-Soviet in recent years.

What is very remarkable is the fact that the more secularized Lutheran Church in Germany is also getting remobilized on the issue of fighting Evil as a fundamental threat to human civilization as such. A recent congress at the prestigious Lutheran Tutzing Academy featured a polarized debate on satanism and "New Age." Rev. Bernhard Wolf said, "There is no doubt that Satan has returned to this world." He called for the church to fight the revival of satanism in rock music and witchcraft cults, especially among the youth.

President Zia dismisses the government

What the abrupt move means for Pakistan and the region remains to be seen.

On May 29, just as Pakistani Prime Minister Mohammad Khan Junejo finished briefing the press on his just-completed tour of Southeast Asia, President Zia ul-Haq took to the airwaves and announced the dismissal of the two-year-old democratically elected National Assembly, the Junejo cabinet, and four provincial assemblies.

The stunning move, which took most, including the denizens of the foreign ministry here, by surprise, comes in the wake of mounting reports of disagreements between Zia and Junejo—over India policy, Afghanistan, Islam, and the military. In an address to the nation May 30, as in an April speech to the joint session of the Assembly, Zia cited the civilian government's failure on economic policy, the breakdown of law and order, and the sidelining of Islamization.

Zia has stated that as per the Constitution, a caretaker government will be formed and new elections held in 90 days. He has constituted a committee to accelerate the process of Islamization, and ordered an inquiry into the assets acquired by Assembly members and their families during their tenures.

Though it will be some days before the real story becomes clear, the suddenness of the move cannot be explained by adding up the known factors. According to some, only the need to counter an active coup plot would warrant such precipitous action, to which President Zia's own planned nine-day visit to China, for instance, was sacrificed. reports of Junejo's bid to cultivate a section of the military

brass have been making the rounds in Pakistan.

Several hours before Zia's announcement, troops were deployed in key areas of Karachi, where ethnic rioting involving Afghan refugees has careened out of control in recent months, and, according to Indian press reports, troops were also stationed along the roads leading to Junejo's office and home in Rawalpindi.

Pakistan is in turmoil, and government policies have not been able to stem the tide. At the same time, with the new situation unfolding in Afghanistan, shifts in Pakistan would not be surprising. In this context, the growing gulf between the President and prime minister could become intolerable.

Many facts about these differences have already surfaced. In India policy, for instance, Junejo has long been an outspoken hawk. In an interview in *India Today* that was given at a time when India and Pakistan had finally revived dialogue on the border and other disputes, Junejo declared, "India has no right to come into Siachen . . . you come into a territory that's not yours and then say there should be a ceasefire."

Further, Junejo had openly blamed the Karachi riots on Indian meddling, when Zia charged Afghan Secret Service agents with fomenting the strife.

More recently, it was Junejo who scuttled Indian Foreign Secretary K.P.S. Menon's proposed visit to Pakistan for consultations prior to signing the Geneva Accord. And, when Menon did go to consult with officials in Islamabad prior to Afghan

Prime Minister Najibullah's visit to Delhi, Junejo played sick.

The visit of Pakistani Foreign Secretary Abdul Sattar to Delhi May 31—which may well have been expected to be a casualty of the recent drama—was kept on schedule.

The Zia-Junejo differences over Islamization are also well known. For three years, Zia has complained to the National Assembly that the process of Islamization he started in 1978 had come to a halt with the civilian government. Zia contends democracy should flow from Islamization; Junejo, the opposite. Not merely an academic dispute, the stalemate resulted in mounting pressure on Zia from his backers among the Jamaat-e-Islami.

Undoubtedly the most serious dispute, however, revolves around the military. It is a dispute which Junejo chose to put on center stage during his recent tour when, in Hong Kong, he criticized the Army for covering up its responsibility for the devastating explosion recently at the Ojheri arms dump.

From the beginning, Junejo has twitted Zia's authority in military matters. He summarily removed an Army officer and confidant of President Zia's from the important post of Secretary for Information and Broadcasting, and opposed Zia's appointment of another confidant to the position of Vice Army Chief. He even asked that Zia himself resign as Chief of Army Staff.

There are also reports here that the violent Shia-Sunni clashes in Gilgit, in Pakistan-occupied Kashmir in April, also figure in Zia's dismissal of the Junejo government. Reportedly, the police and Army took a "passive" stance when a group of Shias stormed a Sunni mosque shouting "Down with Saudi Arabia! Down with Pakistan!" As many as 300 were killed, and the area is still tense.

Church warns of advance of drug trade

The economic austerity imposed by the de la Madrid government has given organized crime a field day.

The Mexican Bishops' Conference issued a statement on May 27 which warned that the illegal drug trade was advancing across the nation, threatening to become "a state within a state."

The sobering statement of the Catholic hierarchy further charged that the drug trade is moving with greater rapidity among Mexican agricultural regions because of "the shortage of credit and low price guarantees. . . . Drug cultivation is how they manage, since for any peasant, it would appear more profitable to grow drugs than agricultural products."

The Mexican Catholic leaders also charged that "a perfectly organized clandestine network for the distribution of seeds, credit, and fertilizer, exists," and that the drug crops are supervised, harvested, and sold using sophisticated technologies.

The bishops stated that this situation is having monstrous effects on the nation's agricultural sector and on the peasant population, since "where poppy and marijuana are sown, the system of production is altered . . . because human resources, which should normally be dedicated to food production, are being diverted to drug cultivation."

The bishops' document adds that the cultivation of poppy and marijuana is no longer carried out in distant regions of the country, but in accessible zones.

Land under drug cultivation, the document says, is expanding daily.

The bishops further warn of the negative moral and cultural impact the

drug economy is having on Mexican society, creating "an environment of fear, terror, involuntary migration, threats, and pressures."

In another section of the Church document, the link between the drug trade and arms trafficking is denounced, and the headquarters of such weapons-for-drugs dealing in Mexico, is identified as being in the United States.

Finally, the document courageously asserts that, due to the magnitude of the drug trade in the country, it is clear that at least some government authorities must be complicit.

The frightening, but faithful, picture that the Church hierarchy paints of the drug trade's growing dominance of Mexican agriculture was fully confirmed by Justo Díaz del Castillo, president of the Inter-American Confederation of Cattle Raisers and Growers.

Díaz del Castillo declared on May 31 that the drug trade had "violently evicted" agricultural and cattle producers of Peru, Colombia, and Bolivia, and that the same process was occurring in Mexico, where the worst afflicted have been the farmers. Díaz del Castillo detailed how growers are pressured by the drug traffickers to either sell their lands at high prices, or face assassination.

The Church's brave warning about the Mexican agricultural sector is also intended to sound the alarm regarding the economic policies of the Miguel de la Madrid government, which with its shock austerity policies has fostered—willfully or not—the advance

of the drug trade.

Over the past five years, the tightening of the austerity tourniquet on the economy has been directly proportional to the growth of the drug trade, to the point that "in some municipalities and states of the republic, it is already a vital force that moves and controls all main activities," according to journalist Francisco Cárdenas Cruz, writing May 17 in the daily *El Universal*.

Although the two-sided coin of austerity/drug trafficking is not exclusive to Mexico, its path can be traced very clearly in this country.

Since 1983, the National Food Program prepared by the Budget and Planning Ministry established that, due to the "economic crisis," certain foods could no longer be profitably produced.

Water programs to open up new lands to cultivation were suspended, and state expenditure for maintenance of existing water infrastructure was reduced.

Since then, interest rates for farm credit have continued to shrink, the price of fertilizers and other agricultural inputs has constantly risen, and price guarantees for agricultural products have been kept far below their cost of production.

For all of these reasons, many farm producers have been forced into bankruptcy, having to lease or sell their lands in a hurry. Under such conditions, the offers of the drug traffickers are enticing indeed.

Now, with the worst drought in three decades ravaging the country—its devastation heightened by the government's abandonment of desperately needed water projects over the past five years—thousands of head of cattle are dying, and the government has decided that several hundred thousand of irrigated hectares in the northeast of the country will be left to lie fallow.

International Intelligence

Birgit Nilsson endorses scientific tuning

World-famous soprano Birgit Nilsson of Sweden has signed a call for a return to scientific tuning C = 256 (A = 432), against the higher A = 440 currently practiced.

The petition originated with a conference in Milan sponsored by the Schiller Institute, where it was resolved that the tuning had to be lowered not only to save young voices, but because shifts in register occurring in the music of the classical composers were distorted by the higher tuning introduced in this century. The conference and petition have been endorsed by Renata Tebaldi, Montserrat Caballé, Plácido Domingo, Kurt Moll, and many other international music figures.

Nilsson stated that if the higher tuning is continued much longer, there soon will not be any tenors left. She testified from personal experience that high tuning is devastating to the voice. She recalled an occasion when, one day after having sung at the Metropolitan opera in New York, she sang in Vienna, where the Philharmonic Orchestra was tuning to A = 446, which she recognized because her voice protested.

Other recent signatories are soprano Ann-Charlotte Björling (daughter of tenor Jussi Björling), singer Eva Serning, singing instructor Birgit Stenberg, opera singer Lars Billengren, singing instructor Thorsten Foellinger, 'cello and guitar teacher Mikael Klarstroem, the head of the opera in Reykjavik, Iceland, Gardar Cortez, and two Danish opera singers, Lone Koppel, a soprano who has sung most dramatic roles at the Danish Royal Theater, and Christian Soerensen.

Old fascist circle outlines AIDS program

"Nation Europa," a Germany-based organization that is the leading neo-fascist formation of the postwar era, has issued a call for concentration camps and euthanasia against AIDS victims.

Nation Europa which was founded in 1951 and claims, for example, that Hitler betrayed "real" fascism, is the "spiritual mother" of the West German Republikaner Party and the neo-Nazi NPD.

In a publication entitled, "AIDS: An Epidemic Is Changing the World," the organization argues that euthanasia should become legal for AIDS victims; they should be put in concentration camps; their treatment should be the same that it used to be for persons with leprosy, i.e., no treatment; there should be no research or treatment with "Retrovir" or AZT, because it is much too expensive; all foreigners with AIDS should be expelled from the country.

Adopting the viewpoint of the late Bertrand Russell, Nation Europa argues that nature does not allow overpopulation—and that AIDS is nature's way of solving the problem.

The Nation Europa "program" is interesting, in that it hardly differs at all from the standing policy of most governments toward AIDS.

Singapore ups challenge to State Department

After expelling one diplomat in mid-May for attempting to organize and finance an opposition to the government of Lee Kuan Yew, Singapore has issued a challenge to American diplomats it accuses of interfering in its politics, to a "television confrontation" to debate the U.S. State Department's contention that they did nothing wrong.

Singapore expelled E. Mason Hendrickson for meeting with a group of dissident lawyers whom he promised U.S. financing should they mount an electoral challenge to the government.

Trade and Industry Minister Lee Hsien Loong said that Singapore is willing to arrange a "satellite television confrontation" between the U.S. diplomats and two of the dissident lawyers they tried to instigate, "so that all the countries in Southeast Asia can see the Americans clear their name."

Singapore announced on May 31 that it would reduce the number of U.S. embassy

staff and become non-aligned if American diplomats insisted on interfering in domestic politics. First Deputy Prime Minister Goh Chok Tung told parliament, "If American diplomats behave as if they have a missionary right to roam all over Singapore, including off-limits areas, whether such behavior is official U.S. State Department policy or not, then we have no choice but to cut down their diplomatic staff strength."

Goh, without mentioning what was done to Ferdinand Marcos in the Philippines, said the United States was trying to reshape the political future of South Korea, Taiwan, and the Philippines. He noted that the U.S. embassy in Singapore had 22 diplomats and 44 non-diplomatic staff. By contrast, the Soviet Union had only 8 diplomats and 18 non-diplomatic staff.

Meanwhile, in the second crackdown in a year on "liberation theology" in Singapore, Archbishop Gregory Yong has ordered priests to stop holding special services for political dissidents confined at the government's detention center.

Prime Minister Lee Kuan Yew told parliament on May 27 that some Marxists and liberation theologians hide behind the Church as they work to broaden their network. Since 8 dissidents were re-arrested April 19, as many as 15 priests have conducted each service, with members of the congregation sporting yellow tee-shirts with the Biblical quotation, "The truth will set you free."

