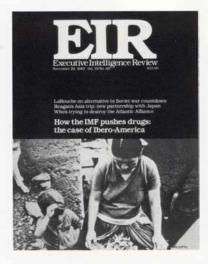


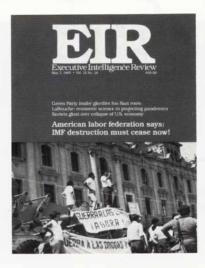
Is Mexico next on Bush's invasion agenda? Interview: Beijing Autonomous Union leader More carbon dioxide could help our atmosphere

Open the secret government's police-state files!



# IMF Commits Crimes Worse Than Hitler's







What is the International Monetary Fund really? Who controls this supranational institution, whose power is greater than that of sovereign governments, and which imposes economic conditions on member states that lead to genocide worse than that for which Nazi war criminals were hanged at Nuremberg?

Executive Intelligence Review (EIR), the weekly journal founded by U.S. economist and political figure Lyndon H. LaRouche, documents the murderous plans of this bankers' cartel, in the perpetrators' own words.

- The IMF pushes drugs. The Fund forces developing-sector countries to grow the most profitable cash crop of all: dope. In the words of an IMF specialist on Colombia: "From an economic viewpoint, marijuana is just a crop, like any other. It brings in foreign exchange, and provides income for the peasants."
- The IMF demands "population control" as the prerequisite for credit. As World Bank chief Robert McNamara put it, "devaluation is a population control policy." This is a *conscious* policy, aimed to reduce the non-white races.
- The IMF promotes communist insurgency. Said Fidel Castro, "The International Monetary Fund alone still inspires confidence in me. It is the IMF that will realize all my plans."

EIR provides the vital political and economic intelligence for patriots of all nations who seek to destroy the power of the IMF and kindred institutions. Under Mr. LaRouche's direction, it presents detailed recommendations on how to launch a global economic recovery, through Great Projects for high-technology-vectored development. It is the lifeline of a growing international political movement. You too can join!

To subscribe, or for further information, please write: **EIR News Service, P.O.** Box 17390, Washington, D.C. 20041-0390, U.S.A.

EIR Nachrichtenagentur GmbH, Postfach 2308, Dotzheimerstrasse 164, 62 Wiesbaden, Federal Republic of Germany

For subscription rates, see inside back cover.

#### From the Editor

We were privileged to attend the third international conference of the Martin Luther King Tribunal in Washington, D.C. over the weekend that culminated on Monday with the late Dr. King's birthday, Jan. 15, a federal holiday in the United States. The Tribunal was founded one year ago in Rome, Italy, after the shocking conviction of Lyndon LaRouche and six associates in the Alexandria "railroad" trial, of a series of vague conspiracy charges thinly masking the intent of the U.S. government to rid itself of a cumbersome political critic.

Just as Martin Luther King's historic "dream" was not killed by the assassin's bullet that took his life in 1968, Lyndon LaRouche's political movement has not been destroyed by the injustice that has now kept him in prison and at risk of his life for one year. Rather, the leaders of the movement built by Dr. King in the United States are joining forces with the fight for political and economic justice worldwide. Many who have suffered injustice—from the hungry and homeless in the United States, those whose nations are being slaughtered on the altar of superpower pacts in Panama and Lebanon, the fighters against communism in Europe and China, the victims of the Soviet-puppet "Office of Special Investigations" in the U.S. Justice Department, the farmers denied the right to produce, the veterans of the uncompleted U.S. civil rights struggle, to those who repeatedly risk jailing to defend the nation's future in the unborn heard each other's stories and moved to forge a unified, hence victorious struggle for common aims.

In this issue, we offer a report on the conference (p. 58) and two of the presentations (p. 20, p. 61). More will follow in coming issues of *EIR*. Also, in the next issue, we will present the full text of a statement closely related to the theme of the Tribunal, by one of the world's foremost constitutional law scholars, Prof. F.-A. von der Heydte, on "The U.S. Invasion of Panama: An Evaluation from the Standpoint of International Law." He judges the invasion as "an undeclared war of aggression in violation of international law."

Two very special pieces in this issue are recommended. On p. 54, we celebrate Mozart's birthday (b. Jan. 27, 1756) by doing justice to his memory; on p. 42, we run an interview with the only labor leader of the Tiananmen Square movement to escape from China to the West.

Nora Hanerman

Founder and Contributing Editor: Lyndon H. LaRouche, Jr.

Editor: Nora Hamerman

Managing Editors: John Sigerson, Susan Welsh Assistant Managing Editor: Ronald Kokinda Editorial Board: Warren Hamerman, Melvin Klenetsky, Antony Papert, Gerald Rose, Allen Salisbury, Edward Spannaus, Nancy Spannaus, Webster Tarpley, William Wertz, Carol White, Christopher White

Science and Technology: Carol White Special Services: Richard Freeman Book Editor: Katherine Notley Advertising Director: Marsha Freeman Circulation Manager: Cynthia Parsons

INTELLIGENCE DIRECTORS: Agriculture: Marcia Merry Asia: Linda de Hoyos Counterintelligence: Jeffrey Paul Goldstein Economics: Christopher White

European Economics: William Engdahl,

Laurent Murawiec

Ibero-America: Robyn Quijano, Dennis Small Medicine: John Grauerholz, M.D. Middle East and Africa: Thierry Lalevée Soviet Union and Eastern Europe: Rachel Douglas, Konstantin George Special Projects: Mark Burdman United States: Kathleen Klenetsky

INTERNATIONAL BUREAUS:

Bangkok: Pakdee Tanapura, Sophie Tanapura Bonn: George Gregory, Rainer Apel

Bonn: George Gregory, Rainer A Copenhagen: Poul Rasmussen Houston: Harley Schlanger

Lima: Sara Madueño Mexico City: Hugo López Ochoa, Josefina

Menéndez

Milan: Marco Fanini New Delhi: Susan Maitra Paris: Christine Bierre Rio de Janeiro: Silvia Palacios Rome: Leonardo Servadio, Stel

Rome: Leonardo Servadio, Stefania Sacchi

Stockholm: Michael Ericson Washington, D.C.: William Jones Wiesbaden: Göran Haglund

EIR/Executive Intelligence Review (ISSN 0273-6314) is published weekly (50 issues) except for the second week of July and last week of December by EIR News Service Inc., P.O. Box 17390, Washington, DC 20041-0390 (202) 457-8840

European Headquarters: Executive Intelligence Review Nachrichtenagentur GmbH, Postfach 2308, Dotzheimerstrasse 166, D-6200 Wiesbaden, Federal Republic of Germany

Tel: (06121) 8840. Executive Directors: Anno Hellenbroich, Michael Liebig

In Denmark: EIR, Rosenvaengets Alle 20, 2100 Copenhagen OE, Tel. (01) 42-15-00

*In Mexico:* EIR, Francisco Díaz Covarrubias 54 A-3 Colonia San Rafael, Mexico DF. Tel: 705-1295.

Japan subscription sales: O.T.O. Research Corporation, Takeuchi Bldg., 1-34-12 Takatanobaba, Shinjuku-Ku, Tokyo 160. Tel: (03) 208-7821.

Copyright © 1989 EIR News Service. All rights reserved. Reproduction in whole or in part without permission strictly prohibited. Second-class postage paid at Washington D.C., and at an additional mailing offices. 3 months—\$125, 6 months—\$225, 1 year—\$396, Single

**Postmaster:** Send all address changes to *EIR*, P.O. Box 17390, Washington, D.C. 20041-0390.

## **EIRContents**

#### **Interviews**

#### 40 Prof. Adrian Vasilake

The founder of the Committee for the Rebirth of Romania. interviewed in Milan, discusses plans for rebuilding the country's ruined physical economy.

#### 42 Yue Wu

Of the thousands of workers who stood alongside students in the Tiananmen Square democracy demonstrations, the deputy head of the Beijing Autonomous Union of Workers, interviewed in Paris, is one of a very few who escaped from mainland China.

#### **Book Reviews**

#### 54 An unfinished requiem for **Wolfgang Amadeus Mozart**

David Shavin, a violinist and researcher into the history of stringed instruments, reviews 1791, Mozart's Last Year, and Mozart: The Golden Years 1781-1791, by H.C. Robbins Landon.

#### Science & Technology

#### 14 CO<sub>2</sub> increase could benefit Earth's biosphere

Research physicist Sherwood Idso not only debunks the "global warming" cult, but says that an increase in carbon dioxide in the atmosphere could help us grow greater quantites of food over greater parts of the globe.

#### **Departments**

#### 46 From New Delhi

Setting the value of human life.

#### 47 Report from Bonn

A genuine labor strike movement.

#### 48 Dateline Mexico

New financial blackmail.

#### 49 Andean Report

Colombia's drug mafia strikes back.

#### 50 Panama Report

Accused narco was CIA bagman.

#### 51 Report from Rio

Superpowers eyeing Amazon, too?

#### 72 Editorial

"Yankee go home."

Correction: There were two errors of identification in our Jan. 19 issue. On p. 26, Edgar Paul Boyko is the former attorney general of the state of Alaska, and the program on which he made his remarks about the Dukakis campaign's refusal to hear reports of an alleged Bushnarcotics connection, was aired over station KEAG in Alaska. He also has a law office in San Diego. On p. 41, Román Rojas Cabot, a distinguished Venezuelan journalist, was mistakenly identified as a retired general. In our Jan. 12 issue, we omitted the byline of the article, "The hypocrisy of UNICEF." The author is Linda C. Everett.

#### **Economics**

#### 4 Campeau's bankruptcy is harbinger of raging storm

It was expected, of course, but but no amount of crisis-management can halt the waves of bank failures which will come in its wake.

#### 6 The planned disintegration of the savings and loan industry

#### **8 Currency Rates**

#### 9 Japan's premier in overture to Europe

Prime Minister Toshiki Kaifu concentrated on Bonn and Parisnot London.

#### 10 Banking

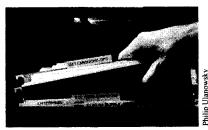
Washington changes the rules.

#### 11 Agriculture

Land trusts grab foreclosed farmland.

#### 12 Business Briefs

#### **Feature**



The Iran-Contra affair, the Panama invasion, and the judicial witchhunt against LaRouche all have a common theme: the unconstitutional abuse of executive power, and its later coverup.

#### 20 Restore justice to the lawless world of Kissinger and Bush

There's a red thread through the Bush administration's Panama invasion and its refusal to release documents incriminating the Iran-Contra honchos and exonerating Lyndon LaRouche: total disdain for the U.S. Constitution and the principles on which it is based. Warren Hamerman reviews the case of the secret government's "Get LaRouche" operations.

## 24 Classified information was withheld in the Iran-Contra and LaRouche trials

A fact sheet reviewing the kinds of exculpatory documents that the "secret government" has refused to release.

#### International

#### 30 Soviets bring Transcaucasus troops to 'wartime strength'

With glasnost and perestroika dead and buried, Moscow may use the latest crisis to take a big bite out of Iran.

- 32 Transcaucasus shadow looms over Lithuania
- 33 Soviet 'ecologism' for export only
- 34 Will the U.S. invade Mexico next? CIA, DEA and NBC in the Camarena case
- 35 U.S. starts 'Noriega treatment' on Mexico

## 37 What price the invasion of Panama?

**Documentation:** Appeals by Panamanian Defense Forces foreign affairs secretary Nils Castro and by Cecilio Simon, dean of the Faculty of Public Administration, Panama.

- 39 Anti-drug summit talks: Andean countries face U.S. 'Big Stick'
- 44 P.R.C. tries to shift to offshore defense
- 45 Land scammers feast on Middle East
- 52 International Intelligence

#### **National**

## 58 D.C. conference shapes worldwide fight for rights

The Third Martin Luther King Tribunal brought together in the nation's capital all the leadership elements required to form a single powerful mass movement for human dignity and freedom.

### 61 LaRouche discusses freedom and economy

The congressional candidate's in absentia address to the Martin Luther King Tribunal.

- 63 Neil 'Ceausescu' Hartigan uses Gestapo tactics against petition signers in Illinois
- 65 Bush administration courts greens, kooks
- 66 Military strategist refutes Wohlstetter doctrine

## 68 Next Virginia trial begins against Phau

Another "Get LaRouche" political trial.

#### 69 Eye on Washington

"Experts" fantasize about Europe.

70 National News

## **EIR Economics**

# Campeau's bankruptcy is harbinger of raging storm

by Anthony K. Wikrent

Canadian speculator Robert Campeau's formal admission of insolvency on Jan. 15, when his two U.S. retailing arms, Federated and Allied Department Stores, filed for Chapter 11 bankruptcy, is but the latest spasm of the collapsing Anglo-American financial system. From the investment houses and banks that have specialized in arranging and financing such highly leveraged transactions (HLTs) as the Campeau deal, to the debt-burdened companies themselves, the entire system of credit allocation is crumbling.

As physical economist Lyndon LaRouche has emphasized, the Campeau bankruptcy is not really news: The event had already been pre-discounted by the major players following Campeau's first debt default last September. CS First Boston, by far the investment bank most exposed to the Campeau bankruptcy, quietly announced that it had already written off half its losses at the end of 1989. Still, the numbers are impressive, and give some idea of the damage incurred.

CS First Boston has \$526.3 million in junk bonds and bridge loans on the line. Paine Webber is owed \$96.2 million on its bridge loan, and Dillon Read is owed \$48.1 million. State Street Bank of Boston holds \$194.4 million in Allied and Federated bonds (now selling at 11¢ on the dollar), and Manufacturers Hanover holds \$146.7 million. Security Pacific Bank holds \$93.3 million. First Bank of St. Paul holds \$75.8 million. Various other banks, including Chase Manhattan, Irving Trust, Bankers Trust, First National Bank of Boston, and Shawmut Bank of Boston, hold from \$30 to \$45 million of the bonds.

The point is not that these institutions have lost a bundle of money in the Campeau bankruptcy, but rather that their losses in the Campeau failure are only a fraction of their much larger exposure in loans to dozens of other companies that are in the same straits as Campeau.

As of November 1989, Manufacturers Hanover had \$3.7 billion in HLT loans outstanding, plus another \$1.7 billion in commitments. This represents 182% of its equity, loaned to a handful of companies that aren't much better off than Campeau. Security Pacific has \$4.6 billion, or 124% of its equity, tied up in HLT financing. Bankers Trust has sunk \$6.2 billion into HLTs, 193% of its equity, and Chemical Bank \$6.1 billion, or 225% of its equity.

The investment banks are probably in an even more precarious position, as bridge loans have come to be accepted standard practice "to get from one end of a deal to the other." In other words, an investment bank that is underwriting the issuing of junk bonds to take over a company, will often lend the amount needed for the buyout, expecting to be paid back within a few weeks or months, after the junk bonds have been sold. Even if the junk bonds aren't sold immediately, the bridge loans carry interest charges far above normal, sometimes as much as six points above the prime lending rate, which supposedly keeps the investment bank happy.

So long as something like Salomon Brothers' TVX Broadcast debacle doesn't happen, that is. Back in 1987, Salomon provided a \$247 million bridge loan to finance the buyout of TVX Broadcast Group. But Salomon was not able "to make a market" for the new owners of TVX, and in 1988 Salomon swapped the bridge loan for 79% preferred stock ownership of TVX. In September 1989, Salomon finally unloaded its TVX holdings to Paramount Communications for \$110 million, thus losing over half its money. CS First Boston, Paine Webber, and Dillon Read are now in a similar no-win situation with their junk bridge loan to Federated.

Exactly how exposed the investment banks are in their HLT deals is unclear. "Nobody's going to give you that information," John J. Kriz, an analyst at Moody's Investors

Services said, "because nobody has it. It can change from minute to minute, depending on if a deal is done or a loan is paid back. Besides, if they're privately held, they aren't required to tell anyone those sorts of things."

But in some deals completed last year, the size of bridge loans is known, and this indicates that the exposure is huge. Shearson Lehman Hutton and Merrill Lynch put out \$1.0 billion for the \$14.1 billion merger of Time, Inc. and Warner Communications. Shearson was involved in at least 174 merger and acquisition deals last year. Drexel Burnham Lambert provided a bridge loan of \$900 million for the \$1.6 billion buyout of West Point-Pepperell, Inc. Salomon Brothers, which was involved in well over 100 deals, also put out \$900 million in the \$1.2 billion takeover of Grand Union, as well as \$325 million for the \$734.6 million buyout of Envirodyne Industries. Inc. In two of the 85 deals it was involved in, CS First Boston loaned \$578 million for the \$3 billion buyout of American Medical International, and another \$450 million for the \$980 million failed buyout of Ohio Mattress Co. In two of the 56 deals Donaldson Lufkin Jenrette was involved in, DLJ loaned \$500 million for the \$1.6 billion buyout of TW Services, Inc. and \$475 million for the \$1.6 billion take over of CNW Corp.

#### One, two, many Campeaus

So, the real question is: How many other Campeaus are out there, and when will they explode? The answer of the Bushmen is, "There are no real danger signs at the moment," as White House press secretary Marlin Fitzwater said on Jan. 17. With the deflationary collapse of the economy, however, the real answer is that the number of potential explosions is tending toward infinity.

Actually, some of them began to blow a year ago. Fully 10 of the United States' 14 largest corporate bankruptcies have occurred in the last year, beginning with \$1.9 billion Continental Information Systems in January 1989. MCorp, the besieged Texas savings and loan holding company with \$20.2 in assets, \$4.0 billion Eastern Airlines, and \$2.8 billion First Columbia Financial all declared bankruptcy last March. The \$5.1 billion American Continental went into bankruptcy in April, and Rothschild Holdings, with \$2.8 billion in assets, filed in June. Southmark, the real estate and financial conglomerate with \$9.2 billion in assets, filed in July. In August, \$4.4 billion Texas American Bancshares went bankrupt. Lomas Financial, once the nation's largest mortgage banker, filed for bankruptcy in September with \$6.6 billion in assets. Every other of the largest bankruptcies has occurred since 1982, except for the 1970 bankruptcy of Penn Central.

The \$7.8 billion leveraged empire of Australian Alan Bond is now desperately fighting for survival in the Australian courts. Bond Corp.'s many creditors, led by National Australia Bank and the Hongkong and Shanghai Banking Corp., placed Bond Brewery Holdings in involuntary receivership after Bond missed an interest payment on its junk

bonds in December. Other creditors exposed to Bond include First National Bank of Boston, Toronto Dominion Bank, Standard and Chartered PLC, Midland, Indosuez, Drexel Burnham Lambert, Merrill Lynch, and Salomon Brothers.

Integrated Resources, the large diversified financial services put together by Drexel Burnham Lambert, is expected to file any day now for bankruptcy protection from its \$1 billion bank debt and \$800 million in junk bonds. Robert Ferguson's First Fidelity may strike the final blow that sinks Integrated, by demanding collection of an \$11.6 million judgment won against Integrated last month. Resorts International is close behind Integrated. The old Dope, Inc. front that was passed on to Donald Trump, who passed it on to Merv Griffin, is now locked in battle with its creditors, who are holding \$860 million in junk bonds.

Hooker Corp., another Australian company that, like Campeau, is concentrated in retailing, is hard pressed to service its \$1.2 billion in bank debt. Its American arm, L.J. Hooker, filed for bankruptcy in November, and was forced to liquidate its B. Altman chain when no buyer could be found. Hooker also owns the upscale women's apparel chain Bonwit Teller.

The real retail shocker may be Sears Roebuck, which has been digging itself deeper and deeper into trouble since buying Dean Witter Reynolds and Coldwell Banker. Neither acquisition has performed as expected, and the outlook for improvement is dim. Dean Witter is afflicted with the same collapse in brokerage fees that is hurting every other firm on Wall Street. Coldwell Banker is in real estate, an increasingly risky place to be these days. Worst of all, Sears' core merchandising unit seriously erred with its major shift in pricing strategy last year, and is now scrambling to repair the damage.

A study done by the high-yield research service McCarthy Crisanti and Maffei in October 1989, which assigned a 75% chance of bankruptcy within five years to Allied and Federated, assigned a 66% chance of failure to Interco, a major manufacturer and wholesaler of furniture, apparel, and footwear (Florsheim and Converse, among others) with \$1.1 billion in junk bonds plus some bank loans. Obviously, Interco is a prime candidate for being toppled by the shock waves set off by the Campeau bankruptcy, if payments to suppliers are cut off. United Merchants and Manufacturers, with \$180 million in junk bonds, and Morse Shoe, with \$230 million in junk, are also extremely vulnerable to Campeau's fallout. The Maffei study also assigned a 66% chance of failure to Southland Corp., the owner and operator of 7-Eleven, the nation's largest convenience store chain.

A 50% chance of bankruptcy was given to USG Corp. and to National Gypsum, two of the largest construction materials companies in the world. The collapse in real estate will definitely hurt these companies, and will probably push them over the edge, as well as a number of homebuilders that are already in trouble, such as M.D.C. Holdings, U.S. Home, and General Homes.

## The planned disintegration of the savings and loan industry

by John Hoefle

The blaring headlines about fraud in the savings and loan industry, centered lately around individuals such as Charles Keating and George Bush's son Neil—both of whom have been under investigation over the failures of their thrifts—would have one believe that corruption inside the industry has brought about the demise of the savings and loan institutions in the United States. Such a belief could not be further from the truth. The collapse of the S&L industry as a whole was planned by the highest levels of Wall Street, and was implemented as a deliberate policy by the federal government, as part of a strategy to consolidate the far-flung U.S. banking system into a tightly controlled cartel dominated by a handful of Wall Street giants.

While some of the thrift operators may not exactly be choir boys, the real fraud is that the nation's political and judicial systems, and its "news" media, have been cynically used by Wall Street to convince the public to accept the cartelization of American finance in the name of reform. The Constitution has been thrown out the window, as once again the financial establishment has chosen greed over morality, honor, and freedom.

Make no mistake about it: The campaign to destroy local banking is the driving force behind the S&L "scandals." That is the real reason the Department of Justice, the FBI, and the courts have been deployed to destroy the thrift industry, and the real reason the attack-dogs of the American press have been unleashed upon the thrifts with such a vengeance. Beneath the facade of "justice" lies a calculated campaign of deceit to mislead the American people into accepting an enormous increase in the control Wall Street financial institutions have over their lives.

#### It began with Jimmy Carter

The destruction of local banking in the United States began with usurious interest rates of Paul Volcker's Federal Reserve during the Carter administration, and the passage in November 1980 of Carter's Monetary Control Act of 1980, which began the process of deregulating the banking system. The bill began the phasing out of regulatory limits on the interest rates thrifts could offer their depositors—imposed by Regulation Q—and allowed federally chartered thrifts to sell adjustable-rate mortgages for the first time. The nominal purpose of these changes was to increase competition among

banks, and it did—but it did so on a playing field that was not level. Deregulation, as the originators and sponsors of the bill understood quite clearly, favored big banks over little ones, since the little local banks could not hope to compete with giants like Citicorp, Chase, and Bank of America.

The second phase of this cartelization process commenced with the passage of the Garn-St Germain Financial Institutions Deregulation Act of 1983, sponsored by Senate Banking Committee chairman Jake Garn (R-Utah) and House Banking Committee chairman Fernand St Germain (D-R.I.), and essentially dictated by Treasury Secretary Donald Regan, the former head of Wall Street giant Merrill Lynch.

In a 1983 EIR Special Report entitled "The Coming Reorganization of U.S. Banking: Who Benefits from Deregulation?" this publication warned that the effects of the two deregulation bills would be that: "The banking system will, in short, be reorganized under a system of corporatism, based on the model of the Mussolini state. A cartel of private bank corporations, having arrogated the powers of monetary credit creation from the nation-state, will simultaneously take control of the real economy through a joint planning board of the corporate sector and the government to 'plan' the economy." One has only to recall the recent statements by Wall Street guru Henry Kaufman on the coming corporatism, and compare them to the way in which the government has been organized to do the bidding of Wall Street around the S&L question, to see that EIR's forecast was right on the money.

Garn and St Germain knew what they were doing, and for whom they were doing it. On March 15, 1983, Garn told a meeting of the Washington-based International Bankers Association—the lobby for British, Swiss, and other foreign banks in the United States—that "in the real world, boundaries have broken down" between banks and other financial institutions, including geographical barriers. Garn announced that the Senate Banking Committee would hold "Oversight Hearings on the Condition, Structure, and Competition in the Domestic Financial Services Industry" to explore, he said, "all options including total repeal" of the McFadden Act, the Douglas Amendment, the Bank Holding Company Act, and the Glass-Steagall Act.

Over 60 persons testified in 13 days of hearings. Among them was Don Regan, who told the committee: "The administration favors renewed congressional efforts to eliminate restrictions on the geographic expansion of depository institution activities. Most such restrictions serve only anti-competitive purposes, to the detriment of consumer service and convenience. We are prepared to work with this committee to further deregulate restrictive geographic barriers . . . and for the passage of such legislation." The models Regan cited were "Citibank and BankAmerica, which operate subsidiaries in almost every state. They include branches of subsidiary finance companies, Edge Act corporations, and mortgage companies. It is rare for a large bank today not to have extensive interstate operations."

Regan's subordinate, Comptroller of the Currency C. Todd Connover, was even more direct. "The fact is that banks per se are not necessary to our economy," he said. "What is necessary are efficient, well-managed, competitive financial intermediaries that provide needed financial services. The public is totally indifferent to the legal form that provides these services. If banks want to continue to occupy their traditional position in commerce, they must shake themselves loose of restrictions. They need new powers to compete. At a bare minimum, those powers should include securities, insurance, and real estate."

Clearly, what Regan and Connover are referring to is the cartelization of American banking. Connover's comments on securities are especially revealing, fitting right in with

> So, You Wish to earn All Abou

conomics:

Garn's statements on Glass-Steagall. The Glass-Steagall Act of 1934 was passed to outlaw precisely the kind of megabank that the Regan crowd was aggressively pushing. Glass-Steagall separated commercial banking from investment banking and stock issuance to prohibit the kinds of abuses practiced in the 1920s and 1930s by J.P. Morgan and the National City Bank, which bailed out their corporate debtors by issuing huge amounts of worthless stock to their unsuspecting customers. This is the system to which Regan and his Wall Street cohorts wish to return.

Naturally, they dare not make such moves openly. As EIR identified in its banking report, "The Financial Institutions Deregulation Act is to be sold, as will the rest of the Schachtian, corporatist restructuring package we have reviewed, as a populist measure. Small country banks and savings and loans will be told that it gives them 'more power' to go into new fields of lending. They will be urged to organize mass voter support for the legislation. Nothing could be further from the truth. The new legislation is meant to shut down, permanently, thousands of smaller banks and other financial institutions."

As "The Strategic Plan of the Office of the Comptroller of the Currency"—issued by Connover in October 1981, but actually written by Carter's Comptroller John Heimann stated, "The national interest requires that there be a financial

## So, You Wish to **Learn All About Economics?**

by Lyndon H. LaRouche, Jr.

A text on elementary mathematical economics, by the world's leading economist. Find out why EIR was right, when everyone else was wrong.

Order from: Ben Franklin Booksellers, Inc. 27 South King Street Leesburg, Va. 22075

\$9.95 plus shipping (\$1.50 for first book, \$.50 for each additional book). Information on bulk rates and videotape available on request.



system which makes available to the public the widest variety of financial services in a competitive marketplace. The interests of users of financial services are the primary concern of the OCC—of even more importance than the preservation of the national banking system."

#### Kemp-Roth real estate bubble

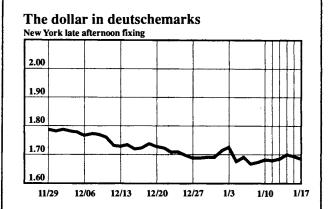
The third major legislative factor in the destruction of the regional U.S. banking and thrift system was the Kemp-Roth tax bill of 1981, which was designed to speed the shift of the economy from an industrial orientation to a service one, a "post-industrial" economy. The Kemp-Roth tax bill changed the tax structure such that it became more lucrative, from the narrowest short-term investment standpoint, for banks and other investors to funnel their money out of industry and into the service sector, especially into real estate. The tax breaks, coupled with the high interest rates of Paul Volcker's Federal Reserve, forced banks and other investors to seek the highest rates of return they could find, which for the most part meant real estate.

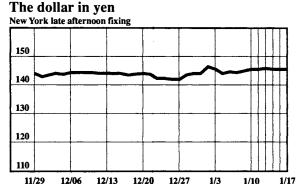
From a banking perspective, the bill might be considered the Kemp-Roth real estate bubble law. The effect of the bill is well illustrated by the case of Texas. During the period from 1982 through 1987, one out of every two new dollars lent by major Texas banks went into real estate, a pattern that was followed to a lesser extent nationwide by both banks and thrifts.

Then in 1986, James Baker III decided to close some of the real estate and oil partnership tax loopholes to help raise some tax revenues to deal with the federal budget deficit. This short-sighted policy removed many of the tax incentives which propped the real estate bubble, which was already beginning to collapse under the weight of the growing depression. The result was that throughout 1987 and 1988, the real estate sector began to unravel, and began to take the banking system with it. The S&Ls, which were hit by the decline of their traditional mortgage-lending business as well as the rapid decline of their commercial real estate lending, were caught in a situation where their asset base was eroding, and there was nowhere to turn to make up the difference. The savings and loan industry, as a direct result of government economic and tax policies, was hung out to dry. It had nowhere to go but under, which is exactly what is happening today.

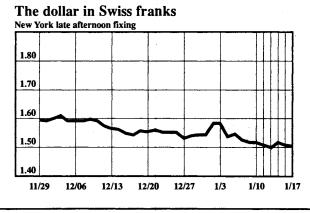
The entire savings and loan fraud scandal is a sham, designed to cover for the biggest asset grab in American history. Men like Charles Keating and Neil Bush are being sacrificed by Wall Street and the government as part of this process. It is indeed ironic that President Bush's own son is being victimized by the Bush administration's capitulation to Wall Street, but that is what happens when morality and law are sacrificed in the name of filthy lucre. The real tragedy is what it means for the nation and its people, who are also being sacrificed on Wall Street's financial altar.

### **Currency Rates**









## Japan's premier in overture to Europe

by Uwe Parpart

At the start of a nine-day European tour which took him to West Germany and Berlin, as well as to the Brussels headquarters of the European Community (EC), to Paris, London, Rome and the Vatican, Warsaw, and Budapest, Japanese Prime Minister Toshiki Kaifu arrived at the Cologne-Bonn airport on Jan. 8, accompanied by Foreign Minister Nakayama, Cabinet Secretary Fujimoto, and a group of parliamentarians and economic experts from the ruling Liberal Democratic Party (LDP). The tour de force made Japanese as well as European observers quick with their analysis: that the trip was essentially an exhibition put on for the benefit of the Japanese television audience, in view of the upcoming Feb. 18 elections to the lower house of Parliament. An apt Japanese expression was quickly found: Hapobijin, a pretty girl who flirts in eight different directions, and ends up with nobody. These images were evoked primarily because even though they were not part of the original itinerary, a visit to London (and then also Rome, as the capital of another big EC country) had become necessary because of the urgings which Mrs. Thatcher had made in Tokyo.

But after a two-hour discussion with West German Chancellor Helmut Kohl, and a speech by Prime Minister Kaifu at the public luncheon in Schaumburg Palace, most of the cynical commentaries disappeared. At the working meeting with Kohl, Kaifu laid out his concept of an economic power triangle—U.S.A./EC/Japan—which must also create a new order of economic ties to the countries of the Third World, and in which, in view of the economic development tasks facing Eastern Europe, the relationship between the Federal Republic of Germany and Japan would have a special role. This relationship should, as soon as possible, take on concrete forms, through frequent official as well as unofficial contacts between himself and the chancellor; a further advantage would be Kaifu's understanding of and interest in the situation in Germany, since for many years he has been the chairman of both the Parliamentary Japan-Federal Republic of Germany Friendship Group, and of the equivalent group for Japan and the German Democratic Republic (G.D.R.).

Such very new accents from a Japanese prime minister don't go down too well in London and New York. For example, last fall U.S. Treasury Secretary Nicholas Brady informed Japanese Finance Minister Hashimoto that Japan could best help Eastern Europe by working indirectly, through international financial institutions (i.e., the International Monetary Fund). And in England, the Japanese economic newspaper *Nihon Keisai* (Nikkei) picked up rumors that the Germans and the Japanese wanted to divide the Eastern European market between them.

In his luncheon speech, and later in the afternoon in his speech in Berlin at the Japanese-German Center, Kaifu took up the question of German unity: "You, Mr. Chancellor, have shown strong confidence and have undertaken great efforts to achieve this goal [of overcoming the division of Germany]. . . . I am full of admiration for the sublime endeavors of your country to work toward a state of peace in Europe, in which the German people, in free self-determination, can regain their unity."

In his Berlin speech, Kaifu spoke directly about Eastern European problems and proposed an initial plan for Japanese economic aid for Poland and Hungary. The immediate aid planned will be \$1.95 billion, allocated for technical help, emergency food aid, a contribution to the Polish currency stabilization fund, Export-Import Bank credits, etc. Already in February, a Japanese "Survey Mission on Economic and Investment Environment" will travel to Poland and Hungary, to make available more detailed plans. The extension of such an economic aid program to other countries, including the G.D.R., is envisaged. Kaifu stressed again the necessity to intensify, as fast as possible, the direct ties between Western Europe and Japan, in view of the tasks at hand in Eastern Europe.

#### The foreign policy context

At the end of his speech, Kaifu took up the more general aspects of the world political situation, for which he was immediately reproached by sections of the English and American press, fortaking an aloof position toward the Soviet Union: "In spite of dissipating ideological antagonisms and the shift in emphasis from confrontation to dialogue and cooperation in general in East-West relations today, the international situation remains opaque and fluid, and the Soviet Union still is a military superpower. Deterrence and balance of power continue to be the underpinnings of world security." And he wants to see the Soviet Union's "new thinking" applied also in the Asian Pacific area, including to the question of Japan's northern territories, which are still occupied by the Soviets, before a long-term improvement of Soviet-Japanese relations is possible.

Following his Berlin speech, Kaifu was asked by the East German communist party newspaper *Neues Deutschland* whether, during his visit to Berlin, a talk with G.D.R. Prime Minister Hans Modrow were planned. Kaifu replied that he had telephoned Modrow on Jan. 5, and learned that Modrow would not be in Berlin because of the Comecon conference. But the real reason was, that, in agreement with Chancellor Kohl's office, a visit to Berlin had been ruled out.

EIR January 26, 1990 Economics

### Banking by John Hoefle

#### Washington changes the rules

The government arrogantly breaks its contracts with buyers of failed savings and loan institutions.

In an amazing display of arrogance and contempt, the Office of Thrift Supervison has double-crossed the buyers of certain failed thrifts by retroactively declaring that certain funds the new owners were counting as part of their regulatory capital could no longer be counted. They are unilaterally changing the terms of the deals.

The ruling, announced Jan. 12, affects the buyers of 205 failed thrifts, which were sold in 1988 in 86 separate transactions. These sales occurred under the jurisdiction of the Federal Home Loan Bank Board (FHLBB), which has since been replaced by the Office of Thrift Supervision and the Resolution Trust Corp.

In its haste to sell the failed thrifts—during an election year when the Reagan-Bush administration was doing all it could to hide the depth of the crisis—the FHLBB made concessions to attract buyers, offering relaxed capital standards, tax breaks, and even guaranteed returns on some assets. Now that these deals have served their purpose, the administration has broken its word.

"We know we struck a deal based on their understanding of the rules," sniffed OTS deputy director of suervision John Robinson to the *Wall Street Journal*. "We have people that are hopping mad."

The OTS claims that the new interpretation of the rules was mandated by the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989, but lawyers representing the 1988 buyers disagree. What the government is really doing,

they say, is reneging on the deals, in effect illegally seizing private property.

The impact of the government's action upon some of the thrifts is enormous. For example, American Savings of California, the former Financial Corp. of America, bought by Robert Bass in December 1988, says that the ruling wipes about \$300 million in capital off its books. First Gibraltar, the new name for a group of Texas thrifts acquired by Ronald Perelman, will lose some \$40 million in capital. Both of these thrifts say that they will still be able to meet the regulatory capital standards, but it does make life more difficult for them.

