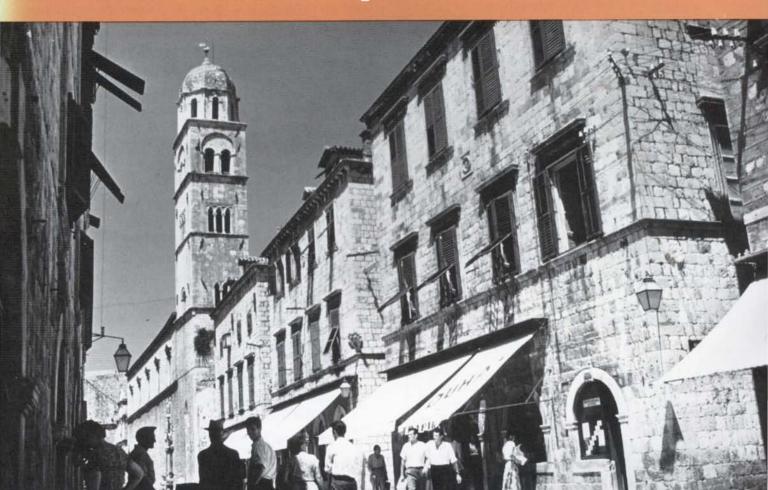


Group of 77 chairman: 'Cancel the debt' Mag-lev train will fly at zero altitude LaRouche has been right on economy, 1971-91

The urgent case for Croatian independence



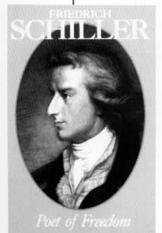
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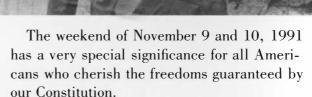




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#### From the Editor

Over half of this issue is devoted to economics, and rightly so. Since it was founded 18 years ago, EIR's editorial policy has been centered on the unique authority of Lyndon LaRouche's breakthroughs in economic science; in an article in this issue, Nancy Spannaus traces how right LaRouche and his associates have been in that field since they intervened in the monetary crisis of August 1971.

I recommend you start with the extraordinary interview with Ambassador Awoonor on page 6, where he discusses the urgent concerns of the group of 77 developing nations facing the 'new world order' assault.

In Science & Technology, Ralf Schauerhammer lays out the potentials of magnetic levitation transport, which is a pillar of LaRouche's "Productive Triangle" plan for making a regenerated European economy the motor of worldwide recovery.

The news leads in Economics and National show how discredited LaRouche's adversaries are. The mightiest New York bank is becoming known as Citicorpse. The economy is in a depression which could spell serious political trouble for the man who is keeping LaRouche in jail, George Herbert . . . Hoover Bush. The good news is that Lyndon LaRouche is running for President, against all odds, from his prison cell, because none of the "major" Democratic candidates has the slightest idea of what to do about the economy or the banking system.

Turning around the world economy—not the U.S. economy by itself, because that can't be saved from inside—is the key to the strategic situation. We are not on the brink of world peace. We are on the brink of world war. The IMF's debt demands on the former U.S.S.R.; the volatility of the Middle East; the horrors unfolding in the Balkans, are all the result of IMF/World Bank austerity and genocide policies. Bush and his allies are on an all-out drive to increase the dose of poison by imposing free-trade dictatorships.

We at EIR think that the independence of Croatia and Slovenia deserves diplomatic recognition as the only means to force a political solution in former Yugoslavia (see Feature). We also believe that such political and diplomatic moves must be coupled, without delay, with implementation of the LaRouche "Triangle" plan, as the only sure path to peace.

Nova Hamenman

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### **PIR Economics**

## Citicorp loses billions, suspends dividend payments

by the EIR Economics Staff

The worst depression of this century is sweeping the United States, threatening to bring down the U.S. financial system, and the financial systems of all nations under the thumb of the Anglo-American empire. A number of the top U.S. banks, led by the brain-dead Citibank, are hopelessly insolvent, being technically kept alive on a federal life-support system. Untold billions of taxpayers' dollars are being pumped into these zombie banks, while millions of Americans lose their jobs, their homes, and their hopes.

On Dec. 7, 1990, the Bush White House held an emergency meeting to decide what to do about the U.S. banking crisis, and six insolvent banks with over \$500 billion in assets: Citicorp, Chase Manhattan, Manufacturers Hanover, Security Pacific, Chemical Bank, and the Bank of New England. In the 11 months since, the Bank of New England has been closed, Chemical has merged with Manufacturers Hanover, and the Bank of America has merged with Security Pacific. Only Citicorp and Chase remain in their original form.

When the \$217 billion Citicorp announced a mere \$340 million addition to its loan loss reserves at the end of 1990, *EIR* warned that the amount was a token, an attempt to paper over—with the help of the Bush administration—the bank's bankrupt condition. During 1990, the bank's admitted nonperforming real estate loans rose 120% to \$2.6 billion, its foreclosed real estate holdings rose 78% to \$1.3 billion, and its market value fell by 55%.

By the third quarter of 1991, when the bank announced an \$885 million loss for the quarter, admitted non-performing loans stood at \$6 billion, including \$3 billion in non-performing real estate loans. The announcement was mostly fiction. More telling was the announcement that the bank, for the first time since 1813, would suspend dividend payments to stockholders. Citicorp has been desperately seeking new equity capital

through stock sales, and that critical task will be far more difficult now that the bank has eliminated its dividend.

"We have reliable information that one of the largest U.S. money center banks has been operating under de facto government receivership since approximately summer, and we have reason to think it is Citicorp," one European banking source recently told *EIR*.

In early August, a remark by Rep. John Dingell (D-Mich.) that Citicorp was "technically insolvent" and "struggling to survive" triggered runs against the bank in Hong Kong and Australia. That same week, the Federal Reserve Bank of New York lent out \$3.4 billion to "one or more money center banks," the vast majority of which reportedly went to Citicorp.

The liquidity problems at Citicorp are continuing. European banking sources indicate that the actual loss at Citicorp in the third quarter may have been as high as \$5 billion—more than five times the reported amount—and that the bank has again turned to the Fed for money.

"The danger of a run on Citicorp is now extremely high," a senior London banker said recently. "The reaction here is that [Citicorp chairman] John Reed didn't touch yet any of the billions in bad real estate problems with the latest write-offs." The London banker warned of the "incentive for large banks and depositors to get out of that one very troubled bank. The only 'out' now is for the government to carve Citicorp into several smaller banks to reduce the systemic threat. . . . The demise of Citicorp could be a matter of weeks rather than months."

The latest crisis around Citicorp erupted within days of Bush's announcement that he was taking "action" to deal with the "credit crunch" that was slowing the recovery. His actions included such tricks as permitting banks to call their commercial real estate loans, residential mortgages.

Now Bush and company are going to have to face up to the coming bankruptcy of the country's largest bank, and the shock effects which will spread from that.

#### As ye sow . . .

Citicorp is now reaping the reward of what its previous chairman, Walter Wriston, insisted be done to the U.S. economy as a whole. It was Wriston who, between 1978 and 1983, together with Ronald Reagan's Treasury Secretary Donald Regan, was one of the loudest advocates of deregulation of banking—what he called "creative financing methods." Wriston is the one who compared his mission, as the head of America's largest bank, with Willie Sutton, bank robber. Why did Sutton rob banks? he asked of Congress back in 1982. Because that's where the money is, he answered. That was also why Citibank moved into consumer credit financing.

It was also Wriston, again with Regan, who over the weeks of the late summer and fall of 1982 rejected Lyndon LaRouche's "Operation Juárez" proposal for the financial and economic reorganization of the nations of the Americas to permit development and economic growth. Citibank doesn't need LaRouche, the bank replied at the time.

They backed the jailing of LaRouche, and adopted instead the policy which brought us Reagan's so-called "recovery," in which genocidal looting of Third World countries, and U.S. trading partners, was used to cover up and delay the collapse of the U.S. economy.

Wriston is one of those most responsible for the depth of the crisis the country faces today. And if he was a moral moron, who twice in 1982 rejected policies which could have prevented the suffering and misery apparent today, his successor John Reed is worse.

They wrecked the economy with the policies they insisted were in the interest of their bank, and, in doing so, they also destroyed their pathetic bank. For the whole economy, they organized the speculative spree which resulted in the indebtedness of the United States more than tripling since 1982.

Since they wrecked the economy, they also wrecked all banks. Now the crisis around Citicorp could be the trigger which brings down the whole rotten banking system. Reed, you see, has been a borrower, \$2 billion this year so far. According to qualified reports, Reed's borrowing binge would have been classified as outright fraud if someone who wasn't the head of a \$200 billion-plus bank had done it. You can't use borrowed funds as capital, but that is what Citibank has been doing. And then, re-lending against the capital expanded by borrowing. This is what Wriston and Regan meant by "creative financing methods."

The end nearly came in the first week of August, with the runs against Citicorp and other banks in Asia. Thanks to massive government aid, Citicorp survived that moment. But each successive "rescue" puts it even further in debt, and even more bankrupt. As one banker put it, Citicorp today is

"too big to save. It would demand such a drain on the U.S. Treasury that the U.S. bond market would collapse in the process." Citicorp is set to blow, and the explosion will reverberate worldwide.

#### Scandinavia in crisis

The Citicorp news hit as bank failures were ravaging Sweden, Norway, Finland, and even normally stable Switzerland, creating a heightened sense of alarm among bankers internationally. Norway's second largest bank, Christiania Bank & Kreditkasse, was de facto nationalized by the Socialist Brundtland government Oct. 14, when huge losses forced it to declare technical insolvency. The bank had been notorious, along with other Norwegian banks, for its aggressive and high-risk international lending practices over the past six years, since Norway's government deregulated much of its traditional banking controls. On Oct. 17, the Norwegian government announced a de facto \$3 billion nationalization of the nation's devastated banking system.

Within hours of the Christiania shock, Sweden's new moderate government announced a state bailout of the country's largest bank, Nordbanken, which has been saddled with huge losses in speculative real estate as Sweden's economy goes through its worst depression in 50 years. Two days later, on Oct. 16, the government announced state assistance in a private bailout of Sweden's largest savings bank, Foersta Sparbanken, also hit by huge real estate losses. Real estate problems also hit one, albeit small, Swiss bank, the Sparund Leihkasse Thun.

Recently released data from the Basel, Switzerland Bank for International Settlements, and data from the Bank of England, suggest that the banking crisis in the United States is assuming international dimensions. In the first three months of this year, the BIS reports, "Total cross-border claims of BIS reporting banks plus their local claims in foreign currency contracted by \$54 billion, the largest-ever absolute decline recorded in gross international banking aggregates. There was an unprecedented contraction in interbank business."

Little wonder then, that the International Monetary Fund and Group of Seven (G-7) talks in Bangkok produced no "harmony" among the leading industrial nations. A successful economic transformation of the former Soviet and eastern European economies into a growing industrial region attracting hundreds of billions of dollars in investment, is at present the worst "nightmare" scenario of the Bush administration. Washington is frantic to attract international investment to the United States.

"The reality of Bangkok is that the G-7 is paralyzed, they don't know what to do about this situation," London banker Stephen J. Lewis told *EIR*. London *Guardian* editor Ben Laurance noted that the problems in U.S. and other banking represent the "bill coming due for the years of foolhardy financial deregulation. The risk is that it might turn into a full-blown worldwide depression."

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## 'By a stroke of the pen, cancel all debts'

Dr. Kofi Nyidevu Awoonor is the Ambassador and Permanent Representative of Ghana to the United Nations. He is also chairman of the Group of 77, which represents the more than 100 developing sector nations. The interview was conducted in New York on Oct. 22, by Warren A.J. Hamerman and Dana Scanlon.

EIR: You have spoken many times about the conditionalities imposed on the developing sector for loans. During the period of preparations for UNCED (United Nations Conference on the Environment and Development) in Brazil, the Prime Minister of Malaysia, Dr. Mahathir Mohamad, has denounced what he called "green" conditionalities which are being imposed on the developing sector. In Geneva at the Preparatory Commission for UNCED, you have also raised a protest against the notion that in the name of protecting the environment, developing sector economies are being asked to destroy themselves.

**Dr. Awoonor:** Yes, indeed. When the question of the environment was put on the international agenda a few years ago, we were enthusiastic supporters of this issue, because we share a common planet and we must be concerned as to its fate. But suddenly, when we, the developing countries, insisted upon the question of development being an intrinsic aspect of any effort to deal with environmental degradation on a global scale, we were being told that we were introducing an irrelevant issue. And we said: It's not only a question of keeping the world green, or protecting the flora or the fauna of this planet, but the human beings which are the makers or unmakers of this planet. A great percentage of that human population lives in a state of abject poverty. In our parts of the world, poverty is the cause of environmental degradation, if it is not in the developed parts of the world, where overconsumption is. . . .

EIR: Our magazine has long since taken the view that there are in fact no limits to resources, if advanced technology is made available to the entire world's economy. In that regard, the issue would not be one of viewing so-called pollution in one area or another, but of finding an economic development program which can increase the world's economic output as a whole to maintain its population. This would imply a need to have technology transfer to the developing sector. How



do you view that issue?

**Dr. Awoonor:** You're absolutely right. In the discussions in the Prep Coms [Preparatory Commissions for UNCED] one of the questions where we get stuck, as it were, is the vital question of technology transfer. We are being lectured, we the developing countries, are being lectured about the virtues of free enterprise. In this area also, we should go to the marketplace and buy technology, when anybody in his right mind in the advanced countries knows that we cannot afford the price-tag on the kind of technology that is available in the advanced countries. We are saying that governments, through the United Nations, must establish a mechanism which will enable the transfer of these technologies at concessionary rates, to nations that desire them, so that we can do our own part in the protection of the environment.

EIR: Dr. Mahathir of Malaysia has publicly raised the issue that the developing sector should consider not going to the UNCED conference in Brazil next year. In your capacity as chairman of the Group of 77, do you have any thoughts on that proposal?

**Dr. Awoonor:** I think Dr. Mahathir's frustration with some of the tactics that are being used preparatory to this meeting in Rio is very understandable to many of us, many of our countries in the Group of 77. At the same time, we don't think that deciding at this point not to go would be a move in the right direction, because we have not completed the preparatory process. The Fourth Preparatory meeting will take place next year, and it is at that point that such vital questions, that we call under "Agenda 21," the cross sectoral issues of technology transfer, and so on, will be on the table. And when we are not able to reach any agreement, at that final Prep Com, then we may decide what will be the fate of the meeting in Rio.

EIR: George Bush came to the United Nations General Assembly and gave a very imposing speech of his version of a Pax Universalis, which would take the form of the hegemony of America and its allies over the entire world economy. Yet, the U.S. economy itself is in great decay and collapse. It has been said that while the Marxist economic system has happily collapsed, the economic system of the United States and Britain is not far behind. How do you see that overall strategic situation?

**Dr. Awoonor:** I want to return to the concept of the *Pax Universalis*, first. I think there is something rather simpleminded about it. And the simple-mindedness derives from the self-perception of big-powerism, the arsenals of power, and of course this is a post-Gulf war syndrome. It is also helped along by the fact that the Soviet Union and its empire had collapsed.

But a uniform, or a unilateral world, which is based on a single perception of reality—which has got ingredients such as the free market, which to many of us is largely predatory in many, many instances—that free market concept was constructed over a long history of exploitation of other people. The British Empire was not set up because the trees and the coconut groves of the west coast of Africa were greener than any other trees anywhere else. It was predicated on exploitation. But if that is the principle with which we are entering into the so-called new world order, then we are going to be having problems.

EIR: In the last few years, a series of documents written in the United States in 1974, by Dr. Henry Kissinger at the National Security Council, and when George Bush was head of the CIA, has been declassified. And in these documents, the National Security Council of the United States said that it was in the strategic interest of the United States to drastically reduce the population of the developing sector, and to prevent any organizing for a new, just world economic order. These documents target 13 key nations in the developing sector, for what has been called genocide or malthusian depopulation. Have you seen these documents?

Dr. Awoonor: I have seen these documents, and I think they are authentic documents. And I'm not surprised that this was the thinking which was coming out of a certain kind of political mentality. Having said that, of course, one has to resist this oversimplification of the problems of the world. We talk in the United Nations—at least we talk—about an interdependent world, where each nation is linked with the other. And of course, we are all part of the same species, Homo sapiens. Now we say, on the question of population alone, for example, there is no reason why population control by itself will answer the question of poverty and underdevelopment. It is the other way around. If you are able to provide the developing countries the tools for development, afford them the opportunity to be able to earn their way in an equitable marketplace of the world—and I'm stressing the word equitable—they will, given education, given environmental work, they will reduce their populations. They will not reduce their populations as a result of any pressure from any sector who says, "We are afraid of being swamped, and so therefore let us impose a malthusian solution." Having said that, we are aware of the distribution of resources in the world. The developed countries of the world still have control over the vast remnants of resources that the world has. Yet, we are calling for a balance in the consumption of these resources. And therefore, a malthusian effort to control population will be seen by us, as an attempt to reduce the populations of our countries in order to have greater access to the resources on which we sit. . . .

EIR: We have concluded in addition that the world is vastly underpopulated, and especially Africa being underpopulated, and point as evidence to what we ought to do, to the injunction in the Book of Genesis. God says to be fruitful and multiply and for man to subdue the earth and have dominion over it. And that areas like Africa are vastly underpopulated at this time.

**Dr. Awoonor:** I agree absolutely with you. But I want you to tell that to those who are purveying this idea of family planning!

EIR: Isn't population control also increasingly a conditionality, imposed by the International Monetary Fund?

Dr. Awoonor: Yes, it is.

EIR: Is that the case in Ghana specifically?

**Dr. Awoonor:** We are being told that even though our growth rate over the past eight years has averaged about 5%, we have a population growth of about 3%, and therefore our growth rate was computed as 2%. And so we should do something about it: We are getting all the lectures and the sermons. We are listening very carefully, we are trying to. But we have come to the conclusion, the irrefutable conclusion that poverty is part and parcel of population growth. Where economic development occurs, populations naturally level off. You can't have it the other way around.

EIR: I would like to ask you a question about the relationship between peace and development, or war and poverty. In his speech to the United Nations General Assembly (see EIR, Oct. 11, 1991, p. 40), the foreign minister of Ghana quoted Pope John Paul II's encyclical Centesimus Annus, which was issued earlier this year. Your foreign minister said that the encyclical raised the obvious necessary solution, that development is the new name for peace, quoting the Pope. I would like to ask you to comment on this.

**Dr. Awoonor:** Yes, indeed. Our foreign minister underscored that point. And I think it's a point that we are also insisting upon within the framework of the United Nations. We are saying: If you talk about population, we must deal with development; if you talk about environment, we must deal with development; if you talk about any element—

**EIR:** Human rights?

**Dr. Awoonor:** Human rights, about democracy, we must talk about development. All these elemental features which are suddenly becoming so looming in the eyes of those who have mandated the world for all these years, must come along with the recognition that development, as you correctly said,

"Everybody is screaming blue murder because Haitian democracy is under assault, and there was talk of landing troops, and so on. What nonsense! Haiti has this problem because it is one of the chronically most poor countries on planet earth."

and as the Pope said, is the word that we must deal with if we want peace.

Recently I made a speech in the U.N. after the coup d'état in Haiti. And everybody is sort of jumping around, screaming blue murder because Haitian democracy is under assault, and there was talk of landing troops, and so on. And I said: What nonsense. Haiti has this problem because it is one of the chronically most poor countries on planet earth. It's a miserable country which is ground in the dust by poverty. And that poverty is exacerbated by a debt, a foreign debt. Why doesn't somebody begin by simply saying to Haiti: "The \$3 billion that you owe to the rest of the world, we cancel it off. And we will provide you with more money now to build schools, to build hospitals, and things that will enable you to stand up on your feet." Until you do that, no democracy in Haiti is going to be sustainable. It will not work.

EIR: We agree very much with the need to defend national sovereignty in the developing sector, which Mr. Bush seems not to wish to respect. National sovereignty is the basis for ending poverty in the developing sector. Could you give us your thoughts on this issue of the protection of national sovereignty?

Dr. Awoonor: It is a very important issue insofar as our work in the United Nations is concerned. I'm talking about the United Nations because this is the arena we have defined as the global marketplace of democracy, where every nation, small or big, has a right of say. And we think that anything that would be done by any power, in its self-perception as a big power, which abrogates, or seeks to abrogate the sovereignty of any nation, is a basic violation of international agreements, of international norms, and the entire international system on which peace can be constructed. So to move into a country on some pretext or the other, without recourse to the various mechanisms that are set up both within the U.N., the International Court of Justice, and such institutions that we have agreed upon since the Second World War, would provide us with the basic infrastructure for constructing peace, is a recipe for disaster. And that is why we were not very happy when the move was made into Grenada; we, as a country, Ghana, we were not happy about that. We were not happy when that dismal little war was launched in Panama, ostensibly just to capture a drug trafficker. We don't think this is the way to do things. If you are preaching morality to the rest of the world, you must be a moral person yourself.

EIR: Turning to the issue of development, which underlies all of your remarks. January: began the United Nations' Fourth Development Decade. The Schiller Institute has circulated at the U.N. a proposal for a True Fourth Development Decade, which was prepared under the direction of the American economist Lyndon LaRouche. This proposal calls for going outside the collapsed Bretton Woods system, to create a true fourth development decade. I would like your comments on this proposal.

**Dr. Awoonor:** I think it is a brilliant document of immense originality. It takes a lot of courage for anybody from the developed part of the world, the advanced part of the world, to see the problem in that global perspective. The document spells out the technical possibilities of providing the infrastructure with which many, many parts of the world, which are now racked with hunger and poverty, can lift themselves up. When they say you must lift yourself up by your bootstraps, it's like providing the boots first. This system of doing that technical work, the development of water, and such elements that are part of the program, sounds to me as one of the most innovative and original ideas that I've seen.

I have talked in that direction when we were dealing with the question of humanitarian relief. When we talked about humanitarian relief, I have said, we must think about development also. And I gave as an example, which coincides with what the Schiller document and the LaRouche document ["The Oasis Plan for the Middle East"] also gives, the example of the cyclical drought in the Sahel, or in the Horn of Africa. The question is, the problem is of water. We wait every year, and when the drought comes, we rush, airplanes are coming, dropping food around, and quickly they go back. Next year, the same drought will occur. Why don't we sit down and say: Let us develop a water system for this area, which once and for all gives the people the capacity to grow their own food.

I gave another example of Bangladesh, which almost every year is a victim of one of the most destructive typhoons in the history of modern times. The world waits, every year. The typhoons come along. Two hundred thousand people die in Bangladesh. We rush airplanes in there, we drop food. We go back to our nice little homes in Bellevue, or wherever it is that we are coming from to do this good work. The LaRouche program says, let us go in and solve that problem once and for all. It is a problem of low-lying areas, it is a problem of controlling draining from the Himalayas. It is a

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The environmentalists want to "keep the whole of Africa as a zoo of the world, a botanical garden of the world. Of course, this is nonsense. You cannot keep Africa as a zoo of the world, with us, the Africans, in there as the zookeepers. Africa needs development."

problem of constructing an engineering system that would prevent the recurrence of this problem, and at the same time enable the people in the whole of that vast area, vastly populated area, to have the capacity to produce food, to develop schools, and to find their own way.

**EIR:** The proposal suggests that there be some form of discussion, formal preparatory discussion around that positive solution, as opposed to allowing debt or malthusian policies to crush the developing sector. Do you see the possibility for such discussions, over the next period?

Dr. Awoonor: The possibility will occur only when those who own the technology, those who have the money, are able to sit down in partnership with us and say: We understand what it is that you are talking about, let us now move one step forward and talk about the feasibility of this new alternative. Now, until we do that—and I find it very difficult to believe that we can do that just by the drop of a hat we are going nowhere. In the United Nations system, the function of the G-77 is to continue to keep on hammering away at the resistance that we meet to suggestions of this kind of cooperative enterprise. That is why we still have the Non-Aligned Movement, which we have called the conscience of the majority, of 103 nations, many, many of them, post-imperial, post-colonial nations, that have been exploited for hundreds of years by the now-great prophets of democracy. And we say, even when we see it as a kind of a reparation for the predation that you people visited upon us, let us sit down and talk about the possibility of doing it another way. Somehow, they find us irritating, they find us nagging, but we are saying, we're not going to be wished away. We will be here, we will continue to be insistent when we will talk, we will raise our voices, and we will raise them in every forum. And it is good to believe, to feel that, on the other side of the divide, that is in the developed, the advanced countries, there are people who are listening, there are organizations who are listening. . . .

**EIR:** Mr. LaRouche was found to be an irritant also, and, as I think you know, he has been in jail now for almost three years. Have you had a chance to look at how his trial was conducted? Do you find it shocking that in the land of liberty, of America, this kind of procedure would have been carried out?

Dr. Awoonor: I have not yet gone into the details of that

trial. I am in receipt of some documents, and I would like to find time to look at it. But I could see how a man who is promoting the kind of program that he is promoting would be seen as a thorn in the flesh. He would be a very uncomfortable person to the powers that be, and this is not the first time in the history of the world that those who really are coming with new messages, new prophets, are regularly crucified! Aren't they?

EIR: Actually, he became a political prisoner in the same week that George Bush was inaugurated President of the United Staes.

**Dr. Awoonor:** I tell you, someone once said, if Christ walked into this country or any of these great advanced democracies of the world, they would lock him up! Because he would be a troublemaker.

EIR: You have used the phrase "advanced sector," which is associated with the United States. However, the state of the economy is far from advanced. The arrogance of Bush's position rests upon an illusion that the economy could hold itself together. However the recent crisis of Salomon Brothers, the collapse of Citibank, the breakdown of basic infrastructure systems in the United States, indicate that this economy is in a total state of collapse, and only a global world recovery for development could work. Do you have any comment on that?

**Dr. Awoonor:** I think there is a point that you are making, that self-interest alone on the part of the organizers of this economy must mean recognizing that, until the rest of the world moves up somewhere along, this economy, the economy of Europe, and any other so-called advanced ecnomy, will also be suffering. We have said, if the developing countries are saddled with debt, they cannot produce anything. Then, of course, you do not have markets, you do not have partners in the international trading system that will answer the needs of everybody. You see yourselves in this country as a self-sufficient economy, but, of course, you also have segments of this economy which are linked with other economies outside.

**EIR:** One of the principal strategies of George Bush and the international "new world order" institutions of Bretton Woods, seems to be to play a divide and conquer strategy,

The Schiller Institute's proposal "is a brilliant document of immense originality. It takes a lot of courage for anybody from the developed part of the world, the advanced part of the world, to see the problem in that global perspective."

similar to all the emperors of the past—the Roman Empire, the Babylonian Empire, the British Empire—and they want to pit natural allies against one another. At the recent Bangkok IMF meeting for example, the natural allies of freedom and development in eastern Europe and the developing sector are being pitted against one another for meager handouts, which don't exist anyway. Do you have any thoughts on the divide and conquer strategy of the empire people?

Dr. Awoonor: Yes, indeed, I'm glad you brought this particular point up. I understand the need of the powerful to keep their victims always in a state of quarrels. But I always say, what about those who are the victims? Are they so simple-minded to believe that their survival depends upon squabbling among themselves? This is where the behavior of the eastern Europeans sometimes astounds me. Granted, communism has collapsed. Granted, the Russian empire is ending. Does it mean that the solution to their problems is simply running around like chickens to whom corn is being thrown on the ground—and therefore trampling on other values which should be the underpinning of an equitable global system? We have seen them behave in certain directions, vis-à-vis South Africa, where we have launched a battle for years to dismantle apartheid, and push the racist regime to accept the humanity of all the people who live in that territory. Today, with the collapse of communism, these former friends of ours are quickly rushing into the arms of the still-existing apartheid system. What happened in Bangkok was not a surprise, but a surprise in the sense that it came as a shock because the eastern European nations seem to believe that the solutions to their own problems lie in playing possum before the big powers. I can tell them that if they think playing possum alone enabled people to develop, I know a number of countries that are going nowhere, and have been playing possum for hundreds of years.

EIR: Probably the only way to defeat a divide and conquer strategy is to unify in opposition to the empire. This is the lesson from how to defeat the British world empire. And today that would mean unifying eastern Europe and the developing sector, elements in the advanced sector for a True Fourth Development Decade. That would seem like the approach which would most terrify Mr. Bush and the Bretton Woods institutions.

Dr. Awoonor: What you have said is so correct! At the

same time we are very much worried about some of the organizations in the developed countries whose agenda sometimes seems to coincide with that of the big powers, the big owners of authority and so on. We are talking about the conduct of some of the environmental groups, for example. When we are talking about environmental work, and we are insisting that this should be part and parcel of an entire strategy for development, we are getting lectures from some of these groups. Lectures that are reflective of a Garden of Eden mentality: We keep the whole of Africa as a zoo of the world, a botanical garden of the world. Of course, this is nonsense. You cannot keep Africa as a zoo of the world, with us, the Africans, in there as the zookeepers. Africa needs development, so the Non-Governmental Organizations (NGOs) that are involved in environmental work must move away from the thinking of some of the institutions that we have already talked about, which thinking is refusing to link up the question of development with that of the environment.

EIR: You referred earlier to the crushing debt problem in Haiti. Overall, worldwide, we're looking at foreign debt in the trillions of dollars. Much of this debt, according to an analysis conducted by EIR, is illegitimate, it is the result of usury, of high interest rates, of repeated devaluation of currencies, and so forth, making it impossible to repay the debt. What would the Group of 77 like to see happen in this respect, both in terms of the debt stock and the debt service? Dr. Awoonor: We had made a statement in Geneva on behalf of the Group of 77, where we were considering the question of the collapse of eastern Europe, of the Soviet empire, and its impact upon the global system. And I made a point, on behalf of the Group, that the kind of concessionary arrangement that was made by the United States, and a number of other countries, with Poland, must be a model with which we can begin: which is a generous forgiveness of debt. Almost 70% of Poland's debt had been written off. And when we raised this point, we are told: Poland is a special case. We don't know why Poland is a special case. Why Haiti is not a special case. Why Argentina is not a special case. Why Brazil is not a special case. Why Nigeria is not a special case. Why Ghana is not a special case. Finally, what one wants to say is that the debt is unpayable. We cannot pay that debt, because it is a cycle of dependence, a cycle of poverty that has been constructed, within which we are whirling and whirling.

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The center cannot hold. We are saying that interest payment alone is a burden for many, many countries. In 1988 the IMF took out of Africa \$1 billion more than it put in. Tell me what is that? You use the term usury. What else is that? It is usury of the most horrendous type. But we are saying that the world, beginning with those who claim that they control it, must sit down and analyse the collective burden of debt on each country, and by a stroke of the pen, cancel all debts.

I don't think Britain has paid all its debts to the United States since the Second World War. I don't think the Canadians have paid the amount of money that America poured in to build the various railway systems. Debt cancellation is not a new thing in the history of the world. We must sit down and address this once and for all, because we are going nowhere.

**EIR:** What do you think about the Brady Plan and various other of these schemes?

**Dr. Awoonor:** Those are what I call tinkering on the edge of disaster. They are patch and paste plans. They are not deep enough. They are not comprehensive enough. And they have no compassion.

**EIR:** A worldwide debt moratorium could be part and parcel of creating a new post-Bretton Woods economic system. This is an aspect of the True Fourth Development Decade proposal.

**Dr. Awoonor:** Absolutely. I agree with you entirely, that we have got to begin with debt, because that is already on the table. A year ago, we in Ghana used 60% of all our foreign exchange earnings, just to service our debt. Sixty percent. So we have 40% left, with which we have got to build schools, which the British never built when they were there for over a hundred years. We have to build clinics, which they didn't build. We have to make provisions of water for our villages and towns. How do we do that, if all we work for goes back to the same people who had exploited us over the centuries.

**EIR:** The biggest debt collectors, the IMF and the Anglo-American banking system, are also the biggest purveyors of the idea that the developing sector economies should be export-oriented, to pay the debt. They are also big proponents of trade liberalization and so forth. But isn't this basically all just to collect the debt?

**Dr. Awoonor:** You have said it, it is basically to collect the debt. It is a form of slavery, a new form of slavery. I give you money, you stay on my plantation and you work for a plantation, and I give you clothes, and I give you food. That's it. You are only a beast of burden. You have nothing of your own to do, you have no mind of your own, you have no capacity to dream, and to build. We say this is what you are going to do: you are going to produce cocoa. You must produce coffee. Well, if you don't get enough money for your cocoa or your coffee, hard luck, because it's a free market!

EIR: It's not free if people are put in slavery, and there are no credits available because the markets have now collapsed. **Dr. Awoonor:** That's right. Coffee growers in the world are seeing the lowest price that they've received for coffee in 50 years. Fifty years! And take the case of Colombia. It's a coffee-producing country. Now, there's a big hue and cry about drugs. How else do you expect Colombian peasants not to grow coca leaves when you cannot even pay them the smallest pittance for their labor in the coffee fields, and when they know that with a little bag of coca, they can make tons and tons of money. Somebody just organize the arithmetic and the logic of this, and therefore enable Colombia to grow coffee instead of coca. But, no, that is not going to happen. Maybe somebody is benefiting from the coca. Maybe.

**EIR:** Do you have any thoughts that you would like conveyed to the readership of *EIR* that we've not covered up until this point?

Dr. Awoonor: I would like to say, addressing what I consider the post-Gulf war and the post-Cold War period, what Mr. Bush and many others have described as a coming new world order. We are seeing some ingredients of that socalled new world order, as being no different from the old world order. In fact, we are seeing other things coming up when we had the Soviet empire, at least there was what one commentator called a balance of terror, and so therefore, arrogance of power was slightly more muted. We are seeing, one person used the word, unipolar world, in which one power and its way of doing things, and its way of perceiving reality, and its ideology—they talk as if communism is the only ideology that we have. Capitalism is also an ideology; and that capitalist ideology is based on concepts of democracy, liberal democracy which is individualism, and its attendant greed-machine, based on the so-called free market, which is another word for "get the best of your friend, sharp dealing, cut all the corners," which also reveals a lack of compassion for our common humankind; and we are saying, if that is the world that we are going to be constructing, then we are in for trouble. And I want to say, that we, in the developing countries, who form the majority of the human population of this planet, we who are the ones who are poor, malnourished, without education, without adequate shelter. we are the ones who are ill with diseases both old and new. We lack clinics and hospitals, we are the ones who are supposed to earn our way in this marketplace, which even though it is called free, we know it is not free. Then we are going to be insisting—we are going to be here and we are going to be making as much noise as we can make. And we will make it. Nobody can lecture us. We will put our needs on the agenda, and to insist upon the world looking at these needs.

