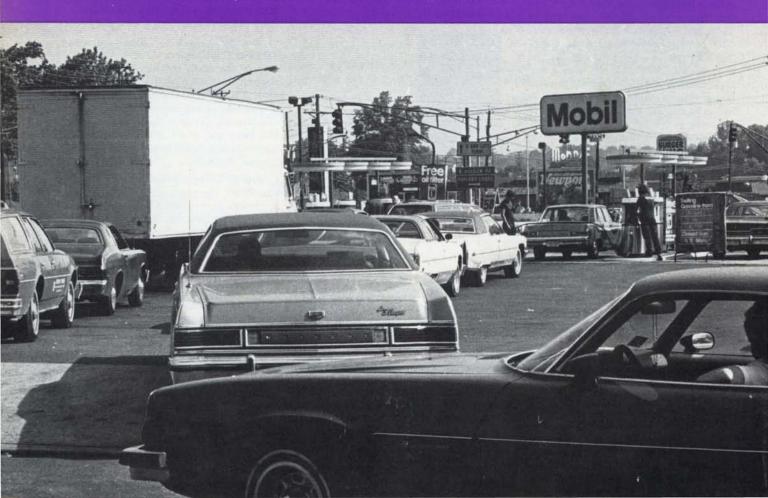


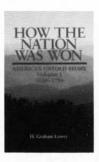
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Why Bush might seek a Mideast war, and a new oil shock



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From the Editor

Last week, we remarked in the lead article of our *National* report that President George Bush's pathway through the month stretching from the Ides of March to Tax Day (April 15) was a veritable minefield for an administration that is still adrift. In the *Feature* this week, Webster G. Tarpley casts an eye over the strategic landscape to identify the foreign, economic, and domestic policy crises now facing Bush, whose first days have been compared nastily in the British press to the last days of Jimmy Carter. A period that included—in 1979, as the cover photo reminds us—world oil shortages and staggering price rises in the wake of the takeover of Iran by the "Islamic Revolution," much abetted by our very own State Department.

Tarpley's overview is complemented by two other reports which zero in on Anglo-Soviet intelligence operations in the Middle East, whose roots go back to 1979 and long before: a story on the Pamella Bordes scandal enveloping official London, and a dossier on the outbreak of the Salman Rushdie flap as a trigger for destabilization of the Muslim world.

Other highlights of this issue include:

- U.S. and foreign media have been hit since March 14 by waves of exposure of how the "Get LaRouche" task force that jailed Lyndon LaRouche and six associates, for alleged "conspiracy" charges, had placed one of its own men, Buster Horton, as jury foreman in the trial. See page 62 for that story, and page 67 to read about a former Italian senator and president of the Sicilian region who went to Washington to demand LaRouche's freedom.
- We commemorate the tenth anniversary of the judicial murder of Pakistani Prime Minister Bhutto by re-telling what Bhutto said about Kissinger's role in the operations against him. (See page 52.)
- On the battlefront against malthusian genocide disguised as phony "environmentalism," see page 46 for a report exposing Commonwealth head Sir "Sonny" Ramphal, and also pages 8 and 59, for a few of the key voices that have been raised on behalf of reason, in Denmark and Brazil.
- Finally, for very important developments on AIDS, see the two stories in the *Economics* section. You won't read any of these stories in liberal press, much less get the whole picture put together this way.

Nora Hamerman

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EIR Economics

Brady Plan already dead, as the debt bomb ticks

by Peter Rush

One would have to thoroughly comb the history of the 20th century to find any parallel to the policy miasma now surrounding the issue of the foreign debt of Ibero-America. Quite possibly, there is none.

Rarely, if ever, has a crisis-in-the-making been so clearly foreseen, yet so miserably responded to. With Mexico, Venezuela, Brazil, and Argentina threatening or already in default, solutions would seem to be needed immediately, and on a large scale. Yet, U.S. Treasury Secretary Nicholas Brady offers crumbs, and these only months or years from now. Political leaders in all four countries, under extreme pressure at home not to impose the further austerity that the International Monetary Fund (IMF) and the World Bank are still demanding, are seeking evidence to show their people that things will now get better. But Mr. Brady offers nothing but more IMF castor oil.

Events, in short, have so outrun the ability of the U.S. Treasury to respond effectively, that every effort now made or likely to be made to deal with them merely exposes the Treasury and the U.S. government to increasing scorn and ridicule. Barred by ideology, class affiliation, and a myriad other bonds that knit the Anglo-American financial elite together, from adopting the only solution capable of genuinely resolving the debt crisis to everyone's benefit (including the banks'), namely, that proposed by Lyndon LaRouche since 1982, Secretary Brady and his cohorts are doomed to ever more laughable and inappropriate "ideas and suggestions" that won't work.

Ironically, Brady would have bought slightly more time by stalling, proposing nothing, than by putting himself on the line with his present scheme. He has exposed himself to attacks from all sides.

While few have outrightly rejected Brady's debt reduc-

tion proposals, they have been met with "suggestions" from all quarters, alternatively proposing either that they be expanded and speeded up to have any effect, or limited to contain the "damage" they represent.

Leading the band of those, mainly bankers, who are damning the plan with faint praise, is IMF Managing Director Michel Camdessus. Speaking to the meeting of the Inter-American Development Bank in Amsterdam March 19, Camdessus delivered himself of an evasive, vague "commitment" that could hardly have comforted anyone: "The Fund must remain prudent. . . . It [must also] be able to react quickly to support good programs. . . . This leads me to believe that depending on the quality of the program and the country's previous track record, there may be cases when it would be appropriate for the Fund to begin disbursing credit . . . without having at that time full financing assurances from other creditors."

He added that the Fund "might" provide resources to allow cash buybacks to purchase collateral for an asset exchange or to secure interest payments.

But, he stressed, the Fund could not, under any conditions, relax the stringent conditionalities on any loan the Fund makes. Moreover, blackmailing Brady, he stressed that in exchange for the above pitiful commitment to Brady's plan, the Fund must get the hefty increase in its quota that the United States has been resisting.

Blunter was the chairman of the IMF Interim Committee, Onno Ruding, finance minister of the Netherlands, speaking at another meeting in Amsterdam that week. He said he wanted "to put a special question mark at the provision of guarantees by the IMF and World Bank," saying such guarantees would hamper progress in reestablishing creditworthiness of debtor countries. "If greater involvement of the

IMF or World Bank would lead to an indirect bailing-out of commercial banks, we would enter dangerous ground." British banking and government circles are also known to oppose IMF involvement. Without the IMF, the Brady Plan is a dead letter.

But, no one has commented on that curious feature of Brady's proposals that would seem to give the commercial banks no interest in them either. According to one mechanism proposed, IMF and World Bank monies will, via zero-coupon bonds, guarantee the principal, but not the interest payments, of country bonds exchanged at a discount for old loans. A separate mechanism is IMF and World Bank funds to guarantee interest payments on debtor-country bonds, but without any collateral or guarantees on eventual payment of principal. Why any bank should be interested in taking a bath on its loans in exchange for anything less than rock-hard guarantees of both interest and principal is not explained.

Outside the circled wagons of the bankers, some commentators have better perceived political and economic reality. Harvard "shock treatment" economist Jeffrey Sachs wrote in a *New York Times* commentary March 21 that only if the Brady Plan were to reduce debts by more than 50% could it be effective. "Thus, it is worrisome that the Treasury has spoken of a reduction of only 20%."

Coming out swinging against the IMF and the Brady Plan's use of it, in a featured commentary in the Wall Street Journal March 21, "supply-side" guru Jude Wanniski blamed the IMF for creating poverty and fomenting subversion and insurrection by its disastrous policies. (See Business Briefs.)

Most interesting was a Los Angeles Times March 19 commentary by historian Walter Russell Mead. He pointed out that the Brady Plan is much less generous than even the 1924 Dawes Plan for Germany, the harshest of three plans for dealing with Germany's postwar reparations and debt payments. It was amended first in 1929, as the Young Plan, and again in 1933 at Lausanne, Switzerland, when the new German Chancellor, Adolf Hitler, was offered "debt relief" of 95% of his payments (which he scornfully rejected). The lesson of the 1920s, Mead says, is that harsh debt terms created the conditions that brought Hitler to power, and that eventually, much softer terms had to be offered anyway when they were too late to stave off political catastrophe. "Too little, too late has so far been the theme of Washington's approach to the debt problem. Progress is measured in inches, the journey in miles."

Panic over Mexico

From the beginning, Mexico has been identified as the prime target for Brady's new program. Speaking to Congress March 15, Assistant Treasury Secretary David Mulford said, "Mexico is the debtor nation the administration is most anxious to help," mainly because "it has made tough economic reforms." Washington Post resident economic columnist Robert J. Samuelson was blunter: "Mexico is the test case,"

he wrote March 22. "Time is short. Foreign exchange reserves to make debt payments and buy imports are dwindling." He said that President Carlos Salinas de Gortari desperately needs a favorable deal on Mexico's foreign debt before July, in order to campaign on it in upcoming state elections.

After noting deficiencies in the Brady Plan, Samuelson presented the stakes for all of Ibero-America: "Failure with Mexico could cause the process to break down. There could be a bandwagon effect. If Mexico suspends its payments, other debtors could follow. Brazil, Argentina, and Venezuela are in desperate shape. It's hard to know what would happen then."

In reality, Mexico is in far worse shape even than Samuelson reveals. Its trade surplus now gone, Mexico has been paying interest out of reserves for more than six months. Coupled with an undetermined quantity of flight capital, the combined drain of reserves is believed to be \$10-13 billion since early last year. One classified IMF estimate is that only \$3 billion remain in reserves (the exact amount of Mexico's reserves is a state secret). If so, Mexico is a near neighbor to financial holocaust.

Moreover, both the IMF and World Bank are negotiating multibillion-dollar loan packages totaling perhaps \$6 billon, but with a catch. They are demanding a 20% peso devaluation as a condition for the loan. Mexico's political leadership knows that if they devalue, all hell will break loose domestically, the "pact" made with labor and peasants will be off, inflation will shoot up, and the specter of last month's events in Caracas, Venezuela, will haunt the country. But if the reported devaluation fever, which is creating tremendous pressure against the peso as people try to buy dollars in expectation of a devaluation, continues much longer, the reserves will be drained dry and the peso will devalue willynilly.

And Mexico may not be the worst case. Venezuela is already out of reserves, and hasn't paid at least \$200 million in interest due since December. In the wake of the Brady Plan, Venezuela has suddenly angered its bank creditors by proposing that they will deal with each—450 of them—individually, rather than through the bank committee. For their part, the banks, who had last month promised to lend Venezuela a \$600 million "bridge loan," are now welshing, saying Venezuela must pledge oil sales as collateral—which Venezuela refuses to do—without which the loan will be a "bridge to nowhere." The banks also said they will not look favorably on providing trade credits Venezuela will soon need.

Brazil, which faces a likely inflationary explosion in April when it relaxes price controls, is now in arrears on interest due March 15, saying it won't pay until banks lend it new money. And Argentina, a full year in arrears, owes \$2.5 billion in interest, and has been totally cut off by the banks, the IMF, and World Bank from any more loans.

EIR March 31, 1989 Economics 5

Drought in U.S. grain belt deepens; contingency planting now required

by Marcia Merry

The glib remarks made by U.S. Department of Agriculture officials in January that we should "not worry about the weather too soon," went up in a cloud of dirt in Kansas in March. No miracle rains fell after Christmas across the Great Plains, and by mid-March, 1930s-style dust storms hit Kansas, killing huge tracts of winter wheat, and blowing off thousands of tons of soil in the process.

But so far, none have reported the significance of what extensive drought in the U.S. grain belt means to the world: Millions worldwide are doomed to hunger and starvation. The United States accounts for over 43% of all the grain exported annually in the world. What is required—even at the late date of April—is a mobilization to plant whatever and wherever possible elsewhere: spring-sown crops in the Northern Hemisphere grain belts, and winter-sown crops in the Southern Hemisphere. These plantings, and also interim "catchcrops" in more favorable climes, are needed as compensation for the prospect of two killer droughts hitting the U.S. grain belt in 1988 and 1989.

Relative to producing the grain export potential needed to provide the world the diet level of 1984, there has been a fall-off in grain acreage planted in the United States and the other top five grain exporters—Canada, France, Australia, Argentina, and Thailand—so that this year they can be expected to produce 233 million tons of grain less than required by grain import-dependent nations in the Third World, even if there is no significant adverse weather.

The Soviet Union is now contracting for record imports of scarce Western grains. While Gorbachov, agriculture czar Yegor Ligachov, and other Soviet officials hold emergency sessions over how to reform Soviet agriculture, in reality they are relying on tribute from the West, in the form of huge quantities of meat, butter, grains, and livestock feeds from limited Western output. The Soviets are expected to import at least 45 million tons of grain this trade year, which alone would account for almost 25% of all grain traded annually in recent years. The percentage of grain available going to the Soviets may soon zoom to 50% or more.

Radio Moscow's broadcast on March 22 gave prominent coverage to the conclusions of a recent Worldwatch Institute report on world food shortages, by quoting the report: "By the end of the next decade, food security may replace military security as the principal preoccupation of many governments."

The map shows that the locations of the most severe soil moisture deficiencies are centered in Kansas and the winter wheat belt, in Iowa and the corn belt, in the Dakotas and the spring wheat belt, and in California, which produces half of the U.S. fresh and processed fruits and vegetables.

The map also shows many drought regions outside the High Plains grain belt, such as the Hudson Valley, north of New York City. There on March 22, New York Mayor Edward Koch declared an official drought emergency, and announced a list of restrictions on water use.

The following is a summary of reports from farmers and farm news services of the latest weather-related conditions in the farm belt that will reduce food output.

Winter wheat: The week of March 12, fierce, dry winds hit Kansas, which produces 17% of the entire national wheat crop, and one-third of the country's hard red winter wheat, the type used for bread. The winds caused death or damage to the vulnerable wheat plants. Winter wheat is planted in the fall, and harvested in the early summer. This year, there was sufficient moisture for the wheat seeds to sprout, but not enough to put out proper root growth. In a normal year, along every foot of seeded row of wheat there are 100 "tillers" or plant shoots. This year, there average only 20 to 40. Then came the killer winds, which ripped off and sand-blasted the fragile plants.

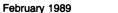
Agriculture Department officials estimated that as of March 13, more than 75% of Kansas wheat was in poor to very poor condition.

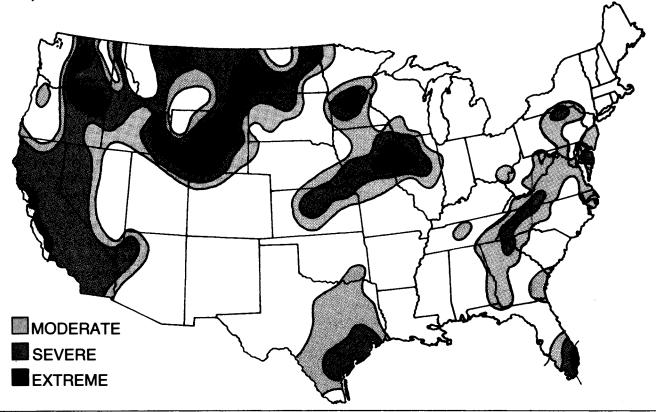
On March 15, a team of 60 wheat specialists from Kansas State University and from the Wheat Quality Council, an organization of millers, bakers, and other users of the crop, toured Kansas to survey the crop. Tom Roberts, spokesman for the group, said it was the worst crop he had seen in 23 years. The survey group expects that harvested acreage will have yields lowered from an average 38 bushels down to 25 bushels an acre. Roberts expects that 22% of the crop planted last fall will not be harvested at all. It is lost.

Therefore, instead of an increase in output this year compared to last, there will be a decline of perhaps 26%, from 319 million bushels (8.7 million tons) down to 235 million bushels (6.41 million tons).

This means a loss of 2.29 million tons of grain, which is equivalent to 5,880 million loaves of bread. Figuring that a person subsists on a one-pound loaf a day (and some other

Drought severity persists in U.S. grainbelt





Source: Based on the Long Term Palmer Index, February 1989, NOAA/USDA Joint Agricultural Weather Facility.

The Palmer Drought Severity Index depicts prolonged (months to years) abnormal dryness or wetness, based on factors including lack of soil moisture, rate of recharge and deep percolation, rate of run-off, and other measures. Therefore, the areas shown here on the map as "extreme" and "severe," accurately show where drought is persisting in the grain belt. Since February, when the map was prepared, there has been some precipitation in the northwest, but otherwise, the areas hardest hit include the winter wheat belt centered in Kansas, the cornbelt centered in Iowa (and part of adjoining Illinois), the spring wheat belt centered in North Dakota and Montana, and most of California.

foods), this means there will be no daily bread for 16 million people somewhere in the world, unless the Kansas wheat loss is made up.

Spring wheat: The map shows that there is an extensive area of soil moisture deficiency in the western Dakotas and eastern Montana, the center of the U.S. production of durum wheat, which is the high-grade grain used for pasta products, and for blending with lower-grade wheats to provide the texture and protein levels desirable in other grain staple foods. This wheat is planted in the spring, and harvested in mid-to-late summer, depending on the latitude and conditions. Without adequate soil moisture present, farmers will have to reduce the area planted. Yields will also go down drastically if the plants cannot sprout and mature properly.

Corn: As of mid-March, there were severe soil moisture deficiencies in as much as two-thirds of Iowa—the center of the corn belt. Only 25% of the state had normal or better than

normal soil moisture reserves, according to Iowa State University climatologist Elwynn Taylor. "Normal spring rains would replenish soil moisture at least to usual conditions," Taylor reported. "They wouldn't correct our groundwater situation, but they would correct the subsoil moisture situation."

Groundwater supplies have been going down during the past two years. The groundwater will not be recharged until subsoil moisture reaches saturation. All during the winter, Iowa farmers have been asking the state and the Army Corps of Engineers to dig wells for water for livestock. It was hoped that a "wet winter" would relieve the situation, and make way for a successful spring planting of the corn crop, or of soybeans, as many farmers plan to do. Now, unless there are "miracle rains"—steady, soaking, and perfectly timed, the results of the persisting drought will be seen in lower plantings and lower yields per acre.

Score one for reason in Denmark

A government panel introduces what the environmentalists fear the most: scientific rigor. Poul Rasmussen reports.

At a time when superstition and irrationality are flourishing and the environmental insanity is spreading worldwide, science and reason have won a small, but important victory in Denmark. Commissioned by the Danish government, 22 senior scientists from nine different countries have made a critical evaluation of Danish environmental research, and their conclusions were as simple as they were shocking for the Danish public: You have forgotten that *all* research—including environmental research—has to be objective.

The report from the 22 scientists hit Denmark like a bomb. Everyone had suffered from the delusion, that Denmark is at the forefront of so-called environmental research. As a matter of fact, both the Parliament and government had established the goal, that Denmark should become *the* leading nation in environmental research. The international experts brutally destroyed this illusion.

In 1987, when Denmark introduced the most comprehensive Water Protection Plan in the world, a handful of critics warned that this \$2 billion boondoggle was without any scientific basis whatsoever. In an open letter to the Danish Parliament on Jan. 19, 1987, the Danish Schiller Institute Farm Commission wrote: "A close review of the reports from these 'experts' . . . shows that they have absolutely nothing to rest their case on. Nowhere in these reports can one find any reasonably established connection between leaching of nitrates, agricultural use of fertilizers, increased plant growth in the sea, and oxygen deficiency and the death of fish. There is an abundance of postulates, but that is an entirely different thing."

To counter the critics, the parliament asked the government for an international review of Danish environmental research. This request was made on the firm belief, that such an evaluation would confirm their illusion, that Denmark was already leading international environmental research. Today, the 22 international experts have concluded that the Danish Water Protection Plan is "hasty and without any connection to scientific research." In other words, Denmark is in the process of wasting \$2 billion.

With a foreign debt of \$60 billion and a population of only 5 million people, Denmark is, per capita, the most indebted country in the world. Wasting \$2 billion is no small

matter, and therefore the statements from the international experts have caused a wave of newspaper articles and editorials calling for an end to the "green insanity." Certainly a new phenomenon.

Good at propagandizing, bad at science

In their evaluation of the individual laboratories and research institutions in Denmark, the international panel presented some revealing disclosures. While most of the old and well-established research institutions received good and flattering reviews, the new environmental research facilities under the Ministry of Environment and the National Agency of Environmental Protection are ripped to pieces. The most general evaluation of these institutions was "poor, and below Danish and international standards." Although the international panel bent over backwards to remain friendly and polite, some of these institutions were so bad, that they couldn't hold back their sarcasm.

In the evaluation of the Marine Pollution Laboratory of the National Environmental Agency, which was responsible for a major part of the Water Protection Plan, the international panel commented:

"The panel wishes to compliment the Laboratory on their popularization of pollution issues but stressed that careful review of the accuracy of the scientific content was essential. In the examples presented to us this had not occurred."

On the Center for Terrestrial Ecology at the National Environmental Research Institute the international panel commented:

"Frankly, we felt that the Center does not measure up to Danish standards in research. . . . The setting up of a board of 12 members to oversee the work of four scientists must be some kind of bureaucratic record."

And on the Freshwater Laboratory of the National Environmental Protection Agency, they wrote:

"The research work was recognized as being of value in relation to the management of Danish lakes and streams, but the science element needs to be strengthened with a greater emphasis on the hypothesis testing approach. The panel believes that external peer review at all stages from program formulation through to regular three year reviews is neces-

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sary. We sense that in some cases goals of the programs were not clearly defined.

"The laboratory has organized its research programs as democratic teams with no project leaders. The panel were unconvinced that this is the best approach."

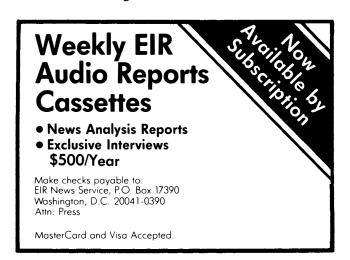
Privately, members of the international panel told *EIR* that they were shocked at the degree of conscious political manipulation and utter disregard for basic scientific principles conducted at some of these "research institutions."

This was indirectly reflected in the main recommendations to the Danish Council for Research and Planning, which said:

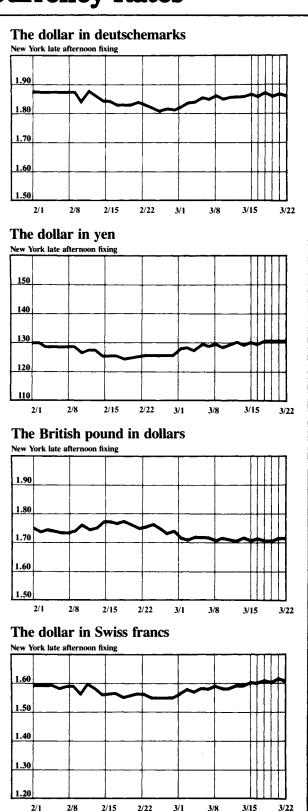
"To assure that the research (both basic and applied) is of high quality, two steps are needed that appear to be uncommon in Danish environmental research. Firstly, a **peer review system** [bold emphasis in the original] is needed, for use in all parts of the scientific funding, performance and reporting system. Peer review should make use of international experts whenever necessary. Secondly, increased attention must be given for the need to assure that all measurements are reliable; without demonstrable and quantifiable **quality assurance** of data, there is little credibility in extrapolations or assessments made using them."

When the report was presented to the public on March 15, Dr. John Philip of Australia made clear what this meant. He said: "We cannot continue to have the mass media putting pressure on the politicians, who then in turn put pressure on the scientists. Research can only be conducted in an objective environment. It is paramount to keep research at arm's length from politics."

At the March 15 public hearing, the Danish Minister of Education, Bertel Haarder confirmed that the recommendations of the international commission will be implemented. That is good for Denmark, but the same system should apply to all so-called environmental research worldwide. Imagine if rigorous scientific principles were implemented everywhere. Myths of "greenhouse effects" and "ozone holes" could quickly be dispensed with, and humanity would stand a chance of surviving.



Currency Rates



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Bangladesh faces economic challenge

by Susan Maitra

For several months now, Bangladesh has been engaged in a major campaign to secure foreign investment to help lift the country out of an economic devastation brought forth by the 1988 floods. The urgency of such an initiative was highlighted recently in a World Bank report which revealed that \$4.6 billion of project aid sanctioned for Bangladesh remains unused because the economy is in such a devastated state that it cannot generate the local investment "matching funds" to start the projects.

The World Bank appraisal, which appeared in early March, identified "resource constraints" and "increased revenue spending in unproductive sectors"—a reference to disaster relief?—as the main cause for the economy's slow growth. While all unproductive revenue spending surely acts as a decelerator on economic growth, it is astonishing that the World Bank chooses to underplay the devastating floods of 1988 that almost wiped out Bangladesh.

Size of the calamity

According to offical reports, the floods engulfed at some point of time at least three-fourths of the land-mass of Bangladesh, affecting about 40% of the population. Crops on 369,000 hectares of cropland were damaged, and 687 kilometers of embankments were partially destroyed. About 4 million tons of rice paddy were lost. Some 1,200 km of roads were damaged fully, and 13,400 km partially. The figures concerning damage to homes and dwellings are just as staggering.

But, perhaps because it happened to a small developing nation, a disaster of such proportions went practically unheeded. Bangladesh's plea for international assistance and regional cooperation brought only \$500 million in aid—not even 50% of the value of the crops that were lost—in sharp contrast to the generosity the international community displayed when an earthquake hit Soviet Armenia.

In spite of warnings from concerned individuals, very little was done by the international agencies and foreign governments to help alleviate the misery that befell the Bangladeshis. If that were not enough, in early December, Bangladesh was hit by a cyclone, whose attendant tidal waves ravaged people, cattle, and homes along the coastline of the country.

With limited financial capacity, the Bangladesh administration tried nonetheless to rehabilitate the post-flood economy through credit programs implemented by the Bangladesh Krishi Bank, nationalized commercial banks, cooperative banks, the Bangladesh Rural Development Board, the Grameen banks, and other rural credit institutions. In this way, about \$350 million worth of credit has been channeled to affected farmers.

In the industrial sector, one unofficial report claims, some \$1.0 billion was lost due to the shutdown of industrial units inundated by the flood waters. According to the government, the worst-hit industries include garments, leather, pharmaceuticals, light engineering industries, textiles, and small cottage industries. The leather, garments, and frozen food sectors' inability to produce to full capacity rebounded against foreign exchange earnings, because these items, along with tea, jute products, newsprint, and paper are the major foreign exchange earners for Bangladesh.

In spite of such dislocation, the performance of the economy was not a complete washout, even according to the grudging acknowledgement of the World Bank, which stated in its appraisal that export earnings of \$1.3 billion projected for the current fiscal year will be achieved.

According to the latest FAO forecast, Bangladesh is expected to harvest 21.7 million tons of rice paddy—about 1.4 million tons less than last year's harvest. The country will be forced to import some milled rice, but not more than 0.5 million tons. Wheat production is expected to be the usual 1.0 million tons or so.

Indeed, considering the catastrophe telescoped into the fourth quarter of 1988, Bangladesh's performance in both the industrial and agricultural sectors is a real accomplishment against steep odds.

Wooing investors

It is this message that President H.M. Ershad and Prime Minister Maudud Ahmed have been trying to get across in their recent visits to Western Europe. Prime Minister Maudud, who toured Europe this winter, pointed out that in the face of natural adversities, the benign neglect of both East and West, and the fact that the nation had been born devastated by a year-long liberation war, Bangladesh has shown that it has a will to survive. The country has resources too, not the least of which is its 100-million-plus population. Maudud said on one occasion that there were 1,001 projects under way in Bangladesh, and all these projects were focused on four priorities: self-sufficiency in food production, mass literacy, full employment, and lower rate of population growth. "If we can do these things, the alleviation of poverty is going to take place."

President Ershad's message, when he visited Britain for

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five days in mid-February was the same. Ershad pointed out that the Bangladesh government is in the process of severing the "Gordian knot" which scares investors away—a reference to the extensive government ownership and control over the economy. Already 500 companies, 36 jute mills, 30 textile mills, and 18 insurance companies have been divested from the government's clutches, and investors will face free and fair competition if they choose to invest in these or other areas, Ershad reported.

Closer to home, Bangladesh sent an 11-member delegation headed by Salman F. Rehman, president of the Dhaka Metropolitan Chamber of Commerce and Industry, to India in late-February. Rehman, in an interview with newsmen, openly promoted Indian participation in the exploration for natural gas in Bangladesh, in building fertilizer plants, sponge iron plants, basic petrochemicals, and light engineering equipment. "There is a lot of Indian business in ASEAN countries, in Sri Lanka—why not in Bangladesh?" he asked.

According to reports, the delegation got a favorable response from the Indians on setting up a fertilizer plant in Bangladesh based on natural gas feedstock. The Bangladesh package includes: total flexibility in India's equity participation in the projects, cheap supply of natural gas, and an option to sell part of the output in that country, besides the usual incentives offered to foreign investors. The Indian government has been toying for some time with the idea of setting up fertilizer plants abroad, jointly with the host nation, to assure its own growing fertilizer demands.

The real challenge

The biggest challenge Bangladesh faces is the fact that it has to depend heavily on foreign aid to finance its development plans. According to official estimates, Bangladesh's dependence on foreign grants to finance the First Five Year Plan (1973-78), the Two Year Plan (1978-80), and the Second Five Year Plan (1980-85), was 71.9%, 76.8%, and 63.5% respectively. In the first two years of the Third Plan (1985-90), the trend has continued. (By contrast, neighboring India depends minimally—less than 8%—on foreign assistance to finance its developmental plans.)

The bind is very real. The only way Bangladesh can develop its economy is through its capacity to regenerate resources through investments. The catch is that unless the country is able to develop the basic infrastructure to prevent natural calamities from shattering the economy almost on an annual basis and the loss of life that implies, the regeneration of resources to finance developmental plans will remain illusory. These infrastructural investments require large capital inputs over a sustained period of time, something the government cannot begin to contemplate when it is constantly forced to divert significant resources to "fire-fighting." So far, though, neither the developed nations nor the international monetary institutions have shown any comprehension or interest in this problem.

Soviets admit AIDS peril is like 'bomb'

by Rachel Douglas

"The threat we are facing," Soviet Health Minister Yevgeni Chazov was quoted in the March 7 issue of *Izvestia*, "is in no way less than that of an ecological 'bomb' or nuclear weapon. . . . U.S. S.R. Health Ministry workers have frequently tried to inform the government that the situation is a menacing one. But eminent scientists in charge of the problem have denied the acuteness of the issue, stating that it is all false panic."

Chazov thus became the first official in the Soviet Union, and in many other countries, to echo Lyndon LaRouche's warning from 1985: "AIDS: More Dangerous Than Nuclear War."

Interviewed in the March 17, 1989 issue of *EIR*, La-Rouche observed that for Chazov to adopt LaRouche's very words, on the AIDS danger, could mark a momentous shift on the part of Soviet circles, toward serious consideration of what LaRouche outlined in a 1986 memorandum, "Parameters for U. S.-Soviet Talks on the AIDS Pandemic," which identified the mortal battle against AIDS as one of those "common aims of mankind," which the U. S. government should be presenting as the proposed agenda to the Soviet government.

"Their economy is collapsing," said LaRouche, "In a physical-economic breakdown, perestroika cannot work, glasnost is the worst thing they could have done, from their standpoint, at the present time. There is nothing they could do with their present policy to save the Soviet empire from internal collapse, a spiraling collapse. Now the only thing that can save them, is a certain kind of cooperation with the West, which under certain terms they could get. For example, if I were President, they could get certain kinds of cooperation from me under certain conditions, cooperation they would need."

The official Soviet line on AIDS has changed dramatically, since the time of Moscow's first major publication on the matter, Oct. 30, 1985. On that date, an infamous article in *Literaturnaya Gazeta*, entitled "Panic in the West" blamed Western military agencies for spreading, and perhaps manufacturing, the human immunodeficiency virus.

A postscript to that article attacked LaRouche and Exec-

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utive Intelligence Review for exposing the role of Soviet officials at the World Health Organization, in covering up and soft-peddling the global threat from AIDS. For a long time, Soviet sources continued to portray AIDS as a problem exclusively of the decadent West.

The horror stories that have been told, as Soviet physicians and journalists began to make public the AIDS cases in the U.S.S.R., reveal that abysmal medical standards have created conditions for an even more rapid spread of the virus there, than in other countries.

Death in Leningrad

Moscow's posture shifted last September, and then more abruptly, after the HIV infection of nearly 50 infants in a Soviet hospital became known early this year. Now, in the weekly *Moscow News*, one can read that "in the U.S. S.R. the infection is spreading uncontrollably."

In September, Soviet health authorities revealed that one Olga Gayevskaya, a prostitute in Leningrad, the U.S. S.R.'s second largest city, had died of AIDS. She was, supposedly, the first Soviet citizen to die in the epidemic. Her death, a Radio Moscow broadcast on Oct. 14 announced, was "sending tremors of fear across the nation."

When the 29-year-old victim was admitted to the hospital several times during 1988, the AIDS diagnosis had not been made. "Moscow epidemiologists were angered by the fact that clear AIDS symptoms failed to alert her doctor, who made the wrong diagnosis." The AIDS diagnosis was made only after death.

AIDS expert Dr. Vadim Pokrovsky said, "This inefficiency is the result of a general mood of self-complacency. People are used to thinking AIDS exists somewhere out there, because the number of identified AIDS carriers in this country is so small."

On Nov. 11, *Pravda* printed an article, "The Unvarnished Truth About AIDS," which acknowledged that the Soviet Union's public health measures were far from adequate to meet the AIDS challenge, that there were insufficient diagnostic materials, and pitiably small quantities of disposable syringes being produced in the country.

Pravda reported that Aleksandr Kondrusyov, the deputy health minister, had announced agreements with Britain, Denmark, and East European countires, requiring their citizens to prove themselves AIDS-free before they enter the Soviet Union.

Dirty needles

Soviet press accounts revealed that syringes from which Gayevskaya was injected, were re-used on other patients. This practice, which is routine throughout the Soviet health care system, returned with a vengeance in the next big AIDS case: the Elista disaster.

The toll now stands at 49 people infected with HIV (not counting some who died already), 41 of them children, in the

town of Elista, Kalmykia near the lower Volga and the Caspian Sea, Pokrovsky reported at a March 17 press conference. Discovery of the cluster was announced in late January, when it was revealed only that 27 children who had been infants at a single hospital two years ago were infected. So were the mothers of several.

Authorities now say, according to *Izvestia* of Feb. 18, that the Elista case started with the husband of one of the infected women, a man who had worked in Africa and received a blood transfusion there in 1981. The man had no symptoms, was not tested, and did not know he was infecting others. He infected his wife, who passed the virus to their child. The other children were infected from the re-used syringes.