The new ruling is actually the second time the rules have been rewritten, the first being with the passage of FIRREA itself. Northeast Savings of Hartford, Connecticut lost \$200 million in capital thanks to FIRREA, and now has lost another \$60 million, for a total of \$260 million. Northeast has filed suit against the federal government for its capricious actions. In all, five thrifts have filed suits over the changes the government has made in their contracts.

The problem that the thrifts will have in pressing their cases is that the government will claim it is acting in the public interest by requiring them to have higher levels of tangible capital. But the government is talking out of both sides of its mouth. Were the welfare of the public truly of concern, the government would have admitted the depth of the S&L crisis up front, before the 1988 elections, instead of

trying to manipulate the crisis behind the scenes. Had it done so, then these sweetheart thrift deals would not have occurred. What the government is attempting to do now is have it both ways: It used the buyers in 1988 to mask the crisis, and now it is piously claiming that it was had.

Besides being hypocritical and corrupt, the action is also quite stupid, coming at a time when the government is desperately trying to unload failed thrifts and their assets.

"If this is upheld, nobody will ever feel secure doing business with the government," Washington lawyer and thrift lobbyist Douglas P. Faucette told the Associated Press on Jan. 15.

"I don't know how you can enter into a contract with the government if you don't know if it's honorable," Lewis Ranieri told the *Journal*. "But I wish we were dealing less with a moving target." Ranieri also acquired a failed thrift, United Savings of Texas, at the end of 1988.

Despite the claims of some thrift operators that the OTS decision will not harm them, it clearly will hurt many of the 1988 buyers, who are operating in an increasingly hostile environment in which capital requirements are rising while real estate values and profitability plummet. Some of the affected thrifts are not going to make it.

"I suspect this means that the number of troubled institutions goes up," was the understated analysis of James Barth, the former chief economist at the OTS and now at Auburn University. "If some of these deals come unraveled, it will be more costly to put them back together again, if you can," he told Associated Press.

If you can, indeed. Buying a failed thrift is risky enough these days, without being stabbed in the back by the federal government.

#### **Agriculture** by Robert L. Baker

#### Land trusts grab foreclosed farmland

The Trilateral Commission "ecologists" are making a new bid for farmland that has gone out of production.

As 1989 came to a close, the Resolution Trust Corporation, set up to handle the national savings and loan disaster, was poised to dump 30,000 repossessed properties in a "fire sale" attempt to generate badly needed cash. There are thousands of acres of farmland in this inventory, and socalled conservation groups are on the move to usher in neo-feudalist landcontrol systems, in the name of "preserving soils," "protecting swamps," and what have you.

These outfits-connected to the Eastern Establishment and to transatlantic oligarchical families—have a battery of mechanisms to do this, including debt-for-nature swaps and Purchased Development Rights (PDRs).

PDRs are becoming the latest new tool for environmentalist organizations to use to shut down real economic development. Typically, these programs pay farmers and other landholders for their development rights by placing use-restrictions on the real estate deed, which are binding on the land for all successive owners.

The American Farmland Trust's 1988 annual report boasted, "We've laid the groundwork for PDR programs." AFT staff taught state legislators and thousands of local grassroots activists in Pennsylvania, New York, Vermont, North Carolina, Connecticut, and 17 other states how to set up PDR programs. Now, more than 22 states have set up PDR programs.

The American Farmland Trust was set up by the Conservation Foundation; on its board sit such Establishment figures as Trilateral Commission member Dwayne O. Andreas, chief executive of the food cartel giant Archer Daniels Midland Co.; Mrs. David Rockefeller, whose husband is chairman of the Trilateral Commission; and Robert B. Anderson, the son of Trilateral member Robert O. Anderson, who is the owner of Atlantic Richfield Co.

The Conservation Fund, whose president, Patrick F. Noonan, is the chairman of the board of the World Wildlife Fund and the Conservation Foundation, is eyeing the potential of Purchase Development Rights on an unprecedented scale.

In the Conservation Fund's first newsletter of 1990, it points out that the Federal Deposit Insurance Corp. (FDIC) and the Resolution Trust Corp. (RTC) are the newest recruits to the big leagues of land ownership. They are expected to handle about \$200 billion in real estate over the next few years, amounting to more than a million acres of land.

Rick Lowerre, of the Texas Center for Policy Studies, cites the sale last year by the Federal Savings and Loan Insurance Corporation (FSLIC) of 63 acres to the Florida Keys Land Trust as a model package. "Hopefully the Resolution Trust Corp. will use the inventory to market properties to public and private conservation buyers," he says.

Certain criteria will determine whether the conservation stakes in the bailout will grow larger. If the FDIC and RTC are considered "federal agencies" or "instrumentalities" of the government, then they and the property they repossess will be subject to the executive orders and environmental laws that will force several hundred thousand acres of land into restricted conservation uses. Officials of the RTC are currently meeting with the U.S. Fish and Wildlife Service and the National Park Service to explore these issues.

Precedent exists for such Purchase Development Rights. During the debt crisis with farmland, the Farmers Home Administration (FmHA) repossessed 1.5 million acres from coast to coast. Congress prohibited the lease or sale of the properties unless wetlands and historic sites within them were protected.

The Fish and Wildlife Service inventoried the lands for the FmHA and recommended nearly a thousand conservation easements, forever locking 100,000 acres into conservation uses, to which the FmHA agreed. For each succeeding owner of these properties, the easement use-restrictions will be forever attached.

The Massachusetts-based Trust for Reservations (TFR), the oldest land trust in America, whose director, Frederic Winthrop, Jr., is a board member of the American Farmland Trust, exemplifies the extremes to which PDRs can be promoted. The TFR set up the Massachusetts Farm and Conservation Lands Trust (MFCLT), as a supporting foundation that now specializes in buying farmland, selling off the development rights, attaching userestrictions to the land deed, and then reselling the land with "production restrictions" forever attached to deed. Since 1980, the MFCLT has purchased and resold 20 farm parcels totaling 1,800 acres.

This is now the blueprint that is being developed in thousands of communities across the nation, as groups like the American Farmland Trust teach local environmentalist groups to establish and fund programs to restrict the use of agricultural land.

### **Business Briefs**

#### **Inventions**

## Company found guilty of suppressing technology

A California jury has found a company guilty of suppressing new technology, and awarded \$18.3 million in compensatory damages and \$7.5 million in punitive damages, to two inventors.

The two had developed a solid-state ballast that allowed fluorescent lights to use 70% less energy, and sold it to Universal Manufacturing Corp., a unit of Magnetek, Inc. of Los Angeles. UMC had promised that it would market the technology aggressively, but instead buried it to protect competing products UMC already had on the market. The two inventors sued, and a jury found that they had been cheated out of between \$54 million and \$70 million in patent royalties that would have been earned if the ballast had been brought to market.

"It's deeply ingrained in American folklore that this kind of thing [suppression of new technology] goes on, but the provable instances have been few and far between," a San Francisco lawyer told the Jan. 15 Wall Street Journal.

#### Eco-Fascism

## Tax on CFCs destroying industries

On Jan. 1, a U.S. government-levied tax of \$1.37 per pound on all existing and future stocks of chlorofluorocarbons (CFCs) went into effect. Every business and corporation that had stocks of CFCs worth over \$1,000 on Jan. 1, 1990, will have to pay the government \$1.37 per pound come April 1.

The 300% tax on CFCs, which cost an average \$0.50 per pound, will make prohibitively expensive one of the most widely used and beneficial chemicals in the world. The tax will increase radically, reaching \$4.00 per pound of CFCs in less than six years.

At the same time the law creates what amounts to "a chemical cartel," according to a top expert in the refrigeration industry, who told *EIR* on Jan. 16 that the law mandates that only those chemical companies that produced or imported CFCs in 1986 will be allowed to continue production and sale of the chemicals under an allocation that caps further CFC manufacture at 1986 levels.

Chemical giants Du Pont, ICI, Allied, and Penwalt now have total control of the CFCs market in the United States. Anothersource in the refrigeration industry told *EIR* they are now paying between \$3.50 and \$4.00 per pound for the same Freon (CFC) which cost \$1.25 a pound in December.

The 300% tax on CFCs is a part of Bush's plan to reduce the federal budget deficit, according to the Environmental Protection Agency, and the government expects to collect more than \$7 billion from the tax.

Car air conditioners and refrigerators are expected to have shorter lifespans as a result of a CFC ban since the only available replacement for the Freon now used is HCFC-134a. patented by Du Pont. The replacement is three to five times more expensive than the CFCs it replaces, is 18% more inefficient, and it breaks the chemical bonds of the lubricants, which means that all the internal parts of the compressor grind up, destroying the unit. The equipment lubricant will break down in about three years for car air conditioners, and refrigerators will last seven years at best, less than half of the 15-18 year life expectancy of modern refrigerators. Car manufactures have already decided they can live with an air conditioner that will break down in three years.

#### Malthusianism

## Population control lobby demands more genocide

The Population Crisis Committee, founded by Bush family friend William Draper, Jr., issued a report on Jan. 16 demanding greater "family planning" efforts in the Third World in order to reduce illegal immigration into the United States.

Written by the PCC's Sharon Camp, the report states that uncontrolled population growth in countries like Mexico and the Philippines, is producing a jobs crisis in the Third World which will inevitably produce a new

wave of illegal aliens coming into the United States. Camp says that the U.S. foreign aid budget for family planning assistance, currently \$240 million a year, needs to be substantially increased.

The report castigates the Roman Catholic Church's opposition to artificial contraception and abortion, saying it makes many Third World politicians reluctant to support birth control services and to set national population goals.

#### Third World Debt

## Indian minister warns of 'debt trap' danger

Indian Finance Minister Madhu Dandavate warned of the danger of a "debt trap" for Third World nations which drains resources from development programs in order to finance debt repayment.

"There is an urgent need for our country not to get entangled in a debt trap," the finance minister said according to Reuters Jan. 14.

Indian external debt will rise to \$60 billion by the end of the 1989-90 fiscal year in March from \$55 billion the year before, he said. "That would imply the debt service ratio would be more than 30%, whereas the safe ratio is about 20%," he said. "The implication is that about one-third of our foreign exchange earnings will be spent on interest repayments rather than on developmental activities," he said.

#### Foreign Aid

## Global stability put at risk, Ershad warns

Global peace and stability faces peril if inadequate aid from developed nations continues, Bangladesh President Hossain Mohammad Ershad warned on Jan. 13.

"An augmented flow of resources would stimulate growth of the low income countries. But, unfortunately, development assistance from the industrialized nations has not reached the desired level," he told an economic seminar.

"Global peace and stability would face peril if the rich countries persistently ignored the pressing demand for balanced development of the world," the official BSS news agency quoted Ershad.

#### Space

#### Japan seeks to become third lunar power

Japan hopes to become the world's third lunar power during January when it launches a spacecraft into orbit around the Moon.

The Muses-A, which is scheduled to be launched from Kagoshima in southern Japan on Jan. 23, will carry two satellites. They are to intercept the Moon's orbit on March 20 and separate, with one orbiting the Moon and the other circling the Earth.

"The main purpose is to swing by the Moon and learn how to use lunar gravity to control satellite orbits," said Yasunori Matogawa, associate professor at the governmentfunded Institute of Space and Astronautical Science. In addition to gravitational studies, Muses-A will test Japanese communications equipment designed to send data from the outer reaches of the Solar System.

#### State Budgets

#### N.Y. deficit larger than projected

The New York State budget deficit is now five times larger than that projected as recently as November. With Gov. Mario Cuomo already scrambling to avert an estimated \$2 billion budget gap in next fiscal year's budget beginning April 1, revised projections show the state spent \$130 million more than it budgeted, while tax collections fell \$566 million below projections.

State budget director Dall Forsythe blamed the gap on the crisis in the Northeast. "New York City, New Jersey, Connecticut and other jurisdictions have previously acknowledged significant declines in actual revenue collections below levels previously projected," he said. "The state is not immune to this phenomenon."

The state may have to borrow money on a special short-term basis to cover at least some of the deficit before the March 31 end of the current fiscal year. The new state figures will make it very difficult for the governor to help New York City Mayor David Dinkins with the city budget crisis.

#### Science

#### Shuttle mission to study biological clock

The study of circadian rhythms, the study of the biological clock that exists in plants, animals, and man, are being studied on the Space Shuttle Columbia mission (Jan. 9-19), which is part of one of the secondary payloads.

Regardless of environmental cues, living systems have been shown to exhibit internal or endogenous clocks which affect sleep and many other kinds of behavior. Jet lag is a common human encounter with circadian rhythms.

On this flight, the neurospora, a kind of bread mold, will be examined for interruptions in its normal 21-hour reproductive cycle caused by increased gravitational acceleration during launch, near-zero gravity during flight, and increased gravitational acceleration during landing.

During previous experiments it was found that plants' circadian rhythms were interrupted due to the launch acceleration, and that a short pulse of light restored the plants' biological clocks. This data will be key in determining the requirements for plants to grow in space, and could also have important applications for people.

It has been found, for example, that medications are used more effectively by the body at specific points in one's circadian cycle. Therefore, less medication could likely be used if applied only when it is made use of. During the Shuttle experiment, 50 tubes of mold will be studied.

## Briefly

- EASTMAN KODAK CO. has adopted an expensive employee protection plan to thwart possible takeovers. Employees are guaranteed severance pay, health and life insurance benefits, and job search assistance if they lose their jobs following a takeover.
- ATLANTIC RICHFIELD CO. sold off its last solar energy power plants, including the 6.5 megawatt Carrizo Plains facility in California which Arco said is the largest array of photovoltaic cells in the world, for \$2 million. The power plants had never shown a profit for Arco.
- KOOR INDUSTRIES, the large Israeli conglomerate which is owned by the Israeli labor federation Histadrut and has 20,000 workers, has halted payments on its debt. Its chairman resigned earlier over disagreements on how best to financially reorganize the company.
- RED CHINA, to control its debt problem, has issued \$30 billion worth of government bonds, Liu Hung Yu, director general of the National Economic System Reform Committee said recently. P.R.C. Foreign Exchange Administration Bureau director Tong Chi Yu has announced that total foreign debt is \$38.13 billion.
- A HANOVER-BERLIN highspeed railway was given the goahead at a meeting in Bonn Jan. 9 of a joint German-German group of rail experts. The East Germans are said to have agreed to joint funding of the DM3.5 billion project, and to the construction of the East German segment by a West German consortium.
- THE LAST URANIUM MINE in New Mexico was closed by Chevron Corp. on Jan. 15. A company spokesman said uranium prices in the \$20.00 per pound range, instead of the current \$10, were necessary for the mine to remain open. In 1979, before the U.S.-Canada Free Trade Agreement, 7,000 persons were employed in 55 mines.

## EIRScience & Technology

# CO<sub>2</sub> increase could benefit Earth's biosphere

Research physicist Sherwood Idso and Rogelio A. Maduro discuss why the greenhouse effect model is flawed and how an increase in carbon dioxide might be beneficial.

Sherwood Idso is a research physicist at the USDA's Agricultural Research Service, and an adjunct professor of botany and geography at Arizona State University. Much of Mr. Idso's work has been devoted to developing techniques for the remote sensing of plant water stress and agricultural productivity. In this regard, he played a leading role in the creation of the Crop Water Stress Index, which is both a concept and technique that is widely used by scientists and farmers to schedule irrigations of crops ranging from turfgrass to trees.

Mr. Idso has also published a number of papers on real-world climate sensitivity and the direct biological benefits of atmospheric carbon dioxide  $(CO_2)$  enrichment, which suggests that state-of-the-art general circulation models of the atmosphere are predicting a  $CO_2$ -induced warming of the Earth is fully an order of magnitude too large, and that the likely real warming should be of just the right magnitude to indefinitely forestall the commencement of the next Ice Age.

His book Carbon Dioxide and Global Change: Earth in Transition is an extensive examination of the arguments of the greenhouse propagandists, which includes more than 2,000 literature citations. The book, in paperback, can be ordered for \$19.95 from IBR Press, 631 E. Laguna Dr., Tempe, Arizona, 85282.

Mr. Idso was interviewed Dec. 21 by Rogelio A. Maduro.

**EIR:** Do you believe that the rising CO<sub>2</sub> content of Earth's atmosphere is going to cause a catastrophic increase in the temperature of the planet?

Idso: No, I don't believe that at all. In fact, I believe there

may be no change in the temperature of the Earth as a result of the increase in CO<sub>2</sub> or just a minor increase. At the most, the largest warming we could expect is only a tenth as much as what is generally being predicted by state-of-the-art climate models.

**EIR:** Why do you disagree with the predictions of the general circulation models of the atmosphere?

Idso: First of all, I disagree with them on a philosophical basis. They are making predictions of what is supposedly going to happen in the real world, and to be absolutely correct, they have to be including everything of significance to the Earth's climate system. And I just don't believe that we have anywhere near the appropriate knowledge to claim such an expertise. In fact, there are new things being discovered daily which impact this problem; and it is admitted that even those that we do know something about are not being modeled properly. A very simple example has to do with clouds. The climate modelers have been saying for years that they are not even sure of the sign of the cloud feedback, whether changes in cloud characteristics would augment any greenhouse warming or tend to negate it.

**EIR:** There was a study last year which suggested that clouds may actually cool the Earth. Is that correct?

Idso: Yes, all the information that is coming out nowadays seems to suggest that the presence of clouds tends to cool the planet. In addition, every single study of the historical climate record designed to see what happens to cloud cover as temperature increases has found that cloud cover increases

right along with temperature. Consequently, Earth's climate system is highly buffered: Associated with any impetus for warming is a negative cloud feedback which counteracts the warming. And there are other things which may operate in a similar fashion that are not modeled properly.

EIR: Like ocean temperatures and currents?

Idso: Yes, most of the models don't treat ocean currents in a very realistic manner. Then, too, you have things that are related merely to the mechanics of the models. If you just change the size of the grid blocks that are used to represent the various portions of the Earth's surface, for example, the model-predicted change in the mean temperature of the planet may be just as great as the change obtained from doubling the CO<sub>2</sub> content of the atmosphere. I don't see how anyone can have much faith in such a model. Also, the initial starting temperature of the model has a great impact on the climatic sensitivity of the planet: The warmer the starting temperature is, the less sensitive is the climate to various perturbations. In fact, the models suffer from all kinds of frailties that even the modelers themselves readily admit. And that is why I find it so incredible that some of them make such strong claims for the reality of the catastrophic predictions which they are putting forth. They should know better than to make such drastic claims.

**EIR:** Is it not true, however, that recent stories in the front page of the *New York Times* and the cover story of *Forbes* magazine finally corroborated what *EIR* said a year ago, that there are many people in the scientific community who strongly disagree with the catastrophic climatic change predictions of the models?

Idso: I think that's true. In fact, I think that if you could poll everybody, you would find that most of the scientists in the world that have some knowledge of this topic would probably cast their vote against the catastrophic climate change scenario. In many cases, however, this "silent majority" is not as vocal as the minority that is promoting greenhouse warming. And the people that are pushing it are very brilliant people. They are very vocal, and they do an excellent job of pushing their particular point of view. Now, that they have pushed it so well, however, the other side is realizing that they have got to stand up and say something. So we are starting to see some pretty substantial scientists stepping forward to indicate that the story we have been fed about CO<sub>2</sub>-induced climate change does not really have a firm foundation.

**EIR:** One of the things that *EIR* has documented is that environmentalist groups pushing the global warming theory are receiving over \$400 million a year in grants from private family foundations, such as the Rockefeller family foundation and the Mellon family foundation, for example, to publish their works. Are you receiving support to print your book?

**Idso:** No. I printed my book totally with my own money. In fact, I actually had to go to the bank and borrow the money to print it.

EIR: You mean to say that, unlike the environmentalists promoting the global warming scenario, you were not financed by anyone to publish that book?

Idso: That's right, I was not. I was originally going to have it published by an established scientific publishing firm, which would not have required me to go into debt. In fact, I actually had a signed contract with one. But then at the last minute I decided to do it myself. With the rapidly growing interest in the CO<sub>2</sub> greenhouse effect, I realized I needed to get the book out as quickly as possible, before the catastrophic scenario promulgated by the special interest groups you mentioned just overwhelmed everybody. Secondly, the book's price would have been in the order of \$80-100 if it had been put out by an established firm; by publishing it myself, I was able to get the price down to where almost anyone could buy it if he wanted to.

EIR: It seems that all that we hear from the news media nowadays are gloom-and-doom theories of CO<sub>2</sub>-induced global warming. Are there any benefits to be gained from increasing carbon dioxide in the atmosphere?

Idso: Yes, definitely, there will be almost incredible benefits. We know for example, from literally hundreds of laboratory and field experiments, that if you double the CO<sub>2</sub> content of the atmosphere, say from 330 to 660 parts per million [ppm], you generally increase the productivity of all plants. Although there is a wide range of enhancement among species we find that when we lump all kinds of plants together, productivity increases by about one-third for this doubling of the air's CO<sub>2</sub> content. In addition, CO<sub>2</sub> is a very effective anti-transpirant. That is, it tends to partially close the small pores in the plant leaves through which water is evaporated and lost to the atmosphere. Again, the response of different plants is different in this regard; but when you average them all together, you find that the evaporative water loss is reduced on a per-unit-leaf-area basis by about one-third. So, you see, you are producing more dry matter, more organic matter, and you are losing less water when you do it. And if you put these two factors together to calculate something we call the plant water use efficiency, you find that the efficiency with which plants utilize water essentially doubles with a doubling of the atmospheric CO<sub>2</sub> content. And you can imagine how significant that is, to actually double the efficiency with which plants use water in manufacturing food, just by doubling the CO<sub>2</sub> content of the air. And it just doesn't stop at the doubling either. You can triple and quadruple the CO<sub>2</sub> content of the air and this effect keeps right on going. It begins to level out somewhat, but still, you can perhaps triple the water use efficiency of all plants by continuing to increase the CO<sub>2</sub> content of the atmosphere.

EIR January 26, 1990 Science & Technology 15

**EIR:** Does this mean that plants could start to grow again in areas like the Sahara Desert?

Idso: Yes, plants will soon will be able to grow where they could not grow but a few decades ago because of lack of water. There will be a tendency for grasses to expand into desert areas, a tendency for shrubs and brush to expand into grasslands, and I think there will also be a tendency for forests to make a substantial comeback into areas from which they have been excluded for many years.

Yet, as dramatic as these changes may appear, they represent but the tip of the iceberg of positive biospheric response. As the productivity of plants increases they begin to cover more of the surface of the Earth, there will be a reduction in soil erosion due to the ravages of wind and rain. And as more organic matter is returned to the soil as a consequence of greater plant productivity, there will be a significant enhancement of all the biological processes that go on in the soil. For instance, there are nitrogen-fixing bacteria that are associated with the roots of leguminous plants, and their activity is generally enhanced when you have an enhancement in the productivity of the plants with which they are associated. Hence, being thus stimulated by the plants themselves, they will convert more of the nitrogen in the atmosphere into a form that is usable by the plants. This, in turn, will help the plants grow faster and bigger. And as the plants grow bigger and expand their root systems, there will be an increasing microbiological industry, so to speak, in the surface of the soil. And this will do many things for the plants. There will be an increase in the growth of symbiotic fungi that are associated with plant roots, for example, and as these fungi grow outward from the roots, they will help roots mine essential nutrients from greater soil depths.

EIR: You mean to say CO<sub>2</sub> will be fertilizing the soil, not just the plants?

**Idso:** That's right. And these enhancements in soil fertility will have a positive feedback effect on the plants, making them grow better still. That, in turn, will increase the activity of the rhizosphere even more, creating a sort of a bootstrapping cycle. Another example of this phenomenon has to do with earthworms. Earthworms do wonders for soils in terms of enhancing soil structure, aeration, drainage, and fertility. They also enable plant roots to go deeper in the ground because of the channels they construct. And the single thing that is most important to maintaining good earthworm populations is the amount of organic matter in the soil. The more soil organic matter there is, the greater will be the populations of earthworms you have.

So again, we have another example of a biological bootstrapping mechanism. More plant growth induced by the original CO<sub>2</sub> enrichment of the air leads to more soil organic matter, which leads to more earthworm activity, which helps the plants to grow better still, and before you know it, the

whole biosphere is lifting itself up to a new level of productivity. And the original impetus for the whole cycle is the increase in the CO<sub>2</sub> content of the atmosphere.

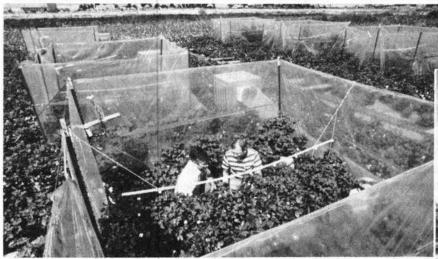
You know, I think it all makes sense from a broad philosophical standpoint, when you think of the fact that, other than the last two millennia, when we've had oscillating glacial and interglacial stages in our climate, the CO<sub>2</sub> content has always been much higher than it is presently. In fact, you go back to the beginning of the biosphere itself, maybe 3.8 billion years ago, there is evidence that the CO<sub>2</sub> content of the atmosphere was perhaps 70,000 ppm, and it has been decreasing ever since. So one can appreciate that, over the great immensity of time, the basic properties of life have developed on the planet, the CO<sub>2</sub> content has generally been much higher than it is today. Therefore, it's only logical to assume that plants should be better adapted to a richer CO<sub>2</sub> environment, particularly since the CO<sub>2</sub> is the basic raw material which plants use to produce food by the process of photosynthesis.

EIR: But don't all the global warming doomsayers claim that this is the period in Earth's history which has the highest atmospheric concentration of CO<sub>2</sub>?

Idso: If they do, they are taking a very myopic view of Earth's history, for although the atmosphere is currently at the highest level of CO<sub>2</sub> that it has experienced for many thousands of years, that's just a drop in the bucket, compared to the billions of years that life has existed here. Consequently, life must be much better adapted to a higher CO<sub>2</sub> content than that of the present era. In fact, throughout the entire history of man's habitation of the Earth, the biosphere has literally been starved for carbon dioxide. During the Ice Ages, for example, there is evidence that the CO2 content of the Earth dropped to perhaps 180 ppm. And when you realize that most of the plants which inhabit the planet cannot live when the CO<sub>2</sub> content of the atmosphere drops much below a range on the order of 50 to 100 ppm, you see that we are getting very close to the point, at least during glacial ages, when some plants are almost to the point of having to struggle to survive. In other words, throughout the last 2 million years of the Quaternary, or throughout the glacial-cycle stage of Earth's history, the biosphere has been basically starved for CO<sub>2</sub>. And we know this to be true, because whenever you enhance the atmosphere with CO<sub>2</sub>, everything the plants do, they do better.

EIR: And these experiments have been done in laboratories?

**Idso:** Yes, there have been about hundreds and hundreds of them performed by literally hundreds of different scientists. And these aren't speculations or calculations, either, as the predictions of the climate models are. They are the results of real experiments with real plants where we have actually measured the results.



Above: Open-top enclosures of clear polyethylene are used to study the effects of atmospheric CO<sub>2</sub> enrichment on the growth and water use of cotton at Phoenix, Arizona. Pure CO, gas is mixed with ambient air and continually released into the treatment chambers through perforated tubes which lie upon the ground. In the hot environment of summer, a doubling of the air's CO<sub>2</sub> content practically doubles the yields of the plants.

Right: Growth rates of water hyacinth plants in ambient and CO<sub>2</sub>-enriched plastic enclosures are determined by weighing them each week. The plants are lifted out of their retaining water tanks. Daily water level measures provide a means of assessing transpirational water losses. Throughout most of the period of active plant growth, a doubling of the atmospheric CO<sub>2</sub> content generally doubles the plant's water use efficiency.

EIR: So you mean to say that man by increasing the levels of carbon dioxide in the atmosphere is actually helping the biosphere?

**Idso:** That is precisely what I mean. It may be the one good thing we have done for the other life forms with which we share the planet, albeit we have done it inadvertently. That is not to say that everything that man has done to the environment is good or even benign. In fact, we probably have done a lot of things that are bad for the biosphere. Chopping down the tropical forests, for example, is destroying untold numbers of species of both plants and animals. But this one aspect of our global activities, the flooding of the air with CO<sub>2</sub>, is a tremendous benefit to all of life. And I think it needs to continue. We need to put more CO<sub>2</sub> in the atmosphere. However, we need to do it as cleanly as possible; for there are certain by-products of the combustion process which are detrimental. Nevertheless, the basic end-product of the burning of fossil fuels, the carbon dioxide thereby produced, is good. We need to put more of it into the air.

**EIR:** In terms of geological history, CO<sub>2</sub> levels and temperatures during the previous interglacial were similar to what we see now, where they not?

Idso: Glacial cycles have been examined in this way as far back as 160,000 years ago, via the Vostok ice core; and the CO<sub>2</sub> levels that we have now turn to be higher than anything that has been noted over that cycle. It is hard to be very precise about temperatures back then, however. But the one interesting comparison that I think can be made with a fair amount of confidence is to go back just 6,000 years, to the middle of our present interglacial. Temperatures then are believed to have been perhaps 1-2°C warmer than they are now. And we know that the CO<sub>2</sub> content of the atmosphere then was about 80 ppm less than what it is today. Hence, it is possible to have considerably warmer temperatures than we have now, with less CO<sub>2</sub> in the air. In fact, going back only about 1,000 years, to the time when the Vikings were making trips to North America, it was also a degree or so warmer than it is now; and the CO<sub>2</sub> content of the air at that time was again about 80 ppm less than it is today.

EIR: You mean to say it's been documented that the atmospheric CO<sub>2</sub> concentration was actually *lower* when the Earth's temperature was higher?

**Idso:** That is correct. But because of the fact that there has been a slight climatic amelioration over the last century or so, a lot of people are claiming that this increase in temperature is due to the contemporaneous increase in atmospheric CO<sub>2</sub> content. Well, there is absolutely no reason that one should make that claim, because it can clearly be much warmer than it is now with much lower  $CO_2$  concentrations. So, just because the air's  $CO_2$  content is rising right now and the global temperature may be rising a bit also, there is no reason to say that  $CO_2$  is causing the temperature change, at least at this stage.

**EIR:** Right now we are in the midst of some of the coldest December weather we have experienced this century. Does that agree with the doomsayers' argument that the U.S. is getting warmer?

**Idso:** Well, I don't see how anybody could say that it does, but one thing which must be acknowledged is that every year records are broken. There are high temperature records that are broken and there are low temperature records that are broken.

But I'll tell you, it is a whole lot harder to break a low temperature record than a high temperature record, because of the fact that population has increased over the past century, cities have been built up, and the urban heat island effect is very, very strong, especially in most of the cities whose temperature records are monitored and reported in the news. In addition, the urban heat island is expressed mostly during the night, when temperatures drop to their lowest. Therefore, to break a low temperature record you have to fight against all that urban warming bias that has been built up over the past century, so it is much more significant to get a low temperature record than a high temperature record. Consequently, you can imagine just how significant this cold weather is that we are having right now.

**EIR:** Do you see a trend in cold winters? Last year's winter was very cold also.

Idso: Well, I think that a person cannot make too much of a single year, or even an entire decade. I would criticize the global warming advocates, for example, for saying that the hot summer of 1988 was evidence for an intensifying greenhouse effect, as some did. Therefore, I will not turn around and say that the cold of this winter is evidence of the contrary. It is just interesting to observe that we are still getting these very cold temperatures, in spite of everything that is acting to prevent them.

**EIR:** In terms of the temperature record itself, there is a lot of dispute in the scientific community over whether Jim Hansen's warming figures are accurate, especially over the continental United States. What do you think of them?

Idso: An associate of mine, Robert Balling, and I published a paper about a year ago where we looked at the historical climate records of a large number of basically rural stations in the United States to see if there had been any non-urban warming or cooling over the last century. We found that some parts of the country did indeed warm somewhat, but that the largest section of the country cooled, so that there was little net change for the nation as a whole. But when we

compared our results with the Hansen and Lebedeff record over the eastern half of the U.S., we found about a half-degree Centigrade discrepancy between their data set and ours—with theirs exhibiting the greater relative warming, of course—which is just about the amount of warming that they had obtained for the globe as a whole. So, if there is a similar unaccounted-for urban warming bias in other portions of their global data set, much of their apparent global warming may not be real. But the whole subject is very complex.

All I can really say is that if there has been any warming, it has not been extraordinary. Nevertheless, there were other people who looked at this problem last year as well, and some of them did conclude that, for the contiguous United States at least, there has definitely been no net change in either temperature or precipitation over the last 100 years.

EIR: Who were these people?

Idso: Kirby Hanson, Maul, and Tom Karl. Karl is one of the very good people that who is looking at temperature data at the present time, and I think his studies show that there has been little change in mean annual temperatures in the U.S. over the past century. In fact, Karl, along with George Kikla and Joyce Gavin, has done some work which suggests that there has been a slight decrease in maximum temperatures over this time period, but a sizeable increase in minimum temperatures. And it is very likely that this pattern might be the signature of the greenhouse signal.

**EIR:** Can you explain this point further?

**Idso:** Yes, I will give you a little background on why this might be so. To begin, there is a lot of evidence which suggests that if there were to be an impetus for truly global warming, there would be an increase in the productivity of the unicellular algae or phytoplankton which live in the surface waters of the world's oceans. And as they increased their metabolic activity, they would produce more of a chemical substance which buffers them against the osmotic pressure of seawater. Now this substance escapes from their bodies either when they die or when they are eaten by zooplankton, and it makes its way into the atmosphere, where it is converted into particles which function as cloud condensation nuclei. These aerosols then cause clouds to form, where before there were none, and they increase the number of droplets in preexisting clouds. Both of these effects tend to reflect away more of the incoming radiation from the Sun, and they feed back negatively upon the original impetus for warming.

Over land, a very similar phenomenon occurs. The activity of soil microbes is such that they also produce more of this same substance, dimethyl sulfide (or DMS) when the climate warms. So over both the land and the sea, there is reason to expect cloud cover to increase when it warms; and, in fact, this is exactly what we find in the historical climate record. In a number of studies of cloud cover changes over the last several decades when the Earth has appeared to experience

#### Greenhouse white lies

The most prominent proponent of the "global warming" theory today is Stephen Schneider, whose snake-oil salesman's pitch can be heard from a recent special report on the greenhouse effect aired by the Public Broadcasting System, and on the evening news. Schneider, as one of the leading scientists at the National Center of Atmospheric Research in Boulder, Colorado, is supposed to uphold the principles of scientific truth above and beyond any hidden agenda.

Yet Schneider both practices and openly advocates a policy of deception as the proper means to implement a world "ecological" dictatorship. In an interview with the October 1989 issue of *Discover* magazine, Schneider said, "As scientists, we are ethically bound to the scientific method, in effect promising to tell the truth, the whole truth, and nothing but—which means that we must include all the doubts, the caveats, the ifs, ands, and buts. On the

other hand, we are not just scientists, but human beings as well. And like most people we'd like to see the world a better place, which in this context translates into our working to reduce the risk of potentially disastrous climatic change. To do that we need to get some broad-based support, to capture the public's imagination. That, of course, entails getting loads of media coverage. So we have to offer up scary scenarios, make simplified, dramatic statements, and make little mention of any doubts we might have. This 'double ethical bind' we frequently find ourselves in cannot be solved by any formula. Each of us has to decide what the right balance is between being effective and being honest."

In the early 1970s, Schneider was one of the most adamant supporters of the theory that a new Ice Age was about to wipe mankind off the face of the Earth. In support of his arguments, he published an article in *Science* magazine (1971), claiming the warming capability of carbon dioxide was overrated. He said that even an eightfold increase in carbon dioxide over existing levels would warm the Earth's surface by less than 2°—which is 180° opposite what he claims today.

some degree of warming, cloud cover has always been found to increase. And if the cloud cover has increased, it would be expected to have reduced maximum temperatures during the day, when solar radiation is present to be reflected; but at night it would be expected to intensify the natural greenhouse effect of the atmosphere, trapping heat and raising minimum temperatures. So what you would likely get in the historical climate record is a slight decrease in maximum temperatures, a significant increase in minimum temperatures, and very little change in the mean temperature, which is exactly what Karl and his colleagues appear to have found. And, again, such a phenomenon would be very beneficial to the biosphere, in terms of reducing plant stress at both ends of the temperature spectrum and increasing the length of the growing season.