**EIR:** We will do all that we can to take that noise, and publish it, and transfer it around the world.

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# Environmental regulations would shut down Europe's economies

#### by Marsha Freeman

On Oct. 12, the environment ministers of the European Commission, meeting in Amsterdam, the Netherlands, unanimously agreed that the European Community (EC) would introduce taxes on carbon fuels and on electricity consumption throughout the 12 member nations. Economic analyses indicate that, if fully implemented, by the turn of the century this will result in the *tripling* of energy costs to consumers who use coal and other fossil fuels to heat their homes and cook, coal-dependent industries such as steel, and electricity-generating utilities. The cost of delivered electric power would double.

If the newly free citizens of eastern Germany are struggling *now* to survive economically, already partly as a result of the shutdown of industry thanks to environmentalists, imagine what it will be like to rebuild Germany, Poland, and other formerly communist nations with energy costs double to triple what they are today.

EC Environment Commissioner Carlo Ripa di Meana told journalists after the Amsterdam meeting that the EC's executive commission would be drafting specific legislative proposals for the member governments to consider in December. Ripa di Meana announced that western Europe should play a "leading role" next June at the United Nations Conference on Environment and Development, or Eco-92, to be held in Brazil. His suggestion would be for Europe to try to foist on the world community these suicidal energy/environment policies being considered now for Europe.

#### The end of economic growth

At the 9th International Conference on Coal Research, held in Washington, D.C. Oct. 14-16, numerous speakers from the coal and other industries painted a stark picture of what this capitulation to eco-fascist insanity would mean, not only for Europe and the other industrialized countries, but, more importantly, in terms of the size of impact, for the lesser developed countries.

National Coal Association president and former Air Force Gen. Richard Lawson stated categorically that the proposed draconian increase in energy costs would stop any economic growth in the advanced sector nations. What this

would mean, he stressed, is that the nations in the world with very low per capita energy consumption, which are struggling to survive and develop, would be doomed.

Without the ability of the industrial countries to grow, they will have little ability to export energy technology and capital goods to the developing nations, which is their only real hope for the future. Constant political instability will be the order of the day, as billions of people in the Third World are left without economic development or hope. And all this, to pay homage to environmental regulations supposedly promulgated to stop the "greenhouse effect," while there is no consensus in the scientific community that this "effect" will ever exist.

#### The shutdown of industry

Even before the new regulations for carbon and energy taxes are enacted, the coal industry is shutting down in eastern Europe because under the communist regimes little care was given to controlling pollution, and the environmentalists are getting their way, shutting down "polluters" rather than deploying newer, more efficient technologies to reduce emissions.

At the international coal conference in Washington, Prof. Gunter Zimmermeyer, from the German Hard Coal Mining Association and the German School of Mines, reported that while west German emissions of sulfur oxides have been reduced by retro-fitting coal-burning power plants with scrubbers and other pollution-control equipment, in eastern Germany such emissions have been reduced from 4 million tons per year to approximately 3 million tons, "because less power is being produced."

Zimmermeyer reported that the energy and carbon taxes under consideration—\$3 per barrel of oil equivalent in 1993, rising to \$10 per barrel at the turn of the century—would triple the cost of coal, oil, natural gas, and nuclear power by the year 2000. He refuted the claim that punitive taxes to create an economic penalty for burning coal would be an incentive to cut the use of fossil fuels.

Most interesting was his report that the largest increases in efficiency in the German utility and manufacturing sectors were *not* during the oil price hikes of the 1970s and 1980s, but during the 1950s and 1960s, when energy was still cheap and new technologies to increase productivity and decrease cost were available.

Zimmermeyer stated that "there is no evidence on direct climatic effects" from the emission of various gases into the atmosphere. He stated that when the Intergovernmental Panel on Climate Change was putting its report together, it ignored the data from the Hamburg Climate Institute—which indicated a much lower possible increase in global temperature from carbon dioxide emissions—for political reasons.

It would be one thing if these disagreements were merely interesting academic questions, but as Zimmermeyer pointed out, "It can't be tolerated that in our present generation, billions of people suffer and millions of people die because of lack of food and drinking water." The only way to produce the food and water for the world's needs is to develop new, more efficient technologies, he stated.

A paper presented at the coal conference by representatives of the west German coal industry who have been working to reorganize the eastern German industry, gave a dramatic picture of what is happening in the east. On Oct. 3, 1990, with German reunification came the application of west Germany's environmental regulations to east German energy and industry.

#### MHD, nuclear technologies needed

Over 70% of the primary energy in the former East Germany is produced by the burning of brown coal, or lignite. This form of coal has a lower heat content, and higher ash and other potential pollutants than hard, or bituminous, coal. Much of the east German brown coal also has a high sulfur content. The pollution, which is a function of the incomplete combustion of the fuel, should be reduced. However, this must be done by the replacement of much of the pre-reunification facilities, which are outmoded and obsolete, with the most modern technology. Otherwise, this shutdown policy will produce cleaner air, for unemployed people.

So far, for example, 9 out of the 19 existing open pit lignite coal mines have been shut down in the Halle/Leipzig district, with 25,000 jobs lost. The German government projects that "in the long run" it will be necessary to "slim the work force" to one-third of its current level of 107,000 workers.

According to current government assumptions, 16,000 megawatts (MW) of brown coal electric generating capacity in the east will be cut in half "in the long run." This will not be immediately catastrophic, the coal industry representatives indicated, because industry is expected to continue to stagnate and power requirements are expected to decrease until 1995! Economic stagnation is not a sensible strategy for gaining time to "clean up the environment."

The German coal representatives stated that the energy requirements of the new unified Germany will be met by

imported hard coal, oil, gas, and nuclear energy, in addition to brown coal. Later in their paper, however, they state: "There is a vehement discussion under way dealing with the question of whether it is politically feasible to meet part of the new power requirements by nuclear energy." The resolution of that discussion has very high stakes.

#### Plants can be made safe

In mid-October, the chairman of the U.S. Nuclear Regulatory Commission, Ivan Selin, who recently returned from a visit to eight nuclear reactors in eastern and western Europe, stated that there has been an "over-reliance" on nuclear power in the east, which makes it impossible to simply shut down power plants, according to the New York Times.

Since the political changes in the former Soviet bloc, construction has been halted on most nuclear power plants. This has meant, Selin explained, the continued operation of older, more primitive reactors. One single nuclear power plant in Bulgaria, for example, provides that country with more than 30% of its electricity.

Four reactors at Griefswald, Germany have been shut down since reunification because they failed to meet western safety standards. Earlier this year, Austria offered the Czech city of Prague free electricity if the government would shut down two Soviet-designed nuclear reactors located 35 miles from the Austrian border. One year ago, the Polish government canceled construction on a nuclear plant near Gdansk and recommended delaying the addition of any plants in the future.

However, a different approach has been taken by the German Siemens/KWU nuclear group, which is retro-fitting two 440 MW Soviet-built nuclear reactors in Czechoslova-kia with the most modern safety technology available. Anyone who is concerned about pollution from brown coal and is not insisting that the energy mix be vectored increasingly toward nuclear power, really has an economic agenda which is cloaked in supposed environmental concerns. *Any* system can be made reasonably safe with sufficient investment in more advanced technology.

#### **Development versus malthusianism**

Clearly juxtaposed at the conference were the ideas of coal industry representatives, including scientists and engineers, and those of Dr. Robert Saunders, energy division chief of the World Bank. National Coal Association president Richard Lawson stated the industry's position:

"From the still-shallow base of knowledge has grown a worldwide movement of extremists dedicated to stopping economic growth with a 1992 treaty binding the advanced nations" to reducing carbon emissions from burning fossil fuels, Lawson stated. He warned the coal industry that it has only eight months before the Eco-92 conference to stop the worldwide assault on energy use and economic development.

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Lawson stated that the "extremists reject technological solutions [to exaggerated environmental problems] that will not curb economic growth. . . . Their call for 'sustainable' economies sounds suspiciously like a demand for subsistence economies." Attacking the malthusian policy orientation of the environmental extremists, Lawson said, "Technology made large populations possible; large populations now make technology indispensable. Technology is the wit of humankind made tangible and applied."

#### **Energy taxes mean depression**

Kurt Yeager, from the Electric Power Research Institute (EPRI), stated that the carbon taxes that are being proposed, particularly in western Europe, would cause a "depression in the global Gross Domestic Product which would exceed the impact of the Great Depression." Yeager, the representative from the normally reserved research institute for the electric utilities, stated that reducing "greenhouse gases" would require halving economic growth in the lesser developed countries.

Yeager demonstrated that energy consumption per capita has historically been the best measure of economic development, and that for the next half-century, fossil fuels will have to provide a substantial share of energy growth.

World Bank representative Dr. Robert Saunders took the opposite view—and one counter to that of most in the audience—asking: "Who in their right mind would put financing into [energy] systems" which are run by corrupt governments, where there are "gross inefficiencies," where there is political patronage, and tremendous waste? From his tone, it seemed as if he were discussing the fate of rats or vermin, not billions of human beings.

Saunders reported that \$100 billion per year was needed worldwide for financing new electric power capacity. Though this sounds like a lot of money, it corresponds to only a 6% per year average growth rate, which for developing countries is too low for substantial economic growth. During the 1960s, in the already highly industrialized U.S., electricity consumption grew at an average rate of 8% per annum, propelled by the Apollo program to the Moon.

Of the estimated \$100 billion per year needed for electricity development, the World Bank offers between \$2-4 billion. Saunders insisted that the answer to Third World energy requirements was "privatization."

Saunders complained that the average cost of electricity in 60 developing countries is only 3.8¢ per kilowatt-hour, whereas in the advanced, OECD countries, the average is 8.2¢. This, he scolded, was because the corrupt governments of these developing countries subsidize electric power production and consumption. Electricity should be privatized, not subsidized, he intoned.

When this reporter questioned his approach, pointing out that the U.S. economy grew because the government "subsidized" the railroads, the introduction of nuclear power, and

rural electrification, Saunders seemed to find this impossible to apply to today's "corrupt" Third World countries, and clearly had no comprehension of the role of infrastructure in building an economy.

#### 'Let them eat BMWs'

Unfortunately, this genocidal view is not confined to the United States. The next day, at a conference on "The United States, Europe, and the Structure of a New World Order," sponsored by the auto giant Bavarian Motor Works (BMW), the chairman of the executive board of BMW, Eberhard von Künheim, stated, "Industry must no longer lend a helping hand in catching whales or tearing down the rain forest in order to provide luxury at home." It would seem doubtful, to even the most uninformed observer, that his compatriots in the eastern part of his own country think they are living in luxury.

While quoting from the recent book by the Club of Rome, Künheim scored his American audience stating, "The truth is that per capita energy consumption in the U.S.A. is twice the amount in Europe, without your standard of living being much higher." While one could certainly argue that having to drive your car to work because there is no mass transit does not give you a higher standard of living, the argument that, therefore, the United States is "wasting energy" and should simply cut consumption, would do nothing but cut people's standard of living and bring any economic growth to a screeching halt.

Künheim said that Third World countries do not need investment, but rather "a radical perestroika," involving a "painful process" with the population willing to "accept setbacks and disappointments" as the "free market" comes in. Expressing an undisguised triage policy, he stated that "it is wrong to protect the weak" by protecting domestic industries. German agriculture is too intensive, he insisted, because it uses chemicals.

Those who have posed the problem as "economic growth versus protecting the environment," have purposely posed the problem falsely. Economic growth requires the constant introduction of new technologies, to make the economy more productive, to replace dwindling resources with new ones, and to provide for, and enable, growing populations. Protecting the environment, as opposed to sending mankind into a New Dark Age, likewise requires the introduction of more productive, efficient technologies.

For example, one year ago, this publication (and this author) proposed that instead of simply closing down the offending coal-burning power plants in eastern Europe, that the United States put its best technological foot forward, and attach experimental MHD (magnetohydrodynamics) units to the power plants, to generate electricity more efficiently and more cleanly. The political consequences which will result from a wholesale shutdown of "polluting" industries in Europe, or anywhere, will be dramatic.

# Argentine case study: Why the IMF attacks military nation-builders

by Cynthia R. Rush

At the International Monetary Fund's recent meeting in Bangkok, Thailand, Managing Director Michel Camdessus demanded that developing nations drastically reduce their military budgets, so as to "save" \$100 billion which could then allegedly be channeled into social programs to help the poor. At an earlier IMF meeting in April of this year, former World Bank president Robert McNamara made a similar proposal, with the variant that supranational military forces could always be called on to supplant national armies. The rationale behind these proposals is that now that the Cold War is over, there is no need for Third World militaries to exist; subversion is not a problem, and military budgets are simply wasteful, often used only to finance "pharaonic projects" or other of the armed forces' "corrupt" schemes.

In reality, the IMF's demand has nothing to do with the desire to redirect funds to social programs or help the impoverished masses. Rather, it reflects the Fund's policy of destroying the nation-state and those institutions, such as the armed forces, which sustain it, in furtherance of its own malthusian agenda. Throughout the Third World, and especially in Ibero-America, factions of the armed forces have historically been instrumental in developing their nations economically, directing and participating in the development of basic infrastructure and industry, exploiting natural resources needed for industry, developing cheap energy sources as well as advanced scientific and technological capability.

Under George Bush's new world order, as the case of Iraq proved, such a role for the armed forces is not tolerable. National sovereignty is to be replaced by the eco-fascist concept of "sustainable development" and a small, restructured armed forces can be available to be sent, rapid-deployment style, anywhere the new world order needs them. Haiti is a likely next victim. To make that point, in a recent visit to Argentina, the U.S. Army's second-in-command, Gen. Dennis Reimer, bragged about U.S. military exploits in Grenada and Panama, but when asked about Cuba by an Argentine officer, laughed, "Oh, we're saving Cuba for you."

That General Reimer was so explicit with Argentine mili-

tary leaders as to what role he envisions for them, is no accident. The new world order demands the destruction of that faction of the Argentine army—today led by the imprisoned nationalist Col. Mohamed Alí Seineldín—which opposes these imperialist schemes. The Menem government's furious vendetta against military nationalists known as carapintadas ("painted faces," in reference to the camouflage paint worn by soldiers) reflects the Anglo-Americans' obsession with wiping out a nation-building tradition which, since at least the period of World War I, has fought to achieve Argentina's economic independence and embark on the road to industrialization, free from the blackmail and usury of foreign—especially British—financial interests and cartels which sought to control its raw materials and maintain it as an agrarian economy.

#### A proud tradition

Ignoring the vital connection between the military-industrial apparatus and the development of the civilian economy, Argentine President Carlos Menem and his coterie bray that the offensive role of the Armed Forces has now been replaced by a purely defensive one and a "new regional order"; and, in the name of free enterprise and "modernization," Menem is preparing to dismember and deliver to foreign interests the Army's proudest achievements: the military industries complex known as Fabricaciones Militares, the Somisa steel plants, the Bahía Blanca and General Mosconi petrochemical companies, and the YPF state oil monopoly, to name only a few. The nuclear energy program, in which the Navy has played a crucial role from its inception, is already in shambles. Over a year ago, Menem agreed to shut down the Air Force's missile development program, represented by the Condor II missile, at the request of the U.S. government.

In so doing, Carlos Menem is spitting on decades of extraordinary effort by military engineers, scientists, technicians, and skilled workers who brought these projects into being as part of a broader commitment to the advancement of the nation and the defense of sovereignty. This is especially

offensive to the memory of patriots such as Gen. Manuel Savio, the Army engineer who worked to create Fabricaciones Militares in 1941 and subsequently, the mixed, state-private steel company, Somisa in 1947, conceived of as the cornerstone of the nation's industrialization program; and to Gen. Enrique Mosconi, who, as head of the state oil concern, YPF, from 1922-30, transformed it into a model for those nationalists throughout Ibero-America who sought to develop and protect oil reserves for the industrial development of their countries. Mosconi is often compared to Italy's Enrico Mattei, founder of the state-run ENI.

What is it in the achievements of these patriots that has inspired such hatred among the Anglo-Americans?

Generals Mosconi, Savio, and many others attempted to reverse the British free-trade policies which had dominated Argentina practically since its independence from Spain—the very same policies Menem is imposing today. In the minds of military nationalists, the concept of national defense, in peacetime or in war, was intimately linked to industrialization and economic progress. As General Savio wrote in 1933 in one of his course texts: "For normal times, modern trade and economic rivalry demand a scientific organization of existing [national] forces and, therefore, an exact knowledge of them. An industrial plan is indispensable for peacetime, which comes to constitute a greater degree of preparation for an eventual [armed] conflict."

Having witnessed the collapse which Argentina's exportdependent economy suffered during World War I, these military nationalists sought alternatives in the protectionist, dirigist policies historically associated with such "American System" economists as the first U.S. Treasury Secretary, Alexander Hamilton, or the German-American economist Friedrich List. They were attracted to the views of respected Argentine economist Alejandro Bunge, who had studied in Germany, and, in the period during and after World War I, was the most prominent advocate of List's protectionist policies as set down in his National System of Political Economy, as well as of programs to industrialize the country's interior and develop its mining and petroleum resources. During the decade of the 1920s, the Army Engineering Corps emerged as the group most publicly identified with the concept that industrialization was the guarantor of national security.

Gen. Manuel Savio belonged to this generation. During the three years he spent in Europe beginning in 1923, he perfected his knowledge and experience in the area of industrial organization. Back home in 1926, he was assigned to the National Military College, where he was a professor of the Engineering Service and the Military Industrial Organization. One of his crowning achievements was the founding in 1930 of the Superior Technical School, which he directed and from which, as Somisa President Oscar M. Chescotta wrote in 1972, "were graduated brilliant classes of military engineers who would have prominent participation in the

development of all the industries created by the Argentine Army." From his post as director of military industries of the General Directorate of Army Matériel in 1937, Savio began to work toward the creation of what, in 1941, would become the General Directorate of Military Industries, or Fabricaciones Militares.

#### A force for development

The 1941 Law 12.709 which established Fabricaciones Militares states that one of its primary purposes is to "perform the studies, research, and statistical [work] to perfect knowledge of the country's industrial potential, related to the production of war matériel and goods and the corresponding preparation for industrial mobilization." This included statedirected exploration and exploitation of raw materials and minerals, and the building of whatever energy, transportation or other basic infrastructure was required to achieve these goals. Article 5 of the decree also stipulated that aside from war production, "the military plants can produce goods for general consumption when . . . these are not produced by private industry or are produced in quantities insufficient for the country's needs." The degree prohibited the export of minerals considered to be of strategic importance for purposes of national defense, and also allowed for the participation of private Argentine capital in the creation of mixed companies.

What most infuriated those financial interests which had always considered Argentina their personal looting ground, was that Savio conceived of Fabricaciones Militares not only as a way to produce war matériel, but as a motor for the country's global economic development. The state would determine development priorities and guarantee their protection, but private industry and capital would be welcomed to participate as well. In the context of a broad industrialization plan, General Savio foresaw that state and private industry could work together on behalf of the "highest interests of the nation." Among other things, the industrialization plan was intended as a means to achieve a more balanced national development, relieving Buenos Aires of its congestion as the center of industry and manufacturing, and establishing factories in more remote areas of the country with an eye toward populating and developing them economically.

In a 1942 speech before the Argentine Industrial Union (UIA), Savio explained that "the state's presence in the plan we have structured is indispensable. As a general policy we don't advocate it, but note that at this time, it is not uncommon that the state direct the economy. . . . Its action should be distinguished from that of the businessman, characterized rather by the promotion of development. It should not seek profits in this instance; it should take charge of the startup . . . such that it takes on itself the failures—which can't be ruled out—the efforts and resulting expenditures." However, Savio added, the state must regulate and protect the final product "through a subsidy or other tariff or tax instrument

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which, of course, should not go beyond what is convenient for the highest interests of the nation."

Savio emphasized that he was not proposing economic autarky. In the same 1942 speech, he underscored that protection "is simply a matter of applying elementary means of defense until we know to what degree protection is required." It would be a "serious mistake," he added, "not to permanently stimulate an ever more satisfactory action from our private industry. Nothing could justify impeding its development by competing with it." Lest there be any doubts about the role of the state, however, Savio reiterated in 1944 that "in this great national effort" of industrial mobilization, the full weight of the state, "free of tendentious influences," would be required to guarantee its completion. "It will be necessary from the beginning [for the state] to 'direct' its development and harmonize it within the national economy."

#### Confronting 'powerful organizations'

General Savio and others who helped build Fabricaciones Militares and the Somisa steel complex had no illusions as to why a dirigist effort was necessary. In his 1942 speech before the UIA, the general stated that "without euphemisms, I feel compelled to say that without the state's frank protection, this and any other plan will suffer the same fate; it's no secret that the universal production of the goods I've named here is controlled by powerful organizations, with sufficient resources to unleash decisive crises whenever and wherever they please." Challenging the industrialists in attendance, Savio said, "Either we extract the iron ore from our deposits . . . or renounce [the plan] to pull ourselves out of our exclusive status as an agricultural and cattle-raising country, renounce the attainment of even a minimal level of industrial importance, with the grave consequences this would imply for the nation."

Contrary to the IMF and World Bank's determination today to degrade and ultimately kill the Third World's labor forces through the promotion of "sustainable development," Savio knew that if the state directed the development of the economy, in accordance with national interests, the benefits to the work force in terms of living standards, scientific training, and cultural advancement would be extraordinary.

In a 1945 speech celebrating the fourth anniversary of the founding of Fabricaciones Militares, he noted that the creation of new operations to exploit raw materials, and the incipient development of a steel industry, "gives work directly to the miners and foundrymen in the country's North; as for the wages of those who transport the raw materials to the processing site and transport the finished goods, these translate into food and shelter for many Argentines; but to that food and shelter we must add the extraordinary value of what it means to learn to smelt, to build furnaces, to prepare the refactories, and run important machines. What value can we place on the influence which perfecting their technical capacity for tasks in a mechanized medium has on the spiritu-

al formation of our compatriots?"

In promoting the development of a steel industry, which finally came into being with the founding of Somisa in 1947, Savio noted in the same 1945 speech that "I don't think it's forcing the analogy of our political independence in 1816 with our economic independence in 1945—or sometime soon—on the basis of the birth of the steel industry as the cornerstone on which all activities of this nature are to be healthily developed in equilibrium with those of the agricultural and cattle-raising order." Far from damaging the agricultural sector, Savio emphasized, "We must ever more effectively dedicate ourselves to it, intensifying cultivation, avoid non-utilization of large tracts affected by erosion, fighting plagues, improving the strains, etc."

#### A 'legacy of honor'

This writer remembers vividly a meeting in June 1983 at the large Buenos Aires headquarters of Fabricaciones Militares, in which one of the division directors proudly showed my husband and me maps of the many mining and other raw material and mineral extraction projects then being carried out under the company's supervision. As a result of Savio's efforts, Fabricaciones Militares not only successfully directed the exploitation of the country's raw materials and created Somisa; it also spawned a range of chemical, petrochemical, fertilizer, and other specialized industries throughout the postwar period.

This was before the 1983 election of social democrat Raúl Alfonsín, who launched the plan to dismantle the institution of the Armed Forces continued by Carlos Menem. Today, in consultation with U.S. military personnel, Menem is about to "restructure" and privatize Fabricaciones Militares out of existence, with 75% of its personnel fired. Due to the last two governments' deliberate cuts in the defense budget, there has been no investment in upgrading the entity's technology, a key factor in its inefficient functioning. Right now it is operating only at 35% capacity. Add to this the penury of the Army and Air Force, which are so desperate for funds that they are about to auction off their artillery and rocketry on the international market. None of the Navy vessels are in service, and no funds or spare parts are available to repair them. Argentina is truly defenseless.

On Oct. 9, 1944, in a speech during the celebration of Fabricaciones Militares' third anniversary, General Savio ended with this message on the future of Fabricaciones Militares: "Military engineers: This is your product; it is like a son of yours, and to you correspond all the obligations of a parent—never omit a single one of them, and hand them down to the military engineers who succeed you as a legacy of honor." The Anglo-Americans' desperate fear is that, despite all their efforts to extirpate this "legacy of honor" from Argentina's Armed Forces, this powerful tradition will ultimately spark a continent-wide resistance that will be the usurers' undoing.

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# LaRouche forecast the economic crisis and proposed solutions

by Nancy Spannaus

The following is a slightly edited version of an address given at the 1991 Labor Day conference of the Schiller Institute and International Caucus of Labor Committees (ICLC) in Alexandria, Virginia on the theme, "Our Unique Institutional Authority." The author, a long-time associate of Democratic presidential candidate Lyndon LaRouche, was the editor of New Solidarity newspaper until it ceased publication in 1987, when it was bankrupted by the action of the U.S. government that a bankruptcy judge subsequently ruled was illegal. She is now the editor-in-chief of New Federalist newspaper.

Twenty years ago, on Aug. 15, 1971, the Bretton Woods system sustained a major shock, with the decision by President Richard Nixon to pull the plug on the U.S. dollar system. Very few had seen this crisis coming, and even fewer understood the implications of the bankruptcy of the international financial system. The world stood at a branching point, where the choice had to be taken between the road to global fascism, or international reconstruction. Only if the assumptions which had led to the de facto declaration of bankruptcy of the U.S. dollar were changed, could a worldwide disaster be avoided.

There was one economist on the scene who had not only recognized that fact, but had put a program on the table for reversing the slide into full-scale depression. That was Lyndon LaRouche, then known as the "Cassandra of the Left" due to his forecasts of impending economic disaster, if the leading financial institutions continued their policies of looting the Third World and of sliding into a post-industrial society. His program for "emergency reconstruction" was put out under the title "How to Lick a Depression in a Single Day"—and it had been issued one full year before the monetary crisis of Aug. 15, 1971. The program went out as an "Extra" in the newspaper New Solidarity.

#### 'How to Lick a Depression in a Single Day'

It is worth outlining the program in some detail, because the principles behind its generation are the very same ones which should be adopted today. The fact that they were not adopted, raises certain fundamental questions about not only how the U.S. Establishment thinks, but how the U.S. population fails to think even today.

The guts of the program involved three steps: 1) re-establishing a national banking system; 2) reorganizing and/or suspending unpayable debt; and 3) issuing credit for necessary production, services, and incomes.

LaRouche outlined principles for a national incomes policy, cost-reduction policies, and reconstruction policies. The first set a floor under incomes, including guarantees of pensions and the like. The second identified the need to achieve efficiency by reducing "paper-shuffling" occupations, but not by speedup and other such squeezes on labor. There were seven points to the reconstruction program, which were presented in the following order:

- 1) Regional inter-urban development: This is part of the infrastructure program, calling for the construction of 5 million modern dwelling units a year as a core of an urban reconstruction program;
- 2) National transportation-warehousing development program: This is the guts of an infrastructure-building program geared to qualitatively upgrading the conveyor belt of the entire economy, by integrating rail and truck transport.
- 3) National thermonuclear power development program: The need to move from dependence upon less efficient fossil fuels for energy, to nuclear power, especially nuclear fusion, was a cornerstone of all LaRouche's programs for reconstruction. The explicit reason were the needs to advance the energy flux density of the major energy source, and to create a new set of "natural resources" which could provide abundantly for all mankind.
- 4) Conservation of natural resources: Now this one may take you by surprise, but LaRouche was not aping the environmentalists. His argument, valid through today, was that the cost to the environment had to be taken into account in figuring the cost of social reproduction. Specifically, he argued that the "equipotential" of nature had to be restored—something that would be figured today as cleaning up industry and agricultural land to a usable (not "no-risk") condition.
  - 5) National administrative technology development: This

Some of LaRouche's proposals over the last 20 years

#### SOLIDARITY SUPPLEMENT

How To Lick A New Depression In A Single Day

## Emergency Reconstruction Program (Draft)

By The National Caucus Of Labor Committees



called for the replacement of mind-deadening paper shuffling, and freeing people for productive labor, through computer and optical scanning technologies.

6) A general program of replacement of obsolete production facilities, concentrating emphatically on those which represent unsatisfactory working conditions.

7) International infrastructure development: "The U.S. sector of the world economy has a growing dependence upon the world economy as a whole which is grossly understated by the rigged prices at which our sector purchases. It is not only humane but in our self-interest that we, along with the entire advanced sector, contribute at least 5-10% of the annual product of the advanced sector for the immediate upgrading of living standards and the economic development of the undeveloped nations."

From these fundamental points, it is not difficult to adduce some very fundamental premises of the LaRouche approach, which have not changed for 20 years.

First, there is the emphasis on productive labor, as the essential source of wealth, and on freeing man from beast-like or other repetitive labor, through technology. Unlike those miserable professional economists, we understand that economics must be based on man's nature as an individual sovereign creative mind.

Second, there is the emphasis on infrastructure, from housing to energy to transportation, as a major constraint and/or determinant of that productivity, and the correlated notion that the government had to play a positive role in providing that infrastructure. This concept has specific important implications for the role of government in providing that infrastructure.

Third, there is the principle that the development of any section of the world economy suffers from the degradation of any other section—and thus, that active intervention to develop "the least of our brethren," as the Bible says, on this Earth, is not only just, but in our best interest. This is a concept that has put us in the ICLC right up against the "America First" ideology with which other pro-technology forces in this country tend to be polluted.

It goes without saying that LaRouche's program of 1970-71 was not taken up by national policymakers, or even constituency institutions. Rather than deal with the causes of the bankruptcy in the physical economy, the determiners of economic policy sought to postpone the day of reckoning. But in a sense, that was less important than the fact that the axioms of public opinion were moving directly away from LaRouche's fundamental premises. Man as producer was being replaced by man as consumer, and each consumer tended to see him or herself as a competitor with others for the limited amount that was produced. This was emphatically demonstrated in a shift through the 1960s toward the U.S., and other advanced sector countries, seeing the undeveloped countries as drains, or places to be looted, rather than collaborators in sovereign economic development.

#### Fascist economics

When the Labor Committees reprinted the Emergency Reconstruction Program after the shock of Aug. 15, 1971, it presented LaRouche's analysis of the process of fascist economics, or Schachtian economics, which had led to the crisis, and where those policies would lead down the road, if not dumped. The fundamental concept was that of "primitive accumulation"—the looting of the living standards of labor, and the capabilities of nature and capital equipment—in order to feed the maw of those demanding usurious profit off their financial instruments of investment.

The ultimate result of such a process is working people to death in concentration camps, in order to pay off usurious interestrates, or simply to conserve the resulting wealth in the hands of a powerful oligarchy. While the Labor Committees concentrated at the time on showing how the capitalist financial system carried out this process, we were equally critical of how the Communist system also carried out primitive accumulation.

But we were sharply aware that such a fascist policy was not just the result of leading financial institutions imposing austerity from above, but also reflected the ideology of growing sections of the population. To quote a warning that was adopted within the political resolution of the September 1971 plenum of the Labor Committees:

"The most conspicuous, widespread element of fascist ideology rampant in the U.S. today is the radical-conservative impetus toward a 'final solution' for the 'welfare question.' The same philosophy is also widespread in a liberal-radical guise as a movement not-accidentally partly initiated by John D. Rockefeller III, the 'Zero-Population-Growth' cult, whose 'rational goals' could be attained only by genocide on a world scale.

"A related fascist ideology is found in another branch of the 'radical' 'ecology movement,' the 'people pollute' madmen, whose filth is subsidized by corporations, foundations and advertising agencies. These wretches insist that 'people,' not capitalism, cause the 'ecology crisis' by 'overconsumption.'...

"In addition, we already have in the U.S. (and Western Europe) a cancerous ferment called the 'rock-drug counterculture' movement, a mass of alienated potheads identical in every essential feature with the German Youth Movement from which ex-bohemian Adolf Hitler recruited the worst scum for his Nazi SS. The process of fusion of the radical right with this 'rock-drug counterculture' has already begun in an embryonic way, as luminaries Ti-Grace Atkinson [a

leading lesbian of the time] and Bob Dylan have moved into support of the facist alliance organized by Rabbi Meir Kahane, Joe Colombo, and Dr. ("Black Capitalism") Matthews.

"As for Nazi-type academics, it is guaranteed that many logical positivists and behaviorists will soon be lisping fascist tunes. We have already a foretaste of that development as the dean of U.S. behaviorists, B.F. Skinner, proposes a '1984' nightmare, seconded by his co-thinker, chief proponent of 'community control,' Dr. Kenneth Clark [of the Ford Foundation]."

What we saw in embryo in 1971, we see full-grown today. The "anti-welfare" movement, which is nothing but an anti-Christian policy of every-man-for-himself, has extended into a policy of hatred for the homeless and millions more people thrown on the human scrap-heap. The ecology movement has not only decreed that we must have fewer people, but has successively implemented laws which will kill people through denial of health care, or energy, or a sanitary environment. At least half a billion people have died in the Third World due to denial of nuclear energy, and basic infrastructure, over the 1970s and '80s. This fascist ideology is now on the verge of becoming international "law," by which the United Nations will intervene to save forests and creepycrawly species, while allowing hundreds of millions of people to die.

#### The rise of the counterculture

Then, take the counterculture. What was a relatively small section of society heavily concentrated in Berkeley, California and New York City's East Village in the mid-1960s, has now become the dominant culture in which most of our children are raised. The ideology of immediate gratification through drugs and sex, not to mention the pure physical and mental destruction which rock music and drugs represent, have permeated an entire generation of what are now young adults, depriving most of them of any concept of morality that would have been recognizable to someone raised even in the impoverished American culture of two decades before.

In fact, the ICLC had warned of the danger of the New Left counterculture leading to fascism in a seminal document published in 1968, entitled "The New Left, Local Control, and Fascism." The article utilized the historical model of leftist Benito Mussolini becoming a Fascist dictator, to show the process by which syndicalism leads to anarchy, which leads lawfully to the emergence of dictatorial control in order to "make peace" between rival groups.

In the United States, the ICLC projected, this kind of radical "local control" ideology would tend to divide society along racial lines, as it had already begun to do in the Ford Foundation's pilot project on community control of schools in Brooklyn. The alternative, we emphasized, was to bring together diverse groups around economic programs in their

common interest—in particular, "the creation of millions of new jobs to remedy the annual \$25 billion deficit of basic means of existence below the Tropic of Cancer."

The fundamental premise of the counterculture was that an individual has no capability to care for, and no responsibility for the rest of mankind—present, past, and future. The fundamental premise of the dominant ecology movement was that people are simply beasts who eat up the environment, and therefore have to be regulated and killed like beasts. Put together, you have both the active and passive supporters of a fascist government which has no compunctions about destroying millions of people, whole countries and continents, in order to maintain the power of established institutions. You see the constituency for George Bush today.