"World practice denies" that AIDS can be transmitted by saliva, commented *Moscow News* on Feb. 18, but how did the other Elista mothers contract HIV? Kondrusyov told the paper, "For us it is still unclear how the mothers were infected. According to preliminary estimates, they were given no injections or blood transfusions. So, couldn't a sick child, with a minor mouth injury, convey the virus to its mother" while nursing?

Public health disaster

"This accident would not have happened," *Izvestia* said on Feb. 18, "if . . . senior officials had seriously resolved to bring our medical establishments at least up to the standard of good turn-of-the-century hospitals." Nurses' training, the paper reported three weeks later, is far below the standards of earlier years, and "one nurse does the work of two or three for a miserly wage."

At an emergency Anti-Epidemic Commission meeting in mid-February, chaired by Chazov, *Pravda* reported, specialists projected a level of 200,000 AIDS cases and 15 million carriers in the Soviet Union by the year 2000. Yet in Elista itself, syringes are still being recycled.

Sovetskaya Rossiya, another daily paper, reports that only 49 million out of a planned 100 million disposable syringes were produced last year, of which over half were just lying in storerooms, because they were sent out to hospitals without needles.

Pravda author N. Gogol wrote: "I may be reproached, that there has supposedly been enough of a scare about AIDS already. And indeed, everyone is extremely frightened by the tragedy in Elista. . . . Parents are rising up like a wall, not permitting their offspring to have any shots or vaccinations—there is a real AIDSomania." But, he concluded, "We need to act quickly, . . . and that is why the total absence of any such action is amazing."

Reporting on Chazov's bombshell about the threat "in no way less than that of a . . . nuclear weapon," *Izvestia* demanded "immediate and resolute measures." The Anti-Epidemic Commission found, it said, that a case like Elista "can be expected at any time anywhere in the country."

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Conference Report

A 'final solution' for AIDS victims?

by Jutta Dinkermann

Some scary things happened in Munich, West Germany, on March 16-18, where the Concerted Action Committee on Health Services Research of the European Community (COMAC HSR) held a meeting, entitled, "Economic Aspects of AIDS and HIV Infection." The meeting was held in cooperation with the World Health Organization (WHO) Collaborating Center for Health Planning and Health Economics. The conference itself was part of the implementation of a study, which was adopted at the meeting of COMAC HSR, Nov. 13, 1987, titled "Economic Aspects of AIDS and HIV Infection—a COMAC HSR Study 1988-89."

The aim of the study is described, in part, as: "To study direct and indirect costs of AIDS and HIV infection for individuals, families, health services and societies and to try to prepare concerted actions."

The project leader and contract holder is Professor Schwefel from the MEDIS Institute for Medical Informatics and Health System Research of the Society for Radiation Research, based in Munich. Others on the project management group are Dr. Rothmann, United Kingdom, and Dr. Gotfried Thiers, Belgium—both members of COMAC HSR.

Watching the behavior, and listening to the studies of socalled economists, think-tankers, and WHO and insurance representatives, gave a hair-raising impression to this observer of what kind of people advise the governments of the European Community on health policy. Spoiled 30-year-old greenhorns, who just have completed their degree in "economics" but would not be able to even run a household budget, counsel politicians on how to save costs on the terminally ill. Their controllers are people working in thinktanks, governments, and insurance companies, who not only take the god-like prerogative to adjudicate concepts like the "quality of life," but measure this in terms of money.

The advice often takes the form of telling doctors to stop following the Hippocratic Oath, but rather to judge a patient's sickness and treatment in terms of cost-effectiveness—such

as telling a family that a 70-year-old mother's kidney dialysis is no longer worth the expense.

AIDS is expensive

The reason AIDS is attracting so much attention from these people now, is that AIDS is an extremely expensive disease. The cynical argument presented at the conference was something like: We have to deal with limited resources, so patients, and AIDS patients especially, should be glad that we are doing studies to minimize costs, so that everybody gets at least a little bit of treatment!

One of the key controllers present, Prof. M.F. Drummond, Health Services Management Center, Birmingham, U.K., argued that given the need to assign priorities between programs for AIDS/HIV and other diseases, it is important that the results of economic evaluation be comparable across different health care interventions. He finds that one very promising approach is the calculation of the "cost per quality adjusted life-year gained" (QALY) from different medical interventions. He calls for including such calculations in the future, in order to require data not only about the lengthening of life through treatment or prevention, but also on the quality of that life.

What follows is a sample of Drummond's tables:

Intervention	Present value of extra cost per QALY gained (£)
Kidney transplant	3,000
Breast cancer screening	3,500
Heart transplant	5,000
Hospital hemodialysis	14,000

Drummond apologized that there are still no data on the cost per QALY gained from treatment for AIDS, to compare with that of other health care interventions. But it was precisely for this aim, that the crowd in Munich had gathered.

The costs of AIDS cause these people sleepless nights, especially the expensive parts, such as drugs and hospital care. One item intensively discussed was the much cheaper so-called "alternatives" to hospital treatment of AIDS patients—such as hospices and keeping people "integrated in their social environment"—which are of course no alternatives but very fast roads to the grave.

As to drugs, Drummond called for economic evaluations to be based on evidence of the effectiveness of the medicines, to be conducted alongside a clinical trial. The main measure of effectiveness should be length of survival, which would enable a cost-effectiveness analysis to be performed, giving an incremental cost per life-year gained. But in order to limit the use of drugs much further, Drummond factors into his concept of life-years gained, a measure of the *quality* of the extra years, thereby conducting a cost-utility analysis. He underlines the importance of this approach with the cynical hint, that the quality of the added years may be less than perfect, because of the side-effects of the drugs, and that,

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therefore, trials of drug therapies for AIDS/ARC should either include a measure of quality of life, or collect clinical symptomology data in a way, that would enable the health status of patients to be categorized on a generic scale.

Another key speaker was R.F. Schreuder, Secretary of the Steering Committee on Future Health Scenarios (STG) in the Netherlands. The chairman of the STG is the Director General of Health in the Ministry of Welfare Health and Cultural Affairs in the Netherlands.

To understand the real importance of this institution, one must know a bit about its background. The Committee's chief task is to create models and scenarios of future development in the field of public health care, to enable policymakers to make "more rational decisions about which areas of public health and health care should receive priority." The findings are incorporated in strategic policy documents such as the *Memorandum Health* 2000, published in 1986. In 1987, the regional director of WHO/EURO requested the STG to develop an international scenario project on the "Impact of AIDS on Society." After a "brainstorming session" in Geneva, STG developed the guidelines for the study on "The Socio-Cultural and Economic Impact of AIDS on Society," the results of which will be discussed in a two-day meeting in the Netherlands (May 25-26, 1989).

Schreuder is part of the "ecological-fascist" crowd in Holland. He was introduced to the conference as representing the think-tank in Holland which provided crucial "environmentalist" ideas to Queen Beatrix, in a study entitled "Problems for Tomorrow." Schreuder is a strong advocate of using the method of "delphic futurist scenarios" perfected by the Rand Corporation and others, as a means of social engineering. As his "Impact of AIDS" report states:

"The idea of compiling scenarios that provide a forecast of future developments was first applied in California in the early 1950s by the Rand Corporation and similar think-tanks established for military and strategic purposes. . . . The first scenario to gain significant publicity in the Netherlands was developed in 1975 in connection with urban and regional planning policy (Urbanization Report). Of more recent origin are the energy scenarios, which played a role in public debate on future energy policy, and the scenarios of the Center Planning Bureau that describe expected economic trends up to the year 2000."

Schreuder boasts about getting help from the Phillips corporation, which is one of the most central planning groups for the "Europe 1992" restructuring of Western Europe along corporatist-fascist lines. Former Phillips chairman Wisse Dekker, during the time he was Phillips chairman, was the head of Holland's Dekker Commission, which worked out proposals for "cost-benefit effectiveness" reform of the Dutch health system.

Schreuder was visibly shocked when asked by this writer, whether the work of his institution has something to do with the dramatic increase of euthanasia in his country.

What follows is a list of participants and speakers at the Munich conference "Economic Aspects of AIDS and HIV Infection":

• Dr. Dennis P. Andrulis, president, the National Public Health and Hospital Institute, Washington, D.C. • Prof. Donald S. Shepard, Harvard Institute for International Development, Cambridge, Mass. • Maurice R. H. Pedergnana, Management Center, St. Gallen, Switzerland • Dr. Joan Artells-Herrero, General Director for Health Planning, Department of Health and Consumer Affairs, Madrid, Spain • Prof. Dr. A. A. Sissouras, University of Patras, Unit of Health Services Research, Greece • Dr. André E. Baert Commission of the European Communities, Brussels, Belgium • Prof. Antonio Brenna and Dr. Franco Rossi, SAGO, Milan, Italy • Dr. Francesco Taroni, AIDS Operative Center, Higher Institute of Health, Rome, Italy • Prof. Dr. M.A.I. Valleron, director, Cooperative Center of Data of the Epidemiology of Human Immunodeficiency and the Unity of Biomathematical and Biostatic Research, University of Paris, France • Dr. Angela Downs, WHO Collaborating Center on AIDS, Institute of African and Tropical Medicine and Epidemiology, Hopital Claude Bernard, Paris, France • Dr. Rainer Hanpft and Axel Jenke, Institute for Health-System Research, Kiel, West Germany ● Dr. Hans Stein, ministerial adviser, Federal Ministry for Youth, Family, Women, and Health, Bonn, West Germany • Dr. J.C. Jager, National Institute of Public Health and Environmental Protection, Netherlands • Dr. Anne M. Johnson, Senior Lecturer, Academic Department of Genito-Urinary Medicine, London, United Kingdom • Prof. Dr. A.D. Wilkie, R. Watson & Sons Consulting Actuaries, Watson House, London, United Kingdom ● Marten Lagergren, Department of Social Medicine, Karolinska Institute, Sweden • Dr. Julian Lambert, Department of Dermatology, University of Antwerp, Belgium • Dr. Godfried Thiers, Institute of Hygiene and Epidemiology, Brussels, Belgium • Prof. Dr. Alan Maynard, University of York Center for Health Economics, York, United Kingdom • Dr. Bente Olesen, Copenhagen, Denmark • Dr. Herbert Zoellner, Regional Office for Europe, WHO, Copenhagen, Denmark • Dr. Jão Santos Lucas, Human and Social Sciences Department head, National School of Public Health, Portugal • Malcolm Rees, Amersham, United Kingdom • Prof. Dr. Joan Rovira, Department of Economic Theory, University of Barcelona, Spain.

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Eastern strike, a 'dereg' disaster

by William Jones and Nicholas F. Benton

As the Eastern Airline strike goes into its fourth week at the end of March, the lines are drawn for a showdown between the wage-gouging policies of junk-bond speculators like Eastern boss Frank Lorenzo, and a trade union desperate to defend what remains of its members' wage levels and even the right to organize.

In the background of the fight is the policy of airline deregulation, which *EIR* vigorously opposed since before it was legislated under Jimmy Carter in 1978, and which continued under Reagan-Bush. "Dereg," by making it impossible to make a profit while investing in maintenance and technical innovation, has driven the industry into the arms of financial vultures like Lorenzo, and set the stage for a bruising confrontation in which the industry, labor, and the public all lose.

As vice president, George Bush headed the President's Task Force on Deregulation, which bragged of wiping over 6,000 government regulations off the books during the eight-year Reagan tenure. So far, his actions in the Eastern case have not indicated that Bush has seen the light on the destructive impact of deregulation.

Lorenzo, asset stripper

Frank Lorenzo bought Eastern Airlines in February 1986, after deregulation and oil crises had badly undermined the company. He moved to strip it of its assets and to transfer the most valuable ones to his highly leveraged Texas Air empire, which in contrast to Eastern, is non-union. In 1983, Lorenzo had taken Texas Air's other major subsidiary, Continental Airlines, into bankruptcy, abrogated union contracts, and cut pay in half.

Lorenzo sold Eastern's computer reservations system to Texas Air, with an estimated worth of \$217-400 million, for \$100 million. Eastern now pays Texas Air \$10 million a month to use its old reservations system! Lorenzo also set up an independent company, Air Shuttle, Inc., which he wanted to have buy the real jewel of the Eastern operations, their East Coast shuttle, for \$225 million. Eastern's unions filed suit in federal court to block the sale. Last July, the transaction was terminated by mutual consent. Four months later, Eastern agreed to sell the shuttle to Donald Trump for \$365 million—\$140 million more than the price offered by the Texas Air subsidiary.

Lorenzo also had Eastern take a \$200 million loan through the sale of "junk" bonds secured by the value of Eastern's planes. Of that loan, only \$120 million went to Eastern; the other \$80 million went to Texas Air. Half of this was in the form of a straight loan, bearing interest of 17.25%, the same rate that Eastern paid for the original \$200 million. The other \$40 million, however, was lent to Texas Air at a lower rate of interest than that of the original loan; Eastern had to foot the difference.

When Lorenzo further demanded \$120 million in contract concessions from Eastern's machinists, they went on strike. Eastern pilots, whom Lorenzo expected to keep flying in spite of the machinists' strike, have largely respected the picket lines. Flight attendants at Continental also struck in solidarity with the Eastern workers on March 20, delaying flights at Continental hubs at Houston, Denver, and Newark.

Lorenzo, looking to repeat his successful crushing of the union at Continental Airlines, filed for bankruptcy. He hoped to get the bankruptcy judge to approve an abrogation of union contracts and permitting the airline to reduce wages and benefits for its employees, as well gaining a freer hand to dismember Eastern.

The National Mediation Board requested that President Bush appoint an emergency board to look into the dispute between Eastern and the International Association of Machinists. The move is supported by the striking union, the IAM, which believes that such a board would return workers to the wage levels which they had originally. Had Bush acted, the strike deadline would have been pushed back 60 days. But the President, claiming that this is a dispute which must be solved by the free operations of the market, refused to accept the recommendation. In spite of this ostensible neutrality, Bush has threatened to submit legislation to make it unlawful to use secondary picketing and boycotts against neutral carriers, which would curb the union's ability to run a successful strike.

The union has asked that Eastern be placed under trusteeship in order to limit further damage to Eastern's assets by Lorenzo's stripping. On March 23, U.S. Judge Burton Lifland authorized the appointment of an examiner with broad powers to "bang heads together" if necessary, to get the carrier and its creditors to agree on a reorganization plan.

A decade of deregulation

The 1978 deregulation of the airline industry was the first major stroke that stripped U. S. industry and workers of vital safeguards, and led to a wave of bankruptcies, layoffs, wage cuts, diminished services, and fatal accidents over the past decade.

There is no mistaking what airline deregulation was intended to do. Former astronaut Frank Borman, then president of Eastern Airlines, said in 1982, "In the final analysis, the deregulation act, if it was nothing else, was the greatest antilabor act ever passed by an American Congress." National Airlines chairman L.B. Maytag insisted that deregulation was a "polite phrase for dismemberment [and would] take some airlines apart and scatter the pieces of others."

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Agriculture

by Suzanne Rose

USDA: Farming poisons people

The advocates of "sustainable" agriculture are on the war path, to shut down high-technology farming.

Policies that were once the exclusive concern of health faddists and coprophages are now becoming mainstream agriculture policy. The U.S. Department of Agriculture itself has sponsored three national conferences on "sustainable" (low input or subsistence) agriculture since Jan. 1, and participated in countless more on the state level.

During the week of March 12, Washington, D.C. was a three-ring circus of meetings and congressional briefings on the topic of how modern agriculture is poisoning people. Meryl Streep, Barry Commoner, Texas Agriculture Commissioner Jim Hightower, and various congressmen all got into the act.

On March 8, the USDA's Patrick Madden keynoted a conference on sustainable agriculture in Omaha, Nebraska, offering it as a cure-all for whatever ails you. Madden said it will reduce our dependence on imported oil and solve the unemployment problem, by creating jobs on the farm for "workers skilled in weed control" whose labor will replace herbicides.

A week later, Madden sponsored another sustainable agriculture conference in Washington, D.C. with Ralph Nader's Center for Science and the Public Interest. Addressing this conference were Rep. George Brown (D-Calif.) and Sen. Patrick Leahy (R-Vt.), chairman of the Senate Agriculture Committee. Both told participants that the time was ripe for the federal government to fund sustainable agriculture, as opposed to traditional agriculture, through the 1990 farm bill and through the Wyche Fow-

ler bill, which mandates unprecedented regulations and penalties against the family farmer.

Participation at the March 16 meeting included the food cartel-controlled American Farmland Trust and Conservation Foundation, the Land Stewardship Project, and the grassroots eco-fascist movement, led by the Texas, Minnesota, and North Dakota Departments of Agriculture and including Dan Levitas's Prairiefire movement, which is backed by the Department of Justice.

The philosophy of the movement can best be expressed through the speech of the representative from Winrock Institute (Winthrop Rockefeller), Fee Busby, at the Omaha meeting. He attacked the American farmer for "imperialism," and called on man to accept subjugation by nature. "The attitude that nature must be conquered carried over to the 20th century and helped farmers become overly dependent on pesticides, herbicides, and chemical fertilizers. We are moving toward a recognition that nature dominates man."

The dirty underbelly of the movement was represented by another registrant at the conference, Serena Dossenko, the vice president of an organic farming business in North Dakota called FUTURE Organics, Inc. (Farmers Utilizing Techniques Ultimately Restoring Ecology).

FUTURE advertises itself as part of a national network of organic growers and distributors. They hold conferences in North Dakota to promote organic farming. Serena and her husband Barry, the president of FU- TURE, were raided by police and charged with manufacturing and selling illegal drugs, including LSD, in December 1987. Besides finding quantities of drugs on their farm, also found were, according to press accounts, uncut diamonds and cash. The Dossenkos publish a New Age newsletter called *FUTURE* (Forming Unity Toward Ultimate Regenerative Evolution), which promotes prophecy, ecology, and "the psychology of world unity." Barry Dossenko is reputed to be the man upon whom the Satanic figure "the Wiz" was modeled in Maurie Terry's book, The Ultimate Evil.

A number of states have been funding sustainable agriculture, including Iowa, where the legislature just passed a bill to fund it through a tax on pesticide use. In Minnesota, the state Department of Agriculture has given out \$300,000 in grants for sustainable agriculture.

Several farmers attacked the policy at a "grassroots" meeting sponsored by the Land Stewardship Project in western Minnesota on March 13. One farmer challenged the chairman: "These experiments you are funding have already been conducted and farmers have been operating on their results for decades. Tell the nun you are giving \$30,000 to experiment with the rotary hoe that it is a far more labor-intensive way to deal with weeds than herbicides; it exposes the ground to wind erosion, and you can't use it when the land is wet. We should be defending our right to use the latest technologies to feed a starving world. Your method is totally unscientific. You are starting with a bias—to prove we don't need chemicals. The Land Stewardship Project was founded by the social engineers at the World Council of Churches. The cartels sit on its board. It is nothing but a tool of the environmentalist lobby. What you are saying is an outrage."

Andean Report by Mark Sonnenblick

No buyers for CAP's snake oil

The Venezuelan President's pretensions at representing Ibero-America at debt talks with Bush were deflated in hours.

Former Socialist International vice president Carlos Andrés Pérez may have imagined he could get away with posturing as the liberator of Ibero-America from its debt burden. His role as the reincarnation of Simón Bolívar did not last long March 20. That afternoon, the Venezuelan President (known as CAP) was so shameless to say at a press conference that his "pilgrimages" around the world were "bearing fruit," in the form of the socalled plan bearing the name of U.S. Treasury Secretary Nicholas Brady.

CAP declared, "This year of 1989 has to be decisive to solve the debt problem. We already have as an extraordinarily good, affirmative, prospect the ideas which President Bush expressed to us by means of his treasury secretary, of recognizing the need for a substantial reduction of the debt and also, that debt service by our countries has to diminish. This is a good start. However, the proposition made to us is still vague and our purpose is, precisely, to concretize it."

Pérez stated that, thanks to the Brady proposals, "today, we believe we are on the road to the solution. During the next few days, I should have a meeting with President Bush, which I have asked for. . . . This weekend, I will meet with the Presidents of Brazil, Argentina, Uruguay, Peru, and Colombia."

CAP said he would meet the first four on the Brazilian border and President Barco on the Colombian border. He said he would try to stop in Mexico and meet President Salinas on his way to "the New Hemispheric" agenda at Jimmy Carter's center in Atlanta, the hoped-for meeting with Bush, and a speech at the United Nations. He crowed, "I will go as representative or with the mandate of the Presidents of the Group of Eight. That is my purpose; and the initiative came from Brazilian President Sarney."

If Pérez does get to meet with Bush—and there was no sign of any interest from the White House—he will represent only himself. That evening, after a round-robin of international phone calls, Brazilian President Sarney's spokesman announced that Sarney had canceled the Group of Eight summit. The terse official explanations given for the scrubbing of Pérez's flight forward as continental savior and the very limited reporting of the incident in the continent's press offer something of a puzzle.

CAP apparently thought he had qualified himself as just the man to wave a bloody shirt in the United States about the sacrifices caused by current debt collection policies. The problem was, his bloody shirt was stained with the blood of 1,000 of his citizens killed in rioting after he imposed austerity policies dictated by the International Monetary Fund (IMF), Feb. 27. The other Presidents, who have worked to apply IMF austerity "gradually" so as not to trigger such violent responses, may have realized that any identification with Pérez would be political poison. Events had verified EIR's Feb. 17 cover story "Carlos Andrés Pérez Sells Snake Oil for the Debt Crisis." Now, nobody will touch him with a ten-foot pole.

Agence France Presse reported from Brasilia, "Brazilian government sources showed some resistance to accepting the Venezuelan ruler as a spokesman for the debtors' group." Brazil views itself as a continental power, and is unlikely to let any Spanish-American boast that he speaks for it in Washington. Pérez, however, has always been incontinent when it comes to self-promotion.

His indiscretion was a desperate ploy to project himself as a statesman to help save his crumbling political hold on Venezuela, where he is considering letting opposition parties he spat at a month ago participate in his government. There is also talk of reviving the Punto Fixo agreement, a secret pact among the parties that nobody would rock the boat, in order to avert a military coup.

Brazilians think the Brady Plan is at best a hoax, and at worst another bludgeon to impose IMF policies and debt-for-equity grabs of their farms and factories. Most Ibero-Americans doubt whether anyone in official Washington cares a whit about their problems. There was undoubtedly resistance in many countries to giving Mr. Snake Oil a blank check to make agreements with Bush on the Brady Plan and to propagate them in the continent's name at the United Nations March 29.

It is also possible that some faction of bankers cautioned President Bush against blessing what could be called a "Presidents' club" or the embryo of a "debtors' cartel," even though their boy was running it for the moment. CAP and most of the region's other Presidents are trading their countries for a mess of pottage. But, as the debt crisis explodes out of anyone's control, a Presidents' club could be catapulted into wielding the region's substantial combined power to force real changes in the international monetary system.

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Business Briefs

Environmentalism

California plan will destroy the state

The most draconian ecological measures in history were approved March 17 in California, in what is being hailed by green fascists everywhere as the model for the rest of the nation.

Regional officials in southern California voted to impose a three-phase plan to clear the smog, which will require 123 specific steps: All cars must be converted to electric power or other supposedly "clean" fuels such as ethanol or methanol by the year 2007, when all gasoline-powered cars will be banned. Barbecue grills, lighter fluid, gasoline-powered lawnmowers, free parking, and drive-through windows at fast food chains will all be banned. Some of the initial measures include controls on the content of paint and solvents.

The plan may cost as much as \$64 billion to implement in the first five years, and will shut down most of what industry is left in that part of the state.

The plan affects the Los Angeles basin, which includes Orange County and the non-desert parts of Los Angeles, San Bernardino, and Riverside counties. This 13,350-square-mile region has 12 million people.

The first five-year phase of the plan will place sharp new controls on the content of paints, solvents, aerosol sprays, and the like. This is expected to have a drastic effect on industries like furniture-making and refinishing, and automobile painting.

This phase would also require costly control devices on boilers, trash-burning plants, and industrial heaters. The sale of bias-ply tires, which leave particles on the road more than radial tires do, would be banned, parking fees raised for cars carrying only one person, and methanol fuel would be required for buses by 1991, and for rental cars by 1993.

The South Coast Air Quality Management District and the executive committee of the Southern California Association of Governments approved the plan. They await the approval of the California Air Resources Board and the U.S. Environmental Protection Agency.

Oil

Gas shortages, price rises in spring

Gasoline shortages and price increases will occur this spring as new environmental legislation goes into effect on May 1 in a number of states. Seven states in the northeast have already passed environmental legislation that will severely restrict the use of butane as an octane booster in gasoline.

Butane replaces lead in gasoline to obtain higher octane, but now, the same green fascists who pushed through the ban on lead say that its butane replacement is the biggest polluter, by creating smog (ozone).

As a result of the ban, gas prices are expected to rise at least 10¢ per gallon at the pump, and severe shortages of gasoline will occur as refineries shift their capacity, presently at the limit, to more complex and expensive petrochemical refining processes to maintain high octane gasoline.

The Environmental Protection Agency is proposing to replace butane with alcohols from "surplus grain"—if there is any. These are extremely expensive and highly corrosive.

Southeast Asia

Taiwan conducts an economic offensive

Republic of China President Lee Teng-hui went to Singapore in the first overseas trip of an R.O.C. (Taiwan) President since 1977, the *International Herald Tribune* reported March 14. Lee's trip is part of an R.O.C. economic offensive in southeast Asia.

The R.O.C., whose foreign exchange reserves of \$76 billion are the second highest in the world, has invested a total of \$2 billion in Singapore in recent years, Lee told the *Tribune*, and trade was up to \$7 billion last year. This is not intended as an alternative to private R.O.C. investment in mainland China, he said, but "many people are now beginning to understand that the main-

land market is extremely unstable."

A Beijing official, Liu Xinsheng, warned the Philippine government March 13 that there would be "adverse effects" if the Manila legislature passed a bill that would give more protection to investments from the Republic of China. But despite threats from Beijing, Lee said that Taipei intends to continue to expand its economic relations with many countries.

But when asked if Taiwan might ever want to declare its independence of the mainland, especially as the economic gap between the two widens, Lee said, "I don't think so. Taiwan is like a lighthouse. It is a symbol for mainland China what good government can achieve."

International Credit

Where IMF treads, insurgency follows

That is the theme of a commentary on the International Monetary Fund appearing in the March 20 *Wall Street Journal* by "supply-side" economist Jude Wanniski. Wanniski is now president of Polyconomics, Inc. of Morristown, New Jersey.

He reports that in early 1980, at a retreat with then presidential candidate Ronald Reagan and a dozen aides, he "suggested the CIA should hire a bright young college graduate to simply keep track of the travels of the IMF. Whenever a country agreed to IMF conditions in order to get an IMF loan, the CIA would have an early warning signal of political upheaval in that country. In six months, I suggested, there would be riots in the streets.

"Richard V. Allen smiled, Ed Meese chuckled, Marty Anderson laughed, and so did Governor Reagan. They all thought I was kidding. Here we are, nine years later, and it's still a good idea. Almost all of South America has been destabilized because of the IMF formula: Tax increases to wring inflation out of the economy and currency devaluation to spur export growth. . . . The IMF has been mixing this toxic cocktail for most of Latin America for at least a dozen years.

"The recent Venezuela riots left 300 dead that can be counted as IMF victims. Peru, ravaged by the IMF formula, has been steadily pushed into the arms of the drug trade; smothered by taxes and confetti currency, its economy kept afloat by cocaine cash crops. Argentina is in tatters. Brazil is a basket case after years of sipping IMF cocktails, and Mexico is bravely fighting off yet another push by the IMF and its friends in the U.S. Treasury to force a peso devaluation.

"The IMF formula defeats growth.... Secretary Brady can make his plan work only if the IMF conditions are reversed. Third World currencies should be stabilized as a matter of IMF policy Devaluation must be abandoned as a tool.... Debt relief or 'forgiveness' would be unnecessary... if the banks and their international financial institutions, like the IMF and the World Bank, were promoting growth instead of poverty."

Foreign Aid

Can Japan keep up world bailout?

If the Bush administration has a financial policy at all, it consists of having the Japanese bail out the United States, and the world, too. But that doesn't appear to be going as smoothly as planned. Internal crises in Japan, centered on the Recruit Cosmos insider trading scandal, are causing problems.

First, with the fiscal 1989 budget on the table, opposition members of Parliament have boycotted crucial budget debates, and threaten to paralyze the government until former Prime Minister Yasuhiro Nakasone testifies under oath about his role in the affair, in which leading politicians were advised to buy stock in advance of a merger.

The spectacular Japanese Overseas Development Aid program, meant to replace the funds the deficit-ridden United States, Great Britain, and others can no longer deliver to the developing sector, is also in trouble, the *Hindustan Times* reported from Tokyo March 9. For the past two years, the sale of overpriced stock from Nippon Tele-

phone and Telegraph, as the utility was privatized, was used to finance the Japanese ODA. But NTT stock has plummeted recently, the *Hindustan Times* reported, as a result of its role in the Recruit scandal.

Dope, Inc.

Coca spraying draws fire from Greenpeace

The Soviet-linked international environmentalist network called Greenpeace is leading the pack of opponents of coca eradication in Peru.

A joint Peruvian-U.S. team sprayed two herbicides on about 70 acres of Peruvian coca fields in mid-March, in the final test of a U.S. plan to destroy coca crops through aerial eradication. But environmentalist groups in both the U.S. and Peru argue that the herbicide, Spike (tebuthiuron), could endanger the region's eco-system.

Sandra Marquart, pesticide coordinator for Greenpeace, said the recent spraying "is a major foot in the door" for the aerial eradication program. "Eradication isn't possible," she said. "Coca is such a lucrative product that one area will be sprayed, and the growers will just move to the next area, and more and more swathes of land will have to be sprayed." She told Newsweek magazine back in December that Spike spraying "will wipe out . . . everything but grass" and "could poison the entire Amazon River."

In fact, as *Newsweek* reported, nothing could destroy the environment in the Amazon faster than coca is doing. The chemicals used in refining coca leaves into basic coca paste are being dumped into the rivers. Some Amazon waterways are now "almost devoid of desirable plant and fish life." Jungle trees have been replaced by some "5 billion drugproducing bushes." Slash-and-burn farming used by the coca planters "erodes the soil, sapping the earth of nutrients and increasing the risk of landslides."

Once again, it would seem, nothing can destroy the environment quite like an environmentalist.

Briefly

- 1.5 MILLION acres of productive irrigated farmland in California may be taken out of production by the Environmental Protection Agency to protect migratory waterfowl. Selenium, a naturally ocurring element in the alkaline desert soil, is washed out by irrigation water and concentrated in evaporation ponds. The birds land in the ponds to drink and may get sick; therefore, the EPA is seeking to ban irrigation in such areas.
- CHINESE Premier Li Peng opened the annual session of Parliament March 20, saying, "Both government and people should be mentally prepared for a few years of austerity." He delivered his speech in the absence of senior Chinese leader Deng Xiaoping, who "had asked to be excused."
- EGYPT'S President Hosni Mubarak, according to confidential sources, will call for the convening of an international debt conference in Cairo should he fail to alter U.S. policy toward Egypt and convince the Bush administration that he cannot implement International Monetary Fund austerity demands. Mubarak will arrive in Washington on April 3.
- THE SUPREME Court of the United States unanimously ruled March 22 that the Federal Savings and Loan Insurance Corporation does not have the power to decide which creditors can sue the government after failed thrift institutions have been taken over by the government. The ruling affects tens of thousands of creditors with tens of billions in claims.
- A NEW YORK appeals court has upheld a lower court injunction barring Minorco, S.A. and two other South African companies from proceeding with a \$3.8 billion hostile takeover of Consolidated Gold Fields, the world's second-largest gold producer outside the Soviet Union.

EIRScience & Technology

Laser fusion can meet defense and energy needs

Charles B. Stevens, in the first part of a two-part report, shows that this unlimited source of cheap energy is on the immediate horizon. Now Congress must act.

In recent congressional testimony Dr. Erik Storm, director of the Lawrence Livermore National Laboratory laser fusion program, documented that the laser approach to generating the virtually unlimited energy potentials of thermonuclear fusion reactions is ready to be developed. But, as Dr. Storm also detailed, the current policy is to cut back funding, even below minimal levels required to maintain existing research capabilities.

The irrationality of this do-nothing policy with regard to fusion energy is further demonstrated by the fact that the U.S. government is about to spend tens of billions of dollars over the coming decade to solve a problem which development of laser fusion reactors could solve much more effectively and probably at less cost. The problem is the current dilapidated condition of U.S. nuclear weapons production facilities. It is currently proposed to build six new nuclear fission production reactors to meet defense requirements into the first decades of the 21st century.

The fact is that one laser fusion reactor, operating at the energy output level of one of the proposed six fission reactors, could generate the same output of tritium—the primary weapon material required—as the six fission reactors combined. And it is probably the case that the total R&D cost for developing laser fusion and building such a prototype laser fusion reactor for tritium production would be about the same.

But the benefits would be immense. First, existing engineering studies show that laser fusion "would be cost-competitive with coal and with advanced fission reactors," according to Dr. Storm. Second, given the inherent scientific potentials of the fusion process, such as its high energy density, high quality of energy output, etc., the fusion process could be further perfected to provide even greater economies. Third, fusion provides a unique window on the frontiers of

science and technology. Research utilizing fusion as a scientific tool will unlock entirely new possibilities, including that of the matter-antimatter reaction.

In this first part of a two-part report, Executive Intelligence Review presents a review of the status of laser fusion and its potential for meeting the existing requirements for tritium production. The second part will present extensive excerpts from the testimony of Dr. Erik Storm, Deputy Associate Director for Inertial Confinement Fusion at Lawrence Livermore National Laboratory, before the House Committee on Science, Space, and Technology's Subcommittee on Energy Research and Development.

Nuclear fusion

Nuclear fusion is the primary source for the energy output of the stars, including our Sun. In this case, the gigantic pressures and temperatures generated in the core of these massive bodies lead to the fusion of the nuclei of lighter chemical elements, such as hydrogen, to produce the nuclei of heavier chemical elements, such as helium. In this way, nuclear fusion is also responsible for the creation of the predominant elements which make up our Earth.

The easiest fusion reactions to ignite involve what are called the heavy isotopes of hydrogen, deuterium, and tritium. The ordinary isotope of hydrogen has a nucleus consisting of one proton. The deuterium nucleus consists of one proton and one neutron. The radioactive tritium isotope has one proton and two neutrons.

When a tritium nucleus and a deuterium nucleus are fused. they constitute the nucleus of a helium atom (two neutrons plus two protons) together with the release of one free neutron. The energy released during the reaction is extremely large, about 100 million times greater than that released by chemical reactions.