**EIR:** So more food could be produced?

**Idso:** Yes, and not only from these obvious effects, but from an important interaction with the aerial fertilization effect of atmospheric  $CO_2$  enrichment. We have done considerable work at our laboratory, for example, where we have looked, not only at the plant growth effects caused by increasing atmospheric  $CO_2$  alone, but at the synergistic response elicited by increasing  $CO_2$  and temperature together, and we find that raising the temperature, especially the minimum temperature, greatly enhances the positive effect of atmospheric  $CO_2$  enrichment. In fact, increasing the minimum tempera-

ture by just a few degrees can nearly double the already phenomenal effect of doubling the atmospheric  $CO_2$  content by itself. It's really incredible. So the best of all possible worlds would appear to be looming on the horizon, with increasing minimum temperatures and increasing atmospheric  $CO_2$  contents both tending to propel the biosphere to higher levels of productivity.

EIR: So what is your overall "world view" of the CO<sub>2</sub> problem?

**Idso:** First of all, it can in no way be referred to as a problem. In fact, it is really a blessing in disguise. In the long term, for example, our burning of fossil fuels reverses the great decline in atmospheric CO<sub>2</sub> content which has been in progress since the very inception of the biosphere, thereby providing the potential for all current life forms to maintain a viable presence on the planet. In the medium term it may provide just the moderate amount of warming needed to prevent the initiation of the next "scheduled" Ice Age, which, geologically speaking, is due any day now. And in the short term, it gives us hope that we will yet be able to meet the food and fiber requirements of the burgeoning mass of humanity; for if the problems created by man's inhumanity to man can ever be solved, the rebirth of the biosphere occasioned by our flooding of the air with CO<sub>2</sub> will enable us to both meet and exceed all of the temporal needs of a world population several times greater than that of the present.

## **Fig. Feature**

## Restore justice to the lawless world of Kissinger-Bush

by Warren J. Hamerman

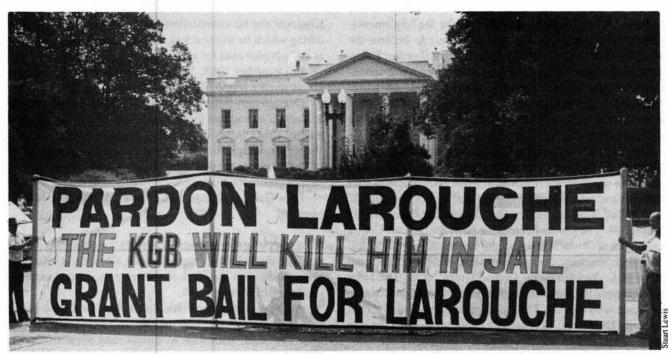
This presentation was given to the Martin Luther King Tribunal on Jan. 15 in Washington, D.C. Mr. Hamerman is chairman of the National Democratic Policy Committee.

I am supremely confident that centuries from today, men and women will look back on our times from new worlds on distant planets, as one of the momentous struggles between freedom and tyranny in mankind's history, at the center of which stood, on the one side, those associated with Henry Kissinger and George Bush—the allies of the butchers of Tiananmen Square, Lebanon, and Panama—and on the other side, those associated with Lyndon LaRouche—the champion of economic justice.

There is a common theme of *lawlessness* to the Kissinger-Bush methods, which can be seen in the overlapping developments and cast of characters in the invasion of Panama, the defiant sabotage of Independent Counsel Lawrence Walsh's attempts to bring the Iran-Contra secret government to justice, and the President's personal stonewalling in releasing government documents exculpatory to Lyndon LaRouche.

The common theme in all three instances is an unconstitutional abuse of executive power, and its later coverup. It is as if Bush nullified the Constitution by allowing the Executive branch to usurp both the powers of the Legislative branch to advise and consent to foreign policy and declare war, and the Judicial branch to ensure the independent guarantees of justice.

In his recent trip to Panama, former U.S. Attorney General Ramsey Clark focused international attention on the outrageous brutalization of national sovereignty through what he originally called a "conspiracy of silence" and what he now calls a "conspiracy of disinformation" about the true death toll, number of detainees, and political leaders eliminated. In Panama, Bush ordered, through military means, a systematic elimination or terrorization of all political leaders



The lawlessness of the Kissinger-Bush methods is seen most notably in the Justice Department's vendetta against LaRouche. President Bush has refused to declassify the government documents which would prove LaRouche's innocence. Shown here is a rally at the White House, September 1989.

with the will or potential will to oppose U.S. domination for decades to come. What is now clear, is that the U.S. military worked from lists of political enemies to round up victims, and conduct "selective assassinations" under the cover of military operations.

Not only is this an affront to international law, but this is precisely the *same* policy which the government has imposed through pure judicial terror, against all organized and potentially organized political opposition inside the United States. Here is the "m.o." out in the open, most notably of the Justice Department's war against the LaRouche movement, as well as its judicial vendetta against pro-life organizers, trade unions such as the United Mine Workers, politicians who threaten to challenge the Executive's authority, and even churches.

#### **Continuity of combat**

There is a continuity to that historic battle now entering its third decade. When the struggle emerged in the 1970s over LaRouche's proposals for international economic development and his fierce opposition to the rock music and drug counterculture, the current President was then head of the CIA, the current head of the CIA (William Webster) was then director of the FBI, and Henry Kissinger—then as now—was virtual czar of national security, strategic, and foreign policy. A continuous combatant with LaRouche from the late 1970s onward, because of LaRouche's relentless opposition to the rock-drug-sex counterculture and his promotion of classical

culture, has been the leading front group for drug legalization—the American Drug Lobby or ADL [Anti-Defamation League of B'nai B'rith], which has formally commended George Bush and campaigned against life.

In his 1980 presidential primary campaign in New Hampshire, LaRouche had led a movement to destroy the campaign of George Bush by exposing his allegiance to the Trilateral Commission and the spooky underside of his character. In his 1988 presidential campaign, George Bush decided to "get even" with LaRouche and other political opponents. Not only did he run on a Ceausescu-style program of open opposition to civil liberties, but he personally singled LaRouche out as a target for political imprisonment on the primary campaign trail.

What is this political war all about?

During the fall of 1981, President Ronald Reagan signed a series of Executive Orders, including Executive Order 12333, creating a powerful matrix of governmental and private intelligence community operatives to impose policies through scenario and manipulation upon the world, in disregard of the democratic political process. In June 1983, Reagan formally created the Kissinger Central American Commission as a "means of building a national consensus as a comprehensive U.S. policy for the region." In the order signed by Reagan, Kissinger's commission was given the authorization to conduct what was called an "enlightened counterinsurgency campaign."

Vice President Bush, with his background at the CIA,

became the White House point-person for the implementation of these Executive Orders, which were to become the basis for the actions of the "secret government" or the "Enterprise" in the Iran-Contra dealings, the bludgeoning of national sovereignty in Panama, the Philippines, and elsewhere through "Project Democracy," and the running of the financial warfare, frameup, and judicial atrocities underlying the LaRouche cases.

On Oct. 20, 1981, President Reagan signed Executive Order 12331, which constituted a President's Foreign Intelligence Advisory Board (PFIAB) to guide and command government and private agency counterintelligence operations.

On Dec. 4, 1981, Reagan signed Executive Orders 12333 and 12334. The former became the basis for the Iran-Contra escapades of Oliver North, Richard Secord, John Poindexter, Theodore Shackley, Joseph Fernandez, and Bush's personal team of C. Boyden Gray, Donald Gregg, et al. The latter order created the President's Intelligence Oversight Board to interface with PFIAB. Through a related series of National Security Directives, Reagan later explicitly defined the role of Vice President Bush to coordinate and control these interagency "special activities" through the Special Situation Group.

#### What is Executive Order 12333?

Executive Order 12333 gave the intelligence community a virtual blank check, under the pretext of protecting national security from espionage, terrorism, and other "threats" real and imagined—to detect, counter, and neutralize these "threats" through "special activities," both internationally and domestically. It specifically authorized the intelligence community to "conduct counterintelligence activity within the U.S.," thereby reconstituting the ability of the government to run Cointelpro operations against those it deemed political enemies. The order upgraded the National Security Council as a kind of clearing house for joint operations by the CIA, FBI, Pentagon, Departments of Justice, Treasury, and State, and privately contracted agencies to "conduct special activities." The Executive Order also explicitly ordered that these activities were to be covered up—in its words, "to protect intelligence and intelligence sources and methods from unauthorized disclosure."

Executive Order 12333 outlined a broad scope of areas which went well beyond terrorism and espionage, to the determination of foreign, defense, and economic policy. It stated: "The U.S. intelligence effort shall provide the President and NSC with necessary information on which to base decisions concerning the conduct and development of foreign, defense, and economic policy, and the protection of U.S. national interests from foreign security threats."

That the fall 1981 Executive Orders and the Kissinger Commission were a thoroughly integrated operation is symbolized by two famous trips.

In the summer of 1983, Ollie North accompanied Henry

Kissinger and his commission on a tour of Central America, during which he wisecracked in Nicaragua that he was there as an "advance man for a U.S. invasion."

In December 1983, Vice President Bush and North together made a trip to El Salvador.

One can only imagine what specific knowledge in General Noriega's head and files George Bush fears may be made public, either in his trial or through Independent Counsel Walsh's investigation. Certainly Bush sent an invasion force of 26,000 men in the dead of night, in part hoping to eliminate the possibility for Noriega to ever be alive to tell his story.

Poor George! Things didn't work out quite the way he expected.

#### The secret government targets LaRouche

That the judicial persecution of LaRouche is related to his opposition to the Bush-Kissinger policies and methods can be readily documented.

At the outset of the 1980s, LaRouche's strategic policy influence was growing enormously. In 1981, he traveled at least 217 days, with trips to Europe and Mexico. During 1982, LaRouche traveled about 242 days, including trips to Germany, Mexico, India, Italy, Spain, and France, in which he promoted both his plan for a new, just world economic order, and his design for a strategic beam defense. In 1983, as he campaigned for a crash Strategic Defense Initiative (SDI) program and the economic reform measures known as Operation Juárez, he traveled 243 days, including trips to India, Europe, Japan, and Thailand.

Beginning the summer of 1982, immediately after LaRouche discussed his economic reform proposals for Central and Latin America with Mexican President José López Portillo, Kissinger and the FBI's William Webster and Oliver "Buck" Revell had begun exchanging now famous letters and memoranda initiating a series of government operations to neutralize the ability of his movement to function.

On Jan. 12, 1983 a memo from Webster to Revell reports that at that day's PFIAB meeting, David Abshire raised the issue of the activities of LaRouche's U.S. Labor Party. Edward Bennett Williams (now deceased) suggested that the sources of LaRouche's worldwide deployment of funds could be the basis of full-scale counterintelligence "special activities." After President Reagan adopted the thrust of LaRouche's longstanding strategic "beam defense" proposals in his famous March 23, 1983 SDI speech, the operations against LaRouche went into high gear.

#### LaRouche and Executive Order 12333

The key to unraveling Bush and Kissinger's role in the LaRouche cases is the sworn admission, six months after LaRouche was imprisoned, by an FBI records supervisor in Washington named David Lieberman, on July 6, 1989, that the FBI had a file on LaRouche under Executive Order 12333, among other national security covers. The government had

22 Feature EIR January 26, 1990

spent nearly two years refusing to acknowledge that such a file even existed.

Several months after Lieberman's admission, on Nov. 7, 1989, Vernon R. Thornton, the Acting Sections Chief of Records at FBI headquarters in Washington, submitted a signed affidavit in the *LaRouche v. William Webster* case in New York. Thornton revealed that he had been the headquarters desk supervisor in the Domestic Security-Terrorism Section at the Department of Justice, and during the 1970s he had been the headquarters supervisor of the investigation against LaRouche's philosophical association, the National Caucus of Labor Committees. Thornton stated that the Department of Justice refused flat-out to release the LaRouche file under E.O. 12333 because, to use his words:

"I have reviewed the classified file containing the documents at issue and have determined that the file is a repository for national security information. . . ."

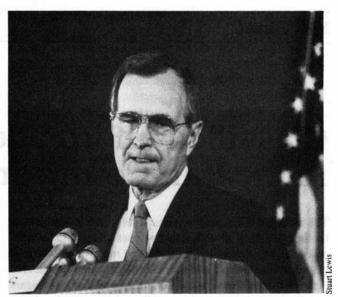
This affidavit was signed days after I received a letter from the White House in response to two widely circulated letters I had sent the President demanding that he use his Executive authority to declassify national security protected files, including those under E.O. 12333, because they may contain documents exculpatory to LaRouche. Unbeknownst to us at the time, our demands to Bush were occurring simultaneously with a battle royal between Independent Counsel Walsh, Attorney General Richard Thornburgh, and Bush, over whether or not the Executive could get away with using "national security" pretexts to sabotage the trial of CIA station chief Fernandez.

Why is LaRouche's file under E.O. 12333 so central to his defense against government frameup and coverup?

From his Boston indictment in June 1987 onward, LaRouche maintained that the judicial frameup against him was because of his opposition to the secret government's Iran-Contra operation. In press conferences he denounced Ollie North as a fascist and revealed that the persecution against himself was being run under the secret government authority in Executive Order 12333. From the summer of 1987 onward, LaRouche's defense team demanded the release of documents under E.O. 12333. The Reagan-Bush administration stonewalled.

Then on March 7, 1988, Independent Counsel Walsh released to the defense a declassified document found in Ollie North's safe. It was a telex from Richard Secord to Ollie North, saying that "our man here says Lewis has collected info against LaRouche." The next day, prosecutors located a second FBI document, containing background to the Secord-North telex. On March 10, 1988, Judge Robert Keeton suspended the Boston LaRouche trial and ordered the FBI and CIA to search for other exculpatory evidence. He also ordered a search of the index to the files of Vice President Bush and various government agencies.

Over the next weeks, in addition to targeting Bush, the defense moved to subpoena notebooks, documents, and re-



President George Bush: Future generations will remember him as the man who trashed the Constitution.

cords of Kissinger, Oliver "Buck" Revell, Ollie North, John Poindexter, and others. The explosive nature of LaRouche's threat to Bush, Kissinger, and their operations forced the government to dump the case in Boston and restart it a few months later in Alexandria under Judge Albert Bryan, a specialist in keeping the lid on "state secrets."

Again, before the Alexandria trial, the LaRouche defense team demanded that the government acknowledge a LaRouche File under Executive Order 12333 and other national security pretexts, and release exculpatory evidence. Again, the government refused to even acknowledge that an E.O. 12333 file existed.

The notorious LaRouche "railroad" run by Judge Bryan followed swiftly.

Yet to this day, the Bush government arrogantly refuses to release exculpatory documents, under the pretext of national security classification. I call upon this great assembly to resolve that George Bush not be allowed to continue to obstruct justice.

Events now unfolding in the wake of international outrage against Bush's invasion of Panama, Walsh's tenacity in attempting to bring the Iran-Contra team to justice, and the general political process now under way, kindle hope that the day of reckoning for Bush and Kissinger may be near at hand.

One year ago this month, George Bush was inaugurated President and gave Kissinger the strategic policy franchise, while Lyndon LaRouche was thrown in prison as a political prisoner days later.

The time and means have come to reverse that double injustice.

# Classified information was withheld in the Iran-Contra and LaRouche trials

The matter of classified government information has been at the heart of both the Iran-Contra cases and the LaRouche cases. In both instances, there existed massive amounts of classified documents and information that were relevant and material to the defense cases. Yet, the response of the Reagan and Bush administrations, as well as the courts, has been radically different in the two cases.

In both cases, the Reagan and Bush administrations have had reason to fear the political consequences of disclosure of classified documents into the public domain, and sought to prevent it. In the Iran-Contra cases, although the classified documents were disclosed to the defendants, the Bush administration refused to declassify certain critical material so it could be used in the public trials. This resulted in the dismissal of some counts (Lt. Col. Oliver North) and one entire indictment (Joseph Fernandez, the former CIA station chief in Costa Rica).

In the two LaRouche trials, in Boston, Massachusetts and Alexandria, Virginia, the government withheld almost all classified documents from the defense, never even allowing the defendants to see the information in the withheld documents. The government's stonewalling over classified documents was exemplified by the following:

- In LaRouche's first trial in Boston, prosecutors ridiculed defense assertions about covert operations and classified information, yet were forced to disclose the existence of hitherto-secret files throughout the course of the trial.
- At one point the Boston case against LaRouche was almost dismissed over the government's refusal to declassify secret information which had been found to be relevant.
- During that trial, the judge ordered a search of the White House files of then-Vice President George Bush.
- The judge and prosecutors read through thousands of pages of classified documents which the defendants were never allowed to see.
- The Justice Department later dropped the Boston LaRouche case and re-indicted LaRouche in Alexandria, counting on the fact that the judge there would suppress all classified exculpatory evidence.
- Only after LaRouche was convicted and jailed, did the FBI admit it had a super-secret "national security" file on

him compiled under Executive Order 12333.

#### What is CIPA?

The Classified Information Procedures Act (CIPA) was passed in 1980 to allow the government to prosecute cases where "greymail" had been utilized, i.e., the threat by a defendant to expose classified government information. CIPA created a procedure wherein the judge reviews the specified information in advance. If he finds it not relevant, it cannot be used in the trial; if he finds it relevant, and the government refuses to declassify, the judge may allow substitute admissions. If the information is central to the defense, he may go so far as to dismiss an indictment if the government refuses to permit it to be used.

At issue is the right to a fair trial. A defendant in a criminal case is entitled to see and confront all the evidence and witnesses used against him. He is also entitled to see any evidence which is "exculpatory," i.e., which would tend to show he is innocent of the charges against him. In both the Iran-Contra cases and the LaRouche cases, it was exculpatory classified information which was wanted for use by the defense.

#### **Iran-Contra cases**

In the Iran-Contra cases, hundreds of thousands of pages of documents were disclosed to the defendants, including at least 40,000 pages of classified documents. The defendants (with the partial exception of Albert Hakim, who lacked security clearance) and their lawyers had full access to the classified documents. The issue in these cases was whether the defendants would be permitted to use certain classified information in their trials, which they had given notice of their intention to use under CIPA.

#### The North case:

After extensive CIPA hearings Judge Gerhard Gesell ruled that certain classified information which the government was refusing to declassify, was relevant to the defense and admissible at trial. Stipulations were agreed to with respect to some information, but the Justice Department refused to allow public disclosure of other information. As a

result, Counts 1 and 2 of North's indictment (conspiracy and theft) were voluntarily dismissed by Independent Counsel Lawrence Walsh.

#### The Fernandez case:

The defense identified 3,500 pages of classified documents it wished to use at trial. Judge Claude Hilton ruled that much of the information in those 3,500 pages was irrelevant and inadmissible; other information therein was replaced by a substitution of declassified information, less specific than the information in the original classified documents.

However, there were two categories of information (the existence of certain CIA stations and facilities in Latin America, and details of U.S. programs in Costa Rica) which the intelligence agencies refused to declassify. Thus, on Nov. 24, 1989, Judge Hilton dismissed the entire Fernandez indictment, on the grounds that Fernandez was entitled to use the information at issue and that he could not get a fair trial without it.

Special Prosecutor Walsh subsequently appealed—unsuccessfully-to President Bush, protesting the administration's "interference" with his efforts to prosecute Fernandez. Among the key issues raised by Walsh was the sacrifice of law enforcement objectives to maintain the "deniability" of certain activities by the intelligence community.

As Walsh pointed out, the intelligence agencies' ability to "censor," through the Attorney General, the Special Prosecutor's law enforcement activities involves the precise conflict of interest which the Special Prosecutor statute was designed to prevent.

#### The LaRouche cases

A similar conflict of interest involving the intelligence community arose in the LaRouche case; the rights of LaRouche and his co-defendants to a fair trial were also sacrificed in the interest of maintaining the "deniability" of covert government operations.

#### **Boston:**

Lyndon LaRouche was indicted on one count of conspiracy to obstruct justice by a federal grand jury in Boston in June 1987. Starting in October 1986, a number of other individuals and corporations had already been indicted on the same and related charges.

Aug. 21, 1987:

Attorneys for LaRouche and his co-defendants filed a formal notice and proffer of evidence under CIPA, giving notice of their intention to use certain information at trial that might be classified.

The CIPA proffer identified certain channels of communication and discussion between the defendants and the U.S. Central Intelligence Agency, and stated that LaRouche and associates had undertaken a number of activities at the request of the U.S. government. This included "back-channel"

discussions with Soviet representatives in the early 1980s, which in particular focused on the development of what later became known as the U.S. Strategic Defense Initiative (SDI). Also included in the CIPA notice was information about anti-LaRouche operations being conducted by the FBI and other sections of the intelligence community, such as financial disruption and slanders of LaRouche as "KGB-controlled."

The defendants also made extensive discovery requests for exculpatory material in government files. The evidence sought concerned harassment of LaRouche and associates, infiltration, and interference in fundraising and financial operations of businesses run by associates of LaRouche. Specifically cited were activities carried out under Executive Order 12333 which authorizes covert intelligence operations, and which provided the "legal" underpinnings for the "secret government" whose existence was partially revealed in the Iran-Contra affair.

September 1987:

The administration's response to the LaRouche defendants' discovery requests and CIPA filing was twofold, aimed at maintaining the "deniability" of intelligence operations involving LaRouche or directed operations against LaRouche.

- 1) Prosecutors forwarded the defendants' CIPA proffer to the CIA for review. On the eve of trial, the CIA advised prosecutors that the proffer contained no classified information—with the exception of a "briefing book" submitted by the defendants, which the defendants said had been prepared by U.S. intelligence agencies and provided to LaRouche; the document concerned LaRouche's proposals on the SDI. At the last minute, a messenger burst into the courtroom to inform the judge that the CIA had just called to say that the briefing book was not classified. The prosecution team breathed a visible sigh of relief as the news was announced, since it meant the trial could proceed.
- 2) Prosecutors simultaneously ridiculed, as an "Orwellian fantasy," the defendants' assertions about their intelligence agency contacts, and about government harassment of the defendants and covert operations conducted under E.O. 12333. But despite the prosecutors' desperate denials, Judge Robert Keeton did order limited amounts of discovery of certain categories of exculpatory evidence. It was the government's failure to comply with their discovery obligations which eventually led to the prolonged interruption of the proceedings, ending in a mistrial.

The prosecutors agreed to conduct an "all-agency" search for documents pertaining to the defendants. Time and time again, as the trial proceeded, documents would surface from a government agency, which would then assert that no further documents existed—only to have additional documents appear a few weeks later. This was a particular pattern with the CIA.

It became a frequent occurrence for the FBI or CIA (and

once, the National Security Agency) to send a courier to the Boston courtroom with a locked briefcase full of classified documents pertaining to LaRouche and his associates. The documents would then be examined for "relevance" by Judge Keeton, who almost invariably would pronounce the documents "not relevant" to the defense. This procedure was repeatedly objected to and denounced by the defense attorneys, since neither they nor their clients were permitted to examine the documents. Thus, those who could best discern the possible relevance of the classified documents, couldn't see them! This is in marked contrast to the North-Fernandez cases, where the defendants were given access to classified documents so they could designate those they considered relevant.

March 7, 1988:

The first real break in the government's facade of "deniability" came on March 7, 1988, when one of the defendants obtained a declassified document found in Lt. Col. Oliver North's office. The telex, from Richard Secord to Ollie North, contained the critical passage: "Our man here says Lewis has collected info against LaRouche."

The North-Secord memo was not provided in discovery to the LaRouche defendants, but was obtained by them independently through a Freedom of Information Act request to the office of Irangate Special Prosecutor Lawrence Walsh.

March 8, 1988:

Spurred on by the North-Secord telex, prosecutors located a second document from the FBI containing background to the North-Secord telex message. The fight over declassification of this document almost led to the chief prosecutor's withdrawal from the case. When the FBI refused to declassify the document, prosecutor John Markham announced in court that he had a "conflict of interest" with his client—the U.S. government—and that he could not continue to represent the government until the conflict was resolved.

The conflict between Markham and the government was heightened when the FBI learned that before the FBI document was declassified, Markham had given it to a defense attorney. Markham said he thought it had already been declassified. At a later hearing, FBI agent Richard Egan testified that he had threatened Markham with prosecution for disclosing the classified FBI document.

The newly declassified FBI document was indeed explosive. It referred to FBI contacts with a trio of freelance spooks and soldiers-of-fortune (Fred Lewis, Gary Howard, and Ron Tucker), saying "they claimed that they had previously been requested by the FBI and CIA to penetrate the LaRouche organization." This revelation was particularly explosive because the LaRouche defendants' contention all along had been that the U.S. government intelligence agencies had been conducting infiltration and disruption operations in order to set them up for prosecution.

March 10, 1988:

At this point the trial proceedings were suspended, as

Judge Keeton ordered the FBI and CIA to search for other exculpatory documents pertaining to Lewis, Howard, Tucker, and other specified individuals. Then on March 10, Judge Keeton further ordered a search of the files of Vice President George Bush and various government agencies. (Bush was named because of his direct supervisory role over the secret committees that oversaw the covert operations in which North and others were involved.) LaRouche and his co-defendants had asserted that indeed North's NSC covert operations were being used in an effort to silence them, due to their outspoken opposition to the Contra policy. The judge's order directing the search of Bush's files was headlined in the Boston Globe, the Washington Post, and other news media.

Not surprisingly, the prosecutors reported that the search did not turn up any additional "relevant" documents (the shredders were undoubtedly working overtime). The prosecutor succeeded in persuading Judge Keeton to narrow the scope of the search, and the government was able to prevent any further disclosures on the Lewis-Howard-Tucker matter.

March 1, 1988:

But meanwhile, another bombshell regarding the classified documents had exploded. After 55 days of trial, the prosecution disclosed documents revealing that one of its witnesses—who had attempted to "plant" evidence in a defendant's notebook—was a paid FBI informant!

The government's failure to disclose the information regarding the witness, Ryan Quade Emerson, was ruled to be a clear violation of the prosecution's obligation to provide exculpatory evidence to the defendants. Much of the information about Emerson which the government had been hiding was classified, and the dispute over these classified documents almost resulted in the dismissal of the Boston case.

March 31, 1988:

By the end of March, the trial was in a state of constant disruption because of hearings on government misconduct and classified information. The FBI was ordered to produce a series of classified files on Emerson for *in camera* examination by Judge Keeton. On March 31, Judge Keeton ruled that various documents in these files were relevant and potentially exculpatory and should be disclosed to the defense. The FBI still refused to declassify.

A judge cannot order declassification of government documents. That is an Executive branch function; ultimately the responsibility for classifying and declassifying documents rests with the President. A judge can only order that information be disclosed and made available for use by a defendant; if the government refuses to declassify, the judge can impose various sanctions against the government.

April 6, 1988:

As the FBI continued to stonewall, Judge Keeton ruled on April 6 that five more files contained exculpatory evidence and should be disclosed. Prosecutor Markham was directed by the FBI to submit a set of sanitized "admissions" in lieu of disclosing the classified files. In certain instances, just as





In LaRouche's Boston trial, the first real break in the government's denial that classified documents were relevant for the defense, came when one of the defendants obtained a declassified telex from Richard Secord (right) to Oliver North, revealing operations against LaRouche by the Iran-Contra "Enterprise."

in the Fernandez case, the government refused to declassify information which was already public.

The defense vigorously protested that they were not allowed to examine the documents on which the "admissions" were allegedly based—thus making it impossible for them to judge the validity of the government's stipulations. Markham told the court that the U.S. government would never give even limited security clearances to LaRouche and the other defendants so they could examine the classified documents. "I know the thinking" on that issue, Markham said in court. "It's not going to happen."

April 11-15, 1988:

On April 11, Judge Keeton rejected the prosecution's second attempt at fashioning proposed admissions to substitute for the seven FBI files which remained classified. After a fierce behind-the-scenes battle within the FBI and Justice Department, a third set of proposed substitute admissions was filed by the government. Judge Keeton had warned the prosecution that this would be their last chance to fashion substitute admissions. However, on April 15, Keeton accepted the government's final proposal, saying that the admissions gave the defendants sufficient information without declassifying the documents.

Prosecutor Markham later told defense attorneys that, had Keeton not accepted the government's final proposal, the government would have allowed the case to be dismissed rather than release any more classified information to the defendants.

The "admissions" stipulated that:

- 1) Emerson had been an FBI informant for many years, on both criminal and national security matters;
- 2) He had been paid and subsidized by the FBI in his journalistic endeavors; and
- 3) He was regarded as an "opportunist" by some of his FBI control agents.

The government and Emerson both denied that he had any other connections to the intelligence community—although he had represented himself to the defendants as an emissary from various officials in the intelligence community, including, most notably, National Security Adviser John Poindexter.

Issues of classified information continued to pop up as hearings on government misconduct continued in Keeton's courtroom. Ultimately, Keeton did rule that there had been "serious" misconduct by the government, which he termed "institutional and systemic prosecutorial misconduct," in violating their obligations to provide exculpatory evidence to the defendants. But in holding that the misconduct was "institutional," Keeton let the individual prosecutors off the hook, by excusing their conduct as not intentional. Keeton therefore denied a defense motion to dismiss the indictment on those grounds.\*

Even though most of the disputes over classified documents and government misconduct took place outside the presence of the Boston jury, the jurors had gotten enough of a whiff of government harassment and dirty tricks that, after the mistrial was declared, they said they would have acquitted LaRouche and all defendants on all counts. The reason given by one of the jurors, "There was too much question of government misconduct. . . ."

#### The Alexandria railroad

It was clear that LaRouche and his co-defendants were likely to win in any retrial. To prevent any recurrence of

\* See U.S. v. The LaRouche Campaign, et al., 695 F.Supp. 1290, 1314 (D.Mass.1988). For other rulings pertaining to discovery violations, the North-Secord telex, and CIPA matters, see 695 F.Supp. 1265 and 1283 telex, and the defendants' discovery requests for "national security" documents as containing classified information believed to be relevant to the defense.

the Boston events, the "Get LaRouche" task force conspired to transfer the LaRouche case to the Eastern District of Virginia federal court in Alexandria. The task force knew that Chief Judge Albert V. Bryan, Jr., could be counted on to suppress any issues of classified information and government misconduct. Bryan's "rocket docket" court is known for routinely denying virtually all pre-trial motions submitted by defendants, especially all discovery motions. Plus, having sat on the super-secret special court created by the Foreign Intelligence Surveillance Act (the "FISA court"), Bryan could be presumed to be intimately familiar with covert intelligence operations, including those directed against LaRouche.

Oct. 17-Nov. 7, 1988:

LaRouche and his six co-defendants had only three weeks after their indictment and arraignment to prepare and file all their pre-trial motions. Despite this oppressive schedule, they were still able to file 28 pre-trial motions, including a detailed, 62-page Motion for Disclosure of Exculpatory Evidence, containing 181 specific requests. The requests sought information on all aspects of the government's "Get LaRouche" efforts, such as attempts within the intelligence community to isolate and discredit LaRouche, financial warfare, and "national security" investigations as well as covert operations conducted under the authority of E.O. 12333.

Defense attorneys for the LaRouche defendants also filed a separate notice under CIPA, giving formal notice that the defendants "reasonably expect to cause the disclosure of classified information in connection with this case." The CIPA notice cited 4,700 pages of FBI documents, the North-Secord memo, and other items.

Nov. 10, 1988:

At a Nov. 10 hearing, defense attorney Daniel Alcorn told the court that this case "is different than any other CIPA case," because "the defendants are not former government agents or current government agents who were given access to classified information while in the employ of the government," but rather, "they have been investigated by classified means."

Alcorn contrasted this case with that of Oliver North. "He [North] was a government agent who was very much in the middle of the mix of classified information. [But] we have admissions by the government that there are large volumes of documents that they have in the classified areas of the government relating not just to the defendants but to investigations of the defendants. . . ."

Alcorn then recounted the history of the Boston case, telling Bryan: "We filed a CIPA notice in Boston. We filed extensive exculpatory evidence requests in Boston. They were met with the response that we were engaging in an Orwellian fantasy . . . and when that was disproved, and when the government became concerned and started having to give us access to classified information, it caused a disruption of the trial schedule, which along with other things of

the same nature, ended up in a mistrial."

Giving the defendants access to this material is necessary "to guarantee that these people have an adequate opportunity to develop a reasonable defense to these charges," Alcorn concluded.

That afternoon, Judge Bryan denied every pending defense motion, including all motions for exculpatory evidence and classified information. Bryan then went even further, granting a government motion in limine, which, in combination with his denial of access to all government classified files on LaRouche, prevented the defendants from presenting evidence of government harassment and "dirty tricks." Prosecutors argued that the motion in limine was necessary because the defendants otherwise would "put the government on trial" and begin their defense—as in Boston—by presenting evidence of 20 years of FBI harassment.

Nov. 21-Dec. 15, 1988:

During the trial, the issue of classified information could not even arise; the closest it came was during the testimony of defense witness Richard Morris, the executive assistant to former National Security Adviser William P. Clark. Morris testified that he had discussed several subject areas regarding issue of "national security" with LaRouche at the NSC in 1982-83.

Dec. 16, 1988:

With such suppression of evidence, plus a rigged jury to boot, it was no surprise that LaRouche and his six codefendants were convicted after a trial lasting less than four weeks.

Jan. 31-July 6, 1989:

After the defendants were jailed on Jan. 27, 1989, the FBI released a small portion of the 4,700 pages of mostly classified documents they were withholding. Those documents that were declassified and released showed extensive efforts by the FBI and other agencies to discredit LaRouche, and indicated attempts to frame up him and associates on spurious charges. Most significant was the July 1989 disclosure of the existence of a secret file on LaRouche which "was compiled . . . pursuant to Executive Order 12333"—something prosecutor Markham always ridiculed as an "Orwellian fantasy."

#### **Conclusion**

There cannot be the slightest doubt that the government's files contain massive amounts of classified information that would show that LaRouche and his friends were the victims of a massive government frameup. These suppressed documents would prove that LaRouche and his associates are innocent of all charges against them. When even small bits of such secret information came out in Boston, it ultimately resulted in the government dropping that indictment. In Alexandria, the complete and total suppression of all such evidence is what made the convictions of LaRouche and associates possible.

# TARGET— PROJECT DEMOCRACY

... The names and networks Congress and the Special Prosecutor must investigate to get to the bottom of the Iran-Contra affair, are exposed in full in the EIR Special Report, *Project Democracy: the 'parallel government' behind the Iran-Contra affair.* Find out:

- What the Tower Commission covered up—The National Endowment on Democracy. EIR documents exactly how the NED, endorsed by Republican and Democratic Party leaders and funded by Congress to the tune of \$60 million per year, functioned as part of the secret government of Oliver North's Project Democracy.
- How a former chairman of the American Communist Party became a key figure in running U.S. foreign policy since World War II.
- What Mussolini, Bukharin, Israel, and Irangate go-between Michael Ledeen all have in common.
- **How Henry Kissinger** made the National Security Council into a private arm of Project Democracy.
- The curious case of ex-CIA operative Theodore Shackley. Documented with court papers.
- The Jimmy Carter connection—Billygate and beyond.
- The secret story of the Camp David accords, and the mysterious life and death of Iranian gun-runner Cyrus Hashemi.
- The inside dope on the cocaine Contras
- AIFLD, the ADL, the Social Democracy, and the drug mob—how they rule in Latin America.
- Which 1988 presidential candidates are compromised by the Iran-Contra affair—and why.
- Project Democracy's war with LaRouche.