#### 'Fascism with a Democratic Face'

The aftermath of the 1971 conjuncture was exactly what LaRouche had projected—an acceleration of primitive accumulation on a global scale. This was carried out dramatically with the oil hoax of 1973, and then again with the massive rise in interest rates in 1979, along with another leap in the oil price. Meanwhile, the institutional basis for looting was locked in with the expansion of operations of the International Monetary Fund and the destruction of remaining protectionist measures in the Third World. A massive genocide program was put into place.

The Labor Committees took aim at the major international sponsor of this genocide, the Rockefeller family. In a major theoretical piece issued in November-December 1974, entitled "Rockefeller's 'Fascism with a Democratic Face,' "LaRouche issued another major warning about the onset of global fascism.

One new element of this analysis was the identification of the fact that the new phase of primitive accumulation would lead to global epidemics, or biological holocaust. What the Rockefellers wanted to do, LaRouche said, was to 1) accumulate the bulk of the world's capital; 2) choose some limited "development projects" under their control; 3) reduce real incomes globally; 4) reduce world production; 5) determine which areas of the world will be permitted to survive, and which will be reduced to the point of extinction; and 6) reduce the world's population to between 2 and 2.5 billion by approximately 1990, at which point a reduced high-technology regime will be introduced.

What LaRouche pointed out, is that such a "restructuring" toward survival on a lower level of population density, simply will not work. Instead, it would lead—as it has done—to uncontrollable devolution. This is what we now see in Africa and Ibero-America, with the spread of disease, including new species of viruses and insects, and of course, AIDS. Thus, the programs which the Rockefeller group had put, and are putting forward as "rational" solutions to alleged overpopulation and poverty, had to be combatted as leading to global genocide.

The second major new element of LaRouche's analysis was to identify the means by which a new fascism would be sold. He listed the following major elements of social control which would be used against the population:

- 1) press control—obviously expanded to include control of all media:
  - 2) local community control;
- 3) codetermination—basically inveigling factory workers and others to "share the poverty" of their local situation, rather than fight for the change in national and international policy that would be required;
- 4) "social contract"—the equivalent of codetermination on a national level;
  - 5) rock-drug counterculture;
  - 6) ecology movement;
- 7) superstition and primitivism, which like the rock-drug counterculture could be shown to have been promoted by Rockefeller foundations and their ilk as means of destroying people's minds.

Looking back at this projection today, it is horrifying to see how accurate it was. While Nelson Rockefeller and John D. the Third have passed away, the policies of the Rockefeller family continue in place, through the political machines, foundations, International Monetary Fund, and banking institutions. But today, their policies are defined as a "consensus" on austerity policies, environmentalism, and the priority of debt payments over human life,

#### Science and energy

At the center of virtually every program the Labor Committees put forward from 1971 on, was the necessity to invest in the most advanced energy source, controlled themonuclear reactions, especially fusion power. This was a crucial element of the International Development Bank proposed by LaRouche in 1975, without which he said the entire project for international reconstruction would necessarily fail. Nuclear energy was also at the center of the Middle East development program proposed in 1977, in the 40-year development plan LaRouche devised for India, in *Operation Juárez* of 1982, and for the United States and Western Europe.

The reason for this is bedrock economic theory: To support the world's population at a modern living standard, and provide for future humanity, it is essential to go to the next level of energy efficiency and utilize new resources, in this case abundant seawater, as an energy source.

The ICLC campaign against the anti-science mob began in 1970, in *Solidarity* newspaper, and accelerated in 1972, with the publication of "Zero Growth: Blueprint for Extinction." The latter document identified the zero growth movement as a scientifically fraudulent attack on labor's demand for better living standards and economic growth, and elaborated the scientific necessity for continuous revolutions in technology as the basis for human progress. The result of the dominance of the zero-growth movement, we said, would be

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to sow the seeds of fascist programs like mass sterilization and getting rid of "useless eaters."

Today, the very constituency leaders who should be demanding nuclear power for economic growth, have been sucked into calls for reducing population instead. Even our success, which resulted in the passage of legislation sponsored by Washington State Congressman Mike McCormack in 1980 which called for development of a demonstration commercial fusion power reactor by the year 2000, was politically buried in the Reagan mania of the 1980s.

#### The fight against usury

The direct antithesis of scientific and technological progress is the pursuit of usury, defined as the setting of interest rates above the cost of servicing the loans. More generally, usury represents making money by speculating in financial instruments, rather than in the long-term investment in physical production. Under such a system, financial obligations to pay debt grow much more rapidly than the basis for paying, eventually leading to the looting of the very productive apparatus on which survival depends. It is the classic tool of an oligarchy, which has no respect for human life, to maintain its power.

LaRouche and the ICLC identified the tendency of usury and speculation to grow more rapidly than production, as taking off in the mid-1950s. By the late 1960s and early 1970s, the U.S. economy was already being strangled by debt. Early Labor Committees publications concentrated on exposing exactly how this debt was created in the housing and public service sectors.

1) Housing: Not surprisingly, the New York City housing market provided a perfect case study. It was clear that the housing stock in the city was shrinking and deteriorating, while rents rose astronomically. The worse housing got, the more it cost. The question to be examined was, why.

An examination of the mortgage history of residential buildings gave a very clear picture. Recorded there was a series of financial transactions, whereby first, second, and third mortgages were taken out on buildings, creating an increasing debt, including interest payments, to service. To cover this debt, first the landlords would cut back on maintenance—therefore reducing costs to themselves. Then they would seek rent increases, simply to permit some profit for themselves. Looked at as a whole, the process raised the market value of the housing to much more than it cost to build it, while the value of the housing to the tenants was reduced to near zero—by virtue of lack of maintenance.

Irrational, no? Yet this is the process which accelerated dramatically in the 1980s, sucking in millions of ordinary people as housing speculators, if not slumlords.

2) Public services: New York City's subway system provided another textbook example of the way private financial interests were able to loot the public treasury, at the simultaneous expense of quality services themselves. The process

involved the city floating bonds to build the subway tunnels, and allowing a private company to buy and operate the lines. This private company was guaranteed a profit before any payment to the city. As a result, transit revenues went first to the companies, and no monies were left to pay off the initial construction bonds. The result was that the debt for the subway system actually increased over time, and the costs of the system actually required issuance of new bonds, i.e., the creation of new debt. Eventually, this process did not even provide enough money for the private companies owning the subways—and the city bailed them out. That created even more debt.

What this "history" lesson pointed to was the fact that usurious debt, created by dirty political deals, was a major cause of the failure to providing services required for a productive urban infrastructure. Thus, the debt had to be suspended—if not canceled altogether due to the fraud involved.

The continuation of this process has led from a 20¢ fare in 1969, to \$1.15 today. That is a rate of inflation due virtually entirely to the growth of usury, interest and finance costs.

On an international scale, the growth of usury was dramatically increased with Federal Reserve chairman Paul Volcker's interest rate hike of 1979.

The Labor Committees and LaRouche went into a mobilization against Volcker's new usury regime in 1979. LaRouche projected that this added burden on the economy, combined with the rapidly declining portion of the work force engaged in production, would lead to a worsening depression, and an insupportable debt burden internationally. The U.S. economy would be hit first through a collapse of the real estate market, which would then hit the savings and loan banks, LaRouche said. That is, of course, precisely what happened. Our programs for dealing with this crisis were published, with titles like "The Pestilence of Usury" and "Why Credit Can Be Greatly Expanded without Adding to Inflation."

To deal with the international debt crisis, the bankers decided simply to paper over their bankruptcy with new "creative" financing, as well as dope-money laundering. This would be a major new danger, LaRouche argued, infecting even healthy financial institutions with the speculative virus. As the case of the Bank of Credit and Commerce International shows, this has already happened. Given the corruption of the Anglo-American dominated banking system, collapse is unavoidable and even desirable—to be replaced with new national banking arrangements and treaty arrangements.

The results of usury are all around us. Usury created our urban infrastructure crises, and created the Third World debt crisis. Usury, in terms of bidding up real estate and other costs, has led to the health crisis—which now is feeding into a movement to demand euthanasia against those considered "useless eaters"—precisely Hitler's program, but more open. As a result, the productive sector of the world economy has been shrunk to a point below the level required to sustain the

world's population at a decent living standard—except in certain sectors of western Europe and Japan. Whole continents are being given the "right to die."

LaRouche and the Labor Committees have been proven right. We live in a global fascist system right now, where the United States is the enforcer for an IMF system which has already carried out mass murder. The levers for reversing this decline are there, but the time is short indeed.

#### Why people didn't listen

A review of the record of LaRouche and the Labor Committees over the past 20 years, must raise the question: Why didn't people listen? Proposal after proposal for monetary reform, industrial growth, skilled unemployment, scientific breakthroughs, and infrastructural rebuilding have been put on the table, and, if not ignored, eventually abandoned.

One has to task oneself: Can people still think through the consequences of their actions? How bestialized are they willing to become? How do we actually reach people on a level where they will commit themselves to learn and act to improve the world? We believe in the "power of reason" as it is found and generated in the individual human mind, and yet reason seems to have had virtually no power over the course of events.

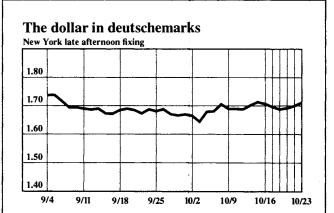
This takes us back to the question of culture, which the ICLC raised back in 1971. A Campaigner magazine editorial at that time wrote: "The worldview of the rock culture is a return to the state of animality and a celebration of barbarism under the guise of 'liberation.' " Later, we identified the roots of today's degraded mass culture in the cathartic "amusements" of the Roman empire and the evil gnostic cults. Almost all the leading institutions of today have embraced this degradation, leaving people desperate for a human alternative.

Our message of hope is contained in the fact that we as an institution not only uniquely understood the process, but how it could have been avoided. As other institutions collapse both in credibility and reality, we offer a moral alternative in economic policy which could alone could guarantee the reversal of this New Dark Age.

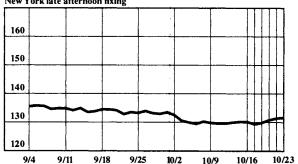
Perhaps it is best to conclude with a more recent forecast from LaRouche, one we still have the opportunity to make come true. In the Platform for his 1990 congressional campaign, LaRouche argued that we have entered a worldwide revolutionary period, one in which communism and free trade economies have lost the "mandate of heaven," one which offers the opportunity once again to renew the American Revolution along the principles of the Golden Renaissance. Both Eastern Europe and Russia have now borne LaRouche out. The question remains as to when and if it will spread to the western hemisphere. I quote LaRouche:

"I am the voice of the Golden Renaissance, in my role as a defender of our American Revolution. It is time for all true patriots to awaken and to join me."

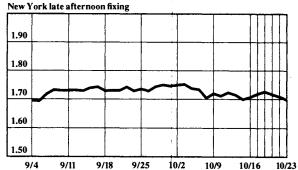
#### **Currency Rates**



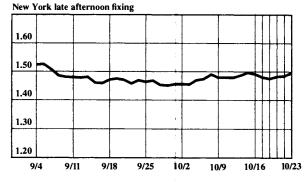




#### The British pound in dollars



#### The dollar in Swiss francs



23

## German workers up in arms against GATT

by Birgit Vitt

For the first time in the postwar history of Germany, 32 coal miners from the Lohberg mine, near the city of Dinslaken in the Ruhr region, did not come back from their work shift, but decided to stay underground in protest, until federal Economics Minister Jürgen Möllemann gives up his policy of shutting down German coal and steel production, as demanded by the Anglo-Americans at the General Agreement on Tariffs and Trade (GATT) negotiations.

Möllemann plans to cut production by the year 2005 from 71 million metric tons (1990) to 45 million tons—instead of the 58.7 million previously planned—laying off 50,000 of Germany's 135,000 miners as a result, in order to reduce government subsidies.

The wildcat strike followed three months of friendly and impotent "informational" protests organized by their trade union, the Mining and Energy Industrial Union. Although the union distributed huge quantities of brochures and leaflets, and organized a 150,000-person demonstration, still the Oct. 16 "Big Coal Round" talks in Bonn with Chancellor Helmut Kohl led to absolutely nothing.

For 35 hours, the miners in Dinslaken held out, 1,000 meters under the earth, before union representatives talked them into ending the protest. In the meantime, a similar protest started at the Sophia Jacoba coal mine in Hückelhoven, where first 200, and then 600 miners carried out a grim protest, 600 meters below the surface of the earth.

A representative of the Schiller Institute went down into the mines to talk with the workers, and characterized the mood as "ready to fight." Said one young man: "We created the wealth of this nation—not my generation, but not Möllemann either. And now they have forgotten about us." Another asked, "What has this to do with Christian policy?" He has called for the union's factory council to organize a mass on Sunday. Another miner referred to the fact that Germany is importing coal at cut-rate prices from Colombia and other Third World countries, while destroying its own production. As for the politicians like Möllemann, he said, "In the right hand they are proud to have the cheap blood-coal, which is imported from developing countries, and in the left hand they are carrying the banner of 'human rights.'"

These demonstrations are part of a crisis that began on

Oct. 10, with a press conference in the steel-producing city of Dortmund by the management of the steel companies Krupp, Essen, and Hoesch. They told a startled press corps that Krupp has bought up 24.8% of the stocks of Hoesch. Krupp's representative, Gerhard Cromme, said that his company intends to buy up the majority of shares as soon as possible. Cromme is viewed as a radical "reformer" in the Manchester Capitalist school of British liberalism—what in the United States would be called an "asset stripper." Hoesch's work force believes, quite rightly, that their jobs will soon be on the chopping block.

#### Steel production threatened

Immediately after the press conference, Dortmund's Hoesch workers took to the streets. For the first time since the big steel demonstrations of 1981, the city was an uproar. If Hoesch closes down, important parts of the production of not only the city of Dortmund, but the entire surrounding region, will die. The mines that produce the coking coal for Hoesch, the small and medium-sized industrial enterprises that supply Hoesch, and numerous subsidiary companies, will all be in trouble.

The workers demanded that the Social Democratic prime minister of the state of North Rhine Westphalia, Johannes Rau, block the sale to Krupp. But Rau, who claims that no jobs are in danger, refused to do anything besides promise that he will do his best to "save" the eastern Ruhr region. Rau, who is soft on the greenie "back to nature" ideology, has no particular desire to save the industry of his state.

Dortmund Mayor Günter Samtlebe issued a call for a solidarity demonstration of Dortmund citizens, which took place on Oct. 17, with 20,000 people turning out in the pouring rain to demand that the area's industry and jobs be preserved.

#### Appeal by Helga Zepp-LaRouche

Helga Zepp-LaRouche, the president of the Schiller Institute in Germany, wrote a public appeal to the people of Dortmund. "No to Krupp's takeover of Hoesch! End the mafia methods in the Ruhr!" she wrote, in a leaflet which was circulated to the demonstrators.

She reminded people that 10 years ago, when Dortmund workers took to the steets the last time, she told them to think big, to fight for a new world economic order, to develop the Third World, in order to save the steel industry in their region, to prevent the closing of a steel plant there. But unfortunately, they did not listen, and instead of steel production, they got a gambling casino, which in the meantime has become the biggest in Europe. Now they face the brutal policy of deindustrialization once again. She explained that the "Krupp coup" is part of the strategy of GATT and the International Monetary Fund to finish off Germany as an industrialized nation, and a competitive threat to the bankrupt Anglo-Americans.

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#### **Agriculture** by Suzanne Rose

#### France, Germany sell out on GATT

Mass protests oppose the capitulation, but their success depends on an alternative to Anglo-American free trade.

French Agriculture Minister Louis Mermaz capitulated Oct. 19-20 to the European Community's proposal for reform of the Common Agriculture Policy (CAP). At a meeting of EC Agriculture Commissioners, Mermaz agreed to cuts in European price supports to farmers, and to adopting the U.S. method of compensating farmers through government subsidies.

Mermaz's agreement signified that France had joined Germany in capitulating to Anglo-American demands in the General Agreement on Tariffs and Trade (GATT) negotiations. It also signaled the impending collapse of the CAP, heretofore a barrier to the financial looting of European farmers by Anglo-American banks and food cartels. The CAP has acted to maintain the productivity and income levels of European farmers since the EC was founded in 1957, through price supports and other forms of protection.

Farmer protests have been under way in both countries for two months in anticipation of a capitulation. The success of the demonstrations will only be determined by their ability to mount an alternative to Anglo-American demands for free trade austerity.

Coinciding with the International Monetary Fund (IMF) meeting in Bangkok Oct. 7-12, the German government agreed to conclude a GATT agreement along the lines of the compromise proposed by EC Agriculture Minister Ray MacSharry when the Uruguay Round of the GATT talks deadlocked last February. MacSharry kept the talks alive by promising a reform of

the CAP which would satisfy the Anglo-American demands for massive cuts in prices paid to European farmers, which the governments of both France and Germany had been opposing.

On Oct. 9, a crack in their unified opposition appeared when German Economics Minister Jürgen Mölleman told a Council of European Ministers' meeting that every effort would be made to conclude GATT. He said Germany would be prepared to make substantial agricultural concessions. His remarks have since been buttressed by German Chancellor Helmut Kohl.

When Mermaz followed the German lead, he was condemning French farmers to a U.S.-modeled farm policy which has bankrupted millions of independent farmers and turned the remainder into slaves of the giant food cartels. Bankrupting European farmers will leave world food production in the control of a few cartels, and have devastating consequences for already-failing world food production.

The German shift followed rumors that an agreement had been reached by the German, French, and U.S. governments, which would be surfaced after a suitable period to allow farmers to "let off steam." A version of the deal was leaked by U.S. Sen. Max Baucus (D-Mont.), a leading free trader, before the National Association of Manufactures on Oct. 16. He said that the administration should ease off on its demands for subsidy cuts (as much as 95% on export subsidies, and 75% on price supports) in return for concessions on subsidies

to industry and services.

Baucus stressed that the most important area would be cuts in "export subsidies," and that internal cuts could be phased in. Export subsidies have, until now, been the major sticking point between Europe and the United States. If subsidies to agricultural exports are ended and the grain cartels are able to take away European export markets (by underpaying farmers), European farmers will soon be bankrupted. The Baucus message concluded ominously: "The Bush administration must work to conclude the Uruguay Round with the same vigor that it confronted Iraq."

Meanwhile, the French government especially has been faced with farmer militance. Enraged farmers have been demonstrating to dramatize their desperate situation, including at every meeting of government officials.

On Sept. 30, after weeks of decentralized protests, 200,000 French farmers demonstrated in Paris. Raymond Lacombe, head of the French farm organization FNSEA, denounced the attacks from the United States, "which wants to control the food weapon." He attacked "unbridled liberalism" and the "scandal of men and women who continue to be hungry while preventing advanced countries from producing."

French President François Mitterrand called Oct. 21 for a police crackdown. However, farmers have begun to involve nurses, police, and other government workers in protesting the government's austerity policies. Farmers are planning to merge with a one-day general strike. In Germany, 12,000 farmers protested the sell-out at a rally in Luebeck on Oct. 22. In Canada, 4,000 farmers protested on Oct. 24 the collapse of their prices under the free trade agreement signed with the United States in 1988.

#### Report from Rio by Silvia Palacios and Lorenzo Carrasco

#### **Institutional chaos looms**

"Free trade" economics is disorienting some military circles on the crucial Usiminas fight.

he joint annual meeting of the International Monetary Fund and World Bank, held in Bangkok Oct. 13-14, defined the parameters of the institutional crisis appearing on the dark horizon of this country. The adoption by IMF director Michel Camdessus of the so-called McNamara doctrineaccording to which all IMF credits will be tied to cutbacks in military budgets—and the demand for the immediate privatization of the state steel plant Usiminas as a condition for signing a stand-by loan with the Fund, are the two essential components of this instability.

The primary concern of the Brazilian Armed Forces is clearly centered around the new world order campaigns of President Bush and his cohorts in the Group of Seven, which seek the dismantling of the armies of the nations of the so-called Third World as an essential requirement for the imposition of a system of limited sovereignty under the domination of the U.N. Security Council.

The key instrument employed in pressuring for the step-by-step imposition of this system has been the conditionalities of the international financial institutions, designed to dismantle national industry (both public and private) through Adam Smithstyle free trade policies, while privatizing the leading state companies and shattering protectionist trade barriers. In fact, the countries of the developing sector, among them Brazil, are already living under a system of limited sovereignty in the financial and banking arena.

For these reasons, nationalist cir-

cles in Brazil were taken aback by the Oct. 4 manifesto of Gen. Nilton Cerqueira (ret.), president of the Military Club of retired military men, which strongly criticized the public protest demonstrations against the Usiminas privatization that led to the suspension of the controversial auction at the Rio de Janeiro stock exchange on Sept. 24. General Cerqueira's statement expressed the concern that the incident could lead to a general explosion of chaos in the country, run by "foreign entities" and "carbonarios" (terrorists). The same sentiment was expressed in the Oct. 3 editorial of the Army Ministry's official weekly, Noticiario do Exercito.

The concern among the military over law and order is understandable, but the defense of free trade economic policies is a major blunder.

Using the pretext of these statements and pointing to the alleged threat of a military movement like that of 1964, Rio de Janeiro governor and Socialist International vice president Leonel Brizola ordered the suspension of a gigantic demonstration that had been organized against the Usiminas privatization. In fact, Brizola's sudden suspension of the rally was worked out with President Fernando Collor de Mello who had just received, through his Finance Minister Marcilio Marques Moreira, the bankers' message from Bangkok conditioning IMF aid on the Usiminas sale.

Brizola, like his soulmate Venezuelan President Carlos Andrés Pérez and other Socialist International leaders, is contributing to the implementation of Bush's new world order. For

example, Brizola's alliance with Collor is premised on the latter's successful hosting of the U.N.-sponsored Earth Summit, to be held next June in Rio de Janeiro, as a giant step in imposing the new order's ecological conditionalities on Brazil—and the world.

The national opposition movement to the Usiminas privatization—which is viewed as the foot in the door to the selloff of Brazil's national patrimony at bargain-basement prices—did not originate with Brizola, but rather as the reaction of various national groups, civil and military, and including Brazilian Vice President Itamar Franco and former Vice President Aureliano Chavez. It has thus triggered a nationwide civic-military movement.

General Cerqueira is also mistaken to believe that the growing instability in Brazil stems from the rallies and protest marches that are directed against the free-trade policies of the government, although there do exist radical groups within the labor federation CUT that are loyal to the dogma of class struggle and seek to take advantage of an increasingly critical situation. The chaos, the revolts, the social instability and, now, the imminent institutional crisis, are rather the direct consequence of brutal austerity conditionalities imposed by the IMF.

The turbulence Brazil is suffering and which will escalate in short order, stems directly from the fantasies of the ruling circles which suppose that the recession—caused by high interest rates that have already surpassed 1,000% a year, with the resulting massive unemployment and bankruptcy of the national industrial sector—is the necessary sacrifice to the golden calf of usury for the country to be readmitted to the dying international financial system.

### Dateline Mexico by Carlos Cota Meza

#### Another face of the Mexican 'miracle'

Disguising unemployment as the "informal economy" could come back to haunt the Salinas government.

In Mexico, the rise in unemployment is now being gauged by the rate of growth of what has been euphemistically dubbed the "informal economy."

A study on the informal economy was recently released by Canacintra, the National Council of Manufacturing Industries, which asserted that the phenomenon "has nearly doubled in the past five years (1986-90)." The study observes that the informal sector employs 5.7 million people, representing 22.5% of the total national work force of approximately 19.3 million persons. In 1986, the informal economy was estimated at 12.9% of the national total. Of the 5.7 million engaged in "informal" activities, 68.8% are family businesses.

If one adjusts the size of the economically active population (EAP) in accordance with the official statistics on the rate of demographic growth, Mexico's working-age population in 1990 was 34.5 million. Taking Canacintra's figure of 5.7 million "informals," one ends up with an official figure for unemployment of 9.5 million Mexicans, adding up to a total of 15 million persons without the protection of a contracted wage or social benefits.

The Labor Congress, the leading officially recognized umbrella organization for the country's trade union federations, has its own view of rising joblessness. Of an EAP of 34 million Mexicans, according to Labor Congress studies, 15% are without employment (that is, 5.1 million persons) while more than 40% (about 14 million) are catalogued as in the ranks of the underemployed. Thus, according to the La-

bor Congress, the Mexican economy has 15 million workers in "formal activities" and 19 million in "informal activities" or doing nothing at all.

What has most contributed to the growth of the "informal sector" is the program of President Carlos Salinas de Gortari to privatize the state companies. As the Labor Congress itself states, "What is certain is that unemployment and underemployment has not been stopped during this six-year period. . . . The problem is growing because of the policy of privatizing state companies, the trade opening, and the anticipated effects of the about-to-be signed Free Trade Agreement."

In 1982 there were more than 1,100 state-owned companies, of which 770 have been either sold. merged or liquidated, another 165 are undergoing that process, and 220 more are expected to go on either the auction or chopping block before 1991 ends. Between 1989 and the present, one of the country's largest employers, Petróleos Mexicanos (Pemex), has fired 28,129 workers. The shutdown of the Azcapotzalco refinery alone eliminated 5,400 jobs. The "modernization" of the state fertilizer monopoly Fertimex reduced its Mexico City work force from 2,900 to 700. Its non-union labor force nationwide was cut from 7,000 to 3,000. With the privatization of the state steel plants, 700 workers have already been let go, and 1,700 more are about to get their pink slips.

In the country's 57 recently privatized sugar-processing plants, the new owners have already requested gov-

ernment authorization to fire 40% of their personnel (more than 30,000 workers). The National Railroad company has fired 1,900 workers, and is talking about "re-adjusting" 50% of its work force. According to the National Railroad Commission, a dissident branch of the official railroad workers union, this would put 18,000 workers out on the street.

In the textile industry, according to spokesmen for the national trade union and business leaders of that branch of industry, they see "a resurgence of the problem of bankruptcies" which began "with Mexico's entrance into the GATT." The shoe industry is also suffering the same fate. According to the business council of that industry in Jalisco state, more than 8,000 workers "have been left without jobs because of imports." Union leader Napoleón Gómez Sada from the metallurgical industry has charged that many thousands of workers have been fired in the past three years. Union membership has declined from 220,000 to 185,000.

The problem facing the unions, the ruling PRI party, and the government itself, is that much of the unemployment being sold today as the "informal economy" is "organized unemployment" involving professionals and other highly qualified and trained individuals. The result, of course, is that Mexico is producing a highly politicized army of unemployed, which has already flexed its muscles by giving the ruling PRI party a black eye in the politically volatile states of Guanajuato and San Luis Potosí.

This is the unlooked-for, but absolutely lawful consequence of the Salinas government's commitment to the "privatization," "modernization," and "free trade liberalization" of the Mexican economy, which will intensify following the signing of a North American Free Trade Agreement.

### **Business Briefs**

#### **AIDS**

## LaRouche policy featured in Thailand's press

The Bangkok Post, the leading English-language newspaper in Thailand, has run an article featuring a pamphlet on AIDS issued by Lyndon H. LaRouche's presidential campaign. In its Outlook Section, the article begins, "A reader has sent me two pamphlets by Lyndon H. LaRouche, Jr., an economist and former management consultant, who has more than once run for President of the United States on what can be called an anti-AIDS ticket. His thesis is that AIDS is a pandemic."

It then quotes seven selected paragraphs from the pamphlet, discussing the "non-risk group" cases, the presence of the virus in many bodily fluids, the absence of a cure, estimates from the World Health Organization and the U.S. Centers for Disease Control in Atlanta, Georgia on expected deaths, and the necessity to keep AIDS carriers out of certain public-exposure jobs.

The writer then describes the LaRouche proposal for a "crash program using conventional and unconventional methods to determine the nature of the AIDS virus and its prevention, treatment, and cure; widespread HIV testing; and that a series of AIDS research institutes be set up where patients can be brought and treated. LaRouche is behind bars now, a so-called 'political prisoner' of President Bush."

The article appeared during an International Monetary Fund meeting in Bangkok Oct. 13-14. LaRouche has accused the IMF of, in a sense, causing AIDS by virtue of its harsh austerity policies.

#### Monetarism

## Japan model debated for Third World

Poor nations could face trouble if they try to copy the cosy relationship between government and business that helped produce economic miracles in some Asian countries, senior World Bank economist Johannes Linn said on Oct. 15.

Linn said that although the United States may be suffering a recession, its consumeroriented, pluralist economy was a better model for most developing nations.

The international financial fraternity Linn speaks for, apparently fears that widescale adoption of Japanese methods could be an obstacle to its looting practices.

"Our experience has been that developing nations that have applied the Japanese-type model were unable to provide single-minded determination in pursuit of economic goals," Linn told financial leaders in Bangkok for the annual meeting of the World Bank and International Monetary Fund (IMF) Oct. 13-14.

He said most developing nations did not have institutions capable of directing business, which is the key to economic success in nations like Japan and South Korea. Hong Kong and Thailand have successfully adopted a free market policy that approximates the U.S. model, he added.

The issue of the government's role in market-oriented economies was addressed by Bank of Japan governor Yasushi Mieno at a meeting of the IMF Interim Committee. Mieno said Asian nations showed the benefits to be accrued from close relationships between government and business and that government should set middle-term and long-term goals for the private sector.

#### **Transportation**

## No recovery for U.S. airlines

According to officials of the International Air Transport Association (IATA), earlier expectations of a recovery for international airlines are gravely mistaken. They report that vital business travel worldwide is down sharply in 1991, with the decline in the U.S. far worse than expected.

U.S. airlines lost a record \$3 billion in 1990 and expectations now are that 1991 losses will exceed that figure. This prospect, according to *Aviation Week*, will force a number of U.S. airlines into bankruptcy over the com-

ing months.

But more significant, according to these industry officials, is the threat of cancellation or postponement of a large part of some \$40 billion in annual airline purchasing planned previously. The immediate impact of this will fall on the large U.S. airframe maker Boeing, and is a significant background factor in the intensifying pressure from Washington on European Airbus subsidies.

Similar gloom pervades European airlines, which expect their worst profit returns in history this year. Deep economic deterioration in several countries—Britain, Norway, Sweden—combined with travel fears regarding former holiday regions in Turkey and the Balkans, have severely hurt major European airlines, according to the Association of European Airlines.

The catastrophic problems confronting U.S. airlines must be laid to the effects of 13 years of U.S. government deregulation of the air transport industry, charges Capt. J. Randolph Babbitt, president of the Airline Pilots' Association. Babbitt pointsout thatattheonset of U.S. airline deregulation in 1978, "the U.S. had the world's finest air transportation system." Now, after more than a decade of "freemarket dogma\* from government, "the current status of the industry can best be described as disastrous...... More than 20,000 U.S. airline employees have lost their jobs since January and another 18,000 at Eastern have been displaced."

#### Science

## Nobel Prizes go for liquid crystals and NMR

A Frenchman who has researched liquid crystals won the 1991 Nobel Prize in Physics Oct. 17, and a Swiss researcher took the chemistry award for work on nuclear magnetic resonance (NMR). The Swedish Academy of Sciences awarded the physics prize to Pierre-Gilles de Gennes, a university professor in Paris, and the Nobel Prize in Chemistry to Richard Ernst, a professor at the Swiss Technical University in Zurich.

During the 1960s, Gennes began studying

liquid crystals, which have been known for more than a century and studied as early as the 1920s.

"De Gennes made his chief contributions to our knowledge of liquid crystals when he explained what is termed anomalous light scattering from nematic liquid crystals,"the academy said. The nematic phase is one of the ordered phases of liquid crystals in which the molecules move as if in an ordinary three-dimensional liquid but with their axes pointing in the same way. The academy said it chose de Gennes for his discoveries involving how "methods developed for studying ordered phenomena in simple systems can be generalized to more complex forms of matter, in particular to liquid crystals and polymers." A polymer is a naturally occurring or synthetic compound that has large molecules made up of many relatively simple repeated units.

Itsaidhe has shown "that phase transitions in such apparently widely differing physical systems as magnets, superconductors, liquid crystals and polymer solutions can be described in mathematical terms of surprisingly broad generality."

Regarding the award for chemistry, the Academy said in its citation that it chose Swiss professor Ernst for his "contributions to the development of the methodology of high resolution nuclear magnetic resonance spectroscopy."

#### Eastern Europe

#### Russia can't follow Polish model: academician

Russianeeds a capitalism protected against the outside world, rather than following the Polish model, said Tatyana Klyachko, economist at the Russian Academy of Sciences, in an interview with the German *Tageszeitung* daily Oct. 19. She is presented as a contributor to the Shatalin Plan of 1990, and a critic of the new economic union agreement.

"All in all, the situation is without any historical example, and the social differences with western Europe are colossal. That is why we cannot adopt modernization strategies as

they were practiced in postwar Germany or Japan."

Arguing against ultra-reformers that don't want to cooperate with experts that worked under the old regime, Klyachko calls for "new parallel structures" of development that could be built by drawing on "old forces."

"They may have been evil people, horrible bureaucrats who now want to draw profit from the transformation. But their knowledge of the world is deeper, where there's only naiveté otherwise."

"If we try the classic way towards market economy, we are heading for 40 million jobless. Poland cannot be an example. Several generations here haven't known unemployment. There is a giant potential for social conflict. One thing has become clear to the politicians. Privatization is not a solution to the cardinal problems. . . . People would very soon have the feeling of being betrayed once again. This could mount into a variant of national socialism, or national communism again. The most friendly variant would be nationally protected capitalism."

#### 'Free Market'

## Major planning to dump Thatcher policies

British Prime Minister John Major "is planning to ditch the last remnants of Margaret Thatcher's free market experiment if the conservatives win the next election," the *Sunday Observer* of London reported Oct. 20.

"To emphasize his clean break with Thatcherism, Major wants to appoint Michael Heseltine as Minister of Trade and Industry because of Heseltine's belief in the virtues of bolstering home industries," as opposed to Thatcher's ideological "free market magic" dogmatism. The paper added, "Major is convinced there are many industries which need government backing if they are to survive." Under Thatcher's free market policies, British industry became a junk heap and unemployment soared.