The energy from the fusion of one deuterium (D) and one tritium (T) is 17.6 MeV, where one MeV is equal to 1.6×10^{-13} joules and is roughly equivalent to a temperature of 110 billion degrees Celsius. (A 100-watt light bulb consumes 100 joules every second.)

The primary reaction energy is contained in the velocity of the reaction products. The helium nucleus having an energy of 3.5 MeV and the free neutron an energy of 14.1 MeV. From this it follows that over 80% of the primary fusion energy output is taken up by free neutrons, that is, 14.1/17.6 is about 0.8.

Fusion is extremely neutron rich compared to nuclear fission. And, unlike nuclear fission, maintaining the fusion reaction does not require the use of these free neutrons or the energy they contain. (The nuclear fission chain reaction is maintained by the neutrons generated during nuclear fission.)

This means that fusion's prolific neutron output can be utilized in many applications other than simply converting the neutron energy to heat. In fact, the fusion neutron can be used to either create fission in materials that ordinarily do not support a chain reaction, or to breed fissile fuel for nuclear fission reactors. This application of the fusion neutron can multiply the total energy output from tens to hundreds of times. And this energy multiplication can either take place immediately in a blanket surrounding the fusion chamber or over a much longer period through the extraction of fissile fuel from a breeding blanket and then later burning this fuel in a fission reactor.

It should be noted that a D-T fueled fusion reactor would require that tritium be bred from lithium because tritium does not occur in large quantities in nature. Tritium is also radioactive and has a half-life of 12.6 years, and must be replaced over a period of time in nuclear weapons. But existing designs show that a D-T fusion reactor would be quite prolific at breeding tritium, and only a portion of the fusion neutron output is needed to readily breed more tritium than is consumed in the reactor.

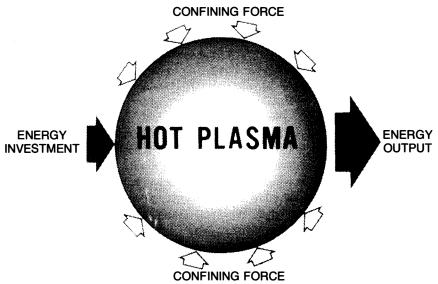
Fusion reaction conditions

The mutual electrical replusion of two positively charged nuclei is so great that it is difficult to get nuclei to come close to one another. Yet, when the right nuclei do, they will link up together to form one nucleus—nuclear fusion. A useful analogy is to think of the problem of rolling a ball up the slope of a volcano and into its mouth. If the ball does not have sufficient velocity, it will not make it up the slope to the crater. On the other hand, if it goes too fast, it can simply jump over.

In the case of nuclear fusion, there is also an optimal relative velocity at which the two nuclei will join. At velocities less or greater than this optimal range, the likelihood of nuclear fusion taking place decreases.

Temperature provides a measure of the average velocity of a group of particles. The optimal velocity range for fusion of D-T corresponds to temperatures in the range of 50-100 million degrees Celsius. This is an extremely high temperature, and immediately raises a second major precondition for nuclear fusion energy generation—that of confinement.

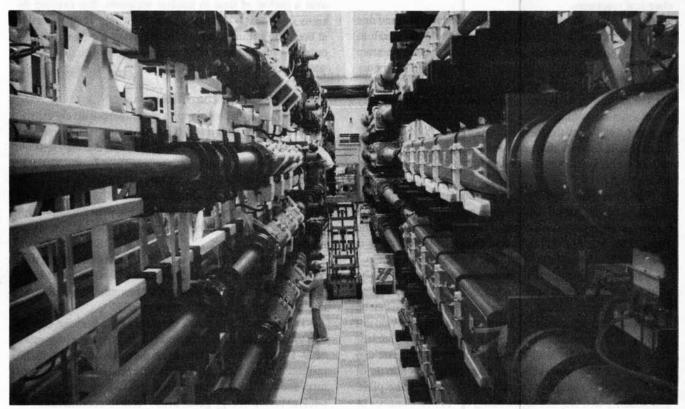
At high temperatures, matter tends to rapidly diffuse, unless it is contained in some manner. One approach to fusion makes use of the fact that at these high temperatures matter becomes electrified—ionized plasma. And plasmas can be contained by magnetic fields. The use of "magnetic bottles" to contain and insulate fusion fuel is termed magnetic confinement fusion.



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Confinement for fusion. Significant amounts of the nuclear fusion reaction occur at temperatures above 5 keV—a temperature above 50,000,000 degrees Celsius. At this temperature all matter becomes ionized gas, the socalled "plasma" state of matter. Also, the fuel would rapidly diffuse and thereby rapidly dissipate the fusion reactions at these temperatures unless something acts on the fuel to confine it. In one approach to fusion, magnetic fields are used to confine and insulate the fuel. In the ICF approach, the fuel is first driven to high densities at which the reaction becomes extremely rapid. If the density is high enough, the fuel will burn up before it blows up. In both the magnetic and inertial confinement fusion (ICF) approaches, some energy must be initially invested in confining and heating the fuel to fusion conditions. Energy gain is defined as the fusion energy output divided by this required energy input (investment).

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The Livermore Nova Laser System. This photo shows technicians making the final adjustments on the 46 centimeter diameter amplifiers on the Nova Laser System. The amplifiers, the box-shaped device the technician is standing in front of, are composed of various optical parts including glass laser disks and energy pump flashlamps. These parts amplify a pulse of laser light so that it is powerful enough to impode a fuel pellet to fusion conditions. The Nova laser has more than 1,000 optical parts comprising more than 300 square meters of optical surfaces. This makes Nova the world's largest optical instrument, in addition to being the world's most powerful laser.

The second major approach to fusion is that of inertial confinement fusion (ICF). In this case, the fuel is brought to a sufficient density, and is suddenly ignited so that it will burn up before blowing up. That is, only the inertia of the fuel mass confines it.

How laser fusion works

ICF was first demonstrated with the successful detonation of the hydrogen bomb in the early 1950s. In the H-bomb, the intense x-ray radiation from an atomic bomb fireball is used to compress and shock ignite fusion fuel. This is done by placing the fusion fuel target and the atom bomb inside a chamber called a hohlraum, which derives from the German name used by Max Planck to describe blackbody radiation—Hohlraumsstrahlung.

The x-ray radiation from the atomic bomb fireball is absorbed by the inner chamber wall and reemitted as blackbody x-rays. The geometry of the chamber is arranged so that the reemitted x-ray blackbody radiation impinges from all sides on a spherical target of fusion fuel. The incident x-rays are absorbed in a surface layer of this target. This causes this surface layer to rapidly ablate outwardly. And like the exhaust from a rocket, this outward ablation causes an inward

force on the remaining portion of the target. This inward force is actually a shock wave, and when done properly it takes the form of a spherically imploding shock front proceeding from the outer surface of the spherical target to its core.

When the imploding shock front converges on the center of the fuel, it will cause the fuel to be heated to extremely high temperatures. The passage of the compression shock wave can also cause the remaining fuel to be compressed to high density, if done in the proper fashion—that is, isentropic compression.

Once the imploding shock converges, it heats the core fuel to fusion temperatures. The hot helium reaction products will deposit their energy in the outer fuel regions, and in this way will heat the remaining fuel to fusion temperatures. That is, the hot core will generate a burn wave which passes through the outer fuel faster than it takes for the fuel target to blow up.

The realization of high-power lasers and particle beam accelerators opened up the prospect of miniaturizing the ICF process. In the H-bomb, billions of joules of radiation are used to drive hundreds of pounds of fuel to fusion conditions. With the prospect of higher power densities, through focus-

ing of laser or high-energy particle beams, and much greater precision and versatility of laser beams, it was projected that energy-generating ICF could be carried out at energy outputs 1 million times smaller than in the case of the H-bomb. This level of energy output could be readily contained in a reaction chamber and thus converted to electricity and other useful forms.

The laser or particle beam driver used to accomplish this would operate with an output in the megajoule—millions of joules—range and a power level in the range of 500-1,000 trillion watts. The driver would ignite a pellet containing less than one one-hundredth of a gram of fusion fuel. The ignited pellet would generate over 100 times more energy than that of the driver laser. This ratio of fusion energy output to driver energy input is termed "pellet gain," or simply gain.

The key to miniaturizing ICF is the ability to drive the pellet fuel to super-high densities. At these higher densities, the fuel burns much more rapidly, so the required inertial confinement time is much less. The required density increase is about a thousandfold to 20 times that of lead.

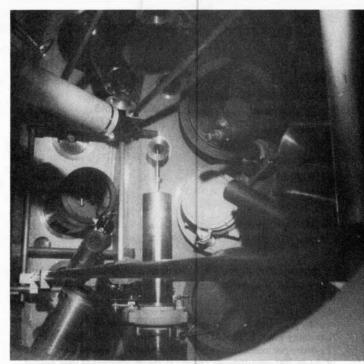
Such high densities are difficult to achieve and represent an entirely new frontier of science. First of all, in order to achieve such super-high densities, the compression process must be isentropic. That is, the fuel cannot be heated to too high a temperature during the time that it is being ablatively compressed. But it is still required that the converging shock wave be sufficiently intense to ignite the fuel core. Furthermore, the compression process must be extremely uniform; if not, there will be no significant overall compression.

Driving matter to such super-high densities also requires much higher power drivers and power densities. The coupling of the radiation to the pellet also becomes much more important. If the coupling is not efficiently converted to the hydrodynamic implosion of the pellet, the energy gain will be greatly reduced. The coupling must also not generate byproducts, such as "hot electrons," which would preheat the fuel and thus prevent isentropic compression to super-high densities.

Direct drive versus indirect drive

There are two different types of pellet target configurations in ICF. The first consists of a bare pellet upon which many beams are evenly directed. The incident laser light directly burns off the surface layer which drives the implosion. This approach requires extreme precision and uniformity in deposition of the laser energy. The longer wavelength of optical lasers is much more difficult to couple efficiently and without preheating effects than with blackbody x-rays.

The second approach is that of indirect drive targets, and is based on the basic physics of H-bomb design. In this case, the laser light is introduced into a hohlraum chamber. In the process, the laser light is absorbed and reemitted as soft xrays—"blackbody" x-rays. The x-rays then impinge on a pellet target, also contained within the chamber. The shorter



Nova target chamber. This photo shows the Nova laser system target chamber. At the center of the vast array of diagnostics and alignment systems is a minute, one-millimeter glass capsule filled with deuterium and tritium fusion fuel. The glass target is at the center of the 15-foot diameter chamber. In one billionth of a second the ten beams of the Nova will implode this target to star-like fusion conditions. Mirrors are used to focus and direct the 10 laser beams of nova onto the minute glass capsule. The laser is housed in a separate building which has nearly the length of a football field and is five stories high.

wavelength of the x-rays leads to more efficient, high quality coupling to the fuel pellet. Also, the geometry of the chamber and absorption/reemission process lead to a higher uniformity of irradiation of the fuel pellet. And this can be achieved even though the input laser light may be highly asymmetrical and non-uniform. That is, a much lower quality laser can be utilized.

But indirect drive hohlraums necessarily require much higher driver energies. This can be seen from the fact that a large fraction of the input energy is simply absorbed by the hohlraum without ever impinging on the fuel pellet. It is sort of like burning down the house to heat a pot of coffee.

Historically, though, mainline ICF efforts in the United States, Japan, France, and the U.S.S.R. have pursued indirect drive targets. This is due both to the fact that there is a much greater depth of knowledge about indirect drive, given the many decades of research into hydrogen weapon development, and that the lasers required for indirect drive are more readily built and have much greater versatility in terms of experimental applications.

The fact remains that even though indirect drive config-

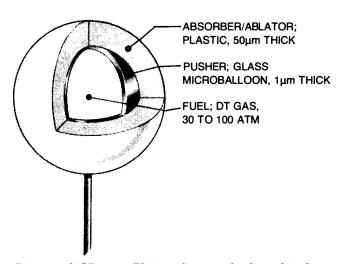


Diagram of ICF target. This is a diagram of a direct drive laser fusion pellet. The pellet has an overall diameter of .4 millimeters (400 microns). The outer layer is designed to absorb incident laser light. As this layer is ablated off by powerful laser beams, it causes an equal and opposite imploding force on the remaining glass microballoon. The deuterium (D) and tritium (T) hydrogen contained in this glass microballoon at a pressure of 30 to 100 atmospheres (ATM) is then compressed and heated to fusion conditions.

urations will be the first to demonstrate high gain, the scientific knowledge gained from this research will immediately benefit direct drive ICF research. Eventually, direct drive high-gain configurations will be achieved.

Research background

Laser fusion research has been carried out for about two decades in the United States. Despite continuing progress, the program was significantly cut back during the Carter administration. And efforts begun in late 1970s, were implemented during the Reagan administration to almost completely end the civilian ICF program and completely convert it to military research.

Given the lack of funds, sufficiently high-energy and high-power drivers have not yet been built to fully test highgain pellets. To achieve the high gains required for energy production (gains greater than 100), a laser operating at almost 1,000 terawatt power levels with an energy output of between 5-20 megajoules would be needed. The currently largest facility is that of the Lawrence Livermore National Laboratory (LLNL) Nova laser system in California. This laser has a power level over 100 trillion watts and an energy output up to 100,000 joules. This is thus a factor of 10 too low in power, and 10-20 times too low in energy output to ignite high-gain pellets. The lasers that exist have been able to examine such questions as laser light coupling and absorption and x-ray generation. Innovative experiments have permitted the simulation of high-gain pellets with laboratory

lasers. Driving matter to high densities and generating largescale uniform compressions of spherical pellets have also been demonstrated.

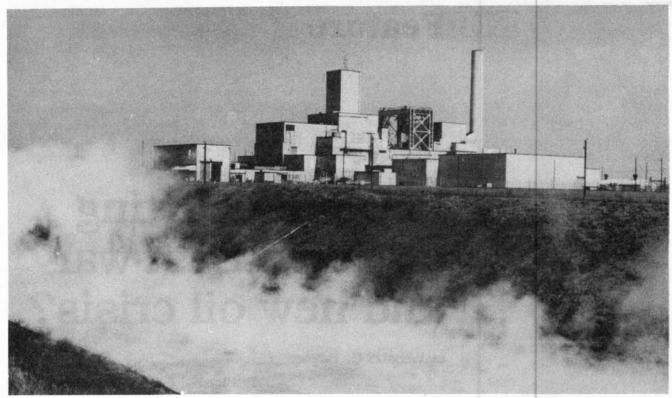
Halite/Centurion

While Dr. Erik Storm of Livermore details the achievement of major milestones in laboratory experiments, his congressional testimony revealed also that there has also been major progress in top secret experiments carried out in the Nevada nuclear weapons testing site under the codename Halite/Centurion:

"A classified component, Halite (at LLNL) and Centurion (at Los Alamos National Laboratory), utilizing underground nuclear tests at the Nevada Test Site. The purpose of this component is to study the design characteristics of efficient ICF targets. Halite and Centurion have played a vital role in establishing our confidence in the scientific feasibility of ICF. . . . As discussed above, the principal approach to inertial fusion in the United States involves the use of indirectly driven targets. In this concept, energy from a laboratory driver is converted to x-rays that are used to implode and heat the fusion fuel in an inertial fusion capsule. The ability to study and understand the performance of such capsules in the laboratory has been limited by the energy and power that can be provided with presently available lasers. In Halite/ Centurion, a portion of the much greater energy from a nuclear device in underground explosions at the Nevada Test Site has been used to implode inertial fusion capsules, thereby extending the range of inertial fusion research. These experiments have produced excellent results, contributing to our increased confidence in the basic feasibility of achieving high-gain ICF. The combination of Nova and Halite/Centurion data and the recent development of cryogenic high-gain target fabrication technologies makes us sure that in the next three to five years we can obtain the data and demonstrate the technology necessary to resolve the remaining target issues."

Given the limitations of classification, this means that the essential scientific questions concerning whether super-high-density, high-gain pellets will work has been, or is shortly about to be, experimentally resolved. The only real barriers to realization of commerical laser fusion is the lack of the political will to do so.

But Dr. Storm also reveals that the existing budget levels and cuts that are being proposed "has had a serious impact on our program." He points out: "This year we have had to impose a drastic curtailment in Nova experiments, severely reduce technology development efforts for advanced drivers, eliminate technology development for reactor drivers, and reduce work on power-plant concepts to paper studies. This has resulted in a recent staff reduction of 60 more people. With continued funding at this level, the LLNL ICF Program would of necessity become a one-component program within about three years, comprising Nova experiments only; we would probably have to abandon attempts to develop a low-cost, high-energy laser driver by the early 1990s, and all



Weapons Materials Production Reactor. This is a photo of the Savannah River Plant production reactors. These nuclear fission reactors generate tritium fuel used in nuclear weapons. It is currently proposed to build six production reactors to replace ones currently becoming obsolescent. One ICF fusion reactor could produce the equivalent output of tritium.

work on ICF energy-production technologies."

Most ominously, Dr. Storm was able to report that "the Halite program has been suspended."

Getting back on track

In this context, the requirement to rebuild and modernize the nuclear weapons production infrastructure provides a unique opportunity. As Dr. Storm notes in his testimony, fusion will probably be used first as a hybrid system. That is, the prolific neutrons from fusion will be used to generate fuel for nuclear fission reactors. But even before this sort of application of fusion could be realized, it is quite possible to use a fusion reactor for the production of tritium needed for nuclear weapons.

An ICF reactor for tritium production would require the minimum in terms of technology and science. Unlike an electric power plant, which must operate most of the time in order to be economical, the tritium production facility could be operated quite economically with frequent and long duration interruptions.

It is currently proposed to build six fission reactors to meet defense needs after the year 2000. One laser fusion reactor, operating at the same power level as just one of these fission reactors, could produce the same output of tritium. As noted previously, this is because of the prolific neutron output of fusion.

Therefore, the crisis facing the nuclear weapons materials production infrastructure provides the United States with the opportunity to turn around today's irrational energy policies and get America back on the road to scientific progress. Even from a cost standpoint, accelerating the fusion program is an ideal answer to meeting this essential defense need. With a crash effort, a laser fusion reactor for tritium production could be brought online before the year 2000.

This step would be quite logical even without considerations of national security. The tritium production facility would actually constitute an engineering test reactor to test more advanced technologies required for fissile fuel breeding and pure fusion electric power reactors. The tritium production facility could also be used to test various methods of burning up fission reactor radioactive wastes.

Most significantly, a program to develop these advanced technologies would revive the U.S. nuclear industry and put America first, again, in these fields which comprise the largest portion of the frontiers of science and industry. And given the overall spin-off benefits of developing fusion, this advanced-track program would pay for itself many times over before it were completed. Such a course of action makes far more sense than simply turning the clock back 35 years to build an improved fission reactor.

FIR Feature

Is Bush courting a Middle East war and new oil crisis?

by Webster G. Tarpley

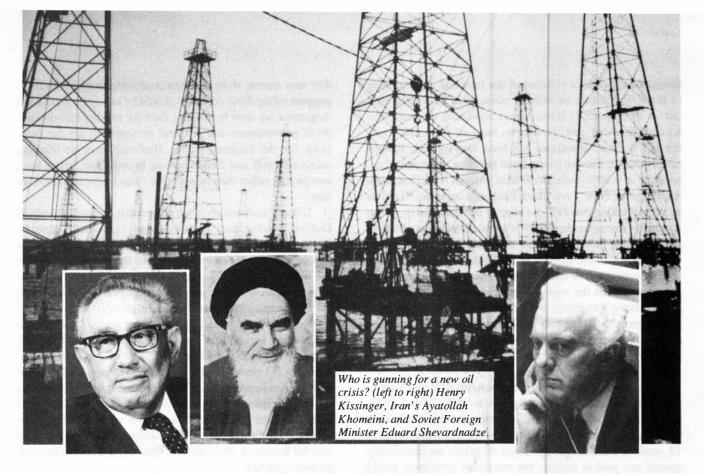
The following analysis was released from Washington, D.C. on March 19, 1989.

Is the Bush administration preparing a military attack on Iran, Libya, Syria, or other Middle East nations in a flight forward intended to cut off or destroy a significant part of the world's oil supply and drastically raise the dollar price of crude on world markets? A worldwide pattern of events monitored on Palm Sunday by Executive Intelligence Review suggests that such a move may be in the works. If the script does indeed call for a Middle East conflict and a new oil shock, it can be safely assumed that Henry Kissinger, the schemer behind the 1973 Yom Kippur War, is in the thick of things, through National Security Adviser Brent Scowcroft and the State Department's number-two man Lawrence Eagleburger. Orchestrating new revelations of facts and inventions about Iranian and Libyan terrorism appear to be Henry's bosses at the British Secret Intelligence Service, MI-6. There are also indications that if a military action does come about, it will be conducted under the aegis of the British-American-Soviet condominium of world powersharing, with the Soviets perhaps being granted a free hand to run amok on their own in such places as Yugoslavia, Afghanistan, and Pakistan.

London, needless to say, is playing a many-leveled game, providing findings designed to goad the United States into a military adventure, and preparing to cash in from a rise in the price of North Sea Brent, while also getting ready to play the anti-American card throughout the Arab and Islamic world.

Why the flight forward?

Why should the Bush administration now be a candidate to launch an attack on Libya and Iran, with large-scale hostilities likely in the Gulf? The basic answer is, as part of a manic flight-forward fit of "American Century" megalomania designed to distract attention from the fiasco of the new President's first 60 days in office. The motivations of the British-manipulated Bush administration can be summed up under the following three headings:



__ Politically, any regime confronted at home with crises that seem insoluble within the universe of discourse defined by its repertoire of approved methods, policies, and procedures is tempted to launch a diversion in the form of a foreign military adventure. In the case of Bush, the series of debacles that have studded the new administration's debut have already partially wrecked the Bush-CIA gameplan of setting up an imposing, authoritarian regime capable of riding roughshod over the Washington bureaucracy, the Congress, trade unions, and popular resistance to austerity. Bush's dictatorial aspirations have been frustrated by the congressional defeat of the Tower nomination. The diplomacy of the President and his secretary of state in Europe and Asia has been marred by many reverses. The President's budget has failed to satisfy the austerity demands of the Bank for International Settlements (BIS) crowd, and Treasury Secretary Brady's maladroit handling of the savings and loan crisis and the international debt crisis—centered for the moment in Venezuela, Argentina, Brazil, and other Ibero-American nations—has caused alarm in the City of London and in other financial centers: "Bush Bumbles" was the epigrammatic headline of Evelyn Rothschild's London Economist. The first days of Bush are increasingly compared to the last days of Carter. Bush's Hundred Days are looking less and less like Franklin D. Roosevelt's and more and more like Napoleon's—at the end of which the Emperor was sent into exile at St. Helena and disappeared from history forever.

The political reckoning involved in an attack on Libya and/or Iran is made more attractive by the Salman Rushdie

The Satanic Verses affair, a certified joint provocation by the KGB and MI-6 (see article, below), which has whetted the general public against Khomeini and specifically locked large parts of the left wing and other intellectuals into an anti-Khomeini, anti-Islamic stance. Inside the United States, a hit against Khomeini would be popular, especially in the light of reports now surfacing on the 1988 Lockerbie, 1985 Gander, and 1980 Itavia airplane disasters. From Bush's point of view, military action in the Middle East and an oil crisis would have the added benefit of greatly increasing the role of the Federal Emergency Management Agency (FEMA) and its related apparatus. The powers of the FEMA-Continuity of Government "creeping coup" apparatus would increase even further if Bush were to declare a state of national emergency, as Truman did in late 1950, during the Korean War, to say nothing of what would happen if the Congress were to declare war. In either case, Kissinger's stooges and certain CIA types would see to it that very little in the way of human rights and political rights would remain in force.

2 _____ Financially, despite the extraordinary support coming from certain Tokyo financiers, the U.S. dollar is approaching the end of its tether. In other words, the long-awaited second crash, announced by Black Monday in October 1987, is now upon us. London and Zurich insiders have been expecting a cataclysmic drop in the dollar sometime very soon, with predictions varying from right away to sometime a month or two after the July 14 Paris conference of the Group of Seven industrialized nations. These same sources have ventured the prediction that the dollar crash would be

detonated either by a collapse of the financial underpinning of the RJR Nabisco swindle or some other leveraged buyout, or by defaults by Ibero-American nations on their international financial debt. In order to head off the dollar crash, the BIS's Alan Greenspan has been raising U.S. interest rates, with the Treasury long bond jumping to the neighborhood of a 9.30% yield on Friday, March 17. That same morning, the New York Stock Exchange tumbled 50 points in a breathtaking free fall, the biggest one-day loss in almost a year. If Greenspan continues to support the dollar with high interest rates, he will blow out the stock markets, blow out what remains of the savings and loan institutions, and detonate the total crisis of the system. At that point, George Bush definitively goes the way of Herbert Hoover or, to be more exact, Martin Van Buren in the crash of 1837. The only hope for the greenback thus may appear to the White House to be a quick fix by way of an oil shock, entailing the destruction or interruption of perhaps one-third of the world's daily out-

Under such circumstances, the thoughts of Henry Kissinger's London controllers fondly turn to 1973-74 and 1979, the two artificially concocted oil price shocks that bought their international financial system an aggregate of more than 15 years of extra longevity. Since oil prices are universally quoted and paid in dollars, the moribund greenback would be the short-term beneficiary of a big hike in the Rotterdam spot price. And indeed, the futures prices of West Texas Intermediate, North Sea Brent, and other grades have been levitating upwards in recent days, as if the markets were anticipating something that would drive the prices up. If prices go up, the British would benefit from their North Sea fields. The Soviets would benefit greatly, since the inability of their export crude to command hard currency on world markets of late has much exacerbated their internal economic breakdown. The Soviets also agree with the idea of wiping out a large part of the Arab world and Iran; this is the essence of their Middle East policy.

And Texas would benefit, with higher oil prices being greeted by Jim Wright, James Baker, Lloyd Bentsen, and other Texas fast-buck political heavies—a point that is also not lost on Bush. Tiny Rowland, Armand Hammer, and others like dearer oil. The New Yalta condominium has no use for cheap crude.

In Ibero-America, a jump in the oil price would mean a flow of dollars into the coffers of Mexico and Venezuela, increasing the ability of these two nations to meet their payments to the New York banks. There are indications that Bush league strategists regard it as imperative to prevent a Venezuela-style insurrection from gripping Mexico, and that they may think they can reach their goal through this stratagem, while also restoring to Venezuela some ability to pay. Of course, expensive oil would spell instant national bankruptcy for Brazil and Argentina, which the Bushmen see as further away. Better to keep Mexico and Venezuela paying,

they may reason, since the International Monetary Fund (IMF) puppets ruling these countries should be salvaged. Brazil and Argentina are now both more than six months into default; these governments and political perspectives are far more risky for the bankers, so the Bushmen may be thinking scorched earth and Lebanization. In any case, better keep two paying rather than lose all four, may be the Bush bottom line.

If Bush's adventurism were to result in a cutoff of Arabian Gulf oil, one big loser would be Japan. This would indeed be a treacherous way for Bush to reward certain gentlemen in Tokyo who have been willing to pour their good money into the black hole of the U.S. dollar over the past year, and the rage in Japan would be indescribable when the oil bill came in. Continental Western Europe, especially Germany and nuclear-poor Italy, would be another big loser. The Bushmen are already agreed that Europe is to be cut adrift and the Atlantic Alliance terminated. The CIA is destabilizing the main NATO governments, especially Germany's Chancellor Helmut Kohl and France's President François Mitterrand, as part of the process; an oil shock would precipitate these countries into chaos and bring down all existing governments, conjuring up quite a few coups d'état. That seems to suit the Bushmen, their British controllers, and their Russian partners just fine.

Other parts of the world, including most of Africa and many developing nations, would simply cease to exist. Since energy costs are a main component of farming, a hike in the oil price would guarantee that the food crisis of 1989 would become even more severe. Some aspects of this situation are treated in a recent study issued by the United Nations International Labor Organization in Geneva. This report concludes that Middle East instability makes conflict in that region likely, leading to an oil cutoff. The report then explores the consequences in terms of forced austerity, food rationing, and authoritarian crisis management.

3 ____ Politically, Bush is confronted by the imminent blowup of the Tower-Muskie-Scowcroft, Inouye-Hamilton-Cheney-Rudman, and Thornburgh Irangate coverups. Recent signals in the British, Israeli, Austrian, and other European media indicate that Irangate will re-detonate as Bushgate within a few weeks at most. Bush's role as the overlord of all Reagan-era covert operations through his leadership of the White House Special Situation Group and Crisis Pre-Planning Group is so notorious that circles around the Democratic National Committee, Clark Clifford, Katharine Graham, and others are boasting that they can use Iran-Contra blackmail to force Bush to do whatever they command under the threat of swift impeachment. There are those around the Democratic National Committee who would like to make this situation into a permanent arrangement, but this is unlikely. Blackmail leads ineluctably to escalated extortion by the blackmailer, and then to the attempt of the blackmailee to eliminate the blackmailer when the extortion becomes intol-

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erable. The one way Bush might hope to suppress the dirty story of Irangate is by war. As long as he is bombing Iranian and Libyan oil fields, the press will pay scant attention to the past arms deliveries to these countries, and this could be backed up by de facto wartime censorship. In effect, Bush may be plotting the biggest obstruction of justice in all history: to wipe out the proof of his leading role in Irangate by flattening the entire nation of Iran.

Intelligence sources close to NATO intelligence in southern Europe confirm that something big in the way of military conflict and oil shock is now in the works. They compare what is being planned to a "new Pearl Harbor," and recall that Pearl Harbor was itself a setup by Roosevelt, the result of the manipulation of Japan, and intended in turn to produce certain policy changes inside the United States. Something along these lines, these sources say, is intended by the schemers behind the looming event.

In terms of the immediate buildup to a military move, it is clear that someone has decided to "solve" a series of airplane disasters, to solve them all at once, and to solve them in a way that targets Iran, Libya, and possibly Syria as incorrigible terrorists. Of course, all these governments are terrorist; it is possible, but not yet proven, that one or all of them blew up the airplanes in question. Even in the (unlikely) event that all charges brought forward now were strictly true, we would nevertheless be obliged to detect a blatant pattern of hyping public opinion, especially by Anglo-American sources, in a way that points unmistakably towards military retaliation against the countries that are now suddenly fingered. In general, any account of such terrorism that does not prominently feature the U.S.S.R. is highly suspect.

A spate of revelations

What to make, therefore, of the chaotic pattern of revelations being issued from London on the forces behind the explosion of the Pan Am jet last Dec. 21 in the skies above Lockerbie, Scotland? On Friday, March 17, a number of London papers quoted "senior government sources" in asserting that the identity of the bomber or bombers would be revealed within a week. Other British sources have alleged that one of the terrorists has already been arrested, probably in Germany, although the German BKA denies this. The story is being hyped suspiciously by such intelligence-connected broadcasters as Pierre Salinger of ABC News. One Tory MP has accused "hysterical Americans" of wanting to use the handling of the case by Transport Minister Paul Channon as a club against Mrs. Thatcher. Channon's BBC interviews have indeed betrayed great agitation. But the Lord Advocate of Scotland, Lord Fraser of Carmyllie, has dismissed the reports that terrorists have been identified as "wild and irresponsible speculation," while a source at Scotland Yard quoted in the London Observer of March 19 wonders out loud: "I don't know what the politicians are playing at."

They are playing at something. The London Sunday Ex-

press of March 19 claims to have information according to which West German detectives are allegedly searching for a Libyan terrorist known as "the Professor." According to this account, the Professor constructed a bomb hidden in a radio cassette recorder which blew up Pan Am Flight 103. He is said to have been in Bonn, Germany from Dec. 13 on, leaving the country on Jan. 6. Above all, he is alleged to have worked out of the Iranian Embassy in Bonn with the help of Iranian diplomats. According to the Sunday Express, the FBI confirms that the Germans are looking for "the Professor."

At the same time, the Canadian Transport Department has leaked a report that challenges the official explanation of the crash of an aircraft at Gander, Newfoundland, in December 1985, which killed 248 U.S. servicemen. The Canadian Aviation Safety Board had concluded that the crash was due to icing on the wings, but the new version says that no satisfactory explanation has been found. This opens the way for attributing the crash to terrorism—perhaps Iranian and Libyan terrorism.

At the same time, even the U.S. press is suddenly very interested in the mysterious mid-air explosion over the Mediterranean of a DC-9 of the now-defunct Italian airline Itavia in June of 1980. An Italian investigating magistrate, Vittorio Bucarelli, has received a report from a panel of six experts that asserts that the plane was most likely destroyed by a missile. Over the years, Italian press accounts have raised the possibility that the plane was downed by a missile, and that the missile was fired by a Libyan, American, or French military aircraft. Here is another incident that could be attributed very soon.

Part of the same pattern is also the explosive device placed in the vehicle driven by the wife of Captain Will Rogers of the *USS Vincennes* in San Diego, with strong indications of Iranian responsibility. Together with this must be seen the strange remarks of the FBI's Buck Revell before Congress.

In the midst of all the attention for Libya, there is the attention of the London papers for a certain Miss Pamella Bordes, employed as a researcher at the British House of Commons. Miss Bordes, a former Miss India, has stated that her sexual liaisons with various figures could bring down the government, and she is being widely compared to Christine Keeler, the prostitute who was shared by U.K. Defense Minister Profumo and the Soviet military attaché. Miss Keeler's activities led to the resignation of Profumo and to the fall of the Macmillan government in 1963-64. Miss Bordes has been linked to British MPs, editors of the Sunday Times and the Observer, the British sports minister, and also flew frequently to Paris to meet with Col. Ahmed Gadaff al Daim of Libyan military intelligence, a cousin and clansman of the Libyan dictator. Interestingly, Miss Bordes has also been linked to one Paul Halloran, a journalist for the British leak sheet Private Eye. Halloran has been linked to Iran gun-running in cahoots with Hoiward and Tucker in the Aspin case (see Investigation).

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The curious case of Pamella Bordes

by Mark Burdman

What began March 12-13 as a sizzling British sex scandal reminiscent of the Christine Keeler-Profumo affair that helped bring down Britain's Conservative government in 1963-64, has rapidly been transformed into a scandal of an entirely different sort: New light is shed on the "Irangate complex" of Anglo-American intelligence.

Miss Bordes's reported connections involve Irangate figure Adnan Khashoggi of Saudi Arabia, and a journalist in London, Paul Halloran of *Private Eye*, an associate of U.S. intelligence operative Gary Howard. Howard's collaboration with the circles of then-Vice President Bush in operations against the jailed Lyndon LaRouche is one of the time bombs now ticking in American politics.