### PROJECT DEMOCRACY

The 'parallel government' behind the contra affair

Make check or money order payable to

**EIR** NEWS SERVICE

P.O Box 17390 Washington, D.C. 20041-0390

Please send mecopies of the "P at \$250 each postpaid.	roject Democracy' Special Report
I enclose check or money	order.
Please charge my ☐ MasterCard ☐ Visa	
No	Exp. Date
Signature	
Name	
Street	
City	State Zip

## **FIRInternational**

# Soviets bring Transcaucasus troops to 'wartime strength'

by Konstantin George

After five days of anti-Armenian pogroms in the Azerbaijani capital of Baku and bloody civil war between armed Armenians and Azeris, Soviet Defense Minister Dmitri Yazov on Jan. 18 announced a callup of Soviet Army reservists, primarily combat-hardened veterans of the Afghanistan War, to rush reinforcements into the Transcaucasus, and bring Soviet forces in that strategically important area to "wartime strength." Yazov announced that "A decision has been adopted to carry out a full mobilization of [military] formations from certain regions of the Soviet Union, to enable them to take part in maintaining order, discipline, and the good organization of the state of emergency," proclaimed two days earlier by Soviet leader Mikhail Gorbachov for the Armenian-inhabited district of Nagorno-Karabakh and other districts in Azerbaijan. Yazov also declared, "In order to ensure order, we are compelled to bring up to wartime strength a certain proportion of the units located in that area," referring to the Transcaucasus Military District, embracing the three republics of Georgia, Armenia, and Azerbaijan, bordering on Iran and Turkey.

Yazov added that a further purpose of the mobilization of Afghanistan veteran reservists was to "replace units being transferred to the Transcaucasus Military District." That one sentence revealed that the reason for the reserve callup extends beyond the immediate crisis in the Transcaucasus. It means that additional Army units, including airborne and other elite units, are being created to fill in gaps caused by sending Army forces, including large numbers of paratroopers, to Azerbaijan and Armenia.

In short, an overall buildup of the Soviet Army is under way, and the period of Soviet unilateral troop reductions has ended, at least for the time being.

The troop buildup had begun before Yazov's announce-

ment. Between Jan. 14 and 17, some 11,000 elite troops, consisting of 6,000 from the Special Units of the Interior Ministry's forces, and 5,000 Army paratroopers, had been flown into Azerbaijan and Nagorno-Karabakh. At one level, the need for Army troops as such is clear: Helpless Armenian civilians must be protected; the pogroms must be stopped, and the civil war must be halted. But are such goals Moscow's policy for the Transcaucasian region? Let's look at the record, the on-the-ground story of what has transpired in the Transcaucasus since early 1988, when that conflict first erupted with the pogroms against Armenians in the Azerbaijan city of Sumgait.

#### Divide and conquer

The Transcaucasus consists of three main national groups: Georgians and Armenians (both Christian), and the Muslim Turkic Azerbaijanis. By the beginning of 1988, a mass independence movement was sweeping all three nations, with all pursuing in parallel a common goal of throwing off the Russian yoke.

Along with the hope that national rebirth in Georgia, Armenia, and Azerbaijan brought for each of these captive nations, potentially fatal weaknesses were evident in these independence movements. The cardinal rule for waging a successful liberation struggle—"united we stand, divided we fall"—was partially observed, in that some Armenian-Georgian coordination was achieved. However, no attempt was made to put aside decades of mutual suspicion and animosity between Armenians and Azerbaijanis, for the cause of working together against imperial Moscow.

The failure to overcome a legacy of Armenian-Azerbaijani historic and cultural animosity suddenly turned into a violent inter-ethnic conflict; this was the fault of neither Armenians nor Azerbaijanis. The conflict was ignited by the Soviet KGB, which recruited gangs of Azeri youths and outright criminal elements, to conduct the February 1988 pogroms against Armenians in Sumgait.

Every society has its riff-raff, and this tiny minority of Azerbaijan's population has been the KGB's recruiting ground for the pogroms. It is a fact, for example, though concealed by the media, that for every Armenian killed or injured in a pogrom, there have been hundreds of cases where Azerbaijanis have hidden and protected Armenians from the mobs.

What happened in Sumgait set the tone for what has since followed in the Transcaucasus. The massacre of Armenians could have been stopped, had Moscow taken resolute action on the first day of the pogrom. Moscow did nothing. Only after three days of slaughter, were Soviet Army troops finally sent to Sumgait to "restore order." Moscow willfully created the so-called "Armenia-Azerbaijan conflict," by launching the Sumgait pogrom, and allowing that pogrom to make the maximum psychological impact on the Armenians' fear of "another holocaust at the hands of Turks," by permitting the blood-letting to continue for three days.

The same pattern reestablished itself in subsequent pogroms: in all cases begun by KGB-directed gangs, and in all cases no immediate response by the Moscow authorities, to maximize hatred between the two populations.

This is the classic tactic of a multinational empire in crisis: attempting to maintain imperial rule through schemes of "divide and conquer" against subjugated nations. This policy, analogous to Britain's creation and manipulation of Hindu-Muslim communal warfare in India, is the root cause of the tragedy in the Transcaucasus.

The Armenian-Azerbaijani conflict has now reached civil war dimensions, with groups of Armenians and Azerbaijanis, very well armed with automatic rifles, machine guns, armored personnel carriers, and even helicopters, attacking each other. The media mentions, correctly *in part*, that this huge arsenal of weapons has been "stolen" from arms depots. Let's explore this a bit more in detail. From exactly where and exactly how did this transfer of tens of thousands of weapons from depots into the hands of armed bands occur?

The weapons were "stolen" from depots belonging to the *native* Interior Ministry forces and police of Azerbaijan and Armenia, with the complicity of these forces. The "thefts" did not begin yesterday or last week. They have been going on for well over one year. Had Moscow wished to prevent full-scale civil war, it could have done exactly what happened in *every* East European country this past autumn, when the various workers' militias were disarmed: Order the Army to seize and transport to army depots all weapons stores belonging to the Interior Ministries of Azerbaijan and Armenia. Nothing of the sort was done, because policy was to allow the weapons' "thefts" to continue, month after month.

Even now, with the declaration of a state of emergency,

there are curious details in that declaration that raise questions as to whether "restoring order" is Moscow's goal. According to official figures released on Jan. 17, eighty persons, nearly all Armenians, have been killed in Azerbaijan, of whom 56 were killed in Baku. The total is clearly understated, but the *proportion*—nearly three-quarters of the deaths occurred in the Baku pogroms—is correct. Yet Baku was not included in the state of emergency.

#### A policy of triage

Moscow's policy for the Transcaucasus as a whole can be summarized in two phrases: economic triage and military-strategic real estate. Since 1988, the Transcaucasus has been cut loose from the rest of the Soviet economy, through a policy of disinvestment, and severe restriction and even cutting off of vitally needed supplies. Moscow's concern in the region is, as Yazov stated, to build up its military presence there "to wartime strength," with a view toward future military options in the Turkey-Iran-Persian Gulf theater. Moscow does not care in the slightest about the fate of the native populations in the Transcaucasus.

There has been, for example, virtually no post-earth-quake reconstruction in Armenia. Thirteen months after the earthquake devastated that republic, hundreds of thousands of Armenians are still homeless, living either with relatives or in unheated tents in the bitterly cold winter. For four months, in the summer and autumn of 1989, when the rail lines from Azerbaijan to Armenia and Georgia were block-aded, Moscow did nothing to break that blockade. Armenians and Georgians subsisted in large part on whatever they grew or produced locally. The same happened to Azerbaijan, as once the blockade was in force, Russia "logically" sharply reduced rail traffic into Azerbaijan. Since early 1988, aside from military-related infrastructure, there has been almost no new investment in these economies by the Soviet Union.

There is one potential ray of hope in this tragedy. The very appearance of the Soviet Army in force throughout the region will spark renewed anger from both Azerbaijanis and Armenians against their true oppressor, the Russian Empire. Inter-ethnic conflict will soon be joined by protracted guerrilla war against the Soviet forces. The nastiest anti-Russian guerrilla operations will be conducted by the Azerbaijanis, presenting Moscow with a dilemma. The Soviets must attempt to suppress such an armed revolt, but by doing so, they risk not only a full-scale Azerbaijani uprising, but also uprisings by Turkic Muslims throughout Central Asia. This outcome could very well force accelerated withdrawals of Soviet troops from Eastern Europe, giving new opportunities for advancing the democratic revolution process there.

However, the perspective of mass uprisings, guerrilla war, and brutal suppression in the U.S.S.R.'s southern rim contains great dangers. As the Russian empire crumbles, the Soviet leadership will tend to behave more and more like the wounded bear at his most dangerous.

## Transcaucasus shadow looms over Lithuania

by Mark Burdman

In a Jan. 15 discussion with EIR, a Lithuanian political insider close to the Lithuanian Popular Front Sajudis organization affirmed that, from the standpoint of what Lithuanians hoped to achieve from the Jan. 11-13 visit of Soviet leader Mikhail Gorbachov to Lithuania, and vis-à-vis the issues facing the Baltic republic as such, the visit was a success. However, he strongly cautioned, what is now unfolding in the Transcaucasus is of great concern for Lithuania, since the Soviet intervention there "sets a precedent" for what might later be done in the Baltic. Lithuanians expect that such military action could come at any moment.

According to this individual, "Gorbachov has now been told, and re-told, that the Lithuanian Communist Party decision to split from the Soviet Communist Party stays, and he's had to accept the fact. The Lithuanian Communist Party is now separated from the Soviet Communist Party."

Furthermore, he said, "a statement was extracted from Gorbachov, with application that is Soviet Union-wide, that a multi-party system is not detrimental to the U.S.S.R."

He added: "Lithuanians I spoke to on the last day of Gorbachov's stay, told me they are now already assuming that Lithuania is independent. They are leading a normal life. They want to get the Russian troops out, they want to restore the environment, and they are sending delegations around the world to discuss what to do with the economy. They are very pleased with what they have achieved."

He stressed, however, that exactly as the Gorbachov trip was concluding, the Transcaucasus crisis was again exploding, triggered by large-scale pogroms in Baku, Azerbaijan's capital. This has some very worrying implications for the Baltic republics.

"The Soviets are sending troops into the Transcaucasus. Notice that the West is not only not protesting, but is supporting the idea. That sets a precedent. In the future, what is to stop Moscow from claiming that a similar situation exists in the Baltic, and requires similar action? How will the West respond?" he asked.

#### Soviet provocations in the Baltic

This source warned that the Soviet KGB and its assets might try to create a Transcaucasus-like situation in Lithuania. "Maybe they could start a rebellious movement among a minority of Poles living in Vilnius [Lithuania's capital], who would agitate for the 'return of Vilnius' to the Poles. Vilnius could then become the 'Nagorno-Karabakh' of the Baltic."

It should be recalled that one year after the Soviets annexed eastern Poland in the context of the 1939 Hitler-Stalin Pact agreements, Vilnius was transferred to Soviet Lithuania. Soon after, Lithuania itself was annexed illegally by Moscow. The city of Vilnius has had a complicated history. Although not now claimed by Poland, it is regarded by Poles, historically and culturally, as a Polish city. There is also a significant Polish minority now living in Vilnius.

"If anybody wants to create a similar situation to that between Azerbaijan and Armenia, there is material there that can be picked up and the flames can be rekindled," he stressed. "Some day, I can see Lithuanians searching for Poles, and Poles searching for Lithuanians."

He said the Vatican was boxed-in in its search for a resolution between these two Catholic populations. From a Catholic standpoint, Vilnius is still officially in the Polish Catholic diocese, and any change of that would have to be negotiated via Moscow, unless the Holy See were prepared to recognize Lithuanian independence as such, in defiance of Moscow, which is highly unlikely. Such complications have contributed to the fact that the Pope has held back from deciding to visit Lithuania, this Lithuanian source claimed.

He also affirmed that, for the other Baltic republics, Latvia and Estonia, the situation was even more problematic, because of the larger percentage of ethnic Russians living there, who can easily be whipped up by Moscow.

#### West undermines independence drive

Another factor that causes concern among Lithuanian patriots, is the attitude of Western leaders, typified by British Prime Minister Margaret Thatcher. "Thatcher and people who think like her, believe that the Lithuanians are naughty boys, that they are hurting Gorbachov's perestroika. They think what the Lithuanians are doing, is both a harassment and an embarrassment."

He pointed to the recent decision by the British House of Commons and by British Home Secretary David Waddington, for holding "war crimes trials" at the earliest possible date in Britain, to put on trial a handful of octogenarians from the Baltic republics, who are accused of having collaborated with the Nazis and of having committed war crimes during World War II. Many, if not most, of the targeted individuals are Lithuanians. This campaign is being used to blacken the reputation of Lithuanians, and can only aid and abet Moscow's attempts to undermine the Lithuanians' campaign for independence and sovereignty.

32 International EIR January 26, 1990

# Soviet 'ecologism' for export only

by Mark Burdman

While hosting a major world ecology conference in Moscow, the Soviet leadership made it clear that they regard "green" policies as good for the West, but absolutely unacceptable for themselves. This dual attitude is perfectly understandable for a country that is mobilizing wartime levels of military force into the sensitive Transcaucasus region in order to manage the empire in a time of economic breakdown crisis, and which is at the same time unyielding in its commitment to destroy the West by various "irregular" cultural and economic means. What is far less understandable, is the persistent delusion in the Anglo-American Establishment, that Washington and London have some "global ecological deal" with Moscow.

Beginning Jan. 13, a week-long meeting of the Global Forum of Spiritual and Parliamentary Leaders on Human Survival took place in Moscow, on the theme of "Environment and Development for Survival." Over 1,000 people from around the world, reportedly representing 80 countries, are participating. This is the second meeting of the Global Forum; the first, in April 1988 at Oxford University in England, had been devoted to reviving the Mother Earth-worshiping cult of Gaia, and to ending the human race's commitment to scientific and technological progress (see *EIR*, Jan. 12, 1990).

The Moscow event is co-sponsored by the Soviet Academy of Sciences, the Supreme Soviet, the Soviet-run International Foundation for the Survival and Development of Humanity, and the Russian Orthodox Church. The latter is playing a particularly important role in focusing conference participants on a Gnostic-mystical rejection of Western Judeo-Christian civilization. Metropolitan Pitirim called for a new "ecology of the spirit" to rule the world.

On Jan. 19, Soviet leader Mikhail Gorbachov, who undoubtedly has much else on his mind these days, will deliver an address there, which will be televised to 130 countries around the world via satellite. As a propaganda event, the Global Forum is being organized by its Moscow hosts to a significant extent around a commemoration of the fourth anniversary of Gorbachov's Jan. 15, 1986 speech calling for a "nuclear-free world." Gorbachov's personal adviser on disarmament affairs, Yevgeni Velikhov, told participants

Jan. 15 that the same spirit that went into that 1986 proposal, should now be transferred to the "cultural and ecological" realms.

According to Radio Moscow Jan. 15, Velikhov's statement was jointly endorsed by Metropolitan Pitirim and by Dean James Park Morton of New York's Cathedral of St. John the Divine. The latter is one of the key organizing centers internationally for Satanist and Gnostic cults. It works closely with the Lucis (formerly Lucifer) Trust of London/New York/Geneva.

Dean Morton is one of the co-chairmen of the organizing committee of the Global Forum of Spiritual and Parliamentary Leaders for Human Survival. Other co-chairmen include former Peruvian Finance Minister Manuel Ulloa and Sheikh Ahmed Kustaro, the Grand Mufti of Syria.

#### 'Only lip service, I'm afraid'

Such participation and sponsorship indicate that the conference has little intention of discussing the *real* environmental disaster facing the Soviet Union, and how that might be solved. The Russians are much more concerned with spreading gnostic irrationality into the West, through such channels as St. John the Divine and such U.S. Senators as Claiborne Pell (D-R.I.), Albert Gore (D-Tenn.), and David Durenburger (R-Minn.), all of whom are in attendance. For such ears, Soviet Foreign Ministry spokesman Vladimir Petrovsky stated Jan. 14 that the Soviets will propose to the international community a "global code of ecological ethics," that will create a "revolution in the economic and social policies."

But when it comes to the Soviets' internal economic-policy orientation, it's a very different story. This becomes clear from a Jan. 16 Radio Moscow discussion with a leading Soviet "green" representative attending the Global Forum meetings. This "green" complained that because of the "composition of the Congress of People's Deputies and Supreme Soviet, the hopes for a better state of ecology [in the Soviet Union] are dim. The Ministry of Power and Engineering," he charged, "has said its chief task is the doubling of electricity output by the year 2005, to solve the country's food and economic problems." He said that such ideas are supported by the "chemical and steel workers. . . . The change of priorities is blocked at the Supreme Soviet level. All of us have become hostages of these departments."

Similarly, the head of Soviet Greenpeace Aleksei Yablo-kov told Radio Moscow Jan. 16 that Soviet Prime Minister Nikolai Ryzhkov's recent statement that the Soviet parliament and government had to "turn green" was "only lip service, I'm afraid." He complained that the newest indications on the Five Year Plan contained "negative tendencies for our ecology" and would continue the "ecologically hazardous" policies of the past years." He and his fellow Soviet "greens" were demanding that 250 billion rubles be invested in "ecology" between now and the end of the century, but they have not received support from official circles for this.

EIR January 26, 1990 International 33

# Will the U.S. invade Mexico next? CIA, DEA and NBC in the Camarena case

by Isaías Amezcua

Between Jan. 7 and 9, the National Broadcasting Corporation presented a prime-time mini-series on the February 1985 assassination of Drug Enforcement Administration agent Enrique Camarena, in Guadalajara, Mexico. Contrary to the widespread propaganda about it in the United States, the purpose of the NBC series was not to "reopen" the Camarena case, but to issue a threat of invasion against Mexico under the pretext of fighting drugs.

The television series itself was typical of the dozens of evening police "dramas" that seem to captivate America's adolescent couch-potatoes each night. DEA agents were presented as Rambo-style "good guys" versus a brown, mustachioed, many-headed monster which—paradoxically—was not the drug trade but rather "Mexican corruption."

The series posed no threat to the current Mexican government. In fact, it was broadcast simultaneously in Mexico by cable television services. Further, in the previous two months, the Spanish-language edition of Elaine Shannon's book *Desperados*, upon which the NBC mini-series was based, had been circulated throughout the country—a good indication that the government had no intention of trying to block its revelations. This is especially important because the book contains much more information than the six-hour mini-series presented, information which in fact points to George Bush's Central Intelligence Agency as responsible for at least a partial coverup of the true authors of the Camarena murder.

#### More U.S. saber-rattling

Since the Bush administration therefore has no interest in opening the Pandora's box that is the Camarena case, one is led to the inescapable conclusion that the officially sanctioned NBC presentation was intended as a very real threat of invasion against Mexico. That threat was clearly understood by the Mexican government and by the country's political establishment, as reflected in the commentary of journalist Alvaro Cepeda which appeared in the daily La Jornada Jan. 16. "The conditions for a possible invasion," Cepeda wrote, "are being put into place with the rigor and precision demanded by an undertaking of that magnitude."

The Mexican government protested the "slanderous" proinvasion commentaries by NBC anchorman Tom Brokaw which followed each portion of the series—a protest to which NBC granted a miserable 10 seconds of coverage on its Jan. 10 Nightly News. NBC also issued its own communiqué claiming that the government of President Carlos Salinas de Gortari had refused to send a representative to be interviewed by Brokaw, and had instead "suggested" that NBC interview former government official Guido Belsasso, who is currently a researcher at San Diego University's Institute of the Americas. Belsasso, it turned out, was in fact interviewed on Jan. 8 by Brokaw; but to everyone's surprise, the interview was cut short by the NBC "newscaster" at the very moment when Belsasso was revealing the chain of successes the current Mexican government has had against the drug trade.

Perhaps most serious of all is that NBC's owners succeeded in what they had—wittingly or not—set out to accomplish: the irreparable damage of collaborative relations between U.S. and Mexican anti-drug authorities. That damage is already being celebrated as a victory by the drug cartels, and will surely lead to an increase in drug-related deaths on both sides of the border.

#### **CIA protected Camarena's assassins**

A careful reading of the Shannon book reveals a shocking truth, which the NBC series not accidentally ignored, namely, that the DEA was unable to get to the heart of Camarena's assassination because the CIA maintained close, collaborative, and friendly relations with some of those involved in the crime itself.

Shannon's book, based on information from DEA agents, reveals that the order to kidnap Camarena was given by cartel boss Ernesto Fonseca on the morning of Feb. 7, 1985. According to Shannon, Fonseca sent a group of his hitmen to the American consulate in Guadalajara, headed by Samuel Ramírez Razo, who was an agent of Mexico's Federal Security Administration (DFS), also known as the Mexican CIA. Ramírez Razo and his thugs intercepted Camarena exiting the consulate, and flashed their DFS credentials at him (Desperados, Spanish edition, p. 282).

On April 7, 1985, the Mexican Army arrested Ernesto Fonseca Carrillo, along with 17 hitmen armed with bazookas and grenades, in Puerto Vallarta, Jalisco. Both Fonseca and his gunmen were found in possession of DFS credentials. In

June 1985, the Costa Rican anti-narcotics police arrested another Mexican drug chieftain, Rafael Caro Quintero, considered the material assassin of Camarena, with numerous associates. All bore credentials identifying them as DFS agents.

The credentials confirmed rumors that had been circulating since October 1984, when the Mexican Army raided vast marijuana fields in El Búfalo and arrested several active agents of the DFS, that there was collaboration between elements of the DFS and the country's drug traffickers. Further, they provided unmistakable evidence that there were DFS links to the traffickers who had participated in the Camarena assassination. DFS director at the time was Antonio Zorrilla Pérez.

#### The DEA vs. the CIA

Despite the long-standing evidence of corruption, the CIA station at the U.S. embassy in Mexico maintained close ties with Zorrilla Pérez. This friendship, in fact, triggered a brawl between the DEA and CIA offices in Mexico. In her book, Shannon writes that DEA sources had revealed to her that "the CIA agents in Mexico 'had had a falling out with the DEA agents in Mexico, concerning relations between the CIA and DFS' " (pp. 259-61).

The scandal did not stop there. Days after it was learned that Camarena had been kidnaped, the DEA officially requested the collaboration of all U.S. intelligence services, to locate their agent and rescue him alive. Still more shocking, the CIA delayed for two long and precious months in releasing its first intelligence leads gathered on Camarena's kidnaping. Camarena was kidnaped on Feb. 7, and, according to Shannon's book, the CIA released its first information on April 17, 1985, long after Camarena's death (pp. 259-61).

What could be the explanation for such a serious intelligence failure on the CIA's part? Perhaps it can be found in existing evidence that the CIA was protecting important drug traffickers like Zorrilla because they were serving as CIA informants or agents.

On Nov. 21, 1986, the Washington Times revealed that the CIA retained information on drug traffickers who might have been involved in the Camarena assassination, because "they were concerned that the Justice Department's accusations would expose CIA agents and informants in Mexico."

On Dec. 19 of the same year, the *Chicago Tribune* reported that at a Justice Department meeting held the previous month on the Camarena case, "the CIA argued . . . in favor of keeping the information secret, on the premise that to release it would compromise the agency's 'sources and methods,' and its ability to operate inside Mexico."

In Mexico, there are many who believe that Zorrilla worked with the CIA in illegal clandestine operations of financing and support for the Nicaraguan Contras, among other things.

On May 13, 1989, the Salinas government surprised

many by arresting Zorrilla—who by then was ex-director of the DFS—as the alleged intellectual author of the Mexico City assassination of renowned journalist Manuel Buendía. During the following days, Zorrilla was accused of association with traffickers Caro Quintero, Fonseca Carrillo, and Miguel Félix Gallardo, the chief honchos of the Mexican drug trade. All three are currently prisoners, along with a group of former policemen linked to Zorrilla.

## U.S. starts 'Noriega treatment' on Mexico

by Carlos Valdez

The NBC broadcast of the Jan. 7-9 series "Drug Wars, the Camarena Story" marked the beginning of the Bush administration's "Noriega treatment" of Mexico. The intention of the propaganda war is to eliminate, through a supposed war against drugs, any remaining pockets of resistance to the genocidal policies dictated through the International Monetary Fund and World Bank.

The program's message was direct enough. In the words of NBC anchor Tom Brokaw, "Camarena was assassinated because he was investigating not only drug trafficking, but also the corruption of the drug trade and how high it reached in the Mexican police, Army, and government. U.S. officials assert that, as in Panama, matters of drugs and corruption in Mexico continue to be deep-rooted. And in nearly every area of that country, there is a local Noriega, a comandante, a governor enriching himself through deals with the Colombian cartel chiefs to bring cocaine, through Mexico, into the United States" (emphasis added).

Even Mexican President Carlos Salinas de Gortari was called on the carpet. Brokaw reminded the audience that Salinas "promised to attack official corruption linked to the drug trade" and that although "the Mexican police have seized record amounts of cocaine during this period . . . U.S. police authorities say that despite all the government's promises, Mexico has still not permitted the United States to pursue traffickers' planes into Mexican territory. Without a doubt, the trafficking routes that agent Camarena was trying to shut down continue in full operation, even protected by the same corrupt officials that Camarena wanted to entrap" (emphasis added).

#### **Bush administration's blessing**

The NBC series had the implicit blessing of the U.S. government. Not only has Washington not issued a single comment on the series, but during the three days it was

broadcast in both the United States and Mexico, U.S. officials appeared on the show to lend credibility to NBC's scenario. Tom Brokaw, for example, queried George Bush's drug policy director William Bennett, "In the Camarena case, if George Bush had been President, do you believe that we would have sent troops to that country?" Similarly, Brokaw asked Rep. Charles Rangel (D-N.Y.), "Do you think that the United States should have launched a military operation of some sort at that time?"

In response, Bennett said that the Mexican government "had a long way still to go," and that while "our critics" say "that we are too active, that we use our military, our force too much, I believe that we should use that force to put an end to this nuisance." DEA administrator John Lawn also appeared, to make the point that "the cartels are using the continent as a whole, and Mexico in particular." He added that the percentage of drugs that enters the U.S. from Mexico is, "I would say, between 35 and 40%."

It was one week later, on Jan. 13, that President Salinas finally issued the first substantial official statement against this new destabilizing offensive. The Mexican head of state declared, "We do not accept defamations," and emphasized that "Mexico assumes and maintains its commitment to a decided fight against the drug trade in the international context, but in no way accepts interference in its internal affairs, under the pretext of a war against that plague. We don't agree to the defamations, because they are absurd, incorrect, and facile." When asked by reporters about the NBC program, Salinas responded, "I am very annoyed."

Upuntil then, the official reaction of the Mexican government had been lukewarm. The presidential annoyance expressed by Salinas had only appeared unofficially in the leading Mexican dailies, particularly the government-linked *El Nacional*, in the form of commentaries and editorials. Thus, on Jan. 10, Mexican Ambassador to the United States Gustavo Petriccioli called a press conference to criticize merely "the final part" of the program, namely Brokaw's accusations that "in nearly every part of the country there is a local Noriega." The Mexican ambassador barely managed to stuter that such charges smack, "possibly, of bad faith."

That same evening, the Mexican Foreign Ministry broadened the government's "vigorous protest," although without abandoning its defensive tone. The Foreign Ministry said, "We wish to emphasize that the economic power that sustains the drug trade generates corruption in every part of the world. The concrete cases that have occurred in Mexico, once uncovered, have been pursued and opportunely dealt with." The ministry also stated, "We have returned to the era of putting the blame elsewhere, and of reciprocal recriminations among producer, transshipment, and consumer nations, which instead of taking on the common enemy, results in a dispersion of time and effort. . . . The Mexican government has reiterated its conviction that drug trafficking is an international crime

which should be fought in the multilateral arena by affected countries, within the framework of the United Nations, and with full respect for sovereignty, the principle of nonintervention, and for the internal law of each state."

The Permanent Commission of the Mexican Congress also denounced the NBC program in its Jan. 10 meeting and, alluding to the U.S. invasion of Panama, condemned any invasion by foreign forces under the pretext of fighting drugs. The commission said it would stay on alert to "prevent" any new unilateral actions by U.S. troops against any Ibero-American country, since it considered such an action a violation of the self-determination of peoples. The commission's statement was backed by every parliamentary faction represented on that body. Sen. Porfirio Muñoz Ledo warned that "the Mexican government should vigorously respond to the aggression to which it has been subjected" by NBC, since "if we do not react in time, we are going to regret it forever."

#### A U.S. 'mini-invasion'

On Jan. 11, the semi-official daily El Nacional charged that the NBC program "probably represents the most scandalous and insidious anti-Mexican campaign generated" from the United States, and warned that "the foolish insistence of anchorman Brokaw that 'Mexico is like Panama' . . . leads us to think that the intention of such a statement is to create an environment favoring an eventual and sinister prerogative: that the United States may not only issue certificates of approval or disapproval on matters such as democracy, corruption, or the battle against drugs, but may intervene each time it chooses to do so." The editorial is accompanied by a cartoon characterizing the situation created by NBC as a "mini-invasion."

The next day, El Nacional carried a review of the NBC program by Raúl Trejo Delarbre, who notes Brokaw's "repeated insinuations": "Charges are now videotaped. A new campaign is being propagated by antenna and satellite which, going beyond exaggeration, responds to sentiments deeply rooted in the U.S. television audience. Brokaw is not an amateur nor an improviser. He has advisers capable of evaluating the consequences of every insinuation, of every slip. The interventionist hints remained, to the astonishment of some and the complaints of others" (emphasis added).

Mr. Trejo said that the very composition of the NBC series was designed to create a false picture of universal corruption in Mexico. 'Drug Wars' uses an intense and fast-paced tone, like any other police series . . . but at times, it uses real fragments of NBC newsreels when, in 1985 and 1986, the inquiries into the Camarena assassination were announced. The series thus acquires . . . credibility. We see a program with the resources of fiction, but with pieces of the real world . . . at least as represented and retrieved by television. On occasion, segments of the series are shown with the format of a television news broadcast (with hand-

held camera and videotape quality), to accentuate the impression that we are seeing real events, although in these cases they are simulated. . . . The names of Mexican officials linked to the prosecution of drug trafficking are real at times, and at others not. U.S. officials appear successful in the end, while Mexican figures are shown as weak. . . . Thus, from metaphor to reality, the U.S. public does not necessarily differentiate between exaggerations and truths. . . . After three days, the conclusion of the U.S. viewer is more than predictable."

On Jan. 12, columnist Francisco Cárdenas Cruz warned on page 1 of the daily *El Universal* that "the intention of pressuring our country once again seems clear"; that "the worst" of the NBC program is that its moderator dared to "say that Mexico is like Panama," and suggests that "our country be invaded, like the [Panamanian] isthmus was last December in search of Panamanian Defense Forces chief Gen. Manuel Antonio Noriega."

Cárdenas Cruz adds, "Today it's the 'war against drugs,' tomorrow it may serve as a pretext for the United States, as Brokaw proposed to DEA administrator Jack Lawn and to Charles Rangel, chairman of the Anti-Drug Committee of the House of Representatives, to invade Mexico in search—according to the reason put forward in Panama and behind the decision of the naval blockade of Colombia—of people linked to the drug trade." Cárdenas Cruz concludes with the warning that while "the invasion of Panama by the United States merits world condemnation, despite the insistent efforts of Bush and company to try to turn the unjustifiable into something justified, the White House cares little for public opinion; perhaps a cynical expression of 'concern' [by Bush] because what occurred could damage relations between his country and Latin America."

On Jan. 10, El Día editorialized, "The televised campaign could be a means of pressure and retaliation by the Bush administration against the Mexican government, for the attitude Mexico has taken in international forums on the invasion of Panama." El Día called on "democratic and progressive forces" in the country to reach "agreements" and to "make strategic provisions" for maintaining "a permanent defense of sovereignty."

The daily of record, *Excélsior*, warned that "a new interventionist spirit is present in America, hidden behind a supposed crusade against drugs," and notes that the "disinformation" of the program, by creating animosity between the two nations, is "in reality playing into the hands of the drug traffickers."

On Jan. 5, Elaine Shannon, author of the book *Desperados* upon which the script for the NBC series was based, wrote in the *Los Angeles Times*: "I really believe that Bush is really ridiculous when he says that he is invading Panama to protect Americans. . . . If he went there for that reason, he should to go Mexico also. There is more drugs and more danger for Americans in Mexico than in Panama."

## What price the invasion of Panama?

If one can believe public opinion polls, President Bush's popularity stands at an all-time high largely because of the invasion of Panama. If so, it is because Americans have believed the lies fed to them by the administration and the media, and because they have not yet realized what the invasion has cost Panama and the United States.

Bush's outlaw behavior is leaving the United States bereft of allies, at a time when the danger of a confrontation with the Soviet Union grows ever larger. The European Parliament condemned the invasion as a violation of international law.

But the administration insists that its decrees are "the law of the world." Attorney General Richard Thornburgh said on Jan. 19 that the U.S. will "not tolerate wrongdoing that violates American criminal law anywhere in world." What happens when, not a small country incapable of defending itself, such as Panama, but, say, the Soviet Union, or Red China, decides that the behavior of a Poland, a West Germany, or a Hong Kong "violates" their criminal law? On what grounds can the U.S. challenge their unilateral action?

The invasion was decided upon as early as last summer, and when the American commander, Gen. Fred Worner, balked, arguing that the crisis could be resolved without a U.S. military intervention, he was sacked. His replacement as head of the U.S. Southern Command, Gen. "Mad" Max Thurman, was sent in on Oct. 1, 1989 with explicit instructions: "Prepare to invade."

Don't expect the troops home anytime soon. The invasion has brought lawlessness to Panama. On Jan. 17, four gunmen, armed with grenades and AK-47 assault rifles, robbed a bank in the financial center of Panama City. The armed robbery took place virtually under the noses of the U.S. Army, the only functioning authority.

There is also guerrilla activity. On Jan. 19, U.S. military authorites deployed several hundred Green Berets to the provinces of Chiriqui and Bocas del Toro, and admitted that there are still pockets of armed resistance and that they fear a popular backlash. The Green Berets were told to expect to remain at least six months. Guerrilla activity is also reported in San Miguelito and Cerro Azul, leading into the Darien jungle.

Not only has Bush appointed partners of Colombia's cocaine cartels as the government of Panama, but he has guaranteed that no Ibero-American government can collaborate with the United States. How can Peru, the world's largest producer of coca leaves, join the United States against drugs or anything else, when its ambassador's residence in Panama is surrounded by U.S. troops, barbed wire, and tanks, American soldiers hurl insults at its diplomats, and bombard them with high-volume rock and roll? What about Colombia and Mexico, which are also being threatened with military action?

By violating the diplomatic inmunity of the Panamanian legations of Peru, the Vatican, Cuba, and Nicaragua, the U.S. has made its own diplomats abroad fair game for anyone with a beef against this country.

Israel, Egypt, the Philippines, and Turkey have been told they have to give up part of the aid they receive from the U.S., to help defray the costs of invading Panama. Not only is this insane proposal alienating long-standing allies, but the funds that will be obtained from it—\$330 million—are peanuts. Panama needs at least \$2 billion to repair the damage done by the invasion. Puppet "President" Guillermo Endara, who is coming to Washington to ask for money, warned on Jan. 18 that there will be "a huge disaster" unless aid is soon forthcoming. Otherwise, he said, "the people will seek other systems," including a return of the military government. "For me, of course, I would be a laughing stock. I will go down in history as an awful President, weak, a traitor,"

Even more than the economic costs, was the massive loss of life. It is estimated that 4-7,000 persons were killed. And the U.S. occupation authorities continue their police-state practices, including the illegal preventive detention of political dissidents in concentration camps.

#### Documentation

## Stop the persecution of Panamanian patriots

The following appeal by Nils Castro, foreign affairs secretary of the Democratic Revolutionary Party, was read to the Martin Luther King Tribunal meeting in Washington, D.C., on Jan. 14:

The U.S. military occupation of Panama has unleashed an ever-worsening climate of harassment and human rights violations against Panamanian nationalists. Thousands of Panamanians remain in concentration camps, where they are victims of health problems and bad treatment, especially by U.S. soldiers of Cuban origin. Among the prisoners should be noted *Gustavo Melgar*, general undersecretary of the Democratic Revolutionary Party (PRD); *Mauro Murillo*, secretary of the PRD's Trade Union Front and general secretary of the National Workers Confederation of Panama; *Rafael* 

Mezquita, PRD professional sector secretary; Eloy Mercado, bankworkers' leader; and Alberto Pons, leader of the PRD business sector.