## Briefly

- FIRST BOSTON International Corp. economist Pedro-Pablo Kuczynski, has attacked "two groups"— economist Jeffrey Sachs's crowd at Harvard University and the International Monetary Fund-World Bank group—who "agree . . . that shock treatment is essential" for the Soviet economy. This could disemploy overnight a major portion of the 28% of Russia's workforce in manufacturing, while sudden price decontrol would unleash inflation. Instead, the Soviet economy needs infrastructure development, he said.
- THE MOUNT GRAHAM International Observatory's construction in Arizona may not be halted, according to a federal judge, just because the Sierra Club fears that the three-telescope astronomical center would threaten the existence of the Mount Graham red squirrel, which has supposedly lived in isolation on the mountain for 10,000 years.
- IVAN SILAYEV, head of the interim Union Economics Council, said in Moscow Oct. 17 that the Soviet military-industrial complex must be converted to civilian use. "We cannot have an interest in keeping this monster alive for much longer," Silayev declared, recommending that the West invest in reconversion projects and help to build a civilian production sector base operating on a high technological basis.
- HUNGARY has implemented a policy of mandatory testing for AIDS of "risk groups." The new policy was announced by the Hungarian Social Ministry.
- ◆ A FREE TRADE ZONE on the Russia/China/Korea border was the subject of an Oct. 14 meeting between officials of Russia, China, Mongolia, North and South Korea, and Japan, in Pyongyang. Under the coordination of the United Nations Development Project, the plan calls for a \$30 billion investment to create a free trade area along the Tumen River estuary at the tri-border region.

## **EIRScience & Technology**

# Mag-lev train will allow us to fly at zero altitude

There are two revolutions in Europe. The new political unity must be consolidated with the first new form of ground transportation since the invention of the wheel. Germany's Ralf Schauerhammer explains.

The following article motivates the urgent need for the German government to implement the leading edge of a high-speed transportation system based on magnetic levitation technologies. German researchers have investigated maglev, as it is known, intensively for over a decade, and the only roadblock to implementation has been the persistent capitulation of the government to Anglo-American dictates. As Schauerhammer documents, one form of this technology can, and must, be immediately put into place, before the transportation "heart attack" so hoped for by the Anglo-Americans, kills continental Europe.

Meantime, the Japanese, less politically timorous, have laid out and approved right-of-ways for a more advanced magnetic levitation system, whose development is not yet completed. Nonetheless, the Japanese recognition of the vital economic importance of the first breakthrough in ground transportation since the invention of the wheel, is the principle Germany must look to, and not the "good opinions" of the ancien régime of Adam Smith-Karl Marx neanderthals in Washington, London, and Moscow.

When Lyndon LaRouche first elaborated his European Productive Triangle on Jan. 2, 1990, the dream of German reunification was barely beginning to become reality. LaRouche's proposal, to base a newly freed, unified Europe on a concentration of infrastructure whose vertices were marked by Paris, Berlin, and Vienna, provided the unique economic basis for turning the continent into a locomotive for new development, consigning both Karl Marx and Adam Smith to the dustbin.

What a paradoxical situation! Experts warned that in 1992 there would be a "traffic heart attack" on Europe's roads

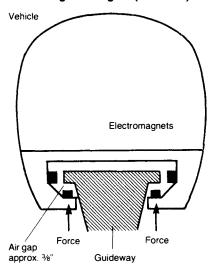
and in its air space. But their warning was too late, and transportation chaos is already here. Congestion on the highways, holding patterns over airports, and train connections off schedule are now the order of the day. On the other hand, there exists in Germany a revolutionary transportation technology that is suitable to prevent the "heart attack": the magnetic levitation (mag-lev) train, Transrapid. This technology has been under development for 20 years. All the components are developed, and the overall system tested to the point that it is ready for commercial introduction. The detailed planning of large stretches of track could be begun today, with construction of European-wide mag-lev train routes beginning after the approximately five years that is customarily necessary. And yet the mag-lev train has been blocked for years. What is lacking is the competence of those politically responsible to plan and approve the introduction of this technology.

In Japan, the country in which the age of high-speed trains was introduced in the 1960s with the Shinkansen ("Bullet") train, the political decision for a mag-lev train has already been made. Even the planning of routes on the magnetic "Super Shinkansen" is under consideration. There, however, a different technological variant of the mag-lev trains has been selected than in Germany, and the technological development of that variant is not yet sufficiently advanced for the already politically approved lines to be installed. The Japanese experimental vehicle MLU002 on its test track in Miyazaki is 5 to 10 years behind Transrapid 07. When German politicians awaken some years from now from their enchanted transportation-policy sleep, they are sure to lament about how aggressively Japan is carrying on the competitive fight for high-technology markets.

#### FIGURE 2

#### Attractive and repulsive maq-lev

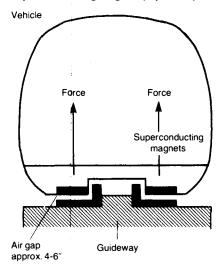
#### Electromagnetic mag-lev (attraction)



System: Germany's Transrapid 07

Electromagnetic, attractive maglev (left) uses conventional magnets aboard the vehicle which are attracted to a ferromagnetic guideway. This design creates a small air gap between the vehicle and the guideway of only a fraction of an inch. On the right is the superconducting, repulsive maglev design. Here, the magnets onboard the vehicle interact with induced magnetic fields from eddy currents produced in a light-weight aluminum guideway. The air gap is greater, and the vehicle is inherently stable.

#### Superconducting mag-lev (repulsion)



System: Japan's Linear Express ML-002

Even more important than the potential competition of Japan is the political revolution of the last two years. The map of Europe has been completely transformed. Even if the fact has not penetrated to all the planners in the German state bureaucracy, the "Iron Curtain" has finally collapsed. The geometry of the European economy will now be determined primarily by geography and transportation infrastructure. We must accept geography as it is, but we could shape the infra-

#### Transportation in Europe's future

structure with an eye to the future.

In fewer than two years, Europe has grown by 50 degrees of longitude. We will soon become accustomed to thinking of distances in Europe, not in hundreds of kilometers, but rather, in thousands. Europe is suddenly broader than it is long. If the principal transportation arteries have run in a north-south direction since the Second World War, a massive additional tendency will now come into existence in the east-west direction. That has obvious consequences for transportation policy.

The complete development of this new Europe will take decades, but the crucial direction-setting decisions must be made today. These decisions are to be made by politicians whose careers and minds have been so anchored in the postwar *status quo* that they are unable to recognize the significance of their decisions and omissions today, in the framework of this new situation.

What we need today would be a European Friedrich List. The unity of Germany in the last century is not conceivable

without the economic customs union created by List. But economic integration did not come into existence merely on paper and in the text of treaties; it had its material basis in the development of the railway system. Today, this same problem must be solved for all of Europe from the same broad point of view. The railway was of such infrastructural importance in List's time, because it was the most modern transportation technology. At the time, the arguments against the "expensive" and "totally superfluous" railroad sounded exactly like those that are brought up today against the maglev train. Who does not see the importance of the maglev train in the context of a new European infrastructure, will argue exactly as did the provincial stage-coach owner in the last century, who attempted to demonstrate to List that the railroad would not be profitable.

If we merely look at the development of the distribution of transportation volumes on existing carriers—ship, automobile, truck, train, and aircraft—we see at a glance that what is lacking is a system that will close the huge, yawning gap between motorized traffic and air traffic. Flying at zero altitude is the solution: The mag-lev train will do it!

This year, the green light must be given for Transrapid. Lines in the new federal German states are the obvious choice, since infrastructure investments here are unavoidable in any case.

At the very least, concrete planning must begin this year for the following routes: 1) the "backwards C," Hamburg-Berlin-Munich, with a branch to Dresden and Prague; 2) Frankfurt-Berlin, with possible continuation to Warsaw; 3)

the Hanover-Berlin line should be developed with mag-lev technology. Of course, the decision has already been made for the old wheel-rail technology on this line, but because the mag-lev train can be routed more flexibly than the high-speed train ICE, we can build up from existing planning, and the decision in favor of the mag-lev train should not slow down the development of the project. 4) It can now be planned how the lines from Hanover and Frankfurt in the Cologne-Bonn area can be brought together and integrated with the mag-lev connection between the airports in Cologne and Düsseldorf, a project which has been under discussion for years.

That is the minimum of "advance work" that the Federal Republic can perform, so that the mag-lev train can become the backbone of a new transportation infrastructure in Europe. The future European transportation infrastructure should be implemented on the basis of the following clear principles: Bulk goods belong on ships; piece goods, on trains; and high-grade express freight and passengers will be transported on mag-lev lines. Only motorized transport can carry out local surface distribution, and the airplane will be Europe's connection to the world.

#### The mag-lev technological revolution

The mag-lev train is the only form of transportation that moves without contact. Even aircraft cannot manage without wheels in their brief but crucial take-off and landing phases. The technological history of mankind began with the control of fire and the development of the wheel. The magnetic train levitates and no longer needs wheels, and that shows what a revolution is involved here.

From primeval ox carts to the modern, high-speed Intercity Express (ICE), the principal components of transportation technology have remained the same. A load is transported from one place to another, carried on wheels. The load, which normally would produce friction with the ground over the entire support surface, is distributed on the few support points of the wheels or the axle bearing. The force of the load, and especially its sliding friction in locomotion, is now concentrated in those points, but can be deliberately controlled there with high-grade materials. As soon as it was possible, axle bearings and wheel rims on wooden vehicles were made of iron. Moreover, the load in sideways motion must be carried in the right direction. With ox carts, that is accomplished by means of the driver's whip; with the ICE, the tracks on which the guiding rims run are machined to millimeter precision. Finally, the entire system must be propelled. The oxen accomplish that with muscle power through the frictional force of their hoofs, the ICE by means of its electric motors through the frictional force of the wheels on the tracks. The ICE must distribute the application of force very exactly, so that the steel wheels do not spin on the steel tracks. It moves rather like an ox on ice.

The energy supply reveals the first principal difference

between the ICE and the ox carr. The ox carries its energy supply around in fat and muscle tissue, as well as its stomach, and must be "filled up" in the stall or pasture. The same is true for almost all transport types: auto, airplane, powered ships, rocket, and steam and diesel locomotives. They carry around their transportation energy in a tank or tender. How decisive a smaller and lighter tank is for the economy of a type of transportation is seen in the attempts to drive autos with "environmentally friendly" hydrogen or electric engines. The engines have been around for a long time; the problems now, and probably for quite some time in the future, concern tank and battery, and relate to the fact that the weight and volume of the stored energy is not comparable to the normal gasoline tank. Best of all would be a form of transportation that used no tank at all. Transrapid is such a vehicle; it needs no "tank" for its drive energy.

The energy supply for the engine is also not carried around with the vehicle for street cars, trolleys, subways, and electrified train lines, since the drive energy can be supplied continuously via electrical conductors from overhead wires. That allows a significantly more rational operation, as can been seen, for example, from the fact that the German national railroad, the Bundesbahn, could reduce its energy use by one-half by electrifying its principal routes. With increasing travel velocities, this advantage becomes, however, a problem, since the current collector must exert great pressure on the live contact lines to maintain the contact. Tearing the contact line, as has already happened on the French high-speed train TGV, is not a harmless accident.

With the magnetic train, support, guiding, and drive are all completely frictionless. The load is simply lifted up 1 centimeter by magnets and guided along the track. Nothing rolls, nothing turns, and nothing rubs. Everything is provided by magnetic fields. Drive energy need be supplied to the vehicle neither from a fuel tank nor through supply lines or a current collector, since there is no motor in the driver's cabin of the magnetic train that would use such energy. The active part of the drive on the Transrapid is the rail. Transrapid needs no electric motor; it is driven along on the electromagnetic waves from the roadway by its support magnets, somewhat like a surfer on a surfboard, only, in distinction from natural water currents, electromagnetic waves can be controlled precisely down to the millimeter in order to allow the train to arrive at the right place at the right time.

Transrapid cars require only a minimum of protection for the passengers, namely, the cabin itself and its magnetic "mounting installation" to the roadway. As a result, the vehicle is light and gains in structural flexibility. Both the drive and the energy supply are present completely without contact. It is a revolution in the millennia-old history of transportation technology.

If magnetic levitation is such a brilliant solution, why wasn't it implemented long ago? After all, magnetism has been known since antiquity, and electromagnetic effects have

been exhaustively researched for at least 150 years. In fact, the idea of frictionless transport is nothing new. In the last century, it was proposed that vehicles move without friction on water cushions or with permanagnets. Another kind of frictionless transport has been achieved in air-cushion vehicles, which are used only in the military, and there only for specialized amphibious deployments. As a means of universal transportation, they are inappropriate.

What is the advantage of a magnetic train? Compare it to the air-cushion vehicle, which must not only produce the drive energy, but also, like an aircraft, must produce the additional support energy, or lift, which is provided to a vehicle with wheels "free of charge."

The crucial point with the Transrapid magnetic train is that the energy necessary for lift support is negligible. That sounds improbable, but it is easy to understand on closer examination. On the experimental track in Emsland, Germany, measurements showed that the electrical energy to produce levitation is only 110 kW, that is, 1 kW per ton of vehicle weight, and less than is used by Transrapid's airconditioning system. This low energy use is possible because the magnetic fields of Transrapid can be so precisely controlled that there is an air gap of only a few millimeters between the magnets of the track and those on the vehicle. As a result, the support magnetic fields can be kept small, and the leakage of magnetic fields in the cars is no greater than the terrestrial magnetic field, even though the vehicle is levitated by the fields. An individual using an electric hair dryer is exposed to a magnetic field 10 times greater than when traveling on Transrapid.

Overall, Transrapid, at speeds around 200 kilometers per hour (kmh), uses less energy than the ICE: First, the Transrapid, at 0.58 ton per seat, is very light in comparison with the ICE, at 1.11 tons per seat. Second, energy consumption at velocities over 200 kmh is primarily determined by aerodynamic resistance, and Transrapid also has the advantage here. Third, the rolling friction in wheel-on-rail systems such as ICE increases at higher speeds, whereas, with Transrapid, the resistance of the guide magnets and linear generators (that is, "magnetic rolling friction") decreases at speeds over approximately 150 kmh. Even a normal Intercity Express train at 160 kmh uses 40% more energy per passenger than the Transrapid. To see how that is possible, we must more closely consider the Transrapid's magnet system.

#### Magnetic levitation: How is it done?

There are two different magnetic train systems. The electromagnetic system (EMS), or attractive mag-lev, was employed in the Transrapid in Germany. In Japan, this system was researched, but research there has concentrated primarily on the electrodynamic system (EDS), or repulsive mag-lev, and testing has been done with the experimental vehicle MLU002. In the Federal Republic of Germany, a concept for electrodynamic levitation was developed in 1977. At that

time, Project Group Magnetic-Levitation Train, which was supported by the firms AEG, BBC, and Siemens, attempted to combine wheel-on-rail technology with the electrodynamic system. The concept was crushed by the wheel-on-rail lobby. When, in the same year, the development of the electrodynamic system was begun in Germany, Japan immediately embarked resolutely upon this development.

Electrodynamic levitation seems, at first glance, to be more promising. In repulsive mag-lev systems, strong magnetic fields are produced in superconducting magnetic spools installed in the vehicle. Aluminum guide plates are mounted along the roadway. When the vehicle travels over these guide plates, an eddy current is induced that works against the magnetic fields in the vehicle, in accord with Lenz's Law. Vehicle and roadway repel one another, and the vehicle levitates. Since the repulsive force is increased with increasing velocity of the vehicle, the electrodynamic system needs wheels for standing still and slow motion, thus, "taking off" and "landing."

For electromagnetic systems, the attractive force between an electromagnet and a ferromagnetic rail is employed. However, this requires the distance between the electromagnet and the rail to always be held constant by rapid control technology. Every second, Transrapid's control system determines thousands of times—that is, at 500 kmh, every 1.4 millimeter along the route—whether the support magnets are at precisely the right distance from the rail. The control electronics ensure that current in the support magnets is properly adjusted quickly. If the support magnet approaches the rail too closely, the current, and therefore the magnetic field, is reduced; if the support magnet moves too far from the rail, the current in the support magnet is increased, and the vehicle is more powerfully attracted to the rail. The rapid pace of technological development in high-performance transistors enabled Transrapid to be controlled far better than was originally assumed, and for that reason, very little support energy is needed.

The electrodynamic system can do without this control in principle, and it was originally assumed that it could be operated with far more energy efficiency than the electromagnetic system. In practice, however, it turns out that the eddy current losses in the electrodynamic system are greater than assumed. In addition, there is the energy expenditure for cooling the superconducting magnets; this will improve only through the use of high-performance magnets built on the principle of new developments in high-temperature superconductors. Third, it was possible through the unexpectedly rapid development of control technology to transform the disadvantage of necessary control with Transrapid into an advantage. This is even more true since, in the meantime, it turns out that electrodynamic systems cannot operate without active control, which is necessary to achieve the lateral load stability and pitch stability for passenger transport at speeds over 350 kmh.

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In any case, the "German" EMS today has a clear developmental head start on the "Japanese" EDS, but that should not lead to an undervaluation of the great developmental potential of the EDS, especially in connection with further happy surprises in the development of superconductors (see *EIR*, May 11, 1990, "Mag-lev Technology Could Rebuild U.S. Transportation," and May 18, 1990, "U.S. Could Leapfrog Europe, Japan, in Mag-lev Technology.").

The support system of Transrapid consists of a chain of support magnets that attract the rail from below. The vehicle completely surrounds the rail, which contributes to traffic safety since the magnet train cannot be derailed. Because the chain of magnets distributes the weight of the vehicle along the entire length of the car, only a technically advantageous load area has to be dealt with, and not a point load, with which rail-wheel systems load the roadway. How decisively this roadway-protecting construction can affect operational costs can be seen in the fact that the operational velocity of the Japanese Shinkansen was reduced from 280 kmh to 220 kmh, in order to keep repair times and costs within tolerable limits.

Guidance of the Transrapid is ensured by laterally mounted magnets. The drive system is integrated with these support and guidance magnets.

What drive system a magnetic train uses can be solved in two different ways, and the most promising of the two was chosen for Transrapid. To make that clear, it is best to consider the manner in which a normal electric motor functions. It consists of two components: a fixed magnetic field and a mobile magnetic field, which is pulled step-by-step along the stationary field, like a hamster on its exercise wheel. At first, the magnetic north pole of the mobile magnet is attracted to the south pole of the stationary field, and moves in that direction. When it reaches that point, the electromagnetic field of the mobile field is reversed, so that the stationary north pole is next to a repulsing north pole, and the next south pole of the mobile field can be attracted.

A linear motor functions in much the same way, as the name suggests, "linearly," and not in a circle. Our hamster runs around on a long, linear exercise ladder extending through the entire house. With linear drive systems, the decision can be made whether the active mobile field will be on the vehicle or on the roadway. For the hamster, the second solution seems paradoxical, since it would appear that many hamsters, one placed beside the other, would represent the active part of the route, and a short piece of linear ladder would be passed along beneath each, which gives it a few shoves with its feet as it comes by. Technically, however, the choice of the active roadway is very interesting, since it allows us to shift the drive out of the vehicle to the roadway.

With Transrapid, therefore, it is not necessary, as it is with the ICE, to install a drive motor in the vehicle, which has the advantage that drive energy does not have to be carried on board the vehicle. Current collectors such as the

## Robert H. Goddard's 'High-Speed Bet'

Our story begins in 1904. On Dec. 20 of that year, Robert H. Goddard—freshman physics student at Worcester Polytechnic Institute in Massachusetts and future great American rocket scientist and pioneer—read an essay before the freshman class, responding to the assigned English theme of Prof. Zelotes W. Coombs, "Traveling in 1950." Goddard's essay created considerable discussion and a good deal of skepticism. Enough interest was shown, however, to give Goddard the courage to present the idea in the form of a story, and send it in 1906 to prominent magazines, such as *Scientific American*. The editors, however, were fully as skeptical as some of the students, and "The High-Speed Bet"—as Goddard titled his story—did not find its way into print.

What method of travel did the young Goddard propose in his essay? He presented a scheme for Earth travel, addressing the three impediments to rapid surface transit:

- Friction between the rails—to be eliminated by raising the cars off the rails by electromagnetic repulsion roadbeds;
- Friction against the air—to be eliminated by propelling the cars through at least a partial vacuum;

ICE needs are thus no longer necessary. Ferromagnetic stator packets with three-phase mobile field windings are attached to the underside of the roadway as the drive component of the Transrapid. These mobile fields draw the magnets, which are in any case necessary for lift-support of the Transrapid, along the roadway. The Transrapid thus actually "surfs" with its support magnets on the alternating magnetic field generated in the roadway. Braking is also performed without contact, with the mobile field simply reversing in polarity, and, finally, the energy necessary for on-board systems can be drawn by induction from the mobile field. Everything fits together.

This construction concept is convincing. On the other hand, the speed records of wheel-rail systems on specially prepared tracks are about as convincing as the habit that aging U.S. Presidents have of jogging in public to prove their fitness. The magnetic train can travel at more than 500 kmh, and without any structural changes. The operational speed of the Transrapid was limited in previous plans to 500 kmh, because the sharply increasing energy costs made that kind of self-limitation seem sensible. Since the energy use of the magnetic train is clearly below that of an airplane, it can be

• The time of transit—to be reduced to a minimum by speeding the cars faster and faster up to the middle of the journey, and then reversing the power and slowing down until the destination has been reached.

The train Goddard projected for the year 1950 seemed fantastic to his engineering classmates. Cars were suspended inside a steel vacuum tube, floating and driven by the attraction and repulsion of electromagnets—what is now referred to as magnetic levitation.

At the time of Goddard's essay in 1904, no patents had been issued for mag-lev rapid transit schemes. In fact, it was not until April 2, 1910, that Emile Bachelet applied for a patent on the use of alternating-current electromagnets in a car for purposes of levitation, and of solenoids at intervals along a road-bed for purposes of propulsion.

In Goddard's scheme, the train's electromagnetic speed would be limited only by the force of acceleration on the passengers, who would be strapped securely in reclining and reversible seats—the idea he patented some 40 years later. At the outset, the train would accelerate rapidly, reaching maximum velocity of two times the average velocity at mid-journey, then would decelerate at the same rate as the initial acceleration for the last half of the journey. Some 200 miles between New York and Boston would be covered in 10 minutes, an average speed of 1,200 miles per hour. Goddard's mag-lev train was to compete against conventional trains "running at the frightful speed of 180 miles an hour, but with great waste

of energy and much danger. The people were not satisfied; greater speed and greater safety was their demand. Most insatiable were the rich and influential men."

According to biographer Milton Lehman, Goddard barely concealed himself in "The High-Speed Bet" as his hero, Maurice Sibley, who proposed the bet on a rainy afternoon in late November 1948 during an animated discussion at the Engineers' Club in New York. Sibley wagered \$1,000 that by 1958 he would build a rapid transit system which would permit travel from Boston to New York in 10 minutes. The bet was accepted by another engineer, Charles Adams, who was invited to ride on the maiden voyage of Sibley's rapid transit wonder. The train reached New York a full three seconds faster than the wagered 10 minutes.

Eventually, Scientific American paid Goddard \$5 for the use of his article based on "The High-Speed Bet," titled "On Future Rapid Transit," which the magazine converted into an unsigned editorial, "The Limit of Rapid Transit," for the Nov. 20, 1909 issue—four months before Bachelet applied for his patent.

-Robert D. Allen

Robert D. Allen, a mechanical engineer with experience in nuclear energy and aerospace development projects, contributed a fuller discussion on Goddard's maglev project to the Fall 1991 issue of 21st Century Science & Technology.

expected that it will be driven on some routes at more than 500 kmh. If we wanted to technically soup up the magnetic system, as is done with the wheel-rail system today, it could even be faster than air traffic, for example, by laying some of the track inside a vacuum tunnel.

### The development history of the magnetic train

Mag-lev technology is very new, and yet, as with every important development, there were brilliant anticipations of it long before (see box). For example, the Frenchman Emile Bachelet experimented in 1912 with a model of a levitation train that worked according to electromagnetic principles. The energy use was so great, however, that the project necessarily failed. The German engineer Hermann Klemper began to work with mag-lev technology in 1922, and demonstrated in 1935 that levitation must be achievable with economical power input, and on Aug. 11, 1934 received national patent No. 643316 for a "levitation train with wheel-less cars that travels by means of magnetic fields on iron guide tracks."

Then came the Second World War, and nothing happened then or afterward for quite some time. Only in 1969, after the success of the Japanese Shinkansen astonished the world, did the German Federal Transportation Ministry issue a contract for the HBS study, and research on rail-bound rapid transport was again picked up. In the same year, Krauss-Maffei presented the first basic model with magnetic support and guidance systems and with a linear motor, and in October 1972, the experimental vehicle Transrapid 02 was conceived on the basis of the electromagnetic system. At the MBB firm, a test magnetic sled was put into operation.

At that time, the electrodynamic system was also being researched in Germany. In 1973, AEG, BBC, and Siemens began work on Project Group Mag-Lev Train with the test vehicle EET 01 in Erlange. In the following year, Krauss-Maffei and MBB formed the Transrapid-EMS Corporation. In 1975, this corporation operated the magnetically supported and guided component test vehicle KOMET, which was accelerated on a short experimental track with a hot-water drive system. The vehicle attained even at that time a speed of 401.4 kmh. In the same year, the construction of Transrapid 04 could begin. This vehicle was a "purebred" magnetic train, and in 1977 set the world record of 253.2 kmh for a mag-lev train with linear motor carrying passengers.

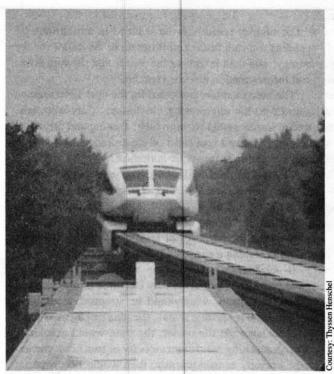
As already mentioned, in 1977, the development of electrodynamic (repulsive) levitation was halted in the Federal Republic, and in 1978, the firms participating in the development of the magnetic train formed the Magnetic Train Transrapid Consortium, in order to construct and operate the experimental facility at Lathen in Emsland. The construction of the 31 km-long track in the form of a figure eight, with approximately 10 km of straightaway in the middle section, was begun in 1979.

In the same year, the public at the Transportation Exposition in Hamburg was able to travel for the first time on a magnetic train. It was the 36 ton Transrapid 05 car, which carried more than 50,000 visitors over a 900 meter line. On this short route, a maximum velocity of 90 kmh was achieved.

The test vehicle Transrapid 06 served as the technical test for the entire system. In 1988 at Lathen, it achieved the record speed of 412.6 kmh on the 10 km straight track, at the end of which the vehicle had to be again braked down to 200 kmh, in order to safely take the oncoming curve. In so doing, it achieved an average acceleration of 0.51 m/sec<sup>2</sup>. Parallel to these drive tests, the entire vehicle was reconstructed and further developed into the Transrapid 07, which was able to demonstrate the operational maturity of the system in the following year. In December 1989, a speed of 435 kmh was reached. Small delays occurred for the program, when it turned out that, under permanent load, the screw coupling of the stator packet on the roadway had to be slightly altered. Through heat, cold, fog, and ice, the Transrapid has accumulated over 100,000 km in operational experience at its test track in Emsland over the years. Today, Transrapid stands ready for commercial use as a tested technology, and stressed ICE riders may be assured that even the toilets function.

In Japan, Japan Airlines (JAL) began the development of High-Speed Surface Transportation (HSST) in 1974, and in 1978 attained a speed of 307.8 kmh with the test vehicle HSST-01. In the same year, the drive tests began for the successor system, HSST-02, and from 1985-87, the HSST-03, a vehicle based on the earlier version, carried 1.4 million persons at three world expositions. At the Saitama Expo 1988, the HSST-04 ran, outfitted with 70 passenger seats, and in 1989, demonstration of the HSST-05 began on a route just over 500 meters in Yokohama.

Overall, however, the emphasis in Japan is on work on electrodynamic (repulsive) levitation. As early as December 1979, an unmanned experimental vehicle using this system attained a speed of 517 kmh. In 1980, technical testing of the manned experimental vehicle, the MLU 001, was begun on an approximately 7 km test track, and in 1987 it reached 400.8 kmh. The successor project, MLU 002, has so far reached only 354 kmh with an average acceleration of 2.24 m/sec<sup>2</sup>. It is to be supposed, and not merely as a result of that, that some unanticipated problems have appeared in the



Germany's magnetic levitation train, Transrapid.

development of the electrodynamic system that are connected with the stability of the vehicle. To improve the lateral wind stability of the vehicle, support magnets were installed, not directly under the vehicle, but rather to the side. That improved the lateral stability, but pitch stability, that is, the vertical component in vibration, became worse.

#### Transrapid wins on points

If we look at the history of rapid train systems development in Germany, we must admit that a fundamental error was made in the last decade. In the 1960s and 1970s, development was more or less dormant. Nothing proves that more clearly than the rapid increase of continentwide freight transport on highways. For this volume of transport, a modern rail system was technically necessary. The avalanche of trucks that today clogs the freeways is the result of national conceit, bureaucratic ossification, and the technological obsolescence of European railroads.

When, at the end of the 1960s, it was recognized in France that the national railway company SNCF was threatening to bring everything to an end, the creation of a new rail infrastructure was begun with the *train à vitesse* (TGV), at least for France, if not for Europe. Then people finally woke up in the Federal Republic. But no one thought in European terms. Instead of deciding that a good step had been made in France with the TGV, which should be adopted for the immediate future, in order to immediately concentrate on mag-lev trains as the next technological step, we Germans

made the mistake of developing our own "German" TGV—the Intercity Express. The ICE is certainly just as good as the TGV, perhaps a bit faster and a bit better. But, fundamentally, it is superfluous. Putting the same research dollars into the mag-lev trains would have been more useful to our national economy and to Europe as a whole. Well, the decisions were made, and the situation is as it is. But why don't we finally stop making unfavorable comparisons between Transrapid and the ICE, merely to justify the wrong decisions made in the past? We should be happy that we have Transrapid, should seek partners and aggressively exploit this opportunity. With the daunting economic and transportation tasks that stand before us, neither of the two systems will come up short.

Transrapid is so flexible that it can be integrated into existing railway stations, as well as be connected to airports, most of which are outside cities. In a time when we vociferously attempt to keep auto traffic outside of city centers with "park and ride" lots, artificial limitation of parking spaces, and subsidies to local mass transit, the construction of new mag-lev train stations on the edge of cities will be a positive step for municipal planning. From the standpoint of traffic safety, rational use of energy, and environmental soundness, Transrapid would be an excellent replacement for domestic German air traffic. Why have screaming jets climb to an altitude of 3,000 meters, adding much stink, simply to immediately begin landing, when we can "fly" with the Transrapid at an altitude of zero from Frankfurt to Berlin and achieve the same end just as quickly? And riders can also enjoy the lovely landscape on a trip on the Transrapid, since its flexible roadway configuration makes unnecessary the many tunnels through which the ICE must travel.

In addition, we can foresee that Transrapid will be able to run at least as economically as the ICE. Transrapid will balance its somewhat higher investment costs through lower operational costs. But even the investment cost advantage of ICE is negligible. An investigation by the national Ministry for Technology determined, for example, that, for a 200 km model track through Germany's typical, low mountain ranges, the investment costs for ICE are DM 4.9 billion (\$2.88 billion) and DM 5.4 billion (\$3.17 billion) for Transrapid. That is only 10% more. Considering the total of operating management and capital costs, the Transrapid is more advantageous for this model route. The ICE, with a cost of 7.95 pfennigs per passenger-kilometer, cannot match Transrapid, which is clearly ahead with 7.40 pfennigs. Comparing energy usage in terms of kilowatt-hours, at a speed of 200 kmh, the ICE needs somewhat more than 0.1 kWh per passengerkilometer; the Transrapid, at 0.08 kWh, is 20% less. The difference is even more striking at 300 kmh. The ICE, at 0.19 kWh, is almost twice the Transrapid, at 0.12; and even at 400 kmh, the Transrapid at 0.15 kWh clearly uses less energy than the ICE at 300.

Finally, Transrapid, with its more flexible routing capa-

bilities and its elevated type of construction, offers a unique advantage in the dense traffic spaces of Europe. The area needed for the route is only half as much as for the ICE on the model route in low mountains, and the amount of earth that has to be moved during construction is only one-fourth as much. Transrapid will go easily through the landscape—a further example of how modern, advanced technology is more environmentally friendly than old technology. Cows can safely graze underneath Transrapid's elevated roadway or, in cities, automobiles and streetcars could drive underneath without crossings.

All attempts to compare the ICE favorably with Transrapid are destined to fail. For example, the technical journal ETR reported in December 1989 that the ICE "narrowly missed its desired transit time" on the Cologne-Frankfurt route. The intention had been to make that route, including a stop in Bonn, in exactly one hour. Since the ICE has a peak speed of 250 kmh, that transit time should be possible theoretically. In practice, it didn't manage to do it because it cannot achieve that speed going up mountainous inclines. Giving the ICE more power by adding a second locomotive would be too expensive. ETR made the brilliant proposal to achieve the desired travel time by adding magnets to the ICE and building linear motors into stretches of incline and acceleration, with which the ICE will have more thrust. This mixture of the ICE and the mag-lev train is a good idea, second to Transrapid.

#### Europe will grow together

The calculations of the Federal Ministry of Transportation are only momentary snapshots that regard the economic potential of the mag-lev train from a limited point of view. These "economic calculations" are gladly used by politicians to lend "scientific" support to their decisions. The reality is that these calculations will soon be outdated, once construction of the mag-lev train begins. Infrastructure measures, such as the introduction of the revolutionary mag-lev train technology, effect a topological transformation of the entire national economy that changes the coefficients of the price matrix entered into the cost-benefit analysis.

Above all, the mag-lev train, and not the airplane or the ICE, will allow Europe to grow together. By the beginning of the new millennium, magnetic routes will connect the center of Europe and handle high-volume transportation at speeds of 500 kmh or higher. Business people will leave Paris at 9 a.m. and arrive in Berlin at 12 noon; perhaps they will go on to St. Petersburg, where they will arrive on the mag-lev train at 2:15.

Furthermore, the construction of a mag-lev train network would be a quite decisive indication for the new federal states of Germany, that we can establish the foundation of a development that will allow eastern and western Europe to grow together. Transrapid is a technological, political, and economic opportunity for German and Europe; if we are clever enough, we will immediately seize that opportunity.

