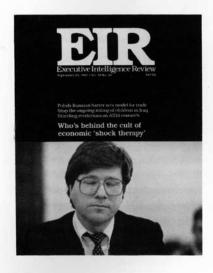


A talk with Russian Duma's economics chief Anti-immigrant fit won't help California Venice versus western civilization

How we were shrunk: tragedy of the World War II veterans



# IMF Commits Crimes Worse Than Hitler's







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

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

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- The IMF promotes communist insurgency. Said Fidel Castro, "The International Monetary Fund alone still inspires confidence in me. It is the IMF that will realize all my plans."

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

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#### From the Editor

This issue is a mixture of current history, and a feature packet that looks at the present from a vantage-point of events nearly 50 years in the past. In his essay introducing the section, Lyndon LaRouche states: "A decade from now, most who came out of the economic depression of the 1930s to share that military service [in World War II], will have passed on. Today, the survivors among those millions have a story yet to tell, the story of their generation's 1941-63 experience. . . . To date, much has been written about sundry facts of that generation's page from history, but the real story, the tragedy of that generation, has not been told. It is a story from the past; it is the story behind the most important breaking developments in today's headlines around the world." And (we add emphasis): "It is still breaking news."

Events of early November underscore that aspect. In the United States, while Ollie North was happily defeated in Virginia—and LaRouche's friends take an important share of the credit for that—the overall look of the off-year national elections was one of mass pessimism which led to outright fascist choices in candidates and policies (see *National*).

The antidote is not simply to be sought within U.S. boundaries. As LaRouche observed, the returning veterans brought back a sense of national mission from the fight against Nazism. The exclusive interviews in *Economics* underscore the reality, which seems so remote from the minds of most American voters at present, that the enemy which was defeated with the fascist Axis and crumbled in the form of international Bolshevism, has yet to be vanquished: the common "mother" of Nazism, Bolshevism and the New Age, which is the oligarchy.

Your attention is especially pointed to *EIR*'s discussion in Moscow with the head of the Economic Affairs Committee of the Russian State Duma, on page 6. He minces no words in denouncing the "narrow-minded" stupidity of the approach of the International Monetary Fund and demands investment in the physical economy. Glazyev is one of the key leaders of opposition to the present Russian government. This interview is of unique importance in bringing the reality of the world strategic and economic conjuncture, so blithely blocked out of the recent elections, home to western readers.

Nova Hamerman

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### **EIR Economics**

## All Asia endorses Clinton's Korea pact

by Kathy Wolfe

China, South Korea, and Japan early this month moved rapidly to expand technology trade and investment in Northeast Asia in a ringing endorsement of U.S. President Bill Clinton's Oct. 21 treaty on the nuclear reconstruction of North Korea. Chinese Prime Minister Li Peng, during a five-day trip to Seoul on Nov. 1-5, signed agreements on construction of South Korean nuclear power plants in China, two joint air transport accords, and a \$3 billion electronics investment contract.

As U.S. Secretary of State Warren Christopher arrived in Seoul on Nov. 8 to brief South Korean leaders, it was announced that President Clinton's Korea Energy Development Organization (KEDO), the six-nation consortium to rebuild North Korea with nuclear power, will hold its first meeting in Beijing on Nov. 16. Speaking in Seoul, Han Seung-soo, South Korea's ambassador to Washington, told South Korea's parliamentary foreign affairs committee that KEDO will set up a secretariat in Beijing, to allay fears in paranoia-ridden Pyongyang and to smooth negotiations. U.S. officials traveling with Christopher said that it is premature to talk about a site, but stressed that successful efforts are being made to involve China in the peaceful development of Korea.

South Korean President Kim Young-sam meanwhile announced on Nov. 7 that Seoul, for the first time since the Korean War, will lift its ban on business contacts with North Korea and endorse establishment of trade ties by Pyongyang with the rest of Asia. By timing this breakthrough for Christopher's arrival, Seoul sources said, Kim is giving full credit to President Clinton for the coming reunification of Korea.

It was also announced that China has applied for a \$15 billion loan from Japan, part of the proceeds of which may be used to send Chinese nuclear technicians to North Korea. Japanese Prime Minister Tomiichi Murayama is planning to

visit China in December and the United States in January, Tokyo's *Yomiuri News* reported on Nov. 8.

The major threat to an agreement which has made a few billion Asians happy, is a handful of "neo-conservative" British-style liberals lead by U.S. senators Robert Dole (R-Kan.), Jesse Helms (R-N.C.), and John McCain (R-Ariz.), who have absurdly criticized the President for "appeasing" North Korea. If they are foolish enough to use the control they won over the U.S. Congress in the Nov. 8 elections to destroy the Korea accord, it will not be the first time they have proven to be British pawns, and fostered precisely the kind of United Nations-run supranational "new world order" that some of these politicians have sometimes pretended to oppose.

#### Nuclear power for China

Meanwhile, North Korea expert Selig Harrison of Washington's Carnegie Endowment, in a *New York Times* commentary on Oct. 21, called for the administration to also lift the U.S. ban on nuclear exports to China, as part of an Asiawide move for peaceful nuclear power. "The administration has achieved a diplomatic triumph," he wrote, "and deserves full support."

Rather than relying mainly on South Korea to build all the new power plants in the North, however, he noted, "a more stable way to fulfill the commitment" for the nuclear development of North Korea "would be to build the consortium around China, with South Korea and Japan in secondary financing roles. Beijing could be induced to put up the biggest share of the money if Washington agreed to lift its ban on sale of U.S. nuclear reactors to China for China's own energy program.

"It would be politically indefensible for the U.S. to provide such reactors to North Korea, while denying them to China," he noted correctly. "Congress killed a China-U.S.

nuclear cooperation agreement in 1985 to punish Beijing for selling missile technology to Pakistan. But since then, China has signed the Nuclear Non-Proliferation Treaty. . . .

"The U.S. could also lead the consortium more effectively if it assumed a share of the \$4 billion financial burden. President Clinton should ask Congress to remove legislation restrictions from the cold war that block aid, trade, and investment in the North."

Titled "Beware the Hawks in Seoul," Harrison's piece was marred by several attacks on America's valued allies in South Korea, but Seoul sources said that many Korean patriots understand him. "The problem is that the friends of George Bush in Seoul are too critical of Clinton and the accords," said a diplomat.

The idea is actually to make the present South Koreancentered accords work—by pressuring the Seoul right wing not to ruin it, one diplomat said. "If we can rein in those who refuse to deal with Pyongyang no matter what, such as the rich emigrées from North Korea, then the moderates like President Kim and Foreign Minister Han Sung-joo will be in a stronger position. The decision to let South Korean business into the North indicates Kim's hand is stronger already.

"The big issue is whether the North will really accept large numbers of South Korean technicians coming in to work with them over a long period of time, and let their people go to Seoul for training. If trust can be built up, this could happen, and Seoul will be glad to pay for the reactors. But the South Korean hawks could destroy it by sowing mistrust."

If Korean rivalries are too strong, "then China can play a bigger role as a fallback option," he said. "China could become a principal party. Some reactors could be built in China, the North Koreans could go there to train." Perhaps the Japanese loans could pay for this, he said: "In any case, the U.S. should be prepared to make cooperation worthwhile for China by relaxing the ban on export of nuclear technology to China. That would be a strong incentive to China to save the accords."

#### Northeast Asia security zone

As part of the Clinton Korea settlement, it will be necessary for the two Koreas, the United States, and China to finally sign peace treaties ending the 1953 Korean War, and discussions on the idea of a new security pact for the area began to take shape during Chinese Prime Minister Li Peng's visit to Seoul. The South Korean cabinet met on Nov. 6 to discuss the possible replacement of the Korean War armistice with a peace treaty, Korean TV reported. China's Li Peng told the South Koreans that China recently withdrew its personnel from the Korean demilitarized zone (DMZ) because Beijing would like to replace the existing "armistice" with a true "multilateral security arrangement."

South Korean Foreign Minister Han Sung-joo met Seoul's ambassadors to Japan, the United States, China, and Russia after the cabinet meeting and agreed that a new policy toward North Korea is needed. They "discussed the launch of a Northeast Asian security forum to support and guarantee" a new comprehensive treaty, the Korea Broadcasting System said on Nov. 6.

Meanwhile in Beijing, South Korean Ambassador Hwang Byung-tai told South Korea's Yonhap news agency that officials from Korea Electric Power Corp. and Korea Atomic Energy Research Institute would visit Beijing to sign an investment contract to build nuclear plants in China on Nov. 23. "The construction of [South] Korean-model lightwater reactors in China will put pressure on North Korea," Hwang said, to go ahead with the Clinton agreement and allow the South to construct nuclear reactors in North Korea.

South Korean business is enthusiastic about President Kim Young-sam's announcement freeing investment into the North. "Starting with the areas where we can contribute to improving the life of North Korean residents and to setting up a national commonwealth, the government will allow local companies to establish offices in North Korea along with small-scale pilot projects for economic cooperation," Kim said on Seoul TV on Nov.7.

Seoul officials said about 40 South Korean companies would invest in North Korea as soon as possible. "The pace of South-North economic ties will accelerate," said Kim Sang-nyun, spokesman at the Hyundai Group. "Top Hyundai officials have already met North Korean officials in Beijing," he said.

#### Neo-con sabotage unwelcome

Christopher, en route to Seoul, praised President Kim's decision to lift the ban on business contacts. "This is a very significant step forward," he said. "It indicates that President Kim recognizes how this agreement makes it possible to make other progress with North Korea of a very significant kind." Christopher told the press in Seoul on Nov. 9 that after the U.S. elections he had called Senate Majority Leader Robert Dole and other Republicans in Washington and had been assured of support for Clinton's Korea policy. Worldwide pressure, however, will have to be put on the GOP neocons to ensure they refrain from partisan sabotage.

"The accord with North Korea shows it is always possible to get an agreement when you give enough away," the two-faced Dole said in a statement denouncing the Clinton agreement on Oct. 19. Senator McCain on Oct. 28 accused the President of "appeasement" and demanded that North Korea immediately turn its entire government over to the nuclear police of the United Nations, not a very subtle attempt to provoke a breakdown in negotiations.

"In fact, the U.S. should produce some money to show that it supports us," one Seoul official told EIR. "Congress should not be hostile to peace in Korea." "The big problem is that Bob Dole is in a position to make things very difficult if he wishes," said a diplomat. "The main thing now is to ensure the [Clinton] Korea policy has the support of the American public."

## Russia needs productive investment, not the stupid approach of the IMF

Mr. Glazyev is the head of the Economic Affairs Committee of the Russian State Duma. Michael Vitt and Michael Liebig interviewed him in Moscow on Nov. 4.

EIR: Do you think that the International Monetary Funddictated state budget submitted by the Chernomyrdin government will lead not only to further delays in the payment of back wages, and more unemployment, but also to social unrest and strikes?

**Glazyev:** The problem is not only the budget as such, which, as you explained, was formulated with the IMF's assistance. The problem lies with the economic-financial forecast on which this budget is based. The 1995 budget and the forecast for Russia's economic performance in 1995 are based on two presumptions: First, the decline of production in Russia will continue. There is a simple extrapolation, according to which the decline of industrial production in Russia will be 10%, including a decline in machine-building production of 15-20%. If you compare these figures with those of 1990, the decline of industrial production will be about 60%, and the decline in the machine-building sector will be about 75%! That means that the future of Russian industry is disappearing. It is completely impossible to assume that under conditions of a 65% decline of industrial production since 1990, unemployment will grow to just about 5 million people. Unemployment will be much higher. According to our estimates, if these trends continue, unemployment in Russia will be three or four times higher, which means some 20 million people.

The second point concerning this budget, is the idea of so-called "non-inflationary" ways to finance the budget deficit. The government proposed to issue government bonds of 43 billion rubles and to increase foreign debt by \$12 billion. What does this mean? As concerns government bonds, a large portion of this will be *short-term* obligations, which necessitate short-term refinancing. So the Ministry of Finance is proposing a classical pyramid expansion of state debt, which will lead to the bankruptcy of our state finances in 1996.

EIR: And further contribute to hyperinflation.

**Glazyev:** Of course. There will be no government revenues to finance and to support these government bonds. If you look at the present practice of the government, so-called Treasury notes are used to pay for government procurements.

The companies that get these government checks can use these same checks for paying their taxes. Or they use them to pay their suppliers, but the suppliers in turn can use them only for paying taxes to the state. It's the same as the issuing of money. There is a key question here: How will these Treasury notes be used? If they will be used in the same way they are used now, it means just another form of money creation, nothing more. It will mean that the total state debt will be around 100 trillion rubles in 1996, and it will be completely impossible for this government to service this debt in 1996.

As to the second part, on the financing of the budget deficit, the \$12 billion of new foreign debt is most dangerous. If we use this approach, in 1996 we shall increase our foreign debt to \$130 billion. The Russian economy would go on a track where the gap between government revenues and the foreign debt service requirements widens vastly. It means that we are going into a vicious circle. Russia will not be in a position to service the debt by paying off the principal, just as was the case with some Third World countries in the 1970s.

EIR: Doesn't the IMF intend to use this budget to shut down allegedly "unprofitable" state enterprises, by cutting down budget allocation for them? From what we understand from Mr. Chernomyrdin's speech when he submitted the budget, the financial resources for large state enterprises are to be significantly reduced. Reportedly, some 4,000 plants may be closed down. What is your estimate of the social unrest that could arise out of this?

Glazyev: There is nothing about this in the budget, [except] maybe implicitly. Nobody knows how many companies will be closed down. There is some speculation. You can look at what the government proposes, and there are no explicit figures. The only concrete figure concerns the expenditures for the closing of mines.

My estimate is that this budget will probably not be as strict as it was announced. The measures to finance the budget deficit are unrealistic, speculative, and risky. If we use these means of financing, we are going into a profound domestic financial crisis in 1996, as well as a foreign debt crisis.

**EIR:** Do you think that even before 1996, a social eruption or a strike wave might occur?

Glazyev: It could happen. But, this is not the key problem of the budget; it is the key problem of Russia's economic policy. I cannot imagine how the machine-building sector, for example, is supposed to function at about 25% of its capacity. There are no calculations yet of how many companies will have to close. But it's absolutely clear that if industrial production declines by 65% in comparison to 1990, and most of this decline happens in 1994 and 1995, large numbers of enterprises will have to close down. In the machine-building sector, where the production decline is some 75%, even more companies would have to be closed down, or at least a large capacity of these companies would be scrapped. I fear, if we go on along this track, the rate of decline of production could be even worse. And there is no money in the budget for maintaining employment.

EIR: Concerning ways to stimulate or revitalize production in Russia, what is your opinion of Lyndon LaRouche's 1990 "Productive Triangle" program? It foresees that in both eastern and western Europe, a major infrastructure-building effort should be undertaken, which includes high-speed rail lines from western Europe to Russia, and from Russia to the new economic center in Southeast Asia and India. You probably know that key elements of this LaRouche program have been incorporated into [European Commission President] Jacques Delors's White Paper, which features "Trans-European Networks" of high-speed rail lines. Do you think that such an approach could stimulate physical economic reconstruction in Russia?

Glazyev: It depends on the extent to which this economic plan will stimulate the demand of companies in Russia. If the project will include Russian supplies on a grand scale, then of course it will be a locomotive for growth in Russia. If it will be based mainly on the supply from western companies, the effect will be miserable. You can see that, for example, in the field of oil production by American companies operating in Russia. I know of one American oil company in western Siberia, where the Americans bring in everything from the United States, including machinery and equipment, housing materials, food, even ice cream. And, the Americans there get wages which are five times higher than the Russians who are doing the same job.

**EIR:** The "Productive Triangle" proposal explicitly aims at activating the productive potential *within* Russia. Mr. LaRouche is particularly thinking of key elements of the capacity of the military-industrial complex. For advanced high-speed rail like magnetic levitation, for example.

But, there is naturally the problem of how to finance these infrastructure projects in Russia. That leads us to the next question. What do you think about the Hamiltonian national banking approach, by which the state generates credit, under the strictest conditionality, that it be exclusively used for advanced technology and advanced infrastructure projects?

Glazyev: I think we should do this. In the program which we elaborated for the Russian economy, we propose the establishment of special "development institutions" or "investment corporations" [see EIR, Nov. 4, 1994, p. 48]. We envisage Banks for Reconstruction and Development through which there will be long-term, low-interest credit for large-scale projects. Thus we will have an important instrument for the growth of investment activity in the Russian economy.

Another instrument which should be used are government procurements. You mentioned high-speed railway transportation; the same could be used for the communications infrastructure. We have large-scale programs of a similar type, which should be realized through government procurement. I think of the reconstruction of Russia's civil aviation. We have several new models of passenger planes, but because of the splitting-up of our central airline into small, financially weak, private airlines, they cannot afford to buy new planes. The only way to solve this problem is for the state to buy these airplanes and then lease them to the private aviation companies. The same method should be used in the field of agricultural machinery. It is, partly, used now by the government in the field of some industrial equipment, for instance, for the mining industry.

dors" along Eurasian high-speed transportation arteries? Do you or your friends have considerations in this direction? Glazyev: We should think about this very attentively. The geographical problem of the Russian economy is that it is concentrated in a relatively small portion of our territory. High-speed railway infrastructure is not necessarily always the best form of modern transportation in the vast territories of Russia. For instance, in the immense northern territories of Russia, economic development necessitates the use of modern aviation to connect faraway industrial centers. There are several alternatives for the transportation networks. It should be some combination of high-speed railways, avia-

EIR: What do you think of economic "development corri-

**EIR:** Have you considered magnetic levitation transportation, which combines high-speed rails with the advantages of air transportation?

tion, and roads/automobiles.

Glazyev: Again, this project should be carefully assessed. We need a set of long-term scenarios. I consider these concepts very interesting, but they need careful consideration, because their realization involves very large investments.

EIR: We talked about the Hamiltonian national banking approach. You mentioned Banks for Reconstruction and Development. They could provide the financial means for these projects. You will not get the necessary financial resources for these projects from the regular tax income of the state, nor from foreign credits.

Glazyev: Speaking about concrete large-scale projects, I

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think we can raise the financial means for such specific projects in several different ways. For instance, look at the history of the Russian railways in the 19th century. The Russian government at that time established special semi-private, semi-governmental companies, and then issued shares in these companies. They attracted capital from all over the world, and the Russian government gave guarantees for the profitability of the railway shares. Another form was concession of the railways to private companies. So a lot of different instruments could be used; the main problem is our government's inaction. None of these instruments is used by the present government.

EIR: In all the approaches you mentioned, the government does play a key leading role. Why, in your view, are the economic policy principles of, for example, Friedrich List or Count Sergei Witte so little known and practiced in today's Russia? We find that the more problematic, as it seems that there is a growing perception in Russia, that the real alternative is not the "socialist" economic model versus the "neoliberal free-market" economic model, but that, in reality, there are two opposing types of a market economy: one, where the state plays an important "dirigist" role, and which is vectored toward high-technology and advanced infrastructural development as the basis for flourishing private enterprises. The second is the radical "free-market," Thatcherite/IMF policy.

**Glazyev:** To make a long story short, I should say that *the IMF policy is very stupid*. The economic policy conducted by the Russian government, which is dictated by the IMF, is also very stupid. This policy is not concentrated on the key, real economic problems. They just sit and think: If we just limit the budget deficit to less than 5%, or if we find "non-inflationary" means to cover the budget deficit, then everything else will be fine. Then growth will start automatically. That's their story.

**EIR:** We suspect that the IMF knows exactly what the results of their prescriptions will be.

**Glazyev:** Well, maybe, but I participated to long-term negotiations with the IMF when I was in the government. I assume that this narrow-minded approach is their "philosophy."

**EIR:** An ideological obsession?

Glazyev: Yes. They do not want to concentrate on the key, real economic problems. Of course, if we stick to such an approach, what we will have as a result is *decline*, *decline*, *decline*, *decline* of the physical economy. Because there is no positive feedback, just negative feedback. The price liberalization cuts down the income of the population. It leads to a vicious circle: From the decline of income, it leads to the decline of production, to the decline of government revenues, to the decline of government expenditures, and so forth. This could continue until we have reached a situation where Russian

industry disappears. And we see this, by the way, during this year. In 1994, we witnessed the absolute, historical record of decline of production: 25% in industry in general and 40% in the machine-building sector. I do not know of any precedent in Russia's economic history. These economic "reforms," conducted by the pseudo-liberal ideology, lead to a fiasco in economic policy.

**EIR:** What is your sense of the French Gaullist model of indicative economic planning, or the Japanese Ministry of International Trade and Industry approach, as opposed to the command-administrative state planning?

Glazyev: I think that indicative planning should play a key role in the Russian economy. In the present situation, Russian enterprises have a time horizon for planning of two or three months! If we look at the competitors in Germany or the United States, you see companies which have long-term plans for 15-20 years, including plans for expansion into the Russian market. Our Russian enterprises have no plans at all, they can speculate about the demand for their products in one or two months and about what will be the general economic situation in one or two months. The main problem for the Russian high-tech industry, is the absolute chaos in the government's procurement policy. The most uncertain player in the economy is the Russian government, because nobody knows what government procurements will be in the next year; nobody is sure when there will be how much money, and if there is any at all. That even concerns arms procurement. In 1994, the government announced arms procurements which were three times larger than what was finally paid for. When companies start to produce, they are not sure whether they will be paid for what they have produced. We do not know what the government will do next.

Indicative planning is absolutely necessary in the current situation; it is a very important economic policy instrument. The Russian government must give the private sector some idea of what the development of the economy will be for the next five to ten years, so that the enterprises can make their own plans. The private companies do not presently have facilities for long-term planning, and they have a lot of difficulties in managing their production. In the West, each large industrial firm has research facilities for long-term planning, both technical and economic. Now, with these stupid privatization schemes in Russia, companies found themselves alone, without research centers, without a marketing department, without specialists which can do economic planning. The state research institutes for technical and economic planning, which used to do this, have disappeared. Our companies know only how to produce, but they have no facilities to understand what future demand will be. It is obvious that the Russian government must intervene here to remedy this situation.

EIR: President Clinton's policy approach to Russia differs

significantly from that of Bush, Thatcher, and the IMF. Clinton understands that economic development is the indispensable basis for political stability: He supports a Mideast economic development/peace program; he resolved the North Korea crisis with an agreement to modernize that country's nuclear energy infrastructure. During his recent visit to Germany, Clinton discussed with Helmut Kohl and Jacques Delors the above-mentioned *White Paper* for pan-European infrastructure development. What would be your wishes for the American government's policy toward Russia?

Glazyev: In fact, we delivered this message in September, at the Aspen Institute conference in Colorado. There we said, that most important for Russia, at the moment, is the removal of the many trade barriers against Russian exports. Russian enterprises must be given the opportunity to establish themselves on the world market. That is very important, especially for our high-tech industries. A striking example of discrimination against Russian enterprises, which have a competitive edge over foreign partners, is the recent U.S.-Russian agreement on space launches. Russia agreed not to offer lower prices than the western competition and to restrict the number of launches for the next ten years. Such discrimination usually is nonexistent in international trade. The key problem for us is presently the survival and growth of Russia's high-tech industry. If we do not utilize the high-tech potential in the Russian economy, and allow it to be destroyed, then we destroy a unique economic capacity, which has not only a vast development potential in itself, but is key for promoting economic growth for the economy as a whole. The message is that the trade barriers should go down. International cooperation between American and Russian enterprises in the high-tech sector should be promoted.

Presently, Russia needs some forms of economic protection for its domestic production. For instance, if large foreign investments are going into the Russian economy, most important is the growth of demand for domestically manufactured goods coming from these foreign investments. I mentioned American oil investments in western Siberia as a negative example, because these investments do not promote any growth of the Russian economy. What they do, is simply extract oil or other raw materials. We need the stimulation of local productive activity, more economic activity in Russia's machine-building sector. Otherwise, there is more economic activity in the machine-building sector in the U.S., which supplies the machinery for foreign investments in Russia.

EIR: As a foreigner, one is shocked to find that in a perfectly normal Russian food store, a maximum of 5-10% of the food and consumer goods are of Russian origin, while at least 90% are imported. With this in mind, what would be the three or four top priorities of your economic program for Russia? Glazyev: First, the expansion of investment activity in the economy, through development institutions and the growth of government procurements. Second, the implementation

of much more financial discipline in the country. Taxation reform to promote economic activity and ensure government revenues at the same time. Third, we should change the privatization scheme, because the present privatization scheme is designed mainly for political purposes: to physically destroy large enterprises and to privatize them as quickly as possible. What we need is the promotion of large industrial and financial institutions which would be competitive on the world market. Fourth, a certain amount of protection is necessary, not for all industries, but for certain sectors.

You mentioned food stores; I can tell you that one of the reasons for this, is the Russian government's very strange tax policy. The Value Added Tax is collected from Russian producers, but not on imported goods. For some time during 1994, imported food was excluded from the VAT; the same applied for the financing of imported equipment. My message for Americans is that they should not insist on privileges for their companies in Russia. What we really need is equal treatment, national security, and a good economic climate. More privileges for foreign companies mean more negative reactions from Russia's public opinion and political counterpressures. This approach, to force the Russian government "to do more" for international companies, is wrong.

EIR: Mr. LaRouche discussed, when he was here last April, the accelerating "mudslide" process on the international financial markets, especially the collapse of the gigantic derivatives speculation. So, when dramatic financial ruptures occur in the near term, what will happen in Russia? Is Russia prepared for such a situation?

Glazyev: No, Russia is not prepared at all. At the moment, with the huge boom in purely speculative activity in Russia as a result of stupid economic "reform" policies, investment into the industrial sector has become negative. In the last three years, the huge portion of capital needed for industry has flown into speculation. At the moment, we have a very strange situation: There is an acute lack of capital investment in industry, yet dozens of trillions of rubles flow into pure speculation. The speculation goes into securities—you know about the MMM scandal—and there is huge speculation in currencies, with raw materials, and with imports. The Russian market has become a huge center of pure speculative activity. Now, a large portion of foreign capital comes into Russia just for speculation. For instance, the head of the privatization committee said that each month between \$500 million and \$1 billion comes into Russia. Almost all this money, in our estimation, comes in for speculation, in the securities of the privatized Russian companies, for example. Typically, the shares of this or that oil company in the Tyumen region are traded in Moscow and then New York. That may involve profit margins of 1,000%, and the transactions may take one or two months. Nobody knows the real value of these shares! You have massive speculation, and at some time, it will inevitably collapse.

## DEA charges Gaviria with pushing dope

by Valerie Rush

The U.S. Drug Enforcement Administration (DEA) released yet another bombshell in its undeclared war against the narcogovernment of Colombia, when it leaked a classified study to the Colombian newspaper *El Espectador* on Nov. 2, which charges the economic and monetary policies of former Colombian President César Gaviria—today the U.S.-backed secretary general of the Organization of American States (OAS)—with responsibility for the fantastic growth of a narco-economy in that country.

The study, which was produced last September by the financial unit of the DEA's Strategic Intelligence Division and which reportedly includes an introductory message over the signature of DEA head Thomas A. Constantine, warns that Gaviria's "economic reforms stimulated the growth of the financial services industry in Colombia, which is being used by the drug kingpins to legitimize their illicit profits. In addition, essential commercial services across the country are now in the hands of the private sector and, as a result, the financial infrastructure has become more accessible to the kingpins. Further, the privatization of the largest banks in the country together with an exchange market in the hands of private financiers has given the kingpins the ability to covertly influence the policies and operations of certain banks."

#### Impact on the economy

The report continues: "Much of the money from drugs sold abroad has entered the country as foreign investment, in the majority of economic activities, from investment in infrastructure to investment in the stock exchange. . . . The Colombian government is becoming dependent on the drug industry for a significant portion of its gross national product."

In addition to the infiltration and takeover of Colombia's deregulated banking system, says the report, the privatization of ports and free zones decreed under Gaviria's so-called *apertura* ("economic opening") has assured that "the drug trafficking organizations are subject to minimal or non-existent state controls."

The DEA analysis goes on to claim that "the capital generated by the influx of drugs into the economy has provided the Colombian government with funds to pay the debt" by boosting the country's reserves: "Ironically, a large percentage of the foreign reserves that are inundating the international reserve accounts of the Colombian government are believed to stem from repatriation of drug profits from the U.S. and European markets. Further, through purchase of government-backed bonds, the Colombian drug lords are investing in their country's future economic development."

The report says that Colombia "could be the first country totally dependent on the drug trade," and warns: "If the Colombian government continues to permit a fall in exports . . . [and] at the same time it permits the substitution of export income with income from illegal sources, the entirety of the Colombian economy will be vulnerable to the volatile ups-and-downs of the drug industry."

Finally, the Drug Enforcement Administration report observes that "while the injection of drug money into the economy has a positive effect in the short term, in the long term the economic dependency on this illicit source of income will have a grave adverse effect on the nation's political, social and economic sectors, and will weaken regional stability. To the extent drug money becomes the primary source of income, the country will become increasingly susceptible to the influence of criminal elements. In sum, the criminal bosses in Colombia will have, if they don't already have, a marked influence on the decision-making process of the Colombian government."

#### Not just Gaviria

Convinced that the Western Hemisphere has its first full-fledged narco-government in Colombia, the DEA—or a faction of it—has been waging less than subtle warfare against both Gaviria and his successor, President Ernesto Samper Pizano, and against those forces inside the United States who back them. As Joseph Toft, the recently retired head of the DEA office in Bogotá, charged publicly after seven years on the job, Colombia is today a "narco-democracy." In various interviews with the U.S. and Colombian media, Toft revealed that the work of the DEA and its Colombian collaborators has been repeatedly sabotaged by extensive cartel penetration into Colombia's governing institutions.

While slamming President Samper as a virtual puppet of the drug cartels, Toft also went after his predecessor. President Gaviria, said Toft, was in possession of video evidence, made available by the DEA, that the drug cartels were massively bribing the 1991 Constituent Assembly which banned extradition of traffickers—and yet he never revealed that evidence! Toft added that Gaviria also did nothing to prevent the continued drug trafficking and assassinations conducted by then-imprisoned cartel boss Pablo Escobar.

Toft also claimed that U.S. agencies had long known of Ernesto Samper's corruption by the drug cartels, and that the notorious "narco-cassettes" which surfaced days before this year's presidential elections, and which indicated that Samper had taken cartel bribes, were "just one more piece of evidence, albeit conclusive evidence," that the country's new President was on the take.

This is also not the first time that the DEA has honed in on the narco-economic "reforms" embraced by Gaviria and his successor, and mentored by Liberal Party honcho and former President Alfonso López Michelsen. In late 1991, the head of the DEA's financial investigations division, Greg Passic, gave a presentation to an Ibero-American conference on banking security held in Bogotá, at which he warned that the exchange and tax amnesties, the bank deregulation, the lifting of restrictions on foreign investment, and other reforms contemplated under the *apertura* "are creating a scenario propitious to the legalization of capital obtained from the drug trade."

#### **Pressures from the IMF**

What Passic did not say at the time, and what only *EIR* has been saying for years, is that these free-market "reforms" are the direct result of pressure from the International Monetary Fund, World Bank, and other elements of the international financial community to turn Colombia's economy into a vast drug-money laundry to help keep their decaying world monetary system afloat. In fact, at a May 9, 1991 conference in Bogotá on George Bush's Enterprise for the Americas initiative, Alejandro Scopelli from the Inter-American Development Bank insisted that Bogotá be turned "into an international financial center, like Montevideo is today." Montevideo, the capital city of Uruguay, was then universally known as the "hot-money" laundry for all of Ibero-America.

At that conference, then-U.S. Ambassador to Colombia Thomas McNamara praised Gaviria's "economic and structural adjustment reforms," saying they had created an investment climate in Colombia that "at the present time is one of the best in Latin America. And this has improved even further due to the recent reforms of the exchange statute of taxes, of investment and of the labor code." That conference was sponsored by, among others, President Gaviria's Development Ministry, which at the time was run by none other than Ernesto Samper Pizano.

In a Dec. 31, 1991 article on the flood of drug dollars pouring into Colombia, even the *Washington Post* couldn't help but observe, "This repatriation of drug profits is being facilitated—in a dash of market-economics irony—by the affirmative response of Colombia to U.S. urgings to open up the economy here."

It certainly gives one pause, in view of the fact that President Samper—a 20-year lobbyist for drug legalization—is currently sponsoring a 20-nation conference on drug-money laundering in Bogotá, which is supposed to hammer out hemispheric guidelines for preventing and punishing the laundering of illicit capital. Included alongside the list of Ibero-American countries in attendance is, of course, the United States.

## India moves against weak national banks

by Ramtanu Maitra and Susan Maitra

It has been almost four years since the World Bank, in its 1990 study on India's financial sector, called for the reform of India's "inefficient" nationalized commercial banks, and three years since the government-sponsored Narasimham Committee report urged consolidation of the nationalized commercial banks. Finally, on Oct. 17, the Reserve Bank of India (RBI), India's central bank, announced the deregulation of lending rates for loans above 200,000 rupees. The ostensible purpose of the move is to make money cheaper for investors and at the same time make the banks more efficient.

The RBI announcement to abolish the minimum lending rate was welcomed by trade and industry, and a similar signal was conveyed by all major stock markets in the country. The captains of Indian industry hailed the new policy, because it would enable professionally managed companies to borrow money at cheaper rates of interest. But the bankers are rattled.

#### The old days

In the old regime of high lending rates, the RBI set a minimum lending rate for the commercial banks, setting the cost of credit unbelievably high. Backed by reasonings such as that the high interest rate is an automatic control over the money supply, and that it encourages higher savings, the high-lending-rate regime served primarily the interest of the government. A large percentage of bank funds was reserved for the government to borrow at a lower rate, whenever necessary.

But there was more to it. To "alleviate poverty," and to provide incentives to agriculturalists and small-scale industrialists, the government had created a priority-sector lending regime of lower interest rates. What could only have been achieved through the upgrading of technology was attempted by the government through the banking system. The result: The banks were greatly weakened and the government's populist objectives remain unmet.

In addition, through a very high statutory liquidity ratio, the government has kept almost 75% of the bank money under its control for priority-sector lending, buying of treasury bills, and payments for vote-banks (campaign slushfunds). This regime kept the lending rate astronomically high and starved entrepreneurs of cash. The process turned the banks into non-accountable behemoths where introduction of technology for efficiency became impossible. This arrangement was comfortable for the bankers: It provided a protected environment where no accountability was demand-

ed. The only requirement for the bankers was to produce the money for the government whenever and wherever the ruling authority wanted.

#### Collapse of the old system

Beginning in the mid-1980s, a perceptible change was brought about by the economic liberalization process introduced by the late Indian Prime Minister Rajiv Gandhi. The development of the capital market allowed dynamic entrepreneurs to shift their dependency for cash away from the banks and raise capital through public issues. The idea caught on quickly, because it provided entrepreneurs with cheaper money, and soon the banks began to feel the pinch. Though sitting on a pile of money, the commercial banks continued to lose money at an accelerating pace. The squeeze brought about the great securities scam of the early 1990s, in which the commercial banks illegally deployed money into the stock market to generate profit.

In 1991, soon after the Narasimha Rao government came to power and the wind of economic reform was blowing across the financial sector, the Narasimham Committee, headed by former RBI Governor M. Narasimham, produced a report which called for an overhauling of the financial sector. The report included measures to consolidate the stronger commercial banks and encourage the growth of private ones. The days of ad hoc banking by the commercial banks were coming to an end. Although it accepted the Narasimham Committee recommendations, the Rao government was unsure of their political ramifications and began implementing them at a much slower pace than was expected.

#### Impact of the new regime

The Oct. 17 announcement, which also included lowering of the statutory liquidity ratio, delinking of commercial paper from cash credit limits, introduction of cash credit to agricultural advances, among other items, caught the bankers by surprise.

The most immediate problem is that the smaller commercial banks, which could afford to be highly inefficient and irregular because of the blessings of the government, have feet of clay. Unprepared as they are, they will have to go out and entice lenders to borrow at a rate which is acceptable to the borrower and also profitable for the banks. An added problem is that these banks have large overheads and almost zero computerization. It is almost certain that most of these institutions will have to be closed down or merged with stronger ones. The word is around that those banks which cannot turn a profit by the beginning of the 1996 fiscal year will be liquidated.

The second problem for the Indian banks will be to compete with the foreign banks already in place in India. For instance, following the announcement of the deregulation of lending rates, the State Bank of India, the largest of the Indian commercial banks and surely the leader at this point in time,

announced a 14% prime lending rate. The same day, Standard and Chartered stepped in with a 13.5% rate. Standard and Chartered picked up a number of blue chip customers by that single move. Since banks like Standard and Chartered, Citibank, and Deutsche Bank are big enough to undercut the smaller Indian banks, the foreign banks will pick up more business.

The problem that the banks will face now is reflected in the stock market, where the State Bank of India lost about 15% right away, to settle at a historic low.

In addition to these two threats, there is unanimity that with the interest rate on deposits remaining constant, spreads will be narrower and hence the profitability of the banks and financial institutions will be lower. The only way the banks can get a decent profit is through volume. However, with inflation hovering around 10% and showing no sign of retreating significantly, it is unlikely that the volume of lending will grow substantially. This may pose a serious threat to the banks in general, whether they are efficient or inefficient.

The securities scam showed the limitation of the RBI's supervising capabilities. The banks, with the expectation of making greater profits, may indulge in investing in prime risk areas and even in areas in violation of the banking code. The RBI failed earlier to act in time to prevent the securities scam, and the new deregulation will definitely require more efficient policing.