On March 12, London's *News of the World* tabloid revealed that Bordes, who had been a House of Commons research assistant with security clearance since October 1988, was actually a high-priced call girl, who had evidently managed to sell her services to much of the City of London. The affair quickly threatened to cause embarrassment to a lot of people, including newspaper editors, politicians, and the like. Pamella herself told the tabloid

The Sport a few days later, "The city would grind to a standstill if I spoke out"—in exchange for a million pounds-sterling. She said her revelations could make the Profumo scandal look like a "teddy bear's picnic."

But on March 16, the story took an entirely different twist. The London Evening Standard made the sensational revelation that since September 1988, Miss Bordes had been an associate of Ahmed Qaddafadam, a major in Libyan intelligence, cousin of Muammar Qaddafi, and brother of Said Qaddafadam, the reputed head of Libyan intelligence. On March 23, the Daily Mail reported front-page that the director general of Britain's MI-5 intelligence service had "confirmed a link between Pamella Bordes and one of Colonel Qaddafi's closest aides. . . . He is a key figure at the centre of a web of international arms dealers and, with his elder brother Said, is implicated by security sources in a wave of terrorist activity."

The March 21 *Times* of London reported front-page that Ahmed Qaddafadam is "thought by Britain's spymasters to be behind Libya's arms shipments to the Irish Republican Army." In early March, revelations in the British press said that 200 Members of Parliament were on a special hit list of the IRA.

How, leading British officials are now asking, could an "associate" of Ahmed Qaddafadam have gotten security clearance in the British Parliament?

It now appears impossible to figure out the roots of the Bordes affair without turning to the shadowy world of intelligence operations, precisely of the sort for which Irangate is the model.

There are numerous other signs that something big is in the air. It was presumably not to make small talk that Syrian President Hafez Assad paid an extraordinary three-day visit to Qaddafi in Bengazi, where they were joined by Syrian Vice President Khaddam and the Libyan number two, Jalloud.

War warnings from Moscow

The plot thickens further when we turn our attention to Moscow. Soviet spokesmen over recent days have been talking of war and the danger of war more openly than at any time since the Reykjavik summit. But then, in the last fortnight: Soviet Foreign Minister Shevardnadze warned of the danger of a Middle East war and a worldwide nuclear conflagration growing out of it. Soviet Chief of Staff General Moiseyev has warned his own troops that NATO's aggressive intentions and doctrine mean that the danger of war is real. (Interestingly, at the same time, the General Inspector of the Federal German Armed Forces, Adm. Dieter Wellershoff, has publicly certified that the Soviet threat to Central Europe is undiminished and acute.) And then, Soviet First Deputy

Foreign Minister Yuli Vorontsov, the Russian ambassador to Kabul, has declared that a new regional war, between Pakistan and Afghanistan, has already started. With the mutual expulsion of military attachés by the United States and the U.S.S.R., and the arrest in Moscow of glasnost hero Grigoriants, the Soviets are in an ugly mood.

Knowledgeable observers of the mid-March Soviet enlarged Central Committee meeting are convinced that the full agenda of that meeting has not yet been revealed. Kremlinologists monitoring Soviet television report that the Central Committee meeting in question was attended by the commanders of all Soviet military districts, meaning that for the first time in living memory the entire Soviet military command was gathered in one place, in Moscow. TASS had also reported on March 15 that Gorbachov also met with a group of Soviet ambassadors, with the names of those attending and the agenda of the meeting not otherwise specified.

The Christian Democratic member of the German Bundestag Jürgen Todenhöfer has announced that the Soviets have kept over 10,000 troops in Afghanistan. The Wakhan Corridor especially is reported to be bristling with Soviet

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On March 19, the Sunday Times reported that Ahmed Qaddafadam had been a business partner of Tiny Rowland in 1981-83, heading a company called Tradewinds, which was a subsidiary (until it was disbanded in 1986) of Rowland's Lonrho PLC conglomerate. Rowland has been involved in Iran arms deals during recent years, both in association with Irangate conspirator Adnan Khashoggi and in other ways. As recently as January of this year, he made a secret trip to Teheran, accompanied by Donald Trelford, the editor of the Rowland-owned Observer Sunday weekly. British newspapers showed photographs of Pamella Bordes holding hands with Trelford.

On the same March 19, the *Times of India* added another twist to the story, reporting that she had been used as a go-between with the Iranians by Khashoggi, as part of the U.S.-funded covert scheme to arm the Contra insurgents in Nicaragua. The *Times of India* also reported her involvement with a strange India guru named Chandraswami and with the Sultan of Brunei, both of whom have also been conspirators in the Irangate complex of events. Chandraswami is close to Rowland.

Of all the Irangate links, the most interesting is perhaps her association with Paul Halloran of *Private Eye*. It was *Private Eye* that first gave Bordes notoriety, with leaks in late 1988 about seedy aspects of her months-long affair with Andrew Neill, editor of the *Sunday Times* of London. Pamella was invited to the 1988 *Private Eye* Christmas Party. A column in a March 1989 edition of the biweekly, evidently written by Halloran, called Bordes "my protégé." The London *Guardian* of March 21 traces

the beginnings of the sensational Bordes saga to her attendance at that Christmas party.

One story circulating in London, is that Halloran has wanted to collect dirt on her relationship to Neill, to get back at Neill for the *Sunday Times*' April 1988 exposé of Halloran's links, dating back to the early 1980s, to U.S. intelligence operative Gary Howard. Howard was in liaison with C. Boyden Gray, counsel to then-Vice President George Bush, on matters pertaining to Irangate and to efforts to infiltrate organizations associated with Lyndon LaRouche. When Howard's relations to Gray and Bush's office began to be made public in March 1988 in the U.S. government's prosecution in Boston against LaRouche and several associates, that prosecution fell apart.

In another case in London during the spring of 1988, a British gun-runner, Michael Aspin, who was accused of fraudulent Iran arms dealings, claimed in his defense that he was acting on the basis of promises of U.S. government support for what he was doing. These promises, Aspin documented in court, were made by Howard. This defense was denied, and Aspin is now sitting in jail. Some believe that there was high-level political intervention into the case, either from the Thatcher government or the Reagan-Bush administration, to prevent any revelations that might have damaged Bush's electoral chances.

In any case, the threads on the Pamella Bordes story lead to some very interesting places. Some British investigative journalists wonder why she was invited to the American embassy on election night in November 1988 to celebrate the victory of George Bush.

military might (see *EIR*, March 24, 1989). One country that might be in the Soviet range-finder, Pakistan, continues in the throes of severe destabilization, with martial law declared in Karachi after a dozen people were killed by snipers.

In the Middle East, Israeli military spokesmen have been restating their longstanding policy of preventive war to avoid a defensive war of attrition that Israel feels it cannot win. For the first time in many years, guerrillas of the Abu Moussa organization have attacked Israel by way of Jordan. When these Palestinians were later captured by the Jordanians, Amman was faced with an ultimatum from Israeli Defense Minister Rabin to punish them severely, and an ultimatum from Damascus warning Jordan not to punish the guerrillas at all. In Lebanon, Christian militia and elements of the Armée Libanaise have adopted a policy of defiance toward the superior Syrian forces, a policy which makes no sense in military terms and which must have a farther-reaching goal.

Whatever Kissinger may be aiming at, he undoubtedly is arguing that he and his British masters have a "deal" with Moscow to cover all the eventualities. Kissinger thinks that a Middle East war and a new oil crisis could still be managed,

as they were in 1973-74. But even back then, the game almost went out of control. Numerous transformations of historical phase-space now separate us from the world of 1973. The world has become hyper-unstable. Whatever secret protocols may have been exchanged among London, Wall Street, and the Kremlin, they will become scrap paper shortly after the guns begin to shoot. The forces likely to be set into motion by the various scenarios on the Foreign Office tables lead through various singularities to outcomes that are wholly incalculable. The schemers are more than likely to be hoisted with their own petard.

Coming days will cast more light on what these signs of the times point to. But whatever evil design Kissinger, London, and Moscow are concocting, it is safe to say that they feel free to pursue it in large part because Lyndon H. La-Rouche is jailed in Alexandria, Virginia. That ought to spur on all those who would be the losers if the plans outlined above ever come to pass—and that is to say the vast majority of the nations and people of the world—to redouble their efforts to free the leading American statesman of our time from the arrogant tyranny that holds him captive.

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Rushdie affair is part of Anglo-Soviet 'New Yalta' deal

by Scott Thompson

From Feb. 26-28, Soviet Foreign Minister Eduard Shevard-nadze visited Teheran, where he pointedly refused to condemn the Ayatollah Ruhollah Khomeini's placing a bounty upon the head of Salman Rushdie, the British author of the blasphemous *The Satanic Verses*. Shevardnadze is the first Soviet foreign minister to visit Iran since the 1979 Islamic Revolution and the first foreign minister from any country to meet Khomeini alone; he signed cultural, political, and expanded economic agreements with others in the Iranian leadership.

While Britain's Foreign Minister Sir Geoffrey Howe was urging the West to break ties with Iran over the Rushdie affair, there was not a hint of criticism from Britain or the United States when Shevardnadze swooped into Teheran, praising its "great revolution" as similar to the Russian Revolution. His job was to pick up the pieces of Western influence, precisely as Iran's official daily *Teheran Times* had been predicting would happen in its editorials. The visit was made possible because Moscow had met the demands of British Prime Minister Margaret Thatcher by staging a partial withdrawal from Afghanistan, which had been the major thorn in the side of closer ties between the Soviet Union and various Middle East states practicing the Muslim religion.

The timing of Shevardnadze's visit during the height of the Rushdie crisis, raised the question whether the growing Soviet influence in Iran was part of a "New Yalta" deal, arranged between London and Moscow.

It was not until March 1, after Shevardnadze had left Iran, that it was confirmed that the Rushdie crisis was indeed a major feature of his visit. Soviet Foreign Ministry spokesman Gennady Gerasimov stated at a press briefing that Shevardnadze had raised the issue with Iranian leaders. According to Gerasimov, the Soviet side gained the impression that Iran thought the Soviet Union could play a "positive role" in resolving the furor; Gerasimov also elaborated that if a "reasonable solution" to the crisis were not found, there could be "unpredictable consequences."

Were these "unpredictable consequences" the same that had been spelled out by Shevardnadze on Feb. 23 in Cairo, where he raised the threat of nuclear war in the region: "Time in the Middle East is working for war, which sooner or later could degenerate into a nuclear face-off." Taken within the context of the ongoing rapprochement between barbaric Russia and the insane Islamic regime in Iran, it is grounds for alarm. It also highlights statements from a high-level source within British freemasonry made to EIR, that a significant

British faction *desires* precisely such a nuclear showdown with the Soviets within two to four years, after an orgy of "New Yalta" appearement.

Behind 'The Satanic Verses'

Salman Rushdie is a pawn in the crisis that erupted internationally over the publication of his *The Satanic Verses*, almost four months after the book appeared. This surrealistic, poison pen author was born to Muslim parents in Bombay, India in 1947; he attended Kings College, Cambridge, which is one of the centers of the sort of British cultural warfare used to control the Commonwealth countries and prevent the emergence of sovereign states, free from British imperialism, that are based upon republican "natural law." Rushdie has amassed a long track record for libel and slander, which are part of British efforts to destabilize Commonwealth countries, especially his homeland of India.

His first major work, Midnight's Children, contained outrageous libels of Indian Prime Minister Indira Gandhi, a leader who gave moral courage to the Non-Aligned nations. On July 31, 1984 Rushdie lost a lawsuit brought by Mrs. Gandhi before the London High Court, and was forced to issue a public apology. Libelous passages from his book were excised from later editions—passages that were a "cruel attack" upon Mrs. Gandhi and her late son Sanjay. However, when the Prime Minister was slain by assassins whom EIR identified as part of an Anglo-Soviet conspiracy in the book Derivative Assassination: Who Killed Indira Gandhi? Rushdie got back his own. Writing in the New Republic, whose publisher, Michael Straight, admits to having been recruited as a Soviet agent by Sir Anthony Blunt through the Cambridge Apostles, Rushdie said: "The Queen is dead. Vive la république!" He proceeded into a diatribe against any succession by Indira Gandhi's son, Rajiv, saying that the family of Mrs. Gandhi's father, India's first prime minister, Jawaharlal Nehru, had already turned New Delhi into a "court" for their "dynasty." In an article in the British press at that time, Rushdie proved an apologist for the Anglo-Soviet-backed Sikh terrorists, when he wrote: "The wind was sown in Amritsar. Now, perhaps, the whirlwind ripens." Next, Rushdie in 1985 wrote the introduction for a burning indictment of the Gandhis entitled An Indian Dynasty: The Nehrus and the Gandhis, written by the Marxist editor of the New Left Review, Tariq Ali.

In Rushdie's next book, *Shame*, he trained his guns upon Pakistan. There he simultaneously libeled Prime Minister

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Zulfikar Ali Bhutto and his daughter Benazir. He referred to her as "the Iron Virgin," while using the judicial murder of Benazir's father to attack Zia ul-Haq. Finally, Rushdie showed his true Socialist International colors when he formed the Nicaraguan Solidarity Committee in London, before accepting an invitation to visit the Sandinista regime in Nicaragua, writing *The Jaguar's Smile* on his return. Rushdie's only quibble with the Sandinista regime was that it had censored the opposition paper *La Prensa*. Its alliance with the Soviets and the Manichean heretics of "Liberation Theology" did not disturb him. Rushdie emerges from this picture as a pinktinted typical product of the Cambridge cultural warfare arm of the British Establishment.

If he himself is too unimportant to merit the international attention paid his latest scribblings, then the question is raised who might be behind the outrage? On the first approximation, the answer is to be found by looking at the Penguin Publishing Co., Ltd., which produced *The Satanic Verses*. Penguin is a subsidiary of Pearson PLC, which is controlled by several leading families of the Anglo-American Establishment, foremost among whom is Lord Victor Rothschild, the head of the British branch of the Rothschild family. The connection between Pearson PLC and the Rothschilds arises from the former's 50% ownership in the weekly *The Economist*, whose chairman is Lord Victor's cousin, Evelyn Rothschild.

While the largest stockholder in Pearson PLC (owning 20.4%) is Australian publisher Rupert Murdoch, he does not control the publishing policy of the firm. It is notable, however, that Murdoch gained his lead in stock ownership, when he purchased a 4.9% stake in Pearson held by Turin financier Carlo De Benedetti, a far more influential person, who recently gained some added notoriety for advocating a \$100 billion Eastern European "Marshall Plan" of expanded trade and credits with the U.S.S.R.

Equally influential within Pearson is British media baron and corporate raider Robert Maxwell, who is regarded in Britain as a top-level Soviet agent of influence, a kind of "British Armand Hammer." A socialist and former Labour Party parliamentarian, he comes originally from Czechoslovakia (his real name is Jan Ludwig Hoch), and his publishing empire has been compared to the famous empire of "red millionaire" Willy Münzenberg in the 1930s. Maxwell is a leading promoter of the "Europe 1992" federalist scheme to destroy the nation-states of Western Europe, and his Pergamon Press is the official publisher of the Club of Rome and of books by Soviet leaders, as well as of the magazine of the Soviet Cultural Fund. Maxwell recently announced his support for Israeli Prime Minister Yitzhak Shamir's vow never to negotiate with the Palestine Liberation Organization.

Whatever the true extent of Maxwell's undisclosed holdings in Pearson, in September 1987 he issued a warning to Murdoch that should he attempt to take over Pearson fully, Murdoch would "not get a free ride." Then on March 23, he spent £13.75 million to buy up a Penguin subsidiary company called Sphere.

Pearson PLC is diversified in several areas besides publishing, that include:

- Oil and oil services: Pearson's subsidiary Camco, for example, is one of the world's leading manufacturers and suppliers of equipment to the energy industry. It recently sold its 100% ownership in Whitehall Petroleum Ltd., which had 28 licenses in North Sea oil, to Amerada Hess.
- Investment banking: Led by its chairman Lord Michael Blakenham, Pearson exchanged its 79.4% position in Lazard Brothers Company Ltd. (U.K.) for 50% interest in Lazard Partners, which assumed full ownership of Lazard Brothers and took 12% stakes in Lazard Frères and Co. (U.S.A.) and in Maison Lazard et Compagnie (France). The chairman of Lazard Partners, which was recently extended as a partnership for 21 years, is Michel David-Weill, while through Lazard Frères of the United States, its top deal man is Felix G. Rohatyn. The French David-Weill family lost control of its British operation to its minority partner, L. Pearson & Son, in 1919, but Lazard New York went on under their control to pioneer the modern dealmaking of the 1950s and 1960s under André Meyer. Michel David-Weill, who apprenticed under Meyer, has since emerged to run Lazard Partners with an iron fist.

Enter Lord Victor Rothschild

While these are certainly powerful interests capable of fueling the Rushdie crisis, political analysts in Britain believe that the real éminences grises behind the operation are the British Rothschilds. Lord Victor Rothschild, the head of the family, is correctly viewed by counterintelligence experts as part of the "Circle of 25" that included Soviet spies Kim Philby, Guy Burgess, Anthony Blunt, and Donald Maclean. Not only was Lord Rothschild a member of the sodomic Cambridge Apostles along with Blunt and Burgess at Cambridge, but his mother, Rozsika (a descendant of a Hapsburgconnected Hofjuden family), employed Burgess extensively as an adviser, including sending him into the Anglo-German Fellowship, where Burgess gained a berth for Philby. Rothschild's ties with Burgess were so close that Lord Rothschild rented him his London flat at 5 Bentnick Street, when Victor was in wartime MI-5 intelligence. Burgess shared the flat with Anthony Blunt, and they held wild orgies there, attended by, among others, Lord Rothschild's second wife, Tessa Mayor, a roomate.

Suspicion that Lord Rothschild was the "Fifth Man"—a highly inaccurate numerical designation of what was actually a sizable Anglo-Soviet "Trust" faction of the British Establishment—reached such a high point in 1986, that Rothschild demanded haughtily in a letter published in the *Daily Telegraph* that Sir Anthony Duff, the director general of MI-5, must issue "unequivocal, repeat unequivocal" clearance of him on all charges. Instead, Prime Minister Thatcher gave lukewarm clearance ("a Scotch verdict") of Lord Rothschild in subsequent parliamentary debate that left him simmering.

Apparently Thatcher was angered about Rothschild's role

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in pushing Assistant MI-5 Director Peter Wright to publish his memoirs, *The Spycatcher*, which the British government sought unsuccessfully to suppress, in marked contrast to their treatment of Rushdie's *Satanic Verses*. Wright, a protégé of Lord Rothschild, not only dutifully clears Lord Rothschild of charges by Soviet defector Anatoli Golitsyn that the lord had been a lifelong Soviet "mole," but even makes the outrageous assertion that it was Lord Rothschild who tipped off British authorities to Philby's treason in the first place.

What does come across in the book that is relevant to the Rushdie affair, is that Lord Rothschild—even after he left MI-5—maintained private networks at a high level in Iran, as well as Israel. He maintained these networks while he served as Prime Minister Edward Heath's chief "brain truster" (running the Central Policy Review Staff) in the early-1970s, before he parted company with Heath under a cloud, and it can be presumed that Lord Rothschild maintains such networks even after the ouster of the Shah of Iran, who was toppled as part of a combined operation of the Anglo-American Establishment.

There is another reason, perhaps, why Thatcher was so angered at Lord Rothschild. Only days before his angry letter to the Daily Telegraph, British and American press hinted that the adulterous love affair between Lord Rothschild's daughter Emma and Swedish Prime Minister Olof Palme (who was assassinated in 1986) might have held the key to unlocking the murder, but that they were thwarted from pursuing this lead by the Swedish government. Sources close to Swedish law enforcement authorities speculated that either Emma had been trailed by the assassins, or that she herself had tipped off the Soviets to an impending break planned by Olof Palme, leading to a Soviet decision to kill him and blame it on the CIA. Peter Wright has told EIR that this exposé of Emma "still troubles Lord Rothschild greatly," as no doubt would a serious spotlight being placed upon his family's shared financial interests with Pearson PLC, whose Penguin subsidiary published Rushdie's The Satanic Verses.

Riots destabilize India and Pakistan

Moderate Muslims have found channels other than riots and death threats by which to treat Rushdie's blasphemous *The Satanic Verses*, but there is no doubt that fundamentalists have employed the crisis to destabilize the governments of such countries as India and Pakistan. The book has been banned in India, Pakistan, Malaysia, Indonesia, and elsewhere. The Council of Islamic Jurisprudence, made up of legal experts from several West Asian Muslim countries, has recommended that the Islamic Conference Organization take a page from Indira Gandhi's treatment of Rushdie by suing him for libel against Islam in London's High Court.

Moderates among the 5 million Muslims in the United States have recommended similar actions, culling through Supreme Court decisions in an effort to discover the precedents by which the book might be banned here, because it is

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pornographic, libelous, obscene, depraved, and incites riots or breach of peace. "Freedom of speech" is not an "absolute right" in the United States, but assumes some congruence between that speech and the "natural law" upon which the Constitution is based.

The situation has been different, however, throughout the region stretching from Iran through India:

• Iran: While tens of thousands demonstrated against Rushdie in Teheran, Ayatollah Khomeini proclaimed his death sentence and leaders of the "mullarky" quickly raised a multimillion-dollar bounty to place on the author's head. The subsequent break with the West was largely stage-managed, according to the British paper the Independent, which wrote on Feb. 22, "Ayatollah Khomeini's opponents in Western exile contend that the Islamic Revolution was a British plot, to oust the Americans from the Gulf, and that beneath the Imam's beard are tatooed the words: 'Made in England.' " Readers of EIR's exclusive coverage of the Anglo-American faction behind the destabilization of the Shah during the Carter administration, because he sought rapid industrialization of his country among other reasons, would not be shocked by this analysis, nor by the assertion that both Britain and Russia would welcome an expanded war in the Gulf, threatening Western oil supplies.

Just how far the "New Yalta" deal permitting the Soviet Union to step into the gap has gone, was revealed in the \$140 billion Iranian national budget, released March 21. Iran announced plans to purchase 180 Soviet T-54/55 tanks which Czechoslovakia makes under license, and there are also plans for a Warsaw Pact factory in Isfahan, Iran, to produce antitank and anti-aircraft missiles. Romania, another Warsaw Pact country, is slated to produce armored vehicles for Iran, and a naval base is under discussion. North Korea has sold \$250 million worth of arms already to Iran in the first half of 1987, including Soviet-designed Scud-B missiles and a ver-

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sion of the MiG-19. There are negotiations directly with the Soviets for a possible new naval base at Qesh Island in the Strait of Hormuz, which controls access to the Persian Gulf and passage for one-third of the West's oil supplies.

Reuters reported on March 21 that the Soviets may sell to Iran the older tanks they proclaim they will withdraw from Eastern Europe—all since the Shevardnadze visit. "If the West wants to squeeze us," said one source close to the Teheran government, "then that is one way to show them that our hands are not tied."

• Pakistan: On Feb. 12, a 10,000-person mob rioted in front of the American Center in Islamabad, resulting in five persons being shot by police as the mob prepared to enter the center, where it would likely have killed 18 occupants trapped inside. The newly elected Prime Minister Benazir Bhutto, absent from the country on a trip to the People's Republic of China, announced on her return that the riots had been led by her political opponents as "a last-ditch attempt to destabilize the government."

"The question," she said, "is whether these agitations were really against the book . . . or was the book a pretext by those who lost the election to try and destabilize the process of democracy? . . . The dying order always likes to give a few kicks before it goes down."

Investigation uncovered the information that the leaders of the riots were all opponents of the moderate Bhutto family, including:

- 1) Maulana Kausar Niazi, who recently visited the Soviet Union and considers himself a protégé of Ayatollah Khomeini, had earlier "made peace" with the military regime that murdered Benazir Bhutto's father Zulfikar Ali Bhutto in 1979, by writing a book, And the Telephone Is Cut, which provided justifications for the military overthrow of the Bhutto government.
- 2) Maulana Fazlur Rehman, a leader of the Jamiat-Ulema-e-Islam, had been rejected from a coalition with Bhutto's Pakistan People's Party (PPP), and is now trying to secure the lead of the mullahs as well as the Sardars (clan leaders) of Baluchistan; and,
- 3) Nawabzada Nasrullah Khan, who had earlier run the opposition against the PPP government in 1977 to bring down Zulfiqar Ali Bhutto.
- U.S. Ambassador to Pakistan Robert Oakley said of the riots, "There is the smell of money around, but it is too soon to say for sure. There is a tradition of Libyan and Iranian money here. We will look. The Russians aren't happy about either the Pakistanis or us not backing down on Afghanistan either."
- India: Riots in India against *The Satanic Verses* started on Feb. 7 in Srinagar in Jammu and Kashmir state, then quickly spread to Bombay, where a crowd of 10,000 stoned cars and burned buses on Feb. 24. Police were forced to open fire, killing more than a dozen rioters in a series of clashes.

In New Delhi, on the same day as the Bombay riots, the

most powerful leader of the country's 100 million Muslims, Syed Abdullah Bukhari, told a Friday prayer congregation in the Jama Masjid: "I congratulate the Imam Khomeini. No leniency should be shown to Rushdie." Likewise, accompanying the riots in Srinagar, the newly formed Islamic Unity Movement placed a 1 million rupee reward on Rushdie's head. In Calcutta, the IUM organized a march on the British consulate.

"A delay in imposing the ban could have resulted in the worst riots since Independence," said Salman Khurshid, a member of Prime Minister Rajiv Gandhi's Congress Party and a key figure in the campaign that resulted in India being the first country to ban the book on Oct. 5, 1988. Perhaps another reason why the Indian riots could not take on the full weight of the opposition that they did in Pakistan, is that Prime Minister Rajiv Gandhi's mother, Indira, had earlier been so viciously attacked by Rushdie, an avowed enemy of the Nehru and Gandhi families.

Replay of the 'Great Game'

The Rushdie affair is no different than Rudyard Kipling's "Great Game," which pitted Russian imperialist expansion in the Middle East against the British Empire in a balance-of-power conflict, where there was no "good" and no "evil"—only shifting alliances, balanced through regional arrangements that preceded Yalta.

Orientalists at Oxford and Cambridge devised the cultural warfare ingredients of the "Game" through syncretic distortions of Sufi freemasonry, which is similar to the "dualism" of Christian Gnosticism and Manicheanism, in recognizing Satan as a power who rivals God. This Sufi mysticism is the fundamental stew of Rushdie's *The Satanic Verses*, just as it is the underlying ingredient of the Muslim Brotherhood, which carried out the grassroots organizing to topple the Shah and install the "Made in England" Ayatollah Khomeini. On the level of epistemology, there is only a dime's worth of difference between the protagonists in the "Great Game," Rushdie and Khomeini.

Immediately upon seizing power, the Bolsheviks entered the "Great Game" in the place of their Russian imperial predecessors, when the Comintern opened the 1920 Baku Congress of the Peoples of the East, held in Baku, Azerbaijan. The Baku Congress formulated how Islamo-Marxism would launch a jihad (holy war) against the six "imperial powers": the United States, Great Britain, France, Japan, Belgium, and the Netherlands. Present at the Baku Congress was Harry Bridger St. John Philby, the orientalist Arab Bureau father of H.A.R. "Kim" Philby, the later associate in treason of Lord Victor Rothschild. Also present was Graf von Reventlow, whose wife, Fanny, from a base in Ascona, Switzerland, helped to shape syncretic "dualist" religions as part of the cultural warfare of the "Great Game," just as the Cambridge-educated pawn Salman Rushdie has done with his The Satanic Verses today.

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EIRInvestigation

British arms trader: CIA sanctioned Irangate deals

The following document is a statement that was addressed to the Tower Commission, which was set up by President Reagan to investigate the Irangate affair in 1986-87. The document was written on May 1, 1987, by Leslie Aspin, a British arms dealer. Aspin's brother, Michael, is currently serving a sentence in a British prison, having been convicted in May 1988 of fraudulent dealings, in what were purportedly arms sales to Iran. In his own defense, Michael Aspin claimed, and presented documents to back up this claim, that he was, in essence, acting in the belief that what he was doing was an operation sanctioned by the American government. He presented evidence that promises of official American support for his attempts to sell arms to Iran, were given to him by a U.S. intelligence operative named Gary Howard.

Leslie Aspin's document points to the fact, that many of the actors subsequently prosecuted and jailed in the Irangate "cleanup," which occurred in the first weeks and months after the original Irangate revelations were made public, were acting, or thought they were acting, on behalf of the U.S. government. His document indicates that the arms sales for which his brother has been jailed, were "sanctioned" by the United States.

The document specifically points to the role of then-CIA director William Casey, in requesting the help of international arms dealers to sell Iran TOW missiles, as part of armsfor-hostages deals. Although accurate as far as *EIR* can tell, Leslie Aspin's statement does not take into account the full command-structure behind the Irangate affair, presumably because Aspin is not aware of the total picture. However, the document reveals the extensive, and witting, involvement of government agencies of the United States in setting up Iran arms sales.

In recent weeks, other actors, including arms-dealer Her-

mann Moll, have come forward with important revelations about the real story of Irangate. In an exclusive interview with the *Middle East Insider* newsletter, Moll expressed his view, that then-Vice President George Bush was "the head and the main organizer" of, and "100% behind," crucial arms deals to Iran.

The Aspin statement

This document is reproduced in its original form, except that typographical errors have been corrected and subheads have been added.

My name is LESLIE ALAN ASPIN and I reside at 47 Desmond Drive, Olcant, Norwich, Norfolk. It is the 1st May, 1987.

In June, 1984, I was contacted by a Mr. Casey who was then head of the C.I.A. in the United States of America. I met Mr. Casey through a Mr. Lenard Katz, who is ex-Chief of narcotics advocate in Europe, retired. He requested me to assist in the sale of Tow missiles to Iran, in exchange for hostages held. These hostages were being held in Lebanon.

So in June, 1984, I started a series of meetings in London, I suppose there were probably 6 to 8 meetings all told in that month, one of them being at the U.S. Embassy, Grosvenor Square. During these meetings I was given phone numbers of Col. Oliver North—202 355 5387, and Richard Secord—703 893 2545 or 2549. I was also in contact with Rob Owen and Dave Ginman, and I could contact them on 215 688 5708, but my first contact with Rob Owen and Oliver North was in 1983. During these series of meetings it was discussed

as how one could get the hostages released, the ways of doing it, some of them improper, some of them proper. I decided that my best bet was to swap Tow missiles for hostages as we knew they desperately wanted, that's the Iranians, the Tow missiles. I therefore contacted a Mr. Ben Banerjee, who is a registered licensed arms dealer. We have several meetings at his home, and in London. I was being paid expenses only and I had to obtain a commission, if necessary, from Banerjee, for any profit that I was likely to make, but because of his greed, the deal did not mature to pay me, but I understand that he made huge profit and in my opinion it was his greed that led to the failure to release the hostages.

The route for this deal was to be Lisbon to Iran, so after many phone calls and meetings I took Banerjee to Lisbon in October, 1984, and November, 1984. Each time we booked into the Ritz Hotel. I then contacted a Mr. Jonas Botto of Bravia, which is a member of the National Industries of Defence, and Mr. Tony Lopez, whose address I had received from my brother, along with his phone number. After meetings with them and various phone calls, it was decided that they would help me to put the mechanics of all this together, i.e. the arrival in Lisbon of the Tow missile, a transfer for military craft to Tehran. I also took Banerjee at this time to the Director of National Armaments, which is the National Industries of Defence. I had an agreement drawn up between National Industries of Defence and Ben Banerjee's company, B.R.&W. Industries Ltd., Longbarn House, Ravenstone, Olney, Bucks., MK46, 5AS. This was on the 6th October, 1984, the reference number was P442. I enclose a copy of this for your attention. I also enclose the Certificate signed by General Alvares, which has a serial number 333118/84 S.AQ, and again this is for Tow missiles and I enclose a copy, as it is also addressed to Ben Banerjee.

At the same time, I had an agreement made out for Delta Partners, so if Ben Banerjee fell down on his job or tried to deceive us in any way, I could drop him and carry on the work with that company, although I must confess, it was Banerjee's British license that we needed for this to carry any weight behind it. At one meeting in the Ritz, I introduced Banerjee to a Mr. George Rachelle, a German, and a Mr. Costas Gasparis, Greek. At this meeting it was agreed that I would go to Zurich and meet with a Mr. Ghorbanifar who would act on behalf of the Iranians. On my return to England I made a full report of what had happened to the U.S.A., that is to say, I phoned Oliver North's office and I spoke to Colonel Earl on 202 356 5387 and informed him of what had happened. I also gave my brother, Michael, the agreement that was made out to Delta and told him of my progress, and my progress with Botto, who was his connection and also Tony Lopez, who was also Mike's connection.

I then went to Zurich on the 14th November, 1984, with Ben Banerjee, where we booked into the Opera Hotel. I enclose a letterhead from them. A Mr. George Rachelle arrived, who, in fact, lives quite near to the hotel, along with Mr. Otto Schaller, who is ex-U.S. Army officer, although he is German and is also a member of the C.I.A. His phone number is 49 7158 2456 and he lives at 34 Garton Strasse, 7303 Neuhausen, Stuttgart. He was also at that time acting as Mr. Ghorbanifar's aide-de-camp and escorting him everywhere; they had, in fact, just come from Hamburg, where Mr. Ghorbanifar had been conducting meetings with the Mullahs, that is to say the religious leaders who were overseeing this affair, live in a villa, just outside Hamburg.

Meetings with Oliver North and company

The meeting at the Hotel Opera went well, with Mr. Ghorbanifar. Banerjee supplied his invoices for Tow, which Mr. Ghorbanifar accepted. That night Ben and I had a meeting with Col. North and Bill Buckley, who was head of C.I.A., Lebanon. Ben at this stage was 100% sure of official U.S. backing on the project, as he had now met with North again, this seemed to give him more confidence. He had previously met North, when North was a C.I.A. agent in Sweden. After Ben had left I was given details of bank accounts and the names of companies I could use, plus I was told to go to Paris to open more accounts with Banerjee, in the name of Devon Island. The air transportation was to be carried out by a subsidiary company of Southern Air Transport, a company run by a retired U.S. Air Force General. His phone number was 703 893 2545 or 48. The companies were CSF Compagne Services Fudisaries [sic], Blake Resources and Devon Island. An account had already been opened in Credit Suisse, for Blake resources, that account number was 386430221. Devon Island was to open its account in Paris at the Bank of Credit & Commerce, of which I believe you have the business card of the manager who we met at a later date. Ben and I flew to Paris, we then opened the accounts. North and Mr. Ghorbanifar were there. We were met by the representative from the bank and driven in a black limousine to the Hilton Hotel, where the bank has rooms at its permanent disposal. I remember very clearly on the way to the hotel that Ben used the phone in the car, in the bank's car that is, to phone his wife in England. The accounts that were open were, number 1 account-10 243 8625 into which US\$5,000,000 was placed, number 2 account - 10 243 9725, the interest account number 3 - 10 24 400 25, that account only had the signatures of North and Banerjee. On all of the others, I was a co-signatory along with Banerjee and Ghorbanifar.