### **EIRFeature**

# A prosperous, free Croatia: a boon for the world

by Umberto Pascali

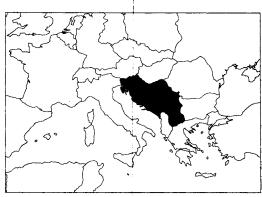
As we write on Oct. 23, the latest furious assault of the Yugoslav Federal Army against Croatia has failed, at least militarily. The leadership of the Army, which is carrying out the dreams of the leaders of one of the six constituent republics to carve a "Greater Serbia" out of the remains of the former Yugoslavian federation, had planned to break through in the eastern region of Slavonia around the city of Vukovar and in the extreme southern strip of the Dalmatian coast, around the ancient splendid city of Dubrovnik. The two cities, attacked with an unprecedented ferocity and defended with incomparably less-sophisticated weapons, are still free. "The Army is approaching a stage of desperation, rage, and humiliation," says an eyewitness who just visited the place.

Of course, this does not mean that the fury of the Army against the civilian population has abated. Quite the contrary: "The strategy of terror that characterized the behavior of the Army from the moment Croatia voted for independence is escalating. The Army propagandizes the bloodiest details of its crimes against civilians. It is a way to break the resistance of the population." Days ago, some 10,000 inhabitants of the city of Ilok in Slavonia were chased from their homes by such terrorist methods. Vukovar's resistance is called "miraculous" by military experts. The city's inhabitants are so weakened by the siege and the continuous bombings, and the lack of food and water, that it is impossible to find people who can give blood for transfusions. Still the city refuses to surrender.

The same situation holds in Dubrovnik. The Army is escalating its chauvinistic propaganda and appeals to "Yugoslav" patriotism, but finds it harder and harder to recruit. Youth, even in Serbia, are hiding *en masse* in order to avoid the horrors of the front. The number of deserters increases dramatically each day. Even high-ranking officers are refusing to be part of this war. Former Chief of the Air Force Gen. Anton Tuss refused to wage "war against the people" and attacked Serbian President Slobodan Milosevic personally. Tuss is now fighting on the Croatian side.



### Six republics of the former Yugoslavia



Serbia, under the leadership of the communist Slobodan Milosevic and with a green light from the U.S. State Department, is trying to carve a "Greater Serbia" out of the remains of the former Yugoslavian federation. Above, Yugoslavia's strategic position on the European map.

The Army has also carefully avoided publishing its losses, but, according to independent estimates, the casualties may mount to 30,000, while one-third of the tanks and armored vehicles have been destroyed, blockaded in the barracks, or captured by Croatian forces. "The ones who remained in the army are the extreme ideologues and the lumperproletarians, maybe from Montenegro. It is an explosive mixture of fanaticism. And their rage explodes against the civilians," a European observer told EIR. The Army and the Chetniks (Serbian irregulars) have not given up on their project to repopulate with "pure" Serbians the Croatian areas from which the inhabitants have been expelled. They occupy one-third of the country, but time is not on their side. Traditionally, the Yugoslav Army was trained for guerrilla warfare, i.e., for a projected situation in which a foreign army invades, and the military fights with the support of the people. But now the military is the invader and the people are the enemy! Moreover, a new Croatian Army is emerging from this war. "An Army trained in a war of independence changes the geopolitical situation in Europe," the U.S. correspondent of the Zagreb daily Viesnik told EIR.

On Oct. 12, while surrounded by the international press on the flight to Brazil, Pope John Paul II said: "I expected a question on the Yugoslavian situation." This incident dramatizes the paradox of this war raging in the heart of Europe. Those determined to prevent the independence of Croatia have done a very good job in preventing the media from reporting what is happening. "The problem is the Masonry,

in the East and in the West. They do not want the independence of Croatia and Slovenia. It would really change the situation in Europe," stresses a source at Vatican Radio.

Still, many Croatians are pointing their accusing finger at the speech U.S. Secretary of State James Baker gave in Belgrade calling for a "unified" Yugoslavia after Slovenia and Croatia had voted overwhelmingly for independence. It was then that the Federal Army decided to attack. "If you are a diplomat and you claim you respect the will of the people, you must accept that will," says Mladen Simunic, commercial representative in New York of one of the largest Croatian companies. Simunic is an example of the optimism and confidence in the new Croatia. "Despite all the horrors, the war is not going to last forever. What we are trying to do is to prepare Croatia for the postwar period. We want people to know that we are alive and kicking and getting ready for tomorrow. Give us five years of peace and we will show the world what we can do. We intend to realize all our development potentials." Simunic emphasizes that the development of Croatia and Slovenia will also possibly influence development of Serbia and the former Yugoslavian republics. The whole process can take place in a relatively short time in the context of the European "Productive Triangle" proposed by Lyndon LaRouche. "We have two armies in Croatia," Simunic says. "The first fights with the gun, the second fights with pen and paper in the economic field. . . . We want to create a democratic, prosperous Croatia. . . . Our model will necessarily influence the others." Indeed, a free, prosperous Croatia will be a boon for the whole world.

## Dubrovnik siege: 'A genocidal project'

The Milan daily Avvenire's special correspondent Maurizio Blondet filed the following story from Curzola. It was published by the paper on Oct. 15. Below is EIR's translation:

There is a ham radio operator who calls from Dubrovnik, under siege for two weeks. He says there is no water in the city, there is beginning to be a shortage of food. He says that many children and old people are suffering already from dysentery. He says he will soon have to stop transmitting his SOS because his electrical batteries are being used up and there is no more fuel or energy.

He passes me to Ivo Jelic, a Croatian deputy who speaks Italian: "It is not the Serbian people which is committing this aggression on us, it is the criminals of the Army. Many Serbs live in Dubrovnik, and they have implored the Army not to fire on the city. But they have bombarded us, they have killed Serbs and Croats alike. They killed Milan Milisic, a poet here, a Serbian, a beloved anti-communist dissident. They destroyed the house of the head of the Serbian Democratic Party. And now they have reduced us to hunger and thirst. I myself drink half a glass of water a day, to leave enough for my three children. They want to starve us to death. Why? Maybe because they want to take over Dubrovnik to make it the port of Greater Serbia: It's the port closest to their ally, Montenegro. But Dubrovnik has always been Catholic, that is, Croatian: Within its walls there are 48 Catholic churches and only two Orthodox ones. Europe should say to the Army: Stop it, or we will attack you. These are people who only understand the language of force. Help us."

We are listening to his voice growing weaker from the ship Liburnija, anchored in the port of Curzola. Dubrovnik is just a few tens of miles from here, but it is unreachable. The ferry Marina, which we were told was departing for the city, will not accept passengers. Not even the married couple who traveled with us from Fiume, who live in Dubrovnik and want to join the two children they left in the besieged city—much less journalists. "No point in insisting," says Captain Maresevic of the Marina. "Last night we left with passengers, among them several journalists and foreigners. Two warships stopped us in sight of the port. They took two of our sailors hostage. And then at two o'clock in the morning they forced us to turn around. They told me point blank, 'We want no journalists.'"

Not even an official ship from the Republic of Bosnia was allowed to pass to recover 400 Bosnian children who were there in a summer camp. Two English journalists tried

### **SOS** from Vukovar

Vukovar is a strategically located town on the Danube River border between the communist-ruled Serbian republic and Croatia's ethnically mixed eastern region of Slavonia. It was put under siege by the Greater Serbian Army after Croatian fighters, estimated at about 4,000, refused to lift a blockade of the local federal military base.

A convoy of the French organization Doctors Without Borders succeeded on Oct. 20 in evacuating 114 trapped patients. The item was reluctantly covered by the media.

EIR learned the following terrible details from a person who was part of the convoy. While people were dying there, the Army imposed conditions on the convoy: No medicine nor hygienic equipment was allowed into Vukovar; absolutely no women, children, nor hospital staff could be evacuated. One hundred and sixty patients had to be left behind in the Vukovar hospital, which lacks medicine and plasma for transfusion—the hungry, thirsty, ill inhabitants of Vukovar are in no condition to give blood. One doctor fainted when he saw the condition of the wounded. Yet none of this is reported.

The following statement from Vukovar was received in German at *EIR*'s bureau in Wiesbaden:

"Today Oct. 17, 1991, is the 55th day that the inhabitants of Vukovar (currently 15,000, of whom more than 2,000 are children; before the war there were 80,000 in habitants) have lived without water, electricity, and telephones. For ten days there were not even candles, and we lived in total darkness. Every day more than

to get there by land, on the dangerous coastal highway. They were caught by a machine gun-toting soldier and forced to abandon their car in no man's land. For two weeks, not one car, not one liter of water, not one scrap of bread, has arrived in Dubrovnik, which is teeming with 10,000 refugees from neighboring countries. The most beautiful city of Dalmatia is dying.

An evil, genocidal project must be in the heads of the Yugoslavian generals: Perhaps they want to have death empty the city, to repopulate it with Serbs. Day by day, hour by hour, it is expected that they will lift the land and naval blockade, as they promised, but instead, the blockade is continuing. Above all, they keep out journalists. "They don't want the world to know the truth," a woman tells me.

But does the world want to know? To get here to the island of Curzola, almost in view of the besieged city, I made a long trip by sea, listening to Italian radio from the border coast. I heard many commercials, many reports on the bad

2,000 rockets, mortars, and artillery strike the city, which is bombarded from the air and besieged by tanks.

"David and Goliath—that's how everyone defines the struggle of the defenders of Vukovar against the Serbian aggressor. Food is coming to an end, there are no more medical supplies. Medicines are lacking above all for wounded and sick civilians, who are holed up in the cellars.

"Vukovar itself is living in cellars. The city is totally destroyed. There are no more supplies, and there is no possibility of leaving. The convoy with food relief and medicine did not get through.

"The nearly 2,500 defenders are completely completely exhausted and underfed. The last stocks are divided up—one can among several guardsmen.

"The defense of Vukovar is amazing; it borders on a miracle. Already several times the Serbian side has reported Vukovar has fallen, but 'the city stands,' goes the refrain of a song about Vukovar, which originated in the last few days.

"Vukovar knows, the defenders and inhabitants of Vukovar know, that the city has become a legend. And they will never give up.

"How miraculously the rubble puts up resistance. The blackened walls fight doggedly on, the buried cellars throw the aggressors back.

"If Vukovar falls, Croatia falls, but above all, Europe will fall.

"On Thursday, Oct. 10, it seemed to have gone that far. The aggressor announced victory. But once again Vukovar could say: 'Still here!' How much longer?"

weather, and a lot of chit-chat. Not a word on the "Dalmatian Florence," which is dying. Nothing on the monstrous warlords who are annihilating a defenseless people only 120 kilometers from [the Italian port of] Ancona. I left Fiume under a torrential rain, and while the ship was leaving the port, I saw a hill behind the city blow up: 50-meter-high flames, there was a concert of explosions, and the forest caught fire. I later learned from Croatian radio that the generals had ordered the big Katarna barracks to be blown up, because they feared it might fall into Croatian hands. Later, they started talking about a lightning strike.

Meanwhile, beings who appear to be invaders from another world, inhuman and brutal, are destroying the coast, woodland by woodland, city by city. Their actions show that the Slovenes and Croats are right: How can they go on living together with such creatures? But Europe will catch on when it is too late. Perhaps when Dubrovnik, the ancient, has become a charnel house.

### Croatian Information Minister

## Is U.S. playing at divide and conquer?

"The international community has strongly criticized Serbia for aggression, but in terms of real politics, it has, in fact, helped the aggressor," Croatian Information Minister Branko Salaj charged in Frankfurt, Germany during an Oct. 10 press conference. "This weapons embargo against Yugoslavia only hurts the Croats, while, on the ground, it gives strong support to the aggressor, telling him he should go on. The political declarations of support for Croatia are for the galleries, but it is the real politics that counts." Salaj said that the policies of most governments in Europe, including those like Germany and Austria which have been verbally pro-Croatian, are far behind their own people. "Even in Britain, which has the most pro-Serbian government in Europe, the mood among the population, or among British journalists I meet, is different."

Branko Salaj was asked by EIR whether he agreed that the Bush administration, in order to build its "new world order," would want to keep the Serbs and Croats at each others' throats for as long as possible, as a way to ultimately undermine continental Europe. He answered: "There's something in what you're saying. But it is a risky business to undercut Europe. It would lead to many difficulties in the years ahead; it could lead to a confrontationist attitude. Of course, there are understandable apprehensions in Europe, given American behavior after the invasion of Kuwait, when American ambassadors went to European capitals not only asking for, but demanding contributions, in cash, for the Gulf war. But in the long run, American policy, the policy of that new world order, would probably be less of direct confrontation and more of a chef d'orchestre, assigning the various roles to play to the various players as an orchestra conductor does. It would be a kind of divide-andrule diplomacy toward Europe, playing different countries off against each other."

EIR's reporter asked the minister whether he would agree with the comparison of Serbian dictator Slobodan Milosevic to Cambodia's Pol Pot. "We are pretty much of the same opinion," he said. "They are destroying not only our people but our identity, our culture, our religion. Look at the huge attacks on our churches, for example. These are attacks we have not seen before in any war in Europe. Our prime minister said in his recent speech that Hitler and Mussolini didn't inflict the kind of damage of these objects, that the Serbians have in this dirty war. They are destroying not only our heritage, but our dignity. Why else systematic attacks on ambulances, on vehicles marked with Red Cross markings?"

## 'J'Accuse': A Croatian leader denounces American hypocrisy

by Srecko Felix Korpar

The author graduated from the University of Zagreb with a degree in economics. Mr. Korpar is a journalist and has been in political exile for five years, the last two in the United States. He is the president of the Croatian Cultural Club in Olympia, Washington; an executive member of the Croatian-American Alliance for Democracy; and a member of the Croatian Movement for Statehood.

The last decade of this millennium is in flux. Living in it, mankind is witnessing dramatic historical events: The Soviet Empire vanishes; oil spills in all the world's seas and oceans; the Spotted Owl is saved; the U.S.A. liberated Kuwait from foreign occupation and re-established its "democratic" feudalism; western ladies are concerned with Raisa's health; dictator Saddam Hussein is still in power; the world community recognizes independence of the Baltic republics (the "leading" world's democracy was country No. 37); the Lion of Russia—B. Yeltsin—participates in a mourning ceremony for the three (!) victims of the Soviet democratic revolution; George Bush addresses the United Nations with a brilliant speech, which says nothing; the U.S. Senate takes its role in the "Clarence Thomas Soap Opera"; O tempora! O mores!

Meanwhile, Croatians and Croatia are silently dying. In the heart of Europe one of the oldest nations of that continent is being subjected to a genocidal war of conquest, more inhumane than Hitler's. The number of deaths is approaching 2,000. Over 200,000 Croatians are refugees in their own country. Old Croatian towns, jewels of European and world culture, such as Sibenik, Split, Zadar, and above all Dubrovnik, are targets of frantic Serbian terrorists and the ex-Yugoslav, now Serbian, Army. The cultural monuments which survived invasions of Huns, Tartars, Turks, and Germans are now in ruins. The brave old nation of the Croatians, which defended western Europe for centuries by stopping the Turks in its territories, seeks help. Instead, insensible European and American politicians, deeply entrenched in their narrow, greedy interests, are blessing cruel neo-communists and Greater Serbian neo-Nazis, and encourage genocidal war against Croatia, betraying the holiest principles of Christianity, democracy, and freedom. The judgment of history will punish and name them "the modern Shylocks," as they are.

We Croatians can only ask ourselves why the world so passively and indifferently watches the newest tragedy to our nation. Where is the answer? In history? Croatian history was usually tragic, but always honorable.

Croatians settled their homeland in the first centuries of the Christian era, but a major wave of Croatians came in the seventh century. They settled all the lands bounded by the River Socha on the west, the River Drina on the east, the River Drava on the north, and the Adriatic Sea on the south. It was a final destination of an ancient nation of Aryan stock, who were mentioned in Sanskrit and Zarathustra's Avesta in 2000 B.C. From the ancient Harahvaiti in northeastern Persia, the Black Sea's Tanais and White (or Great) Croatia in northeastern Europe, where they mixed with Slavs and Slavicized, Croatians came to their homeland as a completely formed nation.

They became one of the first baptized (under western ritual) nations of Europe, and the eastern Croatian border (the River Drina) became the historical marker between western and eastern civilization. Even though the country was ruled by a king, all major decisions had to be approved by the Parliament. So, it can be said that Croatians have one of the oldest parliamentary traditions in the world. As a western nation, Croatia went through all the cultural processes in Europe, and innumerable monuments, written documents, great artists, and scientists witness that.

Political tragedy for Croatia started in the fifteenth century, when the powerful Ottoman Empire occupied over 50% of the Croatian territories, and the rest of the nation became the front-line border of Christianity—a military zone of the western world. At that time, the Kingdom of Croatia entered the Austro-Hungarian Empire and remained a federal state until 1918.

After World War I, Croatia was an independent state for about a month, when members of the "Yugoslavian Committee" proclaimed, without parliamentary approval, unification with Slovenia and Serbia. The Kingdom of Serbians, Croats, and Slovenes was born, and the greatest tragedy for Croatians began. Primitive Serbians, who had spent almost 500 years under Turkish occupation and who had missed all cultural

and political events for centuries, started World War I to realize their raw imperialistic concept of "Greater Serbia"—a country formed from Serbia and all the neighboring countries, where Serbians should be the sovereign rulers and all the others just the slaves. In the spirit of such a political concept, they ruled that kingdom as their colony from the beginning until the last day of its existence. Croatian and Slovenian goods were plundered, the economy destroyed, and over 80,000 Croatians died as direct victims of the Serbian dictatorship. Independent movements in Croatia and other oppressed parts of Yugoslavia grew stronger, and finally they destroyed that odious kingdom in 1941.

Unfortunately it was the time of the Second World War and Germany had full control over Europe. Slovenia became a German protectorate, Croatians established the Independent State of Croatia which was under German control (like almost all European countries, including France), and Serbia, as the only country from the former Yugoslavia, formed its Nazi Party—ruled by Milan Nedic—and was a Nazi puppet state. It is an interesting detail that the Serbian capital, Belgrade, was proclaimed the first European city "free of Jews." Only 200 out of 25,000 Belgrade Jews survived World War II.

For Croatians, that war was a cruel civil war, where three factions were fighting among each other. Serbian royalist bands, known as Chetniks, were fighting on the Croatian territory against Croatians, to reestablish Yugoslavia as Greater Serbia and to destroy as many Catholic and Muslim lives as possible. Their bestial crimes are still remembered, especially in eastern Bosnia. Tito's partisans, controlled by Moscow, were fighting against Chetniks and Ustashi to reestablish Yugoslavia as a Bolshevik country. Civilians were killed by all of them. When Churchill decided to support Tito and his partisans, who were useful against Germany, that faction was chosen to be the postwar ruler, and a second Yugoslavia was born. Interestingly, over 50% of Tito's soldiers were Croatians who believed that they were fighting against Nazism and for western democracy. But they all were wrong.

The second Yugoslavia was a communist dictatorship, ruled by Tito and Serbian generals who took power in the postwar Yugoslav army. In that severe war over 1 million Croatians died (about 400,000 were massacred at the Austrian border when Britain purposely returned 150,000 Croatian soldiers and over 200,000 civilians to Tito's murder squads a week after the war was over).

Croatians were betrayed again. Freedom was lost and the Serbians who infiltrated the Communist Party started plundering Croatia once more. Hundreds of thousands of Croatians left their homeland, hundreds of thousands became political prisoners, thousands were killed as "state enemies." Rich Croatia was a Serbian colony once again.

After Tito's death, and the complete collapse of the Yugoslav economy, destroyed by Serbo-communist greediness

### Croatia's political benchmarks

A.D. 879	Croatia is first recognized to be a sovereign state. 1776: Croatian republic of Dubrovnik becomes the second country to recognize U.S. independence. 1918: Austro-Hungarian Empire breaks apart and Croatia is forced to join the Kingdom of Serbs, Croats, and Slovenes. This union was never ratified by the Croatian Parliament.
1945	Communists form the Socialist Federal Republic of Yugoslavia and outlaw all competing political parties. The S.F.R.Y.'s capital is located in the Serbian city of Belgrade.
1990 April 30	Free elections held in Croatia for the first time since World War II. Eight political parties competed in elections certified by international observer teams.
May 19	Referendum held allowing the Croatian people to endorse the new government's program of independence. Referendum passes with 94% of the ballots cast (80% of electorate eligible votes in election).
1991 June 25	Croatian Declaration of Independence.
July 7	Croatia agrees to a three-month moratorium on its independence.
July 30	First accounts of Federal Army MiG jets destroying civilian targets such as hospitals and schools.
Aug. 1	First accounts of heavy losses of Croatian police to Army tanks.
Sept. 16	Zagreb, Croatia's capital, comes under attack for the first time in its 900-year history.
Oct. 7	Croatian Parliament ratifies the May referendum despite threats from Federal Army.



One of Croatia's cultural treasures, a medieval church and cloister in Dubrovnik. In an interview with an Italian magazine in September, Franjo Kuharic, the cardinal of Zagreb, said that some 70 churches had been severely damaged, some of them almost totally destroyed. "This is a premeditated action," he charged. By Oct. 24, Dubrovnik itself was being shelled.

and mismanagement, Serbian communists and ultra-nationalist intellectuals, supported by the Army, decided to play with open cards. They publicly proclaimed their old goal: establishment of the "Greater Serbia" of Croatian, Bosnian, Albanian, Montenegrin, and Macedonian territories, and abolishing all rights in non-Serbian nations.

After the first democratic elections in Slovenia, Croatia, Bosnia and Hercegovina, and Macedonia last year, when all these nations decided to adopt a free market economy, western democracy, and overwhelmingly voted for independence, Serbia decided to start the war. This is probably the last war of conquest in Europe, but certainly the most inhuman in the modern history of mankind.

Chetniks are butchering civilians again. The Army is destroying everything, even cultural monuments, hospitals, kindergartens, schools, and old people's homes. There is no honor in the war. It is a genocidal war against Croatia.

I believe that we Croatians have a holy right to happiness, peace, justice, and freedom in this world. That is the reason why I blame you Americans, "the leaders of the free world," ambiguous western European leaders (especially the British), and invertebrates from the United Nations, for each tear of our children, for each drop of spilled Croatian blood, for each destroyed house or cultural monument in Croatia. You took the right to lead the world, but you are purposely "forgetting" that the main part of right is responsibility. So, if you lead the world, you are responsible and have no right to be

indifferent. You have no right to play the supreme creatures and preach all over the world about freedom, peace, and democracy, using these holy words as synonyms for profit, interest, and hypocrisy.

As worshippers of liberty, humanism, and justice, we are ashamed of your behavior and ruthlessness. We still can't believe that the deputy secretary of state, a man who is in charge of the American stand in the crisis, can be a person who has strong mutual business interests with the old Yugoslav communist regime and personal business involvement in Serbia (Jack Anderson, *The Washington Post*, Nov. 12, 1989; Pat Buchanan, *Richmond Times-Dispatch*, June 29, 1991; *The Seattle Post-Intelligencer*, Sept. 25, 1991).

His colleague from "Kissinger Associates," Lord Carrington, is the chairman of the European Peace Conference on Yugoslavia. Are the financial interests, or American-Japanese-European economic and strategic policies more important than democracy and justice, or the destiny of one nation?

Somebody said that all the politics of the world are not worth a single child's tear. While writing this text, I am hearing of the newest destruction in Croatia. Hundreds more people in my country are dying, and I am crying. I am not ashamed of feelings. I am ashamed of you and in the name of love, God, and justice, I accuse you of betraying the essential principles of democracy, liberty, and humanity. I accuse you, and proclaim the trust in you—dead.

## Vatican wonders: Is the Masonry meddling?

by Leonardo Servadio

Ever since the Berlin Wall fell, the old conflict between the Freemasonry and the Catholic Church has reemerged in force. The Italian magazine Famiglia Cristiana, in its Oct. 2 edition, in writing about the Balkan crisis posed the problem: Who doesn't want peace? The answer was: the Masonry. According to the Catholic weekly, a "crisis unit" was set up in the Vatican to follow events in Yugoslavia and thereabouts, and much attention has been paid to the fact that "five of the seven socialist foreign ministers in the European Community are Masons" and that the "highly active liberal-masonic lobbies in eastern Europe" do not like the idea of predominantly Catholic regions like Slovenia and Croatia becoming sovereign states.

According to Famiglia Cristiana, it is thought in the Vatican that there is a masonic strategy which "intends to keep the Catholics minorities by maintaining the current European setup, even at the cost of bloody clashes." Such a strategy would consist of 1) attracting ex-communists into the Socialist International, while financing a myriad of lay movements to hinder the parties of Christian inspiration; 2) buying most of the press organs: for example, in Yugoslavia all the press close to the Serbian leader Milosevic are already in masonic hands; 3) claiming credit for the fall of the Berlin Wall, which is presented as a new "French Revolution." Famiglia Cristiana mentions last year's visit to Prague by the French Masonry's envoy, Jean-Robert Reagache, one week before Pope John Paul II went there: Reagache said he was worried about the capillary action which the Catholic Church was carrying out, and showed his interest in countering that influence.

Among the masonic-tied European Community (EC) foreign ministers is Italy's Gianni De Michelis. According to the Slovene newspaper *Delon* of June 26, 1990, De Michelis "informed his Yugoslavian interlocutors of the possibility of greater foreign capital investments if there is an early restoration of the Masonry." Also, De Michelis, in an interview with the weekly *Sabato* which came out on Sept. 26, said of the Holy See's policy toward Slovenia and Croatia: "I understand that there is interest in safeguarding a large Catholic community. But what point is there in reopening a war of religion? There are 9 million Serbs who will remain. What is the point of provoking feelings of hostility in the

Orthodox Serbs toward the Croatian Catholics?"

This statement, despite later denials and clarifications from the foreign minister, was understood universally as an attack on the Pope's stance in defense of the Croatian populations attacked by Serbian troops. Of course, it is De Michelis who has cynically refused to challenge the Serbian communist dictator Slobodan Milosevic during the EC's "negotiations" on the crisis, saying the Balkans are "not worth fighting for."

The Church-Masonry conflict must not be seen as a mere competition for influence over ex-communist lands, nor can it be interpreted by the logic of petty politics, although it is reflected at that level: Witness such efforts as Bettino Craxi's Italian Socialist Party courting its old rivals, the Social Democrats, as allies to squeeze Christian influence out of Italian politics.

#### The question of values

The nub of the problem was stated by Cardinal Roger Etchegaray in his keynote to the colloquium "A Hundred Years of Social Movements: 1891-1991" at the Moscow Academy of Labor. Etchegaray stressed that there can be no justice without freedom, without solidarity, and without mercy, and that the role of the Catholic Church in promoting these values is "unrenounceable." "It is easier to be slaves than masters," he said, in an obvious criticism of the radical "free market" policies now being promoted in the East both in the economic and social-moral fields, "and thus, new ideologies and new idols are worshiped in the place of those just burned." Getting even more explicit, the cardinal said, "The spectacle which the free countries offer to those becoming free makes Dostoevsky's word come true, that man considers freedom a burden to be shed. . . . At bottom," he continued, "we have the freedom which we are able to assume. Freedom is not given from the outside, by a series of liberalizations."

On labor, he added, "Where is labor going today, with its funeral cortège of more and more jobless?" This is "the great enigma at the dawn of the twenty-first century, which will find an answer when labor wins freedom from commercial enterprise and manifests its true significance." Human labor cannot be a function of the state, but neither can it be the function of a certain business's success in the market. It must rather be restored to its own function of promoting human life: Clearly, without labor and without technology it is unthinkable that billions of people could live on earth.

The meaning of labor is not that of the utopian robot-man idealized by both masonic and communist ideology, who is not the slave of technology as the ecologists and existentialists rave, but the slave of himself—of his incapacity to identify his transcendent dignity, and to understand that freedom does not mean the crushing of the individual by society but the freeing of the individual through socially meaningful work, which is made humanly acceptable thanks to technological progress.

### **FIRInternational**

### IMF seeks to jail García, rub Peru off map

by Gretchen Small and Luis Vásquez

The one head of state who dared challenge the International Monetary Fund's (IMF) global dictatorship head-on in the 1980s, Peru's former President Alan García, now faces trial on trumped-up corruption charges fabricated at the highest levels of Anglo-American finance. On Oct. 19, the Peruvian Senate voted 38-17 to lift the parliamentary immunity attending the former President's status as senator-for-life, thereby clearing the way for García to be brought to trial.

On Oct. 16, García told the media that the witchhunt against him has its origin "in my having nationalized the banks, in not paying the foreign debt, in not submitting to the International Monetary Fund. This is what Peru's powerful want me to pay for." In a nearly three-hour, nationally televised address before the Peruvian Senate two days later, García denounced his victimization at the hands of vengeful international creditor banks seeking to make an example of him for his defiance of their usury in 1985. He declared that he had not come to defend himself to the Senate, but rather "out of consideration and a fundamental respect for the millions of Peruvians" who voted for him in 1985:

"For the first time in the history of the Republic, a head of state has been brought to trial. . . . The average Peruvian . . . knows that behind the rancor and this systematic obsession there is something other than a search for the truth. . . .

"It is an open secret that this personalized and hateful persecution began on Sept. 12, 1987. . . . Forty-four days earlier, on July 28, 1987, we had democratically proposed to the Congress, for its discussion, a draft law nationalizing the banks. . . .

"That's where the witchhunt began, the systematic persecution . . . for having offended great interests . . . for having

told the international banks that we have no reason to pay their appetites, without first satisfying the right to life of our people. . . . They want to punish me, not for what I did or what I was, but for what we might do in the future. . . . What we have here is fear and only that."

García also told the Senate that his was the only case in which the U.S. Treasury Department had ever offered to lift its banking secrecy regulations, with the result that a perfectly legal 1983 Florida account in his wife's name—for the grand sum of \$10,000—was "exposed."

#### Why the banks hate Alan García

The IMF has never forgiven García for the first two decisions he made on becoming President on July 28, 1985: 1) to limit payments on Peru's foreign debt to 10% of its export earnings, and use the rest to feed Peruvians; 2) to send the police and Army against narcotics laboratories in Peru's jungles, which no one had dared to touch for years. When the IMF demanded García meet all of Peru's debt payments no matter the cost in human lives, he shut down its Lima office.

For two years, García held out against the IMF and the banks, despite intense isolation on the Ibero-American continent and elsewhere, and feroclous economic warfare run by Peru's creditor banks. The result? García gave Peru its first real economic growth in decades.

His fatal mistake came in 1987 when, losing all hope of spurring other Ibero-American governments to join his fight, García opted to make amends with his enemies and to reopen the Peruvian economy to narco-dollars. With the return of IMF-style policies, Peru's economy plummeted in the final years of García's term, and with it, the support his fighting

days had won him.

García's other fatal mistake was his refusal to break with the Socialist International circles exemplified by Venezuelan President Carlos Andrés Pérez, which consistently repaid him for his allegiance, with betrayal. Ironically, García's decision to join George Bush's campaign of slander, threats, and ultimatums against Panama and its defense chief Gen. Manuel Antonio Noriega, up until the U.S. invasion, has come back to haunt him. Now García is receiving the "Noriega treatment."

#### The 'Noriega treatment'

Several months ago, the Peruvian Congress began debating whether there was sufficient evidence that García had illegally enriched himself as a congressman in 1980 and as President from 1985 to 1989, to lift his immunity. What little "evidence" was dug up by tainted and unscrupulous sources was soon discredited. As García declared in his address to the Senate, it was not until the "diabolical assistance" of the office of New York District Attorney Robert Morgenthau, that the alleged "evidence" was provided and the García case resuscitated.

Morgenthau, whose first campaign for district attorney was paid for by dirty Ibero-American banks linked to dope king Meyer Lansky, has used his post for 17 years to serve as a coverup artist for the Wall Street interests of Dope, Inc. In this hit, Morgenthau began "leaking" allegations to García's enemies in Peru that García took monies from the infamous Bank of Credit and Commerce International, and profited from certain arms sales.

After months of "hearings," Peru's Chamber of Deputies came up with the absurd charge that García had failed to report \$4,000 on his 1980 income tax! The Senate determined that Morgenthau's allegations had to have their day in court.

#### The IMF and narco-terrorism

The painful irony of the "get García" campaign is that while the Peruvian Senate is enmired in specious charges of presidential corruption orchestrated by foreign financial and political interests, the country is being literally destroyed by the very IMF austerity measures against which García attempted to mobilize the continent, and by the marauding armies of narco-terrorists which are nurtured by those measures.

It is no accident that the financial interests behind the witchhunt of Alan García are the very ones that have stated—in the words of Citibank chairman John Reed—that Peru will soon "disappear from the map." The IMF program imposed by current President Alberto Fujimori last year, has thrown 5 million more Peruvians into conditions of "extreme poverty," bringing to 12 million the number of those suffering such misery.

Under such conditions, the murderous rampages of the Tupac Amaru Revolutionary Movement (MRTA) and Shin-

ing Path terrorists have dramatically escalated. "More than 20,000 people have died and more than 5 million have been affected by the loss of a father, mother, or child" at the hands of terrorists who also run drugs, wrote Juan Luis Cipriani, a Catholic bishop in Lima, Oct. 18 in the daily *El Comercio*. "Twenty-five percent of the country has been mistreated by merciless and murderous terrorism." The bishop summarized what Peru faces: "This is the worst genocide in our history; the worst of our internal wars; the worst trampling on human rights in Latin America in this century."

Yet, the Fujimori government is currently considering mechanisms for "dialogue" with these butchers, with an eye to offering them a political amnesty in exchange for a supposed "end to the violence." The Peruvian government has learned nothing from Colombia, where the government of President César Gaviria's embrace of the M-19 guerrillas has not led to peace, but rather to the growing power of the narco-terrorists and an escalation in violence, and Peru is moving quickly down the same suicidal path.

In its lead editorial Oct. 15, the Lima daily *Expreso*, owned by Manuel Ulloa, suggested that "the lesser ideological rigidity of the MRTA opens up the possibility of doing the same which . . . was carried out by the M-19 in Colombia." The daily welcomed the formation of the "Patria Libre Movement" as a legal arm of the terrorist MRTA, suggesting, "It could end up serving as the vehicle for [the group's] entrance into legality."

Ulloa, who is for drug legalization, is apparently trying out for the role of a Peruvian Alfonso López Michelsen, the former Colombian President turned political "godfather" to the drug cartels. López is the so-called "Notable" who has shepherded the narco-terrorists' dialogue with the Colombian government every step of the way.

In Peru, the narco-terrorists have directly targeted the Catholic Church. The MRTA's "Patria Libre Movement" established itself in early October with a call to the Church to become "the great interlocutor" of a similar dialogue in Peru. The idea of creating a peace council to facilitate that dialogue was embraced by the theology of liberation faction in the Peruvian Church, represented by the president of the Peruvian Bishops Assembly Msgr. José Dammert, but has been condemned by other bishops as "nothing but a talk fest." As Monsignor Cipriani emphasized, there can be no dialogue with this "band of assassins who destroy the freedom of the poorest."