Japanese terrorist traveled widely

Japanese Red Army terrorist Yasuhiro Shibata, arrested in Tokyo early in May, was in Britain in January, to re-establish contact with other terrorist groups and buy arms and explosives, security experts report.

Britain's *Daily Mail* has reported that Shibata was also in Paris, Brussels, Amsterdam, and Hong Kong in the past year.

Shibata, arrested in a joint Japanese-South Korean security operation that is part of ongoing efforts to protect the Summer Olympics in Seoul, is part of the Japanese Red Army group that spent most of the past decade in North Korea; another group was

Briefly

based in Lebanon's Bekaa Valley. The organization issued a communiqué in January, which stated that the Seoul Olympics will be "buried in the South Korean people's struggle for democracy."

Another German intrudes into Soviet airspace

A German pilot intruded into Soviet airspace on "Border Troops Day," and got away with it.

The pilot, who flew a Cessna plane similar to the one flown by Mathias Rust, now imprisoned in Russia for landing his Cessna in Red Square exactly one year ago, intruded into Soviet airspace over the Kola Peninsula twice from Norway, May 28 and 29. On each occasion, he remained over Soviet territory for 30 minutes.

The pilot, whose name hasn't been disclosed yet by Norwegian authorities, reported that he met no problems while flying at low altitude over Soviet territory near the Soviet-Norwegian border.

Ostensibly learning about the affair through the news media, the Soviets displayed great embarrassment, and delivered a note of "stern protest against this willful provocation" to the Norwegian government.

Full alert in Korea through Olympic games

Throughout the Summer Olympic Games in Seoul, South Korean and U.S. armed forces will be on full-scale military alert, the *Sunday Times* of London reported May 29.

Security precautions for the Olympic Park include metal detectors, x-ray machines, barbed wire, and explosive-sniffing dogs. A special "Commando 868" anti-terrorist squad is being trained, in part, by the Britain's elite Special Air Services.

Olympic officials say that the greatest North Korean terrorist threat will be posed in the weeks leading up to the games, because the participation of North Korea's allies, the U.S.S.R. and China, in the games

should prevent terrorist operations once the Olympics are actually under way.

Meanwhile, the United States is expected to "put the screws on" for support from other nations in the U.N. Command in South Korea, in case there is military conflict, London's *Daily Telegraph* reported May 11. A source within the South Korean High Command said that the role of other nations will come under the spotlight in assessments of the annual "Team Spirit" joint U.S.-South Korean exercises. Other nations in the U.N. Command are Britain, France, Australia, Canada, Thailand, and the Philippines.

Japan may continue its defense build-up

Gen. Masao Ishii, who heads the Joint Staff Council of Japan's Self-Defense Forces, said in a speech May 24 that Japan must continue its defense build-up in order to counter the growing Soviet military presence in the Far East.

The northernmost Japanese island of Hokkaido, he said, "which faces both the Sea of Japan and the Sea of Okhotsk, is a very important area," and Japan can play a vital role in helping the West secure the waterways.

The Soviets want to control the Sea of Japan and maintain the Sea of Okhotsk as a "sanctuary," the general warned. As a result, he said, Japan does not see any need to send its military forces abroad in order to bolster its contribution to the Western camp.

He said the Defense Agency is now discussing what steps it will take following completion of the 1986-90 medium-term program of military build-up, aimed largely at countering Soviet forces in the region.

The Soviet Union has increased its ground forces in the Far East to 43 divisions from the 31 it deployed 10 years ago, he said. Two of the Soviets' Kiev-class aircraft carriers are assigned to the region.

Ishii also said that Japan must expect to shoulder a greater burden for its own defense now that the U.S. is the world's largest debtor nation and Japan the top creditor country.

● **GREEK** Prime Minister Andreas Papandreou is threatening to oust U.S. forces from Hellenikon Air Base, located 10 miles south of Athens, according to Reagan administration sources.

● **GERMANY'S** defense will be impossible, should budget plans for the 1990s not be changed, according to an internal memorandum by a military group around Gen. Johann Graf Kielmannsegg.

● **THE BILDERBERG** Group's annual meeting took place June 3-5, *EIR* has learned. The meeting, shrouded as usual in secrecy, was held near Innsbruck, Austria, at the Inter-alpen Hotel, preceded June 2 by a Bilderberg Steering Committee meeting.

● **IRAN** has begun marketing American-made Stinger missiles to other Gulf countries, according to the May 27 *London Times*. The U.S. Senate has banned all sale of Stingers to the region.

● **CHINA** is now estimated to be the biggest arms supplier for the Gulf war, with North Korea the conduit for shipments to Iran. China earned some \$2 billion from arms sales last year, and is now the fifth largest weapons supplier in the world.

● **SOUTHEAST ASIAN** nations are being strained to the breaking point by the flow of refugees from Vietnam, where starvation is spreading. Due to the food crisis, the people now leaving "are not refugees, they are economic migrants," Thailand Secretary General Suwit Suthanakul said.

● **JAPAN'S** Foreign Minister Sosuke Uno is planning a trip to Israel in June, which will make him the first Japanese cabinet member to visit the Jewish state. Uno will also visit Syria, Jordan, and Egypt.

The diary of 2,000 years of evil

by Richard Freeman

The Messianic Legacy

by Michael Baigent, Richard Leigh, and Henry Lincoln

Henry Holt & Co., New York, 1987

\$19.95 hardbound, 364 pages.

The Messianic Legacy is offered as a clarion call for Evil, by the oligarchical orders that worship the Gnostic dissolution of Judeo-Christian civilization. One of the oligarchy's most powerful secret orders, the France-based Priory of Sion, offered the book's three authors—Michael Baigent, Richard Leigh, and Henry Lincoln—membership in its order, as a reward for authoring this deliberately lying, damnable book.

The Messianic Legacy starts from the following absurd premise about the origins of Christianity: that the followers of Jesus Christ (and presumably Jesus Himself) believed, not that He was divine, but rather, that He was King of the Israelites. According to this notion, then, the authors of *The Messianic Legacy* claim that the word "Messiah" (Hebrew for "Anointed One"; the Greek translation is "Christ"), when referred to Jesus Christ, meant only that He was a secular, royal king, not the Son of God. Christ inherited His royalty, the authors say, from Joseph—husband to the Virgin Mary—and from Joseph's line, which traces itself back to the House of David and Abraham. After Jesus was crucified at Golgotha, the present authors announce, He did not die, and was not resurrected. Instead, *The Messianic Legacy* claims, Christ married and created a royal bloodline, traceable through the

centuries to several noble houses and today to the world's most powerful oligarchical families. This powerful secret will be revealed soon, it will stun the world, and by its revelation, the top oligarchical families will come forward to rule the world.

By this perversion, the authors claim, the Bible is only a myth, prophesying the rule of a new oligarchy, whose divine right to rule comes from the blood-line of Jesus. Yet, this is only half the story of what is wrong with the vicious book *The Messianic Legacy*. By turning the Bible on its head, the authors believe they have transformed Jesus from the Son of God, and the incarnate expression of Man's potential to be God-like, into what they call a "freedom-fighter," a member of the Zealot warriors. Now, the authors of *The Messianic Legacy* must complete the task of ripping out the meaning of the Old and New Testaments by introducing a set of assertions that targets the Good the Bible contains. So, the authors specifically target the Apostle Paul, in a brutal and lying character assassination.

This attack is lawful. For it was Paul in particular, the Apostle to the Gentiles, who determined to make Christianity the world religion—and it was Paul who represented in early Christianity the high culture and religious truth of Judaism. Among the fathers of modern Judaism was the great Rabbi Hillel (fl. 30 B.C.-A.D. 10), by whose circle Paul was apparently taught (and with whose teachings Jesus was familiar). And it was St. Augustine, who took the Epistles of Paul (whom he customarily called simply "The Apostle") as the bedrock for his great endeavor, in the first part of the fifth century A.D., to raise out of the collapse of the Roman

Empire the basis for our Western civilization.

But, claim the authors of *The Messianic Legacy*, Paul did not preach “true Christianity”—he polluted it with his writings on the dignity of the individual human soul. Rather, the present authors lie, the essence of Christianity is to be found in explicitly Gnostic writings, which emanated from something called the “Nazarean School,” allegedly founded by Jesus’ brother James. Those Gnostic writings are based on cabalism, animal worship, Manicheanism, Nestorianism, and so on. Is this the foundation of the belief-structure of the Priore de Sion (Priory of Sion) and related Gnostic orders? It has been charged repeatedly through the centuries, that as part of the initiation rites of secret orders like the Priory of Sion, the initiate must spit on a picture of Christ. This is wholly to be believed. *The Messianic Legacy* is itself such an act.

This book could be considered the work of cranks. But it is worse than that. The most powerful families in the world, those who really shape and dictate day-to-day policy in Moscow and Washington, not to mention Venice and Geneva, belong to these oligarchichal orders and subscribe to the Gnosticism preached in *The Messianic Legacy*. This may shock the reader, but it is the naked truth. It is worth the reader’s efforts to find out what message Messrs. Baigent et al. deliver on behalf of their oligarchic controllers, as they prepare a new world order of Evil.

What is the Gnostic heresy?

Authors Baigent, et al. begin their presentation of, and paean to, Gnosticism with an interesting fact. When Jesus was arrested in the Garden of Gethsemane, three days after He overturned the moneychangers’ tables in the Temple, he was arrested by a force termed, in the Vulgate version of the Bible, a cohort. The Roman Army was organized into centuries, cohorts, and legions. A Roman legion was 6,000 troops; a cohort was one-tenth of that, or 600 troops. Such a sizable troop deployment would indicate that the arrest of Jesus was considered at the time to be a major political event.

Obviously, the depraved rulers of Rome, with the degenerate Tiberius at their head as Emperor—an oligarchy dominated by the Mithra blood-cult and the cults of the Great Mother—had much to fear from the teachings of Jesus. Equally, Rome’s satrap in Judea, Herod, had much to fear. The authors of *The Messianic Legacy* deduce from all this (perhaps correctly), that Jesus’ followers were being organized in a manner that today would be described as political, and that the number of these followers was sizable, and growing. It is known that Jesus intersected Jewish proselytizing layers whose organization had been set into motion by rabbis like Hillel at an earlier date. For at least the first century of Christianity, the proselytizing tendencies of Judaism and Christianity were, lawfully, closely intermeshed. And Imperial Rome hated them both.

But the authors of the present book try to use these facts,

to extrapolate events that are highly implausible—if not downright preposterous. Thus, in modern Che Guevara fashion, the authors proclaim that Jesus was a “freedom fighter.” His political base, they claim, was the Zealots. Yet the Zealots were primarily destroyers, sometimes even agents-provocateurs. Hence, after Rome and the intolerable burdens it imposed had provoked the Jewish Revolt of A.D. 66, it was Zealots who actually destroyed, rather than strengthened, Jewish organization. Whether intentionally or not, the only solution the Zealots held out to the Jews was suicide; the fate of the Masada garrison is such an example.

The Zealots are sometimes called in historical texts Lestai (“Brigands”) or Sicarii (“Daggermen”), the name deriving from the *sica*, a dagger especially favored by Zealots for political assassinations. Judas Iscariot’s second name is sometimes thought to be merely a corruption of the word Sicarius, or daggerman. That is very believable. Of course, as those familiar with the Biblical reports of Jesus’ followers know, among them were counted some Zealots and some Zealot networks. But to make of Jesus a fiery Zealot leader, a “freedom fighter,” is a nasty historical prank. In their attempts to do so, the authors become burlesque. For example: St. Peter is, of course, Simon Peter—Simon the Rock (Peter derives from the Greek word for rock). You recall that after the Transfiguration Jesus tells him, “Thou art Peter, and upon this rock I will build my church.”

What do the present authors deduce from this? Unbelievably, that Peter is the equivalent of the nickname “Rocky,” and that Peter was a Zealot gang-member!