Note especially the arrest of *George Fisher*, former labor minister and personal friend of *Jesse Jackson*, in reprisal for Jackson's protests of the genocide committed by the U.S. Army against the Panamanian people.

The cases of leaders and nationalist intellectuals like *Dr. Ricuarte Soler*, who disappeared after being arrested, interrogated, and registered by the occupation army, are no less dramatic. This climate of persecution is complicated by assaults on the right to asylum which range from surrounding and watching embassies to concocting arbitrary indictments of those who have managed to take asylum in foreign embassies, with the intent of justifying the refusal to grant them safe-conduct. At the same time, the political layers which collaborate with the foreign occupier are promoting persecution and witchhunts against the patriots who resist the invader, which ranges from destruction of means of communication to arbitrary firings and physical aggression against leaders.

These facts clearly show that a dictatorial regime has been set up in Panama, in support for and service of the government of the United States of America. In the face of an aggression which grows day by day, it is urgent that the agencies which defend human rights and Latin America's parliaments send observation missions to Panama which verify and denounce to the world the terrible and systematic persecution unleashed against Panamanian patriots by the U.S. Army and its local government. The survival of the Panamanian people as a nation, in the heart of the Latin American community, will depend to a large degree on that.

#### Panamanian scholar scores U.S.

The following message from Cecilio Simon, dean of the Faculty of Public Administration, Panama, was also read to the Martin Luther King Tribunal:

#### Dear Friends:

At this opening of deliberations of the Honorable Martin Luther King Tribunal, please receive this warm greeting from the Panamanian patriots who oppose the bloody invasion by the United States Army.

We are deeply honored that your tribunal will analyze the situation of Panama—assaulted and occupied since Dec. 20 by the criminal invasion of the Army of the United States of America. This has cost more than 5,000 Panamanian civilian lives, material damage, and the shame of seeing our sovereignty and our right to free determination stained.

The material damages, which economists from the government that was installed hours before the invasion on a U.S. military base—Fort Clayton—calculate at more than \$3 billion, could be repaired by inflating the Panamanian economy with millions of dollars from the international

banks, since the United States seems unwilling to provide restitution. That would aggravate our country's foreign debt crisis.

The moral damages and social trauma suffered by the relatives of dead, injured, disappeared, and imprisoned Panamanians and trampled sovereignty could never be forgotten. A brief run-through on this includes the following facts:

- 1) The tight control over the country by the U.S. Army does not permit any Panamanian institution the access required in order to know the correct number of casualties caused by the invasion.
- 2) The figures on dead, injured, and disappeared are kept strictly secret. And the obviously altered reports are given exclusively by spokesmen for the Southern Command.
- 3) The population seeking to locate their disappeared family members has not been informed of the common graves and the concentration camps.
- 4) Access to those hospitals and public offices which could provide information on the civilians who have disappeared is controlled by U.S. military forces.
- 5) United States Army troops burned bodies on the beaches near the Chorrillo district. Residents of the sector witnessed this
- 6) Citizens opposed to the occupation are detained without arrest warrants issued by Panamanian civilian authorities. An anonymous denunciation is all that is needed for a citizen to be detained.
- 7) All information on detentions is denied. The courts are not functioning; therefore, it is impossible to present motions for *Habeas Corpus* or injunctions based on constitutional rights.
- 8) The detainees have been put in concentration camps and their relatives are denied access to them. The prisoners of war are in the open air, under the sun and the rain, and exposed for hours as a generalized form of torture.
- 9) The occupation forces control all means of communication. The script for all news broadcasts is written by the Southern Command's Public Affairs Office, which acts as the censorship office.
- 10) All those who oppose the current regime have been ordered fired from their jobs. Labor leaders have been detained to pressure them into acceptance of the puppet government.
- 11) All homes and offices of the political sectors opposed to the invasion have been raided and many of them destroyed and their property stolen. Political leaders continue receiving threats of being detained.

Friends. These lines are by no means an exhaustive inventory of the atrocities committed by the United States government by means of its occupation forces. With the support of those who embrace the legacy of the Founding Fathers of the great nation of the North and with the support of those who cherish the struggle for human rights led by Martin Luther King, we will move forward.

#### Anti-Drug Summit Talks

## Andean countries face U.S. 'Big Stick'

by Valerie Rush

The three Andean nations of Colombia, Bolivia, and Peru met with representatives of the United States in Santa Cruz, Bolivia on Jan. 10-14, in an attempt to negotiate a common strategy for an effective war on drugs. The U.S. sauntered into the meeting, a preliminary to next month's presidential summit on drugs to be held in Cartagena, Colombia, with a "Big Stick" in each fist: IMF austerity conditionalities attached to anti-drug aid, and the threat of military intervention.

Any illusions of collaboration with Washington in fighting drugs at this time had already been dashed weeks earlier. The U.S. invasion and occupation of Panama, far from fighting drug trafficking as claimed, had instead succeeded in destroying that nation's sovereign military capability while installing allies of the enemy cocaine cartels in power (see *EIR*, Jan. 19, 1990, pp. 26-28). With that precedent, the Santa Cruz meeting was effectively doomed to failure.

#### Strings attached

Unconfirmed reports from Santa Cruz are that Colombia was seeking at least \$2 billion in aid from the United States, while Peru and Bolivia were asking \$700 million and \$400 million a year, respectively, for weaponry and assistance in drug eradication and crop substitution. According to a Reuters news agency report on the summit, all U.S. offers of economic assistance were "tied to progress in implementing an effective anti-drug program in each country and to the adoption of sound economic policies." Determination of "effectiveness" and "soundness" would, of course, be made by the United States. A 12-hour delay in concluding the Santa Cruz meeting was attributed to reportedly bitter opposition to any such conditionalities by Peru, Bolivia and, Colombia.

Such blackmail schemes are by no means foreign to U.S. tactics. Peru's Alan García was making major strides against the narco-terrorist enemy in that country in 1986 when a campaign—coordinated by the U.S. government—was launched to cut off international credits to that country. The

EIR January 26, 1990 International 39

drug trade rebounded, and so did the terrorism.

At the same time, the Andean countries resisted—apparently successfully—the U.S. proposal to use its military forces to police international waters and air space surrounding the drug-producing Andean zone. The Andean governments were forewarned of U.S. intentions by the Pentagon's unilateral decision Dec. 27 to deploy elements of an aircraft carrier battle group off Colombia's Caribbean shores, allegedly to interdict illegal air and sea narcotics shipments.

According to a Jan. 7 New York Times story, U.S. military planners actually intended an amphibious helicopter ship included in that battle group to become the command and control center for Colombia's war on drugs. The ship, reportedly similar to one deployed off the coast of El Salvador, is equipped with electronic equipment capable of monitoring all communications between military units, police, and government posts.

Colombian reactions to leaks of the U.S. military deployment were immediate and furious, with many observers noting the similarity in U.S. tactics to the Panama intervention, and the threat to Colombia's military. The anti-drug daily *El Espectador* editorialized Jan. 11: There is "a clear pattern: first, the armies of our country—pressured in part by Washington—involved themselves in the fight [against drugs] because the police were corrupt. Now the Americans say that because of corruption, they should personally intervene to help us in the anti-drug fight. . . . How far is Bush going to keep 'helping' us?"

In the face of official Colombian objections, President Bush ordered the U.S. flotilla to halt its advance toward Colombia on Jan. 8—until, said U.S. officials, agreement could be reached with the Colombian authorities. However, Colombia's adamant opposition to such a move, which would hand the drug cartels the anti-imperialist mantle they crave, remained steadfast at the Santa Cruz pre-summit, and will presumably remain so at the Feb. 15 presidential summit in Cartagena, Colombia.

Thus, the result of five days of behind-doors confrontation between the drug-producing nations and the U.S. representatives was little more than a weakly worded resolution committing all four nations to combined anti-drug efforts, more military involvement by Peru and Bolivia in battling the drug trade, and increased economic aid from the United States. No dollar figures mentioned, of course.

Washington stands fanatically committed to a policy of destroying military institutions throughout the Americas, as part of its power-sharing arrangement with the Soviets. And a nation without a military capability cannot defend itself from the drug cartels. What Ibero-America is learning—albeit the hard way—is that the basis of any anti-drug cooperation with Washington must be respect for sovereignty. Economically and militarily strong nations can defeat the narcoterrorist threat; weak satrapies occupied by American "Rambos" must—like Panama—fall to the cartels.

Interview: Adrian Vasilake

## Romania: Superpowers are miscalculating

by Leonardo Servadio

The Committee for the Rebirth of Romania has been constituted in Milan, made up of Romanian expatriate intellectuals and a handful of Italians. It was born as a Committee for the Liberation, but the rapid fall of Ceausescu suggested the change in name. We spoke with its founder, Professor Adrian Vasilake, a 35-year-old pianist who has lived in Italy for 10 years as a political refugee, about what is happening in Romania, and what the Committee plans to do.

"The Red Cross is doing a good deal," Vasilake told us. "The city of Milan has already sent the first aid, and more will arrive. There are people here who want to help; there will also be a sister-city relationship between Milan and Timisoara. We of the Committee for the Rebirth intend above all to study how to rebuild the economy over the medium and long term. For this, we have gotten in touch with professors at the Faculty of Economic Sciences at the University of Bucharest, asking for information on the situation of the country. But this data does not exist. The Communist government only had data on the elephantine production of steel sought by Ceausescu, who had made Romania, in the early 1970s, into one of the countries with the highest rates of development and with the second highest level of steel production per capita. People did not eat, but they produced steel-in the most unheard-of and least suitable places. What sense does it make to produce steel at all costs in a country which has the highest potential for agricultural yield in the world, when steel is produced in other places with a cost equivalent to less than one-tenth of what it costs to produce it in Romania?

"But with communism, the *plan* dominated over everything, and the *plan*, utopia, had to be carried out without regard to real conditions. Even though Romania is best fit for agricultural development and small and medium industry, Ceausescu's *plan* called for developing heavy industry. And in communism, if the *plan* does not work, it is not because it is wrong and has to be redone; no, it's the people's fault, and they have to bear the consequences."

#### Lack of data

"The general state of decay of the economy today is known, but there are no statistics, and the potentials are not

40 International EIR January 26, 1990

known. Thus, the first action we shall take will be to send personal computers to the University of Bucharest, so they can start to gather data and examine it. It's important to get a picture of what the possibilities are for building up small private industry. There is a basis for doing this: in the textile industry, in clothing, in the production of light machinery, in the services, and naturally in farming.

"Romanian land is fertile. Romania used to be the breadbasket of central Europe. It can produce all types of agricultural goods and foodstuffs. Small industry will be the basis of the Romanian economic revival. We of the Committee will seek to encourage this development, among other things by seeking to encourage interchange with Western industries.

"Naturally we will not neglect culture. Soon we will hold a concert for Romania. Exiled Romanian musicians, who work in various European orchestras, all at the highest levels, will come here to Italy. The proceeds of the concert will be used to give scholarships to Romanian students, so that they can take rapid specialization courses here, in order to return quickly to the country and help with reconstruction."

We talked about how the development of infrastructure is absolutely necessary, including high-speed rail networks similar to those which are projected to bring together the West and East German, Polish, Hungarian, and Czech economies (see EIR, Jan. 12, 1990). "Certainly, it is urgent to develop a transport network in Romania and between Romania and the Western world," Vasilake confirmed. "There is a lack of roads and railbeds. There is a total lack of telephone lines. The development of telephones will be one of the first objectives of the economic rebirth of the country. Ceausescu had completely isolated the country. Suffice it to consider that even just to approach a foreigner in Romania, it was necessary to have a special permit. To get dollars, it was necessary to get a special permit. Just to buy, for example, a train ticket to go abroad, dollars were needed. When I invited my parents to take a trip to Italy, I had to send them dollars to pay for the ticket."

#### Gorbachov's manipulations

Even now, we observe, a shadow hangs over events in Romania. People say that in reality the upheaval now occurring was desired by Gorbachov, who is continuing to act according to the logic of "spheres of influence," in the effort to save the communist system at the moment of its ideological and economic downfall. "Sure," Vasilake agrees, "We know it: The 11 members of the Executive Committee of the National Salvation Front are all Communists. Iliescu is a friend of Gorbachov. Roman is the son of one of the first Romanian Communists. There are quite a few dissidents in the Front, but it's the Communists who are giving the orders. It is possible that events were influenced behind the scenes by Gorbachov. He knew that the end of the tyrant was coming, that the Communist

Party was going to fall, that the King would be called back, and that the historical parties that existed at the beginning of the century would be re-formed. So he acted in order to keep the fall under control. Naturally, the Russians do not want to lose control of the countries subjected to them. Seventy percent of Romania's food and farm production went to the U.S.S.R., and made up one-fourth of Soviet agricultural imports. Czechoslovakia has a very strong industrial tradition. Skoda produces not just automobiles, but also weapons—modern weapons.

"But the calculations on spheres of influence are wrong. The countries of Eastern Europe, like Romania, have had a strong democratic tradition. It is not like in Russia. If the markets are opened up, the push toward democracy will be unstoppable. After Romania was formed in 1860, with the union of Valakia and Moldavia, it was governed by a constitutional monarchy. In the inter-war period there was full democracy. There were different parties. The Communists practically did not exist; there was only a left wing of the Socialist Party. At the end of World War II the Communists would have been at most a thousand. It was a period when there was still a strong economic development. The land had been given to the peasants.

"But in 1948, through the 'Democratic Front' and with Stalin's support, the Communist Party succeeded in taking power and the land was collectivized. Since then the economy has gotten worse and worse. There was only one short period of development, from 1968 to 1972, when in tandem with the Dubcek reforms in Czechoslovakia, Ceausescu permitted the development of small private enterprises. This generated wealth. It almost seemed that the system of privileges, typical of Communist regimes, would disappear. Then the system hardened. Ceausescu made a trip to China and decided to copy the Chinese model: Small business was wiped out. Things started getting worse and worse. In the 1970s we were worse off than in the 1960s, and in the 1980s, worse off than in the 1970s.

"The people in Romania scoff at and hate the Communist Party, and now they don't want to hear of it—they want to wipe it out. Don't forget that in 40 years of Communism more than 1 million inconvenient people were eliminated, especially intellectuals. Every day two or three dissidents were eliminated. Only those dissidents whose names were known abroad could be saved, because the regime did not want negative publicity. But whoever was not known outside Romania got eliminated.

"But Romania is a country whose culture is Western. Bucharest is a city that greatly resembles Paris: There were the Liberty-style villas, the cafés. Cultural ties with France have always been very close. The same with Italy, due also to ethnic and linguistic affinities; there is reciprocal sympathy between the two populations, and now, this sympathy in Italy has appeared even more evident to me. Sure, Bucharest was destroyed by Ceausescu. But now it is time to rebuild."

EIR January 26, 1990 International 41

## Workers played major role in upsurge against Chinese regime

Yue Wu is deputy head of the Beijing Autonomous Union of Workers. The following interview was conducted in Paris on Jan. 10 by Gil Rivière-Wekstein of the Schiller Institute, who made it available to EIR.

Q: First of all, Mr. Yue Wu, could you tell us about yourself? Yue Wu: During the demonstrations of the "Beijing Spring" on Tiananmen Square, I was a worker. Last May, I participated along with other workers in the movement for democracy, and we created the Autonomous Union of Workers. I was elected its deputy head. After the massacre, the regime put my name on the lists of wanted people. I then went into hiding in the countryside and am now a political refugee in France.

Q: What was the role of workers in the movement of the "Beijing Spring"?

Yue Wu: At the time, in May, most of the demonstrators, that is to say 80% were workers. The workers were the base of support for the students and intellectuals. When the repression started, workers went up front to defend the students and intellectuals. It was mostly workers who prevented the soldiers from entering the city: There were only 200,000 students, while we mobilized 1 million people. The first arrests were those of workers belonging to the Beijing Autonomous Union of Workers, and the first thing the repression destroyed was our general staff.

Q: It has been said in the West that the movement of the Beijing Spring was the result of Deng's so-called economic success, and that the population, with better standards of living, wanted more democracy and more freedom. And that therefore it was a movement of intellectuals. What is the situation of workers in China?

Yue Wu: In reality, there has not been any economic success. But in certain areas of life, there has been some improvement in the standards of living over the past 10 years. Unfortunately, there has been very little improvement for the people, because it is the leaders of the Communist Party who have profited by it. They are corrupted, and it is because of

this corruption that the Chinese people have begun to revolt. The people are not happy, and therefore they fight.

Q: A leading French China expert has said that the entire Chinese economy is organized around corruption; that corruption was the motor oil of the Deng Xiaoping system. But we now hear the Chinese leadership claim they are campaigning against corruption. Is this really possible?

Yue Wu: It is possible to limit corruption, but for that, the Chinese people must be able to express itself freely, it must have the right to develop itself and develop the economy of China. Under the Communist regime, it is indeed impossible to escape corruption. When communism will have disappeared, then and only then will it be possible to eliminate corruption.

**Q:** What is the present state of the Chinese economy and how do workers live?

Yue Wu: Those who say that urban workers live better are wrong. It is true that over the past 10 years workers' wages have tripled, but at the same time, inflation has increased, and much faster. For example, in 1986, wages increased by 17%, but the price of lettuce rose by 40% and meat by 70%. Workers have a miserable life, they earn about 100 yuans a month, that is between \$3-5. How miserable! Concerning Deng Xiaoping's economic policy, he has helped a lot the children of the Communist leadership. He gives them a lot of privileges.

**Q:** Are then the students sent abroad the sons of high-ranking leaders?

Yue Wu: They are the sons of high-ranking leaders, much more than of the other social classes.

Q: If workers did not profit from the so-called economic success, what about the peasants, who represent 80% of the population?

Yue Wu: In Mao's time, the peasants did not eat well. Half of their food was based on rice or flour, the other half was made of vegetables. Nobody ate meat. Since the Deng peri-

od, the problem of starvation has been more or less solved. Most peasants can eat. Their condition has therefore improved. But since 1984, the functionaries and traders have used their power to increase the price of raw materials, of fertilizers and feedgrains, for example. So production costs are increasing more rapidly than retail prices. Peasants have lost a lot this way, particularly their enthusiasm, their readiness to work. And since everything goes up, the peasants cannot eat correctly any longer.

Q: Is it true that China has barely enough to feed all of its population with the wheat imported from the United States and that a bad crop would be enough for China to undergo again the great famines of the past, which would mean that Deng's agricultural reforms have been superficial?

Yue Wu: This is absolutely true.

Q: How has the peasant population perceived the Tiananmen demonstrations? Is it true that the movement only had the support of the urban population?

Yue Wu: No, this is wrong! Everybody has been shocked by the Tiananmen massacre. And the peasants too, of course. For example, I had to flee for two weeks to the countryside. I met peasants who helped me hide. None of them was happy with the government, they disagreed with the oppression of which the students are the victims. The image according to which the peasants are not supporting the students is false. For example, in Xiamen, Fujian, I met a peasant to whom I told my story. He cried and put me up for several days. On top of that, when I left, he gave me some money to go on my way.

#### Q: What about the Army?

Yue Wu: First of all, Deng Xiaoping sent the 38th Army into Beijing, but it did not want to intervene. So he sent other divisions. It took them 15 days to reach the center of Beijing. The reason for this is because there was resistance on the part of the people, but also because some officers of the divisions did not want to participate in the planned repression. In fact, there were certain officers who abandoned the Army and who refused to use weapons. I think that after the massacre, disagreement grew among the military.

Q: Certain opposition leaders believe that one should simply wait for the death of Deng Xiaoping, that this would lead to the rehabilitation of Zhao Ziyang and his reform policies.

Yue Wu: This is not a good strategy. The Communist regime must be overthrown. It is the only hope for a new China.

Q: How do you envisage new China from an economic standpoint?

Yue Wu: First of all, we must give land to the peasants. We can keep the large firms under state control, but it is necessary

to privatize the small and middle-sized enterprises. The economy must function according to the law of the market.

**Q:** Do you believe that the ideas of Dr. Sun Yat-sen can be of help for today?

Yue Wu: Yes, notably his idea to combine ancient Chinese tradition with Western culture. This idea is absolutely correct. It is this spirit that we need for the leadership of China.

**Q:** What do you expect from Western governments now? What can they do to help your struggle?

Yue Wu: We need everything. We need Western aid, whatever aid is possible to overthrow the Communist regime.

Q: Would an economic boycott help?

Yue Wu: Yes, an economic boycott would be a good thing. One must block Deng Xiaoping's economy.

Q: And what do you expect from the Schiller Institute?

Yue Wu: The Schiller Institute has done in-depth research on economic questions. I hope that when the Communist regime collapses, the Schiller Institute will have elaborated a project for the economic development of China which it will propose to us. If the plan is the best, we will follow it. For us there are two great problems. The first is, of course, a political problem; but the second is economic. We do not have a good enough understanding of economics. That's why we need your help.

**Q:** In this context, don't you see a necessity of creating discussion groups on economics and other fundamental problems prior to the overthrow of the regime?

Yue Wu: Before the Tiananmen Square movement, there were many groups debating cultural and economic questions. Unfortunately, most of them were controlled by the Communists and hence did not bring any solutions for the future. Certain refugees organized a center, the Center for Research on Chinese Problems. They are particularly dealing with economic questions.

**Q:** The China expert Simon Leys has said that the greatest event of 20th-century China is the growing demand for democracy, not taken into account by Western countries.

Yue Wu: I think this point of view is perfectly exact. Democratic ferment exists everywhere in China, in all provinces and in all social classes. The overseas Chinese have an even greater demand for democracy than those of mainland China, because they can see the results of democracy in the West: economic prosperity.

Q: Thank you very much.

Yue Wu: Thank you. The Schiller Institute has done much for the Chinese people and I hope that you will do even more in the future.

EIR January 26, 1990 International 43

## P.R.C. tries to shift to offshore defense

#### by Our Special Correspondent

Due to its financial crisis, the People's Republic of China has considered giving up building any aircraft carriers, and has instead decided to construct a new air force base on one of the Paracel Islands. These small islands lie off the coast of Vietnam and Hainan Island (China) in the South China Sea north of the Straits of Malacca, probably the single busiest sea route in the world. This would be the first time that the People's Republic will have made the great change of adjusting its coastal defense strategy to an offshore defense.

Early in March 1989, Chang Chun Sam, Vice Commander of the P.R.C. Navy, pointed out that during the development of the P.R.C. naval force over the past four decades, because its economic strength was not up to what was required, it could only develop a coastal defense strategy. In fact, following the trends of worldwide development, the ocean becomes more and more important in our national economic construction day by day, Chang said. We must carry out our strategic change as soon as possible, as it can benefit us by protecting our ocean territory, marine resources, shipping, and other activities in ocean development. In addition, we might recover our jurisdiction over the outlying islands, he concluded.

#### **Conflict with Vietnam**

Actually, what has forced the P.R.C. to urgently change its coastal defense strategy is the naval expansion of Japan, India, and Vietnam. India, which has already bought two aircraft carriers from Great Britain and is building another four itself, intends to have the Indian Ocean under its control and turn it into an "Indian lake." Although Vietnam is not powerful enough to push into the high seas, it will without hesitation attempt to penetrate the eastern territory of the South China Sea and the southern Paracel Islands. The latter especially would be a gun pointing at the back of China, and challenge its jurisdiction. This forced the P.R.C. to develop its "offshore defense project" and led it to consider a fleet of carriers necessary.

In addition, fighting broke out between China and Vietnam in early 1988 over the strategically located Spratly Islands, to the southeast of the Paracel group. The Spratlys are also claimed by Taiwan, the Philippines, and Malaysia. China sent in warships and troops, provoking Vietnamese protests. Taiwan maintains a battalion-strength garrison on Itu Aba, the largest of the islands. China has been carrying out troop exercises, including marine and paratroop units, on many of the Spratlys.

#### The aircraft carrier project

In 1985, for further research into the structure, equipment, and facilities of carriers before they attempted to build one with their present technologies, the P.R.C. purchased a retired carrier from Australia: A "flying commander class" was set up at the Naval Academy in Canton, in order to train the first generation of P.R.C. carrier commanders. In March 1988, conflict with the Vietnamese on South Paracel Island promoted the acceleration of the project, but facing economic crisis and China's technological backwardness, the project was abandoned.

A heavyweight carrier must have the capability of attacking power on the high seas. The P.R.C. at present lacks those technologies and faces great difficulties in getting such technologies transferred from the developed countries. The billions of dollars in annual maintenance costs would be a heavy burden to the government, and right now the P.R.C. cannot afford to take this risk. Third, the carrier itself has some weak points in its development, because it will become the main target of a sea battle and needs a fleet of warships for security escort. Based on these considerations, the P.R.C. must give up its dream of building carriers at this time. They are turning their hopes to setting up new bases on the offshore islands instead, so that their coastal defense line can be expanded.

From the strategic point of view, an air force base on the Paracel Islands is being considered for the following reasons:

1) The P.R.C. might easily increase its influential power in the South China Sea, and thus gain complete control of the coastal territory of Vietnam and the Philippines. 2) To protect its political interests on the ocean boundary, Navy fighters and mid-range bombers will be suitable to protect South Paracel Island as well. 3) A consideration of economic interest, is that all marine resources, such as the rich undersea oil fields, can be well protected by the powerful air force which is stationed in this area. 4) It could cut into the military power bases of the United States and U.S.S.R. in the South China Sea, where the U.S. has Clark Field airbase in the Philippines, and the Soviets have an airforce base in Vietnam.

Even though the P.R.C. intended to construct a new air force base in the Paracel Islands, there are many new problems they have to face. The islands are little more than coral reefs, drowned at high tide. Construction will be difficult, and even when finished it will be difficult for MiG fighters to take off and land. In addition to any preliminary requirements such as fuel reserve tanks, ammunition storage and bunkers, a long-range supply line will be necessary from Haikow on Hainan Island.

44 International EIR January 26, 1990

## Land scammers feast on Middle East

by Jeffrey Steinberg

While most of the world's attention riveted on the mounting chaos inside the borders of the Russian empire, the situation in the eastern Mediterranean is moving rapidly from bad to worse, with the threat of war becoming more real with each passing day.

Israeli Defense Minister Yitzhak Rabin was in Washington on Jan. 18 to confer with senior Bush administration officials on prospects of reviving the so-called Baker Plan for holding elections among Arabs living in the Israeli-occupied West Bank, Gaza Strip, and the eastern part of Jerusalem. Last month, a preliminary series of meetings took place between Baker, State Department Middle East negotiator Dennis Ross, and Israeli minister Eliyahu Rubinstein. At the end of those talks, Israeli Prime Minister Yitzhak Shamir issued a series of super-hardline statements, in effect rejecting the Bush administration's efforts to compromise its way through some kind of electoral process acceptable to the Israeli and Egyptian governments. Among the "concessions" reportedly floated by Ross and Baker was a U.S. announcement of its intention to move its embassy to the western part of Jerusalem, a move that would represent a major sop to the fanatic elements in the Likud coalition, typified by Ariel Sharon.

A senior Palestine Liberation Organization official was reportedly in Washington, D.C. throughout those secret consultations. After Shamir rejected the deal offered up to Minister Rubinstein, the PLO official was also summoned home. The very next day, PLO chairman Yasser Arafat made a surprise visit to Libya, where he gave a press conference with Muammar Qaddafi and reverted to his own hardball rhetoric, unheard in recent months.

This increasing polarization of the Israeli-Palestinian situation is reflective of other, more local events that are impelling the region in the direction of a bloody religious confrontation.

According to Egyptian sources, Arafat's desperation at the snail's pace of negotiations for elections is aggravated by the rapid growth of fundamentalism among the Arabs in the Israeli-occupied lands. Hamas, the fundamentalist organization that is the major rival to the PLO over leadership of the *Intifada* (the Palestinian uprising), is by some accounts now in control of the majority of Palestinian activists in the occupied territories. Despite secret links to both Israeli and Jordanian intelligence services, Hamas represents a genuine threat of war against Israel unless a meaningful solution—i.e., one grounded in economic development—is reached soon.

#### Russian Jews as cannon-fodder

Israel is meanwhile being driven on a similar confrontational course by a different set of events with their own logic. Prime Minister Shamir has made frequent references to the anticipated influx of over 1 million Russian Jewish emigrés over the next two years. He has made no bones about the fact that he wants these settlers to occupy the West Bank and Gaza. Such a move is viewed by many as being synonymous with the mass expulsion of the nearly 1.5 million Arabs now living in those areas. The cry, "Jordan is Palestine" is once against being heard everywhere in Israel.

Other reports from the region indicate that a new round of land grabs in the occupied territories and in the eastern part of Jerusalem are once again under way, with big bucks flowing from private Jewish interests in the United States, Canada, and Europe for that purpose. These lands would eventually be sold back to the Israeli government at a handsome profit for the land-grabbers—once the Arabs are expelled and the flood of Russian Jews steered to Gaza and the West Bank. As *EIR* has reported since 1983, the plans to make fabulous profits on West Bank real estate at the cost of tremendous loss of life, lead back to Henry Kissinger and his British business partners.

All of the above ingredients make for a most volatile mixture, almost sure to trigger a war at some point in the not too distant future unless thoughtful solutions are put into place.

When Presidents Bush and Gorbachov met at Malta Dec. 2-3, they reportedly discussed cooperation in reviving the stalled Baker Plan and the land-for-peace solution to the Israel-Palestine crisis. Since then, Moscow has reportedly pressed Syria to move back into the moderate Arab fold and to pressure Syrian-controlled Palestinian factions to give tacit support to Arafat. In return, the United States seems committed to giving Moscow equal billing at an international conference that would ratify the peace package worked out in the still-pending U.S.-Israel-Egypt foreign ministers' meeting.

But an alternative option is also reportedly being studied among the superpowers: If the "peace" talks break down, the "Jordan is Palestine" fallback, literally over the dead body of Jordan's King Hussein, is not to be ruled out. Palestinians linked to George Habash and other Syrian-backed radical factions staged bloody riots in Amman, Jordan several weeks ago, invoking images of the Black September slaughters in 1970.

Between Hamas, the Sharon-linked land-scam crowd in Israel, and in the North American and European Jewish communities, and the prospects for a revival of Syrian-backed Palestinian violence within the Eastern Mediterranean, the war danger emanating from the Middle East is far too great to be ignored. In January 1989, a prominent British intelligence hand predicted that, after a protracted period of Western appeasement of the Russians, events would take a rapid turn back toward confrontation.

EIR January 26, 1990 International 45

#### From New Delhi by Susan Maitra

#### Setting the value of human life

Is the new government's move on the 1984 Bhopal gas disaster more than populist posturing?

At a Jan. 12 press conference here, Union Law Minister Dinesh Goswami announced that the National Front government has decided to support the review petitions filed by volunteer organizations and others against the settlement reached by the Indian government and Union Carbide over the 1984 Bhopal gas disaster. "Human life in India is not so cheap that the worst industrial disaster of the world . . . could be compensated by an amount of \$470 million," Goswami stated.

Under the terms of the Bhopal Act of 1985, the government became the sole legal representative of the victims, and negotiated a \$470 million settlement with Union Carbide, owners of the chemical plant where methyl isocyanide (MIC) fumes escaped to blanket large areas of Bhopal city on a foggy winter night in 1984, killing thousands instantly and maiming countless more.

The compensation agreement, which also extinguished any further rights to the victims as far as civil or criminal claims on Union Carbide are concerned, and which explicitly avoided fixing liability, was reached in February 1989, and was subsequently converted into an order by the Supreme Court of India.

It is the finality of this settlement which has been thrown into question by the new government's move. But the actual impact remains to be seen. In December a five-judge panel of the Supreme Court had upheld the constitutional validity of the Bhopal Gas Act, albeit with an important proviso—namely, that the victims would

be given a fair hearing on the settlement. The December judgment's further opinion that the settlement itself seemed fair and that a hearing of the review petitions is unnecessary, is binding on no one.

Unlike the constitutional challenge, the review petitions challenge the settlement itself. According to Prof. Upendra Baxi, a law professor at Delhi University and a leading human rights protagonist, the government's decision to support the review petitions has several important components.

First, it reaffirms that the victims have certain "inalienable rights" to remedies, and that the government, in adopting a parental role, can only act on behalf of and at the behest of the victims. Second, the announcement explicitly recognizes the right to interim relief, and specifies that the amount of the one-time interim payment will be established in consultation with the victims.

Third, the minimum number of people exposed to the deadly MIC is taken to be non-negotiable. At an average of four members per family, the minimum number of people affected exceeds 400,000, and actual personal injury claims already exceed 600,000. Some investigators insist the death toll was as high as 10,000. By contrast, the February settlement is based on the assumption of 3,000 dead and 40,000 seriously injured, and at one point the Madhya Pradesh state government argued in court that the number of seriously injured was only 23!

Fourth, the government has stated

its belief, echoed in the review petitions, that the immunity from criminal liability given to Union Carbide is not sustainable in principle—a view also stated in the Supreme Court's December decision. Incredibly, the government-Union Carbide memorandum of understanding states not only that all civil and criminal claims stand extinguished, and that India shall defend all Union Carbide companies in such proceedings globally, but also that if anybody has been convicted, he shall now be deemed acquitted!

In Washington, Union Carbide spokesman Bob Berzok questioned the new government's decision; and indeed, it remains to be seen just what the move implies. As a critic here has already observed, the government did not itself file a petition seeking to set aside the settlement and the court order for its implementation, but has only voiced its "support" for the review petitions already filed. In so doing, it may only prolong the litigation and delay actual compensation payments to the victims.

It is this consideration which had brought near unanimous support for the February 1989 settlement, even from the local "human rights" watchdogs. This concern could be offset if the government's convictions about the interim relief are carried through efficiently, but that would seem to be a tall order under the circumstances.

That the Rajiv Gandhi government acted swiftly to try to get relief funds from Union Carbide is clear from the record. But the price of compensation from Union Carbide seems to have been to close the book on the actual persons responsible at the plant. Jailing the Union Carbide India Ltd. officials and a few of the relevant state regulatory authorities would do much more than a populist campaign against the multinational bogeymen to raise the value of a human life in India.

#### Report from Bonn by Rainer Apel

#### A genuine labor strike movement

A personal encounter with the core of the ongoing East German revolution against communism and socialism.

A fact-finding mission by an EIR team that toured Leipzig and several cities in Thuringia in mid-January, produced a deeper insight into the strike momentum that is building in East Germany. Crossing the border at Herleshausen and traveling on to Leipzig, we met a phenomenon that indicated how massively the SED regime lost political control of the factories. Again and again, we saw signs and banners posted at factory gates that denounced the SED, called for its replacement in the government in free elections, and attacked SED plans to rebuild the Stasi police-state apparatus under a new name.

We spotted many flags showing the German colors (black, red, and gold), without the SED hammer and sickle, hoisted at factory smokestacks, underlining the broad sentiment for German reunification.

Later, in Erfurt, Weimar, Jena, and other cities along the route to Leipzig, we learned more of the situation inside the factories and the general strike mood in individual discussions with workers. The erosion of its political control apparatus in the factories confronts the SED regime with a dual-power situation.

A skilled worker at the Polishing Machine plant in Leipzig reported that of 1,500 workers at that plant, only 300 of about 1,200 former SED party members are left. Most other plants report a ratio of 50-80% of workers having quit their SED party membership. This is also true with most of the military-related plants of the optics, electronics, micro-electronics, and metal-processing sectors. Even the

police, border troops, at least the lower ranks of the army, postal services, and rail sector are reporting a massive drain of SED members.

This overwhelming opposition to and desertion from the communist SED, is the fertile ground on which the strike movement is growing. The strikes are strictly non-violent, very disciplined, and well-organized. They are led by workers who in many cases were (involuntary) members of the SED and its factory groups until some weeks ago, who know the inside of the party power apparatus and have a good profile of whom to trust and to call on for mobilization.