#### **Targeting the Armed Forces**

As in Colombia and El Salvador, the so-called peace process in Peru would advance two great causes of the Anglo-American financial oligarchy: the legalization of the drug trade and the destruction of the Armed Forces. On Oct. 14, Fujimori traveled to the coca zone of Uchiza to announce to the press, with U.S. Ambassador Anthony Quainton at his side, that he and George Bush agreed in their recent talks

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### Rockefeller's friends in Venezuela panic

Cuban-Venezuelan multi-millionaire Gustavo Cisneros, one of David Rockefeller's dearest friends in Venezuela, is in a justified panic over renewed interest in the controversial book *Narcotráfico*, *SA* (the Spanish-language version of *Dope, Inc.*), which was illegally banned in that country in 1985 following the filing of a formal complaint by the Cisneros family. Published by the editors of *EIR*, the book details Cisneros's ties to various unsavory elements involved in the laundering of drug money. Those ties resurfaced in September in connection with a congressional investigation into the reportedly Cisneros-owned company Celere, Inc., currently under investigation by the U.S. Drug Enforcement Administration for cocaine trafficking.

Following the public call Oct. 1 by 18 Venezuelan congressmen for a lifting of the unconstitutional ban on the book, and the Oct. 11-15 broadcast of a series of paid advertisements on the RCTV television channel also denouncing the ban, the Chamber of Deputies' Commission on Communications Media undertook to conduct its own inquiry. On Oct. 15, the commission engaged in a debate over *Narcotráfico*, SA, with the majority of the commission members agreeing that it was not the contents of the book, but the unconstitutionality of its prohibition, that had them concerned. Further debate was postponed until Oct. 22.

Cisneros counter-attacked. Several slanderous pamphlets attacking Lyndon LaRouche, the founder of *EIR* and inspiration behind the book *Dope, Inc.* began to circulate inside Venezuela. On Oct. 16, the Cisneros Organization paid for substantial advertisements in three major Venezuela dailies. The ads were entitled "Disinformation,

a terrorist instrument," and declared that "it is intentionally tendentious to seek to link the Cisneros Organization with the activities of the drug trade. Such an assertion is absolutely false." The ads also threatened to take legal action, without ever mentioning the book *Narcotráfico*, SA by name, nor demanding that its assertions be investigated and disproven.

Then, according to the Oct. 22 edition of the Caracas daily *El Universal*, the vice president of the Cisnerosowned television channel Venevisión, José Rafael Revenga—a co-signer with Gustavo Cisneros of the 1985 complaint against the book—filed a criminal suit against the Venezuelan Labor Party (PLV) for defamation. The PLV, whose offices were raided in 1985 along with *EIR*'s at the same time that the book was confiscated, had paid for the RCTV television ads against the ban,

On the same day the Revenga lawsuit was publicly announced, the Commission on Communications Media abruptly terminated its inquiry. And on Oct. 23, a full-page advertisement appeared in three Caracas dailies, signed by Congressman Gastón Guisandes (head of a so-called "Anti-Drug League"), warning "public opinion" against "LaRouche and his followers" and threatening the television station RCTV which broadcast the PLV ads. A second ad by Guisandes appeared on Oct. 24, also attacking LaRouche and RCTV.

Ironically, Guisandes is the same person who, on June 2, 1985, wrote a newspaper column praising Narcotráfico, SA as "containing the best and most complete information available," and offering to print and circulate the book inside Venezuela personally—regardless of the dangers involved. On Oct. 24, the widely read El Diario de Caracas devoted a full page to reproducing Guisandes's laudatory coverage of the book three years earlier. The Diario de Caracas coverage prominently included a box on Guisandes's more recent fulminations against LaRouche, entitled: "How much did his change of heart cost?"

-Valerie Rush

that the major concern of the moment was protecting the human rights of Peru's coca growers!

At the same time, Fujimori announced that the conditions of a U.S. economic aid package to Peru had finally been agreed upon. In addition to cutting that portion of the aid package earmarked for re-equipping Peru's exhausted Armed Forces, the humiliating conditions include opening up military barracks to inspection by the International Red Cross, the U.N., and even private human rights organizations, like Amnesty International and Americas Watch, which have covered up the atrocities of the narco-terrorists, while attacking the Peruvian Armed Forces. The aid condi-

tions even require the trial of high-level military officials for supposed human rights violations committed seven years ago.

The slashing of the military portion of the U.S. aid package will function as a de facto embargo against any and all sales of weaponry and military equipment to the Peruvian Army. This, at the same time that the terrorist assassins—who killed, amongst thousands of others, former Defense Minister Enrique López Albujar—are about to be invited to follow in the footsteps of the M-19, who currently hold cabinet ministries, and congressional and other official posts inside the Colombian government.

### Turkish elections may mean policy shift

by Joseph Brewda

Turkey's ruling Motherland party of President Turgut Özal went down in defeat in national parliamentary elections on Oct. 20. The vote became a plebiscite on Özal's compliance with U.S. and British demands to drag Turkey into first an embargo, and then a war, against neighboring Iraq. It seems that Turkish foreign policy over the coming period may change as a result.

Although the vote is not completely tallied as of Oct. 23, the Motherland party, which held 274 seats in the outgoing 450 member parliament, has been cut down to a projected 115 seats. The True Path party, led by former Prime Minister Suleyman Demirel, won 178 seats. This is insufficent for Demirel to form a majority government, but enables him to form a coalition government with the Social Democratic Populist Party led by Erdal Inounu, which won a projected 88 seats. Also possible, but less likely, he may form a coalition government with the Salvation party coalition of Islamic fundamentalists led by Necmettin Erbakan, which won 62 seats. The as-yet-uncounted votes in some outlying districts are not expected to shift more than one or two seats.

According to one scenario, Demirel might form a grand coalition with the Motherland party itself, contingent on current Prime Minister Mesut Yilmaz's support in ousting Özal from the presidency. The later post had been merely ceremonial until 1989, when then-Prime Minister Özal became President, installed a lackey as prime minister, and took the powers formerly associated with the latter post with him. It was as President that Özal dragged Turkey into the Gulf war, and, ousting Özal—which requires 66% of the parliament—was one of Demirel's main campaign promises.

#### A war most Turks opposed

Although the White House has downplayed the significance of the election and has claimed that it will have no affect on Turkish foreign policy or even the position of Özal, the London *Financial Times* has editorialized that Turkey's "western orientation"—by which they mean compliance with Anglo-American interests—is "threatened." The reasons for the paper's concern, and others in the Anglo-American alliance, are straightforward. With the exception of Özal and his tightly controlled Motherland party, every political party

in Turkey, and every top political leader, strongly condemned Turkey's involvement in the embargo and war.

"We do not want war," True Path party leader Demirel flatly told *EIR* on Jan. 5, 1990, adding, "The crisis was not inevitable." Similarly, Demirel's possible coalition partner, Social Democratic leader Inounu, told *EIR* on Jan. 9 that "Turkey should not take part in a possibly forthcoming war between Iraq and the U.S.A.," because "such participation is not compatible with Turkish interests."

The hostility to the then-impending war was also shared by the leadership, or at least a major faction, of the Turkish military, which is not to be taken lightly in a country with such a history of coups. The generals argued that the war would involve Turkey in conflict against the least hostile among its neighbors. Moreover, they projected, as events have since borne out, that the war would enflame the impoverished Kurdish regions of Turkey, its worst internal security problem. Both the Defense minister and the Chief of Staff resigned their posts in protest.

As for the Turkish public, some 80% of the population opposed the Turkish involvement in the war, according to media polls, and, in the beginning of January 1991, the Turkish labor federation held a general strike, the first in 10 years and the largest in Turkish history, in part in opposition to the then-impending war. Özal's acceptance of the U.S.-imposed embargo has alone cost Turkey an estimated \$7 billion, as Iraq had been one of Turkey's most important trade partners. Inflation is now running at 70% per year—up from 45% before the embargo—while unemployment has zoomed.

#### The man who would be Sultan

Given such near-universal opposition, and assuming that Özal was not merely suicidal, it might be reasonably asked why Özal complied with U.S. demands.

According to one account, George Bush made a series of promises to Özal and a section of the Turkish elite, which would reestablish Turkey as a dominant imperial power not only over Arab lands—which it ruled until the end of World War II—but also the Balkans. It still appears that the United States might opt to sever Iraq into three parts, with the oilrich north reverting to Turkish control. Since the war, Bush has traveled to Turkey—the first U.S. President to do so since Eisenhower—where he supported the Turkish position on the Turkish-Greek contested island of Cyprus, while promising the Turks 160 fighter jets and over a thousand tanks. Turkey is being militarized like never before. Meanwhile, the word is that the United States is supporting Turkish ambitions over the oil-rich Turkic republics in the former Soviet Union, notably Kazakhstan.

However, these utopian plans, reflecting Anglo-Americans dreams on how they will redraw the map of the region, will not work. In the meantime, the eight-year Özal dynasty in Turkish politics is probably over, even if Demirel's current efforts to oust him fail.

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## British monarchy wants world malthusian order now

### by Mary McCourt Burdman

The British monarchy, that immensely wealthy and prestigious bastion of paganism and malthusianism, has just launched a two-pronged attack on the human population of the world. The Queen and her consort, Prince Philip, Duke of Edinburgh, are impatient even with the U.N.'s massive operations to build the June 1992 world "Earth Summit," or Eco-92, in Brazil. Their Royal Highnesses made their coordinated attacks on human life and national sovereignty in the Queen's speech on the eve of the Commonwealth summit in Namibia Oct. 8 and in Prince Philip's international initiative Oct. 21 to introduce a new "action plan" to impose imperial policies on five continents. It is clear that the monarchy has decided that a world malthusian regime must go into effect *now*.

The monarchy is dictating terms of economic policy and modes of government to approximately 100 countries, both inside and outside the Commonwealth. The Queen even violated the unwritten rule that the modern "constitutional" monarch "never involves herself in controversy or political debate," as the Oct. 10 London *Daily Telegraph* emphasized. She asserted to the nations of Africa, a continent facing a disastrous population *collapse* due to AIDS and other diseases and years of looting by the International Monetary Fund, that their population is growing too fast.

#### The modern-day Malthus

At a state banquet in Namibia, the Queen stated: "Today, Africa is in a period of political flux. For too many African countries, the past few decades have been unhappy ones. Policies conceived in idealism have too often led to autocracy and economic stagnation. Populations have grown faster than the capacity of the land to support them. Drought, disease, and war have exacted a heavy toll, and apartheid has sown bitterness and confrontation throughout the continent.

"But now, at last, there is real hope of change and regeneration. . . . South Africa [and] other governments are sharing in a movement towards greater economic and political freedom. . . .

"And not a moment too soon, for the problems to be solved are as great as the opportunities. Poverty, illiteracy, prejudice, overpopulation, environmental degradation—good government and international cooperation are going to

be tested to the full."

To receive Her Majesty, the authorities in Harare, Zimbabwe, where the Commonwealth summit was held, bulldozed the shacks of homeless squatters and evicted them, for fear of "seriously embarrassing" the Queen.

This meeting of the Commonwealth, an association of 50 nations formerly subjected to the British Empire, was intended to change the agenda from the South Africa-bashing of the Margaret Thatcher era, to shaping an organization that will carry out malthusian policy by undermining national sovereignty. The Daily Telegraph spelled out the Queen's intentions in its editoral Oct. 14. The Commonwealth, the Telegraph wrote, "is an association of some of the most free and some of the most oppressive countries in the world, the latter given undeserved respectability by the patronage of the Queen. As the world moves falteringly towards a new, more liberal order, the 50 members could do no better than to commit themselves to that process. . . . The economic straits in which Zambia finds itself after 27 years of independence, or the way the Malaysian government under Dr. Mahathir has ridden roughshod over opponents, show that there is much room for improvement" (emphasis added).

For all the talk of "good governance" from the British and their lackeys in Canada and Australia, Britain itself has no bill of rights, and the fundamental premise of Britain's unwritten constitution is that "the Queen can do no wrong" and stands above national and international law. "Human rights," in British imperial terms, are defined by Thomas Hobbes's notion of "each against all."

#### 'Sustainable development' is not development

Although the Commonwealth's final declaration did not endorse the use of economic sanctions to enforce "human rights" or supranational organizations empowered to monitor Malaysia's or Zambia's internal affairs, it did endorse something even more subversive: "sustainable development." This self-contradictory concept is the watchword of the malthusian movement, and means nothing more than that economic development must be controlled to control population growth. This was the subject of Prince Philip's latest international onslaught on the world economy launched Oct. 21.

Shortly after the royal return from Harare, Prince Philip

gave the "flagship" press conference in London of an international barrage to promote a new worldwide malthusian initiative called "Caring for the Earth—A Strategy for Sustainable Living." The policy, sponsored by the World Wide Fund for Nature (WWF), of which Philip is the international president, the International Union for the Conservation of Nature (IUCN), and the U.N. Environment Program, was simultaneously presented to national leaders in some 65, many non-Commonwealth, nations.

Prince Philip's strategy, which the WWF release called the "first action to begin to provide some of the solutions for a sustainable way of life," was developed over three years and is the followup to the World Conservation Strategy presented in 1980. Estimates of the cost of the program vary between \$1.3-2.2 trillion over 10 years. The funds are needed for expanding population control programs, soil and forest conservation, writing off the poorest countries' debt, and developing alternative energy sources. The prince suggested that most of the funds could come from the \$900 billion now spent on defense. "Caring for the Earth" (CFE) gives the world until 2010 to bring fertility rates down to 2.1 children per woman (zero growth) in every country.

It also calls for creating an "Amnesty International"-type world police force within two years to monitor and investigate environmental "abuses," the *Guardian* reported Oct. 22.

Unfortunately for the world's people, their governments extended the prince every coutesy. In addition to his London press conference with Archbishop of York John Habgood, former British ambassador to the U.N. Sir Crispin Tickell, Undersecretary of the Environment Tony Baldry in Brussels, and European Community President Jacques Delors spoke with WWF International Director General Charles de Haes. And in Germany, Environment Minister Klaus Töpfer and the assistant minister of economic development spoke with Carl-Abrecht von Truenefels, the chief executive of the WWF in Germany. Radio Moscow reported Oct. 22 that the IUCN held a conference in Moscow which included Soviet Environment Minister Yuli Vorontsov.

Other world leaders who announced press conferences to receive the CFE policy from the WWF were President Vaclav Havel of Czechoslovakia, President François Mitterrand of France, Japanese Prime Minister Toshiki Kaifu, Netherlands Prime Minister Ruud Lubbers, Hungarian Prime Minister Jozsef Antall, Venezuelan President Carlos Andrés Pérez, Brazilian President Fernando Collor de Mello, Spain's King Juan Carlos, Deputy Prime Minister Brian Howe of Australia, and the deputy prime minister of Malaysia. In the United States, the press conference was scheduled for former Commonwealth head Sir Shridath Ramphal to present the CFE document to Kirk Rogers, director of regional development for the Organization of American States, with the participation of U.S. Sen. Albert Gore (D-Tenn.).

On Sept. 25, Prince Philip had announced the shape of his new initiative in his keynote at a "Europe 2000" conference in

Brussels, the first conference ever co-sponsored by the WWF and the European Parliament. Philip called for a "great movement of collaboration" to evolve between the WWF and the European Parliament, and for the concept of "protection of the environment" to be enshrined in European Community law, by being added as a "basic principle" to the Treaty of Rome which created the EC. Philip wants to change Article 2 of the Treaty of Rome, so that all EC action would be inspired by "the principle of sustainable development." Article 2 states the EC's goal of achieving a continuous and balanced expansion of economic activities with accelerated improvements in living standards.

#### **Attacking morality**

There are indications from circles close to Philip that he has become quite impatient with the ponderous and shaky process leading to the planned U.N. Earth Summit in Brazil next June. By raising "messianic" expectations about the summit, its organizers have created the potential for a "gigantic mess" and have already set off a backlash among developing sector nations, some close to Philip have complained. The real "danger" is that the nations just emerging from communism in eastern Europe demand real economic development, according to this crowd. Only by "changing awareness" and attacking people's ethical-moral precepts can these nations be diverted from valuing development to supporting the monarchy's goal of a malthusian world order.

Therefore, the Oct. 21 release announces that "In publishing "Caring for the Earth," IUCN, UNEP, and WWF hope to secure a widespread and deeply held commitment to a new ethic—an ethic for sustainable living—and to translate its principles into practice." Prince Philip was quite clear as to what this "new ethic" means. The monarchy will not accept so many people, "stealing" so much of what it regards as its own imperial property.

Philip stated: "Unless action can be taken to persuade people to limit the size of their families, and unless the growth of the human population can be held, fairly soon the natural resources of the planet will no longer be able to supply its needs and the whole system will be in danger of collapse. . . . Pouring money into economic development is not the whole answer. Our major cities are out of control. The more people there are, the more resources they need. The richer they are, the more each expects to receive, and the more people are prepared to break the law to meet these demands."

He was echoed by the pagan faction of the Church of England. John Habgood, Archbishop of York, endorsed CFE by saying that "People with religious faiths of every kind have been discovering they have a common cause in wishing to conserve our environment and protect what we see as a gift from God." He warned, "Many of the developing countries are going to see [sustainable development] as a threat unless the affluent nations of the world are taking the necessary actions to put this into action."

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### Pope in Brazil attacks debt burden, new order

by Cynthia Rush

Pope John Paul II traveled to 10 cities in Brazil during a 10-day tour which began Oct. 12. During that time, he repeatedly attacked the "free market" and population control policies which are the centerpiece of the Anglo-American political establishment's new world order. Site of the United Nations' Earth Summit, or Eco-92, in June 1992, Brazil is high on the list of countries targeted for destruction because its large population, wealth of natural resources, and enormous potential for industrial development are perceived as a danger to the Anglo-Americans' strategic goals.

The Pope's pointed remarks during his 10-city tour constituted a direct challenge to the government of Fernando Collor de Mello. Not only is the 41-year-old President prepared to sacrifice national industry and future development potential by complying with the International Monetary Fund's austerity demands and paying off the country's large foreign debt, but he has offered no resistance to the international ecology movement's malthusian agenda for Brazil.

#### Don't sacrifice population

On arriving in the northern city of Natal Oct. 12, the Pope told the closing session of the 12th National Eucharistic Congress that "the logic of economic domination, and the imposition of models without respecting the legitimate self-determination of each nation . . . have created perverse mechanisms which are preventing nations like Brazil from having access to the levels of the most developed nations." It is necessary to state "vehemently," he continued, "so the whole world can hear, that a country's foreign debt can never be paid at the cost of the hunger and misery of its people."

Addressing Collor directly on Oct. 14 during a meeting in the nation's capital, Brasilia, the Pope recognized that "at this moment in its history Brazil is going through a phase everyone knows is delicate, faced with enormous social and economic problems whose solution does not allow any further delay." But, he told Collor, "Brazil's people are looking to the decisions you make, hoping for a brighter and happier future for their children." The "contrasts between the two Brazils" are great, the Pope warned. "One is highly developed, strong, and launched on the path of progress and riches: the other is seen in untold zones of poverty, suffering, illiteracy and marginalization."

The Oct. 14 New York Times didn't miss the point of

the Pontiff's statements. "Without naming them," the paper noted, the Pope seemed "to assail such institutions as the International Monetary Fund that demand harsh austerity measures in return for economic help."

#### No to genocide

More than once, Pope John Paul II addressed the policy of genocide against Brazil, designed by Henry Kissinger and the U.S. National Security Council in the mid-1970s. In a 1974 memorandum known as National Security Study Memorandum 200, Kissinger warned that Brazil's population growth—along with that of a dozen other Third World nations—threatened "U.S. national security," and recommended population control be imposed on Brazil under the guise of "family planning." Over 25 million women of child-bearing age were sterilized as a result.

Speaking in Campo Grande Oct. 17, the Pope denounced birth control, abortion, and sterilization as "gravely illicit" practices which have reached "alarming rates" in the country. Sterilization, he said, is often "induced by society's political or professional [agencies] which are supposed to protect the dignity and integrity of the person and the social corpus." Abortion, he said, is "a criminal attack against the first and most fundamental human right, the right to life from [the moment of] conception." In one of his final speeches condemning the murder and mistreatment of abandoned children, the Pope warned that "in their initiatives in favor of a normal and balanced population growth, public authorities do not have the right to promote abortion or mass sterilization."

In several speeches, the Pope urged the governments of the industrialized nations to take responsibility for the fate of the Third World. Speaking to foreign diplomats in Brasilia on Oct. 14, John Paul emphasized that advanced nations "could not shirk their responsibilities to help those countries which alone would never be able to reach a just level of development."

However, the Pontiff's remarks dealing with the issues of the environment and rights of Indians bordered on dangerous concessions to the ecology movement, which is using the Eco-92 conference to bludgeon Brazil into submitting to their malthusian policies. Saying he had watched "with interest" the plans for the U.N.'s 1992 conference, the Pope described man as "consuming Earth's resources in an excessive and disordered fashion," and emphasized the need to preserve Indian culture and their "identity as a human group." In a speech in the northern city of Cuiaba, he called on mankind "not to betray the earth" by over-development. The Pope's meetings with Indian leaders provided a forum for those who blamed "development" for the poverty and suffering of the Indian populations. An Oct. 17 Reuters wire interpreted the Pope's remarks as "a dramatic stand in defense of Brazil's threatened Indian population and rapidly disappearing Amazon rain forest."

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## South Asia water projects under attack

by Susan Maitra and Ramtanu Maitra

Despite the needs of South Asia's vast population to advance out of its current poverty, the anti-development lobby in the region, feeding the geopolitical interests of major powers, is actively sabotaging projects which would drastically improve the economies of the area. The recent report of collusion among the pro-China Nepali Communist Party (UML), the monarchy of Nepal, and some extreme right-wing Nepali chauvinists to prevent the exploitation of Nepal's vast water resources, is a case in point.

The Nepali Communist Party, which is controlled from the Palace and also from Beijing, is now involved, under the guise of "nationalism," in trying to put a brake on the agreement between India and Nepal to develop the latter's multi-purpose river projects. The 40-year-old controversy has been revived with a strong anti-India slant. The contention of these "nationalists" is that successful harnessing of Nepal's rivers will benefit India more, and Nepal will not get its due share.

Nepal's river systems can produce, if exploited fully, more than 83,000 megawatts of electrical power (see *EIR*, April 20, 1990 "Nepal's White Gold: Will It Be Exploited?"). Nepal has so far harnessed less than 5 MW. If such a large amount of electrical power is generated, India will be the major, if not the only consumer, paying Nepal for the hydroelectric power generated. It is also expected that since India has technical capabilities to build such a hydroelectric power project in a difficult terrain, its financial and physical assistance will be crucial.

#### Strange allies

The Nepali Communist Party ostensibly does not want "capitalist" India exploiting Nepal's rich water resources and prospering from it.

The Palace in the Nepali capital of Kathmandu, for its part, benefits from keeping the nation poor and illiterate. It promotes divisive forces and entices the totalitarian Beijing regime, while being located close to the heartland of democratic India.

Behind these overtly anti-India postures lies a deep-rooted game. The newly installed G.P. Koirala government of the Nepali Congress Party has been forced to give in to pressures from the Palace and make appointments to appease the royal household, which is widely acknowledged as a corrupt lot.

Meanwhile, the much-awaited trade and transit treaty between Nepal and India has reached the penultimate state of negotiation and is ready to be signed. If the treaty is not signed before the Nepal Congress Party convenes its annual conference in November, the Koirala government will no doubt be put on the mat to the satisfaction of the Palace, as well as the Nepali Communist Party.

India has already called off the Oct. 27 signing date because of its preoccupation with the Nov. 16 parliamentary and state assembly by-elections. The virulent anti-India campaign being whipped up in Nepal could delay the signing further.

The rise of the Nepali Communist Party (it won 82 out of 207 seats in the Parliament) has helped China to reassert itself in Nepal. If the communists continue to make gains, the water projects will be shelved and neither the World Bank nor the U.S. Agency for International Development will push for the projects.

Meanwhile, Nepal's economy, a shrinking basket, will remain increasingly dependent on foreign grants and loans. The 1991-92 budget, presented last July, shows that its foreign aid component constitutes 12.5% and foreign loans to cover anticipated deficits, constitute another 30%.

#### Ganga-Brahmaputra link

In addition to the shelving of Nepal's water projects, another major South Asian water project—the linking of the Brahmaputra River with the Ganga—which has been hanging fire for more than a decade, is also being sabotaged.

The Indian proposal in 1978 to build a link canal through Bangladesh territory to connect the Brahmaputra River with the Ganga, for the augmentation of the Ganga waterflow and control of Brahmaputra's floods, has been adamantly rejected by Bangladesh. Ousted Bangladeshi President Ershad had raised the stakes in 1988 by inviting the Chinese to participate in Bangladesh's water management. China's response to Ershad, which made India jittery, was to agree to establish a bilateral working committee and to send a technical advisory team to Bangladesh to help the latter with its flood control measures. China has not commented on the Ganga-Brahmaputra linkage.

Meanwhile, according to India's Central Water Commission, the authority on water distribution, India has worked out a parallel plan which will tap water from large Brahmaputra tributaries, such as Dihang, Subansiri, Dhansiri, at a higher altitude and carry the water through the lower reaches of the Nepal Himalayas and dump it into the Ganga. This plan will also call for Nepal's cooperation, but will not involve any arrangement with Bangladesh. If the Nepali Communist Party and the Palace have their way, the Ganga-Brahmaputra inter-basin water transfer, crucial for controlling the Brahmaputra River's floods and utilizing its huge runoffs, will come to naught.

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### **Book Reviews**

### 'Act of piety' on behalf of Leibniz

by Nora Hamerman

### G.W. Leibniz's Monadology: An Edition for Students

by Nicholas Rescher University of Pittsburgh Press, Pittsburgh, 1991 323 pages, hardbound, \$39.95; paperbound, \$19.95

Professor Rescher, the former president of the American Leibniz Society, describes this book as "an act of piety in its attempt to compile on his behalf the book that Leibniz himself never wrote." Using the *Monadology*, a "telegraphic summary of Leibniz's system of philosophy" written near the end of his life in 1714, as an outline, the Rescher edition collects Leibniz's widely scattered discussions of his basic ideas.

The book will prove especially appealing to readers interested in deepening their understanding of the political and philosophical movement led today by Lyndon H. LaRouche, Jr., a political prisoner of the Bush administration who has recently declared his candidacy for the 1992 U.S. presidential election. In an era in which American Presidents have been intellectual pygmies—Lyndon Johnson, for example, was incapable, according to testimony of associates, of reading more than a page at a time-LaRouche stands out as a true man of culture, who not only reads widely in science, music, history, philosophy, and other such topics, but has made, or inspired, extremely important breakthroughs in these fields. LaRouche's unique intellectual contribution began with his 1952 application of the mathematical physics of Bernhard Riemann and Georg Cantor, to the notion of "physical economy" first expressed by Leibniz. In all of his autobiographical writings, LaRouche cites his boyhood reading of Leibniz as the seminal influence on the development of his thought.

Leibniz was born on July 1, 1646, in Leipzig in Germany, where his father was a professor of moral philosophy. A child prodigy, at the age of 20 he rejected a university career in order to enter public service. According to Rescher's introduction, Leibniz published few books, but rather devoted

his writing activities to periodical articles and to an intense correspondence with the leading minds of his day. Many of his works were in French or Latin; even to this day, a good deal of his correspondence and sketches remain unpublished. Leibniz died in 1716.

#### 'Outstanding range of interests'

To quote Rescher, "Leibniz possessed an outstanding range of interests and capacities. Mathematics, physics, geology, philosophy, logic, philology, theology, history, jurisprudence, politics, and economics, are all subjects to which he made original contributions of the first rank." He managed to be both a scholar, a courtier, and a public servant. He traveled all over Europe—to London, to Paris (where he devoted himself to mathematics and started the studies that led to his invention of integral calculus), all over Germany, Austria, and Italy. He urged the creation of the academy in St. Petersburg, in Russia.

The Introduction, besides a concise biography, includes an overview of the sources and available editions of Leibniz's work. This is followed by Rescher's own translation of the Monadology from an authoritative edition of the French original. Rescher then provides an outline of the thematic material of Leibniz's piece, and, as Chapter 4, he lists the analogies and principles used by Leibniz. With Chapter 5, "Text and Commentary," begins the core of the book. Each section of the Monadology is presented, followed by the original French text, followed by related selections from other works by Leibniz, such as his earlier book, *Theodicy*, the companion short work of 1714, Principles of Reason Based on Nature and Grace, and Correspondence with Antoine Arnaud, of 1686-90, a work of extraordinary importance which appears not to be available in full text in English, although a full German version does exist in print. At the end of each of the 90 sections, Rescher provides his own commentary.

#### The power of optimism

At the end, he interprets Leibniz's philosophical optimism, summarized in the famous assertion that we live in the "best of all possible worlds." Rescher shows how dishonestly it was lampooned by Voltaire in the Dr. Pangloss of Candide. As Rescher puts it, "Leibniz's closing strikes a powerfully optimistic note, setting out in strong terms his personal vision of what a genuine love of God demands—confident faith in a divinely ordained order of justice and benevolence. Leibniz does not, however, hold that this present state (or indeed any other particular state) of the world could not be better. On the contrary, he inclines toward a conception of progress that sees the world as always (or generally) getting better in the future than it was earlier on."

It would be a good sign for the future of the United States, if the demand for the book, arising out of the intellectual ferment around LaRouche's ideas, were to result in a larger run for this book and a lowering of the price.

### Crime pays, if you're against Noriega

### by Carlos Wesley

The U.S. has given generous payoffs to murderers and drug traffickers, in its zeal to prosecute Panama's Gen. Manuel Noriega. Here are some of the prosecution's key witnesses.

Name	Crimes	Current status	Paid by U.S.
Tony Aizprua	Drug pilot. Employed by Floyd Carlton Caceres (see below).	Free.	\$511,000 so far, with more to come.
José Blandón	A former Panamanian diplomat, Blandón was identified by the U.S. government as the chief suspect in selling Noriega's taped jail conversations.	Free; has returned to Panama to finger political opponents for persecution.	\$169,000, so far.
Ricardo Bilonick	Owned Inair, an airline caught with some 1,000 kilos of cocaine in Miami in 1984. Admits to smuggling at least 15 tons of cocaine into the U.S.	Government dropped most charges against Bilonick, who was facing up to 60 years in prison.	Bilonick and his family are getting green cards and assistance from the government to become permanent U.S. residents.
Floyd Carlton Caceres	Drug pilot. Partner in Diacsa, a Miami air company involved in the drugs-for-weapons Contra resupply operation. Charged in 1987 with 9 counts of cocaine trafficking, Carlton was facing a sentence of life in prison plus 145 years with no parole. He pleaded guilty to one charge, punishable with 20 years.	Released from prison after 4.5 years. Carlton was given a new identity through the Federal Witness Protection Program (FWPP).	Carlton and his family are getting green cards and assistance from the government to resettle as permanent U.S. residents. He was allowed to keep a ranch and other property, and the government has paid him at least \$211,000 so far.
Luis del Cid	A former colonel in Panama's Defense Forces, the prosecution had charged him with 4 counts of drug trafficking and racketeering, which could have netted him 70 years in jail or more.	Three counts were dropped. Del Cid pleaded guilty to one charge, in a plea agreement that his lawyer says means he will be out of jail by January.	Del Cid and his family are getting green cards and assistance from the government to resettle as permanent U.S. residents.
Carlos Lehder	Drug trafficking, murder, kidnaping. Biggest cocaine kingpin ever to be jailed by the U.S. government.	Serving a life sentence plus 135 years in prison with no possibility of parole.	All the details are not yet known, but attorneys say the deal means Lehder will eventually go free and get a new identity under the FWPP.
Max Mermelstein	Admits guilt in 3 murders and is implicated in 2 more. Was charged on 11 drug counts. Admits he smuggled 56 tons of cocaine and 42,000 pounds of marijuana into Florida and that he was a transportation chief for Colombia's Medellín drug cartel before his 1985 arrest. Also admits to tax fraud and gun smuggling. The drug charges alone should have kept him in jail for life.	Free, after spending 2 years in prison. Is in the Federal Witness Protection Program and has been granted inmunity on all charges, including the murders.	Has received \$670,245 from the government so far, at least \$250,000 a year. While he was still in jail, the government paid \$900 into his commissary fund so he could purchase snacks.
Daniel Miranda	Drug pilot. Sentenced to 5 years in jail in plea bargain.	Free on a suspended sentence.	Miranda and his family are getting green cards and assistance from the government to resettle as permanent U.S. residents. He also gets a U.S. commercial pilot's license.
<b>Boris Olarte</b>	Drug pilot.		\$200,000
Ramón Navarro	Drug smuggler.	Deceased.	\$170,000
Roberto Striedinger	Cocaine smuggler.	Free.	Given green cards for himself and family, a Mercedes Benz, a 10-passenger plane, a 40-foot yacht, and a cache of assault weapons.

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### Australia Dossier by Lydia Cherry

### ADL-tied pornographers under fire

An independent MP's testimony on ties between the ADL, the prime minister, and the X-rated video industry has caused quite a stir.

On Aug. 21, Denis Collins, Member of Parliament in the Northern Territory state parliament, introduced a bill to outlaw the advertisement and distribution of X-rated videos. Noting that all Australian states except two had banned such videos, and that the Federal Attorney General had also recommended some years ago that they be banned, Collins demanded, "I ask why the prime minister did not ban pornographic videos nationwide, as the Attorney General agreed to do?"

His answer to his own question caused such an uproar that portions of the debate were stricken from the official record.

Collins began by noting that Dennis Stevenson, Member of the Legislative Assembly for Canberra, the nation's capital, who introduced similar legislation in the Canberra Assembly, had produced extensive evidence on the pornography "industry." Stevenson had named a Melbourne lawyer, Leon Zwier, as a key figure in the business. Collins added that Zwier had recently joined the law firm of Arnold Bloch, Leibler Associates, a partner of which is Mark Leibler, who "holds a number of senior advisory positions with the federal Labor government."

Leibler's brother Isi is not only the "best mate of Prime Minister [Bob] Hawke," said Collins, but is "claimed to be number-two man for the ADL, the Anti-Defamation League" of B'nai B'rith.

It was the influence of the ADL over the prime minister, Collins intimated, which allowed pornography to flourish.