From this, the authors take another leap—one not only wild, but of the mystical sort needed to make the reader forget everything he or she knows, and instead to believe in Gnosticism. The authors trace from the political currents around Jesus, which they lie were Gnostic, the two major currents of today’s Western religion, Judaism and Christianity. In other words, they announce, true Judaism is . . . Gnosticism. True Christianity is . . . Gnosticism. The distortion starts with Judaism.

The authors say that the Zealots established a community at Qumran in the first century A.D.—where the Dead Sea Scrolls were found after World War II. The Qumran community was, however, almost certainly a creation of the Essenes, although the Zealots may have infiltrated a portion of this Essene community. What did they do here? They practiced Gnosticism. In *The Messianic Legacy*’s description of the Jewish Gnostic worship the authors say was practiced at Qumran, one gets some sense of Gnosticism in general, whether of the Jewish or Christian kind, which the authors admire and which corrupts both religions. Whoever established the Qumran community, the authors’ description of the Gnosticism practiced there is an accurate portrayal of the Gnostic worldview. They write:

“In both their life-style and their religious teachings . . . they were also much more mystically oriented. . . . In con-

trast to other schools of Judaism, they seem to have subscribed to some form of reincarnation. They reflected both Egyptian and Greek influences, and have a number of points in common with the followers of Pythagoras. They encouraged an interest in healing and produced tracts on the therapeutic properties of herbs and stones. They were steeped in what today might be called 'esoteric studies,' such as astrology, numerology, and the various disciplines which subsequently coalesced into the Cabala."

This is part of the nature of the beast. Gnosticism could superficially be identified as a composite of mystery religions, implying esoterica, divination, mystical healing, astrology, numerology, and other quackery. But these are merely the symptoms. The essential characteristic of Gnosticism is its denial of the absolute power of Good. Therefore, in Gnostic thought, Good at best shares power with Evil (as insisted by St. Augustine's foes, the Manicheans). Alternately, in another variant of this dualism, the material world is evil and must be shunned. In either variant, God's Good cannot triumph and shape both the spiritual and material world in a way consistent with the Creator's design of progress. Put another way, in Gnostic thought God does not have the power to bind Satan, to triumph ultimately over Evil. Gnosticism accords to Satan a magical "divine" power equal to God's, and equally to be venerated.

A complementary feature of Gnosticism is that it abhors reason. Instead of faith combining with reason to give us knowledge of God, by lessening the imperfections in the ways in which we know God and His world, Gnosticism says reason (and to some extent faith), has no place at all and must be abolished. One can know God only through a so-called direct "personal experience," that is, some rapturous, psychotic episode in which all power of reason evaporates and one babbles, shakes, groans, incants, chants *om*. These secret, self-immolating teachings are called *Gnosis*. The word is Greek for "knowledge," but in this context it now means, and has always meant, *secret* knowledge, *secret* teaching.

The third feature of Gnosticism is its worship of the so-called feminine principle (by which the Gnostics mean nothing to do with women, but rather worship of un-reason). It finds expression in the explicitly irrational worship of Mother Earth: as Isis, Astarte, Cybele, the Magna Mater (Great Mother).

This is the face of evil and the organizing program of the world's oligarchy.

Gnosticism and Christianity

Having announced their program of anti-Pauline "Christianity," the authors locate the derivation of this pseudo-Christianity in the so-called Nazarean School. They state unequivocally that Paul is the major problem; his crimes, they say, are his writings: his Epistles to the Romans, Corinthians, Galatians, Ephesians, Philippians, Colossians,

Thessalonians, Timothy, Titus, Philemon, and the Hebrews. The authors bitterly complain that Paul organized Peter to do things he would not have done without Paul's influence and thus also shifted the emphasis of Christianity, to the divinity of Christ and Christ's Incarnation as Son of God and Son of Man. Obviously, by preaching the consubstantiality of Christ, Paul elevated men and women to do great and good things, in the imitation of Christ—an unforgivable sin from the standpoint of Gnostic Evil.

Therefore, the authors posit an early Nazarean Party, which they hail as the true, suppressed heirs, both biologically and spiritually, of Christ. The Nazarean Party allegedly consisted of Jesus' brother Jacob (James), and presided over the early church in Jerusalem. The authors weave a fantasy around James; what they ascribe to him and the Nazarean school of Jesus' followers is the propaganda of the Gnostic opposition to Christianity from the earliest periods. When James was executed in A.D. 62-65, the authors declare, his place as head of the Nazarean Party and early church was taken by Simeon, whom the authors say moved the Party/Church northeast out of Jerusalem, in the direction of modern Syria and Iraq. The teachings of the Nazarean school, they continue, were promulgated by yet a second brother of Jesus—one never mentioned in the Bible, who almost certainly never existed, but who has become a mainstay of Gnosticism. This was Thomas Jude, supposedly Jesus' twin brother (and therefore magical sharer in His "power," as the Gnostics see it).

The Gnostics have made this "divine twin" into a cult-figure and a saint, and take the writings spuriously attributed to him into their own "new testament."

Finally, the authors of *The Messianic Legacy* reveal the premise of their book:

"Despite being repudiated, condemned and persecuted, Nazarean teachings continued to survive, for much longer than is generally suspected. . . . For our purposes, and for the sake of simplicity, it will be easiest to retain the term 'Nazarean.' It will no longer imply a specific body of individuals, however. Rather, it will denote a general mode of thought, an orientation, which derives from . . . the original Nazarean position (and) Judas Thomas. . . . This orientation can be characterized by certain basic attitudes, chief among which are (1) a continued and strict adherence to the tenets of Judaic law; (2) a recognition of Jesus as Messiah in the original Judaic sense of the word [an anointed member of earthly royalty]; (3) a repudiation of the Virgin Birth and an insistence on Jesus having been born by natural processes, without any divine intervention; and (4) a militant hostility towards Paul and the edifice of Pauline thought."

One might observe immediately here, that the authors know nothing about Judaism, its strict tenets, or its messianic conception. Rather they stress a syncretic religious creation, a mystical reinterpretation of Old Testament law that has

nothing to do with Judaism past or present. It is this syncretism, which is not Judaism and not Christianity, which binds together the 20th-century alliance of crazies who claim to be Protestants, with the Israeli stormtroopers of maniacs like Ariel Sharon—an alliance which wants to provoke religious war in the Middle East today by retaking the site in Jerusalem, the Temple Mount, where once stood the Temple of Solomon, and now stands the Muslim holy place, the Dome of the Rock.

From this Thomasine/Nazarean tradition too derives the idea of a pure bloodline and a Master Race, which permeated the Nazi movement and permeates today the thinking of European nobility and the Russian Bolshevik movement of today.

The spread of 'Nazarean teaching'

From a little rivulet at the time of Christ, the Gnostic-satanic heresy became a flood-tide, which the authors trace, sweeping across much of the Western and Eastern worlds. (It should be emphasized that Gnosticism existed for hundreds of years before the birth of Christ, traceable in its fundamental content back to Babylon and before it to Harrapan India—roughly 3,500 B.C.—and that it was deployed for centuries first against Judaism, then Christianity, to destroy these religions.)

In one of the most revealing statements in the book, the authors report that there arose in the second century, a group called the *Desposyni*, claiming a personal descent from Jesus' family. *Desposyni* means in Greek "Master's People," and can be interpreted "Master's"—or perhaps "Master"—"Race." The *Desposyni* set up a strict dynastic succession. In A.D. 318, eight leaders of the *Desposyni*, representing different branches of their "religion," met with the Bishop of Rome, Pope Sylvester. According to the authors of *The Messianic Legacy*, they are reported to have demanded:

"(1) that the confirmation of of Christian bishops of Jerusalem, Antioch, Ephesus, and Alexandria be revoked; (2) that these bishoprics be conferred instead on members of the *Desposyni*; and (3) that Christian churches 'resume' sending money to the *Desposyni* Church, which was to be regarded as the definitive Mother Church."

At the same time, the Gnostic heresy in Judaism and Christianity radiated from the Holy Land southward into the northern arc of Africa, including Egypt, and northeastward to Syria, Asia Minor, Turkey, Persia, and parts of southern Russia. Let us summarize some of the leading figures in this spread of Gnosticism in the first 500 years of our era:

- Constantine, the Roman Emperor from 312 to 337 A.D., whom the authors claim "is rightly regarded as a major pivot in the history and development of Christianity," was not Christian at all, but the follower of a sun-god cult, the cult of Sol Invictus (Invincible Sun). Sol Invictus was a Syrian cult that meshed with Mithra and the Great Mother

cult. Indeed, just before Constantine's alleged conversion to Christianity, he had been initiated into the secrets of Sol Invictus. Far from being the savior of the Church, as he is commonly portrayed, Constantine was its enemy. The Council of Nicea in 325 A.D., dealt a deadly blow to Constantine, although he attempted to sabotage it by chairing the Council. At this Council was affirmed the Nicene Creed, familiar to all Christians, stating a belief in one God—Father, Son, and Holy Spirit.

- Nestorius and Egypt. Founder of one of the most important cults in history, Nestorius was appointed Patriarch of Constantinople in A.D. 428. He then bluntly said, "Let no one call Mary the mother of God. For Mary was but human." His reasoning: A divine son could not proceed from a human womb. But of course, the Christian insistence is that yes, indeed, Mary was human; and yes, indeed, she was the mother of God—for Jesus is both Man and God. For his denial of these central teachings of Christianity, Nestorius was condemned a heretic, excommunicated, and exiled into the Egyptian desert. From there, he and his followers infiltrated the Christian Churches of Syria, Mesopotamia, Persia, and Egypt, with the latter Nestorian-influenced Church splitting and merging with currents that became the Coptic Church of Egypt.

- Monasticism and Northern Africa. By the time of his death in 346 A.D., Pachomius, an anti-Pauline teacher, had created monasteries throughout the Egyptian desert, totaling thousands of Gnostic monks. His intention was to make the cult-like currents of Gnosticism hegemonic within monasticism as a whole, which was by no means entirely Gnostic. From there, the monastic system, heavily contaminated with Gnosticism, spread as a movement northward into the Near East and Russia.

- Priscillian of Avila in Spain. Born of a high-ranking noble family, Priscillian spread Gnosticism from his home-base of southern Spain northward into what spans modern-day France and Belgium in the period 380-400. His teachings filtered across the Pyrenees into southern France and thence into Aquitaine. His votaries sought out contemporary Gnostic thought from Egypt. Priscillian's brand of numerology, cabalism, and denial of the Trinity filtered into the Spanish Catholic Church and has held on with tenacity as a heretical fraction down to this day.

Gnosticism today: monarchical rule

What of today? The authors, after delivering the history of Gnosticism, believe that the economic and moral crisis conditions in the West have ripened to an extent that Gnosticism can rule in its own right—and soon in its own name—today.

The authors proudly proclaim, "The profound and rapid changes in our civilization, the dissatisfaction at our systems of government, the increasing use of indiscriminate murder

and terrorism as means of political protest—all have fostered a sense of general collapse, a wholesale disintegration of values.” They then announce, “Sects, cults, disciplines and therapies proliferate, command immense followings, draw in staggering sums of money and enjoy the support of powerful political interests.” And further, “beneath the general anxiety, the maddening sense of impotence . . . there is a profound longing for a genuine spiritual leader. . . .”

But, the authors say, the Pauline authority of the Catholic Church is not an answer, nor is the Pauline current in Christendom overall. They state, “Confronted by this situation, Western society, not surprisingly, has begun to turn elsewhere, to look for alternatives—alternatives which, more effectively than organized religion, fulfill the need for meaning.”

These alternatives are organized myths, archetypal symbols (to use the terms of Jungian thought the authors employ) which must be successfully manipulated. “To the extent that organized or institutionalized religion fails to provide meaning, it fails to inspire trust; and to the extent that it fails to inspire trust, it becomes increasingly meaningless.” Into the place of religion, steps the “Artist” as the shaper of cultural paradigms. The Artist becomes priest. He shapes and manipulates symbols, which give “meaning.” In this sense, the authors state, Hitler functioned as a High Priest, imparting new meaning. They state, “By dismissing the Third Reich as [only] a social, political and economic phenomenon, historians failed to recognize or acknowledge the psychological needs, which when exploited by Hitler and his clique, had engendered it.”