We returned to the United Kingdom over the next few days. Mr. Ghorbanifar phoned me and said he had a problem and we would have to travel to Hamburg, where the two Mullahs lived to sort it out. I phoned the U.S.A. 202 356 5387 and spoke to Col. Earl, North's assistant, and explained the problem to him. I also advised my brother that there were problems, as he at that time was to start to arrange the insurance, as this had been a problem and the Mullahs were concerned that their money would not be covered in the event of

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a disaster with the aircraft which, under the circumstances, could possibly be blown up in mid-air by Iraqi agents or other parties. Ben Banerjee had agreed to this as well.

I had various meetings in Hamburg, Paris, Frankfurt, Zurich and London. The dates in my passport as follows—I visited Lisbon on the 18th October and the 4th November. I visited Zurich on the 14th November. I visited Paris on the 15th November, 1984, 28th November, 1984, 30th November, 1984 and the 6th December, 1984. I visited Hamburg on the 20th November, 1984, 4th December, 1984. I visited Frankfurt on the 12th December, 1984, 19th December, 1984, 16th January 1985. I also made various trips during this period in military aircraft to and from bases in Europe, in which case my passport was not stamped. I enclose a photostat copy of my passport stamps.

At various times during these meetings was a gentleman by the name of William Buckley, Oliver North, Manjur Ghorbanifar, George Rachelle, Otto Schaller, Ben Banerjee and myself, Les Aspin. All the meetings were conducted for example, in Hamburg at the Campinski Hotel, which is also known as the Atlantic Hotel, in the Sheraton Hotel, Frankfurt, at the Hotel Opera in Zurich, the Hilton Hotel in Paris, the Churchill Hotel in London and the Portman Hotel in London, Lyon Traill Attenborough's offices and also in a private villa, just outside Hamburg. This is where the two Mullahs in fact lived, who had the final word on most things. At this time I readvised my brother that there were still problems with the insurance and he should arrange it as soon as possible, as the Mullahs were pushing for a copy of the document. Again, Ben Banerjee agreed to this. One of the most important meetings was on the eve of the 5th December, at the Frankfurt Sheraton. Because of the morning of the 6th a car arrived to pick me up from the Iranian Embassy in Bonn. I went in the car to Bonn, with a letter given to me by Mr. Ghorbanifar. I gave this letter to the Ambassador, Mr. Mohammed Javed Salari. He asked me to wait for possibly one or two hours, for the paperwork to be completed. I went to a Chinese restaurant just next door to the Embassy and had a meal. When I returned to the Iranian Embassy I was given a letter for Ben Banerjee and three End Users Certificates. The first one being for 20,000 Tow missiles, the second one being for 5,040 pieces of .75 cal 9 mm pistol and 10,000,000 rounds of ammunition, and the third one was for 10,000 Uzi sub-machine guns. I should mention here that 40 CZ pistols had already been delivered via Vienna as a trial run to prove Ben Banerjee's capabilities. At this meeting I also requested that the Tow requisition be made out for Delta, still keeping in my mind that Banerjee could double-cross us. That night I flew to Paris and met Ben at the Hilton Hotel in Paris, where I photocopied all the documents and gave the originals to Banerjee. The following day he deposited them at the Bank of Credit & Commerce, and we returned to England.

Another 'small problem'

In the middle of December, Mr. Ghorbanifar phoned me

to say that there was a small problem yet again, and could I arrange to have Ben Banerjee and company to attend meetings in London, where Mr. Riazi the Prime Minister would be, but unfortunately, Mr. Riazi had the flu, but at various meetings where I tried to keep the group separate, he gave a political speech and assured one and all that everything was okay, and that he was still trying to arrange for the release of hostages. At this time, Ben Banerjee put the price of the Tow missiles up, against my advice. By this time, my brother had arranged the insurance, etc., but in January Mr. Ghorbanifar came to London where Banerjee picked him up at Heathrow Airport and bought him to Lyon Traill Attenborough, where he gave me his own cheque, which I then gave to Banerjee. It was during this meeting that my brother Michael walked in, and I said "enough is enough, you will now have to carry on this without me." One must bear in mind that the paperwork process that was now going to be dealt with I was not familiar with, and that I had completed my part of the operation and my brother was now well enough to carry on by himself in any case. At this meeting there was a William Harper, Ben Banerjee, and various other people, including Ghorbanifar. Prior to this, I had several meetings at Lyon Traill Attenborough's office with William Harper present. During one of these meetings I had Banerjee there with a representative from Lisbon for the National Industries of Defence, from which we were again reassured that the doors were open for the flights to come in.

During this period of time, another company was formed called Kennard International SA, Apartado 6-4298, Estafata, Eldorado, Panama City, Panama. An account was opened in the Indo-Suez Bank, 39 Ali Shaffar, Luxemburg. The account number was 8961. The telex number of the Bank is 1254. The telephone number is 010 352 47671 and the manager of accounts was a Mr. Schiltz. At the same time Mr. Schiltz was made aware, by tested telex from Morgan Guaranty, New York, that money could arrive there for departure to Indo-Suez Bank in favour of account number 8961.

I am also sending you the letter from Scope to Mr. Ben Banerjee, confirming that in [whited out] for supply 5,000 Tow, and other equipment. I include a letter, which is a covering letter from the Iranian Embassy in Bonn. This clearly states that Mr. Banerjee and Mr. Ghorbanifar were involved in the supply of Tow missiles, and I also include a letter from the Iranian Emabssy in Bonn, which is for 20,000 units of Tow, and confirming that funds are available. I also include a letter which is from Bravia to Ben Banerjee, confirming, once again, the Tow missiles. I also confirm that Bravia gave an identical letter to Delta, which I handed to my brother. I also confirm that the letter from Bonn, which is addressed to Messrs. B.R.&W. Industries, in which it confirms the Frankfurt meetings, was also given to my brother Michael, address to Delta, and I would also confirm that one of the documents that I have seen that apparently was produced as police evidence, document number 61-LE/20, is in fact a forgery. The 10,000 pieces of Uzi 9 mm have been

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added, this is not one of the original documents or copy of the original documents that I brought back from Bonn.

I also include some airline tickets, boarding cards, hotel receipts, and it will be interesting for you to note that on the back of these boarding cards, I visited the Duty-Free Shop and it gives the dates in which the flights were actually on, if that cannot be checked with the flight carriers.

I would also like to confirm at this stage, that because of the Iranians keep changing from FOB CIF, in particular this was Mr. Ghorbanifar, it caused so much confusion along with Banerjee increasing the price, which in my opinion led to the downfall of this.

I was working with the CIA

The reason I am making this statement is because next week in the United States of America there is going to be a Senate Committee hearing, when I think most of this information will be disclosed at some point, and I wish to get my side of the story out, including telephone numbers and account numbers, which at this moment have not been made available to the general public, and there is no way I could have this information unless I had participated in this transaction.

I would also like to clarify that my dealings were solely with the C.I.A. and my brothers with the Defence Agency, who were both in contact at various times with each other.

I would also add that I am still working with the C.I.A., which puts me in a very invidious position in as much as I am still working toward the possible release of the hostages, by arranging transactions in other types of equipment, mainly radar and missile systems.

I categorically state that unless a High Court Judge personally directs me to speak to any British officials, including the police, I will not be available to anybody and this is the only statement that I am going to make.

The statement that I have made to the police I believe I told them what they wanted to know, what they wanted to hear, which I have been very, very wary of, because various documents have turned up since then, in the hands of American officials, so it is obvious to me that their security is not what it should be and there is no way I could entrust myself or the knowledge that I have, information, into the hands of the British police. In particular, not to help certain persons further their career, or for this information to be used for political scandal, in particular, against the President of the United States.

I would much prefer the British police to think of me as an idiot and a bit player in this whole affair.

Also bearing in mind that during the course of these transactions one of the parties involved was taken hostage himself in Lebanon, and eventually tortured to death, and he was head of the C.I.A. in Beirut at that time.

Once again, I say, my name is Leslie Alan Aspin, I reside at 47 Desmond Drive, Olcant, Norwich, and this is the end of my statement.

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FIRInternational

Sino-Soviet summit to open 'new order' in Asia?

by Linda de Hoyos

The announcement in early February that after a year and a half of overtures coming from the Soviet Union, General Secretary Mikhail Gorbachov will visit Beijing, the People's Republic of China, in mid-May, has already opened a new framework of alignments in the Asian theatre. Aside from the momentous news that finally Beijing would accede to the summit, seen as the official prelude to the full normalization of relations between the two Asian giants, the Asian nations are being faced with a concomitant reality: the increasing withdrawal and irrelevance of the United States in the region, a deteriorating position worsened by the appointment in the new Bush administration of associates of Henry Kissinger, a man whose name is synonymous with betrayal among America's allies.

Plans for the summit with Gorbachov were announced Feb. 4 from Beijing, by Foreign Minister Eduard Shevardnadze. Shevardnadze's own visit reciprocated that of Beijing's Moscow-trained Foreign Minister Qian Qichen in December. The normalization of relations between the U.S.S.R. and the P.R.C., said Shevardnadze, will result in a reduction of the scale and number of military exercises and a guarantee not to increase troop levels in certain regions, he said. As reported by the London *Financial Times*, Shevardnadze pledged that the renewed relations and a "high level of cooperation" between the Communist superpowers would not harm any third country, but "create a new world order."

Shevardnadze was seconded by Deng Xiaoping, who stated, as reported in the New China News Agency, that the normalization of relations with the U.S.S.R. would begin with the summit. Beijing had formerly demanded that before normalization could occur, Moscow must remove "three obstacles" for a full rapprochement: the presence of Soviet troops in Afghanistan and Mongolia, and Vietnamese troops in Kampuchea.

A month after Shevardnadze's visit, on March 8, in a

gesture of "good faith," the Russians announced that they will withdraw three-quarters of their troops from Mongolia. Soviet Foreign Ministry spokesman Gennady Gerasimov was also announced on March 16, that Mongolian Foreign Minister Mangalyn Dugersuren will visit Beijing March 30, the highest-level contact between the P.R.C. and its Soviet-dominated neighbor since 1959.

"Well-informed and well-placed sources" have told the Moscow correspondent for the Indian daily *The Patriot*, that the P.R.C. is likely to receive "top priority treatment" in Soviet foreign policy. Although both sides say that a rapprochement will never return bilateral relations to their pre-1959 status, the Soviets are looking to insert themselves into the Chinese economy. Chinese Vice Minister of Agriculture Xiang Chongyang announced plans March 16 for "massive cooperation" with Russia on agricultural joint projects, "which aim to use China's low-cost labor and resources but Soviet funds and technology." The plans, he said, will include breeding chickens, repairing Soviet fishing ships, processing fish, and planting soybeans in the northeast and coffee on the southern island of Hainan.

Even more important economically, Moscow has contracted to sell two nuclear plants to the Chinese northern province of Liaoning, and hopes to sell many more. A team of Soviet nuclear experts is visiting the P.R.C. in March "to exchange technology," reported the *Hong Kong Standard* March 7. The Soviets are also renovating 17 major construction projects that they built before the split—this just as Beijing is canceling joint ventures with Western countries and putting a hold on most capital construction projects.

Despite renewed economic relations, the heart of the Sino-Soviet relation will be the coordination of the powers' policies toward third parties. According to the London *Guardian*, when Shevardnadze visited Beijing, he proposed that the final communiqué for Gorbachov's visit be based on

the "Yugoslav model," cementing a "special relationship" between the two countries. This was rejected by Beijing, according to the *Guardian*, with the statement reporting on Shevardnadze's visit stating that the bilateral relations between Moscow and Beijing will focus on "mutual co-existence, Pacific security, and world peace," sources told the *Guardian*.

That is a far more ominous signal of intent for the American allies in Asia, and such coordination has already begun. TASS reported from Moscow March 16, "Between March 9 and March 16, Soviet-Chinese consultations were held here on several urgent international problems." The talks, the news agency said, would continue in Beijing at the end of March. The Soviet delegation is led by Lev Mendelevich, member of the collegium of the Soviet Foreign Ministry, while the Chinese side is led by Xia Daosheng, head of the Foreign Ministry's political research department.

Presumably, the outline of Shevardnadze's "new order" was the point on the agenda in this series of talks.

Already processes are under way toward new alignments:

- The corollary of its upgrading of relations with the Soviet Union, is the P.R.C.'s downgrading of relations with Japan.
- Japan is being urged by Henry Kissinger, in Tokyo March 18 simultaneous with Soviet Deputy Foreign Minister Igor Rogachev, to negotiate with the Soviet Union.
- Through Japanese Socialist Party intermediaries, Japan is seeking direct contact with North Korea.
- The Republic of Korea has opened business relations with the Soviet Union and the P.R.C., and is looking for recognition by both powers.
- The ASEAN countries are "adjusting" to the downturn of U.S. involvement in the region. Thai foreign policy is increasingly orienting to the P.R.C. and its Indochina and Burmese neighbors, away from its traditional ties to ASEAN. Indonesia has announced it will reestablish diplomatic relations with Beijing.

Imprimatur from the U.S.

Despite the warning signs that the Sino-Soviet relationship may not be so benign, the United States has publicly handed its erstwhile partner Beijing full approval to restore relations with Moscow. China and the United States reached a "secret understanding on the normalization of Sino-Soviet relations" when Defense Secretary Frank Carlucci visited Beijing in September, reported the Guardian Feb. 22. The story is likely true, since Carlucci emerged from meetings in Beijing at the time, to state that Washington believed that a Sino-Soviet rapprochement would aid world peace. Carlucci also emerged from the meetings saying that he believed Chinese assurances that Beijing would stop selling missiles to other countries—assurances Beijing has flouted.

Approval of renewed Sino-Soviet relations was also a major point of discussion during President George Bush's late-February trip to Beijing. According to White House press spokesman Marlin Fitzwater, the discussion between Bush and Deng Xiaoping was almost entirely dedicated to Moscow-Beijing relations. "This visit next spring [of Gorbachov to Beijing] is a good thing and it's nothing detrimental to the interests of the United States in that regard," Bush said. Toasting the "new order," Bush declared in his speech at a state banquet in Beijing, "The prospects of improved relations between China and the Soviet Union inspires hope for new progress in the search for self-determination and peace for the Cambodian people and stability for Korea."

It will be interesting to see if Mikhail Gorbachov is forced to suffer the same embarrassments at the hands of his Chinese hosts as Bush did, when the Chinese police physically prohibited invited guest Fang Li Zhi from attending a reception at the U.S. embassy.

The only warnings of U.S. gullibility so far have come from Taiwan. The Taipei publication Ching Yang Lih Pao warned that the reason for Beijing's "coldness" toward Bush was that the United States has refused to do Beijing's bidding and mediate Beijing's "one-nation—two systems" diplomatic approach toward the Republic of China, i.e., Taiwan. "Whether the Bush administration realizes it or not, the Peking regime is playing the Russian card to the disadvantage of the United States," stated Leng Jo-shui, bureau chief for the Taiwan news agency in Washington. Beijing's ability to "play" the U.S., he asserted, is reinforced "by the appointment of [Kissinger Associates' Lawrence] Eagleburger and [Brent] Scowcroft, who once worked for . . . Henry Kissinger and subscribe to Kissinger's view of geopolitics and balance of power."

Taiwan's fears are corroborated by the Soviet Union's coverage of the Bush trip. TASS, *Pravda*, and *New Times* all trumpeted the "new climate being formed in relations between the U.S.S.R., the U.S., and China. . . . A course of cooperation has been been proclaimed." Bush is quoted as "welcoming the improvement in U.S.S.R.-P.R.C. relations."

But it is *Pravda* that lets the cat of the bag, noting that both the Soviet Union and the P.R.C. can now redeploy thousands of troops to "other areas," a fact which the Soviet paper asserts is causing some "concern" in the Pentagon. And, given its renewed ties with the Soviet Union, China, *Pravda* claims, is also developing a new view of the U.S. bases in the Asia-Pacific region."

The bottom line of the "new order," *Pravda* indicates, is as follows: "It will no longer be possible for the United States to count on Beijing's support in the event of an outbreak of Soviet-U.S. confrontation. The future policies of Japan, South Korea, the ASEAN countries, Australia, and New Zealand, in the light of the U.S.S.R.-P.R.C. reconciliation, are provoking unpleasant thoughts in Washington. Will the U.S. allies and friends in Asia and the Pacific reassess their values?"

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Instability marks countdown to Argentine elections next May

by Cynthia Rush

Argentina's presidential elections, scheduled for May 14, are now less than two months away. Although the candidate of the Peronist party, La Rioja governor Carlos Saúl Menem, has lost some of his lead over the Radical Civic Union's (UCR) candidate, Eduardo Angeloz, all indications are that a Menem victory is certain. The popularity of Social Democratic President Raúl Alfonsín is at an all-time low; the country's economy is in shambles, and a well-organized narcoterrorist apparatus has emerged to further threaten the nation's precarious stability.

Faced with the likelihood of a Menem presidency, factions within the international banking community, and their local collaborators within the Alfonsín government, the armed forces, and the political parties are placing themselves to prevent Menem from reaching the presidency—by whatever means they have at their disposal. The steering committee of creditor banks, led by Citibank's William Rhodes, has let it be known that Eduardo Angeloz is their preferred candidate.

Patriotic forces are on alert, in anticipation of an upsurge of terrorism, new assaults on the institution of the armed forces, assassination attempts, or other "emergencies" which would provide the pretext for either canceling or postponing the elections. Foreign Minister Dante Caputo, an asset of the Willy Brandt wing of the Socialist International, is fueling the unrest with the charge that "there are threats of a coup d'état" in Argentina, and has urged citizens to "be alert and careful."

The suspicious March 16 crash of Carlos Menem's campaign airplane, which investigators say was very likely caused by tampering with the plane's fuel, is indicative of the environment. The pilot and co-pilot were killed in the crash, and several other of the candidate's collaborators injured. Menem had been scheduled to board the plane, but changed his mind at the last minute.

The threat that Menem poses to the bankers is not based so much on his personal leadership qualities, as it is on the combination of forces that would be set into motion, were he to be elected. The traditional alliance of Peronists, including its powerful trade union movement, with nationalists within the armed forces, would not only challenge the policies of the U.S.-based Project Democracy apparatus; as Ibero-

America's foreign debt crisis careens out of control, it could spark a continent-wide movement capable, minimally, of disrupting the "New Yalta" plans currently being hatched between Washington and Moscow.

Thrown to the wolves

Foreign creditors and policymakers, and their local allies, are taking steps to both blow up the country's economic crisis and weaken the armed forces.

While still maintaining the appearance of wanting to "help" countries like Mexico or Venezuela, foreign banks have simply written off Argentina. Negotiations with the International Monetary Fund have been suspended until after the elections, and no new credit will be forthcoming as a result, either from the IMF or creditor banks. Technically, Argentina has declared a unilateral moratorium on its \$58 billion foreign debt. It has made no interest payments since April of 1988, and is now close to \$3 billion in arrears. Central bank president José Luis Machinea recently told the leftist newspaper *Página 12* that "the debt is absolutely unpayable, and under the current interest rates, so is the principal."

On March 2, the World Bank announced it would not disburse \$350 million in promised funds, because Argentina failed to meet guidelines established in an agreement with the Bank in the fall of 1988. The World Bank announcement caused shock in the Alfonsín government; however Finance Minister Juan Sourrouille stated that authorities were in no position to agree to IMF demands for a sharp currency devaluation or more stringent austerity measures, so close to the presidential elections. Everything is on hold then until after May 14.

On March 15, the Interagency Country Exposure Review Committee was to have met in New York to declare Argentina's credit rating to be "value impaired." Prior to the meeting, an agreement was apparently reached to postpone the classification until after the elections. Not that this matters. Foreign reserves are estimated to be in the range of \$1 billion, or less, only enough to cover two to three months of imports.

The last two months have seen wild speculation in local financial and currency markets. Due to lack of confidence in

the national currency, the austral, and the policies of Alfonsín's economics "whiz kids," there has been a mad rush into purchase of dollars, producing a gap between the official and free market rate sometimes as high as 110%. The inflation rate for March is expected to reach 15%, despite government predictions to the contrary. Prices of industrial inputs have increased by 40% within the last month, while meat prices have gone up by 30%.

Observers in Buenos Aires have told *EIR* that they expect the financial situation to become uncontrollable by the end of March or early April, producing unforeseeable consequences.

Military nationalists targeted

At the behest of Project Democracy and State Department socialists, Alfonsín has used his term in office to strip down the institution of the armed forces, and remove those nationalist officers who oppose the country's surrender to the IMF and the Soviets. The government and the ultraleft have particularly targeted Col. Mohamed Ali Seineldín, the hero of the 1982 Malvinas War, who is the recognized leader of these nationalist forces, and the natural ally of the Peronists. They charge that Seineldín is a messianic "fundamentalist" who intends to stage a military coup.

Argentina's creditors especially fear the role that the nationalist military, referred to as the "New Army," or the "Malvinas army," would play in a Menem government. In a recent campaign statement, the Peronist candidate stated that the armed forces "have been totally dismantled" by officials of the Alfonsín government, such that in the event of an attack on Argentina's southern territory, "we wouldn't be able to last for more than three days." A Menem government, he said, would seek the "professionalization of the military for national defense."

Such is its concern, that during the first week of March, the State Department sent the director of its Southern Cone division, Richard Howard, to Buenos Aires to scope out the situation. Howard's conversations with Peronist leaders reportedly focused attention on the danger of "fundamentalism," and pointedly mentioned Colonel Seineldín.

Members of the Army high command, in which generals linked to the country's financial oligarchy are dominant, have been meeting with government officials, specifically with the leftist *Junta Coordinadora* of the UCR, to find ways to bolster the candidacy of Eduardo Angeloz, or alternatively, to prevent the elections altogether. This unholy alliance of leftists and monetarists has directed several provocations against the nationalist military, with the expectation that some uncontrolled elements within the army might be moved to respond violently, and provide them with an excuse to declare an "emergency."

Responding to pressures from monetarist generals, the Army Qualifications Board voted to impose sanctions on 13 army officers who participated in a military action led by Colonel Seineldín in December of 1988. At that time, Seineldín and troops loyal to him took over the Villa Martelli army base, to protest Alfonsín's anti-military policy and demand a serious discussion of wage and budget issues. The nationalists also demanded the resignation of Army chief of staff, Gen. José Dante Caridi. The incident ended without bloodshed, following a meeting between Seineldín and Caridi, in which the latter promised that no officer who participated in the uprising would be punished. Shortly afterward, Caridi resigned his post and was replaced by Gen. Francisco Gassino.

The high command's decision to impose sanctions now is a violation of the Caridi-Seineldín agreement, and has greatly increased tensions within the armed forces. According to the decision, three colonels and three lieutenant colonels will be effectively retired, while five captains and two lieutenants have been declared "unqualified to hold rank," and will probably be stripped of rank or court martialed.

Raúl Alfonsín's personal efforts to deny the military a role in the fight against subversion, even after the violent terrorist assault on the La Tablada army base on Jan. 23, are also increasing unrest within the armed forces. As indicated by the character of the group which attacked La Tablada, which included trained former guerrillas of the People's Revolutionary Army (ERP), a CIA-backed narcoterrorist apparatus does exist in Argentina. There have been several armed attacks on other military bases since then. Yet, in the newly created National Security Council (CONESA) and Interior Security Committee, Alfonsín is stipulating that the armed forces must not be involved in intelligence-gathering activities, and can only be deployed to combat subversion under very specific circumstances defined by the President.

With the backing of the government, Argentina's "human rights" organizations are now directing a campaign to portray the 14 jailed terrorists who survived the La Tablada attack as innocent victims of a "fascist" military which, in repressing them, violated their "human rights." Despite overwhelming evidence as to the international backing for the All for the Fatherland Movement (MTP), whose members led the attack, leftist press organs assert that the terrorists were really poor working class youth tricked into making the assault by military intelligence services.

Martin Andersen, a former *Newsweek* correspondent in Buenos Aires, recently published an "exposé" in *The Nation* on ties between army intelligence and Mario Firmenich, former leader of the terrorist Montonero group. The article follows the same line of thinking—that it is really the armed forces which deploy terrorism. Not surprisingly, Andersen, works for the U.S. Democratic Party's National Democratic Intstitute for International Affairs (NDI), a primary vehicle for implementing Project Democracy's policies abroad. He was the major organizer of a December 1988 NDI conference in Santo Domingo, on how to further dismantle the Argentine armed forces.

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Can France find an ally? The dilemma of Paris strategists

by Laurent Murawiec

When U.S. Secretary of State James Baker arrived in Paris on Feb. 10, his request to meet President François Mitterrand was haughtily denied. The snub was as deliberate as it was unique in Baker's tour of Europe. It expressed not only the French President's rage at having the CIA meddle in French affairs—when the U.S. Securities and Exchange Commission set off the wave of stock market scandals that implicated the entourage, collaborators and political friends of the President, and ultimately cost the life of Mitterrand's closest and oldest personal friend—but also the angry and frightened puzzlement of the French elite at the shifts in U.S. foreign policy, in the direction of decoupling from Europe and making deals with Moscow over the heads of the Europeans.

The French media have liberally refreshed their readers' memories of Jimmy Carter in their comments on George Bush. But the foremost object of concern is West Germany, and how she is being treated by Washington. What results is a series of initiatives directed at Bonn. Whether it will amount to a strategy is another matter.

Paris and the Soviet question

Below the rhetorical surface of day-to-day comments on the person of Mikhail Gorbachov, a major effort has been undertaken in the French elites to appraise the evolutions taking place in the U.S.S.R. Defense Minister Jean-Pierre Chevàenement, a Socialist with strong nationalist leanings, has repeatedly warned against blue-eyed perception of Russian strategy, stressing instead that Soviet military and overall strategy had not changed one iota.

Le Monde, the newspaper of record whose editors are very close to both the Elysée Palace and its presidential staff, and the Quai d'Orsay, the French Foreign Ministry, published a series of features on the U.S.S.R. which concluded that Gorbachov "has a minute chance of succeeding" in what he said he is undertaking, but emphasized that "not only have the instruments of dictatorial power remained unscathed—the one-party system, the monopoly on information and the might of the political police—but tomorrow's evolutions could also make us some day regret the soft totalitarianism of the Brezhnev period. The establishment of a classic emergency rule, the self-assertion (on a background of misery and

growing political disarray) of a xenophobic, anti-Western Russian nationalism, no scenario whatsoever may be ruled out which spells victory for obscurantism. The worst may come tomorrow, but, contrary to senile Brezhnevism, it would nonetheless be utterly different from Sovietism, which is now gone forever."

So, President Mitterrand has good words for Mr. Gorbachov; his close associate, Foreign Minister Roland Dumas, travels hither and thither to Eastern Europe. No bad words are marring bilateral relations wiith Moscow. But the probing and the appraisal go on. A few months ago, Mitterrand intimate Régis Debray, the former guerrilla turned into a member of the high-brow Conseil d'Etat, was warning that the ideological death of Communism and Sovietism meant the great return of a fanatically chauvinistic Russian Orthodoxy. Similar sounds were chimed by the influential academic Helene Carrere d'Encausse, one of France's leading Sovietologists, whose best-selling book Le malheur russe (Misfortunate Russia) presents educated public opinion with similar theses. Mrs. Carrere d'Encausse's 1977 book L'Empire eclate (The Exploded Empire) had foreseen and forecast Moscow's trouble with its Muslim Republics.

At a more operational level of policy, a sober assessment of the Soviet situation came from businessman Alain Minc, the right-hand man of Olivetti's Carlo De Benedetti in France (Minc runs CERUS, De Benedetti's French holding company): While Gorbachov et al. may "self-subvert" their own system in a positive direction, Minc told interviewers, a greater likelihood is that "the oppositions coalesce: the Russian-nationalist opposition, the military opposition, the bureaucratic opposition. Some form of hard-line regime emerges. In this case, our [Western] concessions will have become irreversible. We all wish the first hypothesis to come true. But I am struck that Western governments wish the first and forget the risk that the second hypothesis come true."

Only the KGB has the strength to transform Russia, argues Minc, but "at any rate, Russia, the Soviet Union . . . [has] the strategy of a Great Power . . . and, with or without perestroika, will not lose sight of its two aims: the warmwater oceans and the decoupling of Europe from the United States."

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Paris, London, and Bonn

Whoever has been in power in Paris, the Socialists from 1981 to 1985 and again since 1988, or the Gaullists, has made meritorious efforts to define more common defense policies with Britain. The accelerating weakening of the American commitment was impelling Paris toward reviewing concepts such as a Franco-British nuclear defense of Europe, the reviving of the Western European Union (WEU)—a forum of NATO countries minus the U.S.A. and Canada—and closer collaboration in arms production and procurement.

However, when British Defense Secretary George Younger visited his opposite number Chevènement late in February, disillusion was dominant on the French side: Instead of the expected talks about integrating arms producers, schemes of a merger between British Aerospace and France's Thomson-CSF and the like, Younger announced that Britain could not quite make up her mind as to the project of a medium-range air-launched nuclear missile, the ASLP, a "pre-strategic" missile whose joint production had been discussed for two years between the two countries. London seems to be tilting toward working with the American SRAM/SRAM-2 missile.

This seems to bury active hopes of any significant Franco-British cooperation, whether wishes to that effect were pious hopes or potential realities. Paris has one, and only one serious partner, the Federal Republic of Germany.

But near-panic has seized French policymakers at the sight of Chancellor Helmut Kohl being besieged externally by Washington's low blows, and internally by the disintegration of the ruling coalition and its conservative mainstay. In 1983, Mitterrand's speech at the Bundestag in favor of the Euro-missiles had played an important role in securing the endorsement of the policy. Paris now blew many a fuse when James Baker put ostentatious, heavy pressure upon Bonn on the issue of modernizing the short-range nuclear artillery. Authorized voices started a chorus warning against undue armtwisting tactics being applied upon Kohl.

Le Monde editor André Fontaine demanded that German sovereignty be respected. Mitterrand, meeting the British prime minister early in March, tried to "play the mediator between Thatcher and Kohl."

Extreme concern was apparent in a front-page editorial of *Le Monde* after Red-Green and ultra-right election victories in Germany and Austria: "This time, it's serious. . . . The frustration which takes the form of votes for the ultraright, but also, in other political parties, of asserting that restrictions to national sovereignty must be brought to an end, must be taken seriously, lest it lead to the destabilization of the Central European democracies."

Once again, a formulation designed to enlighten public opinion came from Alain Minc, acting in some capacity of unofficial spokesman for an unofficial policy: "Chancellor Kohl is a great European—and people will only realize that

after he is gone. . . . We have the luck of facing an exceptionally pro-European German leadership. Unless we move things with them now, it will not be possible tomorrow. Three months ago, Kohl's reelection seemed a sure thing. Who can tell today whether the FDP, whose survival demands that they betray every ten years, will not go to the other side and enter a coalition with the SPD?"

Faced with a leftward-eastward tilt of Germany, France, Minc said, "must act quickly. . . We are no major economic power but a regional one. Germany is a world economic power. . . . We have an enormous strategic power . . . our independent *Force de Frappe*. . . . The real test is: Do we accept that Strasbourg equals Hamburg? . . . There is a whole spectrum to strengthen Franco-German relations, from merging the two countries to just a shade more than the Treaty of 1963. The real thing, real action, is defense. This only goes if our nuclear defense perimeter includes Germany."

A military Eureka?

On this background, the French Defense Ministry's canvassing of the idea of a "military Eureka" is an important initiative: In 1983-84, in reaction to Reagan's announcement of SDI, Mitterrand had called into life a European civilian high-technology cooperation project dubbed Eureka. A number of projects have since stemmed from the program.

What the Directorate General for Armaments of the Ministry—the guts of the French military-industrial complex—now explores, after Prime Minister Michel Rocard first aired the idea last November, is a project to expand and extend Eureka into a system of West European arms producers jointly developing high-technology military projects, with governmental support, upstream of the usual cooperation to produce arms, and in order to produce new weapons technologies.

Also Chevènement, visiting West Germany, called for Franco-German military integration especially in the area of space—which the highly successful Ariane space program certainly makes a feasible option. Since Prime Minister Rocard has raised the possibility of cutting the defense budget in the next few years, and since quite a few major procurement programs for the French Armed Forces have been slowed down and spread over longer periods, Franco-German cooperation is also desired to alleviate the financial burden. This is one good reason for the French to try to use German discontent with the British lead in the European consortium that is developing the European Fighter Aircraft (EFA), and try to recruit Bonn to join instead Dassault's "Rafael" advanced fighter project.

The paradox, and the problem, is that this Socialist government, many of whose members were sworn enemies of de Gaulle's independent foreign policy, now has to fall back on precisely the policies of the old General. Whether they have the ability and strength to carry them out, under present circumstances, is another matter.

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Commonwealth head Sonny Ramphal calls for 'a stronger tyranny'

by Mark Burdman

Recent statements by the British Commonwealth Secretary General Sir Shridath "Sonny" Ramphal are proof-positive that either the Commonwealth itself should be disbanded as a national security threat to its 47 participating nations, or Sir Sonny should be instantly removed from his post. To be sure, as the Queen's minion on the scene in the Commonwealth bureaucratic apparat, Sir Sonny has never been a friend of the developing nations, whose populations represent the vast majority of Commonwealth subjects. Sir Sonny, despite his blueprints for a "new Bretton Woods," has been a stalwart of the International Monetary Fund and the World Bank, and its assaults on the economies of the underdeveloped countries.

However, in the last few months, Sir Sonny has also revealed himself to be a one-worldist, calling for a one-world directorate—based on East-West agreements against all third parties—which would oversee the imposition of malthusian genocidal nightmare on the world's population. In short, Sir Sonny is a universal fascist, a traitor to all the well-being of all nations, including Great Britain itself.

With the emergence of this new twist to Sir Sonny's already warped personage, it is all the more imperative that he be stripped of his reputation as a crusader for a "new world economic order." Whether it be the attempts to destabilize southern Africa, or to popularize radical population-reduction policies in the developing sector, or to conspire to loot the natural resources of sovereign nations, "Sonny" Ramphal has of course always served as a Trojan Horse into the developing world. His purpose: to undermine those political leaders and organized social forces who are actually favorable to the creation of a "new and just world economic order." As the following dossier of Sir Sonny's career and associations will show, he is a hired gun for those financial interests who are a) intertwined heavily with the Soviet Union; and b) have financed the growth of the environmentalist movement internationally, as a pretext for the denial of industrialization to the underdeveloped countries. Now it's time to throw the scoundrel out.