To make clear what the ADL is.

Collins read to his colleagues from an *EIR* special report of May 30, 1990, "The ADL operates as a tax-exempt public interest organization, while in reality it engages in a wide range of activities that are inherently criminal in nature, including interference in the judicial and law enforcement process, support for domestic and international terrorist organizations, instigation of 'hate crimes,' espionage, support for suspected international narcotics traffickers."

Collins also stated that "such things as the murder of the Swedish prime minister have been linked back to the Anti-Defamation League," and that "the ADL has now been christened 'The American Drug Lobby.'"

"Leiblers Outraged by 'Crime Links' Claims," headlined the *Australian Jewish News* on Sept. 6. Isi Leibler, the number two official in whiskey magnate Edgar Bronfman's World Jewish Congress, denounced Collins's allegations as the "outpourings of a sick mind," while brother Mark blustered that "Mr. Collins's conduct clearly constituted an abuse of the absolute privilege conferred upon him by law," and that the Northern Territory legislature itself "should deal with" Collins.

The Opposition Leader in the Northern Territory Parliament, Mr. Ede, leaped to the defense of the Leiblers—and of pornographic videos—in a speech on Oct. 1. Denouncing what he called Collins's "transparent attempt to link Mark Leibler and Isi Leibler with international pornography and the drug trade," Ede acknowledged that there are "good people who

agree with the member's extreme views on X-rated videos." But, he emphasized, "I do not share them."

Ede also launched a wild tirade on Lyndon LaRouche and EIR as "virulently anti-Semitic," and responsible for "defrauding institutions and individuals of many millions of dollars." He concluded with a most undemocratic threat against Collins: "I certainly do not intend to dignify him with a censure motion on this speech, but we may have to discuss, with members of the government in a bipartisan way, just what we intend to do if he continues to dabble in this fevered and disgusting sewer from which he popped his head up in the last sittings.'

In an Oct. 10 speech, Collins renewed his attack, asking why, if the EIR charges were false, had not the ADL sued EIR and "taken them to the cleaners?" Though the official transcript is not yet available, he reportedly charged, based on information from "Quebec police sources," that shortly after Lyndon LaRouche commissioned the first edition of the book Dope, Inc., in 1978, Edgar Bronfman had ordered his attorneys to prepare a multimillion-dollar libel suit. But after "careful deliberations," Bronfman's attorneys argued strongly against such an action, since it would leave Bronfman, under American law, open to discovery. Instead, Collins charged, Bronfman reportedly began pouring large amounts of money into the ADL, which began a shrill publicity and dirty tricks campaign against LaRouche, demanding his elimination.

Collins then informed the house, that Dennis Stevenson's bill in the Canberra Legislative Assembly to ban pornographic videos had just been defeated by one vote. "Hooray!" Opposition Leader Ede reportedly shouted, unable to contain himself.

### From New Delhi by Ramtanu Maitra and Susan Maitra

### Clash of views at Commonwealth meet

The proponents of George Bush's new world order pushed their agenda, but faced tough opposition.

The conference of the heads of state of the 49 Commonwealth nations—former colonies of the British Empire—in Harare, Zimbabwe, turned out to be a lively three-ring circus. Two rings were occupied by such political lightweights and "loyal" proponents of President Bush's new world order as British Prime Minister John Major and Canadian Prime Minister Brian Mulroney. The third ring belonged to none other than Queen Elizabeth II, shuffling along shaking hands and radiating a beatific smile toward the rulers of the former colonies.

Notwithstanding the clowning and clubbiness exuded in this Commonwealth Heads of Government Meeting (CHOGM), which takes place every two years, it was evident that the well-scrubbed warriors battling for the new world order came prepared to wield their newly found weapons, such as democracy, environmental protection, and human rights, to lead the "white man's burden" into a glorious future. It became apparent that the direct and indirect (Canada, Australia, New Zealand) subjects of the British monarch, who is also the titular head of the Commonwealth, were ready to use the weapons, come what may.

The first salvo came from the political weakling Brian Mulroney, who initiated the debate on the global political and economic situation at the executive session. Facing a wall of opposition from "black" and "brown" members, Mulroney kept insisting that adherence to democracy and human rights is the key to solving the problems of developing nations. John

Major, whose father was a trapeze artist, on the other hand, was better placed to make the circus more engaging. One day after a compromise draft—the first draft prepared by India caused heartburn to many—had been prepared, Britain sneaked in a parallel draft placing greater emphasis on human rights than on the development needs of poor nations.

The British draft, which was kept out of the public eye, according to media hounds, besides promoting human rights, environmental protection, and democracy, had tried to subsume all these under "good governance," which was to be made a criterion for receiving aid.

The trapeze act of "Junior" Major and the mumblings of Mulroney, however, came under sharp attack from the rest of the 10-member highlevel appraisal group (HLAG). Leading the charge, scholarly Indian Prime Minister P.V. Narasimha Rao posed the delicate question whether democracy and human rights had much meaning for people lacking food, shelter, and employment. Rao said that he did not see that adherence to human rights and democracy could help in breaking the poverty barriers.

"In India, we have a vibrant democracy. But we have many problems relating to meeting the basic needs of food, shelter, and health care, among other things. We have to tackle the problem of population growth, we have to provide employment, we have to modernize ourselves and obtain the latest technology. But we should not forget the latest technology may not help us unless we are able to meet the

basic needs of the people. These are questions to be answered. Democracy cannot progress or be strengthened unless the pressing problems facing the people are solved," Rao told the gathering.

But Rao's words may fall on deaf ears, as is apparent from the compromise draft. The Indian draft, which had given development the pride of place, was shot down because it did not refer to democracy, democratic processes and institutions, human rights, a rule of law, and equality of women—the litany of the new world order.

Three documents, the report of the HLAG, the draft Harare declaration, and the memorandum of Secretary General Emeka Anyaouku, were discussed. India cautioned against some of the formulations contained in these documents. These related to the proposal for setting up a mechanism for sorting out conflicts involving the Commonwealth countries, and for institutionalizing arrangements for observing elections. As India saw it, these formulations can be used at a later date as justification for interference in the internal affairs of sovereign member-countries.

If the circus left a bad taste in the mouth for many, the meeting had its own rewards. At Harare, the Indian and Pakistani prime ministers met for the first time and held face-to-face talks for about an hour to ease tensions between the two countries. There are indications that despite uphill political opposition, the meeting may in fact yield some fruitful results. Similarly, the Indian and Malaysian prime ministers met to discuss increased economic and other cooperation between the two countries. It was also useful to find out that a number of Commonwealth leaders had strongly backed Indian Prime Minister Rao's opposition to the formulations prescribed by the new world order.

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### **International Intelligence**

### Ecuadoran Indians fuel border crisis with Peru

The Shur Indians of Ecuador issued a joint statement with the Ecuadoran military in mid-October, charging that a Peruvian helicopter had flown across the border, and that if this continues, the Shur Indians will not permit "a Peruvian invasion" and will call for the formation of "Indian resistance fronts."

This is the latest escalation in a crisis which began in July, when a 100-man Ecuadoran Army patrol illegally entered Peruvian territory and set up a watchpost there. Border disputes have led to armed conflict between the two countries twice during the last 50 years. The current border was fixed in a treaty signed in 1942, which is supposed to be guaranteed by the United States, Argentina, Chile, and Brazil.

Now, there are calls for the four guarantors to step in and mediate, amidst suggestions that a demilitarized zone be set up on the model of the DMZ between the two Koreas.

The Peruvian position is that observers should come and see for themselves that Ecuador is the violator of the 1942 treaty, whereas Ecuador is insisting on negotiations, as if the treaty did not exist. Peru is protesting the apparent decision of Venezuela, Colombia, and Bolivia, the other members of the Andean Pact, to side with Ecuador in this matter.

### China to reverse stand on Zionism resolution?

The Australian co-chairman of Edgar Bronfman's World Jewish Congress, Isi Leibler, met with Beijing Foreign Minister Qian Qichen and Standing Committee chairman Wan Li, and released a statement saying that China would soon reverse its support for the U.N. resolution that equates Zionism with racism.

According to Reuters on Oct. 14, Leibler said: "It was made abundantly plain to us that China today regards the wording of

that resolution as a gross distortion of the truth and a slanderous slur on the Jewish people. . . . I have not the slightest doubt in my mind after talking to Mr. Qian that the moment this becomes politically feasible, the Chinese will have no hesitation in ending what he clearly indicated to us has become a morally untenable and embarrassing association with this repugnant resolution."

Reuters adds that the People's Republic of China voted for the resolution when it was introduced 16 years ago, but has not recently taken a position on it. No confirmation of Leibler's claim has yet been received from China.

President Bush, in his address to the U.N. General Assembly on Sept. 23, had called for the resolution on Zionism to be repealed. Under the banner of the "new world order," Israel's brutal, racist treatment of the Palestinians is supposed to be erased from the public conscience, with the acquiescence of Third World countries that are themselves also on the chopping block.

### Germany and France create army corps

The creation of a Franco-German army corps which may serve as the model for a joint European defense was announced on Oct. 16, in a letter by French President François Mitterrand and German Chancellor Helmut Kohl to Dutch Prime Minister Ruud Lubbers, who is chairing the European Community (EC) during the second half of 1991.

The joint army corps, which will have its headquarters in Strasbourg, France, will draw on the past two years of experience with the Franco-German army brigade stationed in Böblingen, southwest Germany, and add a French and a German tank division to that brigade. The corps, having approximately 30,000 men in its initial phase, is to be extended to 50,000 men or more, later on.

Mitterrand and Kohl proposed the Franco-German corps to serve as the core of a future European army operating under the auspices of the Western European Union (WEU), composed of contingents from each member state. The following political and administrative adjustments, have been proposed, to achieve that aim:

- Greece and Denmark, which are members of the EC but not of the WEU, would join;
- Turkey, Norway, and Iceland, which are members of NATO but not of the EC, would be associated with the WEU as well;
- A loose association status with the EC would be given to Poland, Czechoslovakia, and Hungary;
- The political headquarters of the WEU, presently in London, is to move to Brussels, to ease coordination with the EC and NATO; a joint WEU military staff is to be created, to command a European army of approximately 100,000 men.

### Moscow floats plan of new status for Kuriles

The Soviet daily *Pravda* proposed in an Oct. 10 commentary that the Kurile Islands should become a U.N. research center and a free economic zone. The plan was echoed by Moscow Mayor Gavriil Popov during a visit to Washington, D.C. later in October.

The islands, claimed by Japan, have been occupied by the Soviets since the end of World War II. This has been an obstacle to the establishment of full diplomatic relations between the two countries, but in recent months there have been signs of a pending breakthrough on that issue.

Pravda's Far Eastern affairs expert Vsevolod Ovchinnikov argues that both Japan and Russia had claims to the Kuriles, and that the deadlock could be broken by "putting aside the question of whom the Northern Territories [the Kuriles] belong to and instead create . . . a free economic zone, a sort of Soviet-Japanese joint enterprise that would function in the interests of all mankind. . . . It might be possible to concentrate, on the four southern islands of the Kurile chain, various U.N. institutions involved in nature conservation, the reclamation of the Pacific Ocean, the study of volcanoes and earthquakes, the preparation

of meteorological forecasts, and so forth."

Ovchinnikov adds that "the question of sovereignty over the Northern Territories would in this way be left to the discretion of future generations. Let us say, until the middle of the 21st century, when the very idea of national borders will, perhaps, have acquired a different character than now."

### Cambodian premier makes way for Sihanouk

Cambodian Prime Minister Hun Sen has invited Prince Norodom Sihanouk, his former rival, to become President of Cambodia, an important move toward helping the Cambodian peace conference in Paris succeed, the London *Times* reported on Oct. 18. The peace conference is scheduled for the end of October.

In a speech at the opening of the sixth—and last—Congress of the Kampuchean People's Revolutionary Party in Phnom Penh, Hun Sen departed from his prepared text to say he thought it necessary to have a Cambodian political figure with enough influence to sway the country's electorate to vote for the party. To steer Cambodia away from a future political crisis, Hun Sen said, the party should support Sihanouk as President of Cambodia in a future national election.

At the current meeting, the party will be renamed the Cambodian People's Party, and its new manifesto calls for promotion of "economic and social development," trade unions, and freedom of assembly, and declares Buddhism to be Cambodia's state religion. It calls for permanent neutrality of Cambodia and opposes a recurrence of the Khmer Rouge "holocaust."

### China builds up forces in Tibet

There are indications of a Chinese buildup of nuclear and conventional military forces in Tibet, especially on the border with India, the *Sunday Telegraph* of London reported

from Lhasa on Oct. 20. China is also increasing its internal military police forces in Tibet, in an all-out onslaught on the Tibetan independence movement.

The article, citing Indian intelligence sources and pro-Tibetan organizations based in London, reports that "dozens" of nuclear missile silos have been installed on the Tibetan plateau, and that a substantial military base is under construction on the road from Lhasa to Bhutan. Chinese military units have also conducted regular maneuvers near the border. The Chinese are building up their presence on the basis of a "perceived threat" from India, the paper reported.

There has also been an internal shift in Chinese policy toward Tibet in the last two years. Beijing now no longer sees any possibility of winning the support of the Tibetan population, and is going for all-out exploitation of Tibet's rich resources and total destruction of the nationalist movement. One Chinese official recently claimed that Tibet has half the world's known reserves of uranium, and coal, gold, copper, and precious stones are also abundant.

### Iran calls for nuclear parity with Israel

The Muslim world should seek parity in nuclear weapons with Israel, said Ayatollah Mohajerani, Iran's vice president in charge of legal and parliamentary affairs, to *Abrar* newspaper. Ideally, he said, "Israel should be totally deprived of its nuclear capacity. I mean what has been done to Iraq in respect of its nuclear capacity should be done exactly to Israel."

But if Israel retained its nuclear weapons, he said, Muslims should work together to make their own nuclear bomb, regardless of any U.N. attempt to prevent nuclear proliferation. "Because the enemy has nuclear facilities, the Muslim states, too, should [have] the same capacity. . . . In other words, the atomic capacity of Muslims and Israel should be at par," he said. "That is not the business of the United Nations or of the Security Council . . . to decide."

### Briefly

- ISRAEL and the Union of Sovereign States (U.S.S., the former Soviet Union), restored full diplomatic relations on Oct. 18, after a lapse of 24 years. Soviet Foreign Minister Boris Pankin was on hand in Israel for the restoration, which occurred the same day that Washington and Moscow issued invitations to a Mideast peace conference, set for Oct. 30 in Madrid.
- GERMAN Foreign Minister Hans-Dietrich Genscher arrived in Alma Ata, Kazakhstan on Oct. 16, for a surprise meeting with the President of Kazakhstan, Nursultan Nazarbayev. Genscher also stopped in Kiev for meetings with Ukrainian officials. No details were released, but direct political relations to the republic governments of the former U.S.S.R. have been stressed in German government statements.
- THE RESIGNATION of London's Sunday Telegraph editor, Peregrine Worsthorne, is viewed by London sources as evidence that pro-Thatcher networks in the establishment are being "cleaned out." Worsthorne, whose fanatical attacks on united Germany gained him international notoriety during the past year, quit abruptly in September.
- KIICHI MIYAZAWA, the former foreign minister of Japan, is likely to become prime minister when elections are held on Oct. 27, Japanese sources report. Miyazawa has been endorsed by the "Takeshita faction," the largest caucus of the ruling Liberal Democratic Party (LDP). Current Prime Minister Toshiki Kaifu is not standing for re-election.
- MARGARET THATCHER chaired a seminar in England the weekend of Oct. 12, on the theme, "The World After Communism." Participants included Henry Kissinger, Sovietologist Robert Conquest, Lord Brian Griffiths, Robert Hormats, and Peter Rodman. The seminar was sponsored by the American National Review Institute.

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### **PIRNational**

### Bush to be hooverized, but Democrats no alternative

by Mel Klenetsky

Increasingly, the issue before the American population and the world is the worsening depression. Every time George Bush goes for too long a period without some bloody foreign policy extravaganza, his support starts to drop precipitously. Speculation about New York Gov. Mario Cuomo entering the presidential race has risen as Bush's troubles increase, driven by his domestic policy failures. Yet, while Cuomo and other Democratic presidential candidates find their salivary glands working overtime as Bush's domestic woes increase, only one presidential candidate, Lyndon H. LaRouche, has the program dramatic and radical enough to make a difference.

LaRouche, an economist in the tradition of the "American System" of Alexander Hamilton, is the only presidential candidate who advocates an industrial recovery policy, based on investment in infrastructure and technologies at the forefront of science. His program for a European "Productive Triangle" would enable the relatively healthier economies of continental Europe to jumpstart the moribund U.S. economy.

Bush's veto of the extension of unemployment benefits for 3 million Americans, on the other hand, is an example of the brutality which is dominating political decisions on every level of government today. Look at New York City Mayor David Dinkins' bulldozing over the homeless shanty towns in the city's Thompkins Square Park. Some 60,000 are homeless in New York City and there are cardboard shanty towns in the middle of Manhattan, where families live and even hook up their electric hot plates to the street lamps. Some children have been electrocuted.

Maryland Gov. Donald Schaeffer has proposed state budget cuts that will slash the state police force, cut back on life-saving emergency hospital helicoptor airlift programs, eliminate drug rehabilitation programs, and cut back on state assistance for life support systems for the needy. In Michigan and Massachusetts, 90,000 and 14,000 welfare recipients, respectively, have been knocked off the rolls due to budget cuts. Mayors and governors throughout the country have been implementing budget cuts, and are being correctly blamed for the suffering this causes. But in the mind of the public, the person increasingly responsible for the economic mess is George "Herbert Hoover" Bush.

A recent Washington Post poll, for what it's worth, showed Bush's approval ratings on the economy go from 45% in January to 49% in March, the height of Desert Storm, to 37% in October. Of those most recently polled, 51% say the nation needs new policies, compared to 44% who say they will go with Bush. Absent some new "Thyroid Storm" foreign adventure, this is some indication that Americans are starting to reflect upon the obvious condition of the U.S. economy.

This October, the multibillion-dollar quarterly losses of the "Big Three" auto companies have become the lead item of the nightly news. Some analysts say that Citibank's quarterly losses are actually \$5 billion, not \$885 million, if the proper losses for real estate values were actually taken into account.

The Census Bureau report in September told of 33,600,000 Americans who live below the absurdly low official poverty line of \$13,359 for a family of four. Nevertheless, the numbers explain why we have shanty towns in America's cities.

Here are some depression statistics from around the country: California lost 240,000 jobs from July 1990 to May 1991. California state unemployment rose from 5.9% in 1990 to 7.7% as of this September. Boeing in Seattle reports they expect 2,500 defense-related jobs to be lost. Westinghouse reports third quarter losses of \$1.5 billion and expects 4,000 layoffs. Protests abound in Maryland, Connecticut, and elsewhere. In Connecticut, a rally of 75,000 protested the new 4.5% personal income tax.

Surcharge taxes are regressive. Pittsburgh has implemented a \$1 per month phone surcharge, and New York City and Minneapolis car rentals get a \$2.50 per day and \$7 per rental surcharge. In Rhode Island, there is a \$220 million payout plan for the depositors of 9 out of 13 closed banks and credit unions. Depositors would get 10% of frozen funds and \$2,500, if eligible. Someone with savings of \$50,000 would get \$7,500, in other words.

Each of these situations represents a human tragedy. When the Marriott Hotel opened up in Norfolk, Virginia, 6,000 people turned up to apply for 250 jobs. Nearby Hampton Roads has unemployment figures of 41,000, up 30% from last year.

#### It's Bush versus LaRouche

The announced Democratic candidates, with the exception of LaRouche, represent some combination of Bush's austerity policies and Jimmy Carter de-industrial, malthusian programs (i.e., fascism with a liberal face). Since the Kennedy assassination, the post-industrial programs, from Lyndon Johnson on, have contributed to placing this country at the point of irreparable economic implosion. We have no steel industry, no machine tool industry, and our farms are going under by the minute.

Bush's solution is the free trade policies found in the North American Free Trade Agreement (NAFTA) and the Uruguay Round of the General Agreement on Tariffs and Trade. These free trade policies have wrecked the economies of the Third World, Poland, Britain, and the United States. All one need do to be convinced of this is to look at the effect of deregulation on the trucking, airline, rail, and telecommunications industries.

#### The seven dwarves, again?

The Democrats running are either moderate-centrist Democrats who have made a point of being more like Bush and the Republicans, or of the liberal Mondale-Carter stripe. All are malthusians and environmentalists who are opposed to the large-scale infrastructure programs that LaRouche has championed, such as the North American Water and Power Alliance (Nawapa). Additionally, they are mostly under the thumb of spokesmen and apologists for organized crime, Meyer Lansky's mouthpiece, the Anti-Defamation League. Their attacks on the economies of Germany and Japan doom these Democrats from a true industrial development perspective, since the U.S. today cannot recover on its own, but will need those allies' help.

Here's a quick sketch of three Democratic candidates, Jerry Brown, Paul Tsongas, and the about-to-announce Mario Cuomo.

Jerry Brown, the latest to enter the race, was California governor from 1975-83, after which he entered a Buddhist monastery for six years. He supported Proposition 13, which prohibited states from running a deficit, setting the stage for the collapse of the state education system and infrastructure (the San Francisco highway was not earthquake proofed, for

example). He was big on austerity and the "small is beautiful" concept of radical environmentalist E. F. Schumacher.

Brown pushed windmill power, and the inefficient, dysfunctional, now abandoned windmills can be seen strewn over the state. Brown started Solar California, helped delay the Diablo nuclear power plant, and kill the Sun Desert nuclear plant. Because of his environmentalist beliefs, he opposed the spraying of the Medfly until the federal government forced him to; he then diluted the spraying to the point that it was ineffective. His delays cost the fruit industry billions. The Medfly has cropped up again this year, having now become endemic in California due to Brown's incompetence. Brown's radical environmentalist proclivities did not stop him from changing the state requirement for sulfur levels on imported oil. This allowed Pertimina oil from Indonesia, in which the Brown family had a large stake, to be imported.

#### Raving malthusians all

Paul Tsongas is a former senator from Massachusetts. An ultra-liberal who had a Damascus Road transformation, he is now calling himself "the best friend Wall Street ever had." Tsongas has written a platform entitled "A Call to Economic Arms: Forging a New American Mandate." In it, he calls for cutting domestic consumption and slashing entitlement programs, leading with Social Security. He calls for trade war against Japan and Europe; stabilizing world population as a new moral imperative; returning to the "stewardship of nature" concept of Teddy Roosevelt, and proclaiming a goal of "global equilibrium" for resource consumption; and demanding burden sharing from other major countries to forge the new world order. Tsongas supports the NAFTA fast track.

Mario Cuomo, the best-known Democrat nationally, is considering a bid, given Bush's difficulties. Cuomo was supposedly a pro-labor, pro-minority Kennedy-style liberal, but his budget-cutting policies as governor have pitted him against both labor and minorities. Last February, State Deputy Assembly Speaker Arthur Eve, at an annual dinner of the Black and Puerto Rican legislators, angrily attacked Cuomo for his budget cuts, saying there was no difference between Reaganomics and Cuomonomics. This year, Cuomo threatened New York City Mayor Dinkins with placing the city under Emergency Finance Control Board receivership if Dinkins did not break the municipal unions' demands. As governor, Cuomo has presided over shutting down the Buffalo steel industry, collapsing the state's dairy industry, closing down the Shoreham nuclear plant, and raising tuition for the City University system. There have been big demonstrations against him by both state and municipal employees.

Other announced Democrats, such as Sens. Tom Harkin (Iowa) and Robert Kerrey (Neb.), Virginia Gov. L. Douglas Wilder, and former Arkansas Gov. Bill Clinton, have similar policies. They are malthusian budget cutters who don't have LaRouche's vision to change the country.

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## Amelia Boynton Robinson builds a bridge to new civil rights movement

#### by Marianna Wertz

A new civil rights movement in America is emerging around the ongoing book promotion tour of Amelia Boynton Robinson, one of America's true living heroines. Since mid-September, she has spoken to thousands of Americans, young and old, of virtually every race and national origin, in cities all along the Eastern seaboard and the Midwest. Her message is very clear: To fight evil today, you must find the courage, as she did, to stand up for what is right, no matter the consequences. Her purpose is equally clear: to instill that courage in others.

Bridge Across Jordan, her autobiography, tells the story of her 50-year struggle for civil rights and human rights. It begins with her work, together with her first husband, S.W. Boynton, in the rural poverty of 1930s Selma, Alabama, bringing home extension service to the disenfranchised black population. In 1965, Mrs. Robinson invited Dr. Martin Luther King to come to Selma, to join her in the fight for voter registration rights for every African-American. She is perhaps best known as the woman who was gassed and beaten by Alabama state troopers on the Edmund Pettus Bridge, during the first attempt to march for voters' rights to the capital of Montgomery, on "Bloody Sunday," March 7, 1965, which is fully described in her autobiography. Bridge Across Jordan concludes with her current struggle, as a board member of the Schiller Institute, working with Lyndon LaRouche and Helga Zepp-LaRouche to build a worldwide movement for justice and human rights that is, as she says, following in the footsteps of Dr. King.

There are few leading survivors of the heroic struggle that African-Americans have waged in this century for the very basic rights which most Americans take for granted. Amelia Boynton Robinson is one of those few, and everywhere she has gone on this tour, from Maryland to New York to Minnesota, she is recognized as a living link to something great that once happened in this country, and a promise that such greatness can happen again. And the way to realize that promise today, she readily tells her audiences, "is to join Lyndon LaRouche and the Schiller Institute."

Unlike most authors, whose book tours are limited to bookstore gatherings and comfortable teas, Mrs. Robinson, at 80 years of age, has been addressing everything from outdoor political rallies on behalf of the independence of Croatia, to full auditoriums in some of the poorest schools in the nation.

#### We need a political movement

On Sept. 25, at the beginning of her tour, she was a featured speaker at a mass rally in the nation's capital, in a lineup of speakers including several serving congressmen, to urge immediate recognition of Croatia's independence. The rally, with more than 1,000 people participating, was organized by Joseph DioGuardi, a former U.S. congressman who is president of the Albanian-American Civic League. "No man is an island," Mrs. Robinson told the crowd, as she compared the ongoing massacres of Croatians and others in what used to be Yugoslavia to the treatment of African-Americans in Alabama during the first half of this century.

She called on her listeners to build an effective political movement, behind the leadership of Lyndon LaRouche, to stop the horrors of the Bush administration. The only speaker to attack Bush directly, she said: "The oligarchy we have here is for genocide. The wars they start are designed to reduce population. . . . Bush and those like him will smile in your face, but they are out to divide us: divide and conquer."

In Pennsylvania, Mrs. Robinson was an immediate hit on the African-American radio stations WHAT and WDAS. The audience response was so lively to her first two-hour interview on WHAT that the station invited her back the next week, on Sept. 30, for a second interview, joined by Sen. Harris Wofford (D-Penn.), whose campaign against former U.S. Attorney General Richard Thornburgh she wholeheartedly endorsed. "My audience fell in love with you," the talk show host commented. Indeed, the calls were not only numerous but very agitated: "I am amazed at your courage," one caller said. "I think Dr. King started a wave, and it needs to become a tidal wave, to get us out of the rut we're in."

At the Philadelphia office of the National Association for the Advancement of Colored People (NAACP), Mrs. Robinson drew the largest crowd of the year, who jammed the office to get autographed copies of her book and hear her speak. She was introduced by branch president Gladys Reese and former president O.G. Christian, who compared her suffering and her strength to St. Paul.

#### An ambassador we can trust

Mrs. Robinson was greeted in New York City as "one of the few American ambassadors a foreigner can trust . . . the LaRouche ambassador." The United Nations diplomat who said this was one of many with whom she spoke during a series of meetings sponsored by the Schiller Institute in its buildup toward an Oct. 7 rally against genocide at the U.N., at which she was a featured speaker.

"What good is it to have a seat at the United Nations if the only thing you are allowed to participate in is genocide against yourself?" she queried these diplomats, referring to the U.N.'s promotion of the genocidal International Monetary Fund conditionalities policy. "Every race—Haitians, Croatians, Germans, Arabs—must join together for the genocide of the new world order to be defeated."

She posed a similar challenge in Chicago to the Chicago Historical Society's premier panel of "I Dream A World: Portraits of Black Women Who Changed America." The keynote speaker, she was introduced by the program director with the following words: "For sure, Mrs. Amelia Boynton Robinson should be included in this national celebration of African-American women's achievements, for without her efforts, spanning over five decades, there would not have been the many others we are paying homage to in this traveling show. Such nobility is rarely found. Such determination is rarely found. . . . Join with me in greeting this grand lady." She told her audience, about 50 civic leaders: "We must unite against genocide. What else is AIDS, but genocide? What else are drugs and gangs, but genocide? What else are unemployment and starvation, but genocide? Illiteracy is nothing but genocide. The only way to do this effectively is to join Lyndon LaRouche and the Schiller Institute."

#### Youth, the locomotive for change

In Milwaukee, Wisconsin, Mrs. Robinson addressed two high school audiences, in both cases at the first all-school assembly in recent memory. On Oct. 16, speaking at North Division High School, the oldest and most important black senior high in Milwaukee, she told more than 1,000 students that they are "the locomotive for change in America. I'm so very proud of you all," she said. "I am inspired by you, just as I was by the youth of eastern Europe, France, and Tiananmen Square." Challenged by the youth to tell them what they can do to change their lives for the better, she said: "Don't you know that drugs and gangs are created so that you don't realize your own potential? This is the issue. You have to develop your minds and souls and morals such that you can eliminate these evils, which are robbing you of your true heritage and future."

Later that evening, she spoke in the chapel of "The House of Peace," where she was introduced by Mrs. Vel Phillips, the former Wisconsin secretary of state, who was one of the leaders of the Milwaukee NAACP Youth Council civil rights movement in the 1960s. She told the audience, largely civil rights



Amelia Robinson, veteran of the civil rights movement, is working with Lyndon LaRouche and the Schiller Institute to build a worldwide movement, in the footsteps of Martin Luther King.

activists, students, and educators: "I have introduced three Presidents of the United States: John F. Kennedy, Gerald Ford, and Jimmy Carter. When you introduce a President of the United States, you say just what they give you to say—no more than 11 words. I view Mrs. Amelia Robinson as just as great, if not greater than any President of the United States. . . ."

#### 'Bridge Across Jordan'

At a public meeting at the University of Illinois campus on Oct. 19, she told her student audience how she came to choose the title of her autobiography. Her motto had always been, she said, "A voteless people is a hopeless people." With that in mind she had dedicated herself to mobilizing people to act in the face of adversity. "From the old spirituals, we learn that 'the Jordan River is chilly and cold, it chills the body, but not the soul.' This is where I got the title. When your body is chilled, it makes the soul more lively. This is the idea."

She elaborated on the necessity of mobilizing today. "What it's going to take to reinvigorate the movement is to replace hate with love. As badly as I would like to hate Bush, I feel sorry for him, because I know he can't sleep at night. The biggest thing that holds people back now is fear." If we can overcome that fear, she said, "the same kind of fear that people had in associating with Dr. King," then we can overcome any obstacle to victory.

This leg of her tour concludes on Oct. 28, after swings into Missouri, Michigan, and Iowa. She will resume her travels after the new year, with visits in January and February to the West Coast and Southwest.

National

## Is David Duke a Bush Republican?

by Harley Schlanger

In March 1984, Lyndon LaRouche addressed the Louisiana Democratic Party state convention in New Orleans. LaRouche, who was a candidate for President in the upcoming Louisiana primary, told the delegates they faced a moment of decision. Unless they supported him and his policy for Hamiltonian financial reorganization, with a "war mobilization" crash program for recovery like that launched by Franklin Roosevelt in 1939-43, featuring long-term, low-interestcredit to rebuild infrastructure, industry, and agriculture, the United States was heading for a deep depression and the Democratic Party for rapid dissolution.

Though his speech was well received, his candidacy was rejected. Walter Mondale won the Louisiana primary and the Democratic nomination, but was crushed by Ronald Reagan in Louisiana. In 1987, Louisiana Democrats backed former U.S. Rep. Buddy Roemer for governor, who defeated former Gov. Edwin Edwards.

With growing evidence of economic catastrophe in Louisiana, Roemer charted a course as a "reformer," rejecting economic emergency measures proposed by LaRouche Democrats, pursuing instead what he called the "Roemer Revolution." His revolution was nothing but a technocratic, free trade austerity regime combined with "good government," a form of administrative fascism favored by Bush and other "reformers" such as Governors Weld (Massachusetts) and Engler (Michigan), designed to sacrifice lives to save the banks and their debt structure.

While Roemer linked himself to Bush—going so far as to switch parties, becoming a Republican—the forecasts made by LaRouche have proven to be completely accurate: The state economy is in continuous decline, as is the outlook for the Louisiana Democratic Party.

#### The Duke 'phenomenon'

It is this background which explains the "phenomenon" which occurred in the primary election on Oct. 19, which seems to so baffle press and politicians, i.e., the large vote for David Duke, placing him in the Nov. 16 runoff with former Governor Edwards. Roemer finished a poor third. Pundits who marvel at Duke's vote (he received 32%, Edwards 34%), pronouncing themselves "shocked" that his support did not show up in the polls, are playing into the "former" Nazi/KKK grand wizard's hands, building up a mystique

around him.

Duke's vote comes almost entirely from disgruntled white voters, who are enraged by the collapse of the state's economy. Although the White House is promoting the idea that the economy has recovered, and Roemer has been touting his "efficiency" in budget cutting, there were more than 148,000 officially unemployed in the state (7.7%) in August, with a \$1 billion budget deficit looming for fiscal year 1992. Since January, 17,519 unemployed have exhausted their benefits, with an equal number expected to do so from September to the end of 1991.

Duke's campaign theme is honed to appeal to the fears of these voters who are falling from the ranks of the middle class, who see no alternative program on the horizon. While not overtly appealing to racism as he once did (Duke describes his past as "youthful indiscretion"), his appeals for less government, lower taxes, smaller bureaucracy, and an end to affirmative action and "quotas" win him the support of the racists, who see these as minority-bashing issues, as well as of those who are merely desperate. The former make up his open supporters; the latter are too embarrassed to admit to the pollsters that they will vote for him.

This explains the much-commented-upon Duke "phenomenon."

#### Duke and Bush: the same agenda

There is much more to David Duke, however. He has a past which includes rumors (which he himself feeds) of ties with both the State Department and the Central Intelligence Agency, revolving around time spent in the CIA-linked Agency for International Development in Laos.