The authors say that, “according to [Gnostic psychologist Carl] Jung, an ‘archetype is a certain elemental experience, or pattern of experience, common to all mankind—an experience, which men have shared from time immemorial.” But for primal archetypes to rule, language, culture, and rationality must be obliterated. They state, “Language is a product of the intellect and of rationality; archetypes and archetypal patterns extend beyond the intellect and rationality.” To achieve rule by archetypes and the elimination of rationality, a state of mind must be created that, they say, “might be described as a state of ‘porousness,’ whereby data are assimilated, and emotional responses stirred, without being filtered through the critical apparatus of the intellect. The value of such a state is that it turns the mind temporarily into a *tabula rasa*, a blank state. All previous programming is, for the moment erased. . . . Th[e] new program may constitute what is called a commonly called a religious conversion.”

The authors are able to remarkably then describe how the inducement of this blank, archetypal, anti-rational state is induced by the modern rock-star just as it was by the Nuremberg rallies of Hitler. As this is the program by which the oligarchy intends to bring Gnostic Evil to rule in the 20th century, using the entertainment media specifically, it is worth

quoting at length:

Through the centuries [Gnostic] religion has sought to neutralize man’s tendency towards scepticism by anaesthetizing the intellect, lulling it or even stunning it into submission. . . . Light, color, sound, scent will be deployed with an intensity that effectively usurps awareness of any other reality. Flickering candles, for example, a dazzling array of colors, chants, repetition, rhythmic effects, the smoke of incense will all be utilized, . . . to create a general atmosphere of “otherness,” a dimension divorced from the mundane world, a quality of “enchantment.” . . . Research has established, for instance, that if a recurring drumbeat is synchronized with the beat of the heart, then accelerated, the beat of the heart will follow it. Thus—as certain rock stars have recognized at least since the 1960s—is excitement induced.

All of this . . . is ritual. Its function is to create a state of mind essentially similar to trance, or to light hypnosis. In such a state, the individual’s self-awareness is mesmerized into quiescence. He can then be absorbed into something greater—the congregation or the mob, In its psychological dynamic, if not necessarily in its content, such ecstasy has much in common with what is called the “religious experience,” or the “mystical experience.” This, of course, is what can be discerned at work in evangelical meetings, . . . when people enter a state of rapture and begin “speaking in tongues,” or break down in tears, or collapse in epileptic-like seizures. It is what sects or cults in almost all religions practice. In a more structured, directed, regulated and stage-managed form, it is what characterized the Nuremberg rallies of the Third Reich. In a less structured, much more unpredictable form, it is what occurs at many rock concerts.

. . . The rock star, like Adolf Hitler, is functioning as a shaman, inducing a form of religious experience in his audience. . . .

In certain Islamic sects, the names of God are rhythmically recited over and over again until they become devoid of significance, mere sounds which envelop consciousness. Such an effect can be produced by any rhythmic chant, whether it be “Jesus saves,” or “Peace now,” or “All you need is love” or “Here we go, here we go, here we go,”—or “Sieg Heil.”

Messrs. Baigent, et al. document their awareness of the implications by showing that the Nazi SS was itself a Gnostic cult, organized along secretive lines, with the construction of a medieval castle in Wewelsburg, Germany to serve as cult headquarters.

Oligarchical order

The authors then describe, finally, how the manipulation of Gnostic archetypes will be achieved. They write, "In part, this book is about a cabal—the Prieure de Sion. What makes the Priory significant, and what distinguishes it from many other contemporary cabals, is its profound understanding, and utilization, of precisely the mechanisms we have been describing. Insofar as we, in our researches, have come to know the Priory, we have encountered an organization which, in full consciousness of what it is doing—and indeed as a matter of calculated policy—activates, manipulates and exploits archetypes."

While trying to provide a World War II anti-Nazi Resistance cover to the Priory, the authors have fully documented in this book—and in their previous headline-grabbing best-seller, *Holy Blood, Holy Grail*—that the Order of the Priory of Sion is an evil Satan cult, the sort that would spit on a picture of Jesus. It interlocks with other very powerful cabals and Orders, such as the Knights of Malta, the Knights of St. John of Jerusalem, the Knights Templar offshoots, the Bilderbergers, the Freemasons, the royal households of Europe, which want their full power restored, and multitudinous religious orders within the Catholic Church, various fundamentalists, etc. All united by the worship of "Nazarean-Thomasine School" Gnosticism.

The Priory of Sion, based in the south of France, and created in 1090, is an oligarchic Order, which believes that its leadership—Grand Masters—have inherited the royal bloodline of the Merovingian French King, Dagobert II (659-79), who himself is said to have inherited the royal messianic bloodline of Jesus, as a result of Jesus' alleged marriage to Mary Magdalene. The leading figure of the Priory today, a fellow by the name of Pierre Plantard de Saint-Clair, believes he, in turn, inherited Dagobert II's blood, and thus, is holy and descended from Jesus.

The Priory of Sion's Grand Masters (who have supposedly included Isaac Newton and Charles Radclyffe, the founder of Freemasonry) have numbered in modern times the French faggot artist-High Priest, Jean Cocteau, former First National City of Chicago Bank chairman Gaylord Freeman, as well as Robert Abboud, who until recently was the president of Armand Hammer's Occidental Petroleum. The former Minister of British Economic Warfare from 1942-45, Viscount Leathers, the Earl of Selborne, and most of the board of Guardian Life Assurance Company of Britain are or were members of the Priory's hierarchy.

The Priory's Pierre Plantard, who along with several thousand other members of European and Asiatic nobility have brainwashed themselves into truly believing that they carry Jesus' royal bloodline in their veins—thus, heretically denying everything Christianity stands for—want to rule in their own name. Gnosticism will come into existence as a monarchical order. The authors write, "monarchy can indeed

be seen as a repository of meaning—which . . . does perform at least a semi-religious function. Certainly monarchy rests on an archetypal basis. Kingship in itself is an archetype. Royalty, by its very nature is the stuff of fairy-tale, and fairy-tale is a manifestation of myth. . . . Whatever the form of government under which one lives, the psyche, from childhood on, will still be populated by kings and queens, princes and princesses. However 'republican' one may be, such figures are part of a collective cultural heritage, with a psychic validity of their own."

Calling for the overthrow of republican government, the authors state, "Ultimately, the American presidency cannot achieve the same resonance as royalty because royalty implies continuity and duration; and neither continuity nor duration can be reconciled with a four—or, at most, eight-year tenure of office. Underlying the concept of royalty is the principle of dynasty, which spans and symbolically conquers time."

How will this be achieved? Dynastic marriages, once the stench has been scrubbed clean from the public association with the concept of oligarchy. The authors state, "today, of course, the very concept of dynastic marriage . . . seems repellent, a distasteful residue of feudal thinking." But, "from the beginning of recorded history until the twentieth century, dynastic alliances were not only the norm, but also one of the cornerstones of international politics. It is only during the last seventy-five years or so that the West has come to spurn a political principle which had previously obtained for some thirty or forty centuries."

This is the messianic legacy that the authors and the sponsoring oligarchical orders fervently call for coming into existence as the West withers and collapses. This is the Messiah, a secular alliance of royalty, that they counterpose to the actual Messiah of Judaism and Christianity. This can only occur if the Western civilization of St. Paul, is finally dissolved. The war for ideas is very intense. The authors write in an epilogue to *The Messianic Legacy* that when the secret of the bloodline of the House of Abraham, David and Jesus is revealed to run through the veins of the oligarchy, this secret, the "Holy Grail" of the ages, will rock civilization to its core and stun the population into accepting oligarchical-Gnostic rule. They state, "And yet our age appears determined to embrace one or another form of messianic myth in order to obtain a sense of meaning. If it must perforce do so, we would prefer to see a mortal Messiah presiding over a united Europe, than a supernatural Messiah presiding over Armageddon."

A mentally healthy reader might be tempted to laugh at the idea of grown men believing in Satan, in Gnosticism, and symbolic archetypes. It all sounds so childish. But this is the thought that governs the men who run the capitals of the world. Unless such men are stopped, the last laugh will be on the human race.

Remember when Soviet tanks crushed Hungary?

by Rachel Douglas

In the Name of the Working Class

by Sandor Kopacsi

Grove Press, New York, 1986

\$17.95, hardbound, 304 pp.

As the ouster of Janos Kadar from the Hungarian communist party leadership has occurred at the moment of greatest turmoil in Eastern Europe, since he was installed in the wake of Soviet tanks over 30 years ago, it is appropriate to review the circumstances of the beginning of his tenure. The publication of an English edition of Sandor Kopacsi's memoir provides a good opportunity to do so, especially for the growing number of young adults for whom the crushing of the Hungarian Revolution is an event from the dim past "before their time."

Col. Sandor Kopacsi was Budapest's chief of police in 1956. A communist party activist from the industrial north of Hungary, a veteran of the resistance movement during World War II, Kopacsi was 34 years old. For refusing to put his forces at the disposal of the invading Russians, against the population of Budapest, he was arrested by Soviet KGB boss Ivan Serov and later stood trial alongside deposed Prime Minister Imre Nagy, who was executed for treason. Released from prison in the general amnesty of 1963, Kopacsi finally left Hungary with his wife in 1975, to join their daughter in Canada, where he wrote this book. It was first published, in French, in 1979.

His narrative sketches the behavior of Soviet Ambassador Yuri Andropov, of various KGB officers (although he did earn his spurs in 1956 Budapest, today's KGB boss, Victor Chebrikov, is not among them), of the ousted Stalinist party leader Matias Rakosi, of Imre Nagy, and, finally, of Janos Kadar. We learn that the nickname bestowed on Kadar by the AVO (Hungarian secret police), whose prisoner he had been in 1951-54, was "Janos the Sh**." We witness Kopac-

si's bewilderment as he realizes that Kadar, who as a member of Nagy's Politburo, "only three days earlier declared in the presence of Ambassador Andropov, 'If your tanks come back, I'll go down in the street and fight them barehanded,' " had given his services as the new, Soviet-approved boss of Hungary.

The Hungarian rebellion, it should be recalled, not only happened in tandem with the demonstrations in Poland that led to the replacement of Stalinist Boleslaw Bierut's regime with Wladyslaw Gomulka's. It also coincided with an explosion in the Middle East: The United Nations Security Council was in session as the Soviet tanks rolled and Imre Nagy radioed to the world his proclamation of "counterrevolution," but at the top of the council's agenda was the Suez Crisis. After that, when Britain sought a Security Council meeting in November, the United States voiced suspicions that London was seeking to divert attention from Suez.

How Hungary was crushed and the great powers stood by, wrapped in their leaderships' own pursuits, has been related elsewhere (e.g., in Janos Radvanyi's *Hungary and the Superpowers*, Stanford: Hoover Institution Press, 1972). Kopacsi's on-the-ground perspective gives a special poignancy to the tale of how Hungary was sacrificed to the interests of great power understandings, not unlike the "New Yalta" arrangement of today. While rank-and-file members of the revolt against Soviet power "lived in hope that perhaps the Western powers . . . might come to our rescue after all," Imre Nagy "was better informed than any of us on the international situation. He knew, as we didn't at the time, that while world opinion was on our side, the Western governments wouldn't lift a finger to help us."

Nagy he describes as a man with "no more illusions." Nagy called Russia "an immense Byzantine empire where the manners of the former great landlords are strangely mixed with revolutionary traditions. Sometimes also with barbarism." Nagy "had spent more than fifteen years in the Soviet Union [and] knew that with the Russians there was always a difference between words and acts."

Sandor Kopacsi recounts how he learned this personally, in the most chilling fashion. On Oct. 30, 1956, after the first round of fighting in Hungary, Moscow declared that its forces were retreating from the country. Ambassador Andropov stuck by this story, while Hungarian Defense Minister Gen. Paul Maleter (later to be executed with Nagy) went to Soviet military headquarters for negotiations on the withdrawal. On the night of Nov. 3-4, the Hungarian government lost phone contact with Maleter. Kopacsi describes the dispatch of a Hungarian Army tank carrying a white flag and "mediators" to Soviet headquarters at Tokol. Kopacsi heard, live, the radio dispatches of the young major in command, as the tank progressed through Budapest in the middle of the night, passing landmarks until it met a Russian detachment and its radio, too, fell silent—the tank crew was taken prisoner alongside the defense minister they were sent out to find.