Member: Fabian Society spin-offs

The 60-year-old Ramphal became Secretary General of the Commonwealth in 1975. In the decade preceding that, he had held high positions in Guyana, variously as attorney general, minister of state for external affairs, foreign affairs minister, and justice minister. In his academic-legal training through the years, Ramphal has, at one time or another, attended the London School of Economics and Harvard Law School.

Since becoming Commonwealth Secretary General, he has served in a leading capacity in various organizations linked to the British Fabian Society and/or the Socialist International. These include:

- the so-called *Brandt Commission on Independent Development Issues*, headed by former West German Chancellor and Socialist International head Willy Brandt;
- the governing body of the Institute of Development Studies of the University of Sussex;
- and the Centre for Research on a New International Economic Order at Oxford (Ramphal has been vice chairman). In keeping with the Fabian Society's traditions of Anglo-Saxon racism, hatred for scientific and technological progress, and antipathy to the sovereign nation-state, these institutions have the common quality of acting to deny the developing sector the benefits of the most advanced science and technology, by pushing such frauds as "appropriate technologies," "sustainable development," and the like.

It was this Fabian training that was on display, in Ramphal's most recent international policy intervention.

Member: Brundtland Commission

On Jan. 24, 1989, Ramphal gave a speech at St. John's College at Cambridge University, which was excerpted in that day's *Times* of London under the title, "A Global Green Agenda." His speech was the first in what is scheduled to be a series of lectures at Cambridge on the subject of the report, *Our Common Future*. This was released in 1987 by the so-called Brundtland Commission, the World Commission on Environment and Development, headed by the Socialist International Prime Minister of Norway Gro Harlem Brundtland. Ramphal was a member, or commissioner, on the Brundtland Commission, in the period leading up to the publication of *Our Common Future*.

The Cambridge lecture series that Sir Sonny initiated is financially sponsored by British Petroleum, which according to reliable sources, is a key funder for the world's environmentalist organizations. In his speech, Ramphal attempted to portray the Brundtland Commission as "favoring growth." He attacked the perspective of "no growth," and asserted that "the Brundtland Commission made a significant break with

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earlier analysis—such as the report of the Club of Rome in the early 1970s." Rather than "limits to growth," said Ramphal, the Brundtland Commission would support "a new era of growth," but one based on "qualitatively different" parameters than past eras of growth. "It must be growth that contributes to sustainable development. . . . To achieve sustainable development globally will require a long-term perspective."

According to Sir Sonny: "Underlying the Brundtland Commission's message of a 'common future' was the premise that we must think of our planet not only as a world of many states, but also as the state of our one world; that we must be ready to nurture tomorrow's concepts of global governance, not have them stifled at birth by yesterday's notions of national sovereignty; that human survival may not be secured save by the reach of enforceable law across environmentally invisible frontiers." [Emphasis added.]

In other words, the directorate of Sir Sonny's one-world government will have the power to interfere with the internal affairs of other nations, including their laws.

Sir Sonny blamed rapid population growth rates for contributing to "many of the world's acute environmental problems." He exulted that "environmental issues are today firmly on national and international agendas. Politicians from Mikhail Gorbachov to Mrs. Thatcher, and financiers from the presidents of the World Bank to environmentally 'clean' unit trust managers, advertise their 'green' credentials."

Coming from Ramphal, the praise for Gorbachov and Thatcher was the conclusive proofthat an East-West deal had been struck to push for the ecological-fascist agenda that Gorbachov enunciated during his speech at the United Nations Dec. 7, 1988, when he called for phasing out Western models of development and strengthening globalist institutions to implement environmentalist policies. In his speech, Gorbachov was unquestionably endorsing the Brundtland report, which is not entirely surprising in view of the fact that one of Gorbachov's chief advisers, Ivan Frolov, helped prepare Our Common Future.

On Feb. 2, the commentator for the London Daily Telegraph's "Way of the World" column denounced Ramphal for pushing for a "one world tyranny." Pointing to the sections of the Jan. 24 speech which called for "global governance" and attacked "yesterday's notions of national sovereignty," the commentator stated:

"With those windy words, he lets the global cat out of the bag. It is the old dream of World Government he is commending, the rule of universal law which is to supersede all petty family, tribal and national concerns. But if such a system of World Government were to come about, it would not be through the disappearance of the all-too-human lust for power, on the contrary, it would be a system built on it: a form of tyranny stronger, because unchallengeable, than any previously known.

"Who are the 'we' Sir Shridath talks about so airily? Real people, not benign phantoms, would have to forge and rule



Norwegian Prime Minister Gro Harlem Brundtland, head of the World Commission on Environment and Development. Ramphal hails its stress on "global governance."

that One World. And whoever they were, those masters of the world would certainly not be people like ourselves, who cling to the things we know, our little human inefficiencies in family, tribe and nation state. They would not even be people like Sir Shridath Ramphal, though such as he would still be found, no doubt, running global sub-agencies and bureaucratic fiefs quite as absurd and meaningless as the Commonwealth Secretariat."

The Telegraph's commentator was correct as far as he went, but there is more to the dirty story than this.

As Ramphal noted, he was making his speech in his capacity as a member of the "Brundtland Commission." That Commission, in and of itself, is one of the great frauds being perpetrated on the developing nations today. Its report, Our Common Future, advocates, with almost liturgical repetitiveness, the concept "sustainable development." This concept is packaged to sound plausible, but is actually a cultist and irrationalist notion, which, in essence, holds that vigorous global development programs will somehow crack the environment and the biosphere. As irrational as it may be (or because it is irrational), it is being pushed throughout the world with considerable vigor, via a global network of institutions centralized in Geneva, in something called "The Centre for our Common Future," which produces the "Brundtland Bulletin."

More dangerous, is that the "Brundtland network," which has tentacles in many nations, is attempting to reshape the international legal order to make "sustainable development" legally binding around the world. Yet again, "one-world tyranny."

Member: International Institute for Environment and Development

The idea of "sustainable development" was, in significant part, created by Britain's Lady Barbara Ward Jackson, one of the grand dames of the environmentalist-ecologist cult. In 1971, she launched the International Institute for Environment and Development, headquartered in London. One official IIED publication says of her: "Barbara Ward's great achievement was to speak to the world and to open their eyes to the problems of a small planet with limited resources faced with rising expectations from an exploding population."

The IIED is one of the central groups involved in what is called "Brundtland Follow-Up" work, i.e., how the recommendations in *Our Common Future* may be implemented through media propaganda blitzes, revising international legal statutes to allow for more "environmentalist" policies, etc. In Britain, it has published pamphlets like "Britain and the Brundtland Report: A Program of Action for Sustainable Development," and "Brundtland in the Balance: A critique of the U. K. Government's response to the World Commission on Environment and Development."

Among groups listed as jointly involved in the preparation and circulation of these reports are: Friends of the Earth, Quaker Peace and Service, Survival International, United Nations Association U.K., World Development Movement, and World Wide Fund for Nature-U.K. (formerly World Wildlife Fund-U.K.). Most, if not all of these, are linked to the openly paganist Lucis (formerly Lucifer) Trust in London.

Ramphal is a member of what is called "The Board" of the International Institute for Environment and Development.

The chairman of that board is Robert O. Anderson, formerly the head of the Atlantic Richfield (ARCO) petroleum giant, but more recently the chairman of Hondo Oil and Natural Gas, the group that Anderson set up together with "Tiny" Rowland, the chairman of Britain's Lonrho conglomerate, one of the major looters of Africa. Anderson is also a director of Kissinger Associates.

On Dec. 8, 1988, one day after the Gorbachov U.N. speech, Anderson presided over a Board meeting of the IIED in London. One night earlier, he had thrown a lavish dinner in London, to which the *crème de la crème* of the British Establishment were invited, including titled peers, senior figures from the Foreign Office establishment, the chief editor of the London *Economist* magazine, banker Jacob Rothschild, and more.

One of the dinner guests was Sir "Sonny" Ramphal. Also on the IIED board are:

- Dr. Thomas A. Lambo of Nigeria, a top-level official at the World Health Organization who has intentionally covered up the full extent of the AIDS disease in Africa;
- Garret Fitzgerald, former prime minister of Ireland and a sometime-collaborator of Kissinger Associates;
- James MacNeill, the secretary of the Brundtland Commission, from Canada;
- Sir Arthur Norman of the U.K., a top figure in the World Wildlife Fund-International for years;
- Saburo Okita of Japan, a founding member of the Club of Rome;
 - and Maurice Strong of Canada.

Strong is also the chairman of what the IIED calls its "Council." Since the early 1970s, he has been one of the chief patrons of the "green ecologist" movement, having set up the infrastructure of the early-1970s Stockholm Conference on the Environment and the United Nations Environment Program. He is involved in high-level East-West private diplomacy, through United Nations Associations.

Also on the "Council" are Roy Jenkins, former British Home Secretary; Robert McNamara, former U.S. Defense Secretary and head of the World Bank and avowed pagan; Bradford Morse, the former U.S. congressman who created the neo-malthusian Inter-Action Council of Former World Leaders, headed by former German Chancellor Helmut Schmidt; Mostafa Tolba, head of the United Nations Environment Program; Soedjatmoko, a one-world-federalist and Club of Rome influential from Indonesia who used to head the United Nations University; Victor Urquidi of Mexico and the Club of Rome; and Lord Solly Zuckerman, chief scientific adviser to Britain's late Lord Louis Mountbatten. Until his death in 1984, Club of Rome founder Aurelio Peccei was also on the Council. Another key, late member, was Thornton Bradshaw, Robert O. Anderson's long-time partner at ARCO, and until his recent death a senior official in the RCA-NBC media complex.

Among the foundations supporting the work of the IIED are American Express Foundation, Atlantic Richfield Foundation, Bankers Trust Foundation, Barclays Bank, CBS Inc., Citibank, Ford Motor Company Fund, Hill Samuel, Morgan Guaranty Trust Co., National Westminster Bank, RCA, Royal Bank of Scotland, Shell Companies Foundation, Standard Chartered Bank, The New York Times Company Founda-



Two leading lights of the International Institute for Environment and Development: the late Lady Barbara Ward Jackson (right) and Maurice Strong (center), during the 1970s.

tion, and the G.B. Sasakawa Foundation (a joint venture of top Japanese gangster Ryoichi Sasakawa and Britain's Soviet-linked Robert Maxwell, the in-house publisher of the Club of Rome). In previous years, funding also came from Chase Manhattan Bank, the H.J. Heinz Company, Texaco, and Weyerhaeuser.

Such is the echelon of power Sir Sonny appears to inhabit. It would be fair to say that what is represented here, in total, could be called "the bulwarks of Anglo-American imperialism." Practically speaking, the IIED takes pride in having been among the first organization in the world to popularize "debt-for-nature" swaps, the new form of imperialist looting.

In its 1987 Annual Report, for example, the IIED wrote about a seminar on "Debt and the Environment," which was held in November 1986 in Miami, Florida, with an audience composed mainly of Florida-based journalists who cover Ibero-America. According to the IIED Report:

"The seminar speakers concentrated on the relationship between the debt obligations weighing down Latin American governments and consequent stress placed on the environment and natural resource base. Costa Rica's Minister of Natural Resources, Mines and Energy, Dr. Alvaro Umana, announced during the seminar that his government was launching an innovative plan to convert debt notes into funds for environment projects. Hard currency donated for conservation purposes will be used to buy up Costa Rican debt on the financial market at a discount, and the government can redeem the debt with local currency to be used for selected projects."

Now, if Robert O. Anderson and his ilk, can cajole and coerce debt-ridden countries into relinquishing their land, nominally to "kill the two birds with one stone" of debt repayment and conservation, who benefits? In other words, who possesses the land titles? Isn't this a brilliant way to bring about the re-feudalization and subtle re-colonization of once-sovereign nations? As for Costa Rica, it may be a small nation, but the talk these days is of Brazil "swapping" the Amazon to repay its debt!

This is perfectly coherent with the role Ramphal and the Brundtland mafia have played in sabotaging nuclear energy development for the developing world. While on a British Broadcasting Corporation call-in interview Feb. 5 of this year, Ramphal pledged that he and his Brundtland collaborators would work as vigorously as possible to prevent nuclear energy being exported to developing nations. "As you may know, I was a member of the Brundtland Commission. We had very strong reservations about nuclear energy in the developing sector," he said, adding, "It would be better if the world moved away from nuclear energy." He called for an international research effort to develop solar, wind, tidal, and other "renewable" forms of energy.

Ramphal is playing another dirty game in southern Africa. Posing as a diehard "anti-apartheid" advocate, Ramphal is unleashing forces of destabilization throughout southern

Africa. He and his Anglo-American friends of the Robert O. Anderson or "Tiny" Rowland variety, may think this is occurring in the context of large-scale raw materials and resource reorganization, and deals with certain forces inside South Africa and with the Soviet Union. But the most probable outcome, should Ramphal succeed, would be to put the entire Western world at the mercy of the Soviet Russian empire, which would gain a stranglehold over southern Africa.

During the mid-to-late 1980s, this issue has pitted British Prime Minister Margaret Thatcher against Buckingham Palace, with the latter backing its loyal servant Ramphal. As one British military source stressed to *EIR*, "Ramphal is an extremely dangerous man," who "has the ear of the Queen" on certain important strategic issues.

During the week of Feb. 6, Ramphal chaired a meeting of Commonwealth foreign ministers in Harare, Zimbabwe, the goal of which was, he stated on BBC Feb. 5, to devise economic sanctions that would "hit home to Pretoria." He said that the Commonwealth would seek ways to "increase sanctions," and to treat the government in Pretoria as "illegitimate."

Not only does this policy of economic warfare hurt the black populations whom Ramphal is so sanctimoniously pretending to defend. Worse, neither Ramphal nor others of his pious campaigners at the Harare meeting said a word about the calamities of biblical proportions that have been striking Africa, including southern Africa, over the past months. These include locusts, AIDS and other diseases, famine, floods, and other ecological breakdowns.

Member: Inter-Action Council Policy Board

Sir Sonny is also a member of the highly prestigious Inter-Action Council Policy Board. This is the "policy" group that defines policies for the Inter-Action Council of Former World Leaders. The latter was created in 1982-83, explicitly as a malthusian population-control advocacy group, by former U.S. Congressman Bradford Morse, who was then working at the United Nations Development Program. The Inter-Action Council, as such, is co-chaired by West Germany's Helmut Schmidt and Japan's Takeo Fukuda. Its earliest activities, included meetings with India's late Prime Minister Indira Gandhi, to push for population-control measures on the Indian subcontinent. It has since managed to do the same, in a conference at the Vatican, aided by networks in the Vatican opposed to Pope John Paul II's policies. It has a particular strategic emphasis on Ibero-America, regarded as the front lines of Roman Catholic pro-natalist sentiment. One aide to Schmidt states that the group's aim is to "stop procreation."

The Inter-Action Council has also emerged, as a critical agency for East-West "back-channel" discussions on the world economy, arms control, environmentalism, population, AIDS, and other matters. Its last plenary meeting, in May

1988, was in Moscow. Its next plenary meeting, from May 25-29 of this year, is in Washington, D.C.

The "Policy Board" meets regularly to map out political initiatives and orientations. Its members in recent years have included Ramphal; former Soviet ambassador to West Germany Vladimir Semyonov; former Chinese Foreign Minister Huang Hua; former Soviet ambassador-at-large Vladimir Suslov; former Peruvian Finance Minister Manuel Ulloa; former Democratic Party National Committee chairman Robert Strauss; former U.S. Defense Secretary Melvin Laird; environmentalist ecology movement patron Maurice Strong; and Spain's Federico Mayor Zaragoza, present head of UNESCO.

Member: satanic Trust

If much of this appears to be satanic in the broader sense of the word, Ramphal is also hooked into Satanism in the narrower sense of the word: how else to practice genocide, and enjoy it at the same time?

Hence, Ramphal is linked to the London branch of the Lucis (formerly Lucifer) Trust, the umbrella organization for pagan environmentalist and "New Age" movements around the world. Ramphal has at least two identified ties to the Lucis Trust. The most recent edition of World Goodwill, the newsletter of the Lucis Trust's World Service Forum, praises the work of the International Television Trust for the Environment, which includes Ramphal among its directors.

Also, Ramphal is working with the London Centre for International Peacebuilding, of the KGB-linked British Gen. Brig. Michael Harbottle, founder of the "Generals for Peace and Disarmament." The Centre claims it is working on a project of "collective security" with the "blessing" of the secretary general of the British Commonwealth. Harbottle has lectured at the Lucis Trust's World Service Forum.

It gets worse and worse. According to a British source in a position to know, Ramphal is the head of the "fundraising appeal" of the St. James-Piccadilly Cathedral in London, which this source identifies as the more-or-less equivalent of the Episcopal Cathedral of St. John the Divine in New York, in sponsoring cultist activity. The key figure at St. James-Piccadilly is the Rev. Trevor Huddleston, chief figure in the "Anti-Apartheid Movement," an organization involved in the destabilization of southern Africa.

This source insists that Ramphal is patronized by the wife of the Archbishop of Canterbury Robert Runcie. He also claims that Ramphal is very close to India's Romesh Chandra, head of the World Peace Council, a Soviet front. On July 2-4, 1988, the World Peace Council held an "Ecology Meeting" outside Oslo, Norway, with the purpose, according to a WPC document obtained by EIR, of "discussing practical ways of implementing . . . the Brundtland report." The WPC document stated that this early-July meeting was preparatory to, and supportive of, a United Nations Conference on Sustainable Development, held in Oslo one week later.

Mexican oil workers resist witchhunt

by Carlos Cota Meza

Two months after the arbitrary arrest of Mexican oil workers union leader Joaquín Hernández Galicia and other union leaders, the spectacular operation finds itself in chaos. The government, finding difficulties in sustaining its charges against Hernández Galicia by legal means, has resorted to the expedient of calling his case a "national security problem."

The most recent, prefabricated charge concocted by Assistant Attorney General Javier Coello Trejo, that Hernández Galicia was the "intellectual author" of the 1983 assassination of another union leader, Oscar Torres Pancardo, was dismissed by a judge of the Federal Public Ministry for "lack of proof," in early March. Despite the subsequent reinstatement of the charges after direct intervention by Attorney General Enrique Alvarez del Castillo, the weakness of the government's case is clear.

Otherwise, the government's imposition of Sebastián Guzmán Cabrera as secretary general of the oil workers union is causing a multitude of problems for the government. Most recently, Guzmán Cabrera wied to actually intervene into the Senate, despite having no jurisdiction or authority to do so, as part of the witchhunt he has launched against all Hernández Galicia loyalists in the union. Guzmán Cabrera asked the Senate to jail oil workers leader Ricardo Camero Cardiel, despite his being a state senator in Tamaulipas. Camero has served for years as administrator for the chain of stores owned by the union. Guzmán Cabrera arrogantly demanded that Senator Camero be stripped of parliamentary immunity and stand trial for "fraud" and "bad management" of the union stores.

This provoked Senate president Emilio González Parra, who also happens to be assistant secretary of the Mexican Labor Confederation, to state categorically in a press conference: "Sebastián Guzmán Cabrera has no business intervening in senatorial affairs . . . not my friend Sebastián Guzmán or anybody."

Oil workers' membership protests

Guzmán Cabrera's problems at the government level extend as well to the union level. The membership of a number

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of the 32 union region-level sections has not let Guzmán Cabrera impose his handpicked leaders on them. At several section meetings in different parts of the country, the henchmen of "Puppet Sebastián" have had to leave with their tails between their legs, and on several occasions even escorted by the police.

At the vanguard of this resistance effort are the workers of Section 1, based in Ciudad Madero, Tamaulipas state, the residence of Hernández Galaicia for more than 20 years. On Feb. 23, Section 1 charged in an open letter to President Carlos Salinas de Gortari that Guzmán Cabrera "had not complied with" union statutes nor respected the "sectional autonomy" of the union's region-level sections. The workers requested an interview with President Salinas to present their case that the union base "is suffering constant agression against its labor and union rights, which is creating a climate of uncertainty and insecurity among our members and consequently causing a fall-off in productivity, which in turn damages our national economy."

Many different groups of workers and peasants, of professionals, students, government workers, and industrialists of Tamaulipas, even some affiliated with the ruling PRI party, backed this open letter. On March 13, Section 1 took out another ad also addressed to Salinas, denouncing the arbitrariness of Guzmán Cabrera for firing Section 1 secretary general Juan José García Rodríguez. His interim replacement reported that García had been forced "by pressures and threats" to resign his post. The signers of the ad pledged themselves to continue to recognize García as their leader, and invited Guzmán Cabrera to come to a sectional assembly and "see for himself" the unity of the union.

The attempt to 'suicide' Hernández Galicia

The four sons of Hernández Galicia took out an ad March 7 that refuted, point by point, the government's charges against their father. Claiming he had been arrested "out of vengeance," the ad said "he has been made out to be the worst leader of the country," and that "they want to kill him, "suiciding" him in jail, as *Excélsior* of three weeks ago, in tendentious complicity, made clear.

The charge against *Excélsior* refers to a mysterious article on Feb. 19 which appeared without signature nor indication of author, and cited a supposed "psychological analysis" of the personality of Hernández Galicia produced by psychologists of the Autonomous University of Mexico. Entitled "the last goodbyes of La Quina," ("La Quina" is Joaquín Hernández Galicia's popular nickname), it purports to analyze a videotape, made at the beginning of 1987, allegedly confiscated from La Quina's house the night of the raid.

The psychologists reported, "Among the prominent features is, first, a marked persecution complex evidenced by an obsession with death." Another is a tendency to "paranoid reactions," which the article used to dictate his death sentence, saying that La Quina was believed "ready to sacrifice

his life for his ideals," by committing suicide, "confirming [by his death] that he is one of the elect."

However, the message, as reported by *Excélsior*, also reveals Hernández Galicia charging that "I must make it clear that the reason for my death—for having fought for all of these principles—must not remain secret. The principal cause of my death is [then] President Miguel de la Madrid."

Chaos in oil workers administration

Other political effects of the arbitrary arrest of La Quina are multiplying. On March 12, the management of the national oil company Pemex announced that Pemex's board of directors had voted to revamp the company's policy on chartering tankers carrying its oil, and was expected to rescind existing long-term chartering contracts with Mexican Oil Fleet, a company owned by one Isidoro Rodríguez Ruiz. Rodríguez is the white collar criminal denounced for the past several years by the oil workers union for being the accomplice of former Pemex director Mario Ramón Beteta, who stole millions from Pemex through fraudulent chartering contracts.

The scandal doesn't stop here. Forty-eight hours after the announcement by the Pemex management on chartering, Fernando Hiriart, Energy, Mines and State Industry secretary, said that Pemex's management had not met on the date indicated in their release, and that the "administrative action" cancelling previous chartering arrangements had been taken at a meeting held "two or three years earlier," and was merely just now carried out.

Hiriart's statement confirms what everyone already knew: The whole Beteta-Rodríguez fraud case is strictly political, and the oil workers union was correct from the beginning in charging Beteta with fraud. Rumors didn't take long to spread. It is again being said that Beteta, who is now governor of the State of Mexico, is once again packing his bags in anticipation of a possible demand for his resignation.

Fear in the government

On the eve of the March 18 celebration of the 60th anniversary of the expropriation of the oil industry, the progovernment scribblers in a number of newspapers and magazines came out denouncing the oil workers for turning the holiday—one of the most important civic holidays of the year in Mexico—into a national day demanding freedom for their leader. The fear became such that they even charged that Hernández Galicia was preparing, from his jail cell, an international campaign of charges against the government for holding him prisoner for political reasons.

The fear is not unfounded, although not because of Hernández Galicia. It is now three months since the government made its move, and every day finds more people asking: "Why is he being held prisoner?" Overwhelming numbers are now answering: "Because Hernández Galicia is a political prisoner."

Kissinger still killing, ten years after Bhutto's death

by Katherine Notley

Ten years ago, on April 4, 1979, a man was hanged to death, a onetime head of state and international statesman who had been threatened by Henry Kissinger. That man was Zulfikar Ali Bhutto, who was overthrown as prime minister of Pakistan on July 5, 1977, and subsequently convicted of murder and condemned to death. The immediate trigger for Kissinger's homicidal rage was the fact that Pakistan had signed an agreement with France to purchase a nuclear reprocessing plant in 1976. Kissinger told Prime Minister Bhutto that he "would make a terrible example of Pakistan" if it did not withdraw from the agreement.

The international conspiracy to destroy Bhutto has the haunting familiarity of the more recent events around the attempts to destroy and kill Lyndon LaRouche. And like the frameup of LaRouche, as one European figure put it, such a public atrocity can only be committed against an individual, if unimaginable crimes are in the offing against whole populations. In the three years between Bhutto's overthrow and hanging, every government in South Asia fell.

The Pakistan Papers

Under death sentence, Bhutto was able to smuggle out of prison a 319-page manuscript proving the political nature of the judicial actions against him, and the international hand behind the domestic conspiracy. The document, titled *The Pakistan Papers: White Papers or White Lies*, was provided to columnist Jack Anderson, the *Financial Times*, and the *Washington Post*. They declined to make any mention of Bhutto's rebuttal or even his case, except to say that Bhutto's nuclear energy program aimed at building a Pakistani military nuclear capability. With the failure of Bhutto's Supreme Court appeal in late 1978, *EIR* was able to obtain a copy of the *Pakistan Papers* and rush an abridged version into production for international distribution.

The introduction to the document, written anonymously by a Pakistani scholar, details the background to the judicial murder. In 1976, Bhutto issued a call for elections that were to take place on March 7, 1977. An opposition party—described as a "mish-mash"—was pulled together to contest Bhutto's Pakistan People's Party. This party was a coalition of centrists and Muslim fundamentalists loosely allied around a platform to impose the Prophetic Order (Nizam-i-Mustafa). On the question of program, there was no contest. Bhutto's government had ruthlessly attacked the country's vested baronies, nationalizing banks and major industries, implementing land reform, nationalized the school system and raised teachers' pay scales to meet those of civil servants, and signed the nuclear reprocessing agreement. Bhutto's PPP won the elections overwhelmingly.

Slowly at first, but with an increasingly strident tone, the opposition Pakistan National Alliance accused Bhutto's PPP of rigging the elections. Under cover of the cry for Nizam-i-Mustafa, the PNA was able to sufficiently disrupt the country's functioning that the prime minister agreed to have Saudi Arabia mediate between the parties, as the only way to reestablish public order. The negotiators were prepared to conclude the agreement on July 4, 1977; on July 5, Chief of Staff Zia declared himself Chief Martial Law Administrator, and placed the prime minister under "protective custody."

Bhutto was charged with murder and tried at Lahore High Court as the "principal accused." The ousted prime minister was convicted and sentenced to death. The Chief Justice of Lahore High Court, Maulvi Musthaq Husain, in *The State v. Zulfikar Ali Bhutto* was the Chief Election Commissioner for Pakistan, and principal responsible for investigating the charges of election rigging. The investigation produced a two-volume report dealing only with polling irregularities ostensibly committed by PPP, although charges of tampering were levied by both parties. However, the document was not published until July 25, 1978, and made so widely available that its authors had it translated into Arabic for distribution overseas! The timing, Bhutto wrote, "can logically be gauged

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in the context of the hearing of my Appeal in the Supreme Court of Pakistan against the Death Sentence."

Lending weight to Bhutto's argument that the government White Paper was issued to bias the judgment of the Supreme Court, former U.S. Attorney General Ramsey Clark wrote in *The Nation*:

The decision of the High Court is full of errors of fact and law. Its characterization of evidence shows its bias. There was no objective effort to determine fact. . . . The Supreme Court of Pakistan is not in an easy position. The Chief Justice was selected by General Zia. Everyone is looking for political motivation. Each justice has the rule of law in Pakistan, his professional reputation, his personal future, perhaps his own freedom and life before him in this case. . . . We should stand for life and implore with all our moral suasion a commutation of the death sentence. We should stand for justice and urge freedom, or—if the facts warrant prosecution, which I have not seen—a new and fair trial for Ali Bhutto. [Emphasis in original.]

Documentation

Kissinger's nuclear threat

In an April 28, 1977 speech to Parliament, Bhutto charged that the Pakistan National Alliance's destabilization effort was not a "desi [indigenous] conspiracy; this is an international conspiracy... a huge colossal conspiracy against the Islamic state of Pakistan." In his Pakistan Papers, Bhutto detailed how he discovered "hidden hands" guiding the actions of the PNA. Emphasis throughout is Bhutto's.

What did surprise me and what I had not foreseen, was the forces arrayed behind the Opposition. These forces began to gather from middle of December 1976. The reports on the hidden hands began to come to me in the beginning of January 1977. In that same month, [a personal friend and PPP worker] Rafi Raza had a four-and-a-half-hour interview with me. He told me that the Pakistan National Alliance (PNA) was coming into being, he told me who would be the President of PNA and who would be the other office bearers. He gave me the reasons for the design, the strategy and the aim. At the end of his exposition, he told me that I had three alternatives:

- a) Forget the Nuclear Reprocessing Plant and the imminent unity of the Opposition will not materialize.
 - b) Postpone the elections, or,
 - c) Face very grave consequences.

He kept emphasizing that I should not press him to reveal

his sources but that he was speaking with full knowledge of what was taking place. I asked him to make his suggestion. He advised me to forget the Reprocessing Plant. He also informed me that during the elections, the Opposition would not make an issue of the Reprocessing Plant. Only now and then they would mention nuclear power in order to hoodwink the people; hoping that the public would not know the difference between nuclear power plants and a nuclear reprocessing plant. Rafi Raza warned me that the people around me, those who were making emotional noises and advising me not to budge an inch, would not be found when the curtain fell. . . . I thanked him for the valuable information and advice. However, I told him it was too late to postpone the elections, or to drop the Nuclear Reprocessing Plant. . . . Rafi Raza said that he had no doubt that we would win the elections in a fair context, but that he had considerable doubt if we would be allowed to reap the benefits of the victory. As he would not expand, I remarked, "All right, we will lose the elections or not be allowed to eat the fruits of our victory." Looking through his thick horn-rimmed spectacles, and using his hand as a comb to straighten his side-parting and the back of his hair, ominously, Rafi Raza said: "But, Sir, I am trying to tell you that more than an election or an Office is at stake." I replied cryptically, "I got your point and you got my answer."

Before leaving . . . he asked, "Why are you doing all this? What makes you take such big chances with yourself and your family?" I told him that I was doing it to build an egalitarian society, to make my Country strong and modern, to bring happiness to people who had no idea what the word meant. I told him that tears will always be shed but I wanted less tears to be shed and less bitterly.

Later Bhutto described the 19 years he spent providing Pakistan with a full cycle nuclear capability. He also gave a name to the nuclear program's enemy: Henry Kissinger.

We were on the threshold of full nuclear capability, when I left the Government to come to this death cell. We know that Israel and South Africa have full nuclear capability. The Christian, Jewish, and Hindu civilizations have this capability. The Communist Powers also possess it. Only the Islamic civilization was without it but that position was about to change.

Dr. Henry Kissinger, the Secretary of State for the United States, has a brilliant mind. He told me that I should not insult the intelligence of the United States by saying that Pakistan needed the Reprocessing Plant for her energy needs. In reply, I told him that I will not insult the intelligence of the United States by discussing the energy needs of Pakistan, but in the same token, he should not insult the sovereignty and self-respect of Pakistan by discussing the plant at all. The General [Zia] got the lemon—"limbo"—from the President of France. Pakistan got the ladu. The PNA got the halva. I got the Death Sentence.

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The Biennale of non-art in Venice

by Fausto Tapergi

Translated from the Italian weekly Nuova Solidarietà of Jan. 7, 1989. The "Biennale" held every two years, as its name indicates, is one of the most pace-setting modern art expositions in the world.

The headline is not intended as ironic or deprecatory, but simply indicative of what the Biennale of Art in Venice this year does not contain, and instead does contain. In fact there is a lot, and in a certain sense almost everything, except precisely that art which according to the purpose stated in the label is supposed to be its specific content.

There are black or colored lines of every thickness, isolated, or in multiple juxtapositions and intersections and mixtures, and splashed colors and dotted lines and wavy lines. There are stones and metals in blocks which are either protuberant, ovoid, spheroid, squashed, elongated, slotted, sometimes smooth and sometimes rough. There are hints at representation in drawing, painting, stone, metal, wood (even in laboriously woven straw), but these are immediately disarticulated, twisted, and resubmerged into deformity or lack of form, or in geometricized alterations. There are various materials, sand, brick, tile, lumber, garbage, manure, on planes or overlapping or piled up. There are even machines or elements of them, devices, tents, boats, receptacles, also dustbins, in whole or in part, and strange wooden or metal bodies, turned upward in the manner of streetlamps or masts. There are collections of utensils, even nuts and bolts, and commonly used household or office objects, and forged or stamped or cut-out figures, set up in broad compositions on the ground or on the wall, more or less the way children set up their little toys. Everything is in the most diverse array of volumes and extensions, some perceptible only from very close up, and others imposing and almost aggressive in their grandeur.

With a benevolent and justifiable interpretation one could consider this Biennale as the exposition of the back room of painters and sculptors' shops, that is, some efforts that turned out badly or remained at the level of a rough draft or study, and of experiments in modes and techniques which would later be picked over and reworked into actual works of art. Unfortunately they themselves have been presented instead, and with a bounty of means and space as if they were works of art. And moreover accompanied, since by themselves they would have very little to say or at the most would make some decorative statement, by elaborate explanations and expositions and dissertations, in which treasures of erudition and dialectical ingenuity are shown off, which recall rather too closely the pompous twaddle of the doctors and pharmacists in Molière's The Imaginary Invalid.

Some examples

Some examples and samples, drawn from here and there, demonstrate sufficiently the enormous discrepancy between the smallness of meaning of the "works" and the abundance of meanings and values attributed to them by the commentators of the official catalogue. The work shown in Figure 1 is presented with the title "Bather," and of it and its maker is said: "Viani is surely one of the greatest craftsmen of the renewal of Italian sculpture in the postwar era. . . . The presence of the 1970 work 'Bather' in this Biennale . . . has the meaning of an homage owed, but above all of a recognition that a visual grammar so rigorously pursued by the artist returns to be at the center of the creative attention of new artists." Where the "Bather" and the "visual grammar" are in this sculpture is all yet to be discovered, that is, totally unexpressed. In fact the work could have hundreds of titles and different explanations, and all equally lacking in any relevance to its form.