The strikes are not launched by the mostly academic leaders of the main opposition groups, but a genuine labor phenomenon; the core of the strike movement consists of workers that are members, associated with, or consider themselves strong supporters of a specific opposition group on a regional or local level. The strikes are often pushed against the will of the hesitant leading spokesmen of the opposition, putting them on the line.

The communication infrastructure of the labor strike movement is well-developed, either on a plant-to-plant level within the same industrial combine, or between particular plants that belong to different combines locally, or even on a workbench-to-workbench level within one plant.

In some cases, as in the Heating Equipment Plant in Erfurt, the movement has developed such muscle that their plant can decouple from its combine and try to stand on its own feet, in cooperation with West German suppliers over the border.

A thumbnail sketch of the density and discipline of the strikes in several cities that involved an estimated 3-4 million in public protest activities on Jan. 15 alone:

- Jena: 20,000 workers of the Zeiss Optics complex walk out into the center-city district in the morning, joined in by workers of other sectors, store clerks, policemen, and university students. Within half an hour, around 40,000 gather for a powerful protest march and rally lasting two hours.
- Weimar: Railway workers, all ambulance drivers and hospital personnel, policemen, and postal workers go on a warning strike; 20,000 workers are joined by students and store sales personnel, adding up to 40,000 protesters. The warning strike lasts 90 minutes. (This is continued with smaller strikes on Tuesday, Jan. 16, with a concluding rally involving 30,000 people).
- Erfurt: Virtually all 20,000 workers of the huge railway complex in this key transportation nexus stop work, joined by workers from the local micro-electronics plant. Within a very short time, up to 60,000 people are on a warning strike against the regime. Two hours later, everybody is back at work. More warning strikes through Jan. 16-17 mount into another big protest rally of at least 40,000 on Thursday, Jan. 18.

That same day, members of the police meet in Potsdam, near Berlin, to set up the first-ever independent police union; craft unions in Gera announce a tax boycott against the regime, and it is announced that numerous initiative groups in the country are debating setting up a free labor union federation, modeled on the Polish Solidarnosc. This is a genuine labor revolution, against the communists and socialists.

#### Dateline Mexico by Héctor Apolinar

#### New financial blackmail

Postponement of the debt reduction package has triggered another "crisis of confidence" in Mexico.

During the last quarter of 1989, the Salinas de Gortari government suffered a serious setback at the hands of the Anglo-American creditor banks, which have decided to postpone yet again the signing of the final agreement for the highly touted "foreign debt reduction" package. The result has been a crisis of confidence in Mexican financial and economic circles, which in turn has seriously affected the economy.

The refusal of 90% of the creditor banks to give new credits can only be understood as a maneuver to sink Mexico even further in economic depression and social chaos. At the same time, there is a serious cabinet crisis inside the Salinas government, triggered by Bank of Mexico director Miguel Mancera Aguayo, who presented his resignation in early November to protest what he described as a "highly inflationary" 1990 federal budget.

Mancera's move immediately caused a case of nerves among local financial circles. The weekly magazine *Mexico's Journal* of Dec. 18 commented that those circles believe that "if Mancera goes, Mexico will lose its man of restraint, the person who can prevent the Presidents from pushing the economy into financial chaos."

Mancera achieved his purpose. President Carlos Salinas de Gortari got down on his knees and agreed to a modification of the budget. As a result, the Finance Secretariat prepared a brutal tax collection plan to extract resources, "from wherever," to finance the budget with "non-infla-

tionary means," as Mancera demanded.

It was no accident that the tax-collection program was prepared by the Finance Secretariat's Undersecretary of Revenues, Francisco Gil Díaz, considered one of the Bank of Mexico director's intimates. In addition to Gil Díaz, there are other important officials such as Deputy Finance Secretary Guillermo Ortiz Martínez, and Budget and Planning Secretary Ernesto Zedillo Ponce de León, both members of the "minor leagues" of the Bank of Mexico and "educated" by Mancera.

Mancera has also been able to force Salinas to jack up the interest rates that the government pays on the internal public debt, through Treasury Certificates (CETES) and other paper. The measure only benefits those powerful economic interest groups in the country who hold the majority of the CETES the government has issued in the last few years.

The interest hike dealt a deathblow to Salinas's policy of trying to gradually lower internal interest rates in the hope of reducing the inflationary and speculative bubble caused by high interest rates. Said policy went into effect when the debt reduction agreement of July 1989 was first announced.

Through June 1989, the interest rate on 28-day CETES was 56% a year. In July, they were reduced to 46%; in August to 34%. As of October, however, the Bank of Mexico began to raise the interest rate, first to 37% and then to 42% by December.

Private financial groups, through

the accounting offices of the major companies that invest in CETES, immediately began a pressure campaign to force the government to start issuing 14-day CETES again, which had been abolished by Salinas to prevent the debt from becoming too short-term. Investors simply refused to buy the 28-day CETES unless the interest paid were 50%. As of the end of November, 70% of the CETES issued by the Central Bank had been sold at 14-day terms, and at a 42% interest rate.

All of this, of course, drove the cost of credit offered by the national banking system through the ceiling. This in turn has seriously affected national economic activity of all sorts by making productive investment prohibitively costly. At the same time, the interest rate hike has forced many already indebted businesses and companies to raise their own prices in order to meet the exorbitant cost of credit.

Equally serious is that high interest rates are being paid for money that cannot be productively invested, a phenomenon which is accelerating inflation and economic stagnation. An analysis appearing in the daily El Financiero of Dec. 7, indicated that "the government will continue to be 'hostage' to interest rate policy." Regarding the date for the signing of the foreign debt package, the official newspaper El Nacional of Jan. 3 wrote that it will be postponed even further, until "the middle or the end of next month."

Unless Salinas de Gortari finds the courage to break with Mancera's financial blackmail, a social explosion of incalculable consequences threatens to engulf Mexico. Already in the developments of 1989's final quarter one can see the intention to push the country into a dead end, in which brutal repression of Mexico's suffering population can be the only thing on the agenda.

8 International EIR January 26, 1990

#### Andean Report by José Restrepo

#### Colombia's drug mafia strikes back

With the help of former President López Michelsen, the cocaine cartel is blackmailing the government.

For first time since the assassination of presidential candidate Luis Carlos Galán in August 1989, the government of Colombia has opened the door for negotiation with the drug cartels, and hesitated in its confrontation with the military apparatus of the drug kingpins. To counter the Colombian government's courageous military war on drugs, a big campaign has been launched in both Colombia and the United States, to accept such "generous offers" of the drug traffickers as to legalize dope.

It all began with the kidnaping by the drug mafia of at least 80 members of the country's leading families. The so-called Extraditables—the drug traffickers wanted for extradition to the United States—set a deadline for the government to negotiate with them, or else, they vowed, they would kill their victims one by one.

Then, they activated their political assets. Former President Alfonso López Michelsen issued a statement on Jan. 15 expressing his agreement with the drug lawyers on the need for "negotiation."

The statment was supported by former President Julio César Turbay Ayala, considered an asset of U.S. interests; the leader of the communist Patriotic Union, Diego Montaña Cuéllar; Bogotá's Cardinal Mario Revollo Bravo; and former President Misael Pastrana Borrero. The statement said: "We are certain that society, given a statement by the Extraditables accepting this appeal and freeing those they hold hostage, and immediately suspending shipments of cocaine

abroad, would look with benevolence upon this final gesture and would make the Extraditables the beneficiaries of a less severe treatment than were they to insist on continuing their criminal actions."

Gen. Harold Bedoya, head of the the IV Army Brigade, with headquarters in the cocaine capital of Medellín, denounced the statement on Jan. 16. "The document that was published yesterday was known about in advance by the drug mafia," he charged. "One of the signers [López], through a lawyer named Guido Parra, had been in contact with [cocaine kingpins] Pablo Escobar and Luis Ochoa, in order to informed them of what would be presented to public opinion. For the drug traffickers, it was not a surprise at all, because they were expecting the statement. . . . It could be said that this is blackmail."

Medellín's Cardinal Alfonso López Trujillo, who is also the president of Colombian Conference of Bishops, made clear that Cardinal Revollo did not sign the statement in the name of the Catholic Church. "The Conference of Bishops in General Assembly," he said, "should make a statement to the country, which needs the voice of the Church."

The day that the López Michelsen statement was published, the Extraditables freed two of their hostages, who in turn relayed the mafia's response: "We accept the victory of the state, of the institutions, and of the legitimate established government. We will lay down our weapons and abandon our war aims, out of desire for the highest

interests of the fatherland." The cartels said they "have decided to suspend the export of drugs, and we will turn over all weapons, explosives, laboratories, hostages, clandestine airfields, and other elements proper to our former activities, as soon as we receive institutional and legal guarantees." They promised no more bomb attacks and no more executions.

Ernesto Samper Pizano, the political protégé of López Michelsen, as well as former President Turbay, both close collaborators of the U.S. State Department, immediately characterized the drug mafia's statment as an "unconditional surrender."

López Michelsen and his friends are acting with the support of powerful U.S. factions who back the campaign to legalize dope. For instance, the Washington Post editorial on Jan. 19 said that the deal proposed by the cartel "is political plea-bargaining writ large, but it is not to be dismissed."

The first political demand by the drug mafia would be to lift the state of siege, which the government imposed in order to take harsh measures against the drug mafia, including extradition and confiscation of properties.

This is far from a mafia surrender. The mere fact that they have 80 people held hostage, means that the drug cartel still has formidable military capabilities.

The anti-drug newspaper El Espectador called the López Michelsen proposal "blackmail," in a Jan. 16 editorial. It wrote, "El Espectador has been one of the principal victims of the criminal chain which has tried to subjugate Colombia and which was finally about to be defeated, after the death of one of its chieftains and the military operation against the rest. Whitewashing a deal or a surrender in a battle to which Colombia's dignity is committed would be intolerable."

#### Panama Report by Carlos Wesley

#### Accused narco was CIA bagman

The Establishment admits EIR's charges that the CIA was financing drug traffickers against General Noriega.

United States government officials have admitted that the CIA used accused drug trafficker Carlos Eleta Almarán as a bagman to conduit funds to opponents of Gen. Manuel Antonio Noriega, according to the *New York Times* of Jan. 14. The article, "Drug Arrest Disrupted CIA Operation in Panama," cracks the virtual blackout by the Establishment media of the explosive implications of the Eleta case, which *EIR* has covered extensively since his arrest on drug charges on April 6, 1989.

Eleta, one of Panama's wealthiest men, was busted in Macon, Georgia by the Drug Enforcement Administration (DEA) in a joint operation with the Bibb County Sheriff's office, and charged with conspiracy to import 600 kilos of cocaine per month, worth \$300 million, into the United States, and with planning to set up shell companies in Panama to launder the drug profits.

Arrested with Eleta were Manuel Castillo Bourcy and Juan Karamañites, both of whom have since pleaded guilty to lesser charges of drug conspiracy in a plea-bargaining agreement. Eleta remains free on \$8 million bail until his trial, scheduled to start in February.

According to the *Times*, Eleta's arrest brought an abrupt end to a covert CIA program "to support political opponents of General Manuel Antonio Noriega." Further, "American officials said his role in the covert program for the elections was as a 'banker,' distributing money to others helping with opposition political activities." Eleta's job was to manage \$20

million approved by the U.S. Senate Intelligence Committee, at the request of the Bush administration, to be given out in two installments of \$10 million each for the CIA's operations against Panama. "The arrest of Mr. Eleta on April 6, 1989, caused the committee to refuse to approve the second \$10 million installment, Government officials said."

The Times article went on to claim that the case against Eleta "appeared to weaken substantially" after Castillo Bourcy and Karamañites, filed affidavits claiming to have lied when they stated that Eleta knew that the "sportsbetting venture" that the three of them were planning to set up in Panama, was really a front for laundering their drug profits.

Despite these affidavits, Bibb County Sheriff Ray Wilkes believes the case against Eleta will hold up. The testimony of the two alleged coconspirators is not the only evidence. As EIR reported June 9, 1989, "Eleta's arrest came as the result of a series of meetings in Miami and elsewhere with undercover agents of the . . . DEA. Videotapes of these meetings show Eleta . . . seeking to establish a new drug-smuggling route into Georgia."

The effort to weaken the case against Eleta appears to be an attempt at damage control, as the coverup of the drug connections of the government installed in Panama by Bush's invasion begins to unravel. Eleta has extensive conections with Henry Kissinger's circles, through Kissinger's lawyer, William Dill Rogers. Eleta and his brother Fernando own a sub-

sidiary of Phillip Morris company, interest in thoroughbred horse racing, and a number of other businesses, including the Panamanian subsidiary of General Mills, Harinas de Panama, S.A. This makes him a business partner of the U.S.-installed "President" of Panama, Guillermo Endara, a major stockholder and member of the board of directors of Harinas de Panama, S.A.

The world's media have begun to report on the links to the drug cartels of the Endara government, including Endara's own partnership with Eleta. Nor has it gone unnoticed that Endara's two "vice presidents"—Ricardo Arias Calderón and Guillermo ("Billy") Ford—his Attorney General, several members of the cabinet, as well as the new "chief justice" of Panama's Supreme Court, are linked to the Colombian drug cartels.

Even the New York Times was forced to report on Jan. 17 that there are "unconfirmed . . . reports that a former law partner of President Guillermo Endara handled drug profits for clients and that a brother of Second Vice President Guillermo Ford was associated with a Miami accountant who laundered millions of dollars for the Medellin drug cartel."

In a further effort to keep the lid on the CIA's drug ties, the Bush administration let off the Bank of Credit and Commerce International without even a slap on the wrist when the bank agreed to plead guilty on Jan. 17 to laundering \$14 million in drug monies. Lawyers for the bank, which allegedly handled General Noriega's accounts, threatened that if prosecutors brought Noriega's activities into the case, they would request government documents that "demonstrate that much of the money in the accounts in question came from United States government agencies, not drug transactions."

#### Report from Rio by Silvia Palacios

#### Superpowers eying Amazon, too?

Brazilian elites are nervously considering the implications of the U.S. invasion of Panama.

Despite the fact that Brazil's official position condemning the U.S. invasion of Panama has been lukewarm, there is visible concern among civilian and military elites over the ominous consequences for already-deteriorated hemispheric relations. Above all, this is because there is an understanding in Brazil that the invasion was only made possible by the condominium pact between the superpowers, reaffirmed at the December 1989 summit in Malta.

The newspaper Jornal do Brasil, which speaks unofficially for the Brazilian foreign ministry, revealed Jan. 11 that Brazilian diplomatic circles are dismayed by what they call the "world tendency to legitimize invasions à la Bush." For example, these circles note, "the case of French Foreign Minister Roland Dumas, who defended the [potential] Soviet Army's invasion of Romania with the justification of defending human rights; later there occurred the recent threat of a naval blockade of Colombia. . . . Everything is possible, including an invasion under the pretext of defending the Amazon."

Similarly, there has been widespread discussion among political circles concerning Moscow's virtual silence on the U.S. troop deployment to the Central American isthmus.

Even a great admirer of Gorbachov and defender of "global government" expressed his shock at the barbarism of the superpower condominium. Influential professor Candido Mendes wrote in *Jornal do Brasil* Jan. 12: "Noriega's surrender to Miami justice [sic] postponed the test of the

survival of sovereignties outside the superpowers." World stability, Mendes added, is maintained by "the superpowers' self-investiture to intervene *urbi et orbe* in defense of what they understand to be the values of justice. With the dissolution of the Romanian tyranny, international consensus tested the effort to symmetrically legitimize this new post-Cold War *modus vivendi*... James Baker called for Soviet intervention in the Bucharest unrest."

Mendes concluded, "After the Panamanian invasion, there is theoretically no border that can impede the capture of an indictee of the Americans' courts, in the Bush government's view of the war against crime and of dissolved sovereignties, which is its corollary."

There exist serious reasons for the growing concern of the Brazilian establishment—and of the Foreign Ministry in particular—over the U.S.-U.S.S.R. pact. In nearly one year of government, George Bush has not had a single positive initiative toward Brazil. Instead, he has reduced relations to trade and ecological pressures, with the clear intention of imposing the principle of "limited sovereignty" on the Amazon region. For example, the World Bank cut off its credits to Brazil, citing an alleged failure to respect the environment. Moscow, for its part, has added to those pressures, making the post-Panama lesson clear.

On Jan. 11, syndicated columnist Carlos Chagas, considered a mouthpiece for the military sector, warned that the real problem is the opinion issued by U.S. Attorney General Richard Thornburgh, which permitted the U.S. troops to intervene as guardians of order outside U.S. borders. "Here is the danger, already presented to President Sarney by civilian and military authorities: If the United States inaugurates a new phase of its foreign strategy with Big Stick in hand, justifying the most absurd interventions to capture traffickers, or politicians accused of that, who can guarantee that tomorrow it won't mobilize its paratroops or its marines on the pretext of saving the lungs of the world, the internationalization of the Amazon region?"

Chagas added, "In the case of the Amazon, they can also count on the support of European public opinion, which is so concerned with 4,000 Ianomani Indians, but which shrugs its shoulders when it learns that there are 200,000 miserable inhabitants of the Rocinha slums."

Diplomat Mauro Santayana, the cultural attaché at the Brazilian embassy in Rome, wrote in *Gazeta Mercantil* Jan. 11 about what post-Panama relations with the United States will be like: "The coming years will be the most difficult in relations between the United States and its neighbors to the South. For the first time in their victorious history, they feel truly threatened."

Santayana issued a call for the new Brazilian government, which will be inaugurated on March 15, to mobilize the nation in the face of these coming hard times. "The scene that is beginning to take shape as this century draws to a close, requires that Brazil undertake an enormous patriotic effort. The vigilance and aggressiveness of its diplomatic services do not suffice. . . . The dimensions of the country, its population and its resources are not sufficient to make it a respectable partner in the world. Internal cohesion, which only democracy and social justice can assure, is required."

### International Intelligence

## G.D.R. Republikaner leader is Stasi agent

The campaign by the East German communists against "neo-fascism" was exposed as a propagandistic fraud on Jan. 12, when a leader of one of the chief right-wing groups in the country was exposed as an agent of the hated Stasi secret police (now, supposedly, disbanded).

The case involves Hans-Rudolf Gutbrodt, whom Franz Schönhuber, the chairman of the right-wing neutralist Republikaner party in West Germany, had just presented as the leader of the future East German party.

Gutbrodt has been identified as an informant of the Stasi, in documents secured by the opposition during recent raids of the regional Stasi offices in Schwerin. Gutbrodt worked as a spy inside church circles, filing reports on the political views of religious-leaders.

The West German mass-circulation daily *Bildzeitung*, which ran the story on page one on Jan. 12, quotes an unnamed senior officer of the regional police: "I can assure you that this particular man was indeed working for the Stasi. An unofficial collaborator, to use the terminology of the State Security Service."

Gutbrodt also has a police record for crimes including sexual abuse of children, and served a jail sentence of four years and eight months.

## Pope puts moral challenge to newly free countries

In his yearly "State of the World" speech to the Vatican diplomatic corps on Jan. 13, Pope John Paul II called on the West to help the newly free countries of Eastern Europe to develop societies based on moral values, but not to treat them as new members of a club of consumer countries by exporting the negative aspects of modern Western societies, such as "hedonism and practical materialism."

More than half of his 13-page address

was dedicated to the great changes in Eastern Europe over the past year, which, he said, had resulted from the "irrepressible thirst for freedom which has . . . toppled walls and opened doors." But, he said, the West should not disappoint Eastern Europe. "The time has come for Europeans of the West, who have the advantage of having lived long years in freedom and prosperity, to help their brothers . . . recover fully a place which belongs to them in a Europe of today and tomorrow. Sadly, all too often Western democracies have not known how to use the freedom gained in the past at the price of tough sacrifices. One can only regret the deliberate absence of all transcendental moral references in the running of socalled developed societies."

The Pontiff told diplomats from 120 countries that the West had developed great values, such as justice and human rights, but was also afflicted by "countervalues such as egoism, hedonism, racism, and practical materialism. The newcomers to freedom and democracy should not be disillusioned by those who are, in a sense, veterans."

The Pope said Western and Eastern Europeans should work together to rediscover their common Christian roots, as a "Europe of the spirit" was coming to life again.

### Albania executes its dissidents

Executions have begun in Albania of student leaders and ethnic Greeks wishing to emigrate, the *Daily Express* of London reported on Jan. 10. Albania is the only communist country not hitherto swept with the fervor of a people's revolution, and its hardline, traditionally pro-Beijing leadership is determined to keep it that way.

The paper reports that crowds were forced to watch as execution squads shot rebel students. "Travelers leaving the Albanian capital of Tirana told how students were left hanging from makeshift gallows for a week as a reminder that rebellion would be met with swift revenge."

Among the protesters, the *Daily Express* reports, were members of the 100,000-

strong ethnic Greek minority, who are demanding the right to emigrate to Greece. Witnesses claim that four Greeks who escaped through the heavily guarded frontier were "tied to the rear of vehicles and dragged over gravel roads until they were dead."

### British government plots against Vietnamese

British Foreign Secretary Douglas Hurd ordered a secret deal with the government of Communist China to deprive all Vietnamese refugees of food and water as they attempt to travel up the Chinese coast toward Hong Kong, the *Sunday Express* of London charged on Jan. 14.

Hurd asked the Chinese government to order coastal villagers in China not to give food, water, or other aid to "boat people" refugees, and to halt bus loads of Vietnamese refugees traveling through Chinese territory toward Hong Kong.

An estimated 30,000 Vietnamese are expected to attempt to flee to Hong Kong as the "sailing season" opens up in February. A Red Cross worker in the Hong Kong refugee camps said, "It looks like an unholy alliance between London and Beijing," the Sunday Express reported.

## China's freedom fighters foresee new protests

Shen Tong, a leader of the Chinese democracy movement who fled the People's Republic of China last June, told a news conference in Atlanta, Georgia on Jan. 15 that the relaxation of martial law in Beijing was "very cosmetic," but said that the students and workers plan to "take every opportunity to test it."

"There will be many symbolic days next spring, which are very important for the Chinese people. These days will be great channels for the Chinese people to start something again," Reuters quoted Shen as saving.

While admitting that the massacre broke

the actual student movement, Shen said the violence caused much greater disaffection in the population as a whole and that this is fueling resistance by a combination of workers, student intellectuals, and local governments. "The coastal cities are very liberal and open and in conflict with the central government. Even in Beijing there are party members who are questioning the leaders," he said. "All the Chinese government did last year was kill the worker leaders. But the workers still have concerns. For the past 11 years, when student intellectuals took the lead, the workers did not follow. Now the workers have self-awareness."

In a related development, Chia Ling, one of the top leaders of the democracy movement and China's most wanted fugitive, was arrested near Macao, Agence France Presse reported on Jan. 12, based on information from Hong Kong. She was apparently trying to escape China by boat.

#### West Germany to East: Stop spying on us!

Bonn Interior Minister Wolfgang Schaeuble has called on East Germany to stop spying on West Germany, now that relations are becoming close between the two states, Reuters reports.

Schaeuble told the weekly magazine Bunte, in an interview published Jan. 14. that East German espionage in West Germany was unchanged, despite last year's peaceful popular protests that ousted the hardline communist leadership of Erich Honecker. "We have no indications that agents have been withdrawn," Schaeuble said. "The espionage section of the Stasi functions like it did in Honecker's days. . . . East Germany would be well advised to pull back their agents before the completion of the community through treaties," referring to close relations envisioned for the future.

The day after Schaeuble's interview was published, the East German communist government issued a report, which it was forced to present at a roundtable meeting with the opposition groups, on the activities of the Stasi under the previous regime. The secret police owned 5,000 housing complexes, including 800 in East Berlin alone. Its headquarters in East Berlin had 3,000 rooms, with 17 floors underground. The 109,000 employees and agents had some 70,000 hand guns, and the same number of machine guns at their disposal.

The revelations came after intense pressure from the opposition and demonstrations in cities like Leipzig, Chemnitz, and East Berlin since November. At the same time, the new communist party leader, Gregor Gysi, has announced that the party leadership has established a consulting body of "experienced elder party members"; one of its members is former Stasi chief Markus Wolf.

#### Peru's García furious at U.S. invasion of Panama

The Panamanian flag is flying alongside that of Peru above the presidential palace of Peruvian President Alan García, the New York Times reported. García said in a Jan. 12 interview with the paper, "It will stay up there until the Yankee troops get out of Panama."

"By what authority does the United States kidnap citizens and judge them? The invasion was an illegal search of an entire nation," García said.

He predicted that Latin American public opinion would react negatively to the "circus" of Noriega's trial. "As much as Noriega was a dictator, he will be seen more as a Latin American than as a dictator. People are going to have compassion for him." As for the present occupiers of the presidential offices, "The fact that Endara took the oath of office on a U.S. military base takes away all of his legitimacy. Once the carnival of the invasion is over, the protests will start, and American troops are not going to solve the internal economic crisis," he said.

'The invasion of Panama has set relations between the United States and Latin America back 30 years," he said. "The United States feels it can ignore and mistreat Latin America, because it is more interested in Eastern Europe. Latin America is wounded, but her leaders won't say anything."

### Briefly

- NATO Secretary General Manfred Wörner said Jan. 12 that he could envisage a united Germany belonging to the Western alliance. "I can certainly imagine cooperative security structures in Europe in which a single Germany belongs to the Atlantic alliance and the legitimate securitv interests of the Soviet Union remain guaranteed," he said.
- THE GREEN PARTY held a founding congress in Soviet Latvia on Jan. 13, under a new law allowing a multi-party system in the Soviet Baltic republics. The Soviet news agency TASS, quoting the draft Green Party statutes, described it as an independent political union that would fight to preserve nature.
- CHANCELLOR KOHL told East German journalists on Jan. 11 that France would accept German unification as a reality. He reported that French President Mitterrand had told him, at their private meeting on Jan. 4: "In case the 80 million Germans decide for a unified state, it would be reality. France never did well in the past centuries, whenever it did not respect reality."
- METROPOLITAN KYRILL of Smolensk, the Russian Orthodox Church's liaison to the Vatican, has issued a call to the Pope to intervene to end alleged "violent acts" by Uniate Catholics in the Ukraine. In an interview with the Italian daily La Stampa published Jan. 11, Kyrill warned that nationalist feeling in the Ukraine was causing schisms in the Orthodox Church itself.
- THE OAS voted to condemn the U.S. violation of diplomatic immunity in Panama. On Jan. 7, the group approved a resolution that said the U.S. search of the residence of the Nicaraguan ambassador "constitutes a violation of the privileges and immunities that make up international law." The vote was 19 for, 0 against, with 7 abstentions.

### **PIR Books**

## An unfinished requiem for Wolfgang Amadeus Mozart

by David S. Shavin

#### 1791, Mozart's Last Year

by H.C. Robbins Landon Schirmer/Macmillan, New York, 1988 240 pages, hardbound, \$19.95

#### Mozart: The Golden Years 1781-1791

by H.C. Robbins Landon Schirmer/Macmillan, New York, 1989 272 pages, hardbound, \$29.95

In 1986, Robbins Landon—a scholar who has spent a lifetime digging through the minutiae of Vienna's classical period confronts the ugly reality that the last vestige of a proper memory of Mozart is being destroyed, perverted into the hyena-like eruptions of the "Amadeus" movie's Mozart, Tom Hulce. His revealing, parenthetical comment in his introduction to 1791, Mozart's Last Year, goes beyond the academic niceties that usually prevail, to expose the irreducible ugliness that sticks in his craw: "In Italy, the young make a speciality of imitating Mozart's laugh from the film." Robbins Landon proceeds to write a total of 512 pages on Mozart, to counter the gross banalities of Hollywood, and to begin to enrich the public's view of the composer.

Unfortunately, with the November publication of Mozart, The Golden Years, Robbins Landon has retreated to his own psychological/chemical variation of cultish historiography, which would attempt to account for the mental-creative powers of Mozart's mind by reference to an attributed cyclothymic disorder. While this may be said to be less jarring than the cultish inanities of Rocky Horror Picture Show star Tom Hulce, such a view of Mozart represents its own sort of academic cultishness. And in the final analysis, such a view can only serve to help murder Mozart a second time.

Fortunately, in between, before the author suffers this relapse, he pulls together a wealth of fascinating material most of it previously known, but not widely circulated. In particular, much of this material had never been offered to the English-speaking world before. For this, along with the extensive footnoting, the handsome layout of the books, and the several new gems that he makes public in the two books, Robbins Landon does indeed deserve commendations. He may yet find out that he has contributed, in his own way, to the proper resurrection of the memory of Wolfgang Amadeus Mozart.

#### Mozart's assassination

In 1791, Robbins Landon collects, compares, dissects, and analyzes many of the various myths and theories of Mozart's death. The reader becomes impressed, possibly overwhelmed, at the wealth of cover stories that were manufactured and retailed over the years. After reviewing this material, one can only be struck by the vital concern over certain strategic secrets that must lie buried in the matter of Mozart's premature demise. And with the extensive footnoting, the author has done the reader the favor of providing a wealth of leads. The book reads as a veritable "Disinformation Digest." And herein lies this book's main value. However, the reader must be aware that the leads provided cannot be read as leads as to who murdered anybody, but only as to who thought it vital to protect certain state secrets, and to create disinformation.

One example will have to suffice. In the fall of 1823, thirty-two years after Mozart's death, Salieri is ill, and confined in a hospital. Rumors are stoked by the Viennese journalists that Salieri murdered Mozart. In October, Beethoven's pupil Ignaz Moscheles manages to get in to see the isolated Salieri.

The reunion was a sad one. His appearance already shocked me and he spoke only in broken sentences about his imminent death. But at the end he said: "Although this is my last illness, I can assure you on my word of honour that there is no truth in that absurd rumour; you know that I am supposed to have poisoned Mozart. But no, it's malice, pure malice, tell the world, dear Moscheles, old Salieri, who will soon die, has told you."

Within weeks, Salieri is reported to have tried, unsuccessfully, to commit suicide. The limited access to him is almost totally closed off. He is isolated until his death, one-and-a-half years later.

Now, Robbins Landon is careful enough not to swallow the media slanders of Viennese journalism of 1823 in their attacks on Salieri, though he does not probe into the possible origins behind this orchestrated campaign. ("Gossip!" was Beethoven's characterization of this early attempt to turn Mozart's death into a matter of a personal vendetta.) Instead, he seems to accept the Hapsburg family doctrine on the assassination, first articulated publicly by Giuseppe Carpani in 1824. This defense is predicated upon the writing of a Hapsburg doctor, the Court Councillor Eduard Vincent Guldener von Lobes, and is seemingly accepted whole by Robbins Landon. Having accepted this denial of any poisoning of Mozart, Robbins Landon proceeds to review the medical speculations regarding Mozart's death.

However, it is the questions unasked, and unexamined, that mark the shortcomings of his method. If Mozart was not poisoned, then who was running the nasty operation against Salieri, and why? If the Hapsburgs of 1823 disclaimed the possibility of the poisoning of Mozart, on what grounds should this be accepted? Would not an answer to the question of who was feeding Salieri to the wolves, have a bearing on the question of who knew what was at stake in Mozart's demise? (And, as we shall come to ask, could the question of Mozart's assassin possibly be satisfactorily answered without addressing the question of the suspicious death of his Emperor, Leopold?) These lines of inquiry will not be found in 1791, Mozart's Last Year.

Interestingly enough, the concluding lines of the abovecited paragraph from Moscheles' diary, Robbins Landon does not find pertinent, and he chooses to omit them from his book. Moscheles concludes: With regard to the report hinted at by the dying man, it certainly had been circulated, without my ever giving it the slightest belief. Morally speaking he had no doubt by his intrigues poisoned many an hour of Mozart's existence.

What Moscheles states here, both explicitly and implicitly, is certainly, at least, an interesting measure of what Beethoven's networks are prepared to believe, and not believe, regarding Mozart's demise. Salieri may have been used in the poisoning of Mozart's existence, but one should not look to him to find out whose poison ended Mozart's life.

Robbins Landon concluded his material on Mozart in 1791, by noting: "'Amadeus,' play and film, has already created another [myth], and it may prove difficult to dissuade the public from the current Shafferian view of the composer as a divinely gifted drunken lout, pursued by a vengeful Salieri." In Mozart, The Golden Years, Robbins Landon picks up on this mission. He manages to further undercut the "Mozart-Salieri personality conflict" theory of Mozart's death by providing the reader a much richer sense of Mozart's world—with whom he worked, and for whom he composed. The details should be read and appreciated for themselves, but suffice it here to note the following.

#### The 'American' faction

Mozart worked with the key republican contact (in Vienna) of Benjamin Franklin's "American" network in Europe, Baron van Swieten. As the author understates the case, "Swieten was very much en rapport with the reforming ideas and ideals of Emperor Joseph II." Swieten brought from Frederick's court in Prussia the knowledge and manuscripts of Bach and Handel to his post as Prefect of the Imperial Royal Library in Vienna, where Mozart arrived in 1781. Mozart wrote to his father, "Every Sunday at 12 noon I go to Baron von Suiten [sic]—and there nothing but Handel and Bach is played. . . . I am making a collection of Bach fugues. . . . Also Handel's, and these I don't have." In short, Mozart, the former child prodigy, at the age of 26, was immersed in Bach's fugues, making powerful discoveries in his quest to understand, and to master, his own genius.

Robbins Landon introduces the reader to a fascinating circle of individuals in Vienna's political and cultural life. Baron van Swieten's circles included the ministers, educators, artists, and officials involved in Joseph's nation-building, in particular, in his education reforms. For example, Mozart performed his quartets with Haydn at the home of the Hofrat von Greiner, the Court War Secretary in the Bohemian-Austrian Court Chancellery, and a member of the Imperial Royal Study Society, which organized the school system. He was a leading Freemason, who initiated a tax on alcohol, and helped lead the abolition of statute-labor in Bohemia.

Mozart's lodge was part of the New Crowned Hope lodge—not an uninteresting name, considering that the Aus-

55

trian Masons were reorganized by Emperor Joseph in the mid-1780s to weed out the agents. Included among Mozart's Masonic brothers, along with his father Leopold and his composer friend Joseph Haydn, were two of Beethoven's later patrons, Prince Lichnowsky and Prince Nicolaus Esterhazy, and the Imperial Royal Chamberlain, Johann the Count.

However, the key event that Robbins Landon—not to mention all the other, less-helpful Mozart scholars—remains strangely silent about, is the event that shook the courts of Europe, the American Revolution. Or, to put it differently, the Western civilization revolution. Simply put, the success of the American Revolution against King George III, brought a key question to the fore: Were men the loyal subjects of royalty, of authority based upon blood lines, or were men made in the image of God, free to hearken to their moral obligation to develop their God-like capacities?

How our purported scholars today expect to properly treat the critical questions of culture and creativity in the Europe of the 1780s (that is, of Mozart's world), and to ignore this living, breathing reality of the birth of the American republic—this is truly mind-boggling. Such a bankrupt methodology could never hope to comprehend why the Founding Fathers, why Lafayette, and why indeed Mozart would put their lives on the line, any more than it could comprehend why today a Chinese student would stand up to the tanks of dictators.

#### An extraordinary decade

For example, Robbins Landon motivates his second book, Mozart, The Golden Years, 1781-1791, with a powerful observation: "I thought, then, that such matters would interest the public at large, curious to know some of the background, and indeed foreground, of this extraordinary decade—which brought forth a new masterpiece by Haydn or Mozart twice a month on average [emphasis added]." A stunning observation, properly situated by the author. How are we to understand such an outburst of creativity? However, nowhere in 272 well-documented pages is Benjamin Franklin mentioned. General Lafayette's name is included on a list of 65 names in January 1792, a list that Austrian intelligence agencies considered anti-Hapsburg conspirators. (This same list also includes the names of Schloissnigg and van Swieten.) No other comment appears. In Robbins Landon's account of this extraordinary decade, there is no echo of the shot heard 'round the world.

Even the key visit made by Mozart to Lafayette's family near Paris (made in 1778, when Lafayette is in the United States fighting the British) is omitted by the otherwise exceedingly careful Robbins Landon. While it is the case that Robbins Landon shares this omission with all of the many 20th-century Mozart "experts," his posing of some of the key questions leads the reader to expect more. Certainly, a want for detail cannot, in general, be attributed to the author.