Vietnam: We could still win the peace

by William Jones

Brothers in Arms, A Journey from War to Peace

by William Broyles, Jr.
Avon Books, New York, 1987
263 pages, paperback

The last 10 years have seen a plethora of books on Vietnam, many authored by the participants themselves. There is a great deal of repetition involved in the reams of paper spilled by innumerable Vietnam veterans who wanted to say something about events which were important to their lives—for better or worse.

It is a fact that the Vietnam War remains ingrained on the conscience of this nation, and not only for those who participated. The literary ambitions of the Vietnam veterans is probably also an attempt by them to figure out what the Vietnam debacle was all about. Most of the literature of this genre gets rather boring after awhile, since the details, as gory as they may have been, do not leave much room for variation.

The only way to successfully make sense of that war, is to transcend the war as such. *Brothers in Arms* is somewhat unique, in that its author, who served in Vietnam, was able to return there after the war, to see for himself what had become of the country he had fought so hard over.

He was able to talk with many of the veterans from the other side of that war, including those who had been commanding the units who engaged in action against his own. The book thus has a certain amount of irony in it, and a great deal of truth.

A unique experience for a war veteran, returning to the place where one has waged war after peace has settled in. More unusual for Vietnam veterans, as this was a war that the United States lost, and Vietnam has been, until quite recently, pretty much off limits to Americans.

Broyles's return to Vietnam was, indeed, something of an effort to find out what the war had been all about. The wounds of war are by no means healed—at least not physically—as the country is still in a state of economic turmoil. Economic mismanagement, combined with the devastation of the war years, has helped to keep the country in a general

state of misery. Whatever aid the Soviets have been providing, as is invariably the case with Soviet aid, has not been sufficient to significantly improve the situation.

North-South contrasts

The author depicts the contrasts that still exist between North and South Vietnam, even after unification. Hanoi and the North, whose character was shaped by the austerity of "war communism" and the simplicity of the Ho Chi Minh regime, seems to retain something of the drabness and the impoverished look characteristic of even the more colorful cities of the communist East bloc.

This contrasts sharply with the culture of Saigon, still heavily influenced, 12 years after the war, by the rock-and-drug culture transplanted there when 2 million or so U.S. soldiers passed through there during the long period of war. Much remains the same: the black market, the prostitution, the drugs, most of the military equipment still U.S. government issue, rather than Russian as in the North.

Broyles almost waxes nostalgic over the scene. Not much of a legacy to be proud of, one would think.

Also of interest is the great suspicion and dislike on the part of the Vietnamese for the Russians now stationed in Vietnam. If Broyles's observations on that question are correct, as I believe they are, the Russians have not exactly been treated as conquering heroes, not even in the North. Anyone familiar with the Vietnamese would know that this would be the case. In a very real sense, the United States itself opened the door for the Soviets in the area, through our own blundering.

Broyles's meetings with old foes, his discussions with the commanders of the Vietnamese forces, and his general reflections on "what it was all about" can be thought-provoking, although they raise more questions than they answer. We must place the question in a somewhat broader perspective, dealing with the overall purpose of U.S. foreign policy, in order to come up with an answer. But this is not Broyles's concern.

America has indeed been living too long with a "Vietnam syndrome." But the mistakes of that era have to be faced up to and dealt with, if we are ever going to realize again what America's responsibility toward the rest of the world can and must be. Perhaps re-establishing some form of even limited diplomatic relationship to Vietnam, as has been proposed by Senators McCain and Pressler, is a step in the right direction. If we can find a way to a rapprochement with what became an enemy, then maybe we will learn to deal more effectively and diplomatically with our traditional friends. In this way, we might just begin to successfully "contain communism"—by making it irrelevant in areas where we have an influence. Perhaps even as a nation we may have more in common with Vietnam than we realize—bonds cemented on the battlefields of a long and bitter war. We lost the war—but perhaps we can win the peace.

Will the next President win or lose war on AIDS?

by Warren J. Hamerman

During the first days of June, on the eve of the California and New Jersey presidential primaries, a national policy debate on what should be done about AIDS dramatically emerged. The common theme of all policy proposals is that the Reagan-Bush administration's low-budget response to date has been grossly inadequate. From there, the policy proposals diverge into two diametrically opposed sides.

On the one side, the national health establishment, such as the National Academy of Sciences, the President's AIDS Commission, the Surgeon General, and the Centers for Disease Control all put forward "crisis management" schemes which completely lack a sense of national scientific mission to conquer the disease, and stink of defeatism, demoralization, cynicism, and scientific-technological pessimism. They all prioritize protecting the "civil rights" of the AIDS virus, over mobilizing with traditional public health measures.

On the other side, stands Lyndon LaRouche, who in an NBC-TV nationwide prime-time broadcast on June 4 put forward a three-point science-intensive plan for "total victory" to wipe the AIDS virus from the face of the earth.

LaRouche's 1988 Democratic presidential rivals Jesse Jackson and Mike Dukakis have engaged themselves in pandering to the homosexual voter constituency, with vague promises about civil rights protections, but have offered no concrete war plan. Republican George Bush has been so tarred with the failed low-budget and coverup policies of the Reagan administration, that the "health issue" may well emerge as one of his most vulnerable points.

What the health establishment says

The conjuncture of policy reports on or about June 1 is as follows:

1) Surgeon General C. Everett Koop's simplistic and inaccurate brochure appeared in every American family's mailbox;

2) The Academy of Sciences and Institute of Medicine issued a shameless report in which they promoted, among other policies, the distribution of sterile needles to drug addicts and the construction of hospices for children with AIDS so that pediatric AIDS cases don't have to stay in a hospital for what the report calls their "home of last resort."

3) Adm. James Watkins, the head of the President's AIDS Commission, with the praise of the National Gay and Lesbian Task Force and the American Civil Liberties Union (ACLU), calls for giving national emergency health and anti-discrimination powers to Surgeon General Koop, and otherwise presents an encyclopedic catalogue of every commissioner's pet "obstacles" and pet "recommendations" for stopping the spread of AIDS. The Watkins report is a completely defeatist, anti-science report, which avoids the issue of a science-mission orientation. As a pathetic, consensus document, it simultaneously promotes federal anti-discrimination laws *and* calls for state laws to criminalize knowing AIDS transmission on the state level.

4) On June 1, Surgeon General Koop, Dr. Robert Gallo, the CDC, the Public Health Service, et al. began a meeting at the University of Virginia in Charlottesville to reassess the

national strategy for combating AIDS.

5) On June 12 in Stockholm, Sweden, the World Health Organization's Fourth International AIDS Conference will begin.

The Establishment's secret agenda

The bad policies being promoted by the national health establishment flow from the guidelines presented to them by America's leading families and elites—that we are in such an economic crisis that only the most brutal austerity policies, such as low-cost hospices, euthanasia (the Nazi practice of “mercykilling”), and drug legalization to bring black market revenues into the “legitimate” banking system will be allowed. These elites have determined that, under either Dukakis or Bush, America will only pursue a cosmetic effort against AIDS. For instance, liberal Democrats such as Cyrus Vance and Baltimore Mayor Kurt Schmoke, and mainline Republicans such as Elliot Richardson and conservative economist Milton Friedman, have all endorsed a common proposal for drug legalization in the United States.

Therefore, the American elites not only lie and cover up the nature of AIDS, but they cynically wish to use the population's concern to “sneak through” some of their most loathsome policies—such as euthanasia and drug legalization.

What follows is a representative sample of some of the more outrageous policy recommendations which the higher-level backers of both Dukakis and Bush agree upon. The source of the new reports that the policy is contained in is given in parentheses:

- “Pediatric AIDS further disrupts families that may be already weakened as a result of parental drug abuse or HIV infection. Consequently, with few resources or social supports, pediatric AIDS patients remain hospitalized for prolonged periods. *The committee urges* that foster care, community-based residential care, and hospice care programs be developed or expanded to meet the needs of pediatric AIDS patients and their families so that hospitals are no longer the home of last resort.” (Academy of Sciences)

- “The committee continues to believe that evaluation of the effectiveness of providing sterile needles and equip-

How Washington infected the nation

For a book which promises to explain “why society failed to meet the AIDS crisis,” it is curious that Sandra Panem's *The AIDS Bureaucracy* (Harvard University Press, Boston, 1988, 194 pp., \$22.50 hardbound, \$9.95 paper) lauds virtually every key bureaucrat at the Centers for Disease Control, Public Health Service, National Institutes of Health, the Congress, and the San Francisco Public Health Department—anyone who has consistently made all the wrong decisions.

The author, at the time a guest scholar at the Brookings Institution and currently at the Alfred P. Sloan Foundation, is extraordinarily well-connected into the top levels of those who set national health policy. All those bureaucrats who made deadly policy mistakes to keep budgets down as the Reagan administration and think tanks like Brookings demanded, are politely let off the hook on the grounds that they didn't really understand the complicated scientific nature of the disease or that the “system” didn't run smoothly enough.

Panem was granted interviews with all the kingpins of national AIDS policy, from the top AIDS officials at the CDC to Mathilde Krim and Mervyn Silverman of the

American Federation of AIDS Research, to top AIDS researchers, Virtually entire sentences she wrote appear verbatim in the Watkins Commission recommendations.

While we do not know precisely who borrowed from whom, it is extraordinary that the recommendation of Admiral Watkins's Presidential AIDS Commission for the declaration of a centralized health emergency plan, modeled upon the Federal Emergency Management Agency (FEMA), to cut through “business as usual” and “micro-management,” is virtually word-for-word the same as Panem's concluding chapter, “Lessons for the Future.” If there must be a fall guy for the mistakes made, Panem suggests the “system” whereby the executive and Office of Management and Budget (OMB) negotiate to formulate the President's budget. The “system” has become even more inefficient with the adoption of the line item approach in the Gramm-Rudman-Hollings Balanced Budget and Emergency Deficit Control Act of 1985.

While protecting the individuals, the author manages to speak unkindly about the effects of what she calls the “rivalries” between the NIH and CDC, and between civil-service and university-based scientists.

Going through a catalogue of all the things which didn't work right, she stumbles into the correct conclusion: Nobody was in charge and there was no master plan. Instead of improvements in the way the cogs turn in the system, we had better improve the quality of the man who is supposed to be in charge, namely, the President, before the entire nation is infected.—*Warren J. Hamerman*

ment to drug abusers in certain circumstances is an essential part of planning a prevention strategy.” (Academy of Sciences)

- Surgeon General Koop and the CDC have given extraordinary and wonderful leadership to the nation. (Academy of Sciences and Watkins)

- The Surgeon General should be given special “emergency public health powers” to control and coordinate all AIDS programs and ensure that there is no discrimination practiced against the AIDS-infected. (Watkins)

- Fighting discrimination and protecting confidentiality is our national priority. (Watkins and Academy of Sciences)

- “The First Lady’s highly visible ‘Just Say No’ campaign, for example, has successfully drawn our nation’s attention to the devastation of drug abuse and called on America’s youth to reject drugs. Such efforts need to be strengthened and increased.” (Watkins)

- The Centers for Disease Control (CDC) has recalculated the number of AIDS-infected and has come to the amazing conclusion that there are fewer people infected now than there were two years ago! In 1986, the CDC and national Public Health Service (PHS) estimated that there were between 1.0 and 1.5 million Americans infected. Now they estimate the number as having gone down to between 945,000 and 1.4 million infected. (Academy of Sciences and Watkins)

- Condom use should be encouraged. When condoms burst it is because of “user failure,” and not “product failure.” Will elementary schools now offer a course in condom use? (Academy of Sciences and Koop)

- There should be *no* mandatory testing of hospital patients, marriage license applicants, *nor even* of prostitutes. Voluntary testing is okay. (Academy of Sciences)

- The nation must vastly increase its AIDS education effort to counter the dangerous belief in the population that AIDS can be spread through casual transmission or through mosquitoes. (Academy of Sciences and Koop)

- There should be *no mandatory testing*, even in prisons. (Watkins)

The LaRouche call for victory

The LaRouche war plan challenges the “doom and gloom” approach of the health establishment and consists of: 1) not less than \$3 billion a year for an Apollo-style “crash program” of scientific research geared to the frontier area of nonlinear biological spectroscopy; 2) universal mass testing for the infection, combined with public health and outpatient medical services to all infected persons and their families; 3) a large-scale program of constructing hospital-bed capacity for handling the expected caseload of AIDS-infected. Three days after the LaRouche broadcast, California voters cast their ballots for Proposition 69, a traditional public health AIDS referendum virtually identical to the famous Proposition 64 of 1986. (See “End the low-budget Reagan-Bush folly on AIDS,” *EIR*, May 27, 1988, Vol. 15 No. 22.)