The work in Figure 2 entitled "Montefeltro's Sun Chariot," which is part of a series called "Cosmic Dynamic," is expounded as follows: "The sculpture of the artist from the Marches, which is always in relation to the environment where it is placed, must be read in its two antithetical possibilities of symbolic abstraction which generates its heroic and archaic content, of iconography and of concrete technological challenge which instead provokes its ultra-modern burst of energy." And a little further on: "The various members of the entire spatial composition—or I should say cosmic, sticking to the title—not only have an autonomous life. They pass into traction or tension as they meet up with the other parts. Then the dynamic of the whole takes off, gets under way, as if it were a great complex motor which, however, stands there immobile, with its gigantic force, where the artist has put it."

How, in the composition of vertical shafts seen in **Figure 3**, the "Empire of Turbulence" is expressed, and with what significance it is presented, is truly impossible to understand. Unless it is the turbulence that grabs us when we read that its maker "seizes in the destruction, in the suppression of heavy schemes and inveterate habits the only means to bring new

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FIGURE 1

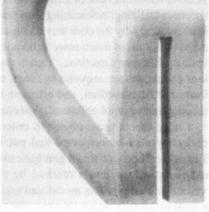


FIGURE 2

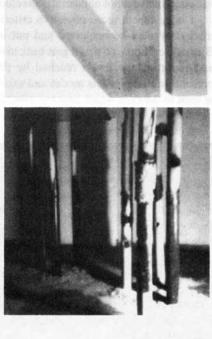
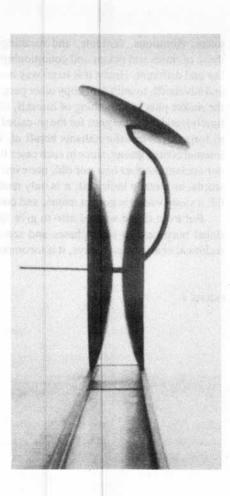


FIGURE 3



structures into being." The two tones of black, one opaque and the other anthracite, in which the painting in **Figure 4** is divided, mean, according to the maker, "Nightfall." The tangle of striped and curving brushstrokes and a few geometrical hints seen in **Figure 5** are supposed to mean, believe it or not, "The Canal of the Giudecca."

Artistic freedom

The exhibition organizers and catalogue writers of the Biennale maintain as the unifying thread of their choices and evaluations that of free artistic expression, in the overcoming of every preconstituted and limiting criterion of a form or school. As in fact it should be. Art is expression, and in order to express, it must be free. In fact we are all or ought to be all free to express and thereby to make art, which we do from our childhood onward for our entire life, by speaking, writing, gesticulating, and making sketches and drawings.

But let us also remember that to express means to externalize, make evident, make clear, that which within ourselves would remain obscure and indeterminate; and that expression, therefore, is all the more and better expression, i.e., art, when it most and best knows how to make evident and clear the inner world of he who expresses, and of those in whom, dedicated to other tasks and with other talents, it would remain unexpressed and confused.

It is also important to attentively and correctly evaluate every expression, according to its richness, depth, intensity, refinement of thought and feeling, i.e., the artistic level, which each work of art really encompasses and shares with the person viewing or hearing it. And it is precisely this more careful and objective evaluation and choice which turns out to be missing from the organizers and catalogue editors of this Biennale (as of many earlier editions).

Modernity and innovation

To counter this judgment, it is asserted that the exhibition was deliberately restricted to the most decisively modern works, and especially those most committed to research and implementation of the most advanced and innovative expressive modes.

But we must also clearly understand each other on the meaning of these words, in order to avoid the misunderstandings which are distorting all the arts and the judgments on the respective works, be they figurative, architectural, literary, or musical. That is, an art is modern, advanced, and innovative in the manner and to the extent in which it truly expresses the inner world of the artist: a world of thoughts, feelings, expressions, and environmental and cultural conditionings, which are formed in the living present, and which shapes necessarily one's work out of oneself, with accents,

tones, vibrations, contents, and meanings, that cannot be those of times and places and conditionings which were earlier and different. Hence it is in no way modern, innovative, and advanced, to imitate or copy other people's works (unless the maker puts in something of himself, therefore making it timely); and the same goes for the so-called art that is reduced to formalisms or informalisms bereft of, or poor in deeper internal contributions, since in such cases it is neither modern nor ancient, neither new nor old, nor even is it art-in other words, as already indicated, it is only tentative, experimental, a study which is not yet mature and complete.

But even if one wanted also to give space, for informational purposes, to such phases and searches for different technical or artistic pathways, it is incomprehensible why the Biennale should have been turned entirely over to such modes of conceptualizing, researching, and realizing the new or the different; and why the door was slammed in the face of many and valid (perhaps much more valid and worthy) artists who work in different directions. Thus a few determined directions and modes are imposed by force, contrary to the assertions of artistic freedom, and effective modernity and innovation, which cannot unilaterally preclude anything.

I hope that a more objective criterion of freedom and modernity may be respected and put into effect in future Biennale editions, so that it gets back to its task of exhibiting and reporting the levels reached by the figurative arts at present, in their various modes and expressed directions, or at least in the ones which best represent them.

FIGURE 4

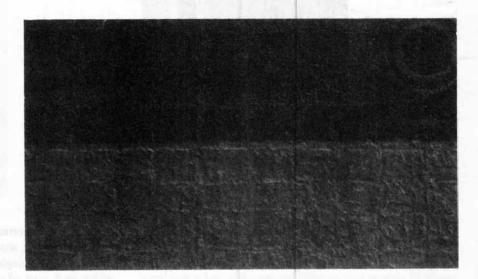
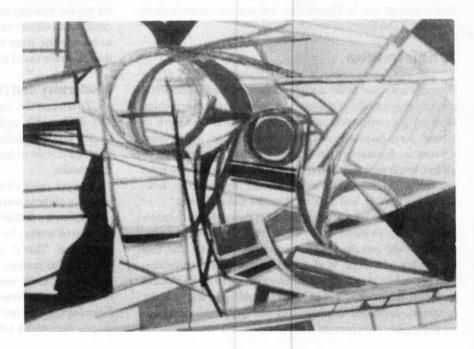


FIGURE 5



Report from Bonn by Rainer Apel

A foot-in-the-door for Satanism

The formation of "red-green" governing coalitions is a big step toward a New Age cultural shift.

The formation of a coalition government in West Berlin between the "red" Social Democratic Party and the "green" Alternative List on March 16, raises the specter of a "red-green" takeover of the federal government in Bonn after the December 1990 national elections. Should this occur, it would not only provide the Soviets with a lever for destabilization of West Germany; it would also facilitate a victory of the bestial, Satanic forces of the New Age.

The red-green alliance, which overlaps with the drug counterculture, intends to change all those parts of the West German code of law that ban sexual perversion and abuse of children. Immediately after the West Berlin coalition government was formed, the Greens' Bonn parliamentary group submitted a motion to change Paragraph 175 of the federal code of law, which declares sexual contact between male adults and boys above the age of 14 to be a crime. The Greens' argument is that "the law must not interfere with the free sexual development of youth."

A similar initiative was presented four years ago, and again two years later, but met strong opposition from the other parliamentary parties, including the Social Democrats (SPD). But this time, the SPD signalled their intent to meet the Greens "halfway," by decriminalizing homosexual relations between adults and 16-year-olds.

In Berlin, both red and green parties have already agreed that the youth and family department (run by the Green Alternatives) of the Senate will have a sub-department on "same-sex relations." Amply supplied with funds, this section of the youth department is to support homosexual and lesbian relationships and protect them from "bureaucratic hardships." It's an Orwellian nightmare: the family department would promote the destruction of the family.

The Berlin experiment is designed as a pilot project for similar policies on a national level. This is made possible because of Berlin's special status as a legislative "gray zone" where West German laws do not apply, given the special Allied power status of the city.

The perverse character of the redgreen alliance, which would move quickly from a New Age to a Dark Age, is further shown by an initiative to close down whatever remains of "bourgeois" classical culture. In West Berlin, the red-green Senate wants to close the Academy of Sciences and promote the "side-street subculture," instead.

In the city of Frankfurt, which is also likely to be ruled by a red-green coalition government in the aftermath of the March 12 municipal elections, this shift from culture to counterculture may become very concrete, if the municipality has its way and appoints the Austrian-born Satanist Hermann Nitsch, as professor at the renowned Staedel Arts School.

Nitsch has been known since the late sixties for conducting "cathartic" blood rituals with naked women, involving desecration of Christian crosses on stage. This "Orgies Mystery Theater," Nitsch declares, is intended to promote "the aesthetics of evil." His creed is that "human beings

are the most dangerous and cruel beasts of the whole of Creation, and they have to be exposed as that."

Nitsch declared that he plans a huge public black mass in the near future, with helicopters spraying blood on a mass of thousands of naked human beings.

One of the closest collaborators of Nitsch is Josef Dvorak, a former Catholic priest from Vienna who converted to Satanism.

This is far more than a mere local affair in Frankfurt. It would be the first time in postwar Germany, that a professed Satanist was employed to teach his perversities at a public institution.

Protest against the planned appointment of Nitsch has been filed with the municipal and state authorities by the Club of Life, the Anti-Drug Coalition, parents' organizations, and other concerned individuals. The Staedel directorate has nonetheless indicated that it will go ahead with his appointment on April 15.

The controversy around Nitsch will shape a good deal of the political debate over the coming weeks and help to build resistance against the spread of Satanism in the country. On the political party side, the Patriots for Germany announced that at the center of their campaign for the June 18 elections for European Parliament will be the war on cults and Satanism, along with the mobilization to prevent a redgreen coalition in Bonn in 1991.

Resistance to Satanism is also forming because of the transmission of violence-promoting and blasphemous rock music videos and shows on radio and television in Germany. A new video by the U.S. rock star Madonna, titled "Like a Prayer," funded by Pepsi Cola and Warner Brothers, has been banned from all state-owned stations in West Germany on religious and ethical grounds.

Panama Report by Carlos Wesley

Delvalle's arrest ordered

The Bush administration still says he's President of Panama. Will the U.S. now proclaim Miami Panama's new capital?

The man the United States government insists is "the legitimate President of Panama," Eric Delvalle, is currently living in exile in Miami, Florida. Delvalle said in an interview with Knight-Ridder News Service that he and his family had moved to Miami two months ago and are living in a condo in the exclusive Grove Isle. "Miami will be my base," he said.

While Delvalle was meeting in Washington, D.C. with Secretary of State James Baker on March 22, State Department spokesman Charles Redman said that the United States still recognized Delvalle as President of Panama. He did not say whether the United States has now proclaimed Miami Panama's new capital.

Until now, the U.S. recognition of Delvalle's fictitious presidency was the sole justification for its economic sanctions against Panama. The open acknowledgement that he is not even living on Panamanian soil undermines the dubious legal foundations for the sanctions adopted by the Reagan administration on the recommendation of William D. Rogers. Rogers is Henry Kissinger's personal lawyer, and also legal counsel for Kissinger Associates and its former employee, Deputy Secretary of State Lawrence Eagleburger.

Millions of dollars have been stolen from Panama under the economic war strategy designed by Rogers. And now, the government of Panama has launched a campaign to get the money back

Panama's Attorney General Carlos Villalaz announced on March 16 that a warrant had been issued for Delvalle's arrest and that of several of his collaborators, owing to the disappearance of more than \$65 million belonging to the Panamanian government, which were frozen in a New York bank account by the Reagan administration.

Villalaz said that the international police agency Interpol has been asked to help in the arrest of Delvalle and in recovering the stolen Panamanian funds that are missing from the escrow account opened by the Reagan government.

Panamanian employees of the Panama Canal Company and of the U.S. military's Southern Command are protesting the damaging effects of the economic sanctions. While the U.S. government has been withholding income taxes from their pay checks, the taxes have not been turned over to the Panamanian Treasury, because of the Rogers sanctions. As a result, the employees have not been able to obtain certificates of tax payment, which are necessary to travel abroad and to renew their automobile license plates, which expired on March 1, 1989.

But the U.S. military in Panama has winked at the sanctions in at least one instance, the "war of the license plates." As we reported last week, children of American servicemen and civilian employees in Panama were being subjected to hardships because the American-owned bus company contracted to take them to school was unable to pay its taxes to renew its license plates.

After several meetings between representatives of the Panama Defense Forces (PDF) and the U.S. military, the go-ahead was quietly given for the company, Contract Services, to pay its taxes and get the buses rolling again.

This brought howls of protest from the likes of former U.S. Assistant Secretary of State Elliott Abrams and syndicated columnist Georgie Anne Geyer, who claimed that U.S. Joint Chiefs of Staff chairman Adm. William Crowe was burying incidents of harassment by the PDF against Americans in Panama, "to achieve a business-as-usual relationship" with PDF Commander Gen. Manuel Noriega.

Geyer, who is known to be close to Central Intelligence Agency "socialist" types like Cord Meyer, wrote an article March 20 in the Washington Times, titled "Hidden Torment in Panama?" She charged that "events so unspeakable are taking place in Panama that American powers from the White House to the Pentagon are afraid to deal with them."

In prose even more lurid than she used in her "Five Minutes to Midnight" column of June 19, 1986— when she wrote that the policies of the "LaRouche group" in support of Noriega "threaten decades of American foregn policy and power" in the Caribbean—Geyer's March 20 article says: "You haven't heard about attempted 'sexual abuse,' such a nice phrase for what General Noriega and his Panamanian 'soldiers' do when they get aroused, against Americans?"

With Panama's upcoming presidential elections on May 7, even the Bush administration will have to abandon any pretense that Delvalle is President of Panama, and return the money illegally seized from Panama. To avoid that, Geyer argues that the United States should use force against Panama. "It isn't going to get better; it's going to get worse. Military action will eventually become inevitable there," she writes.

Report from Rio by Silvia Palacios

Sarney rips 'fraud' in Amazon grab

The Brazilian President looked more like a nationalist than ever, but will he confront the foreign banks?

President José Sarney blasted foreign designs on the Amazon in a speech to military leaders and Coast Guard cadets on March 17. He swore, "The Amazon is ours. Brazil's sovereign right to use and control its territory is being threatened. New forms of meddling, with overt or covert sanctions designed to force us to make decisions not in our interests, accumulate every day."

He charged that the "rich countries" are spreading "an international fraud" to blame pollution on developing lands, but "there are greater pollutions: hunger, poverty, speculation, and misery." He said, "There are bigger interests behind the ecologists. Ecology is a Trojan Horse to seduce the innocent minds of youth."

Sarney's capped a series of nationalist reactions in Brazil against the pressures coming from oligarchists posing as "environmentalists," to force Brazil to accept "limited sovereignty" in the Amazon.

• On Feb. 28, Congressman Luiz Salamão during a full session of the Lower House of Congress, while demanding that the U.S. government answer for the unjust jailing of Lyndon LaRouche, denounced "U.S. attempts at meddling into Brazilian internal affairs" and rejected "the threats coming from Mr. Bush regarding the building of the highway that connects Acre with the Pacific."

As a response to U.S. pressure, the Brazilian government, which had put little emphasis on the Acre-Peru road, is now pledged to building it as a matter of "national honor." Between Peru and Brazil a diplomatic offensive has begun. On March 19 Peruvian President Alan García said in an interview to Brazilian TV, "I wish we did not have just one highway, but five," to integrate a zone which could be highly productive, especially by exploiting its abundant gas resources.

- The Senate set up a Parliamentary Commission to probe the devastation, violence, and attempts at internationalization of the Amazon.
- Army Minister Leonidas Pires Gonçalves is coordinating the political defense of the Amazon. "We are not interested in trading sovereignty for any form of foreign aid," he stated, regarding debt-for-conservation proposals. He has been holding meetings with senators and congressmen, with one message: "This area belongs to us de facto and de jure, and it will be defended both from the ecological standpoint as well as any other that becomes necessary, at the cost of any sacrifice."

Despite the strong statements from Sarney and his ministers, many political leaders still doubt the political will of the President to face down the international bankers, which are the main threat to Brazil's sovereignty. In a eulogy for assassinated ecologist Chico Mendez, Sen. Aluizio Bezerra of the dominant PMDB party, speaking on behalf of his colleagues, said, "The 'ecologism' of the U.S. bankers goes hand in hand with this inconsistent nationalism, committed to paying an unpayable and illegitimate foreign debt."

Bezerra attacked the international banks for "making a false ecology campaign. . . . There can be no greater hypocrisy than when entities tied to the international financial system, responsible for the adverse economic conditions imposed on the less developed countries, suddenly turn 'ecologist.' So we must denounce the macabre farce that takes place when the bankers, supporters of the economic model that killed Chico Mendez, have the gall to eulogize him."

Bezerra appealed to "uphold a program of true defense of the ecology, which includes organizing the economy to serve human beings intelligently, in harmony with nature, of which we are the highest part. . . . We cannot defend nature without defending human nature at the same time. There will never be protection for nature without the radical transformation of the present economic model which is directed toward making minorities rich and majorities poor and sick, destroying forests, rivers, soil, animals, etc. We are speaking of a program that includes land reform, nationalization of banks, effective cooperation of the armed forces in strategic areas, stopping burn-off by the big landowners, and finally, ending the payment on foreign debt, which gets bigger, the more we pay.

"Without social transformations, without real democracy, there will never be a harmonious relationship with nature, just as a country can never be considered sovereign which possesses millions of illiterates, which has one of the world's highest infant mortality rates, and an incredible number of diseased and starving people and slum dwellers. To talk of sovereignty and ecology in the abstract is to play the game of those who poison and destroy nature and subject us to the rule of international bankers."

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International Intelligence

French students ready to defend Germany

About 53% of the French students who took part in a recent survey said they are ready to die to defend West Germany from Soviet aggression.

The poll was recently published by the Information and Public Relations Service (SIRPA) of the Army of France, and concerned the attitude of students toward the armed forces. The results were deemed a surprise, showing that the sense of patriotism and military duty is far from lost among French youth.

Seventy-six percent favored a Western military alliance, 49% were for an alliance with the United States, and 27% for a European alliance.

An invasion of West Germany is considered by 53% of the students to be a casus belli, and reason enough to put their own lives at risk. Forty-seven percent are in favor of a modernized and expanding French nuclear force, while 77% said they think that France cannot be defended without its nuclear deterrent

Libyan terrorist cited in Pan Am bombing

A flurry of international press speculation and "leaks" from the world's intelligence services is charging that a Libyan terrorist code-named "The Professor" was responsible for the bombing of Pan American Flight 103 over Scotland. Investigators believe that the bomb was carried on board in West Germany by a Lebanese student, Khalid Jaafar, according to a report in the London Sunday Express March 19.

Another report in the March 20 Washington Times, based on the Express item, said "The Professor" "was known to have flown into Bonn from Greece on Dec. 13, and that visitors to his hotel room had included a passenger on the ill-fated Pan Am flight, Lebanese student Khalid Jaafar."

Investigators believe the student unwittingly carried the bomb when he boarded the Dec. 21 flight from Frankfurt to visit his father in Detroit. According to the Sunday

Times, "The Professor" is a master forger, who gained his expertise in explosives through training in Moscow. He trained others for two years in Syria at the headquarters of the Abu Nidal group.

He is also suspected of being the mastermind of the terrorist attack on the Greek cruise ship *City of Porros* in August 1988, in which nine people died, and of involvement in the shooting deaths of two persons outside the Iraqi embassy in Paris in the mid-1970s.

"The Professor" arrived in West Germany under the name Petel, and made contact with an Iranian diplomat who arranged for him to work out of the Iranian embassy in Bonn. He left West Germany on Jan. 6, some 15 days after the Pan Am bombing. He was last seen driving a car with West German plates in Lisbon, Portugal.

More than a dozen suspected members of the Popular Front for the Liberation of Palestine-General Command (PFLP-GC) were arrested in West Germany in October 1988. Among the weapons found by police in the raid, was a Semtex plastique bomb hidden in a cassette player, believed to be identical to the one that exploded on board Pan Am Flight 103 a few months later. Press reports indicate that some of the people arrested in that police raid were freed. West German authorities have failed to provide any explanation.

Red Army opposed Afghan invasion?

Soviet Gen. Valentin Varennikov, who recently was named deputy minister of defense and commander of Soviet land forces, said in an interview with the weekly *Ogonyok* that both he and Marshal Nikolai Ogarkov warned the Kremlin against large-scale intervention in Afghanistan in December 1979. Varennikov claimed that he had argued in vain for a more limited operation.

Varennikov headed the Soviet Ministry of Defense's operational group in Afghanistan for four years. He criticized Babrak Karmal, who became Afghan president after the Soviet occupation, as a "demagogue." *Ogonyok* describes Varennikov as the man "who practically guided the withdrawal" of

troops from Afghanistan.

"It is a fact that the general staff was against the idea of sending the troops to Afghanistan up until the time when it was decided," Varennikov said. He said those opposed included Marshal Nikolai Ogarkov, then Chief of the General Staff, and now commander of Soviet forces in the Western Strategic Theater of War, facing NATO forces.

Baker promises Delvalle continued U.S. backing

"I told President Delvalle that there cannot and will not be any movement toward normalization of relations between the U.S. and Panama as long as Gen. Manuel Noriega retains power," U.S. Secretary of State James Baker told the press after a meeting with former President of Panama Eric Delvalle, March 22. On a separate occasion, another State Department spokesman said the U.S. would not recognize the results of a fixed election that left Noriega with effective power. This is the first time that the U.S. has put itself on record as defining a victory of the pro-government candidate Carlos Duque as ipso facto proof of vote fraud, declaring it still won't recognize Panama's government even after Delvalle's term would have expired.

Icelanders compare Greenpeace to the Nazis

The Icelandic government is fighting back against an international campaign by the Greenpeace environmentalist organization to boycott Icelandic fish. The campaign is being run on the pretext of a protest against "seal-hunting." It is badly hurting the Icelandic economy, which is completely dependent on exports of fish.

On March 17, Iceland Foreign Minister Hanibalsson said that what Greenpeace was doing "reminds one of the Nazi campaign against Jewish shops in the 1930s."

At the same time, an Icelandic journalist, Magnus Gudmonson, has put together

Briefly

an explosive television show on Greenpeace, based on two years of investigative work. He said that Greenpeace's propaganda on seal-hunting is faked. Often, according to Gudmonson, Greenpeace pays people to bash baby seals over the head to create an international scandal that it can then protest against!

Said Gudmonson, "A clean environment begins with clean hands." This is causing an uproar in parts of Scandinavia, but Greenpeace has yet to file a libel suit.

Where does Greenpeace get its money? In March 1989, Greenpeace received approximately \$10 million in revenues from a record album released in Moscow that was made by British rock stars. The rest of the approximately \$20 million in total went to the Soviets' International Foundation for the Survival of Humanity, which includes Greenpeace representatives on its board.

Greenpeace is part of the "network" of the Lucis Trust, formerly Lucifer Trust, one of the elite Satanist organizations in the West.

American begins hunger strike at Dachau

The morning of March 18, Geoffrey Steinherz, an American of German-Jewish descent, began a hunger strike in Dachau, West Germany, in support of the immediate release on appeal of former presidential candidate Lyndon H. LaRouche, Jr. and six codefendants, who are being held in a U.S. jail pending appeal of their Jan. 27 conviction on assorted "conspiracy" charges.

Steinherz issued the following statement from Dachau.

"I am an American of German-Jewish descent. My father was born in Berlin-Charlottenburg and left Germany shortly after the Reichskristallnacht [Night of Broken Glass pogrom] in 1938. . . . I am conducting this protest at the commemoration site of the former concentration camp in Dachau, the worldwide symbol for Schachtian economics and race hatred, for two reasons. First, Lyndon LaRouche has devoted his entire life's work to the idea that there are no limits to continued growth of population, and that assertions to the contrary are based on the blasphemous idea that morality and economics are irreconcilable. Second, I am doing this because I want my fellow Americans to reflect that Dachau could happen to us-in New York, in California, in Colorado—and will, if U.S. administration policies on domestic and foreign debt are not reversed.

"I am talking about the logical consequence of former Colorado Gov. Richard Lamm's policy towards the elderly: patricide. I am talking about the revival of the racialist doctrines of the Pioneer Club variety, and lastly, I am talking about the stockades, like at the border with Mexico.

"If this is the kind of America you want, 'benign neglect' for AIDS and 'free trade' for drug pushers, then walk on by. If not, then help me free Lyndon La Rouche and my six colleagues so that the American Beacon of Hope can illuminate the Temple of Liberty for all mankind."

Socialists gain in French local elections

The second leg of the municipal elections. held in France on March 20, confirmed the broad lines of the first: The ruling Socialist Party made breakthroughs, consolidating its influence, expanding into regions previously immune to a left vote, and retaining its position as France's most powerful party. The election saw the elimination of most of the wartime and postwar generation politicians. Many a mayor of 20 or 30 years, such as de Gaulle's Prime Minister Michel Debré, or the mayor of Lyons, was wiped out.

There was a remarkable display of voter distrust for all the parties' national leaderships. In Marseilles the incumbent mayor was reelected, after he had been expelled from the Socialist Party. In Lyons, young neo-Gaullist (RPR) Michel Noir, who has a rebel image, overwhelmed his opponents.

For the first time, the National Front, of ultra-right populist demagogue Jean-Marie Le Pen, will be represented in 143 of the 392 towns with populations over 20,000. The more middle-class protest vote went to the Green Party, which increased the number of its city council seats sixfold, with votes as high as 20%. The French Communist Party lost 15 major towns.

- JAPAN'S former Deputy Prime Minister Shin Kanemaru will visit North Korea in late March to iron out details of a return visit in July by him and Japanese Socialist Party Secretary General Makoto Tanabe. Secret talks between U.S. and North Korean representatives in December and January in Beijing have fed Japanese suspicions that another "Nixon shock"—the former President's surprise 1972 visit to China without notifying Japan—may be in the works.
- COLOMBIAN Indians have protested the grant of some of their lands to M-19 guerrillas as part of a "peace treaty" signed with them by Virgilio Barco's government.
- ALFREDO CRISTIANI, the President-elect of El Salvador, has stated that he favors reducing the nation's army from 56,000 to 12,000 as soon as the war with leftist insurgents is brought to an end. That is one of the demands issued by the insurgents, with whom Cristiani says he favors immediate negotiations. Cristiani is widely viewed as a compliant tool of the U.S. State Department.
- IRAN has agreed to large weapons purchases from Romania and Czechoslovakia, according to unidentified sources cited by Reuters. Iran is said to be considering purchases of tanks and missiles, and contracting for the construction of a new naval base on Qesh Island in the Strait of Hormuz.
- WEST GERMAN President Richard von Weizsäcker attacked Bundeswehr Inspector General Adm. Dieter Wellershoff for the latter's recent attack on Mikhail Gorbachov. Weizsäcker said that "holding on to enemy images" when Gorbachov is spearheading "the biggest and most promising transformation of Soviet policy ever" would "harm the reputation of the Bundeswehr."

PIR National

LaRouche: Jury foreman was in secret government

by Herbert Quinde and Steve Meyer

Buster E. Horton, the jury foreman who led the conviction of Lyndon H. LaRouche and six associates in U.S. Federal Court in Alexandria, Virginia in December 1988, is a member of an elite national security decision-making unit of which Oliver North was a leading figure until he was fired in the wake of the Iran-Contra fiasco. Oliver "Buck" Revell, the number-two man in the Federal Bureau of Investigation, was in charge of the government's secret "Get LaRouche" task force; he was also an administrator of the national security unit that included Oliver North and Buster Horton.

The revelations were made by American statesman and political prisoner Lyndon H. LaRouche, in an interview on Washington, D.C. radio station WRC Radio on March 14. Legal observers note that the revelations will have a substantial impact on the pending appeal of the LaRouche Seven. As one civil liberties activist commented, "This does suggest LaRouche was railroaded. If this doesn't get him out of jail, nothing will, and the country is lost."

Speaking from the Alexandria, Va. Detention Center during the seventh week of his incarceration, LaRouche told WRC talk show host Bob Levey: "The foreman of the jury was a member of the task force which has been trying to get me for five years. . . . Other people on the jury were part of government institutions. The judge allowed no voir dire, there was no impartial jury. There was no dismissal of government agents for cause. It was a government-agent dominated jury, headed by a jury foreman of the Agricuture Department. . . . He's a member of an elite, of about 100 persons, on the civilian side of the Federal Emergency Management Agency. He is a part of the Continuity of Government operation, one of the most secret, sensitive parts of government. This Continuity of Government operation included his partner in that was—Oliver North. His partner in that was Oliver "Buck" Revell of the FBI, who is the head of the

task force which has been going after me for five years. And he [Horton] was the foreman of the jury. Now, if that is not a corrupt jury, then there is no such thing as a fixed jury."

Although Horton identified himself as an employee of the U.S. Department of Agriculture on his juror registration card, in fact he is a member of a select, unique interdepartmental apparatus whose function encompasses the most sensitive responsibilities for U.S. national security. In time of a national security emergency, such as a nuclear war or domestic civil disorder and insurrection, Horton's unit is responsible for the uninterrupted operations of the U.S. government. This activity is coordinated through the Federal Emergency Management Agency (FEMA), which in turn reports to the National Security Council.

The Horton dossier

No ordinary bureaucrat, Horton held the exact same rank with respect to FEMA assignments as did Irangate superstar Oliver North.

Horton's association with North and the FBI's Revell is defined by his job description at the U.S. Department of Agriculture. He is a senior executive of a special two-man unit which directs and maintains "emergency preparedness and readiness" for both the Washington, D.C. headquarters and the entire USDA emergency field apparatus nationwide. He is one of two people at USDA designated as the primary liaisons to FEMA. He had this responsibility throughout the Reagan administration, and continues in this position under the Bush administration.

Horton has multiple national security clearances, including a clearance to access NATO classified information. His status is so sensitive that he is on permanent 24-hour call. He is associated with and interacts with his counterparts at the Central Intelligence Agency and the Pentagon.

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Horton's responsibilities are outlined in detail by presidential executive orders. The most recent such executive order was issued just days prior to the start of the Alexandria LaRouche trial in November 1988.

According to sources, Horton's job at the Agriculture Department is so crucial that his activity in a national security emergency might well determine whether certain parts of the country eat or go hungry. He is trained to respond to a "federal radiological emergency" which could be the result of nuclear fallout in time of war or a Chernobyl-style nuclear reactor accident. In such a scenario, Horton is at the top of the USDA's chain of command to coordinate with FEMA, the Pentagon, the Department of Energy, and the Nuclear Regulatory Commission.

The 'kidnaping' of FEMA

Horton's promotion to this 100-person national security unit was a by-product of the 1982 National Security Decision Directive 3, which put then-Vice President Bush in charge of all U.S. intelligence operations, including "crisis pre-planning." An interagency structure called the Crisis Pre-Planning Group was initiated by the NSC, with Oliver North as the NSC staff liaison to other departments and agencies, according to documents declassified by the joint congressional committee that probed the Iran-Contra affair.

During the same period, President Reagan mandated the upgrading of FEMA to a proto-cabinet level agency.

Gen. Louis Giuffrida was put in charge of FEMA. His idea was to have a civilian multi-layered equivalent to the National Military Command Center. But North and others kidnaped the initiative, to build a "parallel" or "secret government" structure. Under the guise of protecting the national security, the useful process of interagency coordination instead created a Frankenstein monster.

Career bureaucrats such as Horton were pulled into the whirlwind of national security planning and given the necessary access to classified materials. Rubbing shoulders with Ollie North and Buck Revell's FBI agents became part of the responsibility.

The FEMA mandate to plan for "mitigating the consequences" of floods, hurricanes, and war was expanded to prepare to respond to terrorism and civil disorder. In this context, the FBI became important in NSC-FEMA planning.

In April 1984, about the same time that North was deployed to the Iran-Contra project as a priority, FEMA, NSC, and the Pentagon led a national security exercise known as Rex 84-Alpha. Sources report that this was the kind of national security exercise that Horton, as a USDA official, would have participated in.

The exercise was to test the structure set up by FEMA. The scenario for the exercise was that U.S. troops had invaded a country hostile to the United States in Central America (presumably Nicaragua). In response, rioting, civil disorder, and terrorism erupted in the United States.

The exercise was a success. The NSC, with FEMA's help, had created multiple horizontal interagency task forces, thereby destroying accountability by each department secretary, as the vertical command structure of government was "Kissingerized."

"The arrangement permitted Reagan administration officials to claim that they were not involved in controversial or illegal activities. . . . It was the ultimate plausible deniability," reported the *Miami Herald* in a July 5, 1987 article, titled "Reagan Aides and the 'Secret Government,' " by Alfonso Chardy. The article highlights North's role in coordinating an NSC-FEMA task force which "helped draw up a controversial plan to suspend the Constitution in the event of a national crisis, such as nuclear war, violent and widespread internal dissent or national opposition to a U.S. military invasion abroad." The article explains that the key to this plan was the *informal* contacts between government departments and agencies which facilitated illegal or improper intelligence community and law enforcement operations behind a national security screen, with total "plausible deniability."

Was Horton's role as foreman of a jury that convicted LaRouche and associates a coincidence or a conspiracy? There will be a definite answer in the courts, as the appeal of the LaRouche Seven is adjudicated in the near future. But many international experts have already passed judgment on the case, which one prominent West German jurist has dubbed the "American Dreyfus Affair."

LaRouche's charges against Horton have started to gain media attention. They were reported by the Brazilian daily *Tribuna de Impresa* on March 24. In the United States, the charges were aired by Nancy Spannaus, an associate of LaRouche who is running for U.S. Senate in Virginia. In a radio talk show in Roanoke, Va. on March 22, she described Horton's activities. The radio reporter later called the Agriculture Department for comment; the department spokesman confirmed that Horton was responsible for "continuity of government" in an emergency—but only for civilian, not military, matters.

Aficionados of the Iran-Contra scandal, which promises interesting new developments as North's defense lawyer attempts to put Ronald Reagan on the stand, have also taken note of the Horton story.

Horton's national security teammates, North and Revell, were both the subject of extensive media exposés and congressional investigations concerning their "off-line" cooperation on intelligence exchanges and pro-active COINTELPRO-style measures directed at an "enemies list" of people and organizations critical of the administration's foreign policy gambits, after the Iran-Contra fiasco was brought to light. Discovery materials obtained in the aborted Boston trial of LaRouche and associates, including a memo to Oliver North from Irangate principal Gen. Richard Secord, found in North's safe by Independent Counsel Lawrence Walsh, confirmed that North had LaRouche on his "enemies list."

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Kissinger Associates: conflict continues

by Jeffrey Steinberg

Even as a docile Sen. Jesse Helms (R-N.C.) was adding his voice to the chorus of endorsers of Lawrence Eagleburger as deputy secretary of state, thus allowing Eagleburger's unanimous voice-vote confirmation by the full Senate on March 17, the furor over Eagleburger's conflict of interest as president of Kissinger Associates was continuing to draw public attention.

In a behind-closed-doors deal on March 16 with the Senate Foreign Relations Committee, Eagleburger promised to provide State as well as Senators Claiborne Pell (D-R.I.) and Helms with a complete list of Kissinger Associates and Kent Associates clients, and to recuse himself for one year from any policy decisions affecting any of the firms' clients. The deal paved the way for the committee to unanimously vote his name onto the floor.