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> EIR November 18, 1994

Interview: Igor Kosir

## Infrastructure development is the main priority for Slovakia

In the Sept. 30-Oct. 1 parliamentary elections in Slovakia, former Prime Minister Vladimir Meciar's Movement for a Democratic Slovakia (HZDS) became again the strongest political party. During a March-September 1994 transition, in which all opposition parties had formed the government, an agreement with the International Monetary Fund (IMF) was reached, in June 1994. According to the latest German newspapers, Meciar has undone all the privatizations of state-owned firms which the previous Moravcik government had negotiated. The following interview with Igor Kosir, Doctor of Engineering, CSc., and director of the Center for Strategic Studies of the Slovak Republic, conducted on Oct. 21 by Angelika Beyreuther-Raimondi in Bratislava, gives some insight into the economic and political situation in Slovakia.

**EIR:** Please give us some information about the developments after the parliamentary elections.

Kosir: October was a period of preparation for a new government in Slovakia. The concrete results of our parliamentary elections created very clear new conditions: The new government must be and will be a coalition government. Of course, the winner of this parliamentary election was the Movement for a Democratic Slovakia of former Prime Minister Vladimir Meciar, but this 35% of the vote is not enough for the creation of a one-party government.

**EIR:** Does your institute represent a party?

**Kosir:** No, our Center for Strategic Studies was established as an independent institute for preparing basic strategy papers and materials for our government, the prime minister, the Economic Council of the Government of the Slovak Republic, and institutions like the National Bank of Slovakia, the Slovak Confederation of Trade Unions, and so on.

**EIR:** How is the economic development of the country proceeding, and how do you view relations with the IMF? **Kosir:** First of all, I would like to emphasize that the concrete results of our economy and our transformation process were better than predicted by many institutions. We reached a positive trend. Several years before it was -15%, -7%,

-4.1%, but in this first part of 1994, the Slovak economy achieved a real economic growth of 4.4%, for the first time after some years of decline. This is a promising situation, thanks to some success in foreign trade and especially to some increase in industrial production.

**EIR:** But in which specific area have you achieved economic growth?

**Kosir:** It is a general trend. Of course, our economy is in a very special stage, a stage of transformation, needing restructuring. Our economy is new, because of the division of former Czechoslovakia, which was a joint economic and social unit for more than 40 years. That's why it is comparatively more complicated than with Hungary, or Poland, or other central European countries. But I like to evaluate the situation as relatively good. In terms of the relationship with the IMF, it's a very concrete question. For us it is very clear, we need cooperation with the IMF, because of the very special situation of this country and its economy, which is in a pre-capitalization stage. We are not able to realize our transformation process without foreign investment, without a positive image abroad. And that's why the IMF is a symbol—if we want it or not—of some kind of improvement for the international financial community, that this country or that one has prospects or not. It's a general approach to all the central-eastern European countries, including the big ones, like Russia and Ukraine, not only visà-vis Slovakia or other relatively small countries. Slovakia is a country of 5.3 million people. That's why we need that cooperation, not only with the IMF, but also with the European Bank for Reconstruction and Development, the European Investment Bank, and the other main economic and financial international or world institutions.

EIR: And how are your economic and political relations with your neighbors—Ukraine, Hungary, Austria, the Czech Republic, and Poland?

Kosir: For such a relatively small dountry as Slovakia, it is very important to develop economic, cultural, political, and other relations with all neighbors. That's why our orientation is toward good-neighbor relations with Austria, Hun-

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gary, Ukraine, Poland, and the Czech Republic. Of course there are historical aspects, orienting our country to concrete strategic outlooks. For the Slovak Republic, that means full membership in all the main European economic, political, and security structures. It was presented officially by our government, our parliament, and, I would like to emphasize, by all parliamentary but also by all non-parliamentary political movements and parties, including the Movement for a Democratic Slovakia, the Christian Democrats, the Party of the Democratic Left, Democratic Union, Democratic Party, Social Democrats, Slovak National Party, and so forth. We understand that after this big change in 1989, it is very important to find some perspective. Despite a lot of problems inside the European Union, it is the best concrete orientation for our future. That's why the European Agreement between the government of the Slovak Republic and the European Commission of October 1993 is evaluated as a basis for our strategic orientation. This country, as a part of former Czechoslovakia, was a cordon sanitaire between the two world wars. Slovakia is not interested in a new division of Europe.

We are people to assist, as a small country, of course, to develop this integration trend on our continent to the East. And we have a lot of contacts inside the former Comecon [Soviet bloc trade association]. Our foreign trade and economic orientation was very clear: the Soviet Union and other Comecon countries. These contacts are very useful not only for us but also for our new foreign western partners, and in terms of some commodities, oil, gas, and so on, they are very important.

EIR: You get oil from Russia?

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**Kosir:** Yes, of course, this tradition has continued, because it is not so easy to reorient our imports in these very concrete and very sensitive commodities.

**EIR:** I also do not see any other countries that would deliver it to you.

Kosir: Yes, and why reorient in a situation, in which all important world exporters and economies are oriented toward the East, as the very promising countries at the end of the century and the beginning of the next century? Not only Ukraine and Russia, but China and the Far East.

**EIR:** We have to recreate the old "Silk Route" and develop in this process all economies along that infrastructure project.

Kosir: We are continuing our relations with mainland China. I want to emphasize, that in our small Slovakia we understood the importance of infrastructure development for our country, but not only for us, for the whole continent. That's why this infrastructure development is the main priority in our industrial and economic policy. Really, for us, for a small country, situated in the heart of the European

continent, the infrastructure connection between West to East, North to South is very important. From the global point of view, including China, it is very promising not only to discuss, but to develop these concrete infrastructure lines to the Far East.

EIR: President Clinton opened a special relationship with Germany during his July trip to Europe, especially also regarding the development of eastern Europe, and he placed Great Britain in the second rank of relations. He discussed the Delors White Paper on infrastructure, which largely reflects Lyndon LaRouche's "Productive Triangle" proposal. Do you see any positive change in the West toward your country?

Kosir: The Copenhagen summit of 1993 presented infrastructure and energy development as basic strategic priorities in the relations between the European Union and central and eastern European countries. Infrastructure is the numberone strategic priority. But infrastructure development is not easy to do. It is quite expensive. We need assistance from international institutions. There are many meetings between our minister of transport and the London European Bank, but we need a more dynamic approach.

**EIR:** On the financing?

Kosir: Yes, that's the main problem. . . .

EIR: We suggested—not only because of the disastrous situation on the international financial markets, major corporate collapses in Germany due to large-scale speculation in derivatives—that the financing of infrastructure should be done through national banking policy, as the United States was built up after the Civil War. A sovereign country has the right to issue national credit through its national bank for the reconstruction of its own country. Infrastructure never causes inflation, it increases the national productivity of the country.

Kosir: Of course. We understand. We have a relatively good situation in our central bank, the youngest in the world, but we need foreign participation. For comparison, in February of last year, the national bank of Slovakia had some \$200 million in U.S. dollars, but now this situation is much, much better; in our banking system, there is more than \$3 billion, and a little bit less than \$2 billion is in the national bank, including gold reserves. In our second year of independence, it is impossible without foreign participation.

We consider this infrastructure development not only on the national level. Europe must strive to be one very strong point in this new world economic structure. It is very important for central and eastern European countries to develop the infrastructure of their countries. We know that it is expensive, but it is not only our national interest, it is in the interest of the continent, the future of integrated Europe.

#### Interview: Julius Binder

## Big Gabcikovo canal outlasts WWF assault

Gabcikovo, Slovakia is the site of one of the biggest water projects ever built in Central Europe. In the 1970s, Hungary and Czechoslovakia agreed to build a navigable canal of 40 kilometers in length, in order to bypass the area called the "interior delta" of the Danube River, which has, since 1922, delineated the border between the two countries. A power plant was constructed at Gabcikovo to use the power of the Danube. Another power plant was to be built at Nagymaros, Hungary.

In 1989, Hungary's parliament decided to abrogate the agreement and to abandon the project, which was nearly completed, as far as the constructions on Slovakian territory were concerned. The government of Czechoslovakia, and later, its Slovakian "heirs," decided to provisionally erect structures on its territory, in order to bring the power plant at Gabcikovo into operation, to improve navigability on the Danube, access to the river port at Slovakia's capital Bratislava, and to raise the groundwater level in the area. In October 1992, construction of these structures was started unilaterally, after negotiations with Hungary broke down, and was completed within weeks, in a fait accompli.

Hungary officially protested the action, and is still pursuing legal measures against it at the International Court of Justice in The Hague. Environmentalist organizations led by the Austrian branch of the World Wide Fund for Nature (WWF) first instigated, and later supported, Hungary's opposition to the project. Two years later, publicity around the action has calmed down, as environmental resistance faltered. This summer, the WWF officially terminated actions against Gabcikovo, after a Slovakian engineer published a report refuting its arguments and demonstrating the incompetence of the WWF's "experts."

Angelika Beyreuther-Raimondi conducted the following interview with Dr. Julius Binder, director of the state-owned company Vodohospdarska Vystavba, which built the Gabcikovo water project, on Oct. 21.

EIR: Given the second anniversary of the dam on the Danube River in Gabcikovo, we would like to know whether you are satisfied with the results of this major infrastructure project, with the electricity output, with the situation of the shipping on the Danube. **Binder:** It is working exactly as we expected it would. Shipping is in order; we had only this small accident with the Russian ship. The project produces 4 billion kilowatts of energy, and the whole amount is used in Slovakia. In regard to protection of nature, the project is functioning according to plan.

Also from the ecological point of view: It is an ecological project. We can say that the riverbed is stabilized, whereas in former times it was growing deeper and deeper, because of the Austrian projects on the Danube. Since 1960, the riverbed went down 2.60 meters. Now it is no longer sinking. The level of underground water rose—in Bratislava, it rose more than 4 meters.

The branch-system of the river is in excellent condition. It is a good example of nature conservation. Birds which had not been there before, seven new species of birds, came to this area. We have 200,000 more birds in this area. There are two new arms of the Danube: On the Hungarian side, which was dry more than 80% of the year, because of the low riverbed, this Danube arm was only used to draw wastewater away from the houses. And on the Slovak side, there is a new 150 km-long arm; it too was used only for wastewater, but now it can be used for recreation.

**EIR:** If the project is so good, why is there such opposition against it?

Binder: The whole problem around this water project developed during the period of Czechoslovakia and Hungary. In 1922, it was decided how to divide the area. The area around the Danube was very mixed. On the right side, the Hungarian side, of the Danube, there were 450,000 Slovaks, and on the Slovak side, there were 400,000 Hungarians. Now there are only 10,000 Slovaks on the Hungarian side, and 500,000 Hungarians on the Slovak side. This is a matter of national minorities. On the Slovak side, the national minorities have minority rights, as defined by European standards. Because the Gabcikovo water project clearly defines the borders between Slovakia and Hungary, therefore the Hungarian side is against this water project. This is the only problem.

We, along with Hungarian experts, see no other problem there.

**EIR:** So from the standpoint of the technicians and engineers, also from the Hungarian side, there are no objections to the project?

Binder: Since 1989, all the Hungarian experts have been taken out of the project. Now the Hungarian experts are academicians, like geneticists—one expert received his doctorate by studying the dynamic reproduction of a specific wine-fly.

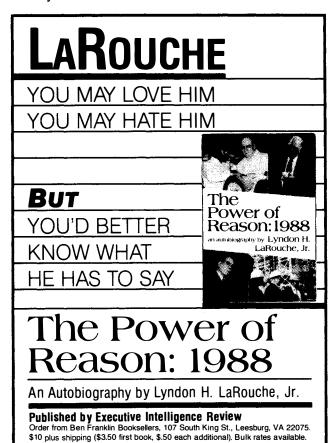
There was no equal partner from the Hungarian side in Strasbourg and Brussels; the Hungarian experts were replaced by experts from other professions, like geneticists and gynecologists; that was the problem.

**EIR:** With European Commission President Jacques Delors's *White Paper*, promoting infrastructure development between East and West, did you get more backing for the project, less pressure against it?

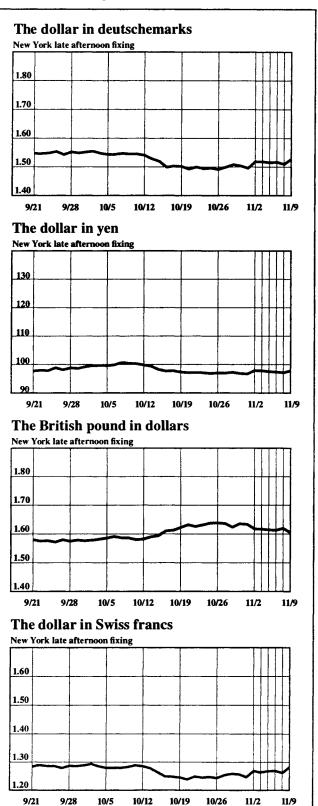
**Binder:** Experts from all over the world are for finishing the water project. But politics is another question. Politicians don't want to burn their fingers. This concerns the interests of the West in regard to Hungary and Slovakia. I hope that the Hungarian government will have the real experts speak. I think the western partners should tell the Hungarians to finish the Nagymaros project.

If the western shipping and transport companies push for it, they will finish the project. When the embargo against former Yugoslavia is over, there will be more traffic on the Danube. Today, ships cannot be fully loaded; the Gabcikovo-Nagymaros water project would solve this problem and give 35 cm more loading depth.

We don't need to defend this project any more; it has defended itself. The people who were against the project had terrible prognoses. They said there would be ecological catastrophes, and the Hungarians based their protest on these arguments. But according to Japanese experts, in regard to the ecology of the project, it is already a project of the next century.



### **Currency Rates**



## Sudan's development effort: 'We want the IMF to leave us alone'

Dr. Taji al Sair is the minister of industry and trade of Sudan. He gave this interview to Muriel Mirak-Weissbach in Khartoum on Oct. 11, 1994.

**EIR:** Can you give me some background on the economic situation of Sudan?

**Dr. Taji:** Up until 1989, Sudan was dependent on foreign resources, for development and even for running the state. Until that date, 60-65% of financial resources, whether loans or aid, came from abroad. We looked at the potential of the Sudanese economy, which is huge, and considered that a burden was being placed on coming generations. Most of it went into consumption, and very little was invested in infrastructure. So the first point we made in 1989, was that we have to rely on our own resources. So now, less than 4% of the resources available is from foreign sources.

On the other hand, we have done a lot on infrastructure, both basic infrastructure and production infrastructure, as well as general services like education, health services, administration, etc. All these things were done under very difficult conditions; we had drought, we had the crisis in the south, our problems with the international monetary and financial institutions. Our image in the international community was blurred.

So if you consider all these negative elements, you see it is in spite of these odds, that the economy over five years jumped from a negative rate of growth to a rate of growth of 9-13%. This gave us confidence in ourselves, that our potential is high, and that we can realize this potential, whether natural resources, human resources, or financial resources. It was done at some cost that is evident, and I would say a high cost.

We developed our social program based on our traditional imperatives, our religious teachings, our Sudanese nature of cooperation. We took all these things together, and our official policy was to direct resources toward the rural areas, to the agricultural sector, where 80% of the workforce is. We shifted our resources; 2% of credit facilities in the past was allocated to agriculture, now we have 50% of credits going to rural and small producers. This really changed the structure of society. People are going into business for themselves, in agriculture, in rural areas, in trade, in professional

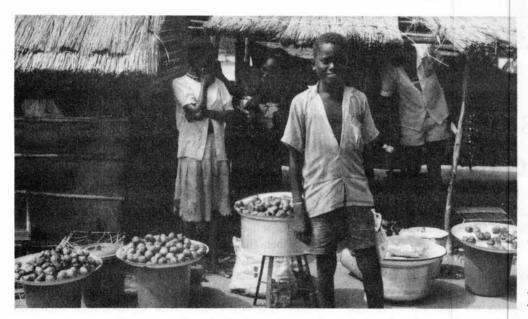
jobs, engineering, and so on. They are leaving their jobs and going for self-employment, because resources are directed toward that. This had some negative impact on salaried workers; in the past, if you were employed by the government, you had a certain amount of prestige now that has changed. We think this approach was useful in mobilizing people, our resources, to utilize them. Now we have some confidence that we can make Sudan a big country.

In so doing, we succeeded in boosting production. We started with the agricultural sector, first of all because 80% of the workforce is there, secondly because it is the prime mover of our economy, everyone is dependent on agriculture. During this period, the production in agriculture tripled, if not quadrupled. By now, we have the feeling that we have established a good structure for agriculture to continue developing. Since last year, we have started to do some work in industry, a sector which we hope will take off in two or three years. We have the feeling that we have confidence in our economy and in our capacities. If the international community leaves us alone, at least, we'll be okay.

Now after this development, which was accompanied by restructuring, we feel that we are in a position to be able to put more effort into our exports. Last year we adopted a new system. We found, if we went back to previous experience, it was all control—administrative control, policy control, etc. We concluded that the best thing to do was to develop a system where the people who do the exporting contribute to making the policy. We borrowed the idea of commodity boards, which is applied in many countries. We started by having a board covering the major exports: sorghum, oil seeds, animal stock, meat, industrial exports, mineral exports, fruit and vegetables, cotton, gum arabic. We started these boards from the main exporters, whether private or public companies. Very few were public, the bulk were private. We gave these boards the responsibility of studying the availability of exports, promotion, and monitoring the local and the international market, and making proposals to the ministry for adoption. These boards convened weekly, and their recommendations were read to the minister. In 95% of the cases, the minister agreed on their recommendations and took decisions.

I will give you one interesting example. Up until the

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Marketplace in Juba, Sudan. "Our official policy was to direct resources toward the rural areas, to the agricultural sector, where 80% of the workforce is."

start of this experiment, the Ministry of Trade used to declare minimum prices. These were declared locally and internationally, so everyone knew that the price of a certain item is \$500, even if the market went up to \$1,000, or if the international price went down to \$300, the ministry demanded to bring in \$500. We discovered that this was not good. You have to have flexibility to cope with the changes in the market. We gave this responsibility to this board, to look into international markets and to comment. We abolished the idea of declaring minimum prices. We used an alternative system; for our purposes, we can talk about a minimum price, but we do not declare it officially. If the board says, these days, a ton of sesame is \$600, and an exporter comes and says, I want to export for \$500, he doesn't come to me, he goes to the board. He either convinces the board of this price, or the board convinces him he's making a mistake. So we succeeded in increasing our price of karkade [hibiscus tea] from \$450 a ton in August 1993 to \$1,200 a ton by December. I quote this as one of the very outstanding achievements of this board.

**EIR:** What are the conditions of trade with other countries, given the fact that the International Monetary Fund is still exerting a certain function limiting trade?

**Dr. Taji:** I can say there is no effect of the IMF on our trade. It affects the financial aspect. If I go to Deutsche Bank asking for credit, they will say, "You have a problem with the IMF." But if I go to a company named Wolf in Germany and say, "I want to sell you 10,000 tons of gum arabic at this price," and they need it, they will say okay. So there is no effect on trade.

**EIR:** How does the IMF blacklisting of Sudan affect the possibility of importing large-scale machinery for industry and agriculture, for example?

Dr. Taji: If you want to do it on credit, it is definitely going

to affect it, but if you are going to pay, there is no problem. I can buy anything, even from the United States, if I pay with a confirmed letter of credit.

**EIR:** Is the trade you are engaging in financed on a company-to-company basis?

**Dr. Taji:** Yes, also government-to-government. The Bank of Sudan can buy something for my sugar industry, or cement industry, which is owned by the government, if the Bank of Sudan can give the supplier a confirmed letter of credit in hard currency.

**EIR:** What is your program for the industrial sector, after treating the priorities in agriculture? How are you facing the need for infrastructure?

Dr. Taji: Sudan has very complicated problems and it is not easy to address all of them at the same time. First, because we are not in a situation to have the financing required, to develop the capacities required to innovate industry in a short period of time. We have to have priorities within the industrial sector itself. We have priorities, which are based on certain criteria. For example, most of the industries which are dependent on local inputs, are mainly intended to realize added value or to substitute for imports. In terms of economic return, this is a sort of industry which has a relatively high economic return, because most of the inputs are local. For example, if I produce edible oil from ground nuts or sesame, or cotton seed, or whatever, these are locally produced. I can press these seeds, produce edible oil, and export it. This is an addition to the economy, because I am using local resources to produce commodities for export, and generating foreign earnings. So we gave some priority to this sort of industry. Edible oil, leather, textile, sugar production—all these are industries which convert locally produced inputs

into finished products, by adding value either for the local market or for export.

**EIR:** Is it in these areas that you want to raise the technological level of production, for example in food processing and textiles?

**Dr. Taji:** Yes, these are the sectors with the highest investment. If you take the oil production facilities in Sudan, they are capable of handling 2.5 million tons of seed, which produce 400,000 tons of oil. Our local consumption is less than 150,000 tons. So if we can produce in agriculture 2,000 tons of seeds, and move the machinery of all these factories, we can export 200-250,000 tons of oil, which is \$250 million. We produce noble oil, ground oil, the most expensive oil in the world. In the 1970s, we used to export to Egypt and to Europe, semi-refined oil, and we have had, since the '70s, four or five big mills, each of them supplied with a terminal or oil tanker. The mills have a capacity for 350,000 tons of seed crushing, which produces 150,000 tons of oil. I want to move this machinery, to produce, but I have to deal with the agricultural sector to increase production there first.

**EIR:** What are the obstacles, the bottlenecks?

**Dr. Taji:** We need to extend the agricultural area, and to have the infrastructure for agriculture to make this possible. This year we have the equivalent of 15,000 hectares under cultivation with different crops; if I can double this area in two or three years, I will have 2 million tons of this oil.

**EIR:** Is it technology input which is lacking, which prevents this doubling?

**Dr. Taji:** The minister of agriculture could certainly tell you more. We say Sudan has a very big potential in agriculture, because if you take the water resources, we have all types: running water, rainfall, and groundwater. And it is well distributed, because where there is no rain, there is plenty of groundwater. If you go to the north, the groundwater is immense, 50% of what the Nile has, but to yield that much water, we need to dig wells, and we need energy to pump the water. The land is very good. This is a big area for investment: irrigation, by running water, small dams, or by drilling wells, and pumping water. These are big investments. Mechanization is another requirement, for rainfed agriculture. We have 150 million acres (70 million hectares), which can yield one crop by rain. But to actually farm 70 million hectares, you cannot handle it manually, you need mechanization, of everything.

**EIR:** Regarding basic infrastructure for transportation and communications, I understand there have been some new developments.

**Dr. Taji:** If you are talking about infrastructure in general, for a country like Sudan, it's a very difficult task. Though Sudan is potentially as rich as Germany, it is very big, so to join all parts of the country with transport facilities, trains,

roads, even rivers, you need huge investments. Moreover, the population is only 25 million, in an area of 1 million square miles, not evenly distributed, and in most cases the areas of production are different from the areas of consumption or outlets to international markets, so transport and communications are very essential. At same time they are very expensive, because its transport is over thousands of miles. This is one of the very big problems in Sudan.

But again, just as we cannot cultivate 70 million hectares in one or two years, we cannot cover all infrastructure requirements in one or two years. So we have priorities: to link the areas of production with areas of dense population, whether by rail or by road. We want to link our country with our western, southern, and eastern neighbors; we started some rail and road projects in these three directions. We have transport facilities with the north—rail from Khartoum down to Alhamla; we also have projects to make a road connection on the western bank of the river down to Wadi Halva, another one on the eastern bank to Attbera, and from there to Port Sudan. These projects are now in the pipeline, some under execution. Of course, we have to rely on our own resources, so our rate is slow.

**EIR:** Do you mean your own financial resources and labor? **Dr. Taji:** Everything.

EIR: How do you finance these projects?

**Dr. Taji:** Most of them are financed by co-financing between the government and the public. We have a route from Khartoum to Attbera, about 300 kilometers—40 of them were already built some time ago, so we are talking about 260 km. This project was financed partly by the government, which vouched for it in local currency, issued credit, and the public all over the country mobilized private resources, in terms of outright donations. Billions of Sudanese pounds were collected for this. The contractor was a Sudanese company, a joint venture between the government and the private investors from the Arab world.

**EIR:** Do you have a lot of investment from Sudanese in the Gulf?

**Dr. Taji:** Yes, even foreigners, even some Europeans. There are no restrictions on foreign investments.

**EIR:** Don't they have to be approved?

**Dr. Taji:** Yes, we have an investment bureau which licenses this activity, but there is no barrier to foreign investment.

Regarding telecommunications, the government took another approach, privatizing the business. This was done first of all gradually; secondly, we set up a joint venture with the government. It's not 100% private. Part of the telecommunications, the part which is commercially viable, is privatized, in the sense that the government evaluated the assets rendering the service in international communications and main

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town communications, and considered that as its share in the company. And it called investors to come and take equity in this company. At the beginning, the government held two-thirds of the paid-up capital shares, and the private investors, the other one-third, around \$30 million. The capital, with the government's share in kind, and the private investors' (foreign and local) in cash, together is \$90 million. This makes available \$30 million for the company to start new projects, there are four or five being implemented; all of them will be ready by next March. We are hoping by that time, the telecommunications will be improved.

**EIR:** What are the projects?

**Dr. Taji:** The first one is a new ground station, with new technology, five times the capacity of the previous one. The second is a new international exchange, with new technology, double the capacity of the existing one. The third is a fiber optic connection between the satellite stations and almost all the main exchanges in Greater Khartoum. The fourth is digitalization of the biggest exchange in Khartoum Center; it was analogue before. The fifth is an introduction of 10,000 lines of cellular telephones. All these projects are contracted.

**EIR:** Is there a project for national communications and transportation grids?

**Dr. Taji:** The remaining part of the communications, regional and local, is still under the government, it is a public enterprise. It is supposed that when this new company introduces these projects and starts to make a good return on investment, they will raise more capital. So we expect to collect more equity, and by so doing gradually we take part of the regional networks and introduce them into the company. So gradually the new company is supposed to phase out the public enterprise.

**EIR:** Are there new developments with the sugar production facilities at Kenana?

**Dr. Taji:** Kenana is a joint venture between government, Sudanese private investors, and some Arab investors. It's going to continue like that, and the new project in Kenana is an extension which will lead to an increase in the production of sugar. Kenana has 170,000 acres, of which 85,000 are under cultivation. For technical reasons related to rotation and fallow, they need to have another 10,000 under cultivation. It is now being done. It is expected to come into implementation by next year. By so doing, we can increase the capacity from the current 260-270,000 tons by 50,000 more.

**EIR:** What about the oil sector? How does petroleum development fit into this overall picture?

**Dr. Taji:** You know oil was discovered in Sudan in the late '70s, and that was by Chevron—they started some work here, they had the largest area ever leased to one company in the world. By 1992, I think, the government relinquished the

concession of Chevron, and now it is a government concession. We are trying to make some investments, but as you know, this is capital-intensive. There are some efforts, with some local resources and with some investors from other countries, including the United States.

EIR: But you want to keep national control over the oil? Dr. Taji: Yes. Actually, the American company which is here, is a sort of contractor. Some other investor is negotiating with this company to work with it as a contractor. The company is here, they were working previously with Chevron. We have some work going on. The problem again is infrastructure, because the oil is in remote areas, and if you want to transport the oil from there to the areas of consumption or to outlets at Port Sudan, you need a pipeline of more than 1,300 kilometers, which requires a big investment. On a smaller scale, we are trying to do something for local consumption. Efforts are going on; it is difficult to say what the status is.

**EIR:** What sort of discussion has there been of national banking methods of financing, to overcome the obstacle of lack of adequate financing?

**Dr. Taji:** One of the ideas which came up, when talking about oil and in the context of the embargo on international capital, was why not establish a Sudanese national company and ask every Sudanese to contribute? We need foreign currency to bring in the machinery, pipeline, and to start using our oil. People are thinking about it seriously. The minister of finance raised the idea of bonds, why does the government not float national bonds, internally? We can issue them in Sudanese currency or foreign currency, and sell them in the Gulf, to raise capital for vital projects, which are very promising with a high return. These ideas are under discussion, but haven't yet materialized. The cabinet has passed a bill and the Transitional Assembly too has approved the idea of the bonds, but it has not yet been implemented.

**EIR:** You said earlier Sudan would be fine, "if the international community would leave us alone." What did you mean by that?

**Dr. Taji:** Leave us alone. It's a very important statement. For example, I went to Germany three times, invited by some business groups, very interested in investing in Sudan. They expressed their interest by inviting me to visit one of the branches of Deutsche Bank on a *Sunday*, with the manager and all department heads, coming to meet on a Sunday. After a very long discussion and negotiations, and my presentation on Sudan, they said, "We are very interested. The only thing we want is that the IMF keep silent about Sudan. Because if the IMF puts the word out, no one can approach Sudan with financing." So, we don't want the IMF to give us money, we are not dreaming about one cent. We want the IMF to keep silent. Don't talk about Sudan. People will come.

### Report from Bonn by Rainer Apel

#### Return to the nuclear agenda

Political momentum is building in Germany for resuming nuclear power development.

ne legacy of the "green" decades of the 1970s and '80s, which were often marked by violent controversies. is that essential aspects of economic and industrial policy have been kept on "hold" since reunification in October 1990. There have been moves, in view of the pro-nuclear commitment of the eastern German elites, to revive the strong impulse of the 1950s and early '60s for nuclear power development and other national high-technology projects like space research and maglev train systems, but there has been a kind of consensus not to debate these issues in public.

The victory of Chancellor Helmut Kohl's three-party coalition in the Oct. 16 elections for the national parliament, and the defeat of his radical, pro-ecologist challenger, Rudolf Scharping (a result that was not at all certain, as Kohl's small margin of 10 seats indicates), means for the scientists and industries of the high-tech sectors that they now have a chance to help shape the agenda for the new government. Germany has to state its firm commitment to remain a member of the world's club of leading industrial nations, or it won't play an important role in the next century, despite its population of 80 million.

Some seem to be recognizing this. During the first week in November, for example, Germany's national association of engineers (VDI) held a conference in Göttingen which, among other aspects, featured discussion of ways to secure the nuclear power sector into the next century, not just for Germany, but also to improve the safety of the former Soviet bloc's

power plants.

At the VDI event, Prof. Rudolf Schulten, "father" of the pebble bed high-temperature reactor (HTR) technology, reiterated his call for replacing the technologically outdated nuclear fission plants that were built in the 1960s and '70s, with the inherently safe reactor type that he has developed—of which, so far, only an underfunded experimental project exists at this time.

Schulten and other speakers warned that a German failure to build the HTR (the most-developed system in the world today) meant that its nuclear industry would be pushed aside on world markets by Asian competitors in the next century.

The same justified alarmism was evident at a seminar at the Evangelical Academy of Loccum in northern Germany last June. There, Dr. Friedrich Kienle of the German Power Engineering Industry Association stated that not only were the industrialized Asian countries "fairly unimpressed by ecologist views," but that Japan, South Korea, and Taiwan were committed to doubling their national nuclear power bases by the year 2010.

"The Asians are laughing about us . . . because of our problems," Kienle said. "They don't take us seriously anymore. And indeed, we cannot even tell them much anymore, because we are losing the edge in some of the most-advanced fields of the technology. In Taiwan, they're already developing their own HTR technology. If things don't change here, we will have to knock at Asia's doors to ask for assistance in our nuclear

problems, since we won't have enough engineers to manage our own nuclear power stations early next century."

Kienle said that Asia is training an immense number of nuclear engineers and researchers, while in ecologyminded Germany, only the University of Aachen still dares to train such specialists. Germany won't have the required number of experts to close down nuclear power plants in an orderly way by early next century, should it decide to abandon that technology, he said sarcastically.

The same argument arose in Göttingen, with special attention given to the opportunities offered for Germany's nuclear power industry in the East. These potential markets would inevitably become a domain of Asian producers of nuclear technology, if the Germans continue their policy of benign disinterest. This is also clear for the Mideast, because Palestinian envoys have been stonewalled by institutions in Germany when trying to find support for building an electricity grid based on atomic power plants.

This affair documents that the equation "development is the new name for peace" still hasn't been grasped by Germany's leaders. A warning was issued at a conference of the International Atomic Energy Agency (IAEA) in early November that "geopolitical conflicts" might arise because of shortages of energy early in the next century—shortages that will be inevitable if atomic power is not made available in time.

The IAEA warning was picked up: "The 'Atoms for Peace' program that was presented by U.S. President Dwight D. Eisenhower in his speech before the United Nations General Assembly in 1953 is now, with the end of the East-West conflict, again becoming a vision," the economic daily Handelsblatt wrote on Nov. 7.

### **Business Briefs**

#### Investment

#### Croatia, Bosnia, Malaysia meet on cooperation

A three-way meeting among Bosnia Prime Minister Dr. Haris Silajdzic, Croatian Prime Minister Nikica Valentic, and Malaysian Prime Minister Mahathir Mohamad was held in Kuala Lumpur in late October. According to the Malaysian press, the focus of that meeting and other bilateral meetings was on how Malaysia and other countries could help rebuild the two Balkan countries. Trade agreements were also signed.

Because there is no access into Bosnia directly, "Croatia will provide that access through their seaports on the Adriatic Sea. It is their airports which will serve as a gateway to Bosnia," the media said of the discussions. A radio broadcast on Oct. 26 by Kuala Lumpur Voice of Malaysia noted, "Credit should go to Croatia for joining hands with Bosnia in striving to determine a better future for all."

Malaysian investors will initially go into Croatia. "Some of the potential areas include shipbuilding, food processing, electronics, leather products, vehicle assembly, and textile manufacture. There are also opportunities to develop the oil and gas in both countries," the press reported.

#### Ukraine

#### Shock therapy fuels widespread unrest

Ukrainian President Leonid Kuchmaended all remaining food subsidies in late October, causing prices to skyrocket. The implementation of further International Monetary Fund (IMF) shock therapy measures is fueling the danger of major social eruptions.

Kuchma's move came on top of big price hikes in non-subsidized food prices during September and October. Price rises are ongoing, as a result of the free-fall collapse of the Ukrainian currency, the coupon. Most of the workforce has yet to be paid back wages owed them for four or more months' work.

The Kuchma decree also freed prices for

rents and utilities, including electricity, gas, and water. These prices rose by sevenfold, retroactive to Oct. 1. The physical effect of these increases won't hit people's pockets until the end of December, however, because, in keeping with the practice in the old Soviet system, rents and utilities are paid up at the end of each quarter. Under the Kuchma decree, the price of a ticket for urban transportation went up tenfold, from 100 to 1,000 coupons. For the Kiev Metro, a monthly ticket now costs 175,000 coupons, compared to 20,000 in October. Prices are ratcheting upward on almost a daily

Kuchma said that a new round of increases will take effect on Jan. 1. He made no bones about the fact that this is being done to comply with conditions imposed by the IMF in order for Ukraine to receive a "stand-by" loan of \$1.5 billion. Talks on the loan will begin in Kiev later in November.

#### Fusion Energy

#### Japan makes progress in magnetic fusion research

The JT-60 tokamak fusion experiment in Japan has extended its world record for the product of plasma density, temperature, and confinement time of plasma to a value 13% higher than its previous results, the science team reported to an International Atomic Energy Agency conference in October.

An operating fusion power plant would require a value approximately three times higher than that achieved in the JT-60, mainly extending the few seconds of plasma confinement to a steady-state, continuous regime. However, the Japanese results represent significant progress.

The Russian fusion program, however, is unable to continue support for international projects, the newsletter of Fusion Power Associates, headed by former U.S. Department of Energy official Steve Dean, reported. The Russian government has been unable to continue to provide its promised one-fourth contribution to the International Thermonuclear Experimental Reactor (ITER), which is now in its six-year design and research and development phase. There is a shortage of hard currency in

Russia, which is needed to send scientists to work at ITER centers in Germany, Japan, and the United States, and there is a shortage of funding for Russia's own fusion research centers.

Sources working on magnetohydrodynamics research report that the Russian MHD research and development effort, which at one time was the furthest along internationally, has been shut down completely.

#### Germanv

#### **Bavarian minister says** nuclear energy needed

Bayarian Minister for Economy and Transport Otto Wiesheu called for a new generation of nuclear reactors that would further improve safety, at the annual meeting of the German energy industry association (VIK) in Essen.

According to the Nov. 2 German daily Handelsblatt, Wiesheu emphasized the importance of the new German-French reactor design EPR (a standardized waterreactor), and described this as an indispensable long-term option for Bavaria.

The new generation of nuclear reactors must not be produced only for export, Wiesheu said, but must also be built for use in Germany. He said that the nuclear energy crisis in Germany is revealing industrial policy deficits. It is not the technology that is failing, but "our social-political conditions." The consequence, he said, is the blocking of future technologies and, therefore, future jobs.

#### Infrastructure

#### Eurasian railway to be 'fully utilized'

Railway ministers of China, Russia, and five Central Asian republics signed an agreement in Beijing on Oct. 28 to fully utilize the Eurasian railway, China Daily reported. Chinese Railway Minister Han Zhubin said that he believed that the full use of the Eurasian railway would vitally enhance trade and economic and cultural exchanges among nations of the Pacific Rim, Central Asia, Europe, and the Middle East.

The ministers met for three days to work out agreements which would increase use of the Eurasian railway. They agreed to standardize freight rates, introduce international clearing methods, and coordinate national transport plans. They will also upgrade equipment and improve service.

Chai Pu'an, deputy director of the Chinese Ministry of Railways Foreign Cooperation Department, said that the agreement is aimed at enhancing the use of the Eurasian land bridge, which has been seriously hampered by lack of cooperation. The problems have "sharply reduced" passenger and freight travel since the railway opened in 1992, Chai said, in the first six months of this year, freight transported through the Alataw Pass from China to Kazakhstan fell by 33.8%. To facilitate shipping, China will make improvements in the just-finished double-tracked Lanzhou-Urumqi and Lanzhou-Baoji rail lines and speed up the completion of other projects.