Moscow summit: a

by Webster G. Tarpley

“I will spit in your eye, and you will say that it is holy water,” goes the Russian proverb. Those intelligence professionals around Washington who are congratulating themselves on having gotten off with an almost-whole coat at the Moscow summit should look again. If they think this was a successful rearguard action and that Reagan didn’t sell out the proverbial store, they ought to think of Braxton Bragg, “victor” of Chickamauga, when he wrote, “One more like this and I am ruined.”

The Moscow damage report must start with the completed ratification and entry into force of the INF treaty, ratified for the summit deadline. Soon Soviet GRU inspection teams will appear at sites in the United States and Europe, including the Hercules plant in Magna, Utah, where no Pershing IIs are produced any more, but where MX and Trident D-5 missiles, the most modern in the U.S. inventory, are currently in production. Soon thereafter, the United States is required to begin the destruction of \$6 billion worth of modern INF missiles. Within 30 days of the entry into force of the INF treaty, the U.S. and the U.S.S.R. are mandated to exchange “updated data” on the numbers and positions of their medium-range missiles. What the Soviets will report is anybody’s guess. If they claim that numerous missiles have already been “eliminated” before the treaty came into force, it is a safe bet that these missiles have been put aside, and separated into their component stages—an option that the treaty leaves the Soviets free to carry out without the slightest violation.

Then there are the two arms control agreements signed during the summit. One provides for mutual notification of ICBM and SLBM test launches. The other is the Joint Verification Experiment Agreement, by which the two sides are to carry out verification tests at each other’s underground nuclear test sites. The goal here is to agree on verification measures that will allow the revival and eventual Senate ratification of two relics of the long-dead Nixon-Brezhnev détente, the Threshold Test Ban Treaty of 1974, and the Peaceful Nuclear Explosions Treaty of 1976. Gorbachov is also proposing a three-phased pullout of 500,000 troops by each side in Central Europe, with the United States not yet biting. Regional issues were also discussed, but little information was made public about the haggling or possible secret protocols.

Defense Secretary Carlucci became the first defense sec-

damage report

retary ever to visit the U.S.S.R., and used the time to confer with Defense Minister Yazov and Marshal Akhromeyev. Out of these meetings, and out of the Nitze-Akhromeyev "working group" on arms control, has come some "progress" towards a U.S. capitulation on START. This includes the proposal that mobile ICBMs could be fenced into "garrisons" to allow better verification, and other discussions on how to count air-launched cruise missiles.

According to the U.S.-U.S.S.R. Joint Statement, the two sides have elaborated a Joint Draft Text of a Treaty on Reduction and Limitation of Strategic Offensive Arms, which is kept in Geneva. This text is supplemented by joint draft texts of an Inspection Protocol, a Conversion or Elimination Protocol, and a Memorandum of Understanding on the data base. These texts record the areas of agreement reached so far, and also bracket areas where disagreements still exist. The "progress" achieved in Moscow will be duly recorded in the draft text in Geneva. It turns out that the provisions recorded in the text "are considered to be agreed, subject to the completion and ratification of the treaty." So, the United States is already locked in to all of the recorded provisions.

The Joint Draft Text provides that the "aggregate throw-weight" of each side will be reduced by 50%, with top limits of 1,600 offensive delivery systems and 6,000 warheads. The Protocols specify data exchanges, baseline inspections, on-site observation of elimination, on-site perimeter-portal monitoring, on-site inspections of various types, etc. More ironic provisions include "prohibition of the use of concealment" and a "ban on telemetry encryption"—both well-known Soviet tricks of the SALT era. We also find that "the two sides have begun to exchange data on their strategic forces."

The Geneva negotiations on this draft treaty will resume on July 12, governed by the instructions issued from the summit. It is "agreed as a matter of principle" that once an overall deal is reached, "the Treaty . . . will be signed without delay."

START is suicide

Much of this recapitulates earlier stages of the talks, but the point is clear: The sword of Damocles still hangs over the United States and the West in the form of these START talks. And according to Prime Minister Howard Baker, chief choreographer for the somnambulist of the White House, "The

odds of finishing a treaty in this term are probably no better than 50-50." Which is still a hell of a game of Russian roulette.

A START treaty with 50% cuts would permit the Russians to concentrate their ASW capacities on a much smaller number of U.S. ballistic missile submarines, increasing their chances of making kills at the critical time. In addition, the first-generation ABM system Moscow is deploying in the course of its ABM treaty breakout would be of far greater value if a possible U.S. retaliatory strike were weakened by half. START is suicide.

Gorbachov again made clear that the price for START is to abandon all hope of space tests and deployment for SDI. He is still trying for a START deal with Reagan, and if such a deal is reached, he is ready for a fifth summit during Reagan's term in office. When asked about a fifth summit to sign a treaty, even during the U.S. election campaign, Reagan's response was, "Go for it." For Reagan, a summit is possible even if there is no treaty: "Something else might come up that necessitates our getting together and settling something other than that particular treaty."

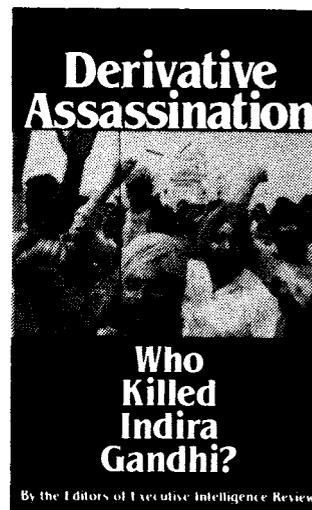
Senator Byrd's START watchword in Moscow was, "Make haste slowly," and he and Robert Dole agreed that even if the administration were to sign, the Senate could never finish work on a treaty this year. But these are slender reeds to lean on, while START marches on.

Derivative Assassination: Who Killed Indira Gandhi?

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Jackson makes a bid for Dukakis's VP post

Jesse Jackson, in something of an unusual move, expressed a keen interest in getting the vice presidential slot if Massachusetts Gov. Michael Dukakis wins the Democratic presidential nomination.

Until recently, Jackson has been rather reticent about the idea, going so far as to scold campaign advisers who began raising that prospect after the New York primary. But in statements made on May 31 before the New Jersey State Senate, Jackson made it clear that he thought he deserved serious consideration for the vice presidential post. "If I were to win the nomination," said Jackson, "with the kind of campaign that Dukakis has run, he would deserve consideration, and would get it. If he wins, I have earned consideration."

Jackson is already exerting some of his political muscle in attempting to shape the party platform. The platform committee will consist of six people appointed by Jackson, six appointed by Dukakis, and six named by Democratic National Committee chairman Paul G. Kirk.

Jackson said he and Dukakis have established a warm personal rapport, but that the success of their platform negotiations relies more on Dukakis's willingness to commit to specifics. "I do not foresee a confrontation," Jackson said, although the threat of breaking the black vote away from Dukakis if Jackson doesn't get what he deems a suitable reward, was a clear undertone in Jackson's remarks.

In response to Jackson, Dukakis said that he indeed deserves to be con-

sidered for the VP slot because of his strong showing, but added that he does not feel himself under any obligation to choose Jackson as his running mate.

Will Baker join the Bush campaign?

James Baker III, Secretary of the Treasury and ardent supporter of Republican presidential contender George Bush, has been under some pressure to lead the vice president's election campaign. Many Bush supporters believe, however, that Baker ought to stay just where he is in order to try to prevent a financial blow-out until after the elections in November. With the economy teetering on the brink, a pre-November blow-out in the fragile financial markets could plunge the country into a major depression and smash the vice president's political aspirations.

If the "invisible hand" of Mr. Baker were removed from the rudder of federal fiscal policy, while Baker himself hits the campaign trail, the Reagan "economic miracle" could blow up in Bush's face. Not that there is any assurance that Baker will really succeed in staving off a crash so long. The odds are in fact against him. But the Bushmen seem intent on trying every trick in the book to keep things together until November, and Jim Baker will probably remain their point man.

Bush trying to keep Reaganites on board

Republican sources in California report that the vice president is having a difficult time getting the conservative wing of the Reagan campaign on board the Bush bandwagon. They don't seem

to "cotton too much" to George, in spite of Bush's attempts to take upon himself the mantle of the "Reagan Revolution" (a revolution which itself has pretty much petered out in the President's new-found euphoria for what he used to call the Evil Empire).

Without the support of the old Reagan backers, the chances of the vice president winning the election are pretty much nil. Some people say that Bush could make his peace with the Reaganites by choosing Jack Kemp as his vice presidential nominee. Others say that there might be a split in the Republican Party along the lines of the Goldwater-Rockefeller split during the 1964 elections.

Republican conservatives like Howard Phillips of the Conservative Caucus have described Bush as "the candidate of the Wall Street wing of the Republican Party." Bush, who claims that he already deserves the support of the conservative wing of the Republican Right, does not look like he's even going to make an attempt to try to placate them. But without them, his candidacy just might be doomed from the start.

State budget deficit hurts Dukakis's image

The administration of Massachusetts Gov. Michael Dukakis, already hit by charges of fiscal mismanagement, disclosed at the beginning of June that the state's budget deficit would reach \$300 million this year, \$50 million more than estimates of several weeks ago. The governor has stressed continually during the presidential campaign his abilities as a fiscal manager. These figures could seriously undermine Dukakis's slogan, "Do for the nation, what we did for Massachusetts."

Will Senate scuttle Philippines bases?

Former National Security Adviser Gen. Brent Scowcroft led a panel of Council on Foreign Relations experts here June 1 to release a new report on prospects for the United States keeping its strategically vital naval and air bases in the Philippines beyond 1991, when the current agreement for use of the facilities expires.

However, the study, entitled "The Philippine Bases: Negotiating the Future," totally ignores the current instability in Manila.

This was reflected in exclusive remarks by Scowcroft to this reporter following the panel. In fact, Scowcroft said he expected more trouble from the U.S. Senate, if it has to ratify a new treaty with the Philippines for continued use of the Subic Bay naval station and Clark Air Field, than from political opposition inside the Philippines itself.

"The Senate may decide it doesn't want to agree to the terms that the Philippines will ask for in order to have the use of the facilities extended," Scowcroft told me. "This could be our biggest problem if, in fact, the Filipinos insist that the new agreement take the form of a treaty, thus requiring ratification by the U.S. Senate."

Scowcroft said he is "cautiously optimistic" that a new agreement keeping the U.S. military forces in the Philippines will be worked out before

the current agreement expires in 1991, but none of his reasoning took into account the problems that currently face the Aquino regime there.

Scowcroft said that the Aquino government, as those of the ASEAN nations, will want the continued presence of the U.S. military to counter the growing influence of the Soviet Navy. With the huge buildup of Soviet naval facilities at Cam Ranh Bay in Vietnam, the Soviets are now a major threat in the Pacific. Their Cam Ranh Bay base of operations covers the key sea lanes both for Southeast Asia and into the Indian Ocean.

But Scowcroft also spouted the contradictory line that the Soviets have somehow dropped their interest in gaining strategic footholds in the Third World. He told me that the Soviets have grown weary of struggles in Africa, for example, which have cost them billions with nothing to show for it (a disputed point, indeed).

For this reason, apparently, he did not respond when this reporter asked during the panel discussions whether Soviet low-intensity warfare methods are having an effect in turning the public against the U.S. presence in the Philippines.