The secret deal enabled Eagleburger to pass the confirmation hurdle, but at the same time put the Kissinger firm under an international spotlight that has had the former secretary of state squirming ever since. Even the brief flurry of tough questions about Kissinger Associates clients and the kinds of services rendered sent Henry into orbit. The day before the Eagleburger hearings began, Kissinger told the New York Times that he was "violently opposed" to having his confidential business dealings "dragged through the mud."

Just back from Tokyo on March 22, Kissinger told a press conference at a synagogue in Cincinnati that he was still raging at the media's prying into his business affairs. "Every smart-aleck newsman is asking my clients what I did for them and I think it's an outrage," Kissinger moaned.

According to a Reuters wire on his Cincinnati outburst, Henry was in part responding to an article in the March 27 issue of *Newsweek* which was based in part on interviews with several of Kissinger Associates' clients, by a small army of *Newsweek* reporters.

Discussing the pros and cons of the Kissinger Associates consulting service, *Newsweek* asked, "Is Henry worth his fat fees? Skeptics doubt that he can tell his clients much more than he writes in articles, discusses in dozens of speeches a year and doles out in gravelly TV commentaries. Yet as even a rival consultant concedes, if a chief executive isn't well versed in world affairs, Kissinger's detailed analysis and

advice may be 'a lot of B.S., but it can be very valuable B.S.'

Now that Eagleburger has returned to Foggy Bottom after four years in the big leagues of six-figure consultants' salaries, the substance of his conflict of interest takes on immediate policy consequences. While the full list of Kissinger clients has not been made public, and presumably will be kept a secret by the State Department's general counsel and Senators Pell and Helms, this news service's probe into the 15 clients disclosed by Eagleburger in his confirmation hearings revealed that Eagleburger was in conflict on virtually every major foreign policy decision dealing with the Soviet bloc, Ibero-America, most of the European Community, Japan, and Israel. In addition to his Kissinger and Kent Associates clients, Eagleburger has also recused himself from any matters concerning ITT, on whose board he sat during his four years outside the foreign service.

While Kissinger whined to his Cincinnati audience that his business dealings were 100% private—"I have no government clients and I am not registered as a foreign agent"—in fact, this is a thinly veiled ruse. Kissinger and Eagleburger's personal attorney and fellow Kissinger Associates director is William Dill Rogers, of the Washington law firm of Arnold and Porter. Rogers is, or recently was, the attorney for a number of foreign governments, from Nicaragua to Israel

Eagleburger, during his foray into the private sector, also prepared a series of policy papers for the Institute for Near East Studies, an organization sharing offices with the American-Israeli Public Affairs Committee (AIPAC), the official Israeli lobby in the United States.

Test of ethics guidelines

Under the "kinder and gentler" administration of George Bush, the American people have been promised a stricter enforcement of ethics guidelines for government employees. Eagleburger's tenure at State remains the critical test case of the Bush administration's genuine commitment to enforce those ethics standards.

In May, Kissinger himself may be forced to deliver a public accounting of his activities in the international business world. New ethics guidelines go into effect then that would force Henry to disclose details of his consulting activities, in order to maintain his waiver of conflict as a member of the President's Foreign Intelligence Advisory Board, a post that entitles him to access to classified American intelligence secrets. Under the new guidelines, the continuing waiver demands much broader disclosure. At that time, Henry may just pack his bags and leave PFIAB.

While such a move would be a victory for U.S. national security, it would be a pyrrhic victory at best, unless Kissinger's two principal assets in the Bush inner sanctum, Larry Eagleburger and Brent Scowcroft, are sent packing along with him.

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Truth shakes rigged Virginia 'LaRouche' trial, as defendant Ascher takes stand

"We found out that Henry Kissinger had written to his friend William Webster demanding an investigation of the financing of our organization, claiming that we were funded by hostile forces." So stated LaRouche associate and fundraiser Rochelle Ascher to the Leesburg, Virginia courtroom on Monday, March 20, exposing the jury for the first time to the history of Kissinger-inspired financial warfare against the associates of Lyndon LaRouche. Mrs. Ascher is standing trial for alleged "conspiracy" and "securities fraud."

Mrs. Ascher's testimony was the dramatic highpoint in the nine-week trial, which is expected to begin jury deliberations the week of March 27. Despite the bold step of putting the defendant herself on the witness stand, the original elements of this rigged proceeding remain fully in place as the trial goes towards the determination of a verdict by a biased jury.

On March 23, Mrs. Ascher's defense counsel, John Flannery, demanded a mistrial due to judicial misconduct by Loudoun Circuit Judge Carleton Penn, who allowed Mrs. Ascher to be questioned directly by juror Brian Seeley in a most unusual and unprecedented fashion. Penn denied the motion for a mistrial, as he had done earlier when the same juror had lied that he had been approached by a relative of the defendant improperly in a local restaurant during a luncheon recess, and asked to look at an article in a LaRoucheaffiliated local newspaper.

Beyond denying the mistrial, Penn also prevented the defendant from bringing into evidence critical documents such as the FBI document which showed the communication between Kissinger and William Webster concerning the "investigation" into LaRouche's finances. Other evidence, including computer-generated reports showing the growth of income and contributions to LaRouche-affiliated companies, were also denied submission into evidence. These had been offered by the defendant to show the basis for repayment of loans from supporters at the time these loans were made, loans which were not paid back because of the U.S. government-initiated bankruptcy proceedings in 1987.

Ascher walks through the wall of fire

On March 20, Mrs. Ascher surprised the prosecution when she took the stand, countering the parade of 30 witnesses and thousands of documents that had been presented

in the show trial proceedings against her.

With passion and enthusiasm, the defendant described to the attentive jury the tumultuous course of political events from 1980 through 1987, highlighting the most critical battles between the LaRouche political movement and its enemies.

The defendant accomplished this by detailing the discussions with Robert Ware, a Leesburg area resident who is named as an alleged "victim" in the indictment, and who testified at an earlier stage of the trial as a government witness. The political relationship between Ascher and Ware lasted from the early 1980s through 1986.

Mrs. Ascher began by describing the early fights of the LaRouche political movement in support of fusion energy, as well as the pre-1983 efforts in support of the development of a beam defense. After President Reagan's announcement of the Strategic Defense Initiative, according to the witness's testimony, Mr. Ware's support increased.

"Reagan has finally done what we've been fighting for for three years," she told Ware. ". . . This is the first time in 50 years that any American President has broken with the policies of Henry Kissinger. . . . LaRouche wrote this policy. Helga LaRouche and Lyndon LaRouche have been meeting with a lot of people in the United States government, generals in the United States military, both retired and active duty. . . . Their concern is that there's an immediate military threat to the NATO alliance and particularly to West Germany. . . . Helga is extremely concerned that . . . even the best patriots of the Reagan administration . . . don't understand how serious things are, . . . that there's the immediate threat of a Soviet attack on Germany. . . . There's a lot of people who want to pull U.S. troops out of NATO. Henry Kissinger is calling for pulling out troops . . . decoupling Europe from the United States."

She also described her briefings to Ware on AIDS, the banking crisis, the war against drugs, and other issues. AIDS, she said, "is the most serious disease the human race has ever faced and nobody is going to do anything about this. . . . Mr. LaRouche has proposed a crash program. . . . If we don't do this fast, millions are already dying in Africa. . . . Within one or two generations the majority of the U.S. population is not going to be alive."

Critical to the government's case in Virginia, is to prove

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that political loans are considered "securities," like stocks or bonds, and that the defendant misstated the "risks" involved in the alleged "investments."

Ware, in his own testimony, had indicated that he believed he never had been defrauded, and had so informed the Virginia authorities when first contacted. His outstanding loans had been long forgiven by him, and his loans were given specifically to aid LaRouche-linked organizations in preventing phones from being shut off, and in surmounting other financial difficulties.

Mrs. Ascher's briefings confirmed and further elaborated the knowledge Ware had of the political war he was supporting—as opposed to the "investment portfolio" the government fraudulently hopes to prove in the case. Ware was briefed about the Boston grand jury, formed after the 1984 U.S. presidential elections to run the political witchhunt against Mr. LaRouche and associates. He was briefed about various other federal investigations, bank seizures of the accounts of publishing companies, and other elements of financial warfare.

Mrs. Ascher stated, as Ware had earlier testified, that the supporter lent his money to support "an uphill battle" of a political movement whose agenda he believed in. No element of a "security transaction" was evident from this relationship.

Government insider impeached

One element of the "get LaRouche" effort both in the Alexandria trial and in the Leesburg case has been the use of former members of the organization who were turned into "Judases" by a combination of threats of prosecution and prommises of "rewards" for cooperation.

Christian Curtis testified in both proceedings, and in the Ascher trial his testimony, according to courtroom observers, has now been thoroughly impeached, including by the defendant herself.

In the latest blow to Curtis's lies, Mrs. Ascher on March 20 described a brief encounter she had with Curtis in the New York headquarters of the LaRouche presidential campaign in early 1984.

Curtis had lied that Mrs. Ascher recommended to other fundraisers that people use "urgency" as a technique, even by making up events when they did not happen. These fictitious events included LaRouche TV broadcasts, according to Curtis's rendition, as well as threats to Mr. LaRouche, both of which he said Rochelle Ascher used as "bait" in fundraising.

Ascher put these lies to rest by describing the actual conditions when she was in New York. It was at that time, the defendant said, that the first LaRouche campaign TV broadcast was to occur, and that same week an official newspaper of Libya published a direct threat against Lyndon LaRouche.

Assistant Virginia Attorney General George Chabalewski conducted the cross-examination of Mrs. Ascher, during which the defendant conducted herself confidently, never stepping into the carefully laid traps of the well-prepared inquiry.

The cross-examination, according to observers, undoubtedly written by a team of "LaRouche experts" involved in the "Get LaRouche" task force that operated in the Boston and Alexandria prosecutions, contained questions whose purpose was to make the defendant convict herself through her own testimony, if that were possible. The truth, however, proved stronger than the false constructs and clever sophistry employed by the prosecutor. Central to the cross-examination was the question: "Did you tell this lender that other lenders were not getting repaid?"

Mrs. Ascher, questioned in this fashion concerning loans from the period of 1983 through 1987, responded: "I told people much worse. I told them that the enemies of this organization intented to destroy the organization."

When Chabalewski took quotes out of context of taped discussion between herself and Police Investigator Larry Burchette, the defendant demanded that the whole sentence be read. Finally, at one point, Mrs. Ascher acted as witness and attorney, as she objected to commenting on a hypothetical question, and the judge essentially upheld her objection to the phony question.

Chabalewski also asked a series of questions to imply that the organization always believed "it was always under attack," and that therefore "the ends justified the means." "In fact, you think this case is an attack on you, don't you?" asked Chabalewski. The defendant responded to that question, repeated twice, "I am innocent of any wrongdoing."

During the redirect examination, Flannery highlighted the federal government's forced bankruptcy of companies associated with LaRouche, as the defendant said that no lender had caused the bankruptcy, and that the government alone had caused the bankruptcy.

The issue of venue

Even though Judge Penn has consistently upheld the rail-road proceedings since the time of the initial empaneling of a biased jury, venue remains as a central legal issue in the trial. Rochelle Ascher, as a resident of Baltimore, Maryland, never made phone calls from Leesburg. Despite that, she stands charged with violations of the Virginia Code dealing with securities. On March 23, Flannery moved that the court strike numerous counts of the 12-count indictment, because Virginia does not have jurisdiction over the alleged offenses. Judge Penn ruled on March 24 to eliminate three of the counts.

This single legal issue, however, pales in comparison with the fundamental constitutional issues raised by the Ascher trial. The fact that this case is being handed to a jury, indicates that decisions on those issues have already been made, and that the Ascher trial marks a step into complete Soviet-style justice in the United States.

Eye on Washington by Nicholas F. Benton

Italian senator wants LaRouche free

Christian Democrat Vincenzo Carollo charges that LaRouche is a political victim for opposing U.S.-Soviet condominium.

Senator Vincenzo Carollo, now retired after serving four terms in the Italian Parliament as a member of the Christian Democratic Party, came to Washington March 21-24 to meet with U.S. congressmen and high government officials here to assert that the jailing of former U.S. Democratic Party presidential candidate Lyndon LaRouche is the result of "political persecution," and that he should be freed.

In a press conference at the National Press Club March 21, the senator and former president of Sicily's regional government, denounced the dangerous collusion between powers in the East and West. "The persecution of LaRouche occurs at a time in our history when powerful forces are committed to creating two poles of global power, with the role of Europe subordinated and made dependent," Carollo said. He warned that the national interest of the U.S., Canada, and all the NATO countries would also be subordinated to this new arrangement, in which the Soviets controlled one pole, and financier/banking interests in the West the other.

The senator was a member of the steering committee of the Christian Democratic Party's Parliamentary Group from 1972 until his retirement, and is awaiting the publication of the latest of his four books warning of the dangers of Communist expansion, entitled, *Perestroikas: History and Prospects.* It exposes how Gorbachov's *perestroika* reforms are not a new phenomenon in the Soviet struggle to expand the global influence of Communism.

In his press conference, Carollo stressed that the next 10 years will be characterized by economic warfare, pitting the U.S. and Soviets against the rest of the world. "Gorbachov states in his book, *Perestroika*, that humanity has entered a new phase of economic interdependence," he said. "The question is, who will pay for the new U.S.-Soviet economic cooperation that will permit the Soviets to conquer the hungry countries of the Third World?"

Carollo answered his question, saying, "Europe is supposed to pay the bill for all of this." This, he said, is "a worldwide political goal, a single goal, although no one is willing to admit it." Therefore, it should not be surprising that Europeans react to this emerging arrangement by trying to preempt it with economic deals of their own with the Soviets. "Why should anyone be surprised to see the Europeans trying to make their own deals with the Soviets to try to undercut the U.S.-Soviet arrangement," he asked. "What should Italy do? Should it built 1,000 more Fiat plants in the Soviet Union?" He said, "If Europe has to pay the price for this U.S.-Soviet global arrangement, then we should let Europe negotiate what it will get."

He said it is a particularly ominous sign that Gorbachov has asked to be seen by the Pope in Rome and invited the Pope to Moscow. "This suggests that there is no longer a threat of becoming a victim of atheistic Communism," he said. "As a result, Marxist-Leninist ideology will creep into Western Europe because there will be no theological or cultural resistance to

it." He asked, "Is it the intention of the U.S. to have Western Europe become a member of the Comecon?"

Carollo said it is LaRouche's opposition to the bipolar power-sharing arrangement being worked out between the Soviets and financial powers in the West which made him the victim of political persecution. "I am motivated by bitterness having to do with the arrest and jailing of LaRouche," he told reporters. "The dramatized charges against him are nothing but a pretext."

He said that LaRouche "has explained and illuminated these issues" of the new bipolar global arrangement. Therefore, he said, the Soviets "are not happy with certain kinds of news circulating into Eastern Europe coming from LaRouche." Likewise, "Financial and banking circles and politically powerful persons in the U.S. are not happy about the news and facts that LaRouche has been circulating, and want to see this activity come to a halt." In the Soviet Union, he noted, such activity is dealt with simply by sending the perpetrator straight to jail. In the West, it is done through persecution, led by the media.

"Financial groups control the press in the West and control the information that flows through it. They impose their will with this asset through political blackmail. In the case of stopping LaRouche, he said, "There was total agreement between the financial powers in the West and the Soviets.

"LaRouche is being persecuted in a way that would never be possible in Italy, West Germany or France."

Carollo's three earlier books on the threat of Communism are The Revolutionary Bourgeoisie for Communism, Marxist-Leninist Peace and Christian Peace, and Democracy, the Bourgeoisie and the Working Class.

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Congressional Closeup William Jones

Gingrich elected as House GOP Whip

The two-vote majority won by the flamboyant Georgia Congressman Newt Gingrich in the election for House Whip (the deputy to the House Republican leader) on March 22, assures that sparks will fly in the House during the 101st Congress.

Gingrich, netting a good deal of publicity recently from his attacks on House Speaker Jim Wright's (D-Tex.) financial affairs, ran for House Minority Whip in order to give the Republicans a more aggressive profile in the House, which they hope will improve their representation in future elections

The Gingrich candidacy was opposed by the GOP leadership and Republican moderates, including Minority Leader Robert Michel (Ill.), who felt that making Gingrich House Whip would be like showing a red cape to a bull, with all the enmity his campaign against Wright has raised among House Democrats. Michel and the moderates were mobilizing support for the more conciliatory Edward Madigan (Ill.), but widespread GOP frustrations over the dictatorial control Democrats have wielded, were given vent in the Gingrich victory.

Gingrich, a member of the conservative Young Turk section of the House Republicans, was able to capitalize on these frustrations among Republicans, securing a 87 to 85 majority over Madigan. Judging from the reactions of leaders of both parties, the Gingrich election will mean a more polarized House, where Republicans now hold only 174 of the 435 seats.

Although Gingrich has been unusually soft-spoken and demure in his public statements since his election to the Whip post, it's clear that the offen-

sive against Jim Wright, whom Gingrich calls "the most corrupt speaker in the 20th century," will continue. Michel, dismayed by the Gingrich victory, commented that it was a clear message from House Republicans that they want the House leadership "to be more activated and more visible and more aggressive," adding that "we can't be content with business as usual." With the volatile Gingrich in the Republican leadership, House business promises to be far from routine.

Helms calls for drug decertification of Mexico

Sen. Jesse Helms (R-N.C.) introduced a resolution on March 16 disapproving the action by President Bush certifying that Mexico is fully cooperating in the war on drugs.

Under the Anti-Drug Abuse Actof 1986, any country not so certified will be deprived of economic, military, and other U.S. assistance. On Jan. 26, Helms had written to Secretary of State James Baker III asserting that key officials of the Salinas government were alleged to be tied to criminals. Helms said he had a list of high Mexican officials in the Salinas government who were allegedly involved in the drug trade.

In a clear threat to Mexico's national sovereignty, Helms demanded that persons pinpointed by the U.S. as being involved in drugs be extradited to the United States. Helms requested that Secretary Baker delay asking for Senate approval of the Mutual Legal Assistance Treaty with Mexico until the President can assure the Senate that leading officials in the Salinas government are not connected with drug traf-

ficking "and other international crimes."

Helms used the opportunity to also flail Panama. Helms is quite cocky in asserting that his Teddy Roosevelt style attack on nations south of the U.S. border will not hurt U.S. economic or diplomatic interests. But with the debt bomb ticking all over Ibero-America, the good Senator from North Carolina may find egg on his face when his "arrogance of power" reaches a threshold which these nations' leaders can no longer tolerate.

Gore urges emergency population summit

Sen. Albert Gore (D-Tenn.) called for an emergency international summit to cut the world's population in an op-ed published in the *International Herald Tribune* on March 22. Earlier in the *New York Times*, Gore called for reversing technological progress and assisting humanity in taking a self-concerted plunge into a New Dark Age.

Entitled "The Environment Indicts Our Civilization," Gore attacks "surging" human population and "environmental vandalism," comparing the "waffling" of "world leaders" in the face of this supposed environmental Armageddon to the passivity of people in the 1930s toward the rise of Hitler. Gore blames the usual hoaxes of the ozone layer, greenhouse effect, and the like on "our global appetite for the earth's abundance" which "grows every year." "We transform the resources of the past," moans Gore, "into the pollution of the future, telescoping time for self-indulgence in the present."

Gore then calls for a "series of global summit meetings to seek the unprecedented international cooperation that the environmental crisis will demand."

Although the policies of the same grain cartel which oil the Senator's political machine have, with the help of similar environmental demagoguery, seen to it that not enough food will be produced to feed the world's population, the Senator still complains that there are too many mouths to feed.

Gore stops short of supporting the Chinese model of forced abortions and involuntary sterilizations, or praising rising infant mortality rates as does his co-thinker, Lester Brown.

A recent concurrent resolution introduced in the House by Rep. Christopher Smith (R-N.J.) condemns these policies in China and calls for the reinstatement of the Nuremburg war crimes criteria for those who propagate them. It ought to make the Senator think twice.

Sen. Baucus introduces Greenhouse bill

Sen. Max Baucus (D-Mont.) introduced the "Global Environmental Protection Act of 1989," into the Senate on March 17. The bill is a series of measures now being deliberated on in the Congress to legislate new restrictions on production and consumption, and draconian police state measures to prosecute violators.

The bill begins by saying, "Congress, recognizing the profound, irreversible and potentially catastrophic impacts of humanity's activities on the global atmosphere and the world's environment, and the inability of science to predict with certainty the consequences for humanity of any such

changes, hereby declares that each person has a responsibility and obligation to avoid contamination of the atmosphere."

The bill aims at "reducing significantly the production and emission into the atmosphere of pollutants caused by human activities" by "eliminating atmospheric emissions of manufactured substances with ozone depleting potential."

One section of the bill deals with measures to reduce the emission of chlorofluorocarbons and related chemicals. Another deals with the emissions of carbon dioxide, and a third deals with the emission of methane. Iron and steel manufacturing operations, and pulp and paper mills, for example, must reduce their emissions of carbon dioxide by the year 2000 to not more than 25% of their 1988 levels. Synthetic fiber plants must reduce their carbon dioxide emissions by not less than 35% during that same period.

The Environmental Protection Agency is mandated to develop regulations establishing standards and requirements regarding chlorofluorocarbon use. These regulations would include requirements to "reduce the use and emission of such substances to the lowest achievable level," and may demand use of alternative substances.

The EPA is also authorized to establish standards and requirements for the "recapture, recycling, and safe disposal of substances covered by this act," including forbidding the manufacture or distribution of "any appliance, machine or other good" containing said substance "unless it is equipped with a servicing aperture which will allow the recapture of such substance during service and repair."

Federal enforcement against vio-

lators of the act would include penalties up to \$25,000 for each day of noncompliance. Anyone who exceeds the emission limits set by the bill or who knowingly introduces into interstate commerce a substance that is categorized in the bill as a polluting agent, can be fined or imprisoned for up to two years.

Senators prepare Panama election intervention

Sen. Alfonse D'Amato (R-N.Y.) introduced a bill to authorize the Agency for International Development to pay the expenses of an official "election observation mission" for the 1989 national elections in Panama, during floor debate in the Senate on March 17.

"The United States has a special responsibility here," said D'Amato. "We are the ones who held up democracy as a model for the world. Now, right in our own neighborhood, the yearning for freedom promises to yield positive results, so long as forces of repression and the enemies of democracy are not allowed to thwart a free and fair opportunity for the people of Panama to decide their own future."

So as not to create any illusions as to the role such "observers" would play, D'Amato took aim at Gen. Manuel Noreiga. "I think we have an opportunity to demonstrate to our Latin American and South American neighbors that we are prepared to stand for democracy, that we are prepared to expose this dictator and tyrant for what he is. . . . I am sure that this legislation will pass speedily and I look forward to our seeing to it that it is implemented with all of the strength, vigor, and determination at our disposal."

National News

NATO alliance eroding, analysts warn

Three State Department analysts warned of the consequences of the erosion of the NATO alliance in the *Washington Post* March 19.

Authored by Kenneth Dillon, Glenn Cella, and Bowman Miller, the article reviews the shift in European opinion toward the United States in the last 20 years. The shift in the traditional postwar view of the United States, stressed the authors, has been augmented by the Soviet use of direct propaganda, disinformation, and agents of influence to besmirch the U.S. image in European eyes.

The authors feel that the alliance will survive the current strains, but stress that "successive bouts of anti-Americanism drain the reservoir of good will and sense of joint purpose" that has made the alliance so successful.

"In the long term," they add, these bouts "lead members—including the United States—to give more credence to alternative solutions to their security problems." "The cumulative, corrosive effect is the real concern," the authors conclude, "and also by nature the most difficult to isolate and treat before it is too late."

Environmentalist foreshadows fascism

The North American drought should be the "environmental Pearl Harbor" to force through a global population reduction and land conservation campaign, says Lester Brown of the Worldwatch Institute in Washington, D.C., in Worldwatch's "State of the World 1989" report.

A raving malthusian, Brown argues that global food shortages are caused by environmental damage, and technological progress in agriculture will no longer be able to increase food production, since such technological breakthroughs "have largely run their course."

Therefore, the only measure that will work is worldwide land conservation and aggressive efforts to cut population growth. Brown asserts that the one positive trend in world population, is that the infant mortality rate in Africa and Latin America is rising. "By the end of the next decade, food security may replace military security as the principal preoccupation of many governments," he adds.

Says Brown, "My guess is that the Pearl Harbor in the battle to save the planet will probably be the next major drought in North America."

Mafia cases given to U.S. Attorneys

U. S. Attorney General Richard Thornburgh has tentatively decided to abolish most or all of the government's 24 regional Organized Crime Strike Forces, which were set up decades ago to eliminate Mafia influence, according to the *New York Times* March 19.

Thornburgh told the *Times* that the problem with the strike forces "is that they are an independent field office of the Department of Justice that competes with the U.S. Attorneys."

Thornburgh said he would prefer to replace the strike forces with a "cadre of experienced prosecutors" who could be dispatched from Washington to assist the U.S. Attorneys in handling organized crime cases. The new model is said to be the operation set up by U.S. Attorney Rudolph Giuliani in the Southern District of New York, and will likely give greater centralized political control over the new task forces. The plan to dismantle the strike forces comes as the units are winding up an extraordinary series of successful prosecutions of high-level Mafia figures.

Debt-drug link used to attack sovereignty

The U.S. State Department's Bureau of International Narcotics Affairs prepared a re-

port during March calling for using Third World debt as a "lever" in gaining cooperation on drug control issues.

According to journalists who have received the report, entitled the "International Narcotics Control Strategy Report," "this is just another U.S. attack on sovereignty."

Reportedly the State Department has called for the creation of a "superfund" of \$300 million to provide assistance to those Third World countries that cooperate with the United States to bring the drug situation under control. Afghanistan, Burma, Iran, Laos, Lebanon, and Syria are listed as countries which have refused to cooperate on drug matters, and therefore should be cut off from potential U.S. aid.

The report pointedly excludes mention of the People's Republic of China, the world's largest opium producer, in promoting the trade.

Allied commander calls for stand-off missile

NATO Supreme Allied Commander Gen. John R. Galvin, called for the development of an air-launched stand-off missile capable of carrying the battle in Europe to the Warsaw Pact's rear echelons, in an article published by NATO's Sixteen Nations on March 22. NATO lost such capability with the signing of the INF Treaty and the dismantling of the Pershing II missiles.

In the context of the ongoing debate on the modernization of the ground-based Lance missile, Galvin said that NATO should not "be dependent on just one weapons system." Besides a modernized Lance version for the 1990s, it should also have "a follow-up system to the Lance with a larger range and greater precision."

Galvin called for a "tactical air-ground missile with a range of 400 kilometers, which would enable our own aircraft to escape the highly-developed air defense system of the Warsaw Pact." Such a missile would enable NATO aircraft to "hit targets in the rear combat zones of the Warsaw Pact," Galvin explained.

Cardinal Casaroli defends the SDI

"The Strategic Defense Initiative could be the temporary solution [to the problem of peace], though not the real solution to the nuclear age," stated Cardinal Agostino Casaroli, the Vatican secretary of state, on March 19. Casaroli was speaking at Georgetown University, in Washington, D.C. on "Catholic Teaching and International Relations: Assessing the Present and Shaping the Future."

The Cardinal repeated twice that the SDI could be a "temporary" or a "partial" solution to peace, giving possibly the clearest, and most favorable assessment of SDI from the Catholic Church to date. He cautioned, however, that the SDI could also raise problems "for the other side, because one power by defending itself can attack the other."

Casaroli attacked the concept of Mutually Assured Destruction. "Whatever forms and modalities deterrence may have taken. today, it has a name: terror! And terror has, in its turn, a name and rationale: Mutually Assured Destruction (MAD). Contrary to what Winston Churchill deemed to think at the start of the nuclear age, 'survival' will not be 'the twin sister of destruction.' Destruction will have for her twin sister only further destruction!"

The Cardinal also pointed to the "intoxications of Realpolitik," in what some observers saw as a denunciation of Kissingerism. He called for new relations based on "Natural Law" and offered the services of the Catholic Church as moral advisers to

Casaroli linked the military question with the question of debt, quoting a papal encyclical, "In today's world, including the world of economics, the prevailing picture is one destined to lead us more quickly toward death, rather than one of concern for true development." He cited Pope John Paul II's encyclical that the true name for peace is development.

A priest, who did not declare his name, accused Casaroli of having suppressed a document issued by the Pontifical Academy of Sciences in 1983, because it rejected SDI. Cardinal Casaroli answered that the Academy is not an official institute of the Vatican, but represents only its members.

Scientists refute ozone scare

An increasing number of leading scientists are refuting environmentalist hysteria that ozone depletion and chlorofluorocarbons (CFCs) are destroying the ecology.

Osmund Holm-Hansen, head of polar research at Scripps Institute of Oceanography, told the Wall Street Journal March 21, "There is no real cause for alarm." Penny Panhale, the National Science Foundation's program manager for polar biology and medicine, also told the Journal, "Researchers aren't seeing any pronounced effect from ultraviolet radiation." Polar plants "seem to have ultra-violet blocking compounds."

Climatologist Reed Bryson from the University of Wisconsin told EIR March 16 that the large increase in chlorine in the Antarctic is due to the eruption of a volcano upwind from the monitoring station at MacMurdo, which is ejecting several times more chlorine and sulfuric acid into the atmosphere than all man-made chemical pollution.

Bryson said a recent study showed that the amount of ultraviolet radiation reaching the United States is lower today than 10 years ago, in contradiction to the "ozone depletion" theory.

Fred Singer, the chief scientist of the Department of Transportation, told EIR in an interview March 16, "There is no scientific evidence to warrant a phase-out of CFCs." The claims of the Ozone-Trans panel that the ozone layer over the United States has been depleted by 3% is completly absurd, he said, since the seasonal variability of the ozone layer is 100 times greater than their calculations.

In the 1970s, Department of Transportation plans to build a supersonic transport (SST) faster and larger than the Concord were killed by environmentalist allegations that it would destroy the ozone layer.

Briefly

- DR. JAMES FLETCHER announced that he will resign as NASA administrator on April 8, stating that he had come back to NASA for a second tour as administrator to help after the Challenger accident, but that he had been anxious to return to private life all along. Dr. Fletcher stated that he is "getting on in years."
- WILLIAM REILLY, head of the Environmental Protection Agency, said he still believed the Natural Resources Defense Council to be "a responsible and effective environmental organization," after the NRDC lied about the dangers of the chemical Alar in a report that caused mass panic across the country.
- RICHARD CHENEY, the new secretary of defense, told the Washington Times March 17 that the threat from the Soviet Union is decreasing while the threat from the Third World is mounting. "I think . . . especially if current trends continue, that is to say, if we see a lessened Soviet threat, that increasingly our military requirements are going to be influenced by the need to deal with conflicts in the Third World to deal with low-intensity conflict."
- HOMOSEXUAL adoptions were banned by the Washington State Senate, which approved a bill March 16 to prohibit homosexuals from becoming foster parents. The bill was introduced last year after a case of sexual abuse occurred in a state-licensed foster home.
- PRESIDENT BUSH lambasted the media for picking on him while he is dealing with "ticking time bombs we need to defuse without delay," in speeches in Houston and Colorado Springs March 16. The President identified the ticking time bombs as Third World debt, drug abuse, insolvent savings and loans institutions, and his minimum-wage proposal.

Editorial

Secret government unravels

Many of our readers, who have been horrified as well as angered by the frameup conviction of Lyndon La-Rouche and his fellow defendants, will be pleased that the defense has now released a bombshell, indicating that the foreman of the jury, Buster Horton, was part of a "Get LaRouche" task force which included such infamous figures from the Iran-Contra affair as Oliver "Buck" Revell and Oliver North.

The significance of this revelation is twofold: In any honest court, this would be immediate grounds for the declaration of a mistrial; it is a devastating exposure of the workings of the secret government. LaRouche's repeated indictments of the role of secret government henchman Horton, in press interviews, will also resonate nicely with the similar revelations coming out of the Ollie North trial.

This is a unique opportunity to pull the loose thread on the shadow government which rules the United States today. While few people are taken in by the farce of Soviet elections, to believe that the U.S.S.R. is now a democratic regime, most underestimate the extent to which police-state rule is now becoming entrenched in the West, particularly in the United States.

This exposure of Horton and his role in coordinating for the Agriculture Department with the Federal Emergency Management Agency (FEMA) coincides with a managed series of crises intended to introduce global "green fascism."

Sen. Albert Gore, in a recent commentary which appeared in the *New York Times* and the *International Herald Tribune* among other newspapers, compared failure to act to stop the so-called greenhouse effect to the appeasement of Adolf Hitler. This may seem so demented as to be almost humorous, but Gore is deadly serious in his intention to support President Gorbachov's demand that a global ecological police force be created to run the world on the model of Soviet justice.

The revelations about how the secret government has been operating to subvert justice in the United States coincide with a similar series of revelations in Great Britain. In this instance, it is the perversion of that nation's ruling political and financial elite which is threatening to destabilize the government.

Call-girl Pamella Bordes has operated simultaneously as the mistress of the brother to the reputed chief of Libyan dictator Qaddafi's spy and terror service, and as a security-cleared research assistant at the House of Commons. There is a connection between these scandals and the U.S. Iran-Contra debacle.

The link is weapons trafficking, as confirmed by the British counterintelligence service, MI-5.

The brother to Qadaffadam, the Libyan terror chief, is an associate of figures such as Adnan Khashoggi, the Saudi arms merchant who was at the center of arms deals between the Reagan administration and Iran. He is also a business partner of "Tiny" Rowland, who, with Khashoggi, helped fund the North-Secord operations.

There has to be a good deal of queasiness right now in the closest circle around George Bush, because they realize fully the implications of the London revelations, as well as those of LaRouche. The crowd that put Bush into power did so on the basis of brutally jamming the lid down on any mention of their nominee's role in the Iran-Contra scandal.

Now, they know they don't control the center. Their operation was but a part of someone else's game. With the lid now coming off in London, the coverup which has been maintained is going to, perhaps shortly, blow apart.

Once again, those who fixate on the question of power per se are about to find that their writ is not absolute.

The governments of Britain and the United States are being called to account under conditions of deepening strategic, political, and economic crises. Without policies such as Lyndon LaRouche has continuously espoused, which would destroy the power of the economic oligarchy to carry out their plans for introducing a New Dark Age, the Bush and Thatcher governments may indeed be brought down, only to be replaced by an equally evil bunch of scoundrels.

Key to the future of humanity is forcing the issue of the immediate freeing of LaRouche and his associates.

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