Further, investigators report that Duke's career has been promoted by high-level Scottish Rite Freemasons, who coordinate their activity with the Anti-Defamation League of B'nai B'rith. ADL leaders have scheduled a meeting for the weekend of Oct. 26 to map out plans against Duke. In the past, ADL deployment into Louisiana against Duke, such as sending the New York-based terrorist and FBI informant Mordechai Levy into the state to oppose Duke's 1989 race for state representative, has aided Duke, who asks Louisianans to reject such "outside intervention."

Duke's polarizing program and tactics, which feed into the activation of ADL-linked and controlled networks, are similar to those of President Bush, even though Bush campaigned for Roemer and contributed large sums to his campaign, and has expressed dismay over Duke's success.

Both have attacked, repeatedly, civil rights bills and "quotas." Both favor population control measures and oppose Third World development, backing instead anti-growth "environmentalism." Both use racist appeals—remember the Bush "Willie Horton" ads? And there is the unresolved question of possible CIA ties to Duke.

These similarities have led some in Louisiana to conclude that Duke is, in fact, a Bush Republican.

## Independent probe of Inslaw scandal urged

by an EIR Investigative Team

Eight years after the legal battle between Inslaw, Inc. and the Department of Justice began, and nearly three months after the mysterious death of a reporter who was probing the scandal, former U.S. Attorney General Elliot Richardson has called for a special prosecutor to probe the entire sordid affair. Richardson, Richard Nixon's Attorney General who quit his post rather than obey the President's orders to fire the Watergate prosecutor, penned the call in a commentary in the Oct. 21 New York Times. He argued that evidence has surfaced of a vast government conspiracy to bankrupt Inslaw, a conspiracy possibly linked to the Reagan-Bush era October Surprise and Iran-Contra scandals.

Richardson argued that the mysterious death of writerinvestigator Danny Casolaro in Martinsburg, West Virginia on Aug. 10 made the appointment of an independent counsel a necessity. Richardson stated: "I believe he was murdered, but even if that is no more than a possibility, it is a possibility with such sinister implications as to demand a serious effort to discover the truth."

Many of the charges contained in the Richardson piece were first published in *EIR*. Among the allegations is that Dr. Earl Brian, a former state cabinet officer under then-Gov. Ronald Reagan, a long-time business crony of Edwin Meese, and a major player in the bankrupting of Inslaw, may have been a bagman in the October Surprise effort to delay the release of American hostages in Teheran until after the 1980 electoral defeat of Jimmy Carter. The trashing of Inslaw, according to this story, first told to *EIR* by Michael Riconosciuto, was intended to clear the way for Brian to win a nearly \$1 billion Department of Justice software contract—his payoff for the favor to the 1980 Reagan-Bush campaign.

#### New strange twists in the case

Since the mysterious death of Casolaro, strange events continue to haunt the Inslaw affair.

• On Sept. 26, police in Winchester, Virginia arrested William Turner and charged him with the previous day's robbery of a bank in nearby Gore, Virginia. Turner was one of the last known people to have seen Casolaro alive. A former quality control engineer for the Hughes Aircraft Corp., Turner had been reportedly fired from his job at Hughes after he refused to cooperate with company officials doctoring their safety and payroll records on government contracts.

Out of a job and thrown into the world of defense industry whistle-blowers, Turner was steered 18 months ago to Caso-

laro. They became friends and Turner helped Casolaro with some technical details of his investigation of "The Octopus," Casolaro's name for the vast secret government apparatus behind the Inslaw bankrupcy, Iran-Contra, etc. On several occasions, Turner allowed Casolaro to store investigative documents at his home. The two friends spent nearly an hour talking in the parking lot of the Martinsburg Sheraton Motel just one day before Casolaro's death. Casolaro told Turner that he had one more meeting in Martinsburg to obtain documents that would "solve" the Inslaw case.

According to Turner's own account, several weeks after Casolaro's body was found in a room at the Sheraton, with both his wrists slashed repeatedly, local police Lt. Gil Barrington warned him of possible threats to his own life. For several weeks extending into early September, police conducted regular surveillance of Turner's home. Shortly after that surveillance was lifted, Turner, his wife, and one daughter moved to West Virginia. It was there that Turner was arrested on Sept. 26 and charged with the bank robbery.

The robbery allegations—he has subsequently been charged in a second local bank robbery that took place last April—are a bit baffling for one reason in particular: As the result of surgery years ago, Turner has an artificial leg and walks with a limp. According to family members, as the result of a serious fall in early September, his leg was severely bruised and he had even greater difficulty walking at the time he allegedly robbed one of the banks. Eyewitnesses to both robberies reportedly tell police that the robber made a fast getaway. According to family members, bank employees said that in the April robbery, the thief escaped on foot.

As the result of the robbery charges, local police, as well as the FBI, conducted several searches of Turner's home, including one search prior to obtaining a search warrant, according to Mrs. Turner. Turner is still in jail in Winchester, Virginia, unable to pay the \$25,000 bail.

• Turner is the second potentially key Inslaw witness to be jailed. Last March, Michael Riconosciuto, a West Coast computer expert who has done contract work for the CIA and who claims to have been involved with Earl Brian in the October Surprise payoff, was jailed on federal drug charges less than a week after he submitted an affidavit to Inslaw attorneys naming Brian and a U.S. Customs Service official, Peter Videnieks, as key players in the theft of Inslaw's software.

Videnieks was "loaned" to the Justice Department in the early 1980s and was the program officer for Inslaw's DoJ contract. Earlier, while at Customs, he had been the case officer on a series of contracts with several companies owned by Earl Brian. Videnieks's wife is a top staffer for West Virginia's ranking U.S. senator, Robert Byrd (D).

According to Riconosciuto, Earl Brian and Peter Videnieks brought him a copy of Inslaw's Promis software, which they obtained through the Department of Justice in 1983, and instructed him to modify the program so that it could be sold to a foreign intelligence service. At the time this occurred, Riconos-

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### Thornburgh slings mud to evade scandal

Living up to his reputation for police-state tactics to cover his own corruption, former U.S. Attorney General Richard Thomburgh has filled the airwaves of Pennsylvania with reports that sound to voters as if his election opponent, U.S. Senator Harris Wofford (D-Penn.), has been indicted for "campaign finance irregularities."

Thornburgh aides have been demanding that the Department of Justice (DoJ) indict Wofford, whom he is massively outspending, for "improper fundraising." This began with a press release stating that the campaign would "file criminal charges" with Pittsburgh U.S. Attorney Tom Corbett. Corbett's wife is a member of the Republican State Committee that nominated Thornburgh as a candidate in the special election for U.S. Senate.

The misleading coverage hit the news just at the point when Wofford's campaign had publicly charged criminal acts by Thornburgh and his law firm, Kirkpatrick and Lockhart, for providing Thornburgh with illegal campaign contributions by paying him a salary for little or no work. Wofford has also hit a raw nerve by demanding disclosure of the clients of the firm, and exactly which accounts Thornburgh, as a partner, is sharing revenues from. One question Wofford's campaign has raised, is whether Thornburgh is receiving moneys from the dozen companies that retain K&L's Washington, D.C. office

to lobby the DoJ—which would be a flagrant criminal violation.

Thornburgh and K&L have played a role in mediating the relationship between the Mellon banking family interests and organized crime. For example, a Racketeering Influenced and Corrupt Organizations (RICO) lawsuit was filed against K&L in 1989 for allegedly helping mobster Victor Posner loot \$30 million out of the Sharon Steel Co. on behalf of their client, MelBank, just before the Sharon, Pennsylvania company was put into bankruptcy. The looting allegedly took place in 1985-86 while Thornburgh, then governor, was sitting on his hands as the state's steel industry was dismantled. The financial "corporate takeover" empire of Meyer Lansky associate Posner was, at the time, according to the suit, one of Mellon's biggest customers.

Much of the destruction of state steel and other industries occurred while Thornburgh was governor. Thornburgh hosted two "state trade missions" to Communist China while he was governor, including one in 1980 arranged by homosexual Washington lobbyist Craig Spence. Shortly after the second mission, a close associate of Spence, former Philadelphia attorney James Gordy, played a key role in the U.S. Steel-Marathon Oil merger which resulted in the shutting down of most of Pennsylvania's steel industry, and the relocation of a large part of the machinery of U.S. Steel's Fairless, Pennsylvania works to Red China. The "trade mission" was arranged through Spence by the law firm of Thornburgh's then-state Attorney General Harvey Bartels, whose name was submitted by the Thornburgh DoJ as an appointee for a federal judgeship. —Steve Komm

ciuto was working as a computer technician for a Wackenhut Corp. joint venture housed at the Cabazon Indian Reservation in Indio, California. According to Wackenhut and Cabazon Joint Venture documents obtained by *EIR*, the manager of the project, which involved the development and manufacture of military equipment for the Nicaraguan Contras, was Wackenhut Vice President Robert E. Chasen. From 1977-80, Chasen had been the U.S. Commissioner of Customs.

• Lurking in the background of the Inslaw affair are recurring allegations that Earl Brian had ties to drug smugglers, and he may have resorted to dope deals in an effort to bail himself out of financial problems. In the past year, Brian's corporate empire has crumbled. He was forced to sell off his majority holdings in Financial News Network amid charges by employees that he had siphoned off of capital and had mismanaged the corporation. The other cornerstone of his portfolio, UPI, is now in bankruptcy reorganization.

One federal law enforcement source has identified Brian as having possible links to a man from Westchester County, New York, George Okon, who may have been a Brian contact to organized crime. Okon has been linked by this source and one other law enforcement official to major New York City organized crime families which have been involved in large-scale heroin trafficking in the northeast United States. Brian and Okon were reportedly seen together at Boston's Logan Airport last spring. Phone records show that Danny Casolaro was probing the Brian-Okon links at the time of his death, and had made several calls to Okon's home in Peekskill, New York.

• Perhaps the single most bizarre element of the Casolaro-Inslaw story was reported in the Oct. 15 Village Voice. Dan Bishoff, an editor of the paper, received a phone call on Sunday, Aug. 11 from an anonymous man informing him that a reporter had died in West Virginia and that the death would be falsely labeled a suicide. At the time of the call, only the Martinsburg Police knew that Casolaro had died, and they had no idea that he was a reporter. Casolaro's family was not informed about his death until Monday, Aug. 13. Whoever made the call to Bishoff knows a great deal about the circumstances of Casolaro's death . . . and about "The Octopus" that he was stalking.

## 'Get LaRouche' force reeked of corruption

Documents released in mid-October by the FBI repeatedly demonstrate that Virginia Attorney General Mary Sue Terry was fixated on using the prosecution of political leader Lyndon H. LaRouche, Jr. and his associates for her own political benefit. While the entire multi-jurisdictional, federal-state "Get LaRouche" task force carried out a politically motivated persecution of LaRouche, the FBI documents provide a glimpse at the political motivation of one of their fellow task force partners.

The documents, released under the Freedom of Information Act (FOIA), contain a blow-by-blow account of Terry's obsession to take credit for the Oct. 6, 1986 federal-state paramilitary raid on companies associated with LaRouche in Leesburg, Virginia. They cite no fewer than six pre-raid meetings between federal and state prosecutors where Terry astounded U.S. Attorney Henry Hudson and other federal prosecutors with her insistence on taking the political credit, no matter what risks it created for the prosecution. (Such political motivation violates the constitutional requirement of an impartial prosecutor.)

The emphasis in the following excerpts is added:

"On September 25, 1986, representatives of the FBI, Secret Service, IRS, Virginia State Police, Loudoun County Sheriff's Office, U.S. Attorney's Office, and U.S. Marshal's Office, met... The purpose of this meeting was to discuss the joint service of the State of Virginia and federal search warrants on two locations of the LaRouche organization on October 6, 1986... By the end of the day, an operational plan which was agreeable to all parties concerned had been worked out to the mutual satisfaction of both state and federal officials. A subsequent meeting was scheduled for Thursday, Oct. 2, 1986, to discuss final details concerning implementation of this search.

"U.S. Attorney Hudson had earlier taken Ms. Terry to see William Weld, [head of the] Criminal Division, U.S. Department of Justice, to discuss this issue. During their conversation, Terry could not be dissuaded from her position that the Virginia State Police should be the lead agency.

"On Friday, September 26, 1986, it was learned through the U.S. Attorney's office that the operational plan which had been agreed upon the previous day was not acceptable to Mary Sue Terry. . . . After further discussion between the various agencies concerned, it became apparent that the Virginia State Police had been mandated to assume the lead agency role in the implementation of the search. . . .

"It was subsequently determined that the State Attorney General's office was adamant in being the lead agency for the purpose of entering and securing of the two locations, which was construed to be for politically motivated reasons on behalf of the Virginia State Government Administration, rather than for the successful prosecution of state and federal cases for the mutual benefit of all agencies involved.

"On Sept. 29, 1985, U.S. Attorney Henry Hudson traveled to Richmond in an effort to work out an acceptable solution to the differences between the State Attorney General and federal authorities concerning the service of the two search warrants on the subject. . . .

"U.S. Attorney Hudson telephonically advised Alexandria at 12:30 p.m. that the State Attorney General's office desired that entry teams composed of federal and state agencies would enter both locations simultaneously. The Virginia State Police would be in charge of entering the building and securing the premises at which time the federal agents would then enter and serve the warrants and lead the search of both premises. . . . It was explained to Mr. Hudson that a high risk of potential civil liability was present, inasmuch as there was no designated team leader at each location who would be in control of all of the state and federal team members.

"On Wednesday, Oct. 1, 1986, a meeting was held at Virginia State Police headquarters in Richmond, Virginia, where members of all interested agencies involved in the search were present. . . Disagreements were again discussed concerning the desire of the State Attorney General's office to be the principal agency in serving the warrants and implementing the searches.

"Inasmuch as discussions were at a complete impasse over the manner in which the warrants should be served, a personal meeting was arranged with the State Attorney General by Acting Special Agent in Charge, FBI Alexandria, and Assistant Special Agent in Charge, U.S. Secret Service, for later that afternoon.

"During that meeting, the State Attorney General, as well as her legal assistants, were afforded a historical overview of the extensive federal case in three federal judicial districts. . . . It was emphasized to the State Attorney General that there was much more involved in this case than just mere temporary political mileage to be gained from favorable publicity deriving from this case.

"... For the information of the Bureau (FBI), the Loudoun County Sheriff, John Isom, is extremely interested and concerned about the activities of the LaRouche organization, which includes both criminal and political interests. In that regard, he anticipates and expects federal involvement in this matter. He has expressed his concern over the level of federal participation and involvement, and has made arrangements with his investigator to meet on May 1, 1986, with Democratic Representatives in Congress to discuss the LaRouche problem."

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### Congressional Closeup by William Jones

### Bill would let cartels control food for Russia

Legislation introduced by House Agriculture Committee chairman Rep. Kika de la Garza (D-Tex.) on Oct. 15 would give unlimited funds for the Food for Progress program, which "provides food aid to countries that agree to promote free enterprise in their agricultural sector."

FFP would be expanded to allow the President to enter into agreements with private entities as well as private voluntary organizations, non-profit agricultural organizations, and cooperatives, to carry out the program. It also allows the secretary of agriculture to waive the "creditworthiness" restrictions in the current law to make credit guarantees available to the Soviets.

The United States Department of Agriculture would be directed to oversee private sector assessments of the needs and investment opportunities in developing a "modern food and rural business system" in the Soviet Union. The legislation also calls for the President to designate "suitable multinational organizations" to monitor the transport and distribution of food aid to the former Soviet republics.

Bentsen proposes tax cut to 'jump-start' economy

As all economic indicators point to an ever-deepening depression, Sen. Lloyd Bentsen (D-Tex.), chairman of the Senate Finance Committee, proposed a tax cut for middle-income Americans to "jump-start" the economy, on the CBS News program "Face the Nation" on Oct. 20.

The economy is "dead in the water," Bentsen complained, and the administration is only trying to "talk its way out of it."

Noting that the income for the average American family during the decade of the 1980s had gone down \$1,600 in real dollar terms, Bentsen proposed a \$300 tax credit for each child up to 18 years of age, and to allow everyone to be eligible to deduct investments of up to \$2,000 per year in Individual Retirement Accounts.

The Bentsen reforms would be financed by a 5% cut in defense spending over the next five years, a cut which Bentsen claimed is justifiable in the light of the "collapse of communism."

With mid-October figures released by the U.S. Chamber of Commerce indicating a growing lack of business confidence in the economy, President Bush, under pressure from his own party, has begun meeting regularly with Republican congressional leaders to work out a "growth package," largely based on a re-hash of his proposed cut in the capital gains tax.

The support given the Bentsen proposal by Sen. Phil Gramm (R-Tex.) indicates a growing realization in Congress that the economy is key in this year's elections. Gramm told reporters, however, that the Bentsen package must be coupled to a reduction in the capital gains tax.

Bentley gives pretext for Serbian aggression

Rep. Helen Bentley (R-Md.), an unofficial spokesman for the Serbian lobby in the U.S. Congress, railed against the alleged growing influence of the Croatian Party of Rights and its leader Dobroslav Paraga, in remarks on the House floor on Oct. 16. She tried to create the impression that Croatian fascism, rather than Serbian aggression, is the biggest threat in the war-torn former

Yugoslav Federation.

Citing a Washington Post article as her authority, Bentley charged that the Party of Rights "is a reincarnation of the Nazi-backed Croatian Ustashi of the Second World War." The party only represents about 2% of the Croatian population and has been a thorn in the side of the Croatian government, accusing Croatian President Franjo Tudjman of being corrupt and incompetent and even branding him a traitor—as Bentley herself admitted.

### Gates nomination to head CIA gets committee okay

The Senate Select Committee on Intelligence on Oct. 18 voted 11-4 to approve the Bush nomination of Robert Gates as the next director of the Central Intelligence Agency.

The Gates nomination, controversial because of his role in the Iran-Contra affair as deputy to then-CIA head William Casey, received less attention than expected because of the fear of Democrats to probe deeper into the Iran-Contra affair.

The support given to the nominee by Intelligence Committee chairman David Boren (D-Okla.), a "Bush Democrat" and a member, together with Bush, of the Yale Skull and Bones secret society, played a decisive role in influencing the committee vote. Boren justified his support for Gates by claiming that if the necessary changes in the CIA were to be made—reorienting its work from Sovietwatching to gathering economic intelligence on U.S. competitors—"we need someone from the inside . . . prepared to hit the ground running."

Sen. Alan Cranston (D-Calif.), who had been eager to probe the Iran-Contra affair during the hearings of Bush nominee Donald Gregg to become U.S. ambassador to South Korea, also voted for Gates. It was announced the same week that ethics charges pending against Cranston in the Lincoln Savings and Loan scandal would not be dropped after all. Ethics Committee member Sen. Trent Lott (R-Miss.) claimed that his thinking on the Cranston matter had changed in the wake of criticism of the Senate over its handling of the Clarence Thomas nomination, and that a full investigation was called for.

The Gates nomination will now go to the full Senate where the debate may become more heated. Sen. Sam Nunn (D-Ga.), who backed Gates in committee, said that his vote on the floor was not assured unless he received further information from the CIA on questions raised at the hearings.

### Gore seeks restrictions on national sovereignty

One-World advocate Sen. Al Gore (D-Tenn.) launched into a tirade Oct. 17 against countries which exported high technology to developing sector countries like Iraq. He demanded severe restrictions on their sovereignty, if necessary, to curtail such exports. Gore had recently attacked Switzerland for having participated in the "proliferation of weapons technologies to Iraq."

Gore demanded "supranational control" over even the slightest attempt by industrialized nations to promote economic development in the Third World. Gore called for "intrusive inspections" by U.N. investigative teams to examine whether Third World countries are conducting "weapons development," and for more "intrusive" measures on indus-

trialized countries willing to supply high-tech products to the developing world. Gore complained that "multilateral agreements" restricting certain types of exports are only "consensual" in nature, rather than "enforceable."

Gore demanded that governments make such transactions "high crimes," that they "devote the resources necessary to find those who have violated those laws or who are conspiring to violate them, and to punish the violators so heavily as to guarantee the personal ruin of those who are responsible, and to easily threaten the destruction of any enterprise so engaged."

"We and other advanced industrial governments should be utterly deaf to the outrageous demands of various so-called developing countries who regard these constraints as infringements upon their sovereignty. We do not have to recognize the sovereign right of all governments to acquire weapons of mass destruction if they happen to have the talent and money to waste on that process," Gore said.

Gore added that the "dual-use" nature of most technologies merely aggravated the situation, requiring even "peaceful" uses of technology to "be monitored and verified, by highly intrusive means to the degree necessary." Gore said that this should also apply to potential suppliers of weapons technology among the former Soviet republics.

### Omnibus crime bill moves forward

The Omnibus Crime Bill moved further toward becoming law, as the House voted 247-177 to reject bans on the sale and ownership of some types of semi-automatic weapons.

The legislation had been attacked by the National Rifle Association and others as a breach of the constitutional right to bear arms. Although the ban was defeated, the Senate version requires a five-day waiting period on the sale of handguns. The House already passed a separate piece of legislation, the Brady Bill, which calls for a seven-day waiting period for the sale of handguns.

The House narrowly defeated, in a 218-208 vote on the same day, an amendment which would have placed severe restrictions on the *habeas corpus* appeal procedures for death row convicts. The House Judiciary Committee had placed restrictions on *habeas corpus*, but not as stringent as those demanded by the administration.

Rep. Henry Hyde (R-Ill.) tried to restore the original provision for a sixmonth statute of limitations on submitting a habeas corpus petition, rather than the year provided by the Judiciary Committee. The committee version also begins the count from the time that the convicted is represented by competent counsel. The Hyde amendment would have allowed the convicted only one opportunity to initiate habeas corpus proceedings, whereas the committee would allow him to submit a second petition on condition that state authorities had prevented him or her from raising the claim in the first petition, or, if facts had since come to light supporting his claim which could not have been discovered at the time of the first petition.

New rules introduced by federal courts would not apply retroactively to a person convicted before the new rules were instituted. Rep. Michael Kopetski (D-Oreg.) noted that if the Hyde amendment had been enacted, defendants would "be executed despite the fact that they were convicted or sentenced unconstitutionally."

### **National News**

### Navy repudiates FBI witch doctors

The U.S. Navy Oct. 17 repudiated its initial investigation into the explosion which wrecked a 16-inch gun turret on the battleship Iowa, and announced that "there is no 'clear and convincing proof' of the cause of the Iowa explosion." The new conclusion is based on studies conducted by Sandia National Laboratory, which demonstrated how the explosion could have been caused through mechanical failure of the gun.

The Navy's original investigation had been shaped by the Behavioral Sciences Unit of the FBI. The FBI unit developed a story that crew member Clayton Hartwig was suicidal/homicidal because of a homosexual relationship that had soured, and that Hartwig sabotaged the turret. This "profile" was leaked to Brian Ross of NBC and became the accepted reason for the tragedy.

Adm. F.B. Kelso, Chief of Naval Operations, announced that the Navy had sent official apologies to the family of Hartwig, which is pursuing a \$40 million defamation suit against the Navy.

Kelso announced that as a result of the episode, the Navy is overhauling its investigative procedures. In the future, he said, all investigations into major incidents will be conducted by boards of inquiry which operate under strict rules of evidence and use a "beyond a reasonable doubt" standard of proof.

### FBI feared disclosure of its illegal activity

An internal FBI document obtained under the Freedom of Information Act shows that the government feared having to make further disclosures of its activities if its charges against Lyndon LaRouche and his associates in Boston, Massachusetts were re-tried.

The January 1989 memo from the Boston FBI to headquarters is a recommendation to drop the charges in Boston after LaRouche and six associates were convicted in Alexandria, Virginia.

"What should have been an [sic] two month long credit card fraud and obstruction of justice trial has degenerated into what appears to be an endless, microscopic examination of issues. . . .

"Among the more bizarre [defense] requests" for documents, the memo claimed, was "the extent of the personal relationship which existed between Henry Kissinger and former Director Webster. . . .

"What is most disturbing . . . is the fact that the defense has increasingly focused on classified material. . . . The government has been ordered to produce these classified Bureau files to Judge Keeton. He has found some of them 'arguably' pertinent and has ordered their disclosure. . . . The Bureau has closely reviewed this situation and has placed limits upon Boston regarding the extent of information which should be divulged. . . . Defense lawyers in this case will continue to press for access to classified files in the Foreign Counter-Intelligence and terrorist areas, claiming that these are pertinent to show LaRouche's relationship with U.S. intelligence agencies. There does not appear to be any limit to their [defendants] seeking of these files nor does there appear to be any clearly defined limit to Judge Keeton's desire to review these files, at a minimum, and, in some cases, make them available to the defense."

### Court again rebukes 'Thornburgh Doctrine'

The Ninth Circuit Court of Appeals, in the second opinion this year on the validity of the Bush administration so-called "Thornburgh Doctrine," has ruled that U.S. officals cannot kidnap suspects in foreign countries. The ruling was made in mid-October in the case of U.S. v. Dr. Humberto Alvarez Machain.

Alvarez, a Mexican national, was accused of participating in the torture-slaying of Drug Enforcement Administration (DEA) agent Enrique Camarena in Mexico. U.S. officials, through an elaborate payoff scheme, abducted Alvarez and brought him to the U.S. to stand trial. In its ruling, the court found his abduction to be in violation of U.S.-Mexican extradition treaties, and

ordered that Alvarez be returned home.

Earlier this year, the Ninth Circuit had made a similar ruling rejecting the Thornburgh Doctrine of abduction in the case of U.S. v. Verdugo. Verdugo, unlike Alvarez, has already been tried and seeks to have his conviction vacated. However, Verdugo's challenge also centers on his contention that the DEA orchestrated his kidnaping to bring him to the U.S. to stand trial in violation of U.S.-Mexican treaties.

### Handicapped announcer fights eugenicist attack

Bree Walker Lampley and her husband, both television anchors at KCBS in Los Angeles, have counterattacked radio talk show host Jane Norris and station KFI-AM for a broadcast Norris did on whether Lampley has a moral right to bear a child who stands a strong chance of inheriting her physical deformity, one which leaves her fingers and toes stunted and fused. Norris said on her show that she couldn't consider bringing a child into the world knowing it had a 50-50 chance of having such a handicap.

In deciding to file a complaint with the Federal Communications Commission, which has been backed by 25 groups for disabled persons, Lampley said, "There seems to be a grounds well of believers in a lifeboat mentality, that perhaps we're heading into a time when the health care crisis in America has become so acute that we have to realign our thinking about who deserves care at taxpayer cost and who doesn't. I think that kind of thinking and mentality has to be fought tooth and nail. The idea that anybody can decide for anyone else what quality of life is worth living is heinous."

### Fight for life is child abuse, doctors argue

Physicians at the Scottish Rite Hospital for Crippled Children in Atlanta, Georgia argued before a Superior Court judge in mid-October that efforts by an unidentified couple to keep their "vegetative" daughter alive constituted child abuse, and that doctors should have the right to kill her. This is the first known instance in which a legal argument has been made that an effort to block euthanasia is a criminal act.

On Oct. 17, Judge Leah Sears-Collins ruled that the child could not be killed without the parents' consent.

The 13-year-old girl in question had been admitted to the hospital on May 18 after having difficulty swallowing. Within two weeks her condition reportedly worsened, requiring respirator support and feeding tubes. The doctors said she was suffering from a degenerative neurological disorder which they could not identify, while asserting that there was no possibility for her recovery. They claimed that the lifesustaining equipment was so painful as to be abusive. They argued that they should have the right to kill her, despite the objections of her parents, so as to not themselves be implicated in child abuse.

"I don't want other people to look down on me and call me a murderer," the mother testified. The father said that there is "no such thing as no hope."

### Nat Hentoff attacks ADL 'hate crime' laws

The so-called "hate crime" statutes which the Anti-Defamation League (ADL) is attempting to enact in states nationwide are overbroad and a violation of the First Amendment guarantee of free speech, Nat Hentoff asserted in a syndicated column in the Oct. 14 Washington Post.

Hentoffreported that Washtenaw County, Michigan Judge Thomas Shea struck down a charge based on Michigan's "Ethnic Intimidation Act," which was added to an arson charge against a defendant who allegedly set fire to a black family's home, as "constitutionally overbroad and in violation of the First Amendment." That statute provides an additional criminal penalty if a crime is motivated by racial, religious, or other forms of bigotry, which can include physical contact, property damage, or using language that could "intimidate" or "harass." But, Hentoff wrote, "There is no

definition in the law of 'intimidate' or 'harass.'...

"Elsewhere in the nation, hate crime statutes are taking root in many states. Twenty-one of those laws are either based on—or similar to—a model Hate Crime Statute originated by the [ADL]. Indeed, the Michigan law declared unconstitutional by Judge Shea, was introduced by State Rep. David Honigman, an ADL regional board member."

Hentoff reported that the Michigan National Association for the Advancement of Colored People (NAACP) is divided on the question, with Raymond Mullins, the head of the Ypsilanti-Willow Run Branch, stating, "It is an overbroad statute, and it could boomerang."

Hentoff noted that retired U.S. Supreme Court Justice William Brennan in NAACP v. Button in 1963 wrote that "First Amendment freedoms need breathing space to survive." Hentoff concluded, "Hate speech laws constrict that breathing space, and they make those convicted of crimes pay a double penalty—all for the greater good of social civility."

### Oliver North says Reagan knew of funds diversion

Former National Security Council staffer Lt. Col. Oliver North claims that President Reagan was informed about the diversion of funds from the sale of arms to Iran for the Nicaraguan Contra rebels, in a forthcoming book excerpted in *Time* magazine.

However, North added that Reagan may not have lied when he later said he didn't know anything about it, because "the President didn't always know what he knew. I believe he was told about it, but that doesn't mean he paid attention to it or remembered it."

North seems to be going out of his way to defend George Bush, saying in an interview published in *USA Today* on Oct. 23: "I don't think he has any problem with further scrutiny.... George Bush had remarkable political courage in inviting me to his home for a Christmas dinner when I was *persona non grata* to the rest of official Washington."

### Briefly

- CLAIR GEORGE, who was in charge of CIA clandestine operations from 1984 to 1987, and indicted on felony charges of lying to and obstructing Congress in the Iran-Contra scandal, has demanded access to over 750,000 pages of classified documents to help in preparation of his defense.
- 'THE YOUNG George Bush majored in economics. An incongruous thought, particularly for those who have learnt that if ever Mr. Bush mentions the economy, something bad must be happening. These past couple of weeks the President has not been able to mention the subject enough," the London Economist wrote in mid-October.
- A DELEGATION of KGB officials spent a week meeting with representatives of the CIA, FBI, the Drug Enforcement Administration and the Customs Service, the Oct. 14 Washington Post reported. The KGB reportedly said it wanted suggestions on how to stop narcotics trafficking and organized crime.
- THE BALTIMORE "Save our Cities" march on Washington Oct. 12 drew about 1,500 people to a rally at the U.S. Capitol. Organizers hope to restore some of the federal funding to cities which has been cut over the last decade especially.
- DEATH LOBBY proponents of a measure permitting "terminally ill" patients to request "assistance in dying" have begun collecting signatures to get the issue on the California ballot in 1992. "Mentally competent" patients could authorize doctors to terminate life after diagnosis of a "terminal illness."
- WILLIAM BARR has been nominated by George Bush for Attorney General. Barr's legal opinions sanctioned kidnaping by the U.S. government abroad, and the use of the U.S. military for law enforcement operations overseas. Barr's opinions were used by the administration to justify the invasion of Panama in 1989.

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### **Editorial**

### Can civilization be saved?

The blood-and-soil ideology of Nazi Germany claimed that some people were "racially" inferior, and the same sort of racist propaganda was and is a leading feature of British imperialist ideology. Today we see it cropping up again, as leading figures in France, Italy, and Germany scream against the wave of immigrants—from Africa and from eastern Europe—whom they fear will be seeking refuge in Europe as the economic situation in their own countries becomes more and more desperate.

People who in a previous period would have expressed compassion for the plight of starving refugees, today seem to feel no shame at consigning them to death from starvation and disease. Instead, they are defending the most backward conceptions of what constitutes a nation, substituting fascist notions of "racial" purity, for the idea of a nation as a community of interest defined by its culture and language.

The situation in America is no better. Not only is racism against blacks and hispanics increasing, but Americans are permitting the Bush administration to commit genocide against the Iraqi people, and many actively support this policy.

An international study team which included doctors from Harvard University and researchers from Oxford University and the London School of Economics has just released its findings. They say that the continuing sanctions against Iraq have resulted in an almost fourfold increase in the mortality rate of Iraqi children. There is barely any infant formula or powdered milk to feed children, and essential medicines are lacking.

If this state of affairs continues, the team fears that tens of thousands of additional deaths will occur in the 3 million Iraqi children who are under five years of age.

The rise of fascist ideology which is being spread throughout the advanced sector is driven by the ratchet down primarily of the economies of the United States and Great Britain, but of continental Europe as well. As the governments of Germany, Italy, and France capitulate to the demands of the Anglo-American oligarchy, popular discontent rises.

For example, the French government has just given in to Anglo-American demands that they withdraw agricultural price supports. This will not only bankrupt French farmers, but will result in real shortages of food, and not only in France. It is the people of Africa and eastern Europe, and the republics of the former Soviet Union, who will first feel the effects of these food shortages.

The still-existing economic potential of France, Germany, Italy, and Japan is the only barrier to a collapse into a global depression more terrible than any before. It is for this reason that Lyndon LaRouche and his associates have been fighting to see policies for investment in global infrastructure development adopted by these countries.

Although Germany has allocated money for some infrastructural improvements, this has not been enough to stop the slide. The failure of Chancellor Helmut Kohl and others to move decisively on this front, means that increasingly desperate people are susceptible to fascist rabble-rousing against immigrants and the people of the developing sector.

In our Aug. 30 issue, Uwe Friesecke, a German leader of the Schiller Institute, warned of the lethal combination in western Europe of economic strains and venal political leadership. In France, he reported already at that time, the Socialist government "more or less proposes to forcefully deport tens of thousands, if not millions, of foreigners." In Germany, "the worst effect of pragmatic politics is that, under pressure of economic crises, you bring out the worst in individuals. If you cannot appeal to higher purposes as the justification for personal engagement, then you leave the individual to a level of emotional reaction which is easily 'everybody for himself.'"

Western Christianity was based upon the truth that all men and women of the *human* race have been created in the living image of their Creator. When this is denied and bestiality is unleashed, then this is truly the end of civilization.

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EIR Special Report, March 1991

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