Scowcroft winced, but did not comment as Fred Greene, editor of the CFR's study, answered that he did not think there was any Soviet role of consequence operating in the Philippines now, and that any opposition to U.S. military presence is due only to "ultra-nationalistic" impulses. Greene said that polls show over 80% of the Filipino population supports the U.S. presence, a reflection of the fact the U.S. is the second-largest employer and provides for about 5% of the GNP.

While he noted that the 20% who are opposed are "intense and eloquent" with "good access to the media, especially in the Manila area," he declined to concede there was any So-

viet role, or, indeed, any fear of serious destabilization of the Aquino government in store.

Therefore, the entire CFR study is based on wishful thinking. Remarkably, Scowcroft told me he feels the Soviets have given up even the idea of using proxies for gaining ground in the Third World.

The obvious contradiction in his assessment was clear when he admitted that the Soviets might look at Southeast Asia as a "different kettle of fish" than, say, Africa.

He did not mince words when asked about the consequences of a U.S. pullout from the Philippines, noting that the next best thing the U.S. could do would be to build up new naval facilities at Guam or in the Mariana Islands, 2,000 miles from the forward basing position now held at Subic Bay.

He also cautioned against any idea that, in the environment of the "new détente," mutual withdrawal of the Soviets from Cam Ranh Bay and the U.S. from Subic Bay would be equitable. "If I were a Soviet, there is nothing I would be more in favor of than such a trade-off," he said. "It would leave the Soviets with a huge advantage. They have other access to those critical sea lanes in the area. If we pulled out of Subic Bay, we would be thousands of miles away."

So, on the one hand, no serious attention is given to the instability in the Philippines, due largely to the ability of Soviet low-intensity operations to exploit the continued economic backwardness of the country. But on the other hand, a warning is given of the Soviets' strategic naval buildup in the region.

The tragedy is that fiscal austerity policies—International Monetary Fund debt collection on the one hand, and deep cuts in the U.S. defense budget on the other hand—are the cause of this inconsistency.

'Even LaRouche won't want to deal with crisis'

In comments made on the Senate floor on May 27, Sen. William Proxmire (D-Wisc.), chairman of the Senate Banking Committee, said that we were facing a major depression in 1989 or 1990, a depression so severe that it would be unfortunate if the Democrats won the 1988 presidential elections.

Outlining his crisis scenario, Proxmire stated, "in October 1989, the country suffers a banking crisis. American financial institutions that hold much of the debt of bankrupt American businesses are in a painful quandary. With every passing week that the banks forebear and refrain from foreclosing insolvent businesses and home mortgages, the regulators press for prompt foreclosure. The banks protest that foreclosure is no answer. The collateral for their business loans is the building, the equipment of corporations that have failed because their markets disappeared, and, of homes that no one can afford. . . . The regulators call for mergers of failing banks with healthy banks. But where are the healthy banks? There are few."

Proxmire goes on to describe how the President then would introduce a major spending program on construction to create employment opportunities, and announces a major tax cut. Such measures have an effect for a short period of time, but the country plunges quickly again into an even deeper depression. "Unemployment has risen to 25%. A record-breaking 30 million Americans are out of work. The national debt has zoomed to \$8 trillion. . . . It is time for a revolutionary political change. The country gets just that. For the first time in his-

tory literally no one, not Harold Stassen, not Lyndon LaRouche, no one, will agree to run for President. The incumbent President who had been first elected in 1988 calls the presidency the worst job on Earth."

Sen. Proxmire may be way too pessimistic about the possibility of resolving the economic crisis, but his description of the magnitude of the crisis, although belying the pundits of the academic establishment, is probably pretty much on the mark.

Wright may be probed by ethics committee

On June 2, the House ethics committee began deliberating on whether they should conduct an investigation into Republican charges that the Speaker of the House, Jim Wright, has engaged in improper financial activities. The panel, the Committee on Standards of Official Conduct, which does not make its agenda public, did not directly confirm that they would begin studying the Wright case, but said that they would deal with "pending business."

Accusations against Wright were initially raised by Rep. Newt Gingrich (R-Ga.). The charges involve a whopping 55% royalty which Wright had received from the publication of his book, *Reflections of A Public Man*. The printer of the book, Carlos Moore, had received large printing fees from Wright's re-election campaign, and Gingrich and others claim that the royalty was a way of improperly converting the Speaker's campaign funds to his personal use.

Common Cause, an ultraliberal

lobbying organization, said that the charges warranted an investigation by the ethics panel. At the end of May, Gingrich and 73 Republican House members called for an inquiry.

Wright has denied any wrongdoing and has charged that the Republicans timed their accusations so that an investigation by the ethics panel would coincide with the Democratic national convention in July, over which Wright is scheduled to preside. The Speaker has hired a lawyer, William C. Oldaker, to represent him before the committee.

House supports 'drug-free workplace'

On June 1 the House of Representatives overwhelmingly approved a measure that some legislators said could become a model for requiring federal contractors to maintain a drug-free workplace. The House voted 382-0 to require that state agencies or private organizations receiving federal money for such programs have a specific policy for keeping drugs out of the workplace.

The sponsor of the amendment, Rep. Robert S. Walker (R-Pa.), originally sought to require the government to withhold grant or contract money to any organization in which an employee was convicted of a drug offense that occurred in the workplace. The bill was initially met by shouts, boos, and catcalls, when Walker tried to tack his measure onto a bill covering spending for the legislative branch.

House leaders, unwilling to appear soft on drugs during an election year, put up little opposition to the

bill, however, after the language was modified somewhat. The compromise language would require contractors to the federal government to certify that they have a specific policy prohibiting the manufacturing, distribution, or possession of a controlled substance in the workplace.

Bush wants 'flexible freeze' on spending

Congressional advisers to the vice president say that George Bush would confront Congress on his first day in the White House by threatening to blame lawmakers for a recession if they don't agree to negotiate deficit-reduction proposals without tax increases. Right from the beginning, Bush is going to demand blood, sweat, and tears from the Congress to get down the budget deficit and ram through austerity measures.

Rep. Lynn Martin (R-Ill.), one of Bush's congressional advisers, said that Bush would "immediately on assuming his presidency meet with leaders of Congress to try to force the consensus necessary to run this country." That "consensus" would involve major cuts in the federal budget, with "everything on the table," except Social Security, taxes, and defense. "Farm subsidies along with the rest of the domestic programs will be on the table for negotiations," said Sen. James McClure (R-Idaho), the other congressional adviser to George Bush.

Although Bush, for political reasons, says he will make exception to Social Security, the National Economic Commission, which was set up by the Congress and the White House

to work out a bipartisan solution to the deficit problem, are pointing to Medicare as one of the areas where significant cuts would have to be made.

Reagan's START euphoria not shared by Congress

Sen. Robert Dole (R-Kansas) and Sen. Robert Byrd (D-W.Va.), the two leaders of the Senate, were rewarded for their excellent collaboration in railroading the INF treaty through the U.S. Senate by being brought to Moscow to witness the signing of that historically tragic document.

The two, however, were not quite as optimistic about the chances of signing a START treaty during the last year of the Reagan administration as was the President. "My suggestion," said Byrd in a press conference in Moscow, "would be that we make haste slowly—do not go too fast, because the aim of the START is not just to cut nuclear weapons. But it is to enhance nuclear deterrence. And there are big problems—verification, nuclear force structure, and so on."

"Summits are fine," Byrd continued. "They're good headline media events, but the devil is in the details." When asked if he thought it would be possible to get a START treaty before Reagan left office, Byrd replied, "I think it's very difficult for that to happen. . . . The difference in the work and the probing and the investigation and the questioning in connection with a START treaty—from what we saw in connection with the INF treaty—will be like day and night."

However, significant steps were already been taken during the summit

to advance a framework for a START treaty. If the administration goes ahead with its insane plans, will there again be a gross discrepancy between the West Virginia senator's words and deeds, as we saw so plainly during the INF debate—or will the senator, and the majority of his colleagues, bend over for the détente rush if the price is right. This question remains for the future to answer.

Vietnam interest section campaign gains momentum

Sen. John McCain (R-Ariz.), a former prisoner of war in Vietnam, has been leading a low-key campaign in the Congress to establish a permanent interest section in Vietnam. Confronting opposition from both the administration and the State Department on the issue, McCain has succeeded in gaining 17 co-sponsors for the proposal in the Senate, some of whom are Vietnam veterans.

The State Department refuses to establish any formal diplomatic relationship with Hanoi, while Vietnamese troops remain in neighboring Kampuchea.

McCain has noted that there is something of a dialogue under way with Hanoi, conducted by a "stream" of his fellow legislators. "It depends," said McCain, "on whether this dialogue is a sporadic one conducted by congressmen and senators who are not the best informed on the issues or, should we have a permanent presence so that we can have a constant dialogue. . . . Somebody's got to move us off the dime."

National News

LaRouche holds press conference on AIDS

Democratic presidential candidate Lyndon H. LaRouche, Jr. told a press conference at San Francisco's Redwood City Hotel May 28 that he expects an AIDS ballot initiative he backs, Proposition 69, to win easily in June 7 voting in that state. LaRouche also announced a campaign broadcast to air on NBC three days before the election, as gay protesters marched outside the hotel.

Though Proposition 64, a similar initiative mandating public health measures against AIDS, failed in 1986, LaRouche pointed out drily that "those who led the opposition to it are dead. I should think that a lot of the people who opposed it are dead. So I think this time you will find a lot of the people who were panicked into opposing 64 are now thinking of supporting 69, because nobody else is doing a thing about this blasted disease."

He was asked about the effect of having virtually no support from elected officials or from the medical community. "So what?" he responded, "Maybe some people would like to survive. Maybe you will find in San Francisco and a few other places that a majority of what you call the 'gay vote' might turn out and vote for this thing."

His NBC television special will help, he added. "It is on the subject of 'Victory Over AIDS.' It will be quite a blockbuster. The program is like a documentary. . . . It's a national blast to put some dynamite under this thing nationally. . . . We are going to give them facts about the biological reasons for the disease and get rid of the idea that this disease cannot be licked. What I want to do is blow things up so people can come out and talk about curing AIDS."

"I think the public should be told that the 'safe-sex' material is garbage. Safe sex is nonsense, absolute nonsense, because this is not a venereal disease. [U.S. Surgeon General C. Everett] Koop is a liar. This guy is spending millions of dollars to mail silly, lying pamphlets, hoping that, like little Nancy Reagan, if you say 'no' to a little AIDS virus when it comes up and knocks on your door, it will go away," LaRouche said.

"The problem is not quarantine. The

problem is that quarantine costs millions of dollars. They panicked a good deal of the population into opposing it. I don't think it will work this time. Because these idiots said they had a better solution. They have no solution. They are doing less now than they ever did before, and the public knows it. . . ."

Washington archbishop named a cardinal

Washington, D.C.'s Archbishop James A. Hickey, whom the *Washington Post* described as having "shaped his ministry in the John Paul tradition of conservative theology and social activism," was named a cardinal of the Catholic Church on May 29. Also named a cardinal was Detroit Archbishop Edmund C. Szoka. The appointment of the two Americans will bring to five the number of active United States cardinals.

In all, 25 new cardinals were announced by the Vatican May 29.

Szoka and Hickey, who took their seminary training together, are expected to preach strict adherence to Roman Catholic teachings. "I shall do my best to live up to my episcopal motto chosen many years ago: Teach the truth in charity," said Hickey, who will be given his cardinal's biretta at the Vatican on June 28.

Hickey was responsible for "liberal theologian" Charles Curran being banned by the Vatican from teaching theology at Catholic University in the nation's capital. Curran taught a brand of "Christian ethics" which accepted abortion and homosexuality.

Hospitals quietly take precautions against AIDS

Many hospitals are quietly training their staffs in infection control, obviously with AIDS in mind, although most hospital officials deny it.

Goggles, gloves, and plastic gowns are being positioned in every patient's room. Staff are being required to attend classes usually consisting of a film and a lecture on

"infection control."

The two main themes are: It is prudent for staff to isolate themselves from *all* bodily substances of patients; but it is up to the staff member whether he or she actually does.

Even some small hospitals are remodeling to have at least several quite secure isolation rooms. In the past, often one regular room was designed as a quarantine room.