(After all, this is an author who can, and does, detail for the reader how the furniture was laid out in Mozart's apartment!)

Mozart's arrival in Paris in the spring of 1778 coincides with the key decision by the French to join with the Americans in battle against King George. Mozart has been offered the position of court organist at the same time that the French court has entered the war against the British. Baron von Grimm, however, advises the 22-year-old Mozart not to accept this position, and Mozart—at this point, unfortunately, still under the supervision of the Baron—is following his recommendations. Mozart is invited to the estate of the Catholic humanists, the de Noailles—the parents of Lafayette's wife, Adrienne. They are leaders at the French court of the "American" faction. He spends the last ten days of August there, along with Johann Christian Bach (from London!), before he is practically ridden out of town on a rail by an unusually anxious Baron von Grimm. (The Baron buys Mozart's ticket out of town, and pushes him out of Paris, over Mozart's strenuous objections.)

Instead, Robbins Landon characterizes the "failure" of Mozart's trip to Paris according to what is accepted as today's norm. Instead of any mention of the de Noailles, and the strategic realities shaping Paris in 1778, there is a stress upon Mozart's preoccupation with chasing and catching Aloysia Weber. Then he proceeds to underline his argument for Mozart's immaturity by favorably citing Angermüller's rationalization: "The reason for Mozart's failure may be sought principally in his overweening self-confidence. . . . His arrogance can be measured in the sentence, 'I don't care about the Parisians' applause.' "

#### The Vienna State Archives

The final chapter of *The Golden Years*, "A Freemasons' Conspiracy in 1791?" opens with what is probably the single, new, key piece of intelligence that could have justified the rest of the work.

It has been known that a few blocks away from the room in which Mozart died on Dec. 5, 1791, a messenger handed Baron van Swieten his summary dismissal from all his official positions—including his key position at the head of the education reforms for the Empire. (For those readers who relish their counterpoint, one might note that this is also the day that Alexander Hamilton wrote his *Report on Manufactures*.) However, this eventful day must be seen in the context of a wild faction fight for the future of the Austrian monarchy.

Robbins Landon has contributed new material in providing a lengthy excerpt from an Oct. 14, 1791 spy report to Emperor Leopold II, found in the Vienna State Archives. The report accuses Cabinet Secretary Johann Schloissnigg, of "high treason." It reports that he was overheard declaring that the call-up of 16,000 troops around Vienna can't stave off the coming revolution. "A revolution is necessary, because . . . a ruler who simply enjoys life does not deserve to occupy the throne." The spy stresses to the Emperor, "This

56 Books EIR January 26, 1990

person, this Cromwell, this perpetrator of *high treason* is the private tutor and daily confidant of the Crown Prince of Austria; he is at the head of the Illuminati; he was placed in this position by Baron Swieten . . . what designs and plans might be maturing in this man's mind!"

Schloissnigg is fired. Swieten's faction no longer has input into the Crown Prince of Austria. Within eight weeks, Mozart is dead, and Swieten is fired. Before this dark winter gives way to spring, the man who received the spy report, the Emperor himself, is dead. His death also comes under a cloud of suspicion. The Archduke Franz, no longer under Swieten-associated tutelage, becomes the new Emperor. The "American" program of Emperor Joseph, and to some extent, his brother Emperor Leopold, lies mortally wounded. Lafayette is soon to be locked up in one of Franz's dank prisons. France is consumed in the Terror, as Europe is horrified. In a single morning, three generations of de Noailles women are guillotined.

Evidently, after Robbins Landon wrote his earlier book on the Mozart assassination theories, some of the files of the Vienna State Archives—such as Emperor Leopold's spy report—have been made available for his examination and use. The Haus-, Hof-, und Staatsarchiv in Vienna, under the direction of Dr. Clemens Höslinger, has decided to make available for general circulation portions of their documents, regarding this critical 1790-92 period in the Hapsburg Empire. This uncharacteristic development in and of itself would have provided a much more interesting story than the one the author chose to relate. Instead, the reader is treated to Robbins Landon's preoccupation with the manic-depressive personality analysis of "modern medical opinion."

#### **Manic-depressive genius**

Mozart, we are told, suffered the "the insidious onset . . . of a chronic mood disturbance, which persisted until his death, and which was associated with pathological mood swings of hypomania and depression." According to what Robbins Landon terms "the authoritative new study on the subject, superseding all previous studies, great and small," the work of "the distinguished Australian physician, Dr. Peter J. Davies," in the case of Mozart, "the diagnostic criteria for cyclothymic disorder (. . . related to manic-depressive personality) are fulfilled."

Without entangling ourselves in the matter of the accuracy of the good doctor's *post mortem*, one might ask, what purpose does Robbins Landon intend in steering his discussion in this direction?

He invites the reader to consider a series of Mozart's works, composed in the minor key: the *C minor Piano Concerto* (K. 491), the penultimate scene from *Don Giovanni* (K. 527), the *Adagio and Fugue* (K. 526), and the *Symphony #40 in G minor* (K. 550). The reader should accept his invitation. Do you hear the "desperate disruptions . . . the violent inner tension"? Can you sympathize with the suffer-

ing Mozart and "the therapy of composing these baleful pieces"?

Perhaps you too may suffer from the same "deep-seated imbalance in Mozart's personality" that in Robbins Landon's opinion, "provides . . . the only satisfactory explanation for this series of violent depressive works in the minor key." Let us hope so. You see, quoting the good Doctor Davies, "Artists with cyclothymic disorder are capable of amazing productivity during their hypomanic periods, when there is inflated self-esteem, excessive energy, sharpened creative thinking and decreased need for sleep." It seems that the symptoms of "cyclothymic disorder" are identical with the symptoms of, for example, the leaders of the American Revolution during that period.

So, how does it happen that the same author who raises the issue of "a new masterpiece by Haydn or Mozart twice a month on average" for a decade, concludes with a summary opinion on the mysterious workings of chemical imbalances? It helps to deny Mozart his humanity, and to assume that the joy and concentration of his composing, have no important connection to the burning question of his decade: whether man's creativity is some sort of curious biological excretion, or rather a God-given, divine quality of man, making him free to hearken to his moral obligation to develop his Godlike capacities? How anyone could listen to the works of Mozart, even the "depressive" productions cited by Robbins Landon, and not hear the joy of rigorous mental concentration, the coherence of beauty and truth—such a person might indeed wish that he were suffering from some sort of chemical imbalance.

#### The memory of Mozart

Nobody ever said that summoning up the strength of character, and the concentration, to solve important problems, was as placid as the thought processes of several recent Presidents. However, to reduce the creative mentation processes behind the above-cited works of Mozart to such "personality" analysis of "modern medical opinion," says more about the proponents of such theories than anything Mozart wrote or did.

On the subject of the American Revolution, of the freedom of man to act lawfully, of the struggle and joy of creative mentation, unfortunately Robbins Landon does not stand alone in exhibiting what we could fairly call manic-depressive behavior. However, such behavior cannot, and will not, revive the proper memory of, nor provide the proper peace of mind to, the living spirit of Wolfgang Amadeus Mozart. Rather, let his listeners broaden their lives, and their selves, until his music's power and grace carry them beyond momentary states of perceived happiness and despair, to where joy and concentration are united—where beauty and truth are one. Perhaps, then, the sons and daughters of his "American" revolution will begin to provide the murdered corpse of Mozart a proper *Requiem*.

**EIR** January 26, 1990 Books 57

### **PRNational**

## D.C. conference shapes worldwide fight for rights

by Marianna Wertz

The Third International Martin Luther King Tribunal, held in Washington, D.C. on the weekend of Jan. 13-15, brought together, in representative numbers, almost all the forces in the world today who are fighting to realize the dream of the slain civil rights leader—to unify all people of the world in freedom's cause. Speakers, 40 in all, ranged from Amelia Robinson, one of the foremost leaders of the American civil rights movement, to eyewitnesses of Beijing's Tiananmen Square massacre; from Mimi Bull, aide to Rep. Ron Dellums (D-Cal.), to John Aquilino, former Director of Public Education for the National Rifle Association; and from Prof. Dr. Kurt Ebert, an Austrian professor of law, to Dr. Fred Wills, former national minister of justice of Guyana.

The 500-plus participants spent three days engaged in carefully defining the issues confronting mankind in the manifold freedom fights internationally, and conducted two candlelight vigils in front of the White House. It became clear that while U.S. ruling institutions have criminally abdicated the principles of justice and freedom both at home and abroad, the United States must still play a crucial role in reversing tyranny around the world. Veterans of the U.S. civil rights struggle stepped forward to take on the responsibility for such leadership, born of the struggle once led by Dr. Martin Luther King.

Lyndon LaRouche, leader of the political movement which organized the Tribunal, addressed the gathering via tape recording from his prison cell in Rochester, Minnesota (see below).

Speaker after speaker referred to LaRouche as a "philosopher," who is not only the heir to Martin Luther King, Jr., but the focus for hope of people around the world, fighting for their freedom, and for their economic and political rights. It was, in fact, the appeal of LaRouche's ideas to reason across a broad political spectrum, which shaped the unique

alliance represented at this Tribunal.

The breadth of this alliance showed that reason can unify people who were in the past divided into competing, even antagonistic groups. For example, the movement in defense of the unborn and the National Rifle Association, the so-called "gun lobby," are often lumped into the "right wing," while people fighting for the homeless and starving in the inner cities would usually be called "liberal"; defenders of Panama are "left" and defenders of Eastern European ethnic citizens are categorized as "right." As the speakers struggled to bring their case to an audience that cut straight across the boundaries of their usual constituencies, the mental powers of both themselves and listeners expanded, almost palpably.

The implicit question was, can this power be harnessed to a mass movement that will actually force *change* out of the policies that have brought the world to the brink of disaster? Participants at the conference pledged themselves to a positive answer to that, by unanimously voting for a a resolution proposed by John McGee, leader of the People's Association to the Memory of Martin Luther King, Jr. He called for a mass march on Fellowship Day, Aug. 28, 1990, commemorating the March on Washington 27 years ago, where Dr. King delivered his famous "I have a dream" speech at the Lincoln Memorial.

McGee, who headed the successful campaign to get Dr. King's birthday declared a federal holiday, proposed to the gathering that the Martin Luther King Tribunal and all the forces represented there organize to bring 250,000 people to the same spot where Dr. King delivered his address on Aug. 28, 1963, and that the principal speaker in 1990 be Lyndon H. LaRouche, Jr., the man who has inherited the mantle of Dr. King's leadership, but who is today unjustly incarcerated by the forces of tyranny and corruption.

#### Human rights in Panama, Lebanon

The conference was highlighted by presentations of those who experienced tyranny first-hand. Speakers came from Panama, Lebanon, and Communist China, where overpowering force has been applied to crush nationalism and the aspiration to liberty particularly over the past year.

A strongly-worded message was sent to the Tribunal by Nils Castro, Foreign Affairs Secretary of the formerly-ruling Democratic Revolutionary Party of Panama. "The U.S. military occupation of Panama has unleashed an ever-worsening climate of harassment and human rights violations against Panamanian nationalists. Thousands of Panamanians remain in concentration camps, victims of health problems and bad treatment" (see p. 38).

The Social Democratic Party of Lebanon sent the Tribunal a message of support, stating, "You represent for us the honor of the American people, which is presently being betrayed by the Bush administration itself." Speaking at the Tribunal were Msgr. Elias El-Hayek, Chor-Bishop of the Maronite Diocese of Canada; and André Medawar of the Action Committee for Lebanon in France. Both men noted that the Syrians, given a free hand by the Bush administration, have killed 150,000 and maimed 350,000 Lebanese over the past 12 months.

Resolutions were voted up, denouncing the genocidal actions in both Panama and Lebanon.

#### **Anti-communist fighters**

Refugees from the People's Republic of China brought the audience to its feet in outrage, with their vivid accounts of the brutal tyranny of the Chinese Communists. Ying Tsui of the National Committee of the Chinese Democratic Party pleaded with the audience: "We cry so loud. No one hears. They turn us away. It is terrible to live under Communists. I can not describe it. If you tried to live there for a half of a year you would go crazy." He concluded, "We want to live in dignity. Let our souls be free and our minds be free. We want the opportunity for our minds to function and to create. If humanity can be strong, something beautiful will come out."

Wen Bin Chen, former art director of the Beijing Fine Arts Institute and an eyewitness to the massacre at Tiananmen Square, called President Bush a "paper tiger," who "says a lot of nice things about freedom, but he does nothing." He declared his support for the "spirit and the ideas of Lyndon LaRouche. . . . His contributions are significant contributions to the whole world. But now this man is in jail. I would like to ask all the people of the world to ask the U.S. government to release Lyndon LaRouche from jail."

From the ongoing revolution in East Germany, Klaus Grasslaub, a worker and participant in the anti-government demonstrations, spoke to the audience of the fall of the Berlin Wall, and its significance for freedom fights around the world. "I belong to the generation which has experienced imprisonment, continual surveillance, and repression. Now

the people have raised their voices. Dear friends, that was no easy road, and the journey is far from over. . . .

"The wall which was built in 1961 around the entire G.D.R. [German Democratic Republic] and around West Berlin had to fall. The Socialist Unity Party . . . which has unjustly claimed for itself the right to decide everything . . . this party and its leaders have fallen. The people demanded it. You can't imagine what a feeling that is!"

He concluded, "I am very moved by the fact that also in the U.S. and elsewhere in the world, civil rights activists are fighting for the rights of all men." He presented the Tribunal with a chunk of the Berlin Wall, stating, "This is the symbol of an overthrown regime. I have brought it as a memorial to the conference and as a gift. There are, of course, more beautiful gifts, but hardly more valuable ones."

Perhaps more shocking to the audience than the reports of tyranny *inside* the communist-ruled states was the speech by Ed Nishnic, son-in-law and attorney for John Demjanjuk, the Ukrainian-born Cleveland autoworker who was framed up on charges of being the Nazi war criminal "Ivan the Terrible" and sentenced to death in Israel. Mr. Nishnic showed how the Soviet KGB joined forces with "justice" personnel in two democratic nations, the United States and Israel, to suppress the evidence of Demjanjuk's innocence, and systematically deny him the right to a defense.

#### 'There is a higher law'

West German leader Helga Zepp-LaRouche, the chairman of the international advisory board of the Schiller Institute which helped to sponsor the meeting, spoke by prerecorded video and later by direct phone hookup to the conference on Sunday. She called for the defeat of the tyranny which had been described. "You've all seen the Chinese students, and the Statue of Liberty and Ode to Joy, spreading to Eastern Europe—Poland, East Germany, Czechoslovakia and Hungary. Throughout the world there are pictures of the Berlin Wall coming down, people dancing on the wall.

"Therefore, you can be sure there is a force stronger than tyranny, represented by the symbol of Schiller's Ode to Joy in the Ninth Symphony of Beethoven. . . . There is a higher law. We can't defy the laws of creation and of the universe without ensuring our own destruction. . . . You've been wondering, won't these political persecutions and horrors ever end, how much more will there be? But be confident. Revolution will come to the United States. But not without Lyndon LaRouche's program and Lyndon LaRouche himself. Everything will fail without this. . . . I don't believe God created the world to unleash evil. Let us be the instruments of divine providence."

Many of the other speakers, particularly those from religious institutions, echoed her words, warning of the danger inherent in mocking God's law. Rev. Fr. Viorel Dumitrescu of the Descent of Holy Spirit Romanian Church in New York pointed to the terrible oppression of the Ceausescu regime,

EIR January 26, 1990 National 59

#### Martin Luther King Freedom Day Tribunal

Under the overall title, "The International Fight for the Inalienable Rights of Man," the following panels were presented at the Jan. 13-15 conference at the Hyatt Regency Hotel in Washington (speakers are from the U.S. unless otherwise indicated):

#### Panel I: Violations of Human Rights and International Law: The Cases of Panama and Lebanon.

Speakers: Mel Klenetsky, opening remarks on the injustices perpetrated against Lyndon LaRouche. Msgr. Elias El-Hayak, Chor-Bishop of the Maronite Diocese of Canada, "The Struggle for the Independence and Sovereignty of Lebanon." André Medawar, France, Action Committee for Lebanon. Hon. Edwin Vieira, "The Thornburgh Doctrine: Spiritual Heir of Brezhnev and Ceausescu, Harbinger of the Coming American Secret-police State." Carlos Wesley, EIR, on U.S. lawlessness in Panama. Don Eret, farmer, former state legislator, Nebraska

and Rabbi Gerald Kaplan, New York, on their fact-finding trip to Panama in December.

## Panel II: The International and Philosophical Significance of Lyndon LaRouche and His Political Movement—Why the Witchhunt.

Speakers: Prof. Kurt Ebert, Innsbruck, Austria, "The Trial Against Lyndon LaRouche Judged from the European Point of View." Dr. Frederick Wills, former Minister of Foreign Affairs and Minister of Justice, Guyana. Helga Zepp-LaRouche, chairman, Schiller Institute, West Germany (video). Lyndon H. LaRouche, Jr. (audiotape).

## Panel III: The Fight for Freedom in Eastern Europe and China: the Economic and Political Implications.

Speakers: Christopher White, Economics editor, EIR, "LaRouche's Proposal for the Triangle of Development in Europe to End the World Depression, and Bring Freedom to Eastern Europe and the Rest of the World." Klaus Grasslaub, worker, East Germany. William Nezowy, president, American-Ukrainian Political Action Committee of U.S., Philadelphia. Ying Tsui, National Committee Chinese Democratic Party. Wen Bin Chen, former art director, Beijing Fine Arts Institute. Ye Ning, Committee of Chinese Correspondents, Philadelphia. Rev. Jürgen

and warned, "Gorbachov intends to occupy Western Europe. The American people must wake up." Most Rev. Bertrand Blanchet of the Canadian Bishops Conference, speaking against abortion, charged that "our society does not welcome life. . . . Respect of life is the essential condition of a just society." On the same panel, Joseph Scheidler, Director of Pro-Life Action League of Chicago, who marched with Dr. King in the 1960s, warned, "God is not mocked! He will not bless this nation for killing its children."

Rev. Jürgen Bless, Bishop of the German Evangelical Lutheran Church in California, who also recalled being at the Lincoln Memorial with Dr. King 27 years ago, told the assembly, "Our freedom doesn't mean anything unless everyone is free." He called on everyone to "light a candle for freedom," and become part of the vigil movement to "keep this flame of freedom alive."

A major theme of the three-day Tribunal was Lyndon LaRouche himself, the persecution against him, and his policies for solving the dire economic depression confronting this nation and the world. *EIR* Economics Editor Christopher White outlined LaRouche's proposals for reversing this collapse. A panel of six speakers was devoted on Monday morning to outlining the wide-ranging federal and state witchhunt against LaRouche, who has already served one year of the 15-year sentence handed him as the result of the government's

railroad conviction against him and six co-defendants in 1988.

A panel on "Economic, Social, and Political Injustice" on Sunday evening featured six speakers who gave detailed accounts of the plight of the poor, minorities, and farmers in the United States. It was begun by Rev. Wade Watts, past president of the Oklahoma State NAACP, who posed the question, "What is it that keeps us in this movement?" and led the audience through humor and reminiscences of Dr. King to find in themselves, too, that "something" inside the human soul that won't give up until freedom is won. Ann Raad, Washington, D.C.-based director of an independent network of food organizations, summed up the impact of the panel: "The common theme of this conference is that there are too many Americans still in bondage. I hope you're as uplifted as I am, and prepared to continue the fight."

## LaRouche discusses freedom and economy

Lyndon LaRouche, statesman, economist, and candidate for the U.S. Congress from the 10th District of Virginia, elaborated the connection between freedom and the economy in an address to the Martin Luther King Tribunal meeting in

60 National EIR January 26, 1990

Bless, Bishop, German Evangelical Lutheran Church, California. Rev. Father Dumitrescu Viorel, Descent of the Holy Spirit Parish, New York, founder, Religious Freedom of Romania. Ed Nishnic, John Demjanjuk Defense Fund.

#### Panel IV: Economic, Social and Political Injustice.

1) "Violations of the Second Amendment: the Right to Bear Arms." Speaker: *John Aquilino*, editor *Insider Gun News*, former director of public education, National Rifle Association.

2) "The Legacy of Martin Luther King and the Fight against Economic Injustice Today (Homelessness, Hunger, and the Destruction of our Cities and Farms)." Speakers: Rev. Wade Watts, former President Oklahoma State NAACP. George Gentry, farmer, Oklahoma, candidate for U.S. Senate, "The Fight to Preserve the American Farmer." Paul Magno, Zacchaeus Community Kitchen, Washington, D.C., "The Cutbacks in Food Assistance." Elsie Pilgrim, Infectious Disease Control Specialist, Newark, New Jersey, "The Holocaust of Minority Health Care." Juliet Grant, community activist, Newark, N.J., on the homeless in New York and New Jersey. Mimi Bull, former aide to Rep. Ron Dellums (D-Calif.), on the attempted frameup of a Congressman. Ann Raad, director

of an independent network of food organizations.

3) "The Legacy of Martin Luther King/The Civil Rights Movement Then and Now." Amelia Boynton Robinson, civil rights leader, Tuskegee, Alabama.

### Panel V: The LaRouche Cases: The Greatest Political Witchhunt of the Twentieth Century.

Speakers: Warren Hamerman, chairman, National Democratic Policy Committee, "The Panama Invasion, Iran-Contra, and LaRouche Cases—Restoring Justice to the Kissinger-Bush Lawless World." Nancy Spannaus, U.S. Senate candidate, Virginia, "The Bostetter Decision and Freedom of the Press." Margaret Greenspan: "The Frameup of Michael Billington." Lynne Speed: "Emulating Dr. King Is a Crime to New York Prosecutors." Robert Primack: "Judge Protected Kissinger in New York Case." Lewis du Pont Smith: "My Fight to Overturn a Judicial Decision of Incompetency for Supporting LaRouche."

#### Panel VI: Police State Repression against the Pro-Life Movement.

Speakers: Most Rev. Bertrand Blanchet, Canadian Bishops' Conference. Joseph Scheidler, director, Pro-Life Action League, Chicago. ChristyAnne Collins, president, Sanctity of Life Ministries, Annandale, Virginia. Michael Hirsh, director, Operation Rescue, Atlanta.

Washington, D.C., on Jan. 15:

I wish to emphasize that during the last moments of Dr. Martin Luther King's life, he was addressing himself to a very important aspect of freedom—economy, economic rights. Not economy in the sense of money as such, not wealth as, say, the Wall Street Journal, for example, portrays wealth, or as its portrayed in the mouths of our politicians on the hustings, but rather physical wealth, the economy as the means by which people are able to produce that which sustains life at an acceptable level of quality of the individual and family life, and community life.

The reason I wish to emphasize this now is because we are presently entering globally into the worst economic depression, worldwide, of this century. The eruptions within the Soviet empire, under Communist Chinese rule, and soon to be felt in many parts of the world—the developing sector, North America, too—are the result of a collapse in economy, the policy of collapse built into the changes in policy trends in the past 25 years, particularly since approximately 1966. As a result there is hunger, famine, and disease around the world, and this is not freedom.

The right of a people, the right of its individuals, is the right to survive, as individuals, but more as families, and even more as nations. Those rights are in jeopardy. They are

placed in jeopardy by those who deny the sacredness of the individual human life, and the rights that go with that sacredness; by those who deny that the individual is characterized by a divine spark of reason, a potential for creative reasoning which sets man as a species apart from and above all of the beasts; which give man the right and the obligation to exert dominion over all species and over this planet, in order that the chosen instrument of the creator, mankind, might be able to survive, to develop, and to go on to the greater tasks which mankind will discover as mankind progresses, tasks in the universe at large, tasks we presently can only guess at; we cannot know the tasks which are coming.

#### The divine spark of reason

It is this vision of man as an individual, as a sacred individual, as an individual given this divine spark of reason, this potential to do such things as make valid fundamental scientific discoveries, and to make discoveries, creations in the classical arts, which are akin to fundamental physical discoveries in physical science. This makes the individual precious, all individuals precious, to all people, present generations, future generations, and also past generations. For it is our grandchildren and their grandchildren after them, who take and who fulfill the best that each of us contributed in our lifetime. And therefore, in anticipation of those grand-

EIR January 26, 1990 National 61

children and those great-grandchildren, we are overjoyed whenever we make a contribution which they might pick up and use and develop further in their time.

This image of the sacredness of the individual, the importance of the individual's development of this divine spark, this creative reason; the opportunity of the individual to exercise that creative reason for the good of mankind, for the good of the family; the right of that individual to walk in respect, loving themselves and respected by others, because they in the short span of their mortal life are doing something which has a unique benefit, in some way, to present and future generations. the right to walk in pride and joy of life because one knows that is true; the right to walk in that joy and pride of life by means of a society which treasures that right of the individual to walk so, in such joy: All of this depends inclusively upon economy—not money economy, not paper money, not bookkeeping, not accounting, not finance, but on the right to improve nature by means of water management; by means of transportation systems such as rails; by means of increased power production and generation and distribution; by means of sanitation; by means of health systems which take care of people; by means of educational systems; all of these things they call basic economic infrastructure. The right to improve the productive powers of labor by developing the minds of the individual to produce and to assimilate new scientific and technological discoveries, by means of whose transmission, the productive powers of labor are transformed upward such that the longevity of the individual is increased on the average. The ability to overcome disease is increased; the standards of living are enhanced; more leisure for the development of the human mind is made possible; and thus man himself is developed and rendered less imperfect and thus able to accomplish more and life made richer. This is the most essential aspect of right. This is true freedom. Where this is denied, there is no true freedom.

I'm happy to hear reports of the conference which show that more than ever before, people from various parts of the world, various strata of society as a whole, are coming together around the work, and the memory of the work, of the late Dr. Martin Luther King—all combined in the struggle for preservation and enhancement of human freedom. This is the hope of the future.

#### Two false philosophies

I wish I were among you, directly. But I just wish to share this thought. What is happening around the world now, as I have foreseen, is a collapse of two false philosophies of economy: one, the communist philosophy, which destroys the identity of the individual, denies individuality, denies the divine spark of reason which places man above the beasts; on the other side we have a form of oligarchism which denies the eqality of the individual and says, "There exists people of a certain color of skin who must die because there are too

many of them, and we must, for the sake of ecology, bring down the number of these people, and therefore a certain percentile of each race, particularly of the darker-skinned kind, must die." It's called malthusianism, its called population control. It's murder. And that kind of economy based on the so-called teachings of Adam Smith and others is also in collapse. The United Kingdom is the economic basket case of the Western world. And the United States and Canada are not far behind in their physical economic collapse.

The developing sector, under International Monetary Fund conditionalities, is increasingly being denied the right to live. People in the developing nations are being denied the right to live. The right to have sovereign states is absolutely denied by many of the ruling powers in Moscow, in Washington, and in London. The right to produce the means of existence for all of our nations and all of our people, to produce a decent standard of living for all nations and for all people, is denied.

#### Great movements against great cruelty

In response to this cruelty which has brought us to the brink of the greatest depression in the 20th century, the human spirit has said, "No." And the human spirit has arisen. In the democracy movement in China, which suffered its martyrs this past spring, throughout the Soviet empire, and soon in all parts of the world, the human spirit will rise, and is rising, and says, "No, we need economic development. We need it not for greed, not merely for the satisfaction of our sensual appetites, we need it because economic development is the basis for physical human existence—a human existence whose importance lies in the fact that man, by virtue of the divine spark of reason, embodied as potential in every human individual newborn, identifies man, the individual, as in the image of the living creator, the living God."

For that reason, all human life is sacred, and all human life must be developed in its creative potential. That creative potential must be fostered for beneficial use. The individual must be celebrated for its achievements and its contributions to this. Society must be ordered on the basis of that single moral principle of self-government of society. We will have that; that is freedom.

And so the cause of freedom, prompted by these hideous economic conditions, and hideous economic policies, in Moscow, and in London, and in Washington, says, "No." And thus we have these great movements against great cruelty.

That is the meaning of the connection, in my view, between freedom and economy: the beauty of the individual man producing his own means of existence, enhancing his own conditions of individual family and social life, and the right to do this by means of the exercise of his creative powers which are the divine spark of reason within each individual. Thank you.

## Neil 'Ceausescu' Hartigan uses Gestapo tactics against petition signers

by Patricia Salisbury

Neil Hartigan, Attorney General of the state of Illinois, who is seeking the Democratic Party's nomination for the office of governor for the third time, is rapidly becoming known as Neil "Ceausescu" Hartigan. Using the power of his office, Hartigan has set in motion a Gestapo intimidation campaign against every individual who signed the nominating petitions of his opponents.

He has identified his opponents as "the LaRouchies." The following Illinois Democrats who are allied with political prisoner Lyndon H. LaRouche, Jr., filed on Dec. 19 over 10,000 nominating petition signatures to have their names placed on the ballot for the March 20, 1990 Democratic primary: Mark J. Fairchild for the office of governor; Sheila A. Jones for lieutenant governor; Janice A. Hart for secretary of state; Ronnie Y. Fredman for state treasurer; and Patricia Noble-Schenk for state comptroller.

Then on Dec. 26, the week following the filing of this slate's petitions, Hartigan gave a press conference claiming that Democratic Party attorneys had spent a week poring over the petitions of the LaRouche slate and discovered 6,088 invalid signatures among the 10,010 signatures filed on behalf of the five candidates. Five thousand valid signatures are required to place the slate on the ballot.

According to Illinois press reports, Hartigan was initially charging that petitions were filled with repeat signatures and the names of unregistered voters, non-registered circulators, etc. He then went on to claim that some registered voters who signed the petitions told the Hartigan campaign they were duped by circulators who claimed to be passing petitions on tax reform, anti-abortion, and other issues.

Veteran observers of the Chicago political scene believe that, since Hartigan and the Democratic Party leadership know of the highly efficient and accurate methods of petitioning practiced by the LaRouche forces, it was the charge of "fraud" that they were really gunning for.

#### Voters harassed

The Hartigan apparatus, having declared that it intended to disqualify the opposing slate, began a Nazi Gestapo-style

deployment of scores of employees of the Attorney General's office, complete with badges, as well as hired Democratic Party flunkies, to call every single person who had signed the nominating petitions, as well as to visit them in their homes and places of work, to seek to intimidate them about signing the petitions.

This Gestapo tactic was accompanied by a form letter sent out on Dec. 28, ostensibly from the campaign headquarters of Neil Hartigan for Governor; however, the Fairchild-Jones campaign has learned that people employed by the office of the Attorney General flashed their official badges to those being pressured to withdraw their signatures, and also subpoenaed them to sign "fill-in-the blank" affidavits, notarized by these hired employees of the Attorney General's office.

Citizens who signed the petitions were called and the conversations went like this: "Did you know that you signed an illegal petition? There could be criminal charges involved. I'm with the Attorney General's office. Meet me at. . . ." One person reported that two people came to her home and met with her, with this "fill-in-the-blank" affidavit to sign. Another voter said that he was told to come to an office building, which turned out to be a factory which deals in the production and sales of gravestones. When he came to the meeting following the kind of telephone call described above, he was very nervous and felt he had done something wrong. Upon entering the meeting room, a person identified himself as working for the Attorney General's office and flashed a badge, shoving the "fill-in-the-blank" affidavit into his hands to sign.

#### Whose fraud?

It is apparent that this charge of "fraud" against the Fairchild-Jones slate is the chief tactic Hartigan has in mind to disqualify all 10,010 signatures, because in hearings before the Election Board the week of Jan. 5, the Democratic Party and Hartigan's attorneys presented 150 bogus affidavits as evidence of "a pattern of fraud, coercion, and deceit." They made motions that because of this "pattern," every single petition signature should be challenged, even though the

EIR January 26, 1990 National 63

deadline for challenges has passed. To the dismay of the attorneys for the Fairchild-Jones slate, the hearing officer granted permission for the Hartigan Gestapo force to review and challenge all of the signatures. This binder check began on Jan. 10.

Sham of all shams, given the fact that while the Hartigan team filed 150 affidavits, they subpoenaed only six people in the Chicago, Cook County area to come in and give oral testimony before the Election Board hearing officers Jan. 8-12. Of these six, only three showed up, and three didn't even honor the subpoenas. Of the three who testified, all were people who depend for their livelihoods on the Democratic and Republican parties. One is a relative of the Cook County sheriff (a Republican elected official), who said that he was subpoenaed by the Attorney General's office. Another is the daughter of a Cook County commissioner who is vying for a promotion in the office of Hartigan himself. And the third is a personal secretary of the Cook County sheriff.

Sham of all shams, out of the 50 affidavits the Hartigan team claims they collected from the Sterling, Illinois area—where one LaRouche activist collected 200 signatures and, according to the local press, is being threatened with a criminal investigation for "fraud"—Hartigan's team could only produce 12 people to testify that they had been defrauded by the petition circulators. To underline ever further the total disregard for any appearance of law, these people "testified," not in person, but via telephone hookup! So, out of 150 so-called affidavits of people who Hartigan claims were defrauded by the Fairchild-Jones slate, he only managed to get 15 people to testify to this!

Prior to the Fairchild-Jones slate presenting their case before the Election Board, a reporter for one of the Chicago local wire services reported that a press release was circulating from the lawyers of the Democratic Party regarding criminal charges against all circulators, as well as possibly the candidates themselves. This unnamed reporter said that he was told, "This goes way beyond just the ballot!"

All of these charges by Hartigan are easy enough to disprove, as the Fairchild-Jones slate is totally confident that it has the needed 5,000 signatures.

But for the reader to really understand the motivation of "Ceausescu" Hartigan, read the following shocking, lying statement which he made: "This anti-Semitic, racist hate group does not belong on the ballot. It is an offspring of the extremists who produced the Ku Klux Klan, the German-American Bund, and Silver Shirts of the 1930s."

Many will hear in this echoes of another Democratic gubernatorial hopeful from the state of Illinois, Adlai Stevenson III, mindlessly stating these same libels in 1986, when LaRouche allied candidates Mark Fairchild and Janice Hart won the Democratic Party nominations for the offices of lieutenant governor and secretary of state. The only difference is that many Illinois politicians are not convinced that Hartigan is as driven to be governor as Stevenson was, given

the fact that he has established a track record of dropping out of races the longer the campaign continues, while leaving supporters to fend for themselves.

#### The real Nazis

So, the question is: Who or what is driving Neil Hartigan to step across the line of the law and risk not only the Democratic Party establishment's defeat in the March primary (for the second time), but also the very real possibility of being impeached from the office of Attorney General, as a result of his own indictment for fraud and misuse of the powers of office?

On Jan. 13, the Fairchild-Jones slate entered into record the answers to this question. Candidate Janice Hart gave testimony to the Board of Elections which was devastating to the Hartigan forces. The Hartigan quote printed above was read into the record, as well as the Fairchild-Jones platform leaflet that was distributed during petitioning. Mrs. Hart then made a powerful statement to the hearing board: "My father is a Polish Jew, who fled the Nazis. That Neil Hartigan is calling me and our slate Nazis and racists is reprehensible. This is a police-state witchhunt, akin to the regimes of Deng Xiaoping and Nicolae Ceausescu. The citizens of Illinois and the world are watching this and are sick to their stomachs."

As the attorneys for the Democratic Party and Neil Hartigan sat there with their mouths open, uncertain how to respond, Gerald Pechenuk, who was a petition circulator for the LaRouche slate and a notary public, issued an emotionally charged indictment of the entire proceedings, presenting to the Election Board the actual campaign literature that was used in petitioning—literature on the economic crisis, the rise of Satanism, and other pressing issues. He concluded his testimony: "I don't fault the people who were railroaded, intimidated into signing these bogus affidavits. Tyrants have the power to do this. I don't fault the hearing officer sitting in on these illegal and undemocratic proceedings. And I don't even fault the attorneys for Neil Hartigan. You're only doing your job. Like truck drivers did on their way to Auschwitz!"

Stunned silence followed.

As we go to press, attorneys for the Fairchild-Jones slate, Russell Stewart and Michael Null, are filing motions to deal with the various issues, and Mr. Null, a leading civil libertarian and constitutional attorney, has filed a motion for injunctive relief and a halt to these proceedings.