#### Agriculture

## World Bank official wants to produce food

Worldwide production of food must be increased, a report by the Counselor Group for International Agriculture Research (CGIAR) in Washington concluded, according to the Nov. 1 German daily *Frankfurter Allgemeine Zeitung*. The group is headed by Ismail Serageldin, vice president of the World Bank and chairman of CGIAR.

If production is not increased, the report said, the world would live with the false sense of security that production is sufficient to feed a growing population without confronting the greater difficulties that currently exist. Industrial countries, especially, would think that they could buy everything they want. This indifference is dangerous, because food production has to be more than doubled by the year 2025, warned Serageldin. Already there are many indications that such an acceleration in food production would be difficult to achieve. The amount of land under cultivation has been

stagnating for many years and, at the same time, there is more and more demand for land for construction and other purposes.

Serageldin is reportedly confident that it will be possible to meet the necessary increase in production. A key factor would be to intensify agricultural research. The industrial countries in particular, he urged, have to give more money for the 17 research institutes in developing nations. These institutes played a key role in the "green revolution."

He did not say whether the World Bank was planning to scrap its shock therapy policies, which are in large part responsible for the crisis in world food production.

#### Shipbuilding

## Newport News shipyard gets foreign contract

The Newport News Shipyard in Virginia in October signed an agreement with Eletson Corp., a Greek shipping company, for construction of up to four petroleum product carriers, in a deal that could be worth as much as \$152 million. An extension of a federal loan guarantee program to foreign buyers, part of President Clinton's plantorevitalize U.S shipbuilding according to the Nov. 1 Virginian Pilot, made the contract possible. It is the shipyard's first foreign commercial ship construction contract since 1957.

Shipyard Chief Executive Pat Phillips called the contract the beginning of a "renaissance in American shipbuilding. . . . We consider it a very significant contract. . . . It's major from our point of view because it marks our return to commercial shipbuilding."

U.S. Secretary of Transportation Federico Pena said, "These agreements send a powerful message to the world: . . . The United States is back in the shipbuilding industry to stay."

The ships will be built in the yard's submarine construction area using modern serial-shipbuilding techniques. The market for this sort of work is very competitive. The small double-hulled tanker is a basic design, bread-and-butter work for shipyards worldwide. Newport News was competing with subsidized yards in Japan, Korea, and Europe for the contract

## Briefly

- TURKEY AND ISRAEL will sign a free trade agreement by the end of the year, Turkish Prime Minister Tansu Ciller said on Nov. 5 at a joint news conference with Israeli Prime Minister Yitzhak Rabin. Ciller also met PLO Chairman Yasser Arafat in Gaza, and promised that Turkey would help finance construction of an airport and a harbor in Gaza.
- CHINA said on Nov. 5 that prospectors had found a major new oil and gas field in Sangzhi county of southern Hunan province. Verified reserves in just one part of the field, called Siwangshan, amount to 3.786 trillion cubic feet, the official Xinhua news agency reported.
- ◆ A SINO-INDIAN trade bloc should be formed, Chinese Ambassador to Delhi Cheng Ruisheng said in October. He called for an Asian confederation for civil aircraft manufacture, and said that China was interested in collaborating with Hindustan Aeronautics Ltd.; a two-track policy to expand bilateral trade, especially in oil, space technology, mining, and agriculture; and lower duties on consumer products.
- A NEW RICE variety developed by the International Rice Research Institute in the Philippines, is expected to increase yields by 25% and needs much less fertilizer than current varieties. Researchers are hopeful that they will be able to increase yields another 25%.
- TAIWAN Power Co., a stateowned firm, has agreed in principle to buy uranium from China in exchange for permission to store nuclear waste on the mainland, *China Times* reported in early November. China's offer has "no disadvantages," the daily said.
- BELARUSSIAN and German railway companies signed an agreement on a package of technical, administrative, and pricing improvements at a conference in Mikolajki, Poland in late October. Transport of freight by rail through Belarus is expected to be improved.

EIR November 18, 1994

### **ETR** Feature

## And how we were shrunk

by Lyndon H. LaRouche, Jr.

For most who served then, the World War II mobilization was a morally uplifting experience. For them, most of whom had been born somewhere between 1910 and 1924, military service was a melting-pot. Eyewitness recollections show that those who served overseas had a heightened sense of the price which might be paid for tragic blunders of national policymaking. Those who served in the area of the British Empire, such as the China-Burma-India theater, for example, saw first hand, in the visible fruits of London's arrogant cruelties, what must be changed radically if the world were not to fall into risk of something as bad as, or even much worse than the war of 1939-45.

To those returning to the United States on the shuttling troop-ships, that shared wartime experience was often taken as a sign that we were resolved never again to permit the drift of policymaking to bring us to a *casus belli* which foresight might have prevented. For certain reasons, that optimism proved to have been exaggerated.

A decade from now, most who came out of the economic depression of the 1930s to share that military service, will have passed on. Today, the survivors among those millions have a story yet to tell, the story of their generation's 1941-63 experience, from Pearl Harbor until the assassination of President John F. Kennedy, and the deadly after-shocking murder of Rev. Martin Luther King, Jr. To date, much has been written about sundry facts of that generation's page from history, but the real story, the tragedy of that generation, has not been told. It is a story from the past; it is the story behind the most important breaking developments in today's headlines around the world. It is still breaking news.

A year or two after the veterans had returned to civilian life, most had virtually abandoned the resolute commitments they had shared with one another during the last days abroad, and on the returning troop-ships. The gloomy postwar economic recession and an inculcated, numbing fear of "The Bomb," stirred compelling anxieties among former victims of the 1930s depression. The phenomenon which



U.S. troops bring in supplies at Iowa Jima in February 1945. "To those returning to the United States on the shuttling troop-ships, that shared wartime experience was often taken as a sign that we were resolved never again to permit the drift of policymaking to bring us to a casus belli which foresight might have prevented. For certain reasons, that optimism proved to have been exaggerated."

came to be called "McCarthyism" was, for most, also a factor in this withdrawal into relative intellectual and moral smallness. Most among them became soon a shrunken parody of the commitments they had shared at the close of their term of miltary service.

We do not capture the essence of that returning generation's life-story, until we examine the impact of the late 1940s and the 1950s developments on the "Baby Boomers," the "Boob Tube" generation, the children of those shrunken former veterans. Look at the post-1963 mass-eruption of the radical counterculture, and ask oneself, what happened during the late 1940s and 1950s, which prepared the children of returning World War II veterans, the "Baby Boomer" generation, to be taken over so quickly, so profoundly by that radical counterculture which dominates the institutions of this nation, and much of this planet today?

Focus upon a characteristic feature of the late 1940s. The university campus population was greatly expanded by a large ration of the younger veterans who exercised their educational options under the "G.I. Bill of Rights." They were a stratum of students sobered and matured emotionally by their military experience, and generally "good students," more consistent performers than their younger peers, excepting one crucial drawback: They had lost three to five years at war, and they were in a hurry.

That haste was quickened by gloomy reflections upon the 1930s Depression. By 1946-47, "The Bomb" had made most of them anxious; that anxious eye dulled the sharpness of

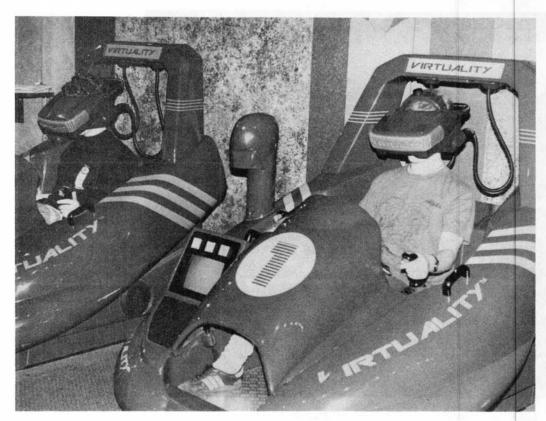
#### In this section

The documentary material that we present here gives an unusual insight into the cultural decline of the United States since World War II. *EIR* has commented frequently on the cultural "paradigm shift" that followed the assassination of President John F. Kennedy: the onset of the "post-industrial society," pessimism about the benefits of science and technology, and the replacement of Judeo-Christian moral values with the value-free hedonism of the New Age. But the problem did not begin in 1962; the seeds were planted in the immediate postwar years, as Mr. LaRouche describes in his introduction.

As case studies, we consider, first, the famous Kinsey reports of 1948-53 on human sexuality. These influential reports are not only fraudulent, but are based upon actual sexual molestation of children for purposes of "scientific observation."

The second case study involves the fight led by a remarkable man, Fredric Wertham, against the comicbook industry. His charges are as relevant today as they were in 1954—or even more so, as the effects of comics upon children today are compounded by television, video games, and computer simulations.

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Virtual Reality games at a Chicago amusement park: the 1990s offspring of the "cybernetics" cult of Norbert Wiener.

their intellects more than a little bit; one more time, fear quickened their haste. The specter of what came to be called "McCarthyism" said to many: "Don't think too much; it could land you in trouble." They lightened their intellectual baggage, and that, too, quickened their pace.

In those days, the expression would have been, "It's a funny thing." Here they were, returned from war against Nazism, and almost as conformist as any *Wendehals* of Hitler's *Reich*. It was a U.S. veteran's parody of the Hitler period's *Gleichschaltung:* looking from side to side, quickly, to ensure they were in conformity, "just another regular fella," before taking a position on any subject, classroom or otherwise.

That diminished concentration-span, that growing tendency for shallow-minded conformity, made possible the spread of the approved types of "post-modernist" academic novelties of that time. Key examples of those fads included Prof. Norbert Wiener's cult of "cybernetics," and such related science-fiction novelties as "systems analysis" generally and John Von Neumann's "artificial intelligence" in particular. The same fearful wont for shallow-minded conformity fostered the rapid spread of the pseudo-scientific fads in psychoanalysis and sociology generally. The link between the mathematical and social-theory fads was typified by the Josiah Macy, Jr. Foundation, where the living Wiener and deceased Freud met "Golden Dawn" satanist Aldous Huxley's role in MK-Ultra, all brought together by the radical

New Ager circles of Margaret Mead and her sometime husband, Gregory Bateson.

#### Not quite all their children

The experience of teaching at several college campuses in the northeastern U.S.A. during the 1966-73 interval provided this writer some crucial insights into what had been done to the bright young children of the returning World War II veterans. The writer's own qualified 1948-52 success in resisting and refuting Wiener's pathetic definition of "information," helped him greatly, as a lecturer, in recognizing the "hereditary" intellectual impact on the sons and daughters of those who had not resisted the popular campus fads of the late 1940s and early 1950s.

Those students of the late 1960s were "smart," quick-witted generally; but, most of the campus radicals of the 1960s were pathetically conformist even in rebellion against their parents' conformities; like their parents, they were victims of too much "information," combined with much too little creativity. They were all too obviously the victims of such conventional babysitters as "Howdy Doody," "Romper Room," and a bit of "Bozo the Clown"; there was also a very strong influence visibly radiated, directly or through parental circles, from the household gossip's flight from reality into the mind-set of the "soap opera." They were susceptible to strong, but fleeting passions, all pursued with an "other-directed" shallow-mindedness, gripped much more by haste

to believe than regard for rigor.

The most afflicted among the campus youth of the late 1960s were those whose induced fear of being dropped into "blue collar" social status made them likely prey for the dogmas of Prof. Milton Friedman's vulgarized monetarism (or, its left-wing parodies), and the irrational belief in "post-industrial" utopianism. Since 1971-72, much helped by the rise of that generation to today's executive rank, the world has been transformed from a society oriented to agro-industrial development, into a global financial order self-doomed by the growth of a gigantic speculative bubble. Thus, today, we live under the reign of a bankrupt economic system, under which monetary and financial processes—and the calculation of "economic growth"—have been de-coupled from the physical economic realities of production and consumption.

Mass recruitment to this New Age lunacy began in the United States about 1964-66, but the seeds of self-destruction were planted among many of the academically trained strata from the wartime generation during the late 1940s and early 1950s. The influence of Wiener's and Von Neumann's fads are a key part of this earlier indoctrination, and an example of the same popularized delusions which promoted the widespread influence of psychological and sociological cult-fads during that period.

#### What was evil about 'cybernetics'?

The attractive and innocent feature of Prof. Norbert Wiener's 1947-48 Cybernetics was the description of the means by which use of hydraulic and electronic systems of automatic control was beginning to surpass by far the limitations inherent in earlier notions of mechanical design of automatic machinery. The notion of "information" presented there was the objectionable feature, as also in the wilder claims for the Wiener-Shannon "information theory" dogma in other locations of that period. At that time, very few of the warveterans working in physical-science fields raised any objection to the transparent absurdity of the latter feature of Wiener's work: Chiefly, they were in a hurry, with no time to stop and reflect upon what they should have recognized as an absurdity.

Firstly, any person with any competent grounding in scientific work or Classical art forms knows that it is not possible to represent human ideas by means of statistical distribution. In Classical forms of poetry, dramatic tragedy, music, and painting, human creativity can never be expressed literally, but only in the form of *metaphor*. All human ideas, apart from the most naive use of simple nouns and adjectives to identify simple sense-objects, are therefore expressed only

in the form of metaphor. Every important discovery in the history of mathematical physics was also introduced in no other form than a metaphor, never deductively. Every important discovery of principle in physical science occurs in the form of that kind of change in underlying axiomatic assumptions which cannot be represented in a deductive mode.

Therefore, it is plainly absurd to claim that any formula derived from statistical gas theory, such as Boltzmann's famous H-theorem, could measure idea-content of communications in terms of "negative entropy" so defined.

The veterans on campus after the war were in a hurry. They were, for the most part, "regular guys," who knew the fear of economic depression, "The Bomb," and what came to be known as "McCarthyism." That education-in-a-hurry, combined with those fears, became the standard of culture they provided for their children.

Secondly, no modern industrial economy could function on the basis of ideas consistent with Wiener's definition of "information." All important improvements in technology are derived from the expression of a scientific discovery in the form of either a principle of machine-tool, or analogous design. The new principle embedded hereditarily in that applications design has its origin as a metaphor in scientific discovery. The origin of rises in the productive powers of labor lies in those qualities of ideas.

The only "ideas" which might be represented even approximately by Wiener's method are utterances of the utmost triviality.

The same elementary absurdity permeates the underlying assumptions of John Von Neumann's influential "systems analysis," and his notion of "artificial intelligence."<sup>3</sup>

If one examines the textbook-based methods of education used generally during the post-1945 period, it is not difficult to understand why so many of the returning veterans and their progeny would have been duped by hoaxes such as these

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<sup>1.</sup> Norbert Wierner, *Cybernetics* (New York: Wiley, 1948). Prior to the 1948 release of the regular, clothbound edition of this book, a Paris-produced paperbound edition was introduced with more limited circulation.

<sup>2.</sup> Cf. Lyndon H. LaRouche, Jr., "On LaRouche's Discovery," Fidelio, Vol. III, No. 1, Spring 1994.

<sup>3.</sup> John Von Neumann and Oskar Morgenstern, *The Theory of Games and Economic Behavior*, 3rd edition (Prince on, N.J.: Princeton University Press, 1953). See also Von Neumann's posthumously published Yale lectures on "The Computer and the Brain."

of Wiener and Von Neumann.

In Classical education, such as the program of the famous mass-producer of geniuses, the Brotherhood of the Common Life, the pupil is guided not to "learn about" a discovery, but rather to relive the original experience of that act of discovery, as reported by the original discoverer, or a suitable substitute for such a source. In that way, the pupil does not master the "formula," as diploma-mill textbook education prescribes; the pupil takes as the object of his or her attention the successful mustering of those creative-mental processes of his or her own mind, by means of which the original act of discovery is reexperienced. The student with that sort of Classical education knows the mental processes by which a discovery is generated; the victim of diploma-mill textbook education learns the plausible authority of the result of the discovery, not the act of discovery itself.

The victim of diploma-mill education does not know the act of discovery itself. Therefore, for him the authority of the presented discovery lies not in the way in which the idea was generated, but rather in the demonstration that the result foretold is statistically "repeatable." For this reason, that victim earns his diploma on the authority of what he esteems as "practical" plausibility, not in a scientific way. He has not become familiar with the nature of the act of discovery itself; for that reason he tends to be more readily hoodwinked by what appear to him to be the seemingly elegant deductive-mathematical architecture of hoaxes such as those of Wiener

and Von Neumann.

One must remember, that those veterans on campus back then were in a hurry. They were, for the most part, "regular guys," who knew the fear of economic depression, "The Bomb," and what came to be known as "McCarthyism." That education-in-a-hurry, combined with those fears, became the standard of culture they provided for their children. That had a side-effect. The children knew that their parents were, as the mid-'60s radicals said, "faking it." Their parents' hurried avoidance of deeper values signified to many of the children that there were no deeper values. Life became for them a rapid succession of shallow-minded, if passionate transitions away from one banal conformity to the next. The majority of those children grew up to become culturally pessimistic existentialists. If they were literate, they moved quickly from Marx to Schopenhauer and Nietzsche by way of the Nazi Martin Heidegger and his bed-mate Hannah Arendt. Life for them became, "How I feel about my situation."

It might be proposed, therefore, that if the victims were told the story of how this moral sickness of theirs came about, they might be empowered to free themselves from a disorder whose influence is threatening to destroy our nation and our civilization from within. It is therefore strongly suggested that the still surviving veterans of World War II tell their story at last. What happened to those veterans and their children, on the way to the late 1960s, should be reviewed.

## Spreading pessimism: lies of the N.Y. Times

What blame do the American media get for fostering the cultural pessimism that we now see running rampant? Consider the record of that "newspaper of record," the New York Times.

On July 20, 1994, while mankind celebrated the 25th anniversary of the first walk on the Moon, the *Times*'s front-page story was, "Earthly Worries Supplant Euphoria of Moon Shots." It dredged up every professional pessimist from Pablo Picasso ("it means nothing to me") to microbiologist René Dubos (space suit technology is a "dreaded portent of what could happen to our lives").

The *Times* has a long and nasty history of such coverage. In a Jan. 6, 1880 article, it "proved" that electric light could never compete with gaslight. It took one generator to power eight light bulbs, the *Times* argued, so at least 250,000 generators would be needed to light New York. This implied a mammoth investment of \$750 million—obviously out of reach.

Ten days later, in a front-page exposé of Thomas Edison as a fraud, the *Times* cited a "noted electrician" for the conclusion that "after a few more flashes in the pan, we shall hear very little more of Edison or his electric lamp. Every claim he makes has been tested and proved impracticable."

And so it went with the airplane, as well. After the failure of one of Samuel Langley's experiments in powered flight, a *Times* editorial on Dec. 10, 1903 proclaimed man's attempts to fly fruitless: "We hope that Professor Langley will not put his substantial greatness as a scientist in further peril by continuing to waste his time, and the money involved, in further airship experiments." The *Times* blacked out the success of the Wright brothers for six years.

The Times attacked the successful rocket experiments of Robert Goddard in a Jan. 13, 1920 editorial: "That Professor Goddard... does not know the relation of action to reaction, and of the need to have something better than a vacuum against which to react—to say that would be absurd. Of course he only seems to lack the knowledge ladled out daily in our high schools. But there are such things as intentional mistakes."—David Cherry

## Alfred Kinsey and the pedophile agenda

by Dana S. Scanlon

### Kinsey, Sex and Fraud: The Indoctrination of a People

by Dr. Judith A. Reisman and Edward W. Eichel Huntington House Publishers, Lafayette, La., 1990

237 pages, paperbound, \$11.99

This book deserves to be studied by every citizen trying to understand the genesis of the sex education programs now being taught in many of our schools. It was in the course of investigating that question that I came across *Kinsey*, *Sex and Fraud*. Reading Reisman and Eichel's book is a matter of urgency for those many parents who now believe that, because of the threat of AIDS, their children need a dose of what is called "comprehensive sexuality education."

In 1981 Dr. Judith Reisman presented a paper at the Fifth World Congress of Sexology in Jerusalem calling for an investigation of the work of Alfred C. Kinsey and the Kinsey Institute. She charged that not only was the original work of the Kinsey team tainted with fraudulent statistics, but that Kinsey's work on child sexuality was based on hundreds of cases of actual child molestation. Incredibly, Kinsey has never been called to task by his peers, was never prosecuted, and has become the celebrated leader of a cult of quack professionals and propagandists who claim that human beings are defined by their sexual desires and activities.

Kinsey is the originator of the following claims, now promoted in most "mainstream" sex education textbooks:

- that most human beings are essentially bisexual;
- only those who are unduly influenced by social taboos don't practice homosexuality;
- only a small minority of humans are truly heterosexual, and one in ten are pure homosexuals;
  - children are sexual beings who must be liberated.

The reader must bear in mind that the people who are quoted in the paragraphs below are not "just" individuals writing about their personal sexual preferences, and that these are not "simply" the ravings of the lunatic fringe in the North American Man/Boy Love Association (Nambla).

These are the professionals who train and certify sex education teachers, who write the textbooks that are being used in grade schools and universities, and who widely influence the shaping of public opinion, the news media's views on the subject and, ultimately, the writing of legislation.

#### Kinsey's philosophy

Dr. Reisman's book first sets out to demonstrate, using Kinsey's words and those of his followers, that Kinsey had an agenda: to overthrow the basic tenets of Judeo-Christian morality in the most intimate of domains. This is summed up by a statement in Kinsey's second major work, the 1953 Sexual Behavior in the Human Female: "It is not so difficult to explain why a human animal does a particular thing sexually. It is more difficult to explain why each and every individual is not involved in every type of sexual activity" (p. 451, emphasis added).

Writing in P.H. Hoch and J. Zubin's 1949 study *Psychosexual Development in Health and Disease*, Kinsey and his followers Wardell Pomeroy, Clyde Martin, and Paul Gebhard explained that all sexual activity was equal, no matter at what age, no matter what physical stimulation was involved, with no matter whom, or indeed, no matter what:

"We suggest that sexuality, in its basic biologic origins, is a capacity to respond to any sufficient stimulus. It is simply a picture of physiologic response and psychologic conditioning in terms that are known to the biologist and psychologist. This is the picture of sexual response in the child and in most other younger mammals. For a few uninhibited adults, sex continues to remain sex, however they have it" (p. 27, emphasis added).

What is "normal," Kinsey would argue, is simply what people do, or what he claimed they did. This is "statistical morality," which is intended to destroy the idea of what is normal in the moral sense. Leaving aside for a moment the question of fraud, this is like arguing that what is true is simply what a majority of people believe.

The first onslaught came in 1948, with the publication of the *Male Report*. In that report, the reader can find not only the evidence of the fraud committed by the Kinsey team, but also the evidence that should have put them in jail for child sexual abuse.



Child sex propaganda from the North American Man/Boy Love Association: no longer just on the lunatic fringe.

On the basis of interviews presented as a sample of the society at large, Kinsey told America his findings that its prudish idea of what was "normal" was way off base. But Kinsey's sample male population contained a high percentage of prison inmates and sex offenders. Present and former inmates made up as much as 25% of the group, as Dr. Reisman documents.

The fact that Kinsey's sampling of the population was not random at all but based on volunteers who stepped forward to take part in a study on sexuality, is also significant. The profile of the average participant bore little resemblance to the profile of the typical American. Obviously, those who stepped forward to participate in a study of their sexual habits were not, to say the least, individuals with your average sense of modesty.

#### The cornerstone of sex education

Every book on sex education that this reviewer has picked up at the local public library promulgates the most deranged of Kinsey's beliefs, which a militant minority is now attempting to put into practice: that children are sexual beings, that parents must teach children to enjoy their sexuality at the earliest possible age, and that only the so-called overreaction of parents and police to cases of incest and "cross-generational sex" (pedophilia), not the sexual acts themselves, is harm-

Tom O'Carroll, chairman of the Pedophile Information

Exchange and author of Paedophilia: The Radical Case (Alyson Publications, 1980), explains how Kinsey's work was "unassailable" in support of the pedophile cause: "Perhaps the most striking of the Kinsey findings, as they concerned preadolescent children, relates to their capacity for sexual orgasm. 'Orgasm has been observed in boys of every age from five months to adolescence,' Kinsey wrote. Also, 'Orgasm is in our records for a female babe of four months."

O'Carroll is a member of the brotherhood whose slogan is "sex before eight, or it's too late." (Since the appearance of Dr. Reisman's book, and hence, not mentioned by her, O'Carroll's publisher has also put out the infamous books Heather Has Two Mommies and Daddy's Roommate, promoted for kindergarten children as an introduction to lesbianism and homosexuality.)

Compare this with the words set down in a popular college textbook. R. Crooks and K. Baur's Our Sexuality, (Benjamin/Cummings Publishing Co., 1983) flatly asserts Kinsey's "findings" as fact: "With the widespread circulation of the research findings of Alfred Kinsey and other distinguished investigators, the false assumption that childhood is a period of sexual dormancy is gradually eroding. In fact, it is now widely recognized that infants of both sexes are born with the capacity for sexual pleasure and response."

The sexologists began increasingly to broach the subject of "legitimate" sexual contact between adults and children during the late 1970s. The article "Sex Education in the Future," published in the Journal of Sex Education and Therapy (Spring/Summer 1985), is one example. Written by a co-founder of the Sex Information and Education Council of the U.S. (Siecus), Dr. Lester Kirkendall of Oregon State University, and Dr. Roger Libby of the University of Massachusetts, the article prophesied that future sex ed programs "will probe sexual expression . . . with same-sex [partners]" and "even across . . . generational lines." They proclaim that with "a diminished sense of guilt . . . these patterns will become legitimate" and "the emphasis on . . . normality and abnormality will be much diminished with these future trends."

Dr. Mary Calderone (past president of Siecus) told a 1980 conference of the Association of Planned Parenthood Physicians that the primary goal of Siecus was henceforth to provide society "very broadly and deeply with awareness of the vital importance of infant and childhood sexuality." In the Siecus Report of May-July 1983, she wrote that the child's sexual capacities should "be developed—in the same way as the child's inborn human capacity to talk or to walk, and that [the parent's] role should relate only to teaching the child the appropriateness of privacy, place and person in a word socialization."

#### 'Incest can sometimes be beneficial'

As cited in a Time magazine article (April 14, 1980), longstanding Kinsey Institute collaborator Wardell Pomeroy has said, "It is time to admit that incest need not be a perversion or symptom of mental illness," and that "incest . . . can sometimes be beneficial."

In an article written in 1977 for a (pornographic) *Forum* publication called *Variations*, Pomeroy was virtually ecstatic over the prospects:

"Incest between adults and younger children can also prove to be a satisfying and enriching experience. . . . Incestuous relationships can—and do—work out well. . . . We find many beautiful and mutually satisfying relationships between fathers and daughters. These may be transient or ongoing, but they have no harmful effects."

In his book *Boys and Sex*, now in its third edition and on the library shelf in your neighborhood, Pomeroy doesn't talk about the benefits of incest in such gushing terms, but he does talk about incest as "the oldest taboo of all." (Pomeroy has written elsewhere that Kinsey selected him to work at the institute precisely because he, Pomeroy, did not observe society's taboos.) After noting the belief that incest is not genetically good, he concludes "these long-held beliefs have been attacked by recent research, and serious doubts have been raised about their validity" (p. 182).

Once pedophilia is established by the "sexologists" to be a *sexual orientation*, not an abnormality, an aberration, or a sin, the next step is to establish protections for this minority, just as homosexuality is increasingly being protected under law. We are on the threshold of that terrifying prospect today.

Sound far-fetched and paranoid? Listen to the words published in *Behavior Today*, on Dec. 5, 1988, on page 5: "pedophilia . . . may be a sexual orientation rather than a sexual deviation."

In fact, the University of Massachusetts-Amherst already defines pedophiles as a "protected minority" within its non-discrimination code, according to Hillsdale College President George Roche!

According to Dr. Joan Nelson, cited in Dr. Reisman's book, pedophiles are visionaries who "participate in sexual contact not for her or his own gratification, but in response to a child's attempt to acquire practical knowledge." Such visionaries are advocates of "children's rights" in all areas, and "believe the troubles that characterize our times are rooted in childhood sexual repression that prohibits age-free expression of sexual affection." Dr. Nelson is the founder of the Institute for the Study of Sexual Behavior. She describes her childhood submission to incest as "the happiest period of my life."

As anyone who has read a few of the sex education books that are touted as required reading for American teenagers, the kind of "practical knowledge" that Dr. Nelson speaks of is held in very high regard. Though few, if any of these books, explicitly promote pedophilia per se, they strongly promote and urge sexual explorations of all kinds as highly beneficial for adolescents.

#### 'Extreme tension with violent convulsion'

Dr. Reisman points out that, in 1951, just two years prior to the publication of Kinsey's *Male Report*, considerable publicity had been given to the Nuremberg trials of Nazi doctors, who, among other things, were found guilty of cruel experimentation on human subjects. Out of this came the Nuremberg Code and numerous other medical and professional codes which provided for certain standards of conduct during research on humans. Yet Dr. Kinsey came under no criticism for his sadistic use of children for his "sexology" research.

Consider this description, on p. 161 of the *Male Report*, of the "pleasure" experienced by some of the 190 male children on whom Kinsey and his team went to work:

"Extreme tension with violent convulsion . . . mouth distorted . . . tongue protruding . . . spasmodically twitching . . . eyes staring . . . hands grasping . . . throbs or violent jerking of the penis . . . sobbing or more violent cries, sometimes with an abundance of tears (especially among younger children) . . . will fight away from the partner and may make violent attempts to avoid climax, although they derive definite pleasure from the situation" (emphasis added); note Kinsey's use of the word "partner," when describing the adult molester.

As for what the Kinsey team did or condoned for their *Male Report*, Dr. Reisman notes, not without sarcasm:

"Fortuitously for the Kinsey team, among their interviewees were a group of men who had data on hand from what seem to have been identically designed genital stimulation experiments on children—data obtained by 'actual observation' and 'timed with second hand or stopwatch' (Male Report, chapter 5). By further good fortune, some of these men were 'technically trained.' Thus, it is implied by Kinsey, their observations on the results of homosexual masturbation of young boys, ranging in age from 2 months to 15 years, are a valid and meaningful way to learn about childhood sexuality."

On the basis of these "observations," Kinsey would conclude, "It is probable that half or more of the boys in an uninhibited society could reach climax by the time they were three or four years of age, and that nearly all of them could experience such a climax three to five years before the onset of adolescence."

Further demonstrating the depravity of his team, the Kinsey report makes clear reference to some of the children being molested, with detailed notes being taken, over periods of many months. Two defenseless children, one aged 4 years and the other 13, were subjected to particularly brutal treatment over at least a 24 hour period, as Kinsey reports on p. 180 that, in these two cases, "the maximum observed was 26 climaxes in 24 hours."

Five years after the publication of the Male Report, Kinsey's team published Sexual Behavior in the Human Female, based on interviews with over 5,900 women. The Female

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Report claims that premarital intercourse helps women with subsequent "marital adjustment." It also contains some startling assertions regarding little girls, now shared by most of today's sexologists.

#### 'Female Report' endorses child molesting

Chapter 4 of the *Female Report* is entitled "Pre-adolescent Sexual Development." Interspersed with theories (always presented as fact) such as that "it is certain . . . that there are children, both female and male, who are quite capable of true sexual response," the Kinsey team touts the benefits of sexual contact (incestuous or otherwise) with children. Incredibly, we find on p. 115: "Some of the pre-adolescent contacts had provided emotional satisfactions which had conditioned the female for the acceptance of later sexual activities."

A few pages later, Kinsey et al. explain that they plan to teach the public to accept the notion of adults using children as sexual "partners":

"There are, of course, instances of adults who have done physical damage to children with whom they have attempted sexual contacts... But these cases are in the minority, and the public should learn to distinguish such serious contacts from other adult contacts which are not likely to do the child any appreciable harm if the child's parents do not become disturbed... We have only one clear-cut case of serious injury done to the child, and a very few instances of vaginal bleeding which, however, did not appear to do any appreciable damage."

Not only must the public be conditioned to accept such sexual contacts as normal, but so must children: "It is difficult to understand why a child, except for its cultural conditioning, should be disturbed at having its genitalia touched . . . or disturbed at even more specific sexual contacts."

Furthermore, "the adult contacts are a source of pleasure to some children, and sometimes may arouse the child erotically."

#### The sexologist network of 'heterophobes'

Dr. Reisman uses the term heterophobia (fear and hostility towards heterosexuality) to describe the goal of the war waged by the Kinseyites against traditional societal norms, the institution of marriage and the family. In a fascinating chapter, the book's co-author Edward W. Eichel begins to unravel part of the network of academic and professional institutions that began efforts to implement Kinsey's agenda. Eichel writes:

"In 1983 the Society for the Scientific Study of Sex (SSSS, or 'Quad S'), announced the forming of a committee that had been 'charged with developing guidelines for an accrediting body for university-based degree programs in human sexuality.' This society—one of the oldest sexological organizations in the U.S.—counts among its members most of the nation's leading academic sexologists, including

Kinsey co-authors Wardell Pomeroy and Paul Gebhard. Heavily represented on its original accreditation committee were academicians from institutions that developed the only three human sexuality programs designed to educate the educators. All three programs . . . and members of the accreditation committee mentioned below, have been committed to the homosexual-oriented Kinsey-school ideology. The SSSS committee originally included Deryck Calderwood from New York University, Kenneth D. George (an avowed homosexual) from the University of Pennsylvania, and Wardell Pomeroy, then Dean of the Institute for the Advanced Study of Human Sexuality in San Francisco. Another committee member was Paul Gebhard, who in 1982 retired from his post as director of the Kinsey Institute for Research in Sex, Gender and Reproduction."

Another member of the SSSS accreditation committee was Ven L. Bullough, a historian of the homosexual movement who also wrote a foreword for Dutch pedophile Edward Brongersma's book *Loving Boys*.

#### 'Educating the educators'

Perhaps the best-known of the organizations promoting sexuality education in the schools is the Sex Information and Education Council of the United States. Founded in 1964 (in a project involving agencies of the United Nations, and with an initial grant by the Playboy Foundation), it describes itself as "an advocate for human sexuality." Since 1978, Siecus has been affiliated with New York University's Department of Health Education and has worked closely with its graduate program in human sexuality. Co-author Eichel learned a few things about this program: He's a graduate of it.

Prof. Deryck Calderwood set up the New York University program, which by 1970 had become accredited by the New York State Department of Education as a "Marriage, Family Life, and Sex Education Program." After Siecus cofounder Mary Calderone retired from that organization in 1982, she signed up as an adjunct professor in Calderwood's Human Sexuality Program.

As noted earlier, Calderone has been explicit in her advocacy of children as sexual beings. In a Siecus Report published during the Year of the Child (1979), she likened her mission to that of establishing a "new religion" based on the flourishing of polymorphous sexuality among children: "Every new religion, every new political doctrine has had first to make its adults concert in order to create a small nuclear culture within whose guiding walls its children will flourish."

At a summer New York University seminar conducted by Professor Calderwood in the Netherlands in 1983, and attended by Eichel, pedophiles were invited to present their "research." One of them, Dr. Theo Sandfort, currently of the gay and lesbian studies department of the University of Utrecht, is the author of a book banned in the United States, The Sexual Aspect of Paedophile Relations. His writings proclaim clearly why he and his ilk have declared war against the family structure as we now know it: "When the boundaries around the nuclear family disappear, children will more readily accept emotional ties with adults other than their parents" (p. 83).

Another lecturer at the seminar was Dutch legislator Edward Brongersma, whose own foundation proposes "to advance scientific research into the development of the sexual lives of children . . . with special emphasis upon the phenomenon of erotic and sexual relationships between children and adults. . . . " Brongersma has served time in prison for pedophilia, but has since not only won reinstatement to the bar and re-election to the Dutch Parliament, but was also made a Knight of the Order of the Dutch Lion by the Queen.

Another organization involved in the professional certification of such creatures as sex therapists and others is the American Association of Sex Educators, Counselors and Therapists (Aasect), which requires that candidates undergo a brainwashing program known as "Sexual Attitude Reassessment" (SAR) as part of the required elements for certification.

What role have government agencies played in this sordid affair? Where was the FBI when Kinsey and his cohorts

were participating in the sexual assault on hundreds of children? No law enforcement investigations of any serious nature were conducted and no one was ever prosecuted for participating in or abetting child abuse.

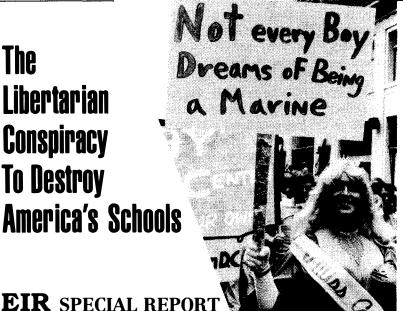
#### Funding from NIMH

On the contrary, U.S. agencies such as the National Institute for Mental Health were encouraging the project with tax dollars. NIMH was a major funding source of the Kinsey Institute. And it was the NIMH which paved the way for the infamous 1973 decision by the American Psychiatric Association to remove homosexuality from its list of pathologies contained in the Diagnostic and Statistical Manual. The APA decision had been reached after years of lobbying by homosexual organizations. But the real impetus came from a special NIMH task force, which included many of the Kinsey team, and which claimed in 1972, "Human sexuality encompasses a broad range of behaviors within which lie both the exclusive heterosexual and the exclusive confirmed homosexual."

Exclusive heterosexuality is the abnormal psychopathology in the brave new world established by the Kinseyite sexologists. They cloak their agenda in the language of "liberating the child." What they really want is to enslave children to their sexual lust.

## Stop the cult of 'political correctness'





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Under the banner of "political correctness," the public school curriculum has been rewritten to eliminate real education, in favor of infantilism and hedonism.

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High-quality public education is essential for a republic, and is the right of every child.

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152 pages

## Fredric Wertham: the man who nearly shut down the comic-book industry

#### by Richard Welsh

Fredric Wertham (1905-81), author of the article on page 37, was the moral and intellectual leader of a campaign, which began in 1948, to eliminate what he called "the curse of the comic book." The campaign culminated in 1954 with hearings before the Senate Subcommittee on Juvenile Delinquency, release of Wertham's book *Seduction of the Innocent*, a national boycott of crime and horror comics, and the near-bankrupting of the industry. Many states and municipalities passed laws prohibiting sale and/or display of crime and horror comics to children.

To this day, publishers and devotees of this breed of comics have not forgiven Wertham, and issue diatribes against him.

Wertham had a passion and lifelong commitment to the solution of what he saw as the fundamental problem of the twentieth century: violence. In this his anchor was the Judeo-Christian conception of the sacredness of each individual human life. For Wertham, who was a psychiatrist, this had a medical dimension, in the treatment of individual patients; a political dimension, in the fight to extend the availability of treatment to the poor; and a cultural dimension, as he served as an eloquent public spokesman for these values and against those institutions, attitudes, laws, and cultural processes that assaulted them.

Wertham wrote, in the article excerpted below, that there are, of course, larger issues in the world today than the effect of comic books on children, and mightier matters to be debated. "But maybe we will lose the bigger things, if we fail to defend the nursery."

There is much to be learned from his work, by those today who are waging a fight against the cultural degradation that is crippling a new generation of children. Whether the subject is comic books, television, rock music, video games, or "outcome-based education," the fundamental issues are the ones he addressed. Those who today call themselves "cultural conservatives" are fond of attributing today's ills to "1960s liberalism." But the problems did not begin there, as Wertham makes clear. One might add that *Playboy* began, not in the liberal 1960s, but in the 1953 of "I Like Ike" and "Tailgunner" Joe McCarthy (whose own perversions, and those of his "significant other" counsel Roy Cohn played a

role in his later downfall). The Kinsey Report, which was *Playboy* publisher Hugh Hefner's launching pad, was released in the "good old anti-communist days" of 1948.

Indeed *Playboy* and the comics were one and the same nested institution. The first comic books, in the mid-1930s, were put out by the same publishers as were then pioneering newsprint pornography; as Wertham notes, the distribution methods were also the same: "Display these magazines, or else." In 1956, *Mad* magazine founder Harvey Kurtzman left the comics- and *Mad*-publisher EC to start his own new magazine, invited and bankrolled by none other than Hugh Hefner. Do you object to the casual, cynical violence and misogyny of "private eye" Mike Hammer? Micky Spillane got his start writing comics.

#### The importance of the comic-books campaign

The campaign Wertham describes in his article was unique in postwar history. Outraged by the violence, sexual perversity, crime glorification, and sadism of children's comic books—more like today's video games "Mortal Kombat" and "Night Attack" than the comics those under 45 grew up with—parents and others rallied to a grassroots boycott campaign that cut crime and horror comic sales by 40%; scores of states, counties, and municipalities passed laws banning the display and sale of these atrocities to minors; and in 1954, a Senate subcommittee on juvenile delinquency, following in the wake of the mass-publicized Kefauver crime committee hearings, heard testimony by Wertham and by comic industry defenders on the subject. The industry's response, as Wertham notes, was to erect a new "code," which sacrificed a few scapegoat publishers and comic lines, while preserving the main body of the business. Most of the anticomic laws were subsequently thrown out—some as unconstitutional, though not all.

The American Civil Liberties Union then, as now, insisted that the First Amendment was a license for pornography. Both the ACLU and its "right-wing" opponents missed the crucial distinction drawn by Wertham, that indeed the First Amendment must be carefully protected, and censorship avoided: but that children, as a uniquely vulnerable group of persons, required protection from abuse. That was *not* a First

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Amendment issue.

Wertham did not spare television from his campaign, or movies and other mass media; but he also made the observation that while these media had a special potency deriving from their movement and sound, a child would see a show once and it would be over. Comics were held, hoarded, returned to again and again; potent and perverse psychological images would compel repeated entrapment and burn themselves indelibly into the child's mind. This is as true now as then; today, comics also do not exist in a vacuum, but are carefully integrated into multimedia thematic assaults including film, television, home video and video games, merchandising, and theme parks. And the theme remains the same, regardless of medium: the Nietzschean theme (Superman, in the American idiom), that there are good guys and bad guys, and the job of the good guys is to kill the bad guys. Since most people feel themselves to be helpless little people, they require superhero "good guys" to rise above such hindrances as the law, to kill the bad guys for them. People cannot change, and redemption is an impractical dream, in this Manichean world view.

### Neither 'liberal' nor 'conservative'

Wertham was a remarkable individual. He was a psychiatrist who maintained that the psychological insight of Shakespeare and the Greek tragedians was beyond that of most practicing psychologists of any persuasion; he was also an astute literary critic, who discarded the "art for art's sake" forms of literary criticism, in favor of applying the insights of greatart to the social and psychological issues confronting the world today.

Born in Munich in 1905, he was educated in Munich, Vienna, London, and Paris, taking his medical degree from the University of Würtzburg in 1921. He assisted Emil Kräpelin, the famous late-nineteenth-century psychiatrist who created the modern system of classification of mental disorders; corresponded with Freud and studied Freudian psychoanalysis under one of Freud's American students; and immi-

### The comics, then and now

The comic book emerged in 1934, featuring especially crime and detective storylines. The publishers and distributors of the comics were largely the same as those who produced pulp novels and pornography: organized crime. The same tactics were used as well, strong-arming corner newsstands and drug stores. The Nietzschean "Superman" appeared in 1938, a fitting counterpoint to Hitler's march across Europe. By 1939, scores of imitators had appeared, including the Gestapo-like Batman. By 1941 there were over 30 publishers, and the first psychologist-designed superhero made her debut, William Moulton Marston's lesbian dominatrix Wonder Woman.

Opposition to comics grew into 1942, but the emerging debate was swept away by the U.S. Army's policy of shipping vast numbers of comics to the troops abroad. The opposition was sufficient to induce the formation of a "code" in the industry in 1946, which was promptly ignored. With the return of the veterans to civilian life, the bottom fell out of the industry. Of the legion of superheroes, none survived but Superman, Batman, and Wonder Woman. But soon Westerns, teen-themes, jungle settings, and crime took up the slack; by 1948 the crime genre had nearly taken over. In March 1948, Fredric Wertham convened a symposium on the subject, and the fight was joined, leading to hearings in the Senate Juvenile Delinquency Subcommittee in 1954.

The publishers' first response to Wertham's campaign

was to shift out of crime into "love" (soft porn) comics, in 1949-50; but by the end of that year, a new genre was introduced, the "weird" comics of supernatural, gothic, and science-fiction horror. Though a new package, it was the same old sadism and grisly retribution. The industry also formed its "Comics Code Authority," which proscribed certain narrowly defined images and themes, such as vampirism, while leaving the superstructure largely intact.

Though Wertham and his associates kept up the fight, the public largely lost interest, assured that things had been brought under control. The Senate committee punted, buying the industry line that only psychologically "predisposed" children were harmed by comics. The code did eliminate the worst of the gore and overt sadism, and from the late 1950s into the 1960s, the heroes were tamer and the crime less graphically brutal. However, the fundamental problems had not been solved; nor had the less obvious degeneracy of Walt Disney is "wholesome" comics ever been seriously addressed.

In the early 1970s, the code was loosened, and beginning in the 1980s, a new wave of comics surged, fueled by a booming "collection" industry financed by both children and nostalgic baby-boomers. Tearn superheroes, pioneered by Marvel Comics in the 1960s, rose to dominance. Today, New Age heroes wreak their carnage with a streetwise cynicism that quite surpasses the effect of their predecessors in conveying a hatred of human life. And far from being supplanted by TV and video games, comics are now an integrated component of a multimedia assault on culture, and are as avidly consumed by children as ever.

grated to the United States in 1922 by invitation of one of this country's foremost psychiatrists. He was thus intimate with all of the contending currents in mental health and medicine of the period, but was above all his own man. (In his 1949 article "Freud Now," for example, published in *Scientific American*, he observed: "With the wide acceptance of the death instinct [as a valid concept], with all its clinical and social implications, the 'deep psychology' of psychoanalysis goes off the deep end. There is an intrinsic similarity here to the position of Martin Heidegger, the existentialist who became one of the most influential Nazi philosophers.")

In 1932 he was invited to New York City, where he held many positions of responsibility including psychiatrist in charge of the alcoholic, children's, and prison wards at Bellevue Hospital; director of Bellevue's mental health clinic; director of psychiatric services at Queens General Hospital; and organizer and director of a psychiatric clinic attached to the New York Court of General Sessions.

From the late 1920s through the 1940s, he testified on innumerable occasions as expert psychiatric witness in criminal and other court cases (including some of the most famous and controversial cases of the day); testified in literary censorship cases (generally against the banning or denial of postal permits to various literary works); and was sought out by attorney Clarence Darrow as the only psychiatrist willing to testify in cases where the accused was African-American.

Wertham defied left-right, scientific-humanistic, and all other such misleading labels. In 1946, with the help of his friend Richard Wright, the African-American writer, he founded the first (and for years only) psychiatric clinic in Harlem. Without a cent of foundation or government agency money, with a completely volunteer staff, and operating out of a donated church basement, the Lafargue Clinic charged 25¢ to patients who could afford it. As director of the clinic, Wertham was approached by the National Association for the Advancement of Colored People (NAACP) in 1951, to assist in one of the organization's school desegregation suits, in Wilmington, Delaware. Wertham and his staff went to Wilmington, conducted a clinical psychological study (he detested survey questionnaires—whose results, he pointed out, were generally predetermined) on the effects of school segregation, and testified on those results as expert witness to the court. Relying in part on that testimony, the court threw out the segregation laws, the state appealed, and the case became one of the four consolidated into the 1954 landmark U.S. Supreme Court case of Brown v. Board of Education. The Wilmington case had been, in the words of future Supreme Court Justice Thurgood Marshall, the first major victory in the school desegregation campaign.

In the domain of criminal law, where he had become one of the country's foremost forensic psychiatrists (widely respected for his integrity by defense and prosecution attorneys alike), Wertham fought against the bureaucratic indifference of law enforcement officials and agencies, the prison system, and the abuses of the insanity defense. In the last, he was unique. He staunchly defended the need for the insanity defense where appropriate (that is, for the truly mentally ill for whom the concepts of knowledge of guilt, of the consequences of their actions, and of responsibility for their actions could not apply); at the same time, he denounced the tendency of sophistical lawyers to cop an insanity defense where all other defenses failed, and even more denounced the rapidly growing tendency of the psychiatric and psychological professions to attempt to substitute a concept of "mental disease" for the concept of personal responsibility. In warning against this trend, not just in the legal domain but in all of civic life, he coined the term "praetorian psychiatry," to characterize the ominous substitution of "expert" psychological (or other) opinion, for reasoned public discourse and democratic institutions.

#### In defense of human life

Wertham, since he truly believed in the sacredness of human life, denounced the death penalty, unlike many of today's "cultural conservatives." He was acutely aware that justice was often perverted and the innocent were executed (particularly if they were minority defendants, and here particularly where confessions were obtained by brutal interrogation and inadequate legal representation). At the same time, he considered it absurd to say that capital punishment was not a deterrent (at least in certain economically motivated types of armed robbery); he did not want to see the fundamental argument against capital punishment diluted by anything not provably true. He also passionately defended the rights of the victims of violence, such as the bereaved families of murder victims, whose own shattered lives he saw treated with the same bureaucratic indifference as met the convicted murderers. Against incredulous opposition within both psychiatry and the legal and judicial professions, he insisted that the first priority had to be the *prevention* of crime, including scientific clinical study of those who commit it, and simultaneously, the rehabilitation, where possible, of those who have committed crimes.

Though Wertham associated mainly with "liberal" circles in some respects, he differed as profoundly with today's liberals as with today's conservatives. Thus, in his 1966 book A Sign for Cain, his last full statement on violence in all its aspects, he included as assaults on human life and dignity not only violent crime, and racism and colonialism, but also euthanasia—the theory and practice of which he demonstrated the Nazis to have inherited from earlier, broader social layers—and also what he termed, precisely, the malthusian "myth" of overpopulation and associated clamor for contraception and depopulation. Like few other persons in this century, apart from Lyndon LaRouche and those influenced by him, Wertham understood that at the root of all of these beliefs and practices stood the same bestial conception of man.

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### The curse of the comic books

by Fredric Wertham, M.D.

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Young reader, would you know whether the tendency of a book is good or evil, examine in what state of mind you lay it down. Has it attempted to abate your admiration and reverence for what is great and good, and to diminish in you the love of your country and your fellow creatures? Has it addressed itself to your pride, your vanity, your selfishness, or any of your evil propensities? Has it defiled the imagination with what is loathesome, and shocked the heart with what is monstrous? Has it disturbed the sense of right and wrong which the Creator has emplanted in the human soul?

—Robert Southey

#### T.

Do you know what Necronomicon is? Probably not. But for thousands of children, this is part of their education. They know that a Necronomicon is a creature that, of course, drinks people's blood and eats their flesh. Maybe you don't know either how one stops a man who is drinking a child's blood. That is easy: a man with a crucifix chants prayers while another man stabs the vampire through the heart. The comic book that imparts this lesson has an advertisement: "The way of the Cross leads home." Let me conclude this little quiz about what we give our youngest children to read with a last question. Why does a woman leave her husband? You may not know; but many little boys and girls could tell you: She is sexually attracted to a big, black gorilla—"I must go to him!" she says. "I must!". . .

When I first became aware of comic books (while I was director of the Bellevue Hospital Mental Hygiene Clinic, the largest mental clinic in the country) I paid no attention to them. My assistants and I studied children very carefully, and off and on we made the observation that children who got in some special trouble were especially steeped in comicbook reading. But at first we did not put these observations together. No child ever mentioned comic books as an excuse for delinquent acts. They took such reading for granted.

So, evidently—and without knowing the contents—did the adults. When I asked those who deal professionally with children about comic books they did not know, nor care, what was in them. They had no idea how much time children spent reading them. They assumed that since they were called "comic" books they must be humorous. Several years passed before I decided to study comic books systematically.

This turned out to be hard work. Comic books are badly printed, hard to read, on cheap paper. The drawing is mechanical and bad, the colors ugly, the language sparse and poor, the spelling often wrong, the intellectual and moral level unbelievably low. To study the effect of such "literature" on children we employed all the modern methods of child psychiatry and psychology. In my book Seduction of the Innocent I describe in detail the methods, with results and case histories. For this research I had the active assistance of psychiatrists, psychoanalysts, psychologists, teachers, probation officers, remedial reading teachers, speech experts and others. We had no preconceived notions—except that for a time we tended to underestimate the bad effects comic books have. Now, after study of a very large case material of every type of child, we know better.

Of course there are always people with a ready retort. They say that children have always had sub-literary trash and fare and that comic books have nothing new. They couldn't be more wrong. Comic books, says Kingsley Martin in the *New Statesman*, "amount to the most extraordinary experiment in children's education that the world has ever known."

### II.

Comic books are an entirely new phenomenon for three reasons. In the first place, their number is staggering. They have reached at times the number of 90 million a month. More money is spent on them than on all the textbooks in primary and secondary schools together! Their distribution by methods fair and not so fair is more efficient than that of any type of literature, ever. Comic books are to be found in stands and stores in every city, every town, and even in the smallest villages. Distributors are not only efficient, they are ruthless. When small store owners, from good sense or decency, try to refuse comic books they are apt to suffer from retaliation: they cannot get the good magazines they want at



The evil which Dr. Wertham identifies in the comic books of earlier generations, is today supplemented by even more pernicious multi-media effects: video games, television, computer simulations.

all, or they get them too late to sell. Of course the big distributors who make the huge profits try to deny this; but it is amply demonstrated all over the country. . . .

Secondly, the content of the majority of comic books is something new that has never happened in such concentration and profusion before in any children's literature. The ingredients spelled out, pictured and glorified, are violence, cruelty, sadism, crime, beating, promiscuity, sexual perversion, race hatred, contempt for human beings. A veritable devil's brew for the growing child! no other children's literature in the world's history can even approach it. Dime novels, sometimes quoted by the thoughtless, were practically the opposite as far as morality is concerned. . . . Some topics are characteristic for comic books: the injury-to-the-eye motif; the blood-sucking motif; the desecration of the dead by sex and violence (real necrophilia is illustrated in children's comics; there is even a "Miss Corpse 1954"); the tying-up-of-a-girl motif (especially tying of her hands behind her back); the stomping motif (kicking in the face); the branding motif (especially of girls); the slugging- or shooting-a-policeman motif. Nobody can understand the crime comic book problem if he does not make clear to himself that all these subjects, depicted in graphic detail, enter millions of homes, whether parents know it or not. There is a harmless little Teddy Bear in the Christmas number of a comic book. It belongs to a blind boy. The child's father rips out the Teddy Bear's eyes so that it cannot see either. "There's nothing wrong with

that!" say the comics publishers. "Have you read the end of the story?" I have. The Teddy Bear tears the father to pieces! That is the modern way to teach a child—a young child that good triumphs over evil. . . .

The third reason comic books are a new phenomenon in children's literature is to my mind the most sinister one. In former times smut and trash were frowned upon in children's reading. Either it was actively combatted or it was minimized, curbed and barely tolerated. Nowadays it is not only defended, but is actually praised as being good for children! This is the circumstance that prompted me to accept the invitation to write an article on crime comic books for Religious Education, for what has happened in the field of comic books may happen in other fields as well.

Anybody who is unbiased and who really examines comic books will find something seriously wrong with them as food for children. . . . Yet the comic-book industry has found educators, psychiatrists and child experts who are willing to defend crime comic books with an array of highsounding arguments. (In Seduction of the Innocent I discuss them in some detail.)

### III.

Perhaps the most insidious of these arguments, and the one deserving to be fought at every step, is the claim that only unstable children who are insecure, or otherwise predestined or preconditioned, are adversely affected by comic books. That gives adults complete leeway to corrupt children wholesale for commercial reasons. Obviously, one cannot make any hard and fast rule according to which children can be divided into stable or unstable. Every normal child is immature, growing, and to that extent unstable and vulnerable. And even if he does nothing wrong, temptation exposes him to emotional conflict and that coupled with other factors may do him subtle harm, immediately or late on. The first modern psychologist, St. Augustine, was well aware of this. He pointed out the effect of mass seduction by public spectacles on an immature mind, especially in the direction of unconscious fascination by sadism and violence. The neo-Freudian defenders of comic books would like to deny the important role played by social temptation and seduction, which St. Augustine was first to point out. They would like to restrict evil influences to the earliest years of life, failing to realize that the home is not only an influence but a target for outside influences. The home has to be protected as well as the children.

Sometimes I am asked: "Don't you think that the comic book problem is a complex one?" No, I don't think so. If you refuse to be confused, it is simple enough. In the beginning our research was a little difficult because it was something new. Now that our results are in and have been so widely confirmed, the problem is far from complex. A doctor has no right to compromise with anything that does harm. That, I believe, is part of the Hippocratic oath.

### IV.

The most important harm done by comic books is in the field of reading. They interfere with elementary mechanisms of learning to read and with the acquisition of the essential perceptual techniques. Reading is a very high and difficult function of the brain. The child must learn to move his eyes automatically from left to right along a whole line, then move his eyes back again to the left, but just a little lower than the starting-point. And he has to repeat this process, line after line, paragraph after paragraph, page after page. If the reader does not know a word, or wants to stop for a moment to think, he must be able to do that and then resume automatically, from left to right. All comic books, regardless of their content, interfere with this. Children become picture-gazers, because they can get the main points of the stories from the pictures alone, without bothering to read the words—except perhaps a few scattered here and there upon the page. The text is always printed only in capital letters, and that is also a great hindrance to learning to read printing in a book. The text is massed in balloons with handles; there are no proper lines which have to be read clear across the page, from left to right. Arrows connecting one picture with another-in Superman-DC comics, for example—sometimes go from above down, or even from right to left—that is, in just the opposite direction from that which the child learning to read should follow. . . . From this point of view, therefore, all comic books are a plague to young children and lead directly to reading disorders. . . .

Reading disorders are at present enormously widespread. We find them in elementary schools, high schools and colleges. They are often not discovered. They are also apt to be hushed up, especially in colleges. They have different causes; but one cause is the comic book. So-called "good" comics are especially pernicious in this resp ct because they are "read" by the youngest children. Reading disorders are frequently diagnosed only after the child has struggled in school for years and years, after he has developed inferiority feelings and has failed in serious efforts to catch up in his studies.

We have found a new reading disorder caused directly by comic books, *linear dyslexia*—linear because the subject fails in reading lines quickly and regularly from left to right. Other symptoms are slowness in reading, poor spelling, language disorders, poor pronunciation and other defects. Linear dyslexia is widespread. . . .

On a higher level comic books harm children's reading by destroying the appreciation of good literature. Reading crime and love comics creates a taste for the cheap, the vulgar, the shoddy, the violent, the immoral. More important, a whole series—Classics Illustrated—mutilates the good literature itself. In these "Classics" comic books, great books are processed in a very simple manner: All that makes a book really great is left out. The child gets the idea that he has read classical literature when in fact he has not. And he loses any taste even to read the real book. This deprives him

of one of the most important props for a good, socially well-adjusted life. It is a tragedy that this is not only permitted, but even defended. Recently I met a young teacher who had been brought up on comic books. When—as a teacher—she had to take an advanced course on Shakespeare, she read the "Classics Illustrated" versions because she "had no time" to read the plays themselves! That is how an evil spreads.

### V.

I should say a word here on the subject of religious comic books. The idea that good comic books are a substitute for and will crowd out harmful comics has not worked out in all

Free speech does not mean—and never has meant—that you can tell and sell anything you please to a child.

these years. Children are conditioned to strong fare by the ubiquitous bad comics. In a recent study of the reading of 250 pupils in which the investigators had established very good and confidential relationships with the children, only one pupil was found who read religious comic books. The Bible in comics form is often quoted—by the comic book publishers. Not being versed in theology, I cannot discuss this from a theological point of view. But to the extent that the Bible is great literature, the comic book format in all its ugliness destroys it. Why should we give it to children in such degraded form? The Bible in balloons is sheer blasphemy. "It's just in fun, Delilah!" says the comic-book Samson. Do you find in the Bible such familiar comic book expressions as "Take that for justice!"? . . . The story of temptation has this dialogue:

Eve: "Just one bite! That can't do any harm!"

The Snake: "Ha! Ha! She's tempted!" In the story of David and Goliath the emphasis is on Goliath's cut-off head.

Comic books do widespread harm to children in the ethical sphere. Of course one does not find this if one looks only for crude immediacies. It is not true that a child reads a comic book one day, then does something wrong on account of that the next. Very often the child may not do anything wrong at all; but the damage—serious and lasting—is there nevertheless. There are psychiatrists who think the consideration of ethics is outside the sphere of scientific psychiatry. In the early Freudian era there was hope that a psychopathology could be built as a natural science without regard for ethical values. But this hope has not been borne out. You cannot undestand the mental health problems of a child if you leave out the ethical aspects of his development. Undermine his ethics and you undermine his mental health.

### VI.

Much of what passes today as official child psychology is faulty for two reasons. In the first place it disregards ethical values, which can and should be taught, and which can be and are vitiated by outside influences. Instead of appreciating the role of ethics, it puts all the emphasis on the "necessity" for unbridled self-expression for the child. Secondly, it is obsolete because it disregards the enormous influence of mass media, especially comic books. One of the organizations most open to criticism in this respect is the Child Study Association of America which for years has defended crime comic books. To the reader of this magazine who wishes to understand how crime comics have been able to come upon us and what still sustains them, I suggest a simple test which will permit him to use his own judgment. Let him look at the illustrations in Seduction of the Innocent. Then let him compare them with the section on comics in the new book Your Child's Reading Today by the Consultant on Children's Reading of the Child Study Association of America (published by Doubleday and Co.), and with the section on comic books (and similar subjects) in the Encyclopedia of Child Care and Guidance by the former director, now consultant, of the Child Study Association of America (also published by Doubleday). . . . How can we expect the average mother, who is doing her best, not to be misled and confused by these endorsements and this questionable child-guidance literature? . . .

#### VII.

The connection between crime comic books and the more violent forms of juvenile delinquency is now well established. There are enough cases in Seduction of the Innocent to remove any doubts about that; but new ones have been coming up so constantly that the case is proved to the hilt. As Walter Lippmann writes in his piece on "The Young Criminals," "The comic books are purveying violence and lust to a vicious and intolerable degree. There can be no real doubt that public exhibitions of sadism tend to excite sadistic desires and to teach the audience how to gratify sadistic desires."...

It is not pleasant to have to prosecute these misguided youths while the psychological instigators and accessories, the comics publishers and the large distributors and printers, evade justice. At a recent meeting in Cincinnati, the National Association of County and Prosecuting Attorneys—comprising the district attorneys of all the states in the Union—passed a unanimous resolution stating that comic books are "a contributing cause to the problem of juvenile delinquency and the alarming increase in crimes of violence among the youth of today." They recommended legislation designed to prohibit the sale of crime comic books to children. Should not the moral and religious teachers of the country give their open and public endorsement to such a well-informed group, instead of falling for the false alarm about "free speech"

raised by the Civil Liberties Union with regard to comic books? Free speech does not mean—and never has meant—that you can tell and sell anything you please to a child.

#### VIII.

In the light of all this, the recent public indignation about some particularly violent crimes by youngsters in New York seems to me to be sheer hypocrisy. Nothing that those teenagers did was new. We adults have been teaching it all to them, over and over again, in easy lessons in innumerable comic books. A man is kicked in the face—or stomped in the face—and killed; girls are whipped for sexual pleasure; a man is drowned; victims are branded with cigarettes or soaked in gasoline and burned; Negroes are attacked. These are crime comic plots. And they have been presented to children in fully illustrated and glorified form for years. As I pointed out in a chapter on advertising in comic books, even the whips for beating the girls can be bought by mail from comic book ads. Aren't we adults accomplices and accessories in all these crimes? We have permitted—and are still permitting—their teaching. . . .

Ruthless violence and unscrupulous shrewdness combine to form the ideal of crime comics, whatever their variety or disguise, from *Crime* does not pay to *Superman*, jungle, Western and space comics. These are the means with which to get power, money, girls, cars, sex, and with which to evade any personal or social responsibility. Brutality is supposed to be manliness. As Kingsley Martin sums it up: "Comic books teach that everything that Christ taught is 'sissy.'"

Where do people think sexual perversions come from, especially those like sadism which are socially dangerous? We know that they come from early influences on the child and the adolescent. Comic books for years have been providing a constant stream of images associating sex with violence and sadism. This we continue to permit right now to influence the minds and the imaginations of children. Dr. William Wolf writes in the *American Journal of Psychotherapy*: "Comic books distort, exploit and vilify the normal sex drive . . . so that ordinary sex life becomes a pale, wan and ridiculously tame experience." . .

#### IX.

Frequently I am asked by moral and religious teachers, ministers, clergymen, priests, what they can do about the corruption of children by comic books. Once a child has gotten into trouble, a lot can be done. I am a great believer in psychotherapy, both by psychiatrists and by others who are trained to give it. Most delinquent behavior is transient. The overwhelming majority of juvenile delinquents—I would say almost all of them—could be fully rehabilitated. The same is true of all kinds of emotional maladjustment.

The question of prevention is different. I assume I can express myself frankly on this vital matter in this magazine. Comic books are the greatest indictment of American educa-

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tion. That includes moral teaching. When we ask what can be done now, we must first face the question of what we have done—or not done—up to now. It is my belief that to have permitted this comics corruption for years, and to continue to permit it, is the great guilt and responsibility of all the moral and religious teachers of this country. For it is going on right now and is reaching into every pore of our society and into every hamlet in the land. Never before in the history of civilized countries have moral teachers been more deficient in their duty to the young. They have talked about morality being a matter of the home, about well-brought-up children not going astray; they have repeated the pseudomorality and pseudo-science about children needing "release for their pent-up aggressions."...

The modern child's real operative environment is larger than the home. The present-day, well-trained child meets outside influences early in his life. Often he encounters comic books when he is only 3 or 4 or 5. He may not understand all the specific implications, but seeds are sown nevertheless. Even in many "good" animal comic books the animals glorify violence and delinquency. In a recent Disney comic book, published by Dell, two fires are set, one involving a schoolhouse, and we learn—believe it or not, five times that little Pinocchio suffers from chronic gonorrhea! When the child is a little older he gets the full course, of crime, love, sex, horror, jungle, Superman comic books.

The public has been grossly misled about these things. One of the most misleading pamphlets (which is saying a good deal) was published by the Public Affairs Committee and writen by a paid agent of a crime comic book publisher who is also an official of the Child Study Association of America. . . .

It is a historical fact that when the New York Joint Legislative Committee to Study Comics proposed a comics control law-and even before the Legislature could act on it-the New York State Council of Churches, instead of coming out against the moral corruption by crime and sex comic books publicly denounced—the proposal of the committee. This is no isolated instance. It has happened again and again at PTA [Parent-Teacher Association] and other meetings that a minister got up and said that of course we know that normal children are not affected by comic books. How do we know that? Whatever the relation between religion and science may be, moral teaching can certainly not bear fruit if it bases itself on currently fashionable unproved tenets of neo-Freudianism (according to which only the first few years of life count). The building of character is a long process, and social conditioning plays an enormous role.

It would be wrong to say that moral and religious leaders have done nothing about comic books. Thoughtful sermons have been preached in churches of different denominations, and in synagogues, warning parents against the trouble comic books are causing. The magazine *America* had two outstanding articles on the cultural and moral threat of comic books.

The magazine *Episcopal Churchnews* had a long and outspoken editorial; so had the *Catholic World*. And there are other similar examples. What has been lacking is action, especially action on a national level—the only level on which real, lasting results can be achieved. . . .

Some actions that have been taken are well-meant but ill-conceived—the comic book evaluation lists, for example. . . . They are faulty. If a comic book character does not occur on the cover of a comic book he is not listed. That is true, for instance, of the unhealthy, violent and Lesbian Wonder

Comic books are the greatest indictment of American education. It is my belief that to have permitted thi comics corruption for years, and to continue to permit it, i the great guilt and responsibility of all the moral and religious teachers of this country. Never before in the history of civilized countries have moral teachers been more deficient in their duty to the young.

Woman. Nor do the lists show that all the comic books that depict crime in any form, whether urban, Western, adventure, war, jungle, space, Superman or whatnot, are crime comics. I made that term to cover comics that I scientifically defined: crime is defined by law, not by arbitrary classification. The bad and harmful features of crime comics appear in all these crime comic books. The comic-book list of the National Organization of Decent Literature prepared by the Chicago Archdiocesan Council of Catholic Women is inadequate and far too complacent, though I am sure it is wellmeant. It mentions "acceptable," Classics comics, disguised crime comics like Westerns, and—worst of all—Superman, which is morally among the most harmful comic books. Even now Superman-DC comic books (endorsed by the Child Study Association of America) have premium advertisements of ".22 Cal. rifles." We teach the Superman conceit and supply the weapons to act it out. The whole Superman concept is the worst suggestion one could give to a child's imagination. Father John B. Sheerin, editor of the Catholic World, sums this up clearly when he writes: "The character Superman is a law unto himself, beyond good and evil.". . .

#### XII.

According to my studies it is erroneous, and at present no longer honest, to assume that a child in Sunday school or

a similar place of moral training is a *tabula rasa* coming directly from an ethically sheltered home. The seeds of evil have been sown in these children. What is remarkable to me is not that delinquency is high, but that children are so resistant, that not more of them are affected by all the glorification of vice and violence to which we expose them. Do I seem to exaggerate? The unbiased reader can form his own judgment. If we take only outspoken crime and horror comic books—which is by no means all the harmful comics—the industry produces and distributes some 15 to 20 of them a year for

Whenever people begin to show signs of doing something themselves about controlling crime comics, the publishers come out with a "code" or something to divert attention, and avert action. You do not need a code to leave out harmful ingredients from comic books. All you need is to do it. No new principle is needed so that children will not be shown pictures where a girl is about to be raped with a red-hot poker.

every single teen-ager! . . . I just bought an Autumn 1954 comic book in a little country store. Children come in here and buy ten at a time. Amidst violence galore is a story where a boy kills his younger brother because he has "an undeveloped brain." As he hits him "again and again and again and again (sic!) with a blood reddened stone" he says: "Killing poured out of me like music."

The lesson in violence is completed by an alluring premium advertisement of a ".22 Cal. Rifle." A half-page advertisement says: "Be Lucky in Love! Will your next move be the smart thing? Don't be a Faux Pas!" (sic!) Underneath this is another half-page advertisement in screaming letters: "With God all things are possible!"

I would like to ask the readers of this magazine whether they could imagine any better and surer method of causing moral disorientation, moral confusion and moral disillusionment.

Do I need to give more examples? An ordinary comic book (also Autumn 1954) has the story of a 16-year-old girl who is raped. The sheriff arrests an innocent youth, beats and tricks him into a confession. The youth is lynched and beaten to death—"crunching crushed bone." In the end it turns out that the sheriff was the raper; he threatened the girl with death so she wouldn't tell and he can continue his career

as sheriff—and raper. Whom is such a story intended for? The name of the publisher is Tiny Tots, Inc. . . .

#### XIII.

One of the most extraordinary statements I have heard moral and religious teachers make is that after all in comics good triumphs in the end over evil. This is what comic-book apologists have been saying all along. The former director of the Child Study Association of America has written in a national magazine: "The morals of the comics are above reproach" (sic!) and "Goodness and Right always triumph over evil." Nothing could be farther from the facts, as I have shown in my book. Quite apart from the questionable endings in murder, shooting, suicide and other violence, there are many stories—and whole comic books—in which every story ends with the criminal, the raper, the murderer, going triumphantly scot-free. What remains in the child's mind is that they lived happily every after. . . .

### XIV.

The comic-book industry is both aggressive and belligerent. It inserts pages in millions of comic books which set child against parent, child against adult. Some time ago a minister objected to the display of lurid comic books to children in his neighborhood. Immediately a comic-book publisher threatened him with a lawsuit. The minister gave in, feeling he could not run such a risk for the sake of his family and his church. This is one of the incidents where comicbook corruption wins over decency that prompted me to write this article. There are many instances showing the efficacy of these actual and potential legal threats and the far-reaching influence of the industry. Another example: When I testified before the Hendrickson Subcommittee to Investigate Juvenile Delinquency, I stated that the Book of the Month Club had selected my book Seduction of the Innocent for distribution in June, and had signed a contract to that effect with my publisher. I added that this would be a good test to show the influence of the comic-book industry. Would the Book of the Month Club stick to its own decision and distribute the book? Now I can tell how this test came out. They suddenly reversed themselves, failed to print the illustrated announcement which they had already prepared and did not even mention the book's existence when time for its distribution came. This should be a lesson for every thoughtful person who believes that the Book of the Month Club is an American institution beyond the reach of Superman. It should also give pause for thought to those with so much to say about free speech for children. . . .

### XVI.

Just now we are facing the latest grand-scale maneuver of the industry, the appointment of a "czar" and the announcement of a new code. What does that amount to? The industry will give us on some comics a "Seal of Approval." Can we give our approval to their seal?

If one looks into the facts, this is not a step toward any real change; it is an attempt to save what can be saved. I have known for some time that the industry, in anticipation of legal regulation, was looking for a prominent person of stature to represent them. Evidently they could not find one. . . .

Associated with Judge Murphy in his new job as "czar" is the "chairman of the association's code committee." What are his qualifications? He is a crime comic-book publisher with a long record of defending comic books. His latest product, on the stands right now in October 1954, is Tales of Horror. "Tales of Terror" "Guaranteed to make your hair stand on end." From the comic book itself it is clear that it is addressed to the youngest boys and girls. It emphasizes, one might say salaciously, suggestively drawn girls. It is definitely what children call a "headlights" comic. In the very first story evil triumphs in the last panel. It romanticizes all kinds of superstitions. Torture is featured: "His arms will be wrenched from their sockets!" (two illustrations, one closeup). There is a close-up of a big knife thrust into a man's face. There are murders galore; etc. This type of phony health advertisement completes the picture: "Don't be skinny!" "New kind of pleasant homogenized liquid super rich in calories. . . Gains of 20 lbs. in 6 weeks. . ." (sic). Innocent children cannot be blamed if they fall for this kind of thing. But have responsible citizens the right to fall for this "chairman of the association's code committee"?

The publishers, and some large distributors, have made fortunes by corrupting the morals of minors. Now, as Newsweek expresses it, they have "launched a desperation bid." "Formerly," again quoting Newsweek, they "banded together" as the Association of Comics Magazine Publishers; now they, practically the same people, have set up again as the Comics Magazine Association of America. The comic books with the Seal of Approval were, if anything, more vicious and harmful than those without it. But editors, news commentators, clergymen and women leaders all over the country fell for their promises of a "code." Now are they going to make the same mistake again, again betraying the children they are supposed to guard? . . . Judge Murphy is not a "censor"; he is an employee of the industry. He receives more money than his predecessor, but that is the only difference. And with all the money it is taking from children, the industry can well afford his salary of \$40,000 a year and its expense account of \$60,000 for the same period. . . .

Whenever people begin to show signs of doing something themselves about controlling crime comics, the publishers come out with a "code" or something to divert attention, and avert action. You do not need a code to leave out harmful ingredients from comic books. All you need is to do it. All this talk about "codes" is just misleading. No new principle is needed so that children will not be shown pictures where a girl is about to be raped with a red-hot poker. Judge Murphy said the new code would be "strong and effective." No code is effective by itself. Effectiveness depends on the power to enforce it, and such power is absent from the present set-up. . . .

The new "czar" has also stated, according to the *New York Times*, that he has never had a case of juvenile delinquency which he or any official of his court could attribute to the reading of comic books. Considering that he sat in the wrong court for that sort of cases, in a minor adult magistrates court, and never in a juvenile or adolescent court, this is a most astonishing statement to make. Probation officers in his court, even if they had had time, did not inquire at all into comic-book reading of defendants. Moreover, it is known that he personally told probation officers in the past not to talk against crime comic books, that it is wrong to think they can do any harm or have anything to do with juvenile delinquency.

Judge Murphy has chosen to come out especially against horror comic books, so-called. That is the present alibi of the industry. It is not a good one. Horror itself would not be the worst thing, if it were presented in a decent moral setting and relieved afterwards. There is horror in Shakespeare and in Classical Greek plays. These comic books are wrongly named. They should be called depravity comics, because depravity is what they preach and teach. Straight horror comics are, of course, most offensive to adults. But for children they are not the most dangerous. What threatens children's development most is the violence, and detailed description of literally every conceivable crime, the sadism, the morbid sexual stimulation of love comics, the race hatred, the contempt for work and family and authority, the other hate- and fear-producing features that are not so obvious. Superman, Bat Man and Wonder Woman are among the worst, and it must be remembered that publishers of "good" comics have been in the forefront of those defending all comic books, crime comics included.

#### XVII.

From personal experience I know that there are many moral and religious teachers who would like to do something about comic books. They know from their own observation that this is an industry which indoctrinates with evil. They wish to help to stop it. But there is an obstacle, something holds them back and prevents them from being really effective. They do not want to soil their hands by joining in the actual struggle. (There have been notable exceptions.) That I can fully understand. But it seems to me that whether we are physicians or moral or religious teachers, condemnation is not enough. Eventually there has to be a public health law forbidding the display and sale of the comic-book smut and trash to minors, to children under fifteen. No other measure has brought, or can bring, results.

Mammon is at the root of all this. The comic-book publishers, racketeers of the spirit have corrupted children in the past, they are corrupting them right now and they will go on corrupting them unless we actively prevent it. Of course there are larger issues in the world today, and mightier matters to be debated. But maybe we will lose the bigger things, if we fail to defend the nursery.

### **EXAMPLE 1**International

# Cárdenas and Zapatistas say war will continue in Mexico

by Carlos Méndez

On Nov. 7, while the Mexican Congress was meeting to formally ratify Ernesto Zedillo as the new President-elect of Mexico, defeated presidential candidate of the leftist Party of the Democratic Revolution (PRD) Cuauhtémoc Cárdenas was outside the congressional building addressing a rally of supporters and demanding that the Aug. 21 elections be annulled and an "interim President" be named. Not accidentally, these are the same demands as the Zapatista National Liberation Army (EZLN) in Chiapas.

Zedillo, representing the ruling Revolutionary Institutional Party (PRI), was elected with 51% of the vote against 17% for Cárdenas.

Cárdenas also announced protest demonstrations and marches for Dec. 1, President Zedillo's inauguration day, and for Dec. 8, which is the day that the PRI's governor-elect in Chiapas, Eduardo Robledo, takes office. Cárdenas and the Zapatistas are also demanding that an interim governor be named in Robledo's place. In fact, Cárdenas said of the EZLN in Chiapas: "Its presence establishes, in fact, the existence of two powers in Mexico, as unlike each other as can be."

In Chiapas, the PRD's defeated gubernatorial candidate Amado Avendaño has announced that on Dec. 8, "civil society" will "carry out democracy by its own hand." He called for seizing the governor's palace, installing a "transition government" with himself at the helm, and "convoking a constituent assembly to prepare a new Chiapas constitution." This is apparently Avendaño's concept of "democracy": imposing by force the demands lost at the ballot box.

The whole world is now waiting to see what Zedillo will do. That is why the Zapatistas are going for war now, trying to set the country on fire before his inauguration.

The Zapatista insurgency is on a model promoted by

the Windors, the royal family of Britain, which combines separatism with civil war and genocide, as *EIR* recently charged in Mexico City. According to the Nov. 4 evening edition of *Excélsior*, *EIR* correspondent in Mexico Carlos Cota Meza told a press conference that "the World Wildlife Fund [now the World Wide Fund for Nature, headed by Prince Philip] is responsible for the training of the EZLN. . . . Cota Meza added that EZLN guerrillas received training in the Lagunas de Montebello, an ecological zone protected by the aforementioned association, such that while they may not have collaborated in its military exercises, they did know what those persons were doing and did not denounce them, which automatically makes them accomplices."

### The drums of a separatist war

The Zapatistas have repeatedly insisted that if the government imposes Robledo as governor of Chiapas, war will break out. And Avendaño, in his recent tour of Europe, said in Madrid that if Robledo is imposed, "it could be too late to prevent a new war."

Upon returning from his tour, Avendaño confessed openly that one of the Zapatistas' objectives is to separate oil-rich Chiapas from Mexico. Addressing the second meeting of the Zapatistas' National Democratic Convention (CND) in Tuxtla Gutiérrez, Chiapas in early November, Avendaño said that while in Spain he had been given documents which explain the means pursued by several communities of that country to consummate their "autonomy."

Avendaño was in the Basque region of Spain which spawned the terrorist ETA, and while there he met with Cárdenas, who just happened to be in Spain at the same time. In an interview in *Siempre* magazine on Nov. 3, PRI congressman from Chiapas Cuauhtémoc López Sánchez de-

clared that the most interesting thing about Avendaño's tour was that "while in Spain, he met with Cuauhtémoc Cárdenas in Euzkadi, ETA's region. What did he go for? What was he seeking? To revive separatist sentiments of the Chiapan people? Such a possibility is unreal, but no less worrisome."

In his speech to the CND, Avendaño stated that "the autonomy of the peoples within a single nation can be done; it has already been done in other countries, and it can also be done here." He said he would hand the separatist documents from Spain to PRD congressman Antonio Hernández Cruz, also a leader of the pro-Zapatista Independent Union of Agricultural Workers and Peasants, and to other leaders of the State Council of Indian and Peasant Organizations. Both organizations are part of a cluster of Zapatista fronts which have been "liberating territory" in Chiapas by force.

Congressman Hernández told the daily *La Jornada* on Nov. 2 that "the Indians have the right to all the resources that exist in their territory: soil, subsoil, rivers, flora, etc." Asked what he thought about the oil which was defined as national patrimony by the present Mexican Constitution, Hernández answered: "Yes, but who is the nation now?"

Earlier, on Oct. 21, Margarito Ruiz, coordinator of the Indian Peoples Front, declared that the autonomy of the Indian peoples "means territory, resources, and administration of those resources without detaching from the state." Together with the Independent Union of Agricultural Workers and Peasants and the State Council of Indian and Peasant Organizations, the Front has been "liberating" territory in recent weeks, especially in the northern border areas of Chiapas. As part of their declaration of "autonomy," they have been shutting down the schools and threatening to shut down the health clinics, water supply, and electricity.

In a televised interview on Nov. 7, President Carlos Salinas de Gotari said that "autonomy is not the proposal of the immense majority of the [indigenous] communities. In the first place, they view themselves as Mexicans. . . . Further, to propose autonomy, especially in that zone of Chiapas bordering another nation, carries the risk of a secession of territory, and we Mexicans will never accept that—not even the immense majority of Indians who coexist in that region."

### The British hand

What is happening in Chiapas is very similar to what the British proposed several decades ago for the takeover of Peru, where the Shining Path narco-terrorists have enslaved and assassinated thousands of Ashaninka Indians who were considered "in the way" by the royal family's International Union for the Conservation of Nature. According to the 1978 book The National Parks of Peru by then IUCN director Mark Dourojeanni, there had been plans to create a 235,900-hectare National Park in Cutivireni (inside the current Apurimac Reserve, where Shining Path ran its Ashaninka concentration camps), but that project had been put on hold because the area had been severely degraded "by the presence of a large

population of Campa [Ashaninka] Indians, who cultivate, hunt and fish under the excessive influence of settlers and of religious organizations." The park was later "cleansed" of natives and religious organizations—by Shining Path.

In the same way, the Zapatistas, Cárdenas, and their fronts intend to eliminate all those who stand in the way of their indigenist separatist plans, whether it be the institutions of Chiapas, the agricultural producers, or the substantial Indian population.

Although President Salinas insists that the cease-fire with the Zapatistas holds, and that violence has ended, the fact is that the only side observing the truce is the government and the Mexican Army. The Zapatistas have continued to invade public and private properties, using violence against the population and against the economy in the style of Peru's Shining Path.

As the Coalition of Citizen Organizations of Chiapas charged at a Nov. 8 press conference in Mexico City, "even where there is a military truce . . . there is actual warfare against the Chiapas population by belligerent groups under the umbrella of the Zapatistas, who continue their tactics of destabilization [through] . . . assassinations, kidnappings, [land] invasions, robberies, [and] arbitrary toll-collection on roadways."

The coalition, which speaks for more than 180 organizations representing the majority of Chiapas's rural and urban population, also charged that because of the Zapatista insurgency, the planned local private investment of some \$66 million has been suspended, trade has fallen 40%, tourism has plummeted, and there are vast losses and unemployment because of the invasion of some 140,000 hectares dedicated to raising livestock and growing banana and coffee (Chiapas produces 50% of Mexico's coffee crop). In addition, there has been "the displacement of some 20,000 families" from the conflict zone.

#### More assassinations?

Adding to the crisis are the well-grounded fears that still more high-level assassinations could occur, following the murders of PRI presidential candidate Luis Donaldo Colosio and PRI Secretary General José Francisco Ruiz Massieu.

Among those who want to destabilize the country is former peace commissioner in Chiapas Manuel Solís Camacho, who has said he will return to politics on Dec. 1, the date his memoirs will be released. Enemies of both Colosio and Zedillo, because they got the PRI presidential nomination he felt should have been his, Camacho is committed to destabilizing Mexico. In a column in the newspaper El Heraldo de México on Nov. 1, Leopoldo Mendívil quoted extensively from a June 7, 1994 interview with Camacho in which Camacho denounced Zedillo for refusing to collaborate with him. Mendívil noted that Colosio's widow once said that "if Luis Donaldo had acted [like Zedillo], he would surely be alive today. But my husband was too nice to Manuel."

# Who is afraid of Pope John Paul II?

by Claudio Celani

If the television-addicted average citizen bought the new book written by Pope Paul John II thinking that he would find something "easy" to read, or even entertaining, his disappointment would be understandable. But when a newspaper like the Washington Post, which represents a part of the American establishment, or the London Independent (representing the British establishment), publishes commentaries which treat Crossing the Threshold of Hope as a failure because it does not present religion in a soap-opera format, and assault the author with astonishing verbal violence, then the story is a different one.

And if someone, commenting on the pope's nomination of 30 new cardinals, points to the fact that in his choice, the pope has been led by the preoccupation with ensuring a continuity of leadership for the Catholic Church in the future, that is an obvious remark. But if, instead, the event is reported by some journalist as a pretext to argue that the pope is planning his succession because he is sick and close to death, and to suggest that the pope should better resign before damaging the church, we can call this black propaganda. But that is what the international media did, after the Vatican announced, on Sunday, Oct. 30, the list of the 30 new cardinals appointed by the pope.

### We are dealing with enemies of the pope

The media black propaganda was so pervasive, that even Vittorio Messori, the author of the book-length interview with Wojtyla, spoke of "an operation," and "a not-too-hidden attempt to force him to resign."

Meanwhile, Pope Paul John II defied all rumors about his health during his trip to Sicily on Nov. 3-5. Wojtyla has never hidden his illnesses; he has done quite the opposite. But for the first time, he spoke to the assembled crowds, not sitting but standing on his feet, which demonstrates that, after hip-replacement surgery six months ago, his leg is recovering normally. Also, in announcing his trip to Manila next January for the International Youth meeting, the pope said in a funny gesture that he will take his cane with him, despite the fact that he does not need it to support his leg any longer. Then, to the tens of thousands cheering him, he said, "I see that you are pro-cane and not anti-cane."

Both in the reactions to Pope John Paul II's book and to

the 30 new cardinals, we are dealing with enemies of the pope both outside and inside the Catholic Church, representing circles which are badly hurt by Wojtyla's effort to elevate, both spiritually and materially, the condition of humanity. For such circles, who would like to see the pope removed from his position, the idea of a successor who will continue John Paul II's actions is a nightmare.

Coming after the pope's personal victory against depopulation projects at the U.N. International Conference on Population and Development in Cairo, Wojtyla's book-interview is a powerful instrument delivered to the world Catholic community in order to strengthen its belief in Christ and motivate the church in the fight for improving the spiritual and material condition of humanity. Wojtyla's book, the first ever written by a sitting pope for a general audience, is both firm in doctrine, as well as ecumenical in its approach toward other religions. But when it comes to evil, John Paul II is not ecumenical: You have to fight it—period.

Wojtyla does not just say that you must fight evil, but he identifies evil very precisely, both from a cultural and a political standpoint (as the brief excerpts below suggest). Culturally, it is today's "neo-positivistic age" which is the continuation of a turn in philosophical history detaching morality from truth, initiated by René Descartes, continued by Immanuel Kant, and including all the British empiricists. Politically, the pope makes it very clear that evil is represented by the continuation of British imperialism when he shares Mahatma Gandhi's criticism of Christianity: "Could a man who was fighting for the liberation of his great nation from colonial dependence accept Christianity in the same form as it had been imposed on his country by those same colonial powers?"

That is why today's heirs to the colonial powers reacted explosively to his book, and publish articles such as Coleman McCarthy's column which appeared in the Washington Post and International Herald Tribune on Nov. 1.

"To call John Paul's Crossing the Threshold of Hope a book is stretching it," wrote McCarthy. "Superficial jottings is closer to the fact. An honest title to this 227-page work that has an international first printing of 20 million copies and a \$6 million advance would have been: 'Random Thoughts I Dashed Off While Not Busy Running the Church.' "Almost anything could be said against the pope's book, except that it is superficial. And even the Washington Post scribbler contradicts himself on this later on, when, obsessed by Wojtyla's insistence on the figure of Christ, he wrote: "Such words and ideas are edifying. They are sincere. They are noble. But they don't qualify as literature." Leaving to the reader's imagination what his definition of literature is, Mc-Carthy ends his ravings by saying: "By accepting a bigbucks deal for a paste-up book, the pope is just another pseudo-author letting agents and publishers cash in on his celebrity. The papacy is cheapened."

The other major attack against Wojtyla came from direct

British circles. In the *Independent*, Monica Furlong calls the book "flat" and the pope's style "rarely affected by humor and imagination." The pontiff's mind "has been programmed to run on rails."

Another British outlet, the satire magazine *Private Eye*, sent out a couple of messages in its attacks on the pope's book. It wrote that "the account [Wojtyla] gives of Descartes is a travesty," and that "more disturbingly, this pope evidently now believes that the assassination attempt he survived in 1981 was nothing less than a direct message from God." *Private Eye*'s discomfort may not be so surprising, given that British intelligence is a prime suspect for that attempt.

### A Trojan horse inside the church

The other papal initiative, the nomination of 30 new cardinals, provoked hostile reactions from a faction of neoheretics based in Tübingen, Germany, whose candidate was Mainz Bishop Karl Lehmann. Lehmann was not named cardinal despite the fact that he is head of the German Bishops Conference.

There is a reason for that: Lehmann, a scholar of pro-Nazi philosopher Martin Heidegger, belongs to a peculiar group of Catholics who do not believe in Christ and in eternal truth, and have replaced them with religious "behaviors" which must, like all other behaviors, be accommodated to fashion. Lehmann's conduct has increasingly led to conflict with Rome, especially on the subject of the family. Prior to the Cairo conference, Lehmann's Bishops Conference had authorized a pro-malthusian paper; most recently, he has violated the church doctrine which treats marriage as an inviolable sacrament. For this reason, he was summoned to Rome, where he had to accept an official document condemning his practice.

Lehmann's elevation to the College of Cardinals was highly improbable. Nevertheless, Hans Küng, a member of his supporters' club, called his missed election "an affront to the German church." "Thus, the way was closed to a German progressive cardinal," said Küng, who added that "the greatest majority of German Catholics does not feel represented" by cardinals like Joseph Ratzinger, Joachim Meisner, and Alfons Stickler. Another "Lehmann boy," Eugen Drewermann—who has been leading a movement of defiance against the Vatican in Germany—called the pope "a vampire in priest's robes."

Attacks against the pope in Germany are relevant not just for the future of the Catholic Church. In the context of the oligarchical plans for a re-play of a 1914 scenario on the European continent, the way the Catholic Church goes in Germany decides the way the country goes in Europe and vis-à-vis Russia. The presence of a strong moral authority represented by the Catholic Church under the pope's leadership, and its effect on the conduct of other churches, is a major impediment to destabilization.

### Documentation

The following brief excerpts from Crossing the Threshold of Hope (New York: Alfred A. Knopf, 1994) serve to indicate what has His Holiness's adversaries fear in the new book. Chapters 4 and 5 ("Does God Really Exist?" and "'Proof: Is It Still Valid?") stand out, both by themselves, and in the light of the way the pope's London-led opponents, including the so-called "conservative" ones, act as if those chapters had never been written. All emphasis is original.

Ch. 2:... [P]rayer reflects all created reality; it is in a certain sense a *cosmic function*.

Man is the priest of all creation; he speaks in its name, but only insofar as he is guided by the Spirit.

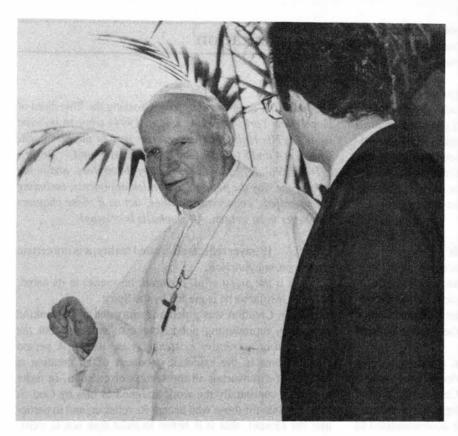
Ch. 3: Creation was given and entrusted to humankind as a duty, representing not a source of suffering but the foundation of a creative existence in the world. A person who believes in the essential goodness of all creation is capable of discovering all the secrets of creation, in order to perfect continually the work assigned to him by God. It must be clear for those who accept Revelation, and in particular the Gospel, that it is better to exist than not to exist. And because of this, in the realm of the Gospel, there is no space for any nirvana, apathy, or resignation. Instead, there is a great challenge to perfect creation—be it oneself, be it the world.

Ch. 4: The Christian tradition before Thomas Aquinas, and therefore also Augustine, was tied to Plato, from whom it nonetheless rightfully wanted to distance itself. . . .

Saint Thomas, however, did not abandon the philosophers' approach. He began his Summa Theologica with the question "An Deus sit?"—"Does God exist?"... You ask the same question. This question has proven to be very useful. Not only did it create theodicy, but this question has reverberated throughout a highly developed Western civilization.

Ch. 6: Nevertheless, your question [why does God not reveal himself more evidently?—dd.] contains statements that re-echo the Old and New Testaments. When you speak of God as hiding, you use almost the same language as Moses, who wanted to see God face to face but could only see his "back". . . . Isn't knowledge through creation suggested here?

Ch. 7: The Creator, from the beginning, saw a multitude of good in creation; He saw it especially in man, made in His image and likeness. He saw this good in His incarnate Son. He saw it as a duty for His Son and for all rational creatures. Pushing the divine vision to the limits, we can say that God saw this good specifically in the Passion and in the Death of His Son.



Pope John Paul II meets with German Foreign Minister Klaus Kinkel in Bonn, December 1993. The Catholic Church in Germany is in an uproar, since Mainz Bishop Karl Lehmann was passed over in the nomination of 30 new cardinals.

This good would be confirmed at the Resurrection, which is the beginning of a new creation, the rediscovery of all creation in God, of the final destiny of all creatures.

Ch. 8: I put Descartes in the forefront because he marks the beginning of a new era in the history of European thought and because this philosopher . . . inaugurated the great anthropocentric shift in philosophy. "I think, therefore I am" as previously mentioned, is the motto of modern rationalism.

All the rationalism of the last centuries—as much in its Anglo-Saxon expression as in its Continental expression in Kantianism, Hegelianism, and the German philosophy of the nineteenth and twentieth centuries up to Husserl and Heidegger-can be considered a continuation and an expansion of Cartesian positions. The author of Meditationes de Prima Philosophia with his ontological proofs, distanced us from the philosophy of existence, and also from the traditional approaches of Saint Thomas which lead to God who is "autonomous existence," Ipsum esse subsistens. By making subjective consciousness absolute, Descartes moves instead toward pure consciousness of the Absolute, which is pure thought. Such an Absolute is not autonomous existence, but rather autonomous thought. Only that which corresponds to human thought makes sense. The objective truth of this thought is not as important as the fact that something exists in human consciousness.

We find ourselves on the threshold of modern immanentism and subjectivism. Descartes . . . turns his back on metaphysics and concentrates on the philosophy of knowledge. Kant is the most notable representative of this movement.

Though the father of modern rationalism certainly cannot be blamed for the move away from Christianity, it is difficult not to acknowledge that he created the climate in which, in the modern era, such an estrangement became possible. It did not happen right away, but gradually.

Ch. 13: Here the [Vatican II] Council document [Nostrae Aetate] brings us to the Far East—first of all to Asia, a continent where the Church's missionary activity . . . has borne, we must recognize, very modest fruit. . . .

Even if faith in Christ reaches hearts and minds, the negative connotations associated with the image of life in Western society (the so-called Christian society) present a considerable obstacle to the acceptance of the Gospel. Mahatma Gandhi, Indian and Hindu, pointed this out many times, in his deeply evangelical manner. He was disillusioned with the ways in which Christianity was expressed in the political and social life of nations. Could a man who fought for the liberation of his great nation from colonial dependence accept Christianity in the same form as it had been imposed on his country by those same colonial powers?

Ch. 14: Christian mysticism in every age up to our own including the mysticism of marvelous men of action like Vincent de Paul, John Bosco, Maximilian Kolbe—has built up and continues to build up Christianity in its most essential element. It also builds up the Church as a community of faith, hope, and charity. It builds up civilization, particularly "Western civilization," which is marked by a positive approach to the world, and which developed thanks to the achievements of science and technology, two branches of knowledge rooted both in the ancient Greek philosophical tradition and in Judeo-Christian Revelation. The truth about God the Creator of the world and about Christ the Redeemer is a powerful force which inspires a positive attitude toward creation and provides a constant impetus to strive for its transformation and perfection. . . .

A separate issue is the return of ancient gnostic ideas under the guise of the so-called New Age. We cannot delude ourselves that this will lead toward a renewal of religion. It is only a new way of practicing gnosticism—that attitude of the spirit that, in the name of a profound knowledge of God, results in distorting His Word and replacing it with purely human words. Gnosticism never completely abandoned the realm of Christianity. Instead, it has always existed side by side with Christianity, sometimes taking the shape of a philosophical movement, but more often assuming the characteristics of a religion or para-religion in distinct, if not declared, conflict with all that is essentially Christian.

Ch. 15: . . . [T]he religiosity of Muslims deserves respect. It is impossible not to admire, for example, their fidelity to prayer. The image of believers in Allah who, without caring about time or place, fall to their knees and immerse themselves in prayer remains a model for all those who invoke the true God, in particular for those Christians who, having deserted their magnificent cathedrals, pray only a little or not at all.

Ch. 20: By your question you confirm that in the fall of Communism the action of God has become almost visible in the history of our century. We must be wary of oversimplification. What we refer to as Communism has its own history. It is the history of protest in the face of injustice, as I recalled in the encyclical Laborem Exercens—a protest on the part of the great world of workers, which then became an ideology. But this protest has also become part of the teaching of the Church. We need but recall the encyclical Rerum Novarum, from the end of the last century. We add: this teaching is not limited to protest, but throws a far-seeing glance toward the future. In fact, it was Leo XIII who in a certain sense predicted the fall of Communism, a fall which would cost humanity and Europe dearly, since the medicine—he wrote in his encyclical of 1891—could prove more dangerous than the disease itself! The Pope said this with all the seriousness and the authority of the Church's Magisterium.

Ch. 22: . . . Above all else, much prayer is needed, as well as great commitment to the task of profound conversion, which can only be brought about by common prayer and joint efforts on behalf of justice, peace, and the shaping of the temporal order ever more fully in accordance with Christian values, on behalf of everything that the mission of Christians in the world demands.

Ch. 27: The media have conditioned society to listen to what it wants to hear. . . . An even worse situation occurs when theologians, and especially moralists, ally themselves with the media, which obviously pay a great deal of attention to what they have to way when it opposes "sound doctrine." Indeed, when the true doctrine is unpopular, it is not right to seek easy popularity. . .

Naturally, the words of Christ remain true when He warns about those burdens which certain teachers, unwilling themselves to carry them, load upon others. . . . But we have to consider which is the greater burden—the truth, even the most demanding truth, or, instead, an appearance of truth, which creates only the illusion of moral honesty. The encyclical Veritatis Splendor helps us to face this fundamental dilemma which people seem to be recognizing. I think, in fact, that today this dilemma is better understood than in 1968, when Paul VI published the encyclical Humanae Vitae.

Ch. 29: . . . Man cannot be forced to accept the truth. He can be drawn toward the truth only by his own nature, that is, by his own freedom, which commits him to search sincerely for truth and, when he finds it, to adhere to it both in his convictions and in his behavior. . . .

. . . Therefore, the more a good conscience prevails the more people and social groups move away from blind willfulness and endeavor to conform to the objective norms of moral behavior. Nonetheless, it often happens that conscience errs through invincible ignorance, without, for this reason, losing its dignity. But this cannot be said of the man who does very little to search for truth and good, or when through the habit of sin conscience itself becomes almost blind" (Gaudium et Spes 16).

Ch. 30: So the development of my studies centered on man—on the human person—can ultimately be explained by my pastoral concern. And it is precisely from a pastoral point of view that, in Love and Responsibility, I formulated the concept of a personalistic principle. This principle is an attempt to translate the commandment of love into the language of philosophical ethics. The person is a being for whom the only suitable dimension is love. We are just to a person if we love him. This is as true for God as it is for man. Love for a person excludes the possibility of treating him as an object of pleasure. This is a principle of Kantian ethics and constitutes his so-called second imperative. This imperative, however, is negative in character and does not exhaust the entire content of the commandment of love. If Kant so strongly emphasized that the person cannot be treated as an object of pleasure, he did so in order to oppose Anglo-Saxon utilitarianism, and from this point of view, he achieved his goal. Nevertheless, Kant did not fully interpret the commandment of love. In fact, the commandment of love is not limited to excluding all behavior that reduces the person to a mere object of pleasure. It requires more; it requires the affirmation of the person as a person.

# We must defeat what Prince Philip represents, LaRouche tells Croatians

The Croatian weekly Nedjeljna Dalmacija on Nov. 5 published an interview with American economist Lyndon LaRouche on the strategic situation and the war in the Balkans. The interview was arranged by a political analyst and journalist in Zagreb, Srecko Jurdana, a leading figure in the Croatian opposition movement "Libertas." The weekly is printed in Split and is associated with the publishing house which prints the leading Croatian daily Slobodna Dalmacija. It has a wide circulation both in Croatia and in the Croatian and Bosnian communities throughout Europe, especially in Germany. The interview is announced on the front page with a picture of LaRouche under the title "British Pan-Slavic Chess Game," and covers three full pages as the leading story of the week.

Jurdana introduces the interview as "a discussion with the extraordinary American intellectual Lyndon LaRouche, known worldwide for his opposition to the new world order, as the U.N. is trying to establish under the wing of British imperialism." The interview appears at a crucial moment in the political developments in the Balkans, when the Croatian Army, for the first time, is deploying its troops on the side of the Bosnian forces against the Serbian Chetniks of Bosnian Serb leader Radovan Karadzic and Serbian President Slobodan Milosevic. The full text of the interview follows.

Q: What, in your view, is the "Contact Group" (United States, Russia, Britain, Germany, France) trying to achieve through its activities in Bosnia and Croatia? In light of sanctions being lifted against Serbia, and the newly constructed "animosity" between Milosevic and Karadzic, exactly how does the whole strategy develop?

LaRouche: To assess the activities of the "Contact Group," or related matters, it is indispensable to take into account seven intersecting factors which have determined the direction and evolution of the Balkan policies of the United Nations Organization [U.N.O.] and of the members of this so-called "Contact Group" since late 1989, and, more recently, since the beginning of 1993. One cannot explain the process from inside the regional situation on the ground, but only by considering as primary the impact of these seven interacting factors upon all the crucial decisions made respecting developments within that regional situation.

- 1) The intensity of the present world crisis: that is to say, the imminence of either a disintegration of the present global monetary and financial systems, or, in the alternative, action by several leading governments to put the world's present monetary and financial systems into government-conducted bankruptcy reorganization;
- 2) the geopolitical doctrine which has governed all of the Thatcher and Major government's policymaking since the closing months of 1989;
- 3) as a by-product of London's announced geopolitical doctrine of late 1989, London's revival of the 1904-40 "Entente Cordiale" between London and Paris, affecting Balkan and other matters:
- 4) London's effort to destabilize continental Europe through fomenting in Russia a revival of something like the pan-Slav policy which London and Paris used, 1904-14, to draw Russia into a Balkan trap like that of World War I;
- 5) London's continuing attempts to overthrow the present, Clinton government of the United States;
- 6) President Clinton's maneuvering attempts to establish several independent U.S. strategic policy initiatives, through which to outflank and possibly defeat the powerful combination of international forces aligned under London's influence and political direction, and also outflank problematic elements within his own administration;
- 7) The important, disruptive role of sundry Anglophile elements closely allied with Thatcher et al. within the U.S. establishment and government, such as those associated with former President George Bush.

Every action by the members of the "Contact Group" is determined primarily by the impact of those seven factors. In other words, the Balkans becomes, once again, the "cockpit" in which global games are played out, where the territory and inhabitants of the Balkans are bled like gladiators in pagan Rome's imperial arena.

The general pattern of interplay thus far, has been the role of both the U.N.O. and the revived Anglo-French Entente Cordiale as the consistent enemies of Croatia and Bosnia-Hercegovina; the forces of Milosevic and his accomplices are more puppets of London than anything else. These Anglo-French-U.N.O. forces, including the IMF [International Monetary Fund], use their influences in the territories of the

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former Soviet Union and Warsaw Pact to commit Moscow to the assistance of Milosevic, and to make Moscow's "historic pan-Slav interests in the Balkans" a condition of Moscow's willingness to cooperate with the Clinton administration on global issues outside the Balkans.

The most recent visible developments within the "Contact Group" conform to that pattern.

Q: How do you comment on something which is, to some analysts, the contradictory approach of President Clinton: the fact that he discreetly supports Muslims in Bosnia, and yet opposes the idea of lifting the arms embargo against them? In this connection also, Clinton's pressure on Croatia not to launch another liberation war against Serbian occupiers?

LaRouche: Remember, that President Clinton has been consistently and visibly committed to lifting the arms embargo against Bosnia since he was inaugurated President in 1993, up into the most recent round of "Contact Group" negotiations. Only the strongest pressures exerted, in concert, by U.N.O. Secretary General Boutros Boutros-Ghali, by the London-Paris Entente Cordiale, by Moscow, and by Anglophile elements within his own State Department, did Clinton bend to [Russian President Boris] Yeltsin's public threat to open a new "Cold War" against the United States should Clinton insist on lifting the arms embargo from Bosnia.

Clinton left himself only one marginal option: the threat to make direct use of U.S. military force against Serbian aggressors. Whether he intends to use such force, I cannot know, I do know that the threat was intended to deter the Anglo-French and U.N.O. forces. I do not know what the President may have communicated privately to the government of Bosnia on these matters.

It should also be taken into account, that President Clinton would not be backed by any leading European government in taking on the U.N.O., London, Paris, and Moscow simultaneously on this issue at this time. Even large parts of his own government would work to sabotage any effort by the President to do so—at this time. It must be recognized, that although I would have acted differently were I U.S. President, no other actual or prospective head of state in any part of the world, outside the Balkans, would not have reacted as weakly as Clinton, or far worse.

**Q:** Can you define the general political position of President Clinton? Acting under constant British pressures, how effective is he going to be in the future?

**LaRouche:** Since the September 1901 assassination of U.S. President William McKinley, arranged by admirers of then-Vice President Theodore Roosevelt (e.g., Emma Goldman of New York City's Henry Street Settlement House), there have been only five U.S. Presidents who were not totally subordinate to the foreign-policy dictates of the British mon-

archy: William Gamaliel Harding (1920-23), Franklin Roosevelt (1934-45), Dwight Eisenhower (1953-60), John Kennedy (1961-63), and William Clinton. Paralleling former Presidents Franklin Roosevelt and Kennedy, Clinton echoes the world-outlook of the celebrated former Georgetown University Prof. Carroll Quigley, in his own commitment to reversing the British monarchy's 1964-92 control over U.S. economic, monetary, and foreign policy.

The British Crown has a clear understanding of this point. Hence, that British monarchy, and the circles associated with the Thatcher and Major governments, have worked closely with former U.S. President George Bush's faction inside the U.S.A. to attempt to overthrow the Clinton government.

For similar reasons, the British government, which is a deadly enemy of the Middle East peace process, is orchestrating bloodshed in the effort to destroy the peace process there. Clinton and London are virtually at war over peace in Northern Ireland, over Balkan policy, over Clinton's support for [President Nelson] Mandela's role in seeking social peace and cooperation in South Africa, and over Clinton's efforts to create an alternative to the dangerous Thatcher-Bush policy toward post-1989 eastern Europe. The two forces are also at war over the issues of economic policy: London and its partners are committed to increasingly drastic IMF austerity polices; Clinton is seeking to launch projects of economic growth.

Remember, that when the horrors in the Balkans began, this was a mark of the success of the leadership of British Prime Minister Margaret Thatcher and President George Bush. The world is too much under the influence of the mass news-media's synthetic "public opinion" in shaping the use of "effective" and "ineffective" to describe governments and leading political figures. By early 1995, in virtually every part of the world, almost nothing will seem the same as it appeared during mid-1994. The international financial and monetary system will go through a new round of collapse, if not yet general institutional disintegration; the British royal family may be doomed, and the powerful "Club of the Isles," the international oligarchical constituency headed by the queen, will suffer ominous set-backs. If Clinton can continue and strengthen his present course, under those circumstances of crisis, he could emerge as very effective. That is a clear possibility; unfortunately, I would not say that that is a certainty. I can say that the rise or fall of President Clinton's star, will be mirrored by whether my own circumstances and influence improve, or worsen during the next few weeks and months.

Q: Will President Clinton win the next elections, or is Henry Kissinger going to determine their outcome? What are the possibilities for a "new George Bush" in America?

LaRouche: Henry Kissinger was never as powerful as the western news media have often represented him. As he

himself bragged loudly in a May 1982 public address at London's Chatham House, from the early 1950s to the present he was never more than a controlled asset of the British foreign intelligence service. Like a trained dog, he carried in his mouth many messages placed there by London.

Even the myth of Kissinger is no longer what it once was.

As of this time, President Clinton would probably be reelected in 1996. To win, he must contend successfully against one of the major political problems, internationally and in the U.S.A. today: the recent rise of the so-called "neo-conservative" political movement.

These neo-conservatives are a resurgence of that same "Conservative Revolution" which gave the world such assorted products as Adolf Hitler, the Nazi philosopher Martin Heidegger, Friedrich von Hayek's Mont Pelerin Society, and the policies of Lady Margaret Thatcher. George Bush's career as a political candidate has ended; he is attempting to function as a behind-the-curtains power-broker, using candidate puppets which include two of his own sons and his famous international drug-and-weapons trafficker, Oliver North. The popular political base to which the Bush machine is seeking to appeal, is the influence of von Hayek's and Thatcher's co-thinkers within the U.S. electorate at this moment.

Q: Is it possible that London is waiting for the next elections in the U.S.A., in the meantime "freezing" the situation in the Balkans and saving Milosevic in power?

LaRouche: London's principal effort is concentrated on destroying the sovereignty of every existing nation-state on this planet, while transferring political power to the combination of U.N.O. bureaucracy and "pro-environmentalist" portion of the U.N.O.'s non-governmental organizations [NGOs]. The single most concentrated expression of the British monarchy's (and Club of the Isles's) global policy today is the World Wildlife Fund [now the World Wide Fund for Nature] and its numerous offshoots, headed by Prince Philip, the Royal Consort and Duke of Edinburgh. The original draft presented to the recent U.N.O. Population Conference in Cairo is typical of the numerous ventures which London is taking, through channels such as the World Wildlife Fund, to ensure that the sovereignty of nationstates is eliminated, and the world placed under U.N.O. supranational supervision by the time of the November 1996 U.S. general election.

However, in the meantime, Milosevic is a London-created British monarchy asset, shared with Paris, the junior partner in Lady Thatcher's revival of the Entente Cordiale. Milosevic has also the particular significance of being a pawn in Britain's "pan-Slavism" chess-game with her "useful fools" in Moscow.

Q: Exactly how dangerous is the Russian involvement in

the Balkan situation, with respect to the inner situation in Russia?

LaRouche: The best way to assess how dangerous this involvement is, is to examine the history of Europe from 1896 through 1918. When Russia's Minister Count Sergei Witte struck Eurasian economic development agreements with France's Minister Gabriel Hanotaux, Britain moved to organize what became known as World War I. Once the Entente Cordiale with France had been organized between Lord Grey and France's *revanchiste* Théophile Delcassé, over the years 1898-1904, Britain and France together set Russia's silly monarchy on the road to world war, and to the obliteration of that monarchy as well. The detonator of the war, prepared within Greece by the "Young Turk" revolution of the London-directed Saloniki freemasonic lodge, was the Balkan war. The result today would be different, but at least equally disastrous for all Europe.

**Q:** What are your present views on the prospects for global economic collapse, and how is the economy going to determine the general strategic development?

**LaRouche:** There exists today a single, global set of interconnected monetary and financial systems. The global system is now deep into a process of general collapse.

For the coming months, only two possibilities exist. Either some major governments place all of the existing central banking systems and financial markets under the supervision of bankruptcy reorganization, or, if that is not done, the entirety of the global system will disintegrate into what is described in technical language as a reversed-leverage implosion.

It is still a possibility that that disintegration could take place as soon as the end of this year, although I do not predict that. As one alternative, the implosion could occur during the spring months; or, it could erupt some months later. The only thing which I see as certain about the timing, is that either the bankruptcy or the disintegration will occur very soon. This global financial system is doomed, like the Lombard debt-bubble which collapsed during the middle of the 14th century. It is not possible that this system will ever recover in its present form.

The current figures show, that of more than \$1 trillion daily financial turnover on the London market, no more than 3% of the average daily total world financial turnover involves trade; the rest is simply financial speculation. Using technical language, what this figure shows, is that the world's monetary and financial systems have been "de-coupled" from real economy. The relationship of the world's financial systems to the real economy has become like a terminal stage of cancer to the body of the victim.

The causes for this crisis go back to about 1964-66, when certain international circles centered around Prince Philip's World Wildlife Fund launched mass recruiting to their pagan cults of the so-called "rock-drug-sex countercul-

ture," "ecology," and "post-industrial utopia." The influence of this so-called Nietzschean "Age of Aquarius" counterculture caused a shift away from an increase of the standard of living of families, and even the institution of the family itself, into the so-called "post-industrial age."

This collapse was brought upon the world by the intersection of two fundamental changes in policy which began over the 1964-72 period. The first, was a change in economic policy as such, away from capital-intensive, energy-intensive forms of investment in the increase of the physical-productive powers of labor. The second, was a sweeping change in the world's monetary and financial policies.

Beginning with the Wilson government in Britain, and the 1966 policy-shift inside the U.S.A., the rate of real economic growth slowed down over the late 1960s and early 1970s. At least, that is the picture if one measures net investment in infrastructure and production of goods per capita, per household, and per square kilometer. From about 1970-72 onward, using the same measurements, the world economy as a whole began to contract. Since 1972, the increasingly depressive influence of Prince Philip's so-called "ecology movement" upon productivity, combined with the effects of radical changes in financial and monetary institutions, have brought the world to the point of the worst collapse Europe has experienced since the mid-14th century "New Dark Age."

The mid-1971 monetary crisis was used as a pretext for ending the Bretton Woods system of relatively fixed parities. At the Azores conference and, again, at the 1975 Rambouillet IMF conference, a so-called "floating exchange-rate system" replaced the former system of parities tied to a standard price of gold monetary reserves. The manipulation of valuations of national currencies by the highly corrupt London financial market was used to loot national currencies and their economies, creating a self-feeding monetary spiral of national indebtednesses created by such fraudulent devices of market manipulation and IMF complicity. The Londonrigged petroleum-price hoax of 1973-75 and the ensuing speculation in so-called "petrodollars" was superseded by U.S. Federal Reserve System Chairman Paul A. Volcker's October 1979 launching of measures which Volcker had described as "controlled disintegration of the economy." Over the 1979-82 interval, massive "Thatcherite" deregulation of financial markets and institutions plunged the sinking world economy into the greatest orgy of parasitical financial speculation in history.

The great financial bubble now threatening to implode is maintained only by increasing the looting of the real economy. This shrinks the real economy at an accelerating rate, while infusing the super-inflated bubble of financial speculation with ever-greater implosive potential. There is no solution, except to put all of the central banking systems, and all major financial markets into government-regulated financial-bankruptcy reorganization. Without such bank-

ruptcy-reorganization, the world will be plunged into chaos and a New Dark Age early during the months ahead.

Q: As you perhaps know, Croatia itself is living under the very ugly pressures of the IMF, which is now planning to close down 19 of its key factories. Is this "policy" of the IMF typical, and what are its possible consequences?

LaRouche: Such policies are typical of IMF actions to destroy the economies of nations in the developing sector. The calculable and intended effect is to create the conditions for drastic reduction of the living standard and population of Croatia—among other countries targeted by the IMF bureaucracy for the same intended results.

**Q:** How do you see the territory of "former Yugoslavia" in terms of European infrastructure projects?

LaRouche: On page 71 of the Executive Intelligence Review Nachtrichtenagentur's 1990 proposal, "The 'Productive Triangle' Paris-Berlin-Vienna," there is a map of proposed railway lines, including one line leading from Munich through Vienna into Zagreb and into the Middle East. I would prefer that this line through the Balkans be of the magnetic levitation, rather than friction-rail type. There is also the effect of the linking of the Danube to the North Sea (via the Rhine-Main-Danube system) on the development of inland-waterborne freight throughout Southeast Europe. Such expanded and modernized arteries of movement of freight serve as the conduits for building up other essential elements of improved modern infrastructure, such as power systems, creating the setting for modern industrial production and for enhancement of facilities and markets for agricultural products.

Such development is to the advantage of all Europe and of the eastern Mediterranean region, and represents an economic development project of the sort which, like present attempts to establish Arab-Israeli peaceful cooperation, is a part of the measures indispensable for treating the cruel wounds which British geopolitics has brought once again upon the Balkan region.

Q: You have envisioned a stable peace between East and West through the Strategic Defense Initiative project, which was later killed by Henry Kissinger and replaced by the strategy of general destabilization. Now, what are the chances today that this Kissinger strategy grows into World War III, even if in a limited form?

LaRouche: On the Strategic Defense Initiative [SDI] itself, one should emphasize that Kissinger acted solely in his capacity as an asset of London's foreign-policy agency, Chatham House; his actions against me were little more than running errands for his London superiors. For balance, it should be noted that Vice President George Bush's man in the White House, James Baker III, played a key role, in collaboration with Yuri Andropov's Moscow, in the efforts

to prevent President Ronald Reagan from announcing the SDI.

To borrow an image from Charles Dickens's famous English novel Oliver Twist, Kissinger's role is like that of the character named the "Artful Dodger," who runs errands, stealing at the behest of the master-criminal, named "Old Fagin," the latter a role played in today's real life by London's international financier oligarchy. "Old Fagin" is Prince Philip and other powerful oligarchs typified by the "Club of the Isles" backers of the World Wildlife Fund and its offshoots.

We must defeat what Prince Philip and his oligarchic confederates represent; we must overturn the "Aquarian" counterculture, and return to a world based upon investment in the scientific and technological progress. If we fail to do those two things, our planet will have begun its descent into the nightmare of a "New Dark Age" before the close of the century, perhaps the worst "Dark Age" in history. If we fail, then what has already occurred in former Yugoslavia is but the beginning of a form of global warfare which the recently deceased Prof. Friedrich von der Heydte identified in his *Moderne Kleinkrieg* [Modern Irregular Warfare]. That is the kind of warfare, the ugliest imaginable, which would confront us globally if we failed in our present duty to defeat the evil which has been wrought by Prince Philip et al.

We must mobilize men and women of good will from around the world for a global program of large-scale projects of development of basic economic infrastructure. This is the only available means by which an economic renaissance might be set into motion. In a time when existing central banking systems and financial markets are already bankrupt, no economic renaissance is possible without eliminating the presently existing type of monetary and financial system, and replacing it with a system of national-banking systems organized around state credit.

The transition from the parasitical present monetary and financial order, to a sane one, can be accomplished only by putting the existing systems under government-directed bankruptcy reorganization of existing monetary institutions and financial markets. The new credit system must use large-scale infrastructure programs as a way of stimulating the private entrepreneur's economic growth, as vendor to either these infrastructure projects or as supplier of the needs of persons and firms engaged in work on such projects.

In other words, we must rescue the contributions of post-14th-century, modern European Christian civilization from the evil and follies of that decadent, parasitical, usurious international oligarchy presently rallied around the British royal family. If we can muster the courage to do that, the danger of a "New Dark Age" can be avoided. Otherwise, if we fail, it will be because too many of us lack that moral fitness which any culture requires to survive. Therefore, I am optimistic, but also vigilant.

### Interview: Mustafa Effendi Ceric

### 'When you think of Bosnia, think of yourself'

Dr. Mustafa Effendi Ceric, the head of the Islamic community of the Republic of Bosnia-Hercegovina, was interviewed in Los Angeles in October during his tour of the United States presenting the case of Bosnia to the American people. Dr. Ceric, a highly respected religious leader and scholar, is Sheikh Reys Ul-Ulema, the supreme Muslim leader in Bosnia. Dr. Ceric, who gave this interview to David Kilber, afterward expressed his appreciation for the efforts of the Schiller Institute and EIR, which have led the international fight to halt the Serbian war of aggression against Croatia and Bosnia.

An important event in that effort was the "Bonn Declaration," approved by a Schiller Institute conference on June 4-5, 1993 in Bonn, Germany. Over 100 parliamentarians and former government officials from 20 nations endorsed the Schiller Institute call to lift the arms embargo against Bosnia and Croatia. That conference, organized on the theme, "Toward a Durable Peace in Europe," took up the issue of rebuilding the war-torn economies. Among the myriad array of Schiller Institute and EIR initiatives, were two fact-finding delegations to Croatia, one led by the Rev. James Bevel and one led by Amelia Boynton Robinson, which received widespread publicity.

EIR: The British and the Serbs have been attempting to create religious conflict, to turn Bosnia into a religious war. They did not succeed because of the work of the Schiller Institute, the attitude of the Bosnian government, and the strong stand by the Vatican led by the pope, who wanted to come to Sarajevo but whose visit was sabotaged by the United Nations. And we know of the role of British intelligence in fomenting clashes between Croatians and Muslims. In opposition to the recent U.N. population conference in Cairo, we saw a very important strategic alignment forming, involving associates of LaRouche, the Muslim community internationally, and the Catholic Church, which was described in the press here as a Muslim-Christian alliance against the genocidal policies being pushed at Cairo. The Schiller Institute has put forward a proposal for a global development conference for economic development and growth of population. I would like to ask you if you would comment first on the attempts to foment religious war and your reaction to a development conference in opposition to

the Cairo conference.

**Dr. Ceric:** The case of Bosnia is becoming a universal test, a test of our honesty and sincerity in terms of the books written on humanism, on international law, and on interfaith dialogue. What has happened in Bosnia is not religious war. It is a reflection of weakness of spiritual strength of the whole world. If we accept that God is dead, as Nietzsche said, then all laws are broken. If God is dead, then everything is allowed. In Bosnia all the laws are broken. God's laws, man's laws, everything is broken. Who did this? These were broken by the international community, not by Bosnia, in that, once the Serbs saw that no one would act to protect these laws, they broke them one after another.

Where I see this alliance between Muslims, Christians, Jews, and all people who have this consciousness of God, is in the protection we have from paganism. I do not mean the paganism of Greek philosophy and art, etc., but a "new paganism" expressed in homosexuality, drugs, prostitution, freedom for wrong, and protection of crime and criminals.

I, as supreme head of the Muslim community of Bosnia, appeal to all people all over the world, regardless of their religious adherence, Catholics or Orthodox, Christians or Jews. We are facing very difficult times. I am very serious. Bosnia can also come to your house, because the seed of this [Bosnian Serb leader Radovan] Karadzic logic is being planted now and being protected by the international community. So when you think of Bosnia, don't think of us Bosnian Muslims. Think of yourself, because in Bosnia, you are being destroyed, not us. Suppose that Karadzic's ideas succeed. . . . You know that Karadzic said that God is of Serbian nationality. He said that very seriously.

We should ask this question. Is is possible to have human life on the planet without a multi-religious, multi-ethnic alliance? We have answered, as Muslims. We have in the Koran when God said He could have created you to be one nation, but he wanted you to be many nations so that you may compete with each other in good deeds. So as far as we Muslims are concerned, we have no problem of "otherness." We are taught in our religion that there are people who are of different religions. Finally, this alliance is not a sport. In previous times, inter-faith dialogue was a kind of sport. People went to conferences to have good times, to intellectually reflect. Our inter-faith dialogue is becoming a condition for our existence. It becomes a must, because I am afraid of a civilizational confrontation. That is in sight and that will be very dangerous for our existence. We can prevent this by learning once again how to live with our differences. The Serb Chetniks, Karadzic's allies, are trying to destroy this legacy that we have all cherished together for so long. So I see our alliance being in defense of religious values, against this new paganism.

**EIR:** How would you respond to the idea of a development conference?

Dr. Ceric: I think that people of religion must come together and define what religion is right now. Because, so far, who defines religion? Secularists or anti-religious atheists. They say we religious people can't, because we are biased. The result of this is Bosnia. What we see as production comes from our beliefs. Religious people should take the initiative to define the principles of the behavior of the world. [U.N. Secretary General] Boutros Boutros-Ghali—I don't know how he can walk on the street, because he is holding the key to the biggest concentration camp in the history of mankind, which is the city of Sarajevo.

EIR: Many have been rightfully angry at the United States for not doing what is right, even though the Clinton administration had basically the right idea. There was capitulation to pressure from the U.N. bureaucracy and the British not to lift the arms embargo against Bosnia. We know very clearly that it is the British-Bush-Kissinger faction that is trying to undermine Clinton. Is this difference in what Clinton represents, as opposed to the British and Bush crowd, perceived in Bosnia, in the Bosnian leadership, and in the Muslim community?

Dr. Ceric: From the very beginning I was in touch with the American diplomatic representatives, and at that time they were complaining about the British policy toward Bosnia, some of them as individuals. So I think the United States is not very happy with the British policy, on the one hand. But on the other hand, they think that it is a European problem, so that they should not be involved so much. I think Bush did not have enough time to recognize all the consequences and that he was not very informed about Bosnia. He had something else on his mind. But I really expected from Clinton that he would be stronger, given his promises, but somehow he was stopped or slowed down. The result of this is that we have more death, more bloodshed, more orphans, and more destruction of the cities, etc.

So, in the global sense, the Clinton administration must feel guilty for what is happening in Bosnia, and I think it is not right that they justify this guilt because of the British. We are very surprised by the British policy. They are becoming the enemies of the victims, not only for not condemning the Serbs, but they are helping the Serbs finish the job. We hope that the United States will understand that the Bosnian case is not a Bosnian problem. It is becoming a global problem and it is becoming very dangerous if it is not dealt with, with a proper determination, and if we don't recognize that in Bosnia morality is at stake. You cannot claim to be a leader of the world while human rights in Bosnia-Hercegovina are being violated. History will bear witness against you. Ethnic cleansing and genocide are going on now. If you are the leader of the world, you bear the consequences and the responsibilities. Or please don't claim that you're a leader of the world. Claim that you are not and don't talk to me about morality.

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## New insight into the royals' perversity

by Mark Burdman

### Prince Eddy and the Homosexual Underworld

by Theo Aronson John Murray, London, 1994 246 pages, hardbound, £17.99.

It is one of those curious apparent coincidences for which the British Establishment seems to have a knack, that this book would be published now. Whatever author Theo Aronson's exact intention, *Prince Eddy and the Homosexual Underworld* feeds into the atmosphere of perversity, scandal, and decay that hangs around the House of Windsor these days, precisely at the moment that highest-level circles of the Establishment are promoting a frenzy of scandals to bring down a royal house that has outlived its usefulness as the "primate among parasites" for the international oligarchical structure.

The story, in short, centers around "Prince Eddy," the nickname for Prince Albert Victor, the Duke of Clarence and Avondale, who lived from 1864 to 1892. He was the oldest son of the Prince of Wales (later King Edward VII, who ruled from 1901 to 1910) and oldest grandson of Queen Victoria, and therefore ultimately the heir to the throne. As Aronson points out, Eddy is a little-known figure today. Both his father and mother (Princess, later Queen Alexandra) insisted, upon their death, that their private papers be destroyed. Also, various relevant documents of Queen Victoria pertaining to the period of his short life were also destroyed, at her insistence.

Eddy would have been even less known, were it not for the fact that in 1970, a certain Dr. T.E.A. Stowell, writing in the relatively obscure British *Criminologist* journal, charged that Eddy/Clarence had been the infamous Jack the Ripper, the serial killer who savagely murdered a number of London prostitutes in the autumn of 1888. Stowell's account sent shock-waves across Britain then.

Aronson begins by introducting the Stowell charges, and later notes that three other books or essays have been written since 1970, which have claimed that either Eddy was Jack the Ripper or that the murders were done to cover up for chicanery that the heir to the throne was involved in. Aronson sets out to debunk these, as well as Stowell's, theses, but endorses a fifth "Ripper" thesis, the details of which we will come to shortly.

### Protecting 'the heir presumptive'

For Aronson, the "Ripper" stories are a pointer to what he considers to be the real scandal around Eddy, namely, that he was implicated in the notorious "Cleveland Street brothel" affair of 1889. This involved a house on Cleveland Street in London that was used as a "meeting-place," where influentials, including highest levels of the aristocracy, could procure "messenger boys." In the days of primary communication by telegraph, these were the uniformed youth who would carry messages from place to place. According to Aronson, they were boys of choice for upper-crust homosexuals.

Police investigators looking into the doings at the Cleveland Street brothel uncovered evidence that Lord Arthur Somerset was involved. A top figure in the British aristocracy, Somerset was also Superintendent of the Stables and Equerry to the Prince of Wales, Eddy's father. Alarm bells began ringing in royal circles, with frantic efforts to get Somerset out of Britain. Why? According to Aronson, evidence that emerges from Somerset's correspondence of the time, strongly hints that Prince Eddy was a frequent visitor at the Cleveland Street homo brothel.

To track down this story, Aronson has relied on papers, still preserved, in the archives of Reginald Baliol Brett, a.k.a. Lord Esher. Brett/Esher was one of the most powerful figures in Britain in the period from the 1880s through the First World War. He was, as well, a practicing homosexual.

In fact, as Aronson elaborates in the first couple of chapters—with a number of prurient details thrown in to strengthen his case—buggery was a widespread practice among the elites. To one or another degree, such mainstays of the empire as Lord Curzon and Cecil Rhodes were caught up in buggery. One of the nests of homo practices was the Cambridge University's Apostles cult, to which the notorious Lord Bertrand Russell belonged (although Russell always insisted that he stayed away from sodomy).

Aronson's account of the Apostles complements that chapter of the history of the Apostles by British author Richard Deacon, in which Deacon documents how leading Apostles promoted the concept of "the Higher Sodomy," i.e., not only that homosexuality was perfectly justifiable, but that women were to such an extent inferior to men, that sodomic relations were superior to heterosexual ones. John Maynard Keynes, later the founder of the International Monetary Fund, was one of the chief proponents of the "Higher Sodomy" idea.

This all gets us back to the Jack the Ripper matter.

Eddy had attended Cambridge University for some time, and had become intimately involved with friends who were at the center of homosexual promiscuity on and off campus. His private tutor throughout that period, James Stephen, cousin of unstable writer Virginia Woolf (née Stephen) of the Fabian Society's "Bloomsbury" set, was an impassioned woman-hater, and helped guide Eddy in such directions.

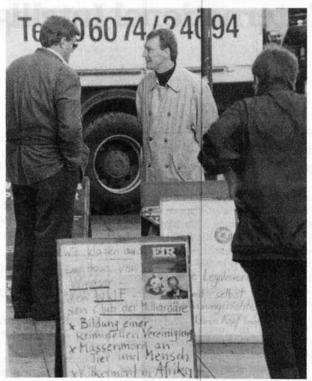
The book that Aronson essentially endorses on the Ripper

### The racist Prince Philip

Since EIR's Oct. 28 publication of its Special Report on "The Coming Fall of the House of Windsor," more evidence has emerged showing the degeneracy of the royal family.

Researchers turned up an article in the London Daily Mail of Dec. 8, 1988, citing Prince Philip's statements of contempt for the human species. A few samples: • On the problems of the Chinese saving endangered species: "I regret to say, they eat almost anything." • During a visit to China in 1986, speaking to a British student: "If you stay much longer, you will go back with slitty eyes." • At a factory in North Wales, where unemployment was 20%: "Everybody talks about the unemployed. We would do much better to talk about the number of people who are employed because there are more of them."

Off-prints of EIR's Special Report may be purchased for \$10, plus \$2.50 shipping and handling (\$.50 each additional copy). Make check payable to: EIR News Service, P.O. Box 17390, Washington, D.C. 20041-0390. Bulk orders available on request. Call (800) 453-4108.



Organizers from the Civil Rights Movement Solidarity in Frankfurt, Germany promote EIR's report on "The Coming Fall of the House of Windsor."

case was written in 1987, entitled The Ripper Legacy, by Martin Howells and Keith Skinner. It maintains that the true identity of Jack the Ripper was one Montague John Druitt, a reported homosexual. Druitt's body was found at the bottom of the Thames at the end of 1888, a suicide or a murder victim. Soon thereafter, the Ripper investigation was closed down. But there was a "conspiracy of silence" around the case of Druitt, with no public reference by the police or anybody else to a link between him and the Ripper. Why? Because any investigation into his background would have led, in Aronson's paraphrase of the Howells-Skinner thesis, "straight into that circle of ambitious, socially prominent and, above all, homosexual members of the Establishment. . . . At the head of this band of 'faithful servants of the Crown and State' stood the future wearer of the Crown and the embodiment of the State—Prince Albert Victor, Heir Presumptive to the throne."

### Boys in the 1890s, cacti in the 1990s

As matters were later to play themselves out, Eddy never became king. He died at the age of 28 in 1892. It might be said that he died conveniently, from the standpoint of the British Establishment. Not only did he seem likely to drag the British elites into an embarrassing scandal, but he was,

by all accounts, an incompetent fool. At the time, 1892, it might have been feared he would soon be king. Victoria was old, having been on the throne for over 50 years, and his father, the Prince of Wales, himself a known dissolute, was not expected to live very long. As it is, because Eddy died, his more "competent" brother, George, was crowned King George V in 1910. He was British monarch at a most vital time, when the British were in the final stages of setting the First World War into motion. If the British were having designs, already in the very early 1890s, of igniting a war in Europe, then Eddy would not have, then, "passed muster" as the future leader of a Britain at war.

Aronson himself denies that there was a conspiracy to eliminate Eddy. But, however this particular matter is resolved, and allowing for the fact that the predicates of the two cases may be broadly different, the story of Prince Eddy must, somehow, make the reader think of Prince Charles today. His preference may be more for the cactus plants that he talks to than for little boys, but he, too, is proving to be a major embarrassment for the British inner elites and their oligarchical friends elsewhere. The main point of contrast is that the British royal house, today, is in a much more parlous state than then, and it wouldn't take much, now, to push the whole crew of royal degenerates over the edge.

### International Intelligence

### Palestinians to get control of holy sites

Jordan's Crown Prince Hassan announced on Nov. 1 that the Palestinians would eventually be given control of the Muslim holy sites in Jerusalem. "In the final status," he said at a press conference, "when responsibility is transferred in full to the Palestinians, this responsibility will be transferred in full to those concerned." Ties between Jordan and the Palestinian National Authority were badly strained by the agreement between Israel and Jordan, signed on Oct. 26, which gave Jordan a special role in Jerusalem.

"We cannot accept that we would one day have to relinquish the Arab and Muslim identity except to an Arab Palestinian identity and . . . not to the Israeli occupier," Hassan said.

Hassan's remarks were welcomed by the Palestinians. "I salute Crown Prince Hassan for his clarification," said Faisal al-Husseini, Palestine Liberation Organization Chairman Yasser Arafat's adviser on Jerusalem.

### Peru launches drive against Shining Path

The Peruvian Army launched a new offensive against the Shining Path terrorists, following the Nov. 1 expiration of President Alberto Fujimori's amnesty offer. As the deadline passed, with hundreds of terrorists still surrendering to government troops, the Army drove deep into jungle areas where units of Shining Path still operate.

The daily Expreso reported on Oct. 31 that there are at least 4,000 Army troops in the regions of the Upper Huallaga, Gran Pajonal, and Oxapampa, as well as the Upper Apurimac and the deltas of the Ene, Tambo, and Perene rivers, to clean out the remaining Shining Path columns from those areas. In the valleys of the Ene, Perene, and Tambo, the goal is to rescue 1,000-5,000 Ashaninka Indians who are still being held prisoner by the narco-terrorists.

Military sources reported that they ex-

pected a final wave of desertions and surrender of Shining Path members right up to the deadline for accepting the government's offer of surrender. Those who didn't accept the amnesty offer, if caught now, will be tried and sentenced. An estimated 5,000 guerrillas responded to the government offer.

### Algeria's FIS denounces cemetery bombings

In a declaration circulated in Europe on Nov. 2, Algeria's Islamic Salvation Front (FIS), the leading opposition group, denounced the bombing that caused the death of five children at the Mostaganem Cemetery on Nov. 1, the 40th anniversary of Algeria's war of independence. The FIS statement characterized the bombing as a "massacre which targeted the tombs of freedom fighters and killed innocent children in an ignoble manner." The FIS statement says that it "denounces and forcefully condemns this ignoble assassination and the perpetrators," and expresses condolences to the families of the victims.

The French press has generally attributed political responsibility for the cemetery bombings to the FIS. The Paris daily *Le Figaro* reported that the re-imprisonment of FIS leaders Madani and Belhadj is likely. Algerian President Zeroual, in a speech on the eve of the bombings, reported the failure of government negotiations with the Islamists, his determination to "eradicate terrorism and violence," and the scheduling of new elections for the end of 1995.

### Britain, Argentina seek to improve ties

The upcoming visit to Argentina by Britain's Prince Andrew, the Duke of York, is "a significant sign of rapidly warming ties between London and Buenos Aires," the London *Times* reported on Nov. 3. "The Duke of York, who flew Sea King helicopters from the aircraft carrier *HMS Invincible* in 1982, will begin his six-day trip to Argentina on Nov. 15, and will unveil a statue of

George Canning outside the British ambassador's residence, to replace one torn down by mobs during the [Malvinas] hostilities."

A statue of Argentine Liberator Gen. José de San Martín was inaugurated on Nov. 2 in London. Attending the ceremony were Foreign Minister Douglas Hurd, Prince Philip, Argentine Sen. Eduardo Menem (the brother of President Carlos Menem), and millionaire Argentine businesswoman Amalia Fortabat. This is the first time that a member of the royal family has attended any ceremony sponsored by Argentina since the 1982 Malvinas War.

The backdrop to this diplomacy is a campaign by several British companies to buy up a number of Argentine public utilities and other companies that are about to be privatized. These include airports, reinsurance companies, the water company in Santa Fe province, and construction projects.

### Bhutto asks France to mediate with India

Pakistani Prime Minister Benazir Bhutto has asked France to mediate in Pakistan's disputes with India over nuclear weapons and Kashmir. Bhutto, in France for four days, told the National Assembly's Foreign Affairs Committee, "I stand ready to sign a treaty for a nuclear-free Asia tomorrow, in this chamber with you as our witnesses, if Prime Minister [P. V. Narasimha] Rao signs for India sitting next to me."

She said she was ready to sign the Nuclear Non-Proliferation Treaty and agree to international inspection, if India also signed.

Pakistan's refusal to sign the treaty has stalled a French plan to supply it with a nuclear plant. Bhutto has told the newspaper *Le Monde* in an interview published to coincide with her visit early in November, that talks on the plant were continuing and she hoped they would be successful.

Bhutto also called on Paris to mediate with India in their dispute over Kashmir: "If the world community wants to defuse the military and technological time bomb in South Asia, let us resolve the core issue," she said. "I urge France to try to convince India to accept the offer of the secretary

general of the United Nations to facilitate the search for a lasting solution to the Kashmir issue. For our part, we have already accepted his offer to mediate."

Bhutto told *Le Monde* that Pakistan, which recently bought three French submarines, was looking at France's Mirage 2000-5, among other jet fighters, to modernize its Air Force.

### Windsors cook up 'Balmoral Scenario'

The House of Windsor is pursuing what British newspapers are calling the "Balmoral Scenario," in an attempt to survive their current crisis. They are reportedly working with elements of John Major's cabinet and parliamentarians who want to keep the monarchy intact, though with modifications.

The "Balmoral Scenario" was cooked up at a meeting between the queen, members of the Royal Council, and envoys of the government and Parliament at Balmoral Castle the last week in October. It reportedly includes the following elements: Charles and Diana don't get divorced for the time being, nor do Andrew and Sarah; Diana keeps the title of crown princess, and the privilege to oversee the education of her two sons; Prince William, the elder son, is made Prince of Wales six years from now, when he becomes 18, and Charles steps down from the succession; Charles is granted the title either of the Duke of Windsor, which was held by Edward VIII after his abdication in 1936, or the Earl of Mountbatten.

### Germany commemorates fall of the Berlin Wall

The German nation celebrated the fifth anniversary of the fall of the Berlin Wall on Nov. 9. In his keynote address at the Berlin Municipal House of Representatives, German Jewish historian Michael Wolffsohn denounced the propaganda line according to which a united Germany would become a "Fourth Reich." That line originated with Margaret Thatcher's British government.

Wolffsohn, a longstanding adversary of the World Jewish Congress group around Edgar Bronfman (see *EIR*, Aug. 19, 1994, p. 50), said that "there would not have been a formal reunification of the [two German] states, had the international community not been convinced that after the Third Reich, no Fourth Reich had emerged nor would ever emerge. . . .

"Immediately after the reunification, many pessimists declared in 1993, that Germany would turn brown in the national election of 1994. They said that the neo-Nazis would enter the parliament with 10% of the votes. The result of the election year of 1994 looks quite different."

Wolffsohn underlined that Germany is not a nation of xenophobics and anti-Semites.

### Pope confronts power of Sicilian Mafia

Pope John Paul II, in a visit to Sicily on Nov. 6, said that "today there is a strong yearning in Sicily to be redeemed and liberated, especially from the power of the Mafia." The pope said this in a message to a delegation of prison inmates who visited him in the residence of Catania's archbishop. On the eve of his trip, the Mafia had issued a warning by putting a lamb with its throat cut on the door of a priest's home in Palermo. A note onthe lambread: "You will end up the same way."

"Those who are responsible for violence and arrogance stained by human blood will have to answer before the justice of God," the pope said.

During a morning mass, the pope had paid tribute to an outspoken anti-Mafia priest killed last year. "I am thinking of Father Giuseppe Puglisi, courageous testimony of the truth of the Gospel," said the pope. Puglisi was the first priest to be killed by the Mafia in the Sicilian capital in 15 years.

Two months after the pope's last visit to Sicily, bombs damaged two churches in Rome, including the Basilica of St. John Lateran, the cathedral of the bishop of Rome, i.e., the pope. Investigators blamed the Mafia for the blasts.

### Briefly

- AUSTRALIA should position itself for the coming collapse of the British monarchy by declaring itself a republic, Australian Prime Minister Paul Keating said. "We know that act is over," he said. "It's just a matter of time when it runs out." He attacked former Australian Prime Minister Menzies as a "supercilious Anglophile."
- CAMBODIA'S Khmer Rouge has murdered three hostages from France, Australia, and Great Britain, according to news reports on Nov. 3. The three had been missing for some time, and efforts were being made by their governments to confirm with the Khmer Rouge that they were being held, when their bodies were discovered. Prince Norodom Sihanouk denounced the killings.
- ◆ AID ORGANIZATIONS are threatening to pull out of Rwanda. Oxfam, Care International, Doctors without Borders, and Save the Children issued a statement in Nairobi and Geneva on Nov. 4, calling on the United Nations to restore security for aid workers and the hundreds of thousands of refugees who are virtual hostages. The charities say that the problem is the worst in the camps around Goma, Zaire, and they blame the troops of the former Rwandan government, calling for the U.N. to disarm the militias.
- THE CROATIAN citizens movement Libertas has issued a call for cancelling the mandate of the U.N. "Contact Group" for the Balkans and of the U.N. Protection Forces (Unprofor), and also for "the emancipation of Croatia from the International Monetary Fund."
- THE ARGENTINE intelligence weekly El Informador Público announced the publication of EIR's Oct. 28 special report on "The Coming Fall of the House of Windsor." The Argentine magazine reported that EIR would be holding a seminar in Buenos Aires on Nov. 16, to present the findings of the special report.

### **EIRDocumentation**

# Venice's war against western civilization

by Webster Tarpley

In EIR's Oct. 28 Special Report, "The Coming Fall of the House of Windsor," Lyndon LaRouche and his colleagues exposed the role of a worldwide oligarchy, the "Club of the Isles" (headed by the royal family of Britain), in perpetrating genocide around the globe. To successfully resolve "the breaking economic and financial crises now gripping the entirety of this planet," as LaRouche put it, we must rid the world of the influence of that oligarchical power.

This crisis, LaRouche said, reflects the close of an approximately 500-year cycle in European history: "The new cycle, which came to the surface during the 15th century, has been determined by the emerging conflict between the two leading forces within European culture during that century.

"On the one side, there were the forces of the Golden Renaissance, centered around such figures as Cardinal Nicolaus of Cusa and the 1439-40 Council of Florence. On the opposing side, was the reemerging power of the Venice-centered European aristocratic and financier oligarchy.... All European history since the 15th century within Europe and globally has been dominated by the cultural conflict between the radiated influence of the Renaissance and the opposing, Venice-launched force of the so-called 'Enlightenment.'"

The following supplies further documentation of that conclusion.

The British royal family of today typifies the Venetian Party, and continues the outlook and methods of an oligarchical faction which can be traced far back into the ancient world. Oligarchism is a principle of irrational domination associated with hereditary oligarchy/nobility and with certain aristocratic priesthoods. At the center of oligarchy is the idea that

certain families are born to rule as an arbitrary elite, while the vast majority of any given population is condemned to oppression, serfdom, or slavery. During most of the past 2,500 years, oligarchs have been identified by their support for the philosophical writings of Aristotle and their rejection of the epistemology of Plato. Aristotle asserted that slavery is a necessary institution, because some are born to rule and others to be ruled. He also reduced the question of human knowledge to the crudest sense certainty and perception of "facts." Aristotle's formalism is a means of killing human creativity, and therefore represents absolute evil. This evil is expressed by the bestialist view of the oligarchs that human beings are the same as animals.

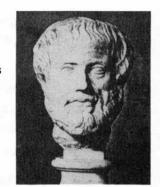
Oligarchs identify wealth purely in money terms, and practice usury, monetarism, and looting at the expense of technological advancement and physical production. Oligarchs have always been associated with the arbitrary rejection of true scientific discovery and scientific method in favor of open anti-science or more subtle obscurantist pseudo-science. The oligarchy has believed for millennia that the earth is overpopulated; the oligarchical commentary on the Trojan War was that this conflict was necessary in order to prevent greater numbers of mankind from oppressing Mother Earth. The oligarchy has constantly stressed race and racial characteristics, often as a means for justifying slavery. In international affairs, oligarchs recommend such methods as geopolitics, understood as the method of "divide and conquer," which lets one power prevail by playing its adversaries one against the other. Oligarchical policy strives to maintain a balance of power among such adversaries for its own benefit, but this attempt always fails in the long run and leads to new wars.

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#### FIGURE 1

### Characteristic features of oligarchy

- Aristotle, sense objects not thought objects
- Bestialism, humanity as beasts
- 'Master race' elite of aristocratic families
- Elite imposes serfdom/ slavery on mass
- 'Multicultural' racism
- Geopolitics, divide and conquer, balance of power
- Usury, monetarism
- Hatred of science and progress
- Myth of overpopulation
- Colonial empire



Aristotle

The essence of oligarchism is summed up in the idea of the empire, in which an elite identifying itself as a master race rules over a degraded mass of slaves or other oppressed victims. If oligarchical methods are allowed to dominate human affairs, they always create a breakdown crisis of civilization, with economic depression, war, famine, plague, and pestilence. Examples of this are the 14th-century Black Plague and the Thirty Years' War (1618-48), both of which were created by Venetian intelligence. The post-industrial society and the derivatives crisis have brought about the potential for a new collapse of civilization in our own time. This crisis can only be reversed by repudiating in practice the axioms of the oligarchical mentality.

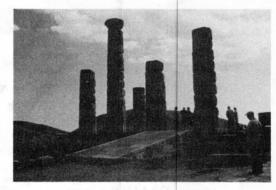
### The 'fondo'

A pillar of the oligarchical system is the family fortune, or *fondo*, as it is called in Italian. The continuity of the family fortune which earns money through usury and looting is often more important than the biological continuity across generations of the family that owns the fortune. In Venice, the largest *fondo* was the endowment of the Basilica of St. Mark, which was closely associated with the Venetian state treasury, and which absorbed the family fortunes of nobles who died without heirs. This *fondo* was administered by the procurers of St. Mark, whose position was one of the most powerful under the Venetian system. Around this central *fondo* were grouped the individual family fortunes of the great oligarchical families, such as the Mocenigo, the Cornaro, the Dandolo, the Contarini, the Morosini, the Zorzi, and the Tron. Until the end of the 18th century, the dozen or

#### FIGURE 2

### Origins of the Venetian Party in the ancient world

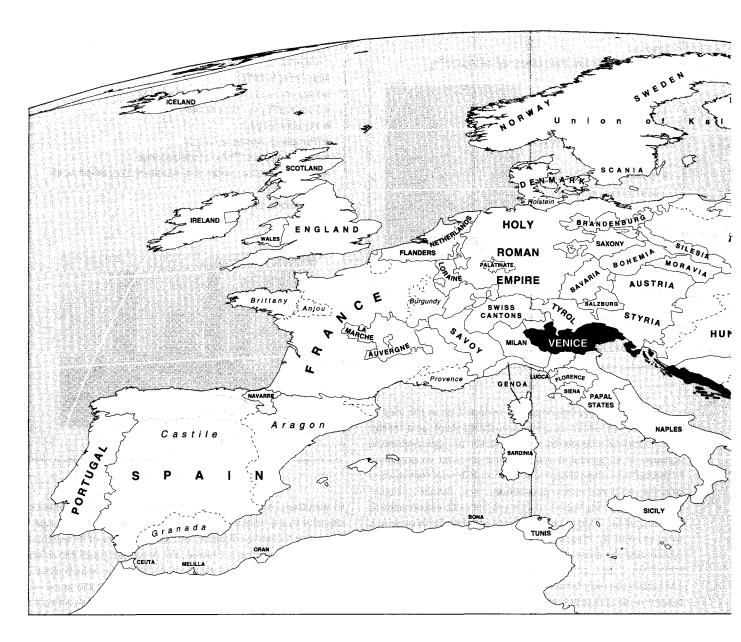
- Babylon and the 'Whore of Babylon'
- Hiram of Tyre, Phoenicians
- Persian Empire
- Temple of Apollo at Delphi
- Isocrates plan: Philip of Macedonia
- Roman Empire; reforms of Aurelian, Diocletian, and Constantine
- Byzantine Empire



The Temple of Apollo at Delphi

so wealthiest Venetian families had holdings comparable or superior to the very wealthiest families anywhere in Europe. When the Venetian oligarchy transferred many of its families and assets to northern Europe, the Venetian *fondi* provided the nucleus of the great Bank of Amsterdam, which dominated Europe during the 17th century, and of the Bank of England, which became the leading bank of the 18th century.

In the pre-Christian world around the Mediterranean, oligarchical political forces included Babylon in Mesopotamia. The "whore of Babylon" condemned in the Apocalypse of St. John the Divine is not a mystical construct, but a very specific power cartel of evil oligarchical families. Other oligarchial centers included Hiram of Tyre and the Phoenicians. The Persian Empire was an oligarchy. In the Greek world, the center of oligarchical banking and intelligence was the Temple of Apollo at Delphi, whose agents included Lycurgus of Sparta and later Aristotle. The Delphic Apollo tried and failed to secure the conquest of Greece by the Persian Empire. Then the Delphic Apollo developed the Isocrates plan, which called for King Philip of Macedonia to conquer Athens and the other great city-states so as to set up an oligarchical empire that would operate as a western version of the Persian Empire. This plan failed when Philip died, and the Platonic Academy of Athens decisively influenced Alexander the



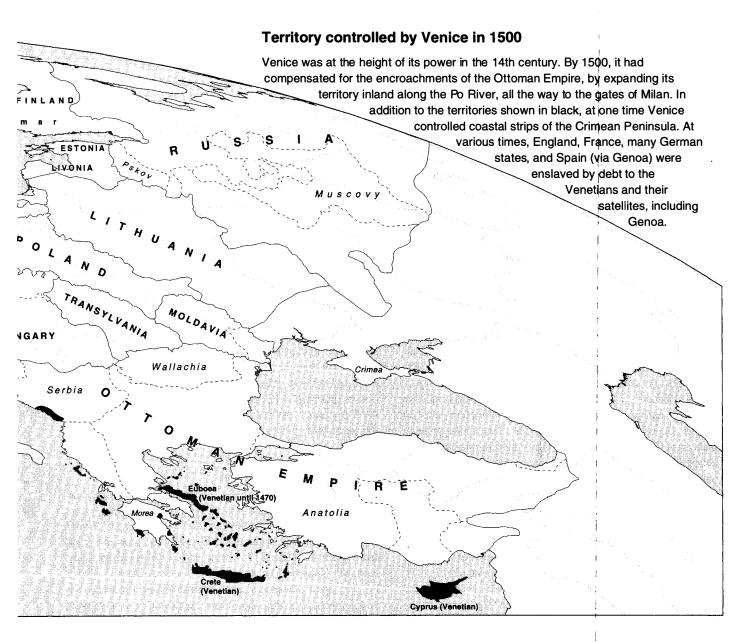
Great, who finally destroyed the Persian Empire before being assassinated by Aristotle. Later, the Delphic Apollo intervened into the wars between Rome and the Etruscan cities to make Rome the key power of Italy and then of the entire Mediterranean.

Rome dominated the Mediterranean by about 200 B.C. There followed a series of civil wars that aimed at deciding where the capital of the new empire would be and who would be the ruling family. These are associated with the Social War, the conflict between Marius and Sulla, the first Triumvirate (Julius Caesar, Pompey the Great, and L. Crassus), and the second Triumvirate (Octavian, Marc Antony, and Lepidus). Marc Antony and Cleopatra wanted the capital of the new empire to be at Alexandria in Egypt. Octavian (Augustus) secured an alliance with the cult of Sol Invictus

Mithra and became emperor, defeating the other contenders. After the series of monsters called the Julian-Claudian emperors (Tiberius, Caligula, Nero, et al.) the empire stagnated between 80 and 180 A.D. under such figures as Hadrian and Trajan. Then, between 180 A.D. and 280 A.D., the empire collapsed. It was reorganized by Aurelian, Diocletian, and Constantine with a series of measures that centered on banning any change in the technology of the means of production, and very heavy taxation. The Diocletian program led to the depopulation of the cities, serfdom for farmers, and the collapse of civilization into a prolonged Dark Age.

The Roman Empire in the West finally collapsed in 476 A.D. But the Roman Empire in the East, sometimes called the Byzantine Empire, continued for almost a thousand years, until 1453. And if the Ottoman Empire is considered

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as the Ottoman dynasty of an ongoing Byzantine Empire, then the Byzantine Empire kept going until shortly after World War I. With certain exceptions, the ruling dynasties of Byzantium continued the oligarchical policy of Diocletian and Constantine.

Venice, the city built on islands in the lagoons and marshes of the northern Adriatic Sea, is supposed to have been founded by refugees from the Italian mainland who were fleeing from Attila the Hun in 452 A.D. Early on, Venice became the location of a Benedictine monastery on the island of St. George Major. St. George is not a Christian saint, but rather a disguise for Apollo, Perseus, and Marduk, idols of the oligarchy. Around 700 A.D., the Venetians claim to have elected their first doge, or duke. This post was not hereditary, but was controlled by an election in which only the nobility

could take part. For this reason, Venice erroneously called itself a republic.

### Venice was never part of western civilization

In the years around 800 A.D., Charlemagne King of the Franks, using the ideas of St. Augustine, attempted to revive civilization from the Dark Ages. Venice was the enemy of Charlemagne. Charlemagne's son, King Pepin of Italy, tried unsuccessfully to conquer the Venetian lagoon. Charlemagne was forced to recognize Venice as a part of the eastern or Byzantine Empire, under the protection of the Emperor Nicephorus. Venice was never a part of western civilization.

Over the next four centuries, Venice developed as a second capital of the Byzantine Empire through marriage alli-

ances with certain Byzantine dynasties and conflicts with the Holy Roman Empire based in Germany. The Venetian economy grew through usury and slavery. By 1082, the Venetians had tax-free trading rights in the entire Byzantine Empire. The Venetians were one of the main factors behind the Crusades against the Muslim power in the eastern Mediterranean. In the Fourth Crusade of 1202 A.D., the Venetians used an army of French feudal knights to capture and loot Constantinople, the Orthodox Christian city which was the capital of the Byzantine Empire. The Venetian doge Enrico Dandolo was declared the lord of one-quarter and one-half of one-quarter of the Byzantine Empire, and the Venetians imposed a short-lived puppet state called the Latin Empire. By this point, Venice had replaced Byzantium as the bearer of the oligarchical heritage of the Roman Empire.

During the 1200s, the Venetians, now at the apex of their military and naval power, set out to create a new Roman Empire with its center at Venice. They expanded into the Greek islands, the Black Sea, and the Italian mainland. They helped to defeat the Hohenstaufen rulers of Germany and Italy. Venetian intelligence assisted Ghengis Khan as he attacked and wiped out powers that had resisted Venice. The Venetians caused the death of the poet and political figure Dante Alighieri, who developed the concept of the modern sovereign nation-state in opposition to the Venetian plans for empire. A series of wars with Genoa led later to the de facto merger of Venice and Genoa. The Venetian bankers, often called Lombards, began to loot many parts of Europe with usurious loans. Henry III of England in the years after 1255 became insolvent after taking huge Lombard loans to finance foreign wars at 120 to 180% interest. These transactions created the basis for the Venetian Party in England. When the Lombard bankers went bankrupt because the English failed to pay, a breakdown crisis of the European economy ensued. This led to a new collapse of European civilization, including the onset of the Black Plague, which depopulated the continent. In the midst of the chaos, the Venetians encouraged their ally Edward III of England to wage war against France in the conflict that became the Hundred Years' War (1339-1453), which hurled France into chaos before St. Joan of Arc defeated the English. This was then followed by the Wars of the Roses in England. As a result of Venetian domination, the 14th century had become a catastrophe for civilization.

#### The basis for the Golden Renaissance

In the midst of the crisis of the 1300s, the friends of Dante and Petrarca laid the basis for the Italian Golden Renaissance, which reached its culmination with Nicolaus of Cusa, Pope Pius II, and the Medici-sponsored Council of Florence of 1439. The Venetians fought the Renaissance with a policy of expansion on the Italian mainland, or *terra ferma*, which brought them to the outskirts of Milan. More fundamentally, the Venetians promoted the pagan philosophy of Aristotle

against the Christian Platonism of the Florentines. The school of the Rialto was an Aristotelian academy where Venetian patricians lectured and studied their favorite philosopher. Authors like Barbaro and Bembo popularized an Aristotelian "humanism." The University of Padua became the great European center for Aristotelian studies.

Venice also encouraged the Ottoman Turks to advance against Constantinople, which was now controlled by the Paleologue dynasty of emperors. When Cusa and his friends succeeded in reuniting the Roman Catholic Church and the Orthodox and other eastern churches at the Council of Florence, the Venetians tried to sabotage this result. The ultimate sabotage was the Ottoman conquest of Constantinople in 1453, which was assisted by Venetian agents and provocateurs. Venice refused to respond to Pope Pius II (Aeneas Silvius Piccolomini) when he called for the recovery of Constantinople.

The program of Cusa, Pius II, Machiavelli, Leonardo da Vinci, and other Italian Renaissance leaders for the creation of powerful national states proved impossible to carry out in Italy. The first nation-state was created in France by King Louis XI during the 1460s and 1470s. The successful nation-building methods of Louis XI compelled attention and imitation in England and Spain. Despite their incessant intrigues, the Venetians were now confronted with large national states whose military power greatly exceeded anything that Venice could mobilize.

### The League of Cambrai

The Venetians tried to use the power of the new nationstates, especially France, to crush Milan and allow further Venetian expansion. But ambassadors for the king of France and the Austrian emperor met at Cambrai in December 1508 and agreed to create a European league for the dismemberment of Venice. The League of Cambrai soon included France, Spain, Germany, the Papacy, Milan, Florence, Savoy, Mantua, Ferrara, and others. At the battle of Agnadello in April 1509, the Venetian mercenaries were defeated by the French, and Venice temporarily lost 800 years of land conquests.

Venetian diplomacy played on the greed of the Genoese Pope Julius II Della Rovere, who was bribed to break up the League of Cambrai. By rapid diplomatic maneuvers, Venice managed to survive, although foreign armies threatened to overrun the lagoons on several occasions, and the city was nearly bankrupt. Venice's long-term outlook was very grim, especially because the Portuguese had opened a route to Asia around the Cape of Good Hope. The Venetians considered building a Suez canal, but decided against it.

One result of the Cambrai crisis was the decision of Venetian intelligence to create the Protestant Reformation. The goal was to divide Europe for one to two centuries in religious wars that would prevent any combination like the League of Cambrai from ever again being assembled against Venice.

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#### FIGURE 3

### Intelligence assets of Pomponazzi, Contarini, Zorzi, 1510-60

- Gli spirituali, Vittoria Colonna
- Spalatin, prime minister of Frederick the Wise of Saxony (Luther's protector)
- Martin Luther
- King Henry VIII of England
- John Calvin of Geneva
- Cecil family, Thomas Cromwell
- Edmund Spenser
- Sir Philip Sydney
- St. Ignatius of Loyola
- Jesuit Order
- Council of Trent
- Index of prohibited books



Gasparo Contarini

The leading figure of the Protestant Reformation, the first Protestant in modern Europe, was Gasparo Contarini. Contarini was a pupil of the Padua Aristotelian Pietro Pomponazzi, who denied the immortality of the human soul. Contarini pioneered the Protestant doctrine of salvation by faith alone, with no regard for good works of charity. Contarini organized a group of Italian Protestants called gli spirituali, including oligarchs like Vittoria Colonna and Giulia Gonzaga. Contarini's networks encouraged and protected Martin Luther and later John Calvin of Geneva. Contarini sent his neighbor and relative Francesco Zorzi to England to support King Henry VIII's plan to divorce Catherine of Aragon. Zorzi acted as Henry's sex counselor. As a result, Henry created the Anglican Church on a Venetian-Byzantine model, and opened a phase of hostility to Spain. Henceforth, the Venetians would use England for attacks on Spain and France. Zorzi created a Rosicrucian-freemasonic party at the English court that later produced writers like Edmund Spenser and Sir Philip Sydney.

Contarini was also the leader of the Catholic Counter-Reformation. He sponsored St. Ignatius of Loyola and secured papal approval for the creation of the Society of Jesus as an official order of the church. Contarini also began the process of organizing the Council of Trent with a letter on church reform that praised Aristotle while condemning Erasmus, the leading Platonist of the day. The Venetians dominated the college of cardinals and created the Index of Prohib-

#### FIGURE 4

### Assets of Ridotto Morosini, Giovani Party, and Paolo Sarpi, 1590-1650

- Galileo Galilei
- Sir Francis Bacon
- Thomas Hobbes
- John Milton
- John Locke
- Christian von Anhalt,
   Christoph von Donha,
   Frederick of the
   Palatinate, Max von
   Thurn und Taxis
   (Defenestration of
   Prague, Winter King,
   and Thirty Years' War)



Galileo Galilei

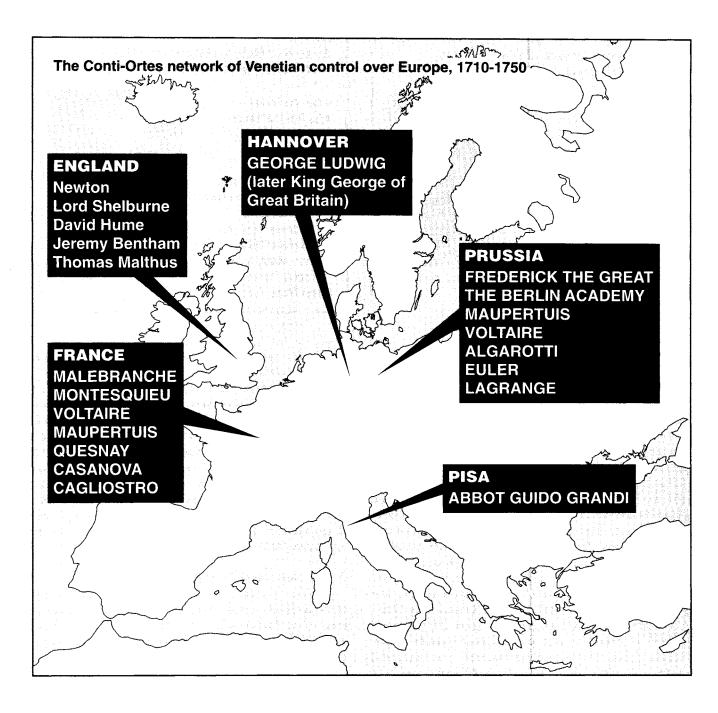
ited Books, which banned works by Dante and Aeneas Silvius Piccolomini (Pope Pius II).

As the Counter-Reformation advanced, the Contarini networks split into two wings. One was the pro-Protestant *spirituali*, who later evolved into the party of the Venetian oligarchy called the *giovani*, and who serviced growing networks in France, Holland, England, and Scotland. On the other wing were the *zelanti*, oriented toward repression and the Inquisition, and typified by Pope Paul IV Caraffa. The *zelanti* evolved into the oligarchical party called the *vecchi*, who serviced Venetian networks in the Vatican and the Hapsburg dominions. The apparent conflict of the two groups was orchestrated to serve Venetian projects.

### A new approach to destroy science

During the decades after 1570, the salon of the Ridotto Morosini family was the focus of heirs of the pro-Protestant wing of the Contarini spirituali networks. These were the giovani, whose networks were strongest in the Atlantic powers of France, England, Holland, and Scotland. The central figure here was the Servite monk Paolo Sarpi, assisted by his deputy, Fulgenzio Micanzio. Sarpi was the main Venetian propagandist in the struggle against the papacy during the time of the papal interdict against Venice in 1606. Sarpi and Micanzio were in close touch with the Stuart court in London, and especially with Sir Francis Bacon and Thomas Hobbes, who got their ideas from Sarpi's Pensieri and Arte di Ben Pensare. Sarpi's agents in Prague, Heidelberg, and Vienna deliberately organized the Thirty Years' War, which killed half the population of Germany and one-third of the population of Europe.

Sarpi also marks a turning point in the methods used by Venetian intelligence to combat science. Under Zorzi and



Contarini, the Venetians had been openly hostile to Cusa and other leading scientists. Sarpi realized that the Venetians must now present themselves as the great champions of science, but on the basis of Aristotelian formalism and sense certainty. By seizing control of the scientific community from the inside, the Venetians could corrupt scientific method and strangle the process of discovery. Sarpi sponsored and directed the career of Galileo Galilei, whom the Venetians used for an empiricist counterattack against the Platonic method of Johannes Kepler.

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### **Growth of the Venetian Party**

During the 1600s, the Venetian *fondi* were transferred north, often to the Bank of Amsterdam, and later to the newly founded Bank of England. During the reign of Bloody Mary, the Stuart period, the civil war in England, the dictatorship of Cromwell, the Stuart Restoration, and the 1688 installation of William of Orange as King of England by the pro-Venetian English oligarchy, the Venetian Party of England grew in power.

During the first half of the 1700s, the most important

activities of Venetian intelligence were directed by a salon called the conversazione filosofica e felice, which centered around the figure of Antonio Schinella Conti. Conti was a Venetian nobleman, originally a follower of Descartes, who lived for a time in Paris, where he was close to Malebranche. Conti went to London where he became a friend of Sir Isaac Newton. Conti directed the operations that made Newton an international celebrity, including especially the creation of a pro-Newton party of French Anglophiles and Anglomaniacs who came to become known as the French Enlightenment. Conti's agents in this effort included Montesquieu and Voltaire. Conti was also active in intrigues against the German philosopher, scientist, and economist Gottfried Wilhelm Leibniz, whom Conti portrayed as a plagiarist of Newton. Conti also influenced Georg Ludwig of Hanover, later King George I of England, against Leibniz.

The Conti conversazione was also sponsored by the Emo and Memmo oligarchical families. Participants included Giammaria Ortes, the Venetian economist who asserted that the carrying capacity of the planet earth could never exceed 3 billion persons. Ortes was a student of the pro-Galileo activist Guido Grandi of Pisa. Ortes applied Newton's method to the so-called social sciences. Ortes denied the possibility of progress or higher standards of living, supported free trade, opposed dirigist economics, and polemicized against the ideas of the American Revolution. The ideas of Conti, Ortes. and their network were brought into Great Britain under the supervision of William Petty, the Earl of Shelburne, who was the de facto doge of the British oligarchy around the time of the American Revolution. The Shelburne stable of writers, including Adam Smith, Jeremy Bentham, Thomas Malthus, James Mill, John Stuart Mill, Charles Darwin, and other exponents of British philosophical radicalism, all take their main ideas from Conti and especially Ortes.

Francesco Algarotti, author of a treatise on Newtonian science for ladies, was another Venetian in the orbit of the Conti *conversazione*. Algarotti was close to Voltaire, and, along with the French scientist Pierre Louis de Maupertuis, he helped form the homosexual harem around British ally Frederick the Great of Prussia. Frederick the Great was Britain's principal continental ally during the Seven Years' War against France, when British victories in India and Canada made them the supreme naval power of the world. The homosexual Frederick made Algarotti his court chamberlain at his palace of Sans Souci.

Maupertuis had become famous when he went to Lapland to measure a degree of the local meridian, and came back claiming that he had confirmed one of Newton's postulates. Frederick made him the president of the Berlin Academy of Sciences. Frederick corresponded with Voltaire all his life; Voltaire lived at Sans Souci and Berlin between 1750 and 1753. Voltaire quarreled with Maupertuis and attacked him in his "Diatribe of Doctor Akakia." The mathematicians Leonhard Euler of Switzerland and Joseph Louis Lagrange

### FIGURE 5 Venetian ideas

- Free trade
- Central banking
- Utilitarianism, the greatest good for the greatest number
- Carrying capacity
- Overpopulation
- Limits to growth
- Small is beautiful
- Multiculturalism
- Empiricism
- Positivism
- Sociology
- Anthropology
- Ethnology
- Eugenics



St. Mark's in Venice

of Turin were also associated with Fredrick's cabal.

The Conti salon directed the activities of Venetian intelligence agent Giacomo Casanova, a protégé of the homosexual Senator Bragadin. Casanova was employed primarily in operations against King Louis XV of France. During the War of the Spanish Succession, the Venetians had helped the British to emerge as a great power at the expense of Holland and Spain. In the War of the Austrian Succession and the Seven Years' War, the Venetians helped the British to defeat the French as a worldwide naval power, ousting them from India and Canada. Later, the Venetian agent Alessandro Cagliostro would destabilize Louis XVI with the Queen's necklace affair of 1785, which, according to Napoleon Bonaparte, represented the opening of the French Revolution.

Venice ceased to exist as an independent state after its conquest by Napoleon in 1797 and the Austrian takeover of the lagoon under the Treaty of Campo Formio. But the influence of the Venetian oligarchy over culture and politics has remained immense. From 1945 to about 1968, one of the most important of these influences was the European Society of Culture (SEC), based in Venice and directed by Umberto Campagnolo. The SEC operated freely in eastern and western Europe and agitated against the nation-state in the name of supernational values. The SEC launched the career of Franz Fanon, author of the Wretched of the Earth, whose ideas form a justification for terrorism. The premier foundation of the world is the Cini Foundation, which provides ideological directives for the far wealthier but junior foundations with names like Ford, Rockefeller, Carnegie, MacArthur, and Volkswagen.

### **PIR National**

# Demagogue North defeated despite Republican sweep

by Nancy Spannaus

The overwhelming victory of the Republican Party in the U.S. midterm elections on Nov. 8 reflects an ugly, reactionary mood in America which is currently being mobilized around a fascist political agenda. That agenda, as defined by incoming House Speaker Newt Gingrich (R-Ga.) and Sen. Phil Gramm (R-Tex.), is a free-market nightmare modeled on Thatcherism, and committed to sacrificing whole sections of the American population on the altar of "less government," the "balanced budget," and anti-foreigner sentiment.

But, despite the fact that the Republicans now have a majority of eight seats in the Senate and of more than 15 in the House, there is no assurance that such an agenda will sail through the legislative process. To do so, Republicans would have to savage the very constituencies who thought that they were electing people who would help them out, and, when the euphoria passes, some of them are going to realize this. In addition, they are going to be confronted in a nationwide campaign led by Lyndon LaRouche, with the fact that the Gingrich "Contract with America" is a product of the fascist economics of Friedrich von Hayek and Milton Friedman.

The credibility of LaRouche and his political associates is greatly enhanced right now, because they played the critical role in the defeat of the most famous Republican challenger in the election, Oliver North. North's defeat by Democrat Charles Robb couldn't have been accomplished without the efforts of the LaRouche-backed Defeat that Son-of-a-Bush Committee, which provided the critical ammunition and political environment for North to be smashed.

#### A Thatcherite agenda

It should not be assumed that the electorate in the Nov. 8 election knew what it was "for"; it mostly reflected an angry rejection of the status quo. Some 54% of the registered voters (133 million Americans out of a potential voting age population of 190 million) turned out to vote out many incumbent Democrats, who had become a target of their rage. The ugly mood was most visible in the vote for the anti-immigration measures in California (see p. 70) and in the votes for Republicans who promised massive tax cuts at the expense of the poor and disadvantaged, and a more bloodthirsty approach to corrections and executions.

But the vocal leadership of the House (Gingrich) and the Senate (Gramm) have chosen to define the vote as a mandate for their "Contract with America." Gingrich, who has received aid from Thatcherite Tories both in this election and in 1992, has an explicit anti-government agenda. Gramm, a self-proclaimed free-trade economist and author of the Gramm-Rudman Balanced Budget Amendment of the Reagan years, gave a press conference on Nov. 9 in which he emphasized the need to get the "40 million people who are riding the wagon to get out and help the rest of us pull it." Presumably this meant cutting off social programs and entitlements, as well as Aid to Dependent Children, which does not reach anywhere near that many people.

The "Contract with America" is a combination of populist government reforms—such as term limits, applying the same laws to Congress as to other citizens, and restrictions on government size—and draconian fiscal and social measures. The first priority, Gramm and others have asserted, is a Balanced Budget Amendment to the Constitution. This amendment would result in murderous cuts for large sections of the populace, and would outlaw the Hamilton national banking reforms which are essential for restoring U.S. national sovereignty and economic health.

At his press conference the day after the election, Presi-

dent Clinton indicated that he would try to work with the new Republican majority, but that he would not return to the policies of the 1980s. "A lot has changed since yesterday," said the President, "but what hasn't changed is the reason I was sent here and the reason members of the Congress will be sent here: to restore the American dream and to make this country work, this government work, this city work for the interests of ordinary Americans again."

### The North exception

There were four prominent exceptions to the Republican sweep: 1) the victory of longtime liberal Ted Kennedy; 2) the defeat of Republican Jeb Bush for governor of Florida; 3) the victory of Democrat Diane Feinstein over Michael Huffington in California; and 4) the defeat of multi-millionaire demagogue Oliver North in Virginia.

The defeat of North was by far the most dramatic, and deserves extensive analysis, especially since the method by which it was accomplished provides a model for defeating the nationwide fascist program of ideologues like Gramm. North spent \$20 million on advertising, direct mail, and other things. He also enjoyed the benefit of the political machine provided by Pat Robertson's misnamed Christian Coalition and by Jerry Falwell, both of whom have their headquarters in Virginia.

North was also aided by the fact that his major opponent, incumbent Charles Robb, had been tarred by personal scandals, and that the Democratic Party mounted a lackluster campaign at best during most of the election season.

But, despite his predictions up to the very last minute that he would win by 3% on the basis of the rural-suburban vote, North was defeated by 3%. Robb won 46%, North 43%, and independent Republican Marshall Coleman won 11%, making it the most expensive *loss* in U.S. history as well. The question everyone is asking is, how did it happen.

#### **How North was defeated**

There is no question but that the Virginia Senate race became the hottest election in the country. At least two-thirds of registered voters turned out, as compared with 54% elsewhere. There was a massive turnout of African-Americans for Robb, on the heels of former Gov. Douglas Wilder's endorsement and campaigning for his former rival. At the last moment, the Democratic Party activated a get-out-the-vote apparatus which had been invisible earlier in the campaign. North was also hurt by the Coleman candidacy, the attack by Nancy Reagan, and other disaffections in the Republican Party.

But North's defeat would have been impossible without the high-profile organizing efforts of the Defeat that Son-ofa-Bush Committee, led by this author. Up until three weeks before the election, the SOB Committee had the only aggressive campaign against North, both on the airwaves and on the ground. Anyone who wanted to organize around the criminality of the former National Security Council aide and Bush lackey, had to depend upon the material put out by the SOB Committee. Activist networks were buzzing with the well-documented expose of North's drug-running, among other crimes, long before it broke in the Virginia Pilot and the Washington Post.

The SOB Committee, which spent no more than \$150,000 over the 17 weeks of its existence, knew that it couldn't defeat North on its own, but set out to create a controlled environment in which North would help destroy himself. This began to work about six weeks before the election. On Sept. 29, the SOB Committee put out its first of three, half-million leaflet runs against North, highlighting the drug issue, and blitzing northern Virginia. On Oct. 4, North began to fumble in public, starting with a high school appearance where he denied lying to Congress, although he had admitted to such lying before.

North's "misstatements" escalated from there on. Soon afterwards, his handlers began to hide him from the public, and from his supporters. The candidate was becoming paranoid about what he might be asked, and what he might let slip.

The Defeat that SOB Committee escalated, and found ready collaborators. Leading members of Senator Robb's African-American machine began to distribute SOB literature en masse, as did labor leaders who knew full well what a threat to family values and living standards North represented. Dozens of union leaders are known to have distributed large numbers of pamphlets and leaflets in the Tidewater area, in the Lynchburg-Roanoke area, and further south. Democratic activists in northern Virginia were also catalyzed into action in the environment created by the SOB radio and leaflet blitzes.

In addition, the SOB Committee carried out a direct intervention into the heart of what the Robb campaign had written off as "Ollie country"—Virginia Beach, Chesapeake, Lynchburg, and the suburbs of Richmond. Volunteers distributed exposés on Ollie directly to more than 15,000 homes in Virginia Beach, where Robertson's broadcasting company is located. Soundtrucks, radio ads, and distributions of literature also saturated nearby Chesapeake, home of the Christian Coalition, and other cities in Tidewater.

The final blow to North's campaign came with his slip on "voluntarizing" Social Security, which was the subject of the last mass leaflet by the SOB Committee. That leaflet pinned North as a devotee of the Phil Gramm school of free trade that will ravage the weak in our society, and dismantle the moral commitments of our government. North is like Hitler, the leaflet charged, using the "little man" to get in power and then discarding those he can't use.

North was defeated for now, but the outlook and movement which he represents is a live threat. If it is exposed as the fascist program it is, however, it is to be hoped that the entire American people will join Virginians in rejecting it.

# Californians vote up fascist anti-immigration measure

by Kathleen Klenetsky and Carl Osgood

In a fit of xenophobic rage fostered in part by the collapse of the California economy over the past five years, voters in that state approved a draconian anti-immigration measure on Nov. 8 that only the deluded could believe will actually improve California's miserable economic plight.

Passage of the controversial initiative, Proposition 187, will almost certainly feed into the incipient nationwide hysteria surrounding the immigration issue, and lead to passage of other restrictive legislation on the national level.

Passage of the initiative signifies the emergence of fascist proclivities among the American population, said economist Lyndon LaRouche during his weekly "EIR Talks" radio interview on Nov. 9. "You have, in Proposition 187 in California, an example of a fascist victory in the state of California" similar in mentality to the Ollie North campaign, he stressed.

Commenting on the overall results of the Nov. 8 elections, LaRouche warned that "the mood in the American electorate is comparable today to something that occurred in the German population in particular in the early 1920s, the kind of development which led to the rise of Hitler's Nazis, along with a whole array of people who were part of what was called the 'Conservative Revolution,' " which has become manifest more recently "through the rise of Thatcherism in Britain in the 1980s, in the influence of the professedly neo-conservative or Conservative Revolution instrument of Friedrich von Hayek, the Mont Pelerin Society, and the ideas of people like Milton Friedman or Phil Gramm, the senator from Texas. . . . These people are essentially what we called back in the 1920s and 1930s, fascists."

Proposition 187 typifies the kind of "fascist 'lifeboat' cannibalistic economics" which these Conservative Revolution types are attempting to foster within the American population, LaRouche said.

### Recipe for disaster

Heavily promoted by incumbent Gov. Pete Wilson (R), who opportunistically seized on growing anti-immigration sentiment to shore up his own faltering reelection campaign, Proposition 187, dubbed the Save Our State initiative by its

sponsors, won by a hefty margin of 59% to 41%.

The initiative would apply sweeping controls over illegal immigrants in California. Under its key provisions, illegal immigrants would be barred from the public schools; prohibited from receiving medical services, except in dire emergencies; and denied all other forms of social services, such as food stamps.

State and local workers—teachers, for example—would be turned into an army of snitches, required to report suspected illegals to the federal Immigration and Naturalization Service (INS) and to the California state Attorney General.

Although passage of the initiative had seemed assured earlier this fall, when polls showed over 60% of the California electorate behind it, support had recently begun to wane, as civil rights, religious, educational, public health, and other organizations waged an aggressive campaign to educate the public on the actual implications of the measure.

These organizations warned that Proposition 187 would create much larger problems than it was supposed to solve. With illegals banned from the public schools, there would undoubtedly be a further proliferation of gangs and street crime. With illegals refused medical services, the possibility of a major public health threat—epidemics of measles or deadlier diseases—would become far more likely.

In the weeks leading up to the Nov. 8 elections, a number of prominent out-of-state political leaders reinforced this message. President Bill Clinton came out strongly against Proposition 187 while on a campaign swing through California on behalf of Democratic gubernatorial candidate Kathleen Brown and Democratic Senate candidate Dianne Feinstein, both of whom opposed the initiative.

Clinton told a rally in Oakland on Nov. 5 that the measure "says that the adults of this country and the authorities are not able to keep illegal immigrants out of California, we will punish their children. . . . It says, close the health clinics to them, even if it creates a public health problem for everybody elese. It says, turn the teachers into police officers and kick the kids out into the streets. Let me ask the children here, don't you think we've got enough kids on the street already?"

A few weeks previously, two key Republicans, Jack

Kemp and William Bennett, also denounced the proposal, breaking ranks with fellow GOPer Pete Wilson.

The Mexican government publicly scored Proposition 187. The Ministry for Foreign Relations issued a statement in September stating that the debate over the measure had "racist and xenophobic overtones" and warning that if it were passed, it could adversely affect "commercial and economic relations between our country and the state of California."

Unfortunately, these efforts were not sufficient to overcome the populist rage among Californians, which propelled Proposition 187 to victory.

#### Worse to come

While Proposition 187 will undoubtedly face numerous legal challenges—and all or parts of it may ultimately be tossed out by the courts—there is little question that its triumph in California will translate into further efforts, both on the state and national levels, to impose harsh restrictions on immigration, both legal and illegal.

This is especially the case for Capitol Hill, where an array of anti-immigration legislation was put forward in the last Congress, and where the new, Republican-controlled House and Senate will almost surely read the Proposition 187 outcome as a mandate for federal action.

The stage for such efforts has already been set by the bipartisan Commission on Immigration Reform, which was established by Congress several years ago to overhaul U.S. immigration policy. The commission, headed by former Democratic Rep. Barbara Jordan of Texas, issued a preliminary report on Sept. 30 which made several proposals for cutting down on illegal immigration which, while not quite as horrific as Proposition 187, tend in its direction.

Perhaps most controversial was the commission's proposal to establish a national computerized registry of all persons eligible to work in the United States. Under this system, an employer would have to check with a national computerized database to verify whether a potential jobseeker was listed. The job-seeker would also have to produce some form of identification to qualify.

"That proposal would require every employer to obtain federal government approval before job applicants could be hired," warned George E. Bushnell, Jr., president of the American Bar Association. "The registry would involve the development of national data files on every citizen and legal resident."

Congressional Hispanic Caucus chairman Rep. José E. Serrano (D-N.Y.) characterized the proposed program as "a first step to an inevitable nationwide Big Brother ID system. . . . It would unquestionably lead to discrimination against those who look or sound foreign."

Another commission proposal, and one which bears an uncomfortably close resemblance to Proposition 187 (despite the fact that Jordan subsequently attacked the California ballot initiative), recommends that "illegal aliens should not

be eligible for any publicly funded services or assistance except those made available on an emergency basis or for similar compelling reasons to protect public health and safety."

"If a person is here unlawfully, he should be entitled to no benefits," Jordan told the National Press Club on Sept. 30. "Illegal aliens don't have a right to be here. . . . They broke the law to get here. They never intended to become a part of our social community and they are not entitled to benefits."

That such a provision was recommended by the commission is not too surprising, given that former INS official Howard Ezell, who is one of the two main authors of Proposition 187, is also one of the nine members of the Jordan panel.

The Jordan commission report also called for stiffer sanctions against employers who hire illegals, as well as beefedup U.S. border control efforts, including the "use of fences to . . . facilitate enforcement."

## Seriously deluded

Clearly, the United States' declining economic situation is fueling a populist upsurge tending, as LaRouche stressed, toward outright fascism. As the case of California illustrates, immigrants are among the first targets, and demands for blood will mount, unless and until action is taken to reverse the U.S. economic collapse. However, those who have seized on the belief that cracking down on immigration, denying illegal aliens social services, etc., will somehow rescue the U.S. economy, are suffering a serious delusion.

First, as several recent reports have documented, immigrants—including illegal immigrants—give more to the U.S. economy than they receive. In a February 1994 study, the Tomas Rivera Center demonstrated that immigrants make an annual net contribution of \$12 billion to the California economy.

Second, by scapegoating immigrants, Americans avoid coming to terms with the real problems underlying the U.S. economy's nosedive. Cutting off immigration won't revive an economy suffering from 30 years' worth of insufficient capital investment and massive speculative activity. Nor will it ameliorate the conditions existing in Ibero-America and other countries whence many illegals come. Over the past ten years, Mexico has suffered a 50% decline in living standards as a result of the International Monetary Fund's (IMF) austerity "conditionalities."

Rather than resort to the cheap tactic of immigrant bashing, Americans and their political leadership should take on the twin tasks of revising U.S. economic policy, getting rid of the financial derivatives market and other speculative scams which have destroyed our productive base, and scrapping IMF diktats in favor of policies that encourage true economic development and job creation in less developed countries. If this were done, the immigration "crisis' would evaporate.

## Wieczorek campaigned for development in South Dakota election

by Suzanne Rose

While the Nov. 8 congressional election in South Dakota took place amidst voter hysteria over whether video gambling would be returned to the state by a referendum, making it possible to restore savage budget cuts made by the governor when such gambling was declared unconstitutional by a State Supreme Court ruling in July, the independent campaign of Mt. Vernon farmer Ron Wieczorek focused on getting the people of South Dakota to understand and fight for real economic development policies. Standing apart from his two opponents, incumbent Democrat Tim Johnson and Republican Jan Berkhout, Wieczorek made the economy and his association with the policies of Lyndon LaRouche the primary issues in his campaign. Johnson and Berkhout refused to address the imminence of a monetary collapse, the record decline of family farms, which are the mainstay of the South Dakota economy, or the implications of the expected expansion of gambling, which, before the court decision, was the third largest source of state revenue.

Wieczorek's vote total of 10,000, or 4%, was up from the 6,000 votes his campaign received two years ago, and reflected in part a new openness in the media in parts of the state to the economic growth perspective provided by LaRouche, which the campaign represented. On election night, a KDLT news anchor in Sioux Falls interviewed a political science professor from South Dakota University and asked him about the Wieczorek campaign, its association with LaRouche, and Wieczorek's plans for reorganizing the banking system. The response of the professor was that the campaign was a part of the political spectrum. Absent, except in the Sioux Falls paper, the *Argus Leader*, were suggestions that LaRouche or his policies were "extremist," a label which LaRouche's political opponents have used in the past to discredit him.

#### Media blackout broken

Print media and radio in parts of the state were unusually open to the Wieczorek campaign. He gave at least 50 interviews to news media during the last three weeks of the campaign. On several of the radio interviews, the interviewers solicited his extended comments on the potential for a blow-

out of the "derivatives"-based monetary system, and the need for new monetary arrangements which would foster development. Radio interviews which were scheduled for 5-10 minutes, often went on for an hour.

On two extended television spots, one an hour on public television on Oct. 22, and the second a televised debate with his two opponents, Wieczorek made it clear that his aim was to represent in Congress the best interests of his constituents, which he had educated himself to understand by becoming an associate of economist and political leader LaRouche. He said that his first actions in Congress would be to declare a national economic emergency to bring the U.S. monetary system back under the authority of the Constitution, and to move for the exoneration of his friend Lyndon LaRouche.

On the televised debate, Wieczorek struck at the fantasy world inhabited by his opponents. Berkhout, an enthusiastic supporter of the Federal Reserve System, believes that the economy is doing fine, and has in the past supported the legalization of drugs. Johnson says that he believes his job is to represent a consensus or middle ground of the voters of South Dakota. Wieczorek attacked Sen. Phil Gramm (R-Tex.) and the Milton Friedman school of economics, which underlies his opponents' preoccupation with budget cutting and budget balancing. He called for lifting the sanctions on Iraq, and a worldwide reconstruction effort to be financed by a return to Hamiltonian economics. In their concluding remarks, both opponents made clear they were only offering "mainstream" measures. But failing to buck the tide means turning the state over to reliance on gambling revenues and a takeover by organized crime.

## Water projects highlighted

Both the Rapid City Journal and the Brookings newspapers printed lengthy commentaries by the Wieczorek campaign, featuring LaRouche's development orientation. Water is a major issue in this arid state. During the campaign, at a meeting of the Mid Dakota Rural Water Systems Conference, Sen. Tom Daschle (D), a sponsor of a new rural water initiative which is piping treated water from the St. James and Missouri rivers right to rural farms which have been relying on well water, lamented that there is no new funding for water projects in the 1994-95 budget. Wieczorek's literature cited the North American Water and Power Alliance (Nawapa) project as an example of the kind of great infrastructure project which his campaign upholds, a proposal made in the early 1970s to direct water flows from the Yukon River in Canada through a trench in the Rocky Mountains, which would increase flows to states like South Dakota. Wieczorek also called for the completion of the Pic Sloan plan of water management systems along the Missouri River, and attacked the new Army Corps of Engineers plan to alter flows, supposedly to benefit wildlife, recreation, and tourism, at the expense of the productive economy.

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# North's campaign re-opens issue of Contra drug-running

## by Edward Spannaus

One of the unintended consequences of the ill-fated senatorial ambitions of Oliver North has been that, for the first time in seven years, the real issue of the "Contra" side of the Iran-Contra operation has been opened up to public scrutiny.

The issue of the Nicaraguan rebels, the so-called Contras—as *EIR* has reported since the early 1980s—is drugrunning. And behind that, lurks the matter of George Bush's "secret government" apparatus which ran the Iran and Contra covert operations, along with many other operations, some known and some yet unknown. What North's defeated campaign accomplished, was to again put Contra drug-running, North's complicity in it, and the "secret government," into the public spotlight.

Not since 1986-87 has so much public attention been focused on this issue, which was buried by the congressional Iran-Contra investigation and by the Iran-Contra special prosecutor as well.

For example, the voluminous and extremely detailed Final Report of Iran-Contra special prosecutor Lawrence Walsh never deals with the drug issue. Yet, recently declassified files show that his office was in possession of large amounts of evidence on drug smuggling carried out by operatives involved in the Contra supply operation in the early and mid-1980s, but that the evidence and investigative leads were never pursued.

A portion of records from Walsh's office, formally known as the Office of Independent Counsel (OIC), are now available at the National Archives in Washington. The records contain a surprising amount of information on drug-trafficking by pilots and others involved in the Contra resupply operation, an operation being run by North and others under the direction of the office of Vice President George Bush.

The OIC files include additional information on two cases which were publicized in the mid-1980s—those of drug pilots Michael Palmer and Michael Toliver.

### Castillo's leads ignored

The newly disclosed records also confirm the account that former Drug Enforcement Administration (DEA) agent Celerino Castillo gave to *EIR* in September, of his contacts with Walsh's office regarding drug-smuggling by North's Contra supply operation (see *EIR*, Sept. 23, p. 50).

The OIC records, of which Castillo himself was not aware until recently, show that FBI Special Agent Michael Foster went to San Francisco and conducted an extensive interview of Castillo, and that Foster interrogated Castillo concerning many figures involved in the Contra operation, including Donald Gregg, George Bush, and Felix Rodriguez. The FBI "302" record of the interview states that Castillo "believes that North and the Contra resupply operation at Ilopango [air base in El Salvador] were running drugs to raise money for the Contras. Many of the resupply pilots were drug-traffickers."

The records also show that, three days later, DEA officials contacted Craig Gillen, the prosecutor in charge of "continuing investigations" for Walsh, in a not-so-subtle attempt to discourage Walsh's office from pursuing its contact with Castillo.

FBI agent Foster wrote a memo to Gillen on Oct. 10, 1991, in which he reported on his interview, and stated: "Castillo provides a lot of new background information and some significant leads that I think should be pursued." Foster also cautions that they should be "a little skeptical as well," partly because of DEA internal investigations of Castillo.

The OIC files confirm that there was almost no follow-up of Castillo's leads. Foster made some effort to try to bring Castillo's two informants from El Salvador to the United States, but nothing came of it. The only other action reflected in the released records was an interview with Wally Grasheim ("William Brasher" in Castillo's book *Powder Burns: Cocaine, Contras, and the Drug War*), the confederate of North whose house was raided by Salvadoran police in September 1986; massive amounts of illegal weapons and explosives were found. Grasheim handled money, training, and equipment for the Contras.

Six months prior to Castillo's contact with Walsh's office, OIC investigators reviewed four folders of DEA files on Grasheim. A March 28, 1991 memo by Walsh's staff notes that the primary DEA case file "contained the principal DEA-6 reports prepared by SA Celestino [sic] Castillo." The memo also cites another DEA-6 by a second DEA agent with information from a source "claiming to have information regarding involvement by persons working for the Contra rebel forces in narcotics-trafficking."

After hearing about the newly released records, former

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agent Castillo remarked that they disprove the DEA's recent contention that the agency has no reports implicating North's Contra operation in drug-trafficking. Castillo said that the failure of Walsh's office to pursue this information shows the need for a new congressional investigation of the coverup of drug-smuggling by North's operation. Castillo added that a number of agents from DEA and other agencies are willing to testify for such an investigation.

#### The Michael Palmer case

The OIC files contain new information on another case, also involving guns-for-drugs. This is the case of Michael Bernard Palmer, a former Delta Airlines pilot, CIA and DEA informant, head of a billion-dollar drug-smuggling ring, and a recipient of State Department contracts to fly "humanitarian" aid to the Contras.

Some of the Palmer story was told to the "Kerry Committee" (the Senate Foreign Relations subcommittee dealing with terrorism and narcotics) in 1987, and it was briefly described in the 1988 Kerry Report. That report comments that an indictment of Palmer was dropped as "not being in the interests of the United States," and describes this as an instance of U.S. government agencies (State Department, DEA, and Customs) working at cross-purposes with each other.

Much more information about the Palmer case is contained in documents provided to Walsh's office by a convicted partner of Palmer, Justin Adams. Adams, a federal prison inmate, contacted the OIC and spoke to FBI agent Foster on a number of occasions. Foster took Adams seriously enough that he would accept collect calls from him, and Walsh's associate prosecutor Gillen wrote a favorable letter on Adams's behalf for Adams's sentence-reduction hearing.

Adams told FBI agent Foster that he had been set up to "take the fall" for Palmer, and that Palmer had threatened to expose the North operation. Although the local federal prosecutor in Detroit refused to dismiss the indictment against Palmer, it was dismissed by Bush's first Attorney General, Richard Thornburgh.

From the documents (which contain some deletions), it appears that Adams told FBI agent Foster that Felix Rodriguez was coordinating flights in and out of Homestead Air Force Base in Florida, which "took arms to the Contras and drugs back to the United States."

In his summary of a May 8, 1991 telephone interview with Adams, Foster wrote: "Adams believes this is an example of how the U.S. government was sanctioning drug dealing in order to provide aid to the Contras and for other purposes. Adams does not know definitely, but he believes this sanction must have come from up high because [deleted] was a former or current Central Intelligence Agency official who has been publicly identified as being close to Oliver North, Donald Gregg, and George Bush."

It is almost certain that the deleted name is that of Felix

Rodriguez, because Adams called Foster after hearing that Rodriguez was appearing before a grand jury in Washington, and it is well-documented that Rodriguez's operations in support of the Contras were directed out of Bush's office via another former CIA official, Don Gregg.

The OIC files show that a number of references to Palmer and his Vortex Aviation were also found in a computer database search of entries in North's notebooks.

Another interesting feature of the Palmer case, as described in OIC files, is that a number of drug deliveries of marijuana and cocaine were made through Big Bend National Park, on the Texas-Mexico border. (This information is consistent with the role of national parks as "protected areas," as portrayed in *EIR*'s Oct. 28 *Special Report* on "The Coming Fall of the House of Windsor.")

## Walsh's explanation

Contacted by *EIR* on Nov. 6, Walsh explained why his investigation had not taken up the narcotics-trafficking issue. At the time much of this information became available in 1991, Walsh said, "We were trying to direct our investigation inward and upward in the [Reagan-Bush] administration, and not out into the periphery that could be handled equally well by a regular U.S. Attorney."

There are a couple of difficulties with this explanation. First, it has been documented that the White House and Justice Department intervened to block a number of drug investigations being pursued by federal prosecutors in the mid-1980s when those investigations threatened to expose covert operations being run by the White House. Second, once Walsh's investigation was under way, any U.S. Attorney investigating areas which overlapped with Walsh's investigation would have found himself in a thicket of competing jurisdictions and witnesses. As one knowledgeable investigator told *EIR*, a lot of these cases "just fell between the cracks."

#### North was never cleared

In a statement issued on Oct. 25, "in response to inquiries regarding Oliver North," Walsh said that a long-term investigation of drug-trafficking allegations "would have diverted my staff from its investigation of crimes more central to high-ranking government officers. Our principal responsibility was criminal activities by government officials and those working closely with them, rather than personnel in the field who were subject to prosecution by regularly appointed prosecutors. Because of these limitations, it is inappropriate to suggest that our non-action constituted an exoneration of anyone."

The latter comment was clearly a reference to North's frequent claim that he had been "cleared" by Walsh of drugtrafficking allegations, and North's slogan that "I am the most investigated man on this planet." He isn't so far, but that could change, in light of what was stirred up by his election campaign.

# White House rebuffs Harvard drug lobby

by Joyce Fredman and EIR Staff

In an Oct. 20 speech at Framingham High School in Framingham, Massachusetts, President Clinton alluded to two recent studies showing the alarming increase of overall drug use among young people, as well as the dangers of marijuana in particular. Clinton told the students: "Every single scientific study that has been done in the last several years shows alarming increases in the toxicity and the danger of using marijuana, especially to young women, and what might happen to their childbearing capacity in the future.

"All illegal drugs are dangerous. We have to drive down usage again. It has got to be not a good thing to do, not a cool thing to do. It is a stupid thing to do, as well as an illegal thing to do, and I want you to help bring it back down."

The studies Clinton cited were elaborated the same day at a joint press conference given by Dr. Lee Brown, director of the Office of National Drug Control Policy, and Thomas Gleaton, president of PRIDE (Parents' Resource Institute for Drug Education), an Atlanta organization which just completed a survey of 270,000 students.

The PRIDE study concluded: "All types of violent and threatening behaviors shared a common denominator: alcohol and drug use.

"Two-thirds of high school students who carried guns to school smoked marijuana, three times the rate of those who did not carry a gun, and nearly one-third used cocaine, 14.5 times the rate for those who did not carry a gun."

The report added, "Marijuana use by junior high black males (mostly ages 11 to 14) nearly doubled from 1992-93 to 1993-94 (from 7.7% annual use to 13.3%). Use by senior high black males (mostly ages 14 to 18) soared from 19% to 29.1%. For the first time ever, black males in all grades smoked marijuana in greater percentages than their white counterparts. . . . Compared with two years ago, prevalence of marijuana use among all black junior high students (males and females) more than tripled (from 3.2% in 1991-92 to 10.1% in 1993-94); and in senior high it more than doubled (from 9.4% in 1991-92 to 22.4% in 1993-94)."

## Alarming rise in marijuana use

At the news conference, Dr. Brown said that the Marijuana Situation Assessment released by the Office of National Drug Control Policy reinforced what many officials already knew intuitively. Brown's office found "alarming indicators that marijuana is increasing in popularity, particularly among teenagers." Even worse, "the marijuana is at least 10 times more potent than it was 10 years ago."

To quote from the introduction of the Marijuana Situation Assessment report:

"The possibility that marijuana use is on the rise is worrisome. Since marijuana is by far the most widely used illicit drug, small percentage increases in use mean that large numbers of Americans have crossed the line from not breaking the drug laws to breaking them. And although marijuana is not as addictive or toxic as cocaine, its use, especially when heavy, can lead to problems of cognitive, personal, and social functioning. Perhaps the more profound worry about increased marijuana consumption is what it might portend for the use of more dangerous drugs.

"One possibility is that marijuana use is a barometer of public attitudes about illicit drug use, If more people are smoking marijuana, it could reflect increased acceptance of illicit drug use in general. . . . In terms of supply, domestic marijuana production, which seems to account for half or more of U.S. consumption on a potency-adjusted basis, is the chief concern. When valued at retail prices, domestic production is probably worth \$6 to \$7 billion a year."

The administration's statements in October confirmed the emphatic, but underpublicized, rejection by the White House of pressures from the drug decriminalization lobby to run up a white flag to mind-altering drugs simply because the Bush "war on drugs" was run in a way guaranteed to lose.

## Decrim: 'It's not going to happen'

The decriminalization lobby was out in force last May 21, when Harvard Law School hosted its second forum on Crime, Drugs, Health, and Prohibition. The conference publicity said that the earlier forum, in 1992, "featured 16 workshops highlighting the futility of drug prohibition. This conference will include a constructive dialogue from both points of view on the question: Would a public health approach, similar to [that of] European nations, be more effective than the existing criminal justice model?"

The roster of speakers, however, pointed to anything but a debate with "both points of view" presented. It included the Massachusetts Cannabis Reform Coalition; the national director of the National Organization for the Reform of Marijuana Laws (NORML), Richard Cowan; Kevin Zeese, the vice president of the Drug Policy Foundation; Ethan Nadelmann of Princeton University, and Rep. Barney Frank (D-Mass.), all well-known voices in the decriminalization lobby. Steven B. Duke from Yale Law School, author of America's Longest War: Rethinking Our Tragic Crusade Against Drugs, was a major draw.

But the presidential "drug czar," Dr. Lee Brown, decided to take part in the forum because, as he said in a letter, "it

provides an excellent opportunity to clearly state this administration's stance on legalization: "Our number one goal is to reduce the number of drug users in America. Legalization is a formula for self-destruction and this administration is unequivocally opposed to any 'reform' that is certain to increase drug use."

In his keynote speech to the Harvard gathering, Brown refuted some common, albeit "bizarre," "assertions by so-called drug experts about what the drug situation is."

For example, "there is no massive support for legalization. A 1990 Gallup poll showed that 80% of the public thought that legalizing drugs was a bad idea. . . .

"Reflecting the views of the American public, there is no meaningful support within Congress for the legalization of illicit drugs.

"And in fact, policy-level officials who are directly responsible for the drug issue—beginning with the President—oppose legalization. I do, too. . . .

"Another . . . myth is that there are excellent foreign models to show that decriminalization works: The Netherlands and the U.K. are two."

However, he said, "one need only read the international press to realize the degree to which the Dutch have visited upon themselves misery from drug abuse by enacting drug laws that go unenforced, and policies that encourage 'responsible' use rather than discourage any use at all. The Dutch are pleased to say they have remained mostly unscathed by drug use by their own citizens. They cannot say the same of the many thousands of foreign visitors who arrive to buy drugs, steal or panhandle to keep using them, and then ask the Dutch to treat them for addiction.

"And one need only recall the disastrous experience of Great Britain with the controlled distribution of heroin. In the years between 1959 and 1968—according to the 1981 British Medical Journal—the number of heroin addicts in the U.K. doubled every 16 months. The experiment was, of course, terminated. But addiction rates in the U.K. have not subsided.

"At the same time, no one mentions Italy, which permits heroin and other drugs to be used legally, and where the number of heroin addicts—some 350,000, by official estimates—and the level of HIV prevalence—an estimated 70%—are higher than those in any other country in western Europe. I ask myself at times why those who advocate drug policy reform are so quiet about the Italian model. . . .

"To the overwhelming number of Americans, to the Clinton administration, to the American Congress, to American policymakers of this as well as prior administrations, to Americans involved with drug programs across the country, to Americans in drug-blighted communities across the country, legalization is exactly such a solution—neat, plausible, and wrong.

"Speaking for these Americans and for this administration, I can tell you that it's just not going to happen."

## **Book Reviews**

# Robert Evans's story: coverup for satanism

by Michelle Steinberg

## The Kid Stays in the Picture

by Robert Evans Hyperion, New York, 1994 412 pages, hardbound, \$24.95

Pathetic and illiterate, the autobiography of Robert Evans, the legendary corporate executive who saved Paramount Pictures from bankruptcy, liquidation, and oblivion, is a book written in an obscure gangland-style code, in which an embittered man is venting his spleen without being able to do what he really wants—bring down the mighty mobsters who threw him to the wolves.

The "thrilling" beginning is the triumphant party celebrating the New York premier of the Paramount film "The Godfather." The time is 1972, and Evans, the producer, is hosting his alleged two best friends, Henry A. Kissinger, then secretary of state, and the notorious mobster attorney Sidney Korshak, whom he describes repeatedly as his "mentor," his "godfather," his "consigliere for over 20 years," at a gala party at New York's St. Regis Hotel. When Evans, in a fit of egomania, tries to "put it all together" and have Kissinger and Korshak join him, basking in all his glory, at the same table, Korshak grabs his arm in a powerful, threatening grip and growls, "Don't ever bring me and Kissinger together in public. Ever! Now go back to your table . . . schmuck."

## An anecdote with promise

An anecdote with promise. What does godfather Korshak have to hide? Do Korshak and Kissinger get together privately on a regular basis? But Evans never delivers.

For someone who was busted on cocaine, who hocked his multimillion-dollar mansion to pay off mob backers in a film deal gone bad, who was nearly indicted in the cocainesatanic murder of New York impressario Roy Radin, and whose comeback to Paramount resulted in the allegation that he threatened to kill leading lady Sharon Stone (as he had killed three other people), not delivering on the details about Korshak, Kissinger, and Gulf and Western Chief Executive Officer Charlie Bluhdorn (whose backing to buy Paramount parent company Gulf and Western came from a known associate of the late head of "Murder, Inc.," Meyer Lansky) is probably a good idea for "staying in the picture."

There are some humorous elements. For example, who is the more loyal friend to Bobby Evans? Well, Kissinger did get him off one potential cocaine charge—by writing a personal secretary-of-state letter to Dom Mintoff, President (so-called) of the island country of Malta where Paramount was filming "Popeye the Sailorman" (of all things). But when the real cocaine bust of Evans came shortly afterward in New York, godfather, mentor, and guardian angel Korshak was nowhere to be found. Behind the scenes, Evans and his brother Charles (his former partner in the fashion house Evan Piccone) tried to convince New York Sen. Jacob Javits (R) to fix the cocaine case in order to protect Kissinger from embarrassment because of the Malta letter.

Near the end, in 1989, when Evans is out of money, out of Paramount, and out of friends, there are no guardian angels to bail him out of the potential murder-conspiracy charge in the killing of New York impressario Radin, found victim of a satanic-style ritual murder in the desert outside of Los Angeles, just after Evans enlisted his support to bail out the funding for the movie "The Cotton Club."

Take that back. There was one last ally: Bob Shapiro, the same lawyer now in the news every day as one of the defense attorneys for O.J. Simpson. Shapiro, who was assigned to Evans by he-never-says-who, knew a judge in Los Angeles who helped get Evans off the hotseat in the trial of Radin's killers. Shapiro reviewed and approved this book before it was published. It's a coverup for the satanic murder of Radin, just as some believe the O.J. Simpson trial circus is a coverup for Hollywood satanism today.

Evans is no stranger to the subject of satanism. One of his earliest successes was producing "Rosemary's Baby," the film that starred Mia Farrow as the young mother impregnated by Satan. Anton LaVey, the founder of the Church of Satan, was brought in as a consultant to make sure that every occult and satanic detail was accurate. (By the way, LaVey had made an earlier career as an all-purpose towel boy for mobster Bugsy Siegel in Las Vegas before becoming America's most famous Satan-worshipper.)

With "Rosemary's Baby" came Evans's lifelong friend-ship with director Roman Polanski, the husband of movie star Sharon Tate, who was killed by the Manson family in a ritual murder in 1969. It was only by pure luck that Evans, by his own account, had a prior engagement the night that Tate and her friends were murdered. He would have been at the Tate dinner party at Cielo Drive when the Manson zombies invaded that night.

Tate's death did not break up Evans's friendship with Polanski, though. Evans stayed in close contact with Polan-





Evans's caption for this picture: "His new title didn't change his old habits. Now Secretary of State, dear Henry Kissinger still resided at my home whenever he visited Los Angeles. Lucky me!"

ski, almost daily, until Polanski was thrown out of the United States. Polanski's brush with the law involved statutory rape of a 13-year-old girl, an incident which allegedly involved Evans's best friend, actor Jack Nicholson, whom he "discovered."

## A task for a prosecutor

Evans doesn't like details. He doesn't write about them in this book. A biography that does fill in those details would be an interesting task for an enterprising prosecutor.

But one cannot help but be amazed as to how this slime-ball has shaped a generation through his films. They are very well known: "Rosemary's Baby"; "Love Story," starring his one-time wife, Ali Magraw; "The Godfather"; "The Godfather II"; "The Odd Couple"; "Chinatown," and others. The next time you find your emotions dancing to the manipulations of Hollywood's mafia, remember P.T. Barnum's motto: "There's a sucker born every minute."

## **National News**

# Charter schools blocked by Michigan judge

Michigan Circuit Judge William Collette ruled recently to prohibit the state of Michigan from funding charter schools in a suit brought against the state, according to a Nov. 3 article in the Washington Post. Under the Michigan Education Reform Act sponsored by Gov. John Engler, the state was preparing to establish charter schools, which are a small step away from privatization.

Judge Collete ruled that a public school must be under the immediate, exclusive control of the state in order to constitutionally receive state funding, and must be open to all students. The suit alleged that the charter school plan was tantamount to spending state money on private education. Charter schools can be started by any number of institutions or groups and are free of the regulations which govern public schools. They can set their own hours and yearly schedule, and can set their own education agenda.

Massachusetts has approved 15 applications for charter schools, New Mexico 26, California 100.

# Elected reps call for LaRouche's exoneration

The names of over 300 elected and government officials from around the world appeared in an Open Letter to President Clinton on Nov. 4, calling on the President to exonerate Lyndon LaRouche. The letter was published as a full-page ad in the *Washington Post*.

Those signing the ad, purchased by the Schiller Institute, include 103 sitting state legislators from 31 states and eight current MPs in Canada. The European signers included sitting parliamentarians from the European Parliament, Armenia, Austria, Bosnia, France, Hungary, Italy, Poland, San Marino, Slovakia, Switzerland, and Ukraine. Ibero-American countries represented were: Brazil, Colombia, Mexico,

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Panama, Peru, and Venezuela. The call is also endorsed by current parliamentarians from: Algeria, Australia, India, Iraq, Jordan, Malaysia, Niger, Pakistan, Sudan, and Taiwan. Former Presidents of Argentina and of Panama are also endorsers.

In Virginia, five LaRouche associates are serving sentences of up to 77 years as part of the frameup that also jailed LaRouche from 1989 to 1994. The Lynchburg News Advance targeted City Councilman Junius Haskins, who signed the ad, noting that "Haskins' political opponents may use the ad to brand him politically. But Haskins, who was elected to council as an independent, but who is often identified as a Democrat, said his involvement in the ad shouldn't be seen as support for LaRouche. Rather, he said, he sees it as a questioning of the legal process that jailed LaRouche for five years."

The article quotes from the ad, notably the part which states that the government "knew at all relevant times . . . that Lyndon LaRouche and his co-defendants were innocent of the false charges for which they were convicted."

# Vast rise in violent crime termed a myth

According to a front-page article in the *Philadelphia Inquirer* on Oct. 30, the allegation of skyrocketing rates of violent crime in America today—which is driving the neoconservative fear-mongering to build prisons and implement capital punishment—is a myth. The article by David Zucchino, a Pulitzer Prize-winning reporter for the *Inquirer*, was reported in the *Washington Post*.

Zucchino wrote that violent crime has actually decreased between 1973 and the present; what has increased is the use of guns and the number of black youths who are killed. He provided the following statistics:

From 1973 to 1992, aggravated assault and robbery went down 11%; burglary, larceny, and auto theft went down 30%; rape went down 28%; and homicides dropped 9% between 1980 and 1992. By contrast, the homicide rate for black youths between the

ages of 15 and 24 increased, rising from 60 deaths per 100,000 in 1950 to 140 deaths per 100,000 in 1990. The rate for white males has remained steady at close to 20 per 100,000 during the '80s and '90s.

Since the incarceration rate for blacks is more than seven times that of whites, the *Post* account concluded that it is young black males who "have every reason to feel unsafe, whether it is because they face death or incarceration."

# Minnesota fines 'toxic' athletic shoemaker

The Minnesota Pollution Control Agency and the office of Minnesota Attorney General Hubert "Skip" Humphrey have fined California shoe manufacturer L.A. Gear, Inc. \$70,000, because the company did not warn consumers that two types of athletic shoes contain one-half gram of mercury in an electric switch that activates a small light in each shoe, and therefore that the shoes cannot be disposed of as garbage.

Both agencies cited alleged violations of trade, consumer protection, and environmental protection statutes, according to the November-December issue of *Enviroline*. Minnesota law requires such labeling, because any mercury is considered hazardous. As a result of the case, the Minnesota governor signed a law banning the sale of apparel that contains mercury.

# Barr pushes new prison study for neo-cons

The neo-conservative American Legislative Exchange Council held a press conference in Washington, D.C. on Nov. 4, featuring Bush Attorney General William Barr, to plug a new study allegedly proving that rising incarceration rates cuts the rate of crime. The fact that incarceration rates have had no effect on crime has been an embarrassment for the neo-conservatives, who advocate building more prisons—and often as not are tied to those who have financial interests in private prison management companies.

Barr endorses prison privatization, as does the study.

Barr, who co-chaired Virginia's commission to abolish parole (see EIR Feature, Oct. 21), and is now an adviser to the ALEC Foundation, wrote the foreword to "Report Card on Crime and Punishment," which creates a "criminal incarceration rate" to prove, as Barr wrote, that "increasing prison capacity is the single most effective strategy for controlling crime." ALEC's new "criminal incarceration rate" is derived by dividing the number of prisoners by the number of crimes reported in the FBI's annual Crime Index.

Alvin J. Bronstein of the American Civil Liberties Union National Prison Project denounced the study as "voodoo criminology," according to the Richmond Times-Dispatch. Dr. Christopher Baird, of the National Council on Crime and Delinquency, said, "This is one more version of the same overly simplistic type of analysis that has been periodically rehashed since the Reagan administration. It is not research; no serious study of crime would analyze its relationship to punishment without considering other measures of social change."

# **Energy Sec'y O'Leary:** I'm not being replaced

Speaking at a National Electricity Forum in Washington on Nov. 1, Energy Secretary Hazel O'Leary sought to "scotch the rumors" about her being replaced. "I'm not going anywhere," she told over 800 utility industry and regulatory representatives. O'Leary has opposed the Clinton administration's nuclear foreign policy initiatives for North Korea and Ukraine, and has presided over the continued takedown of high-technology civilian energy R&D in the department's budget.

There is no doubt O'Leary has felt some heat because of her approach. A recent issue of the newsletter published by Fusion Power Associates reported that Department of Energy R&D programs have declined fivefold since 1978, and that in response, O'Leary formed a "Task Force on Strategic Energy Research and Development" to carry out a review of DOE programs. Former Depart-

ment of Energy fusion official Steve Dean, who heads Fusion Power Associates, has been appointed to the 31-member task force. He reported that at its first meeting on Oct. 12, members suggested that the DOE needed to see programs through to completion, "rather than ramping programs up and down based on their current political popularity." These have been described as "technologies du jour." The only increase in energy R&D funding under O'Leary's tenure has been for environmental programs.

## Washington celebrates Friedrich Schiller Day

Washington, D.C. Mayor Sharon Pratt Kelly issued the following proclamation on Nov. 8, declaring Nov. 10 Friedrich Schiller Day:

"Whereas, November 10, 1994, marks the 235th anniversary of the birthday of the great German poet, Friedrich Schiller; and

"Whereas, poets are the unacknowledged legislators of the world and the literary works of this universal poet inspired multitudes of people to give their actions in life the direction toward the good; and

"Whereas, the poetry and plays of Friedrich Schiller defended every man's right to seek freedom from oppression and became a rallying symbol for the United States on the eve of the Civil War and were regarded by Union supporters as an expression of universal freedom and the nobility of man; and

"Whereas, Friedrich Schiller's poem 'Ode to Joy,' which reads in part, 'All men shall become brothers,' as set in Beethoven's Ninth Symphony, has emerged as the new international hymn of political freedom; and

"Whereas, the universal truths embodied in the poetry and drama of Friedrich Schiller continue to maintain a precious bond:

"Now, therefore, I, the mayor of the District of Columbia, do hereby proclaim November 10, 1994, 'Friedrich Schiller Day' in Washington, D.C., and call upon all the residents of this city to join me in honoring this universal poet, who continuously strove to uphold the dignity of men with his art."

## Briefly

- THE U.S. AGENCY for International Development is subsidizing a program to pump millions of condoms into Haiti ostensibly to curb AIDS. The program is being operated under the "benevolence" of one Phil Harvey of North Carolina, who runs a mail-order business in "sex toys" and pornographic videos. Harvey is under investigation by the Justice Department:
- JIM WYRICK, the LaRouche Democrat who ran against Republican incumbent Jennifer Dunn in Washington State's 8th Congressional District on Nov. 8, won 33% of the vote. Although Wyrick was the Democratic Party nominee, the local party organization had issued a statement urging Democrats not to vote in the 8th CD race.
- JEB BUSH told ABC interviewer Sam Donaldson, "I love my father so much, I would kill for him," during a "Prime Time Live" interview on Nov. 3.
- MANUEL NORIEGA refuted Oliver North's account of their 1986 meeting, in which North lied that he lectured the Panamanian general on drugs. Noriega, imprisoned since December 1989 in Miami, told CNN, in an interview broadcast on Nov. 4, that North had spread out a map of Nicaragua and pointed to specific targets that he wanted Noriega and the Panamanian military to "sabotage."
- CUYAHOGA County, Ohio, which includes the city of Cleveland, lost \$14.6 million in early November after it sold county-held bonds at a loss to bail out the collapsed county run "SAFE" investment fund. Cuyahoga's new financial advisers think the county may have to lose another \$116 million. The fund invested on behalf of about 90 other government entities.
- AMELIA Boynton Robinson's three-act musical drama, "Through the Years," will be performed in Washington on Nov. 26 by the Schiller Institute. The veteran civil rights activist wrote the play in 1936.

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## Editorial

## Good intentions

The road to hell is paved with good intentions, and some bad ones, too!

After winning the referendum of Proposition 187 in California, which had been closely tied to his reelection bid, Gov. Pete Wilson has already made a move to make schooling and medical care unavailable to illegal aliens. How is his action different from that of the demented South Carolina mother who allegedly drowned her two children, apparently because they were restricting her social life? It is not Pete's own children who may die because they do not receive timely medical treatment—but is it normal for an adult not to reach out to give succour to any child in trouble?

Well, things are different in California, where a majority of voters supported the Wilson child-abuse referendum. We are reminded of how, in the seventeenth century, Jonathan Swift dealt with similar such English policies directed against the Irish. With devastating irony he framed what he called "A Modest Proposal for Preventing the Children of Poor People In Ireland from Being a Burden to Their Parents or Country and for Making Them Beneficial to the Public." This was that Irish babies be featured on the dinner menu, so that the English elite could feast upon their corpses.

The California anti-immigration referendum is truly an abomination, but the situation is not much better for children who were born in the United States. Just look at the situation in the nation's schools. They are essentially being put through the same kind of deliberately engineered decay as an inner city slum in an area later scheduled for gentrification.

Decades-long failure to invest in these schools is now being compounded by an outright rip-off. Just as Michael Millken's junk-bund raiders were allowed to merge and destroy businesses at will, now private corporations are being allowed to take over public schools and strip them of their last remaining assets. Privatization, coupled with the rape of curriculum known as outcome-based education (OBE), is an attempt to deprive all but the most privileged American children of even the shards of an education. By getting

rid of qualified teachers and "dumbing down" the curriculum, these new schools will offer a tidy profit to their private managers. Any parent seriously concerned for his or her child's education will be forced to remove that child from the privatized public school system.

At the time of the American Revolution, the colonies had the most literate population—taken as a whole—of any in the world. An educated citizenry is the premise of the republican form of government. It was a unique feature of the new nation, that every child born on U.S. soil had the right to become a U.S. citizen on reaching the age of 21. But a commitment to quality education for all children depends upon a quality of mind, a level of moral commitment, no longer shared among Americans who voted for Proposition 187, or who could tolerate Oliver North as a legitimate candidate for high office.

It is about time that Americans woke up to the fraud of organizations like the Christian Coalition, which pretends to be Christian while repudiating the fundamental tenet of Christianity—that every man, woman, and child is created in the image of God, and must be treated accordingly. It is long overdue that we remember the basic tenet of the Declaration of Independence—that all men are created equal.

It took a century-long fight and a civil war to turn this battle cry against the British oligarchy and everything for which it stood into the law of the land— South as well as North. Now, 125 years after the Civil War was fought to a victorious conclusion, we stand in mortal danger of allowing George III's heirs to reconquer the United States, under the banner of a Conservative Revolution. Just as, before 1865, it was against Confederate law to educate the children of slaves, so today the citizens of California would have us deny education, medical, and other care to the children of illegal aliens. Proposition 187 is clearly unconstitutional. Worse than that, it is immoral. If the American public as a whole does not repudiate the mentality that allowed its passage, then more and more rapidly the entire fabric of our society will unravel.

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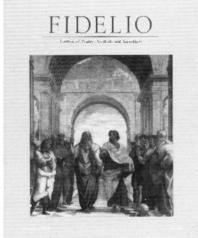
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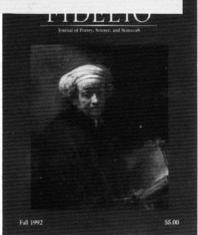
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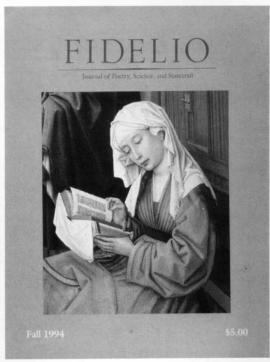
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