Nevertheless, hospital officials continue to regurgitate the line of the Centers for Disease Control and Surgeon General C. Everett Koop, that AIDS can only be transmitted by semen and blood. Questioned as to why the extreme precautions concerning all bodily substances, the standard reply is that it is "just better awareness" of the problem of all infections.

Dukakis says he'd recognize Jerusalem

In an interview with the *Los Angeles Times* May 29, Democratic presidential hopeful Michael Dukakis asserted that he would reverse more than 20 years of U.S. policy in the Middle East by recognizing Israel's claim to sovereignty over all of Jerusalem. He would also recognize Jerusalem as Israel's capital.

Dukakis declared that the future status of Jerusalem was "not negotiable" except in matters dealing with "the rights of religious groups, which are rights that Israel has accepted."

"If," Dukakis added, "Israel wants its capital in Jerusalem, then, as far as I'm concerned, its capital is in Jerusalem. If it wants its capital in Tel Aviv, then it's capital can be in Tel Aviv. That's their judgment to make."

Bush drug charges aired on national TV

On May 26, the internationally syndicated Cable News Network Larry King Show featured a 40-minute interview with Richard Brenneke, one of the primary sources of the recent accusations that George Bush aide Donald Gregg supervised a guns-for-drugs

Briefly

route supplying the Nicaraguan Contras.

Brenneke, who was interviewed in a recent issue of *Newsweek*, told King that he had been recruited to a CIA arms-for-cocaine effort by Israeli Mossad station chief in Guatemala, Pesach Ben-Or, who told him that he was acting on the authority of the U.S. government. Brenneke said that he was given Donald Gregg's name and telephone number at the White House, in order to confirm Ben-Or's bona fides, and that he had several phone discussions with Gregg in which the ex-CIA official gave Brenneke a green light to participate in the program.

Sometime during the mid-1980s, Brenneke said, he flew two plane loads of cocaine into the United States from Medellín, Colombia, and from an undisclosed location in Panama.

While painting a convincing and confident picture of Gregg's role in the Central America cocaine pipeline, Brenneke was careful to tell the audience that he had no personal "proof" that Vice President Bush, Gregg's boss at the time, had any personal knowledge of the guns-for-drugs transactions. Under grilling from both Larry King and from at least four callers who claimed to be former intelligence operatives with firsthand experience in Central America, Brenneke stuck to his story and told viewers that he had extensive written proof of his charges that would be presented to congressional investigators and reporters.

According to at least one U.S. intelligence source, the Brenneke charges are accurate and are part of an effort to expose and shut down the CIA-Israeli connection that was pivotal to the entire Iran-Contra fiasco.

Bush wants Meese to resign

George Bush met secretly with Ed Meese recently, to discuss the political fallout from the attorney general's continuing legal problems. The contents of the meeting have not yet been revealed, but, according to a story in the May 28 *Washington Post*, the meeting indicates that Bush is stepping up his effort to oust Meese.

From mid-May on, the Bush camp has been running a none-too-subtle campaign

against Meese, with spokesmen for the vice president telling all who would listen that Meese should step down, before he harms Bush's election chances.

On May 31, Bush himself confirmed that he met privately with Meese to talk about the problems Meese might be creating for Bush's presidential try. Asked if Meese pledged not to do anything to harm Bush's campaign, Bush responded, "Yes, yes, I think you can say that." Adding that the report of Special Prosecutor James McKay would be out soon, Bush said, "Let's see what it says."

Cuomo, Dukakis may suffer from nuke closings

Politicians, "prominent among them Mario Cuomo and Michael Dukakis," who respectively managed to destroy the Shoreham, New York nuclear plant and place the Seabrook, New Hampshire nuclear plant perilously close to destruction, will suffer from the fallout of their actions, warned the June 1 lead editorial in the *Wall Street Journal*, under the headline, "Lights Out."

In an unprecedented action, the Long Island Lighting and Power Company finally reached a deal with Mario Cuomo's State of New York to bulldoze its Shoreham facility, which cost \$5.3 billion and took 23 years to build, but was never put into operation because of environmentalist roadblocks—Cuomo's support. Dukakis, as governor of Massachusetts, has done everything in his power to see that the environmentalist-besieged Seabrook plant suffers a similar fate.

Not only will citizens who would have benefited from those plants "be awarded the honor of paying higher taxes and utility rates for nothing," but "those same ratepayers and taxpayers can look forward to power shortages this summer," said the *Journal*.

"Other nations—France, South Korea, Japan, Britain—are pressing ahead with nuclear power development with none of the political paralysis that has occurred in the U.S." As a result, the United States, which "will lose its 15% safety margin in electrical generating capacity only three years from now," can look forward to "brownouts and, possibly, retarded industrial development."

● **MAYOR COLEMAN YOUNG** of Detroit has issued a regulation requiring testing of members of the Detroit Police Department for drug usage. The regulation requires that the names of all 5,000 members of the police force be submitted for random testing.

● **PATTY DUKE**, who led the Hollywood charge against the LaRouche-backed Proposition 64 AIDS initiative in 1986, has been diagnosed as a manic-depressive. Duke reveals in a new book that she has begun taking lithium, after "innumerable suicide attempts, bizarre behaviors, broken relationships. . . . People would look at me like I was crazy, not realizing that I was. . . . The manic behavior was kind of acceptable behavior for a star."

● **PRESIDENT REAGAN** said in a televised interview with two Soviet journalists at the end of May that he would probably write a book to "straighten out the record." "I've been thinking very seriously about writing a book. In view of the fact that several people who have left government have written some books, I think maybe I'd better straighten out the record and tell things as they really are."

● **GEORGE BUSH**, in a replay of his poor little rich boy act, indicated that he may curtail some political travel as a result of a dwindling treasury. "It's expensive to take this show on the road," Bush told reporters.

● **LAWRENCE WALSH**, independent prosecutor in the Irangate affair, has asked the District Court in Washington to deny a request for separate trials by the four defendants in the case, Oliver North, John Poindexter, Richard Secord, and Albert Hakim. Walsh said that each of the defendants' roles and actions fit together in one conspiracy to defraud the U.S. government.

Editorial

In the aftermath of disgrace

The just-concluded summit was without doubt the nadir in the history of the republican United States. From the bumbling, pathetic performance of a President no longer fit for office, and the deliberately vicious satire of him by the Soviets before their own television public, to the ritual conclusion of the U.S. betrayal of her NATO allies in the last ceremonies attached to the infamous Intermediate-Range Nuclear Forces (INF) treaty.

Probably there are few in the West who did not cringe at, at least, some point in the hideous affair: whether it was when Nancy Reagan flounced before the cameras demanding to be heard giving her views on the religious significance of Russian icons, or the offer of a job in the Soviet movie industry to her soon-to-be-unemployed husband. This media extravaganza signaled that for now, at any rate, the United States is in receivership—politically as well as economically bankrupt.

Gorbachov complained at the waste of a good opportunity, that the process of appeasement was not carried to a new level. In his words, no new ground was broken. Nonetheless, behind the scenes, 600 “government” officials were busy conducting the real business, and concluding God knows what new atrocities, to be sprung upon the rest of us in time.

The only bright side of the debacle is the opportunity which it gives us to organize an effective resistance, to what otherwise will be consolidated as the end of the 200-year republican experiment that was the United States of America. What else is the touting of two candidates for the presidency, Bush and Dukakis, who are widely recognized as ciphers—place-holders for what will have become a purely ceremonial office?

The charade of constitutional government may be maintained, but the reality will have become government by committee, from behind the scenes.

The picture of the frail and confused President Reagan calls to mind the image of Franklin Roosevelt at Yalta. In both instances, the Soviets were willing to brutally exploit the infirmity of the U.S. head of state.

The question to be answered, however, is: How was this permitted, by those in a position to know that neither Roosevelt then, nor Reagan now, was fit to carry the weight of such responsibility?

For an indication of the answer, we refer the reader back to last week’s cover story. In Roosevelt’s day, there was a nasty nest of conspirators in the government, typified by Henry Wallace and Harry Hopkins, who represented the interests of a broad grouping we call the Trust. Their aim was to ensure that the same oligarchic, balance-of-power politics remained in place, that had already caused two world wars. These same policies are today bringing us to the brink of World War III.

Today, we find that the masterminds of President Reagan’s disarmament-appeasement strategy, from Albert Wohlstetter, to his protégé Richard Perle, to the rest of his foreign policy team, have been masterminding the road to appeasement for at least 30 years. For example, in 1957, Wohlstetter and Andrew Marshall, another member of that gang, issued the Gaither committee “finding,” that the United States could no longer hope to maintain the capability of massive retaliation against the Soviets.

This monstrous lie was the first step in charting the road to capitulation, which just ended in Moscow. It was this defeatist approach which led to the Kennedy-campaign claim of a missile gap between the United States and the Soviet Union. Remember, Wohlstetter was one of Jack Kennedy’s defense experts! Was it the false claim that the Soviets were ahead of the United States, that led him to blink when he faced Khrushchov over the Cuban missile crisis? This same gang crafted James Schlesinger’s insane doctrine that we had entered an era of limited wars—a doctrine intended to justify removal of the nuclear umbrella from Europe.

If the United States is effectively destroyed as a republican nation, the whole of Western civilization will go down with it. We must declare all-out war on this gang of traitors and their masters, who led us step-by-step to this debacle.

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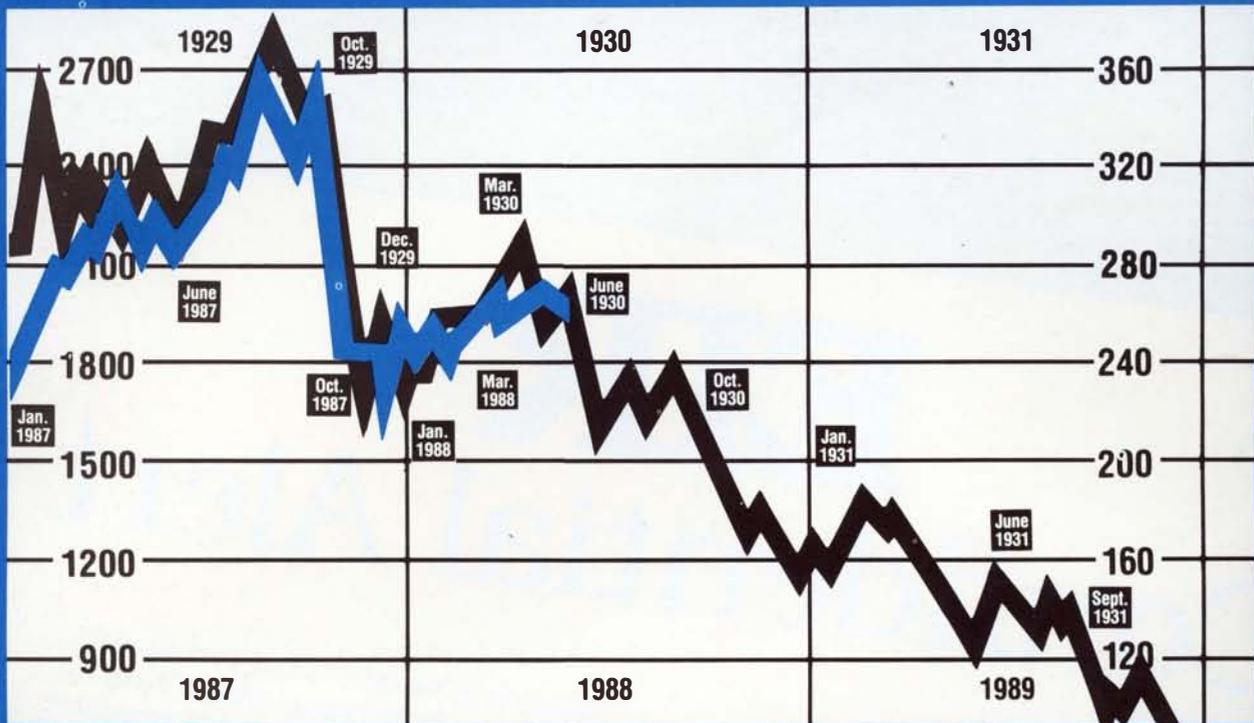
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