Although the challenge was supposed to have been ruled on by Jan. 17, the Election Board ruled to postpone any decision until Jan. 24. The ballots were to be printed up before that, so a big fight broke out between the Election Board and the Hartigan attorneys over whether to include the names of the LaRouche slate on the printed ballots or not. The Election Board finally ruled that it was easier to temporarily certify the candidates, pending the outcome of the Jan. 24 hearing.

## Bush administration courts greens, kooks

by Mark Burdman

Senior figures of the Bush administration have formed a working alliance with a coalition of unwashed ecologists linked to the Russian Orthodox Church, the British Royal Family, and the monastical cult center of Mount Athos, located at the very tip of the northern Greek peninsula. To be consistent with Mt. Athos's aversion to such facets of modern life as soap, White House spokesman Marlin Fitzwater might soon be obliged to tell the press corps that baths have been banned in the White House, should matters proceed on their current course.

In late January, a personal envoy of World Wide Fund for Nature (formerly World Wildlife Fund) head Prince Philip is visiting the White House. His mission is to enlist George Bush's personal participation in a May 16-20 series of events in Washington, D.C., sponsored by the North American Conference on Religion and Ecology. These events are to be the launching point for a 1990-2000 "Decade of the Religious Community in Ecology."

About 50 U.S. environmentalist organizations will be participating, with the main religious support coming from the Washington (Episcopal) Cathedral. According to a British ecology movement insider, they are to create 30 "bio-regional" ecology and religious groups throughout the United States.

Prince Philip is scheduled to give the keynote address at a Festival on Faith and Ecology at the Washington Cathedral on the morning of May 19, which takes place following three days of ecological discussions May 16-18. The chairman of the May 19 festival is William Reilly, Bush's appointed head of the U.S. Environmental Protection Agency, who will speak following Prince Philip.

Over the past few years, Reilly has worked with Prince Philip's chief personal adviser on ecological affairs, Dr. Martin Palmer of the International Consultancy on Religion, Education, and Culture (ICOREC) in Manchester, England. Palmer was a leading conceptual architect of the 25th anniversary meeting of the World Wildlife Fund in Assisi, Italy, in autumn 1986. This meeting brought together spokesmen from the major world faiths and conservationist groups, into a new gnostic, anti-progress alliance. Palmer, whose ICOREC consultancy group is linked both to the WWF and the World Council of Churches in Geneva, has also sponsored work to rewrite prayers and liturgies at harvest time, to celebrate taking land out of production—in violation of the injunction

of Genesis that man "be fruitful and multiply, and replenish the Earth, and subdue it." ICOREC also worked with the Church of England hierarchy, to put together a September 1989 Festival on Faith and the Environment, which was attacked by British Christian spokesmen for encouraging paganism, witchcraft, and the occult.

#### The Mt. Athos connection

One special project on which Reilly and Palmer have worked together, in collaboration with certain officials of the Greek Orthodox Patriarchate in Constantinople, has been to undermine the "American System" commitment to scientific and technological progress. According to a well-informed source in the British ecology movement involved in this work, the Greek Orthodox are "important in helping us sort out the relation of religion to the environment. They have a far better sense of creation than we do in the West; they see our relation to nature as sacramental rather than managerial. It's the same with the Russian Orthodox Church, but the Constantinople Patriarchate has things better worked out." He said that "Reilly from within the Roman Catholic tradition, Palmer from within the Protestant tradition, have done a lot to make more people aware of the Orthodox view."

In October 1988, Reilly, representing the World Wildlife Fund-U.S., was a featured speaker at a symposium on the island of Patmos, sponsored by the Greek Orthodox Church and the Greek government. There, it was decided to establish a Feast Day of Creation, to further environmentalist principles. This Feast Day is being held at the Orthodox Patriarchate in Constantinople in September.

Out of such efforts, the British ecology source went on, it has been decided that "Mount Athos will be declared an ecological site." In September 1990, "conservation agencies and officials of the Greek Orthodox Church will start a pilot project, on Mt. Athos, to study ecological means of farming." Beyond this, at the nunnery of Ormelia, which is the "sister nunnery linked to Mt. Athos," there has been a "pilot project" launched between the World Wildlife Fund and Mt. Athos, to study "ecological farming."

These projects bring the ecology movement back home to its real mother (even if no women are allowed on Mount Athos). Mount Athos is a center of mysticism, irrationalism, and, if various accounts are to be believed, what the British call "buggery."

#### And the Russian Orthodox Church

Palmer is among a group of Western ecologists who have been invited by the Russian Orthodox Church for a meeting in late 1990 to discuss a "land-use project involving ecological principles. . . . An enormous amount of land is now being returned to the Russian Orthodox Church, which has been so atrociously managed by the Soviet state, that they are very eager to start ecological land-use pilot projects," a source close to Palmer reports.

EIR January 26, 1990 National 65

## Military strategist refutes Wohlstetter doctrine

by Leo F. Scanlon

The defense budget is virtually assured the center ring position when the congressional circus comes back to town in Washington this month, and previews of the Bush proposal indicate that cuts in weapons programs and closures of domestic military bases will hit the regional economic base of many congressional districts with a vengeance.

The ensuing political brawl is sure to divert attention from the much more insidious strategic premises which underlie the defense strategy of the Bush administration; strategies which were outlined in the January 1988 report, entitled "Discriminate Deterrence," issued by the President's Commission on Long-Term Strategy, otherwise known as the Wohlstetter Report.

To this day, the central thesis of that report has been refuted loudly by the lone voice of Lyndon LaRouche, who issued a 1988 presidential campaign statement pointing out that "The essence of the Wohlstetter Report is, that it proposes the strategic decoupling of the United States from the defense of Western Europe and the Western Pacific." The LaRouche document concentrated on presenting an alternative to the Wohlstetter strategy, in confidence that "patriots situated to do so will tear the Wohlstetter Report apart, shred by shred, in other published locations."

The November and December issues of the magazine *Defense Science* serialize an article by noted defense analyst Sam Cohen, entitled "Competitive Strategies: a Sow's Ear From a Silk Purse?" which tears a devastating hole in the fabric of the Wohlstetter Report.

#### An insider speaks

Sam Cohen is considered to be one of the fathers of the enhanced radiation weapon, or neutron bomb, which was conceived and developed during his wide-ranging career in nuclear weapons research. The neutron bomb was an early (if not the first) breakthrough in the development of "discriminate" tactical nuclear weapons. This weapon did not fit the strategic prejudices of the Rand Corp. thinkers centered around such as Alain Enthoven, Fred Iklé, Albert Wohlstetter, Herman Kahn, and other devotees of the theology of Mutually Assured Destruction, and thus was never employed in a useful manner.

This same group has lately become the advocates of Precision Guided Munitions (smart weapons), which they believe will allow Western technological advances to offset the

immense numerical superiority of Soviet forces in Europe, a concept which has been dubbed "Competitive Strategies." The advantage of this concept, according to Iklé, is that these conventional technologies can be deployed without "crash program" methods, and are a counterweight to SDI-style systems which inherently threaten the MAD order. So-called "smart weapons" provide the "discriminate" deterrence which justifies major force reductions by the United States in the European theater.

Cohen hammers on several fundamental technical points which call the value of this strategy into question. He reports that in all the years of debate, there has never been an official study of the extent to which enemy countermeasures might degrade PGM effectiveness versus the measures required to degrade the effectiveness of nuclear weapons. His own research indicated the obvious fact that nuclear munitions provide a decisive margin over chemical weapons—a conclusion apparently shared by Soviet military planners who developed and fielded an array of such tactical weapons, and NATO commanders who never showed enthusiasm for the so-called conventional PGM deterrent.

Further, Cohen points out, NATO doctrine assumes that the Soviets would never use nuclear weapons preemptively, and thus avoids the fundamental question: "Why would the Soviets dread so much the prospect of having to be the first to use theater nuclear weapons?" Especially since nuclear weapons are the most effective counterthreat to PGMs.

"Soviet declaratory military doctrine," Cohen says, "would dictate that if they wanted to win the war as quickly as possible with the least damage to their own forces, that is precisely what they would o: conduct a disarming first-strike (using discriminate nuclear weapons, which Soviet doctrine clearly calls for) against NATO, followed up by quick occupation of Europe by their ground forces."

#### 'Oxymoronic war games' and Marshal Ogarkov

The self-delusionary process which avoids facing this basic reality is bolstered by war games conducted by NATO strategists—war games which are, by Cohen's description, completely rigged. In the "play house" world of war games, the Soviets are never allowed to employ nuclear weapons in a way which would obviate the self-proclaimed advantage of the NATO systems.

Further, the Soviets are never assumed to utilize basic

66 National EIR January 26, 1990

#### Further clinical insanity: Scowcroft would ban MX

National security adviser (and former Kissinger Associates partner) Brent Scowcroft wants the United States to eliminate the MX missile. According to the Jan. 14 issue of the Washington Post, Scowcroft suggested to President Bush that the U.S. offer a deal to ban future deployment of 50 U.S. MX missiles in exchange for the Soviet Union's agreement to eliminate 20 SS-24 missiles already deployed and agree not to deploy any

Scowcroft wanted Secretary of State James Baker III to make the proposal to Foreign Minister Eduard Shevardnadze when Baker goes to Moscow Feb. 6-7, but, according to the Post, was blocked when Secretary of Defense Dick Cheney said he opposes elimination of the MX, because it is a more powerful weapon than the single-warhead Midgetman. Scowcroft's plan has the strong backing of Sam Nunn (D-Ga.), chairman of the Senate Armed Services Committee, who has told the White House that it would make it easier for any arms control treaty between the superpowers to be ratified by the Senate.

camouflage, cheap decoys, and other techniques which easily degrade the effectiveness of "smart weapons." (For technical reasons, it is only necessary to move the impact point a few meters in order to protect many of the targets of "smart" weapons.)

According to Cohen, U.S. forces in West Germany recently "fought a mock battle where an enemy tank company had been detected, attacked by aircraft and artillery . . . whereupon it was discovered that only two of the 11 enemy tanks were actually tanks" the rest were decoys. This is only one of many illustrations of the ability to "spoof" the PGMs. The Soviets are recognized masters of this capability.

An even more basic calculation made by Cohen shows that "From a cost effectiveness standpoint, since these . . . weapons systems will probably have costs comparable to those of nuclear delivery systems, the ratio of the cost required for target destruction [with PGMs] to the cost of protecting targets . . . could readily favor the Soviets."

It should be no surprise to learn that Marshal Nikolai Ogarkov (who previously headed the Soviet Chief Directorate of Strategic Deception), is the leading advocate of these new U.S. conventional capabilities.

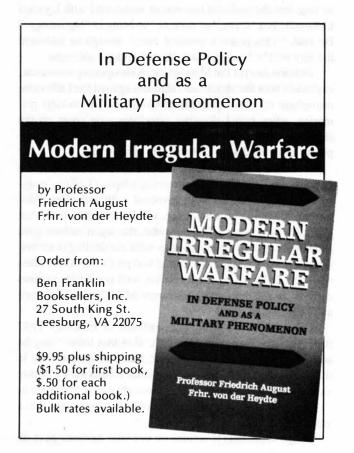
Cohen asks the obvious question: "Is it possible that the

Soviets . . . had determined effective countermeasures . . . to the new U.S. technology and were telling the U.S. what it wanted to hear, to encourage it to follow an ineffective strategy?" The answer to this begs the bigger question, what is the real origin of the Wohlstetter Report and its support for decoupling the NATO alliance?

#### 'You can call me Meier'

Cohen finally makes the apt analogy between today's devotees of utopian theories of war and weaponry, and the disaster brought upon Germany by their predecessers among the Nazi elite. Most famous in this regard is boast that British bombers would never reach Berlin, made by Hitler's sidekick, Reichsmarschall Hermann Goering, head of the German Luftwaffe. He declared: "If that event occurs, you may call me Meier" (a common Jewish name of that time).

Goering had been convinced that the theoretical kill probabilities of new anti-aircraft weapons would make good his boast. Unfortunately, the weapons had been tested under conditions similar to modern NATO war game simulations, and, concludes Cohen, "Goering was taken in by a group of high technologists and analysts who seem to have peddled a line rather similar to that we've been hearing about PGMs. . . . The ghost of Goering could come back to haunt this high-tech (at least on our side) battlefield."



#### The 'Get LaRouche' Task Force

## Next Virginia trial begins against Phau

The latest "Get LaRouche" trial began in Roanoke, Virginia on Jan. 17, with opening statments in the case of *Virginia v*. *Don Phau*. Phau is one of 16 individuals charged with violating Virginia securities laws in connection with political loans raised for the LaRouche movement.

His trial follows the legal lynchings of Rochelle Ascher, who was tried in 1989 and sentenced to 10 years in jail for "securities" fraud (the jury had recommended an 86-year sentence), and Michael Billington, who received a 77-year sentence last December at the hands of Roanoke Judge Clifford Weckstein, the judge in the Phau trial.

In opening, prosecutor John Russell made the same claims he had made in the Ascher and Billington cases, asserting that the political movement associated with Lyndon LaRouche is a "scam," a "scheme" to bring in "big money." He said, "This is not a political case," though he admitted the jury will be hearing much about Lyndon LaRouche.

Defense lawyer Pat Monaghan, in his opening statement, explained how the attacks and slanders against the LaRouche movement escalated after the 1986 Illinois Democratic primaries, when two LaRouche associates won spots on the statewide Democratic ballot. This affected the ability of companies associated with LaRouche to repay loans.

In January 1986, a letter was received from the State Corporation Commission concerning whether LaRouche-associated organizations were involved with securities. Monaghan called it a "cordial letter, similar to an IRS letter that anyone would receive." In response, the organizations gave a detailed explanation of why they were not dealing in securities. "The next thing that occurred was on Oct. 6, 1986 when 400 state, federal, and county police, with armored personnel carriers, raided their office and removed 428 boxes of materials," Monaghan said.

Only after 16 people were indicted in February 1987 for "securities fraud," did the SCC rule that loans "may be securities." Then, Monaghan said, the government went in to "finish them off," by an involuntary bankruptcy action shutting down three companies. Monaghan said that this was "a bankruptcy which a federal bankruptcy judge ruled was a violation of the law."

Judge Weckstein's actions on pre-trial motions gave an

indication of how he intends to "railroad" another LaRouche defendant. At a Jan. 12 pre-trial hearing, the defense had asked Judge Weckstein to recuse himself (withdraw from the case), on grounds of evident bias against the defense.

In the previous "LaRouche case," Judge Weckstein upheld a jury sentence of 77 years for Michael Billington, after prosecutor Russell asked him to use his sentence to "send a message" to 14 other LaRouche defendants about the advisability of seeking jury trials.

One of Phau's defense team, attorney Doug Davis, gave a direct argument for his recusal motion on Jan. 12: "I was in the courtroom, and sat through the Billington trial. I saw personally that you were biased." Davis said he did not know why, although perhaps it stemmed from Billington's connection to LaRouche, but it was clear the judge could not preside fairly over Phau's trial. "Millionaire insider traders get off with a few months, Leona Helmsley gets four years, and recently, a truck driver who killed 26 children while driving drunk got 16 years," Davis told the judge.

Judge Weckstein denied the motion.

Another defense motion asserted that the prosecution of Phau was ex post facto—after the fact; that Phau, like the other defendants in this case, is being tried for violations of the Virginia state securities laws, even though at the time he was arrested, in February 1987, the SCC had not ruled that promissory notes or letters of indebtedness issued by LaRouche fundraisers to political supporters had anything to do with "securities"!

How could Phau form "criminal intent" to violate securities laws, when there was no determination that these were securities? the motion asked. *Ex post facto* prosecutions are forbidden by the U.S. Constitution.

Judge Weckstein did grant one pre-trial motion—one that would gag the defense. Prosecutor Russell filed a motion to preclude the defense from mentioning that, on Oct. 25, 1989, Bankruptcy Judge Martin Bostetter threw out the federal government's petition to place into involuntary bankruptcy three LaRouche-related companies. The bankruptcy had legally barred any of the three from repaying any loans! Yet in the various "LaRouche" trials, the failure to repay these loans is hammered by the prosecution as proof of criminal intent not to repay.

In seeking to exclude reference to Bostetter's ruling against the federal government on this issue, Russell told Weckstein that introduction of the ruling would "confuse the jurors." Observers noted that there was hardly anything confusing about the Bostetter ruling, in which he wrote that the government acted in "bad faith" in seeking the bankruptcies, in a way which could be likened to "committing constructive fraud on the Court."

Defense attorney Pat Monaghan argued that to grant the prosecution's motion would "be gagging my client and preventing the presentation of his defense. . . . I want my client to be able to present the whole story."

#### Eye on Washington

by Nicholas F.Benton

#### 'Experts' fantasize about Europe

Discredited think-tankers speculate about new economic opportunities opening up in the East bloc.

Ignoring the likelihood of ugly reversals in the fledgling moves toward freedom in Eastern Europe, Washington think-tank "experts" and their European counterparts are pontificating on the prospects for the integration of Eastern Europe into the economic orbits of the West.

Such "experts" misjudged the crackdown in Beijing, the upheavals in Eastern Europe, and Gorbachov's growing internal problems in the Soviet Union, but audiences still flock to such discredited experts because, in Washington, that's what they get paid

Take the forum sponsored by the Center for Strategic and International Studies (CSIS), on Jan. 18. Billed as a debate between the CSIS's John Yochelson and Corrado Pirzio-Biroli, acting head of the European Community delegation in Washington, the seminar devolved into speculation on how the economies of Eastern Europe would be best exploited by the West.

Reality, the danger of the freedom movement in Eastern Europe being brutally crushed or rolled back over a more protracted period, was ignored. Instead, they sounded like those who spoke of the billion electric toasters the West could sell in the People's Republic of China when the students first filled Tiananmen Square, blind to the imminent massacre.

Glibly, Yochelson told the Jan. 18 forum, "It will be 10 to 15 years before any major investment by the West will bear fruit in Eastern Europe." He said the West will by-pass joint ventures to go for direct investment in the region,

preferring to set up its own plants there to manage directly.

Pirzio-Biroli added that Czechoslovakia, East Germany, and Hungary will move the most quickly into the Western economic orbit, in that order, and that the push from some of them. like Hungary, to seek entry into the Europe 1992 economic bloc has already begun. He said that while formal entry may be a long time coming, de facto participation could occur if they join those nations, such as some of the Scandinavian countries and Austria, who are also waiting to get in and who are making interim trade agreements with the 12 nations that are part of Europe 1992.

However, he said that "all firms that will invest in Eastern Europe will have to be prepared to lose money for a while before turning a profit." He said Honda, for example, was willing to lose money for 10 years in Belgium before it began to turn a profit. There is no avoiding this approach to eventually be successful in Eastern Europe, he said, because of the "importance of establishing an early market presence in what will be a market that will develop over time."

In this regard, Pirzio-Biroli said he "feared" for the relative ability of U.S. firms to compete with European or Japanese firms because of the capital reserves in the U.S. He added that U.S. rules restricting technology transfer to the East bloc are preventing U.S. businesses from having "any chance" to compete.

From a capital reserve standpoint, the Japanese are in the strongest posi-

tion to adopt such a long-term investment strategy in Eastern Europe, he said, while in West Germany, the Social Democrats have already introduced legislation that would radically liberalize trade with the East by eliminating security considerations. Two points are key to the "evolution" of Eastern Europe's integration into the economies of the West, and in particular into the Europe 1992 configuration, he said.

First, the nations of Eastern Europe should begin to adopt legal systems that are coherent with those of Western Europe, and not, for example, with that of the United States. He criticized one U.S. official who returned from Poland expounding the potential of the new Polish government to adopt the American model. "Eastern Europe should follow the path advocated by Austria and Sweden, which will make it easier for it to make association and membership in a unified Europe easier," he said.

Second, nationalist tendencies in Eastern Europe must be quashed in favor of a "federated" Eastern Europe. He cited the example of how the Marshall Plan, following World War II, was consciously designed to undermine any potential for new nationalist currents to gain a foothold in postwar Europe. He said that "nationalism as a reaction to foreign domination is understandable," but that it must be replaced with institutions of confederacy that will make "linking with Western European economies possible."

The closest thing to reality that either Yochelson or Pirzio-Biroli discussed was on the "what if" of an "economic downturn" in the West during the 1990s. Yochelson said "it is almost certain to occur," requiring "vigilance" by the United States. Pirzio-Biroli said that Europe will survive it if it is delayed two years, and that the U.S. will take the brunt.

#### **National News**

## DoJ studies privatizing police-state apparat

The U.S. Justice Department is looking for private sector contractors to oversee hundreds of millions in anti-drug, anti-fraud, victimization of the elderly, and child abuse programs managed by two agencies in the Office of Justice Programs (OJP)—the Office of Juvenile Justice and Delinquency Prevention, and the Bureau of Justice Assistance

Contracting out these programs would eliminate over 60% of the career positions in the two agencies. But although the proposal is presented as a cost-cutting measure, in reality it is part of a plan to further insulate the DoJ "secret police" from public exposure.

One of the largest budget items overseen by OJP is the Regional Information Sharing System (RISS), a privately run but federally financed "criminal intelligence" program that provides intelligence to the national "Get LaRouche" task force. RISS is not subject to Freedom of Information Act requests, because it is a "private" intelligence system.

### Lockerbie coverup tied to PanAm-CIA links?

The apparently intimate relationship between the CIA and senior management of Pan American World Airways, is one issue that may surface out of the House Select Committee on Narcotics when Congress reconvenes in late January. That tie is related to suppression of accusations of government wrongdoing in the terrorist bombing of PanAm flight 103 over Lockerbie, Scotland, on Dec. 21, 1988.

Recently, a federal district court judge in Brooklyn, New York effectively dismissed a civil law suit against Pan Am brought by family members of the bombing victims. The suit, seeking \$600 million in damages claiming airline security laxity allowed the high-powered bomb to be planted aboard the aircraft, was dismissed when

PanAm claimed that the CIA and other intelligence agencies had been the actual negligent parties. The judge, upon reviewing classified documents from U.S. intelligence agencies, decided that key evidence bolstering the PanAm claim had to be protected for national security reasons.

It appears that the relatives of the tragedy may be the victims of this cozy relationship between PanAm and the CIA. According to several published accounts, this tie was apparently so well known that the PanAm flight 103, which was carrying a team of CIA paramilitary experts from Beirut back to the United States, may have been targeted for terrorist attack as a message to U.S. intelligence from Ayatollah Khomeini.

Both American and British intelligence services knew by no later than March of 1989 that the PanAm bombing had been commissioned by Khomeini and current Iranian President Hashemi Rafsanjani, and carried out by the PFLP-GC headed by Syrian military officer Ahmed Jibril, according to columnist Jack Anderson. But since neither the U.S. nor Britain was prepared to take military action against Iran or Syria, Bush and Thatcher decided in April 1989, to cover up the incident to avoid further political fallout.

### Social Democrats defend Satanism

The Buffalo-based Council for Democratic and Secular Humanism, headed by social democratic philosopher Dr. Paul Kurtz, has recently published a report saying that the fear of the rise of Satanism is unfounded and the alarm surrounding it is largely a product of opportunists and evangelical publicists.

"Millions of taxpayers' dollars are being spent chasing the devil's tail," said Shawn Carlson, head of the study and a principal in Gaia Press which is distributing a book attempting to debunk the Satanist threat. The three-year study by the Committee for Scientific Examination of Religion was coauthored by Prof. Gerald Larue of the University of Southern California, who said, "The hysteria-mongers would have us exhaust our resources going after a non-exis-

tent, nationwide cult of Satanic child abusers."

Kurtz is editor of Free Inquiry Magazine, which is part of the network of right-wing Social Democrats including Leo Cherne, a member of the President's Foreign Intelligence Advisory Board.

### Government blackmailing executives over CFCs

The U.S. is blackmailing executives of top refrigeration and other industries in order to keep them quiet on the clorofluorocarbon (CFCs) swindle, according to a top industry expert.

The Federal Trade Commission is treatening to jail company executives under the Sherman Anti-Trust Act if they dare to reveal to the public the enormous costs of a CFC ban, the corporate executive told *EIR* on Jan. 16.

One example he cited occurred in 1989 during a conference of the refrigeration industry. There are only five manufacturers of refrigerators in the United States, so they are not allow to divulge prices in public. But during the conference, the executive directors of two of these manufacturers got up and said a CFC ban would force them to increase prices. As soon as they got back to their offices, there were letters from the FTC threatening them with government action if they dared to speak out in public about price increases again.

When told that the FTC should be prosecuting Du Pont and the CFC cartel, not refrigerator manufacturers, the executive said, "Well, the question is whose cartel, they are obviously creating a cartel."

## Bush wetlands plan provokes protests

Environmentalists in the Bush administration are reeling from a deluge of protest mail from citizens opposing President Bush's wetlands plan, the Jan. 15 Washington Post reported.

"They come in by the minute, by the

pound," Michael R. Deland, chairman of the President's Council on Environmental Quality and a target of a postcard campaign, told States News Service.

As a result, the White House decided on Jan. 12 to delay, for a second time, an agreement between the Environmental Protection Agency and the Army Corps of Engineers that is a key part of Bush's "no net loss" of wetlands plan.

The Anchorage Times, a strenuous opponent of the plan, argues that the wetlands plan would be "devastating" to every sector of Alaskan society. On Dec. 31, the newspaper included postcards addressed to Deland, Nancy Maloley of the Office of Policy Development, Robert E. Grady of the natural resources section of the Office of Management and Budget, and Army Assistant Secretary for Civil Works Robert W. Page. The Times said it just wanted to send Washington a message, "and very quickly."

## Noriega prosecutor faces misconduct charges

Dexter Lehtinen, the prosecutor who is considered "too inexperienced" to conduct the railroad of Panamanian Gen. Manuel Noriega by himself, and the prosecutor's office, are reported to be facing charges of misconduct.

Lehtinen's office destroyed the practice of Michael Blank, a successful immigration attorney in the Miami area, through a campaign of harassment which a judge has described as "prosecutorial misconduct," according to an article in the Jan. 12 Legal Times.

Robert Cornell, an assistant to Lehtinen, initiated an investigation of Blank on the basis of an allegation that he was bribing Immigration and Naturalization Service officials to process applications of his clients. Darrell Brewer, an investigator for a division of the INS which has since merged into the Department of Justice Inspector General's office, began secretly visiting Blank's clients and telling them that Blank was a crook, and that he could not represent them.

According to investigative findings upheld by the District Court, Brewer and the

U.S. Attorney also stopped the processing of all immigration papers filed by Blank. While no evidence of bribery was ever turned up, Lehtinen's office obtained a 91count fraud indictment of Blank, alleging that he acted in a criminal manner by not telling his clients that he was being attacked by the government. The grand jury was never told that his increasing failure rate was the direct result of DoJ interference at the INS, and Magistrate Ann Vitunac ruled that, "The government thus caused the Defendant Michael Blank's lack of success by failing to adjudicate any of his applications. . . . This action violates fundamental concepts of justice."

## Foundation demands judge's censure

Daniel Popeo and Paul Kamenar of the Washington Legal Foundation have filed a motion in the U.S. Second Circuit Court, calling for censure of Judge Robert Sweet who caused a national furor by calling for drug legalization last December.

"The gravamen of our complaint," said Popeo and Kamenar, "is that Judge Robert W. Sweet violated Canons 1, 2(a), and 4 of the Code of Judicial conduct by delivering a widely publicized speech on Dec. 12... advocating the legalization of the selling and use of all drugs, including heroin, cocaine, crack, and marijuana. By doing so, Judge Sweet became the first federal official in any of our three branches of the federal government to advocate the legalization of harmful drugs.

"Not only does Judge Sweet's apparent crusade to legalize drugs violate the Canons of Judicial Conduct, but the statements made by the judge in support of his proposal reveal a palpable and dangerous ignorance about the subject that he is espousing," the complaint read.

"We request that Judge Sweet be publicly censured or reprimanded as provided by [statute] . . . and that the circumstances surrounding the preparation and delivery of his broadside on our nation's drug laws be investigated for further possible misconduct and misuse of his office and staff."

### Briefly

- SEN. JOHN WARNER admitted at a Capitol Hill press conference on Jan. 13, that civilian casualties during the Panama invasion were higher than the official figure of 220. "Well, I'll have something released . . . that is not right . . . it is higher." The Virginia Republican also said "there may have been some" bombing of civilian districts.
- MICHAEL O'KANE, lawyer for Gen. Manuel Noriega's alleged former pilot Daniel Miranda, was attacked by a man wielding a crowbar the day after the prosecutor had told him to be more careful about his requests for classified information. "One of the lawyers said if I didn't get on board it would be bad for me personally," O'Kane said.
- NUCLEAR WEAPONS production will be further hurt by environmental impact statements announced by Department of Energy Secretary James Watkins. This signals "the incipient collapse of the nuclear industrial infrastructure," one specialist told the Jan. 13 Washington Post.
- HENRY KISSINGER argues that the West must get out in front of the issue of German reunification in order to keep Germany in line, in a commentary in the Jan. 14 Washington Post. "I would have suffered no sense of deprivation had the issue of German unification remained in limbo for a while longer," he said.
- PETITIONS for a statewide referendum to allow gambling in eight Ohio cities have been filed. On a sixcity tour to promote gambling, Loraine Mayor Alex Olejko said the proposal would make his city "a phoenix rising out of the ashes."
- JOHN POINDEXTER'S lawyers urged a federal judge on Jan. 9 to compel Ronald Reagan to appear as a witness in Poindexter's upcoming Iran-Contra trial. "Mr. Reagan alone possesses evidence which is pertinent to the central issues of the case," they said.

#### **Editorial**

### 'Yankee go home'

President Bush has created a rising drumbeat of anti-American sentiment, and not only in Ibero-America. Socialists and conservatives alike have joined together in the European Parliament to condemn the U.S. invasion of Panama as a "flagrant violation of the sovereignty and integrity of an independent state." Nor did the Parliament overlook in its condemnation the obscene harassment of the papal nuncio and the Peruvian and Cuban embassies in Panama, but called them a violation of the Vienna Convention.

In Ibero-America, the United States is more unpopular than at any time since the reign of Teddy Roosevelt. Vice President Quayle has been forced to admit that his presence is not wanted in Ibero-America at this time. Speaking before the Hoover Institute about his proposed visit there to represent Bush administration policies, he reported that he had received advice from his friends in Venezuela that even there, a trip now would put the government in a less-than-comfortable situation. His planned trips to Venezuela and Mexico have been canceled for the immediate future.

One of the most disgusting aspects of present U.S. administration policy is its dishonesty with regard to its vaunted War on Drugs.

Despite the posturing by spokesmen for President Bush, on the need for Colombian President Barco to take an uncompromising position against the narcotraffickers at whatever cost, the drug-legalization lobby in the United States is making Barco's position increasingly difficult.

On Jan. 17, for example, former Assistant Secretary of State (under Shultz) Langhorne Motley urged consideration of the offer by the Extraditables. George Shultz himself, of course, has come out on the side of legalization. Motley's argument was reminiscent of the kind of justifications which the Bush administration has used for hostage negotiations in the Mideast. If the Extraditables will release the hostages they are holding and cease bombings then, he says, that constitutes a victory. In return for the promise by the narco-terrorists to stop trafficking in drugs, the United States should drop demands for their extradition to the United States

in order to stand trial.

This of course, is not an official administration position: To the contrary, the U.S. officially would have President Barco stand tough; however, the Washington Times newspaper on Oct. 20, reported that Washington was preparing "contingency plans" for negotiations with the traffickers. The relevant section of the article read:

"U.S. and Colombian officials acknowledge that Mr. Barco whose presidential term ends in August, [1990], is unlikely to resign from office with a clear outcome of his war on drugs. These officials also believe that most of Barco's probable successors are more likely to strike some sort of deal with the drug traffickers rather than continue to make the necessary sacrifices. Administration sources said they had yet to develop a contingency plan for such a case, given both Mr. Barco's and the U.S.'s refusal to entertain certain dealings with the traffickers.

"Some sources said the U.S. would accept Colombian proposals for plea bargaining in specific cases or partial amnesties if these furthered the goal of stopping the shipments of drugs to the U.S.... Said one source, 'The bottom line is: Does it serve Colombia's political needs and reduce the export of narcotics to the U.S.?' "When asked for comment, the first response of adminstration spokesmen, Marlin Fitzwater, was to plead ignorance, and refer the reporter to William Bennett's office.

One week later, Secretary of State Baker's response was to hedge. What he said, was: "That is not administration policy to the extent I am aware of."

In terms of *body language*, the United States is sending a clear signal that its War on Drugs is a thin pretext for imperial-style adventures, but not a serious policy to destroy the power of the narco-terrorists once and for all.

It is intolerable that the best that people are coming to hope for from the United States these days, is an end to the *big stick* policies of Teddy Roosevelt. What is needed is a total shift, to *morality* as the basis of policy, at home and abroad.

### "There is a limit to the tyrant's power."



—Friedrich Schiller, Wilhelm Tell.

The long-awaited second volume of the Schiller Institute's new translations of Germany's greatest poet. Includes two plays, "Wilhelm Tell," "The Parasite"; On Universal History; On Grace and Dignity; The Esthetical Lectures; and numerous poems.
562 pages.

\$15.00

Make checks payable to: Ben Franklin Booksellers, Inc. 27 S. King Street, Leesburg, VA 22075

Shipping: \$1.50 for first book, \$.50 for each additional book. Or, order both volumes of the *Schiller, Poet of Freedom* translations (Vol. I contains the play "Don Carlos," poems, and essays) for \$25.00 postpaid.

## Executive Intelligence Review

#### 

#### Foreign Rates

Central America, West Indies, Venezuela and Colombia: 1 yr. \$450, 6 mo. \$245, 3 mo. \$135

**South America:** 1 yr. \$470, 6 mo. \$255, 3 mo. \$140.

Europe, Middle East, Africa: 1 yr. DM 1400, 6 mo. DM 750, 3 mo. DM 420. Payable in deutschemarks or other European currencies.

All other countries: 1 yr. \$490, 6 mo. \$265, 3 mo. \$145

I	would	like	to	subscri	be to	
E	ecuti	ve Ir	itel	lligence	Review	for

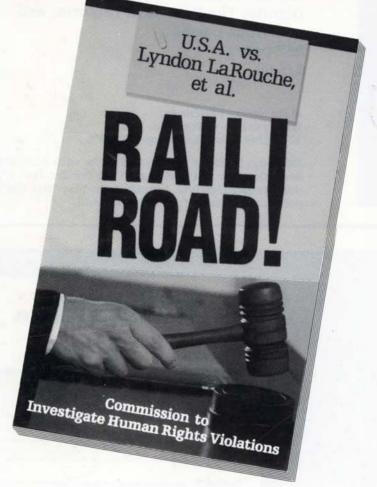
☐ 1 year ☐ 6 months ☐ 3 months					
I enclose \$	check or money order				
Please charge my	☐ MasterCard ☐ Visa				
Card No.	Exp. date				
Signature					
Name					
Company					
Phone ( )					
Address					
City					
State	Zip				
P.O. Box 17390, W	ole to EIR News Service Inc., 'ashington, D.C. 20041- CIR Nachrichtenagentur				

GmbH, Postfach 2308, Dotzheimerstrasse 166,

62 Wiesbaden, Federal Republic of Germany,

telephone (06121) 8840.

# The Truth About The LaRouche Trial



- The rush to trial only 37 days after indictment.
- Four years of federal investigations and a "warm-up" trial where jurors reported they would have voted unanimously for acquittal.
- The role of Henry Kissinger and the "Get LaRouche Task Force."
- The judge's decision to grant a special *motion in limine* to block the defense case.
- Full text of appeal papers filed by LaRouche's attorney, former U.S. Attorney General Ramsey Clark, and distinguished international jurists.

\$10 ppd., 664 pages
Available from
Executive Intelligence Review

Address

City \_\_\_\_\_ State \_\_\_\_ Zip \_\_\_\_

Telephone \_\_\_\_\_

Make checks payable to:

Name

#### **Executive Intelligence Review**

P.O. Box 17390, Washington, D.C. 20